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

# INFO

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• IN THE FOCUS •  
THE EUROPEAN UNION  
AND GERMAN  
GOVERNMENT  
SUPPORT QUALITY  
INFRASTRUCTURE  
SYSTEMS AND  
E-COMMERCE  
ACROSS THE CEFTA  
ECONOMIES

EVENTS • DECISIONS • COOPERATION •  
SUPPORT • WESTERN BALKANS • CEFTA

Implemented by:

**giz** Deutsche Gesellschaft  
für Internationale  
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# SUPPORT TO REGIONAL ECONOMIC INTEGRATION

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

### Editorial:

2022 has challenged us to meet exacting expectations whilst also reviving opportunities to establish closer personal cooperation with our partners. After almost two years of working in a pandemic environment, this new issue of ORF FT INFO presents the impetus that will drive us to resolve an accumulated number of challenging issues. We are pleased that the European Commission and the German Federal Ministry for Economic Cooperation and Development (BMZ) have recognised our efforts to support the implementation of the reform agenda for trade and competitiveness in CEFTA economies by providing further funding for the project. Our ultimate goals are to achieve alignment with the EU acquis and to support the creation of a common regional market. We have been

tasked to expand our activities to support capacity building to enhance quality infrastructure systems and to strengthen regional cooperation in the area of inter-party e-commerce.

We look forward to engaging in many constructive discussions and hope that they will result in easing access to goods and services in CEFTA economies. We aim to build trust and understanding between those involved as well as achieving commitment to policies and implementing them successfully.

ORF FT Team

• IN THE FOCUS •

## The European Union and German Government support quality infrastructure systems and e-commerce across the CEFTA region

ORF FT has been commissioned to implement the project “EU4 Business: Support to Regional Economic Integration” to foster the development of a common regional market through quality infrastructure and e-commerce. The project is co-funded by the European Union and the German Federal Ministry for Economic Cooperation and Development (BMZ).

The project aims to strengthen quality infrastructure (QI) systems in CEFTA economies and to expand activities to support e-commerce between CEFTA economies. The three-year project (1<sup>st</sup> March 2022 – 31<sup>st</sup> January 2025) will support the **full alignment of QI institutions** in the CEFTA economies to enable them to meet with EU requirements. An aligned QI system would simultaneously stimulate the free movement of industrial goods whilst also ensuring fair competition and consumer protection; notably, this would be achieved through the implementation of an improved market surveillance system.



In its **e-commerce** component, the project will also assist with aligning key rules and procedures within CEFTA with the EU *acquis*. Such alignment will be based on analyses defining the level of harmonisation present within each individual CEFTA Party. Following the adoption of the already prepared CEFTA decision on the facilitation of e-commerce, it will support its implementation in selected key areas. Additionally, it will encourage companies to engage more in regional e-commerce activities, to engage in capacity building in order to better represent its interests in public-private co-operation mechanisms and to develop innovative solutions to meet existing e-commerce challenges.





## • TRADE FACILITATION •

### Increase in the number of companies interested in AEO status

The full implementation of criteria obtained from the **Authorized Economic Operators (AEO) Programme** ensures that goods are cleared faster and more easily in CEFTA economies. It also enables those with AEO status to be subject to fewer controls than those who are not AEO traders. The first signs of CEFTA partners seeking to promote and improve AEO programmes in private companies are already evident. The number of companies interested in applying for AEO status has increased, as has the number of those that have already obtained it.



The project supports the promotion of AEO status in the private sector. The purpose of this is to facilitate trade between CEFTA Parties and also to enable easier market access for AEOs. In its initial stages, activities focus mainly on informing companies about the potential benefits of obtaining such status. A series of promotional events and training workshops have already been organised, both at regional and national levels. The events were appropriate for companies with full AEO status, for those part way through the application process and for others interested in knowing more about applying for AEO status and the benefits it offers. To this end, two workshops were held in



March for companies in Serbia and North Macedonia. The **newly formed CEFTA AEO Association** took the opportunity to hold its first meeting in this year in April. The programme of the meeting was designed to encourage discussions and to share knowledge amongst important stakeholders involved in the process. It was attended by the North Macedonian Customs Administration, the host countries' Customs. Finally, companies visited the Red Sped premises which already has full AEO status. This provided the opportunity for those attending to learn directly from the experiences of a company that is already benefitting from the AEO programme.

### EU standards and measures to achieve fewer controls and more predictability in trade in fruits and vegetables

Within the context of supporting the **implementation of the CEFTA Decision on Facilitating Trade for Fruit and Vegetables**, the project continuously supports the assistance of plant health services. The project helps CEFTA Parties to plan and conduct detection surveys for a variety of important pests which could affect crops of fruits and vegetables. The detection of any regulated pest, especially one with quarantine status, would immediately trigger the imposition of phytosanitary measures. Conversely, if no significant priority pests were detected within the CEFTA markets, a risk-based planning approach could be applied to control and protect specific fruits and vegetables. Ultimately this approach will contribute to significantly reducing both time and costs in intra-regional trade.



The CEFTA phytosanitary authorities and customs administrations are working together continuously to improve cooperation in the area of trade in fruit and vegetables. Interested parties focus on risk-based controls, in co-operation with customs, regarding the implementation of EU standards for phytosanitary measures. Such measures reduce the risk of quarantine pests being introduced or spread through the branch of the wood trade associated with the movement of packaging material made from raw wood. This standard has already been adopted by all CEFTA Parties and legislation has been harmonised at an international level.

The first-ever regional pilot action for carrying out joint customs-phytosanitary controls facilitated cooperation between customs officers and phytosanitary inspectors. The trial took place whilst waiting for this standard to be implemented. It even went as far as stimulating some of the parties to continue carrying out certain joint national controls after the end of the regional action period. The trial was organised in close cooperation with the project SEED+ (Systematic Electronic Exchange of Data).

