

No. 4, May 2023



OPEN REGIONAL FUND FOR SOUTH EAST EUROPE - FOREIGN TRADE Support to regional economic integration

TRADE FACILITATION • THE LIBERALISATION OF TRADE IN SERVICES STRENGTHENING OF THE QUALITY INFRASTRUCTURE SYSTEMS • IMPROVING MARKET ACCESS FOR E-COMMERCE PROVIDERS • IMPROVING MARKET ACCESS FOR START-UPS

INFO





• IN THE FOCUS •

TRADING IN FRUIT AND **VEGETABLES IN CEFTA WILL BECOME EASIER** 





- **EVENTS DECISIONS COOPERATION**
- SUPPORT WESTERN BALKANS CEFTA











# OPEN REGIONAL FUND FOR SOUTH EAST EUROPE - FOREIGN TRADE SUPPORT TO REGIONAL ECONOMIC INTEGRATION INFO

#### **Editorial:**

The ORF FT project supports facilitation of trade between CEFTA economies making trade across the region faster, cheaper and more predictable. Our work focuses on the simplification and harmonization of formalities, procedures, and the related exchange of information and documents between the CEFTA Parties that are necessary to underpin regional economic integration. We have already moved forward on many initiatives and in this new issue of our ORF FT Info you can find the highlights of our activities from the

beginning of the 2023. Have a look at some specific stories from the fields covered by the project.

If you are interested to find more information on our scope of work, please do not hesitate to contact us or visit our website: Support to regional economic integration | CEFTA

We hope you will enjoy reading!

**ORF FT Team** 



• IN THE FOCUS •

# **Trading in fruit and** vegetables in CEFTA will become easier

The project provides continuous support to CEFTA Parties to harmonise procedures and documents regulating intraregional trade in fruit and vegetables, specifically the implementation of the Decision on Facilitating Trade for Fruit and Vegetables. Several important technical agreements have been achieved recently on the implementation of the Decision, at the regional meeting held in Budva, Montenegro.

The Decision facilitates a system of controls for trade within CEFTA economies, and its full implementation enables reduced waiting times at the BCPs, and faster and cost-effective delivery of the products to customers throughout CEFTA. Representatives of the administrations in charge of the food safety and plant health policies from each CEFTA Party showed a high level of common understanding on how to progress towards the effective implementation of the Decision.

The project enabled that through the harmonization of surveillance programmes, for the first time, all the Parties have comprehensive results on pest status in relation to regulated pests of fruit and vegetables. Also, a Common list of fruits and vegetables subject to phytosanitary certificate was agreed. Participants also defined the most efficient approaches for the elaboration of pest-specific contingency plans and reduced frequency for import controls.



The agreements reached are very important to further facilitate the movement of goods across CEFTA with the application of a more targeted, risk-based controls and to minimise or eliminate controls for safe and healthy goods.









#### TRADE FACILITATION

## **Companies in CEFTA economies** work together to improve trade conditions between CEFTA Parties

AEO Association held its first Quarterly Meeting in 2023

Enhanced relationship between customs and the business community in CEFTA economies is one of the primary goals of the trade facilitation reform. The AEO Programme, which aims to enhance international supply chain security and to facilitate trade, is open to all supply chain actors. The AEO concept is based on the Customs-to-Business partnership and makes international trade faster, cheaper, and more efficient.



Companies certified as an Authorized Economic Operators from CEFTA economies and those applying for this prestigious status are combining their efforts and expertise to jointly contribute to a more favourable business environment for all operators in these markets. They joined forces through the regional AEO Association, founded by companies in CEFTA economies, with the support of the European Commission and the German Federal Ministry of Economic Cooperation and Development (BMZ).

Members of the AEO Association often gather to discuss issues and solutions regarding the advancement of the AEO programmes at the regional level. At their first quarterly meeting in 2023, held in Tirana, Albania, representatives of all the member companies showed a great willingness to work on improving the conditions for legitimate trade across the CEFTA markets and to enhance the cooperation with the Customs Administrations and other relevant institutions in the CEFTA economies.

More information on the scope of work of the AEO Association can be found on: https://aeoassociation.com/





#### THE LIBERALISATION OF TRADE IN SERVICES

## Raising awareness on AP6 obligations and opportunities

First meeting on AP6 with public and private sector in Moldova

Additional Protocol 6 to CEFTA (AP6) provides a framework for the removal of restrictions on trade in services and focuses in particular on the restrictions on market access related to discrimination against foreign companies in favour of domestic ones. The project provided consultation meetings in almost all of the CEFTA Parties, with the aim to enhance awareness of the existence, functioning, and implementation of CEFTA's AP6. The meetings were also used to engage with the private sector and to explore AP6's potential benefits for businesses.

