

## **Executive Summary**

### **Tenth Meeting of the CEFTA Subcommittee on Non-tariff Barriers to Trade and Technical Barriers to Trade**

26 May 2015 Podgorica, Montenegro

The tenth meeting of the Subcommittee on Non-tariff Barriers to Trade and Technical Barriers to Trade was held in Podgorica, on 26 May 2015. The participants to the meeting were representatives from Albania, Bosnia and Herzegovina, Macedonia, Moldova, Montenegro, Serbia and Kosovo\*, together with Mr. David Norris, Designated Project Manager of the Quality Infrastructure Project in Western Balkans, and Ms Tanja Boskovic from the GIZ as the invited guests.

Ms Bojana Todorovic, Assistant Minister of the Ministry of Trade, Tourism and Telecommunication of Serbia, as the Chair of Subcommittee, welcomed the participants. In her opening remarks, Ms Todorovic, reiterated the importance of trade facilitation which has become one of the two main priorities in CEFTA, besides liberalisation of trade in services. The Chair emphasised the fact that the adoption of WTO Trade Facilitation Agreement (TFA) globally increased the importance of trade facilitation as trade facilitation as prescribed by the WTO TFA became a part of the multilateral trade system.

Ms Todorovic underlined that CEFTA Ministers decided to launch for signing an agreement in CEFTA for simplification of border procedures in all clearance stages, including SPS authorities, exchange of data between border agencies and customs authorities. Simplification and exchange of data are the key elements for facilitating trade. In that context the Chair gave a short overview of the meetings scheduled for 26 and 27 May, in particular the importance of the 1<sup>st</sup> negotiation round of Framework Agreement on trade facilitation in CEFTA.

#### **Agenda Item 1: Work Programme of the Subcommittee on TBT and NTBs**

The Chair shared her introductory remarks with the Subcommittee by reiterating trade facilitation and promotion of trade as the main objectives of Serbia in its chairmanship of 2015. In her presentation, the Chair presented three priorities classified under the objectives of trade facilitation and promotion of trade. Namely, ensuring participation of TBT authorities in CEFTA Parties in negotiations of the Framework Agreement on trade facilitation in CEFTA, and addressing the main trade distortive non-tariff measures, and enhancing transparency under trade facilitation. For trade promotion, the priority of Serbia is to advocate the PEM Convention and its opportunities for diagonal cumulation as a tool for promotion of trade in industrial sectors.

#### **Work Programme of Working Group of TBT**

Ms Todorovic invited to the floor Ms Jelena Ivancevic to present the Work Programme of TBT Working Group on behalf of Serbia. Ms Ivancevic listed the objectives of the Work Programme as follows:

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\* This designation is without prejudice to positions on status, and is in line with UNSC 1244 and the ICJ Opinion on the Kosovo declaration of independence

- keep under review the achieved harmonization of technical regulations, standards and conformity assessment
- encourage the negotiations to conclude the plurilateral agreements among the Parties in the area of mutual recognition of the conformity assessment
- timely inform the Joint Committee on any notification received by the CEFTA Party on new technical regulation or standard prior to its adoptions in accordance with the Article 13
- improve the technical cooperation and networking in all quality infrastructure disciplines (metrology, standardization, conformity assessment, accreditation and market surveillance)

In the framework the Work Programme, the Serbian Chairmanship of TBT Working Group plans to have three meetings the dates of which are to be determined later.

### **Agenda Item 2: Presentation of Project on Addressing Main Market Access Barriers in Selected Supply Chains (Current State of Play)**

Ms Todorovic stated that a new project has been initiated in CEFTA with the financial assistance of GIZ. The project is to address market access barriers in the selected supply chains. The project is implemented by ITC (International Trade Centre) and UNCTAD. Ms Todorovic informed that beverages and automotive parts have been selected as two supply chains in CEFTA in which private sector advisory groups were to be established. The Chair highlighted that these private sector advisory groups would act as consultants for the project to help identifying what type market access barriers exist.

Ms Boskovic presented that the project was at the present in the stage of organizing national orientation meetings involving private sector representatives (from sectoral associations and key operators in beverages and auto-part supply chains such as importers, manufacturers, distributors, exporters).

### **Agenda Item 3: Presentation of (SIDA financed) Quality Infrastructure Project**

The Chair informed the Subcommittee that SIDA (Sweden International Development Cooperation Agency) decided to finance a follow-up project on Quality Infrastructure in Western Balkans, the previous projects of which were financed by the EU. As the new QI project is expected to start soon, Ms Todorovic noted that David Norris, project manager designated by CEN/CENELEC for the QI project, was invited to the Subcommittee to present the main highlights of the new project.

Mr Norris summarised the objectives of the QI project as follows:

1. Ensure consistent implementation of Chapter 1 (Free movement of goods) legislation,
2. Ensure consistency of measurement and conformity assessment systems
3. Create appropriate communication and coordination mechanisms and tools between market surveillance authorities

### **Agenda Item 4: Update on CEFTA Transparency Pack and Market Access Barriers Database and Key issues in Trade amongst CEFTA Parties**

The Chair recollected the conclusions adopted by CEFTA Special Joint Committee meeting held in Brussels on 25 February 2015. It was stated that some of those conclusions are of general nature and not case-specific. Ms Todorovic summarized the conclusions as such:

- Absence of one or CEFTA Parties in Special Joint Committee meetings and acceptance of the conclusions of Special Committee a priori.
- Exploring the possibility to introduce the rule of negative consensus (full consensus minus one) in the implementation of CEFTA in relation to trade disputes
- Presenting injury by the complaining Party through providing statistical data in trade of the disputed product
- Relation of trade disputes in CEFTA with the EU acquis
- Submitting explanatory notes of trade disputes 10 days prior to the Special Joint Committee meetings
- Obligation to respond in 30 days if a case is introduced in the Market Access Barriers Database
- Burden of proof belongs to the complaining party to present all data submission requirements in case import and export certifications are disputed.
- In cases related to customs valuation, the relevant provisions of the WTO Customs Valuation should be respected.

#### **Agenda Item 5: Discussion on reporting procedure between Subcommittee and CEFTA Committee on Trade Facilitation**

The Chair reiterated that Serbia together with other chairing CEFTA Parties this year applied the principle of “everyone sees everything” in the preparation of the Work Programmes in order to strengthen the coordination between three CEFTA Subcommittees under the priority of trade facilitation. Furthermore, CEFTA Parties decided to establish Committee of Trade Facilitation and Chair in Office work programme foresees introducing procedures of reporting between Committee of Trade Facilitation and Subcommittees on Agriculture and SPS, NTBs and TBT, and Customs and Rules of Origin. In this regard, the Secretariat has prepared a presentation initiate consultation with the Subcommittees.

The Secretariat noted that the objectives of the adjustment of CEFTA Bodies would be to respond better to new priorities and challenges in the implementation of CEFTA, to strengthen coordination between CEFTA bodies in the areas requiring cross-sectoral action such as trade facilitation, and to enable self-monitoring (1<sup>st</sup> party monitoring) in the implementation of SEE 2020 and result-oriented reporting to the CEFTA Joint Committee.

In particular, the Secretariat proposes CEFTA Parties to establish a Committee of CEFTA Contact Points to institutionalise contact points, and Working Group on Market Access under the Committee of Trade Facilitation to deal with market access issues technically, in the presence of all relevant ministries and agencies, if the issues to be dealt with required their existence.