Moldova is no exception when it comes to low awareness of the AP6 commitments among the public and private sector. Moldova's recent chairmanship of CEFTA gave the opportunity to work on AP6 promotion and to provide support to the Moldovan government on AP6 ratification. The meetings in Moldova took place in Chisinau and involved technical support from International Trade Center (ITC) consultants.

Consultations were partly dedicated to the financial sector and dialogue with Moldova's Central Bank on financial services. ITC presented the economic policy brief on the economic consequences of AP6's implementation for various sectors, developed for Moldova's Government. The meeting with the private sector was focused on professional services - the auditing and legal sectors, as well as on transportation services. Additionally, participants discussed the topics of the engineering, construction, and architecture, having in mind that these sectors are considered as powerful and remain high on the agenda in all of the CEFTA economies. Furthermore, the draft of the Joint Committee Decision on facilitating tourism services was presented to travel agencies and tour operators. The meeting also, facilitated discussion space for the public institutions and the private sector, with intention to enable interaction and



Discussion with public and private sector in Bosnia and Herzegovina on Decision on facilitating trade in services provided by travel agencies and tour operators

Following a series of regional meetings on the **Decision on** facilitating trade in services, the project organized a bilateral meeting in Sarajevo, Bosnia and Herzegovina, to bring together relevant ministries and institutions potentially responsible explain concepts and solutions deriving from the Decision.

This discussion brought clarifications and better understanding of the Decision, which would certainly ease the later implementation. Encouraged by this positive experience from Bosnia and Herzegovina, the project will organize similar meetings in other CEFTA Parties, with the aim to reach consensus among the Parties before the meeting of for May 31 and June 1, 2023.







#### STRENGTHENING OF THE **QUALITY INFRASTRUCTURE SYSTEMS •**

## Better information exchange among Market Surveillance institutions from the region will speed up the removal of unsafe products from the markets

Quality infrastructure is a crucial element in promoting and sustaining economic development of every economy and a robust quality infrastructure plays an essential role for business, innovation, and trade. Improving the quality infrastructure is a priority in terms of economic development as well as European integration. Structured and systematic information exchange that was agreed among the QI institutions from the region, will enable all CEFTA Parties to remove specific unsafe products from their markets and protect their consumers.

During the meetings held between these institutions, all Parties agreed on joint action to establish and maintain a system aimed at facilitating movement of industrial products across the region and with the EU. In order to strengthen the entire process, they discussed the concept of a regional network of Market Surveillance institutions.

These meetings are the continuation of the project's efforts to provide effective cooperation between the QI institutions in their area of intervention and use the potential of existing expertise to reduce the existing gaps and challenges on non-safe products on CEFTA markets.













#### IMPROVING MARKET ACCESS FOR E-COMMERCE PROVIDERS •

## **Customs and Postal Operators will establish electronic** system for sharing information to accelerate delivery procedures within CEFTA

The rapid growth in the number of e-commerce consignments has not bypassed the Western Balkan region, and this great potential for economic growth must be accompanied by the improvement of the regulatory framework for e - commerce. All CEFTA economies continuously work on the implementation of adopted recommendations that facilitate and speed up customs procedures and deliveries of consignments traded electronically (e-commerce). Customs and Postal Operators of all CEFTA members gathered for the first time on the regional workshop held in Sarajevo and discussed possible simplifications of customs procedures related to e-commerce, showing great desire for improvement.

They agreed on the necessity for establishing electronic sharing of information between Customs and Postal Operators in e-commerce within CEFTA, to accelerate procedures and support the increase in the volume of trade among CEFTA economies.



#### Learning from the EU best practices in e-commerce

In cooperation with the CEFTA Secretariat, a two-day study visit to The Agency for Communication Networks and Services of the Republic of Slovenia (AKOS) and to Post of Slovenia has been organized for the Inter-Party Parcel delivery expert group – bringing together policy makers and postal regulators from the region.

Implementation of the EU acquis related to inter-Party parcel delivery was in the focus of the visit, taking into account that implementation of those rules and regulations serves as a basis for the CEFTA Decision on inter-Party parcel de**livery**. Expert group discussed the future steps and activities in transposing the regulatory and non-regulatory aspects of the CEFTA Decision within the region. Also, during the visit, participants learned from the Post of Slovenia good EU practices to handle significant number of packages in e-commerce on a daily basis.









# Celebration of e-commerce achievements all around the Western Balkans

The project continues to support success stories, innovative trade models in e-commerce and the private sector to address consumers trust in e-commerce. These trends are predicted to be a driving force for the enormous economic and social development of CEFTA economies. The Hot Spot eCommerce Awards, organized by the eCommerce Association of Serbia, and supported by the project, have been organized in January, for the achievements in the previous year. Over 100 renowned companies competed for 22 awards in two categories, and the title of eCommerce Champion was awarded to the courier service DExpress.



As a part of the recognition of achievements for the previous year, the Macedonian E-Commerce Association organized the yearly **E-COMMERCE AWARDS** in Skopje and the project was honored to award the prize for the BEST Online Shop in international trade to Kupikniga.com.





As part of the efforts to support the private sector in developing a more structured public-private dialogue, the panel on e-invoicing & e-fiscalization was organized within the Let's do eCOMMERCE conference by the "eComm" Association in Bosnia and Herzegovina. Powered by the project, the panel provided an insight into the regional practices of using e-invoicing and e-fiscalization as an integral solution that improves e-commerce, both on local markets and in the regional context.







#### IMPROVING MARKET ACCESS FOR START-UPS •

## Learning from successful innovative ecosystems good way to transfer the best practices to the Western Balkans

A delegation of 14 start-up organizations from the Western Balkans had the opportunity to visit the Netherlands from 7-9 March 2023, within the project activities focused on the growth of an innovative ecosystem in the Western Balkans. The Netherlands was chosen for the visit as an exceptional example of a country that created a favourable startup business environment and has great benefits from it. This thriving startup ecosystem has produced a number of successful startups, such as well-known Booking.com or Adyen. The country is now known as a hub for innovation and technology and has attracted significant investments from both domestic and international investors. Within this ecosystem discovery visit, the lessons learned by the Dutch ecosystem were shared from city, regional and national point of view focusing on four common startup ecosystem challenges: access to technology, talent, capital, and markets.

The delegation visited The Next Web (TNW), Science Park Amsterdam, university incubator program ACE and co-working location Startup Village. In the Hague, the Hague Tech and Impact City hosted the delegation at their premises. The members of delegation had the chance to hear from the Dutch Government (Netherlands Enterprise Agency (RVO)) how they create a favourable framework for startups through taxes, subsidized international activities and residence permits for talent, startups and entrepreneurs. The last day of the visit a very valuable session was offered by Innoleaps and Startup Bootcamp. The study visit resulted in very valuable lessons on identifying opportunities, amplifying growth by collaboration and institutionalizing this approach with policy and funding.

Joint efforts of the Western Balkans startups and startup hubs will result in better environment for the ecosystem to thrive

Development of innovative solutions in the region will boost the economy, and cooperation between corporates and startups can make huge benefits for both sectors. In order to be able to present their innovative solutions to the busihubs must be equipped to assist their growth.

Startup hubs from the Western Balkans, which are part of the working groups on corporate engagement and seed funding, gathered in Belgrade to discuss the common challenges they face in their economies. Guided by The Next Web (TNW), the workshop was dedicated to identifying funding mechanisms and investors in the region. In addition to that, the Western Balkan Startup Alliance held their joint meeting in Pristina at the end of the previous year, in order to discuss the forthcoming activities and engagement.

The Western Balkan Startup Alliance is a network of professional hubs that serve local startup communities, develop existing networks of investors, and contribute to building an innovation ecosystem. It continuously works on strengthening the capacities of the hubs operating in the Western Balkans, in order to create a supportive environment for growth and development of startups.

The establishment of the Western Balkans Start-up Alliance is supported by the project. More information on WBSA can be found here: https://www.wbstartupalliance.org



# No. 4, May 2023

### **HIGHLIGHTS** January – May 2023































Published by

Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH

**Registered offices** 

Bonn and Eschborn, Germany

Open Regional Fund - Foreign Trade Giz Office Sarajevo Project

Zmaja od Bosne 7-7a, Importanne Centar 3/IV

Contact T+387 33 957 500 F+387 33 957 501

GIZ-BosnienHerzegovina@giz.de www.giz.de/bosnia-herzegovina

Design/Layout Miodrag Bogdanović, Belgrade

Photo credits @GIZ, @eCommerce Association of Serbia, @Macedonian E-Commerce Association, @eComm Association in Bosnia and Herzegovina

The programme is co-funded by the European Union and the German Federal Ministry for Economic Cooperation and Development (BMZ).

GIZ is responsible for the content of this publication

May 2023, Sarajevo