## Albania applied for CEFTA AEO validation

Within the scope of the project, the support of individual AEO programmes within CEFTA framework remains one of our main focuses. In this area, a series of regional and tailor-made national workshops have been implemented with the aim of further improving CEFTA AEO programmes. Additionally, a pilot AEO validation mission to multilaterally recognise the national programme in the CEFTA markets was organised with the Customs Administration of Albania. This significantly helped Albania to prepare for its CEFTA AEO validation mission.



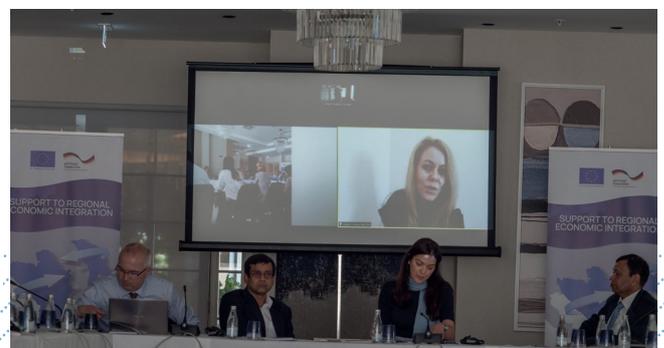
## • THE LIBERALISATION OF TRADE IN SERVICES •

### Trade in service reforms increase trust and transparency between CEFTA Parties

The implementation of Additional Protocol 6 (AP 6) of the CEFTA has released untapped potential in the CEFTA services market. Within the efforts of the project to support reforms regarding trade in services in CEFTA economies, capacity building measures have been introduced at Contact Points for Services (CPS) and at other relevant governmental institutions. Furthermore, the project has assessed implementation gaps in commitments arising from AP6. It provides recommendations on how, practically, to close any such gaps to ensure that AP6 is fully implemented by all CEFTA Parties.



During the forthcoming period, the project will focus on a series of interventions to enhance the implementation of AP6. Following the consultations of the Working Group on Trade in Services, CEFTA Parties requested support to enable them to address certain imbalances evident in the statistics of trade in intra-CEFTA goods and services. One of the first activities to deal with the requirements of the CEFTA Parties was a workshop held in April 2022 and it was here that the **CEFTA Statistical Portal** was presented. The main focus of the workshop was to present the **draft Decision on Enhancing Cooperation on Trade-Related Statistics** along with plans to improve the coverage of digital trade in goods and services within the CEFTA economies. As continuation of these efforts, a meeting on trade in services held in May gathered the relevant stakeholders from the seven CEFTA economies to discuss the next steps and push forward the implementation of AP6. The meeting concentrated on restrictions concerning market access and on restrictions related to domestic companies discriminating against foreign companies.



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

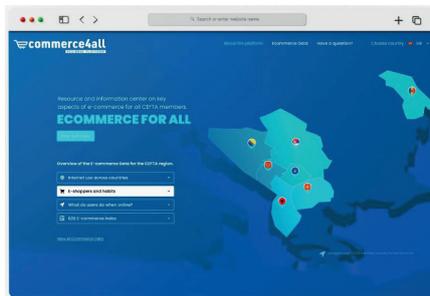
### Networking of the business community to achieve a better position in regional e-commerce markets

The e-commerce component in ORF FT encourages the e-commerce community to engage more in regional trade processes. It does so by supporting peer exchange between e-commerce associations within the region and by providing information to companies on the legal requirements of online trading.

In this context, in 2022, we have accelerated our efforts to provide more support to the private sector. Alongside the Macedonian E-commerce Association, various regional e-commerce associations and organisations worked together to establish an online platform [E – commerce for all](#)

which displays information and data about markets, payment processes and delivery practices. It will also share the good stories concerning CEFTA markets. Thus, companies willing to expand their operations further out within the CEFTA markets should be able to find good quality and comprehensive information about the e-commerce environment in each market.

During the forthcoming period, we will focus on achieving an advanced network of private sector members from CEFTA economies. The aim is for e-commerce associations and organisations to collaborate on common topics of interest such as regional trademarks, and continue networking in order to create potential for improving public-private dialogue. We are looking forward to facilitating and supporting the increase of such activities in the region, whilst also advancing the alignment of the e-commerce regulatory framework closer to the EU *acquis*.



## • IMPROVING MARKET ACCESS FOR START-UPS •

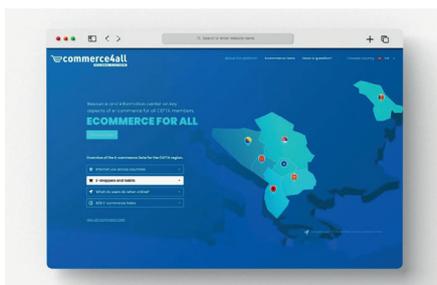
### Empowered start-ups ready for new markets

ORF FT aims to support the specialisation of Western Balkan start-up ecosystems with interventions on two levels: support for start-up hubs and support for start-ups from the region. Peer-to-peer activities are continuously being implemented to strengthen the quick and sustainable transfer of knowledge and experiences between start-ups and to prepare them for new markets. The project also boosts the promotion of the Western Balkan region aimed at highlighting the benefits of investing in the Western Balkans, as a location for founders from highly developed ecosystems.

The **Regional Promotional Concept** was finalised in 2022. The purpose of the project is to attract foreign investors and start-ups to the region. Currently, the project is preparing to pilot a promotional concept on a regional basis through the **Western Balkan Start-up Alliance (WBSA)**, a scheme that GIZ formed in cooperation with some of its partner hubs. The WBSA is an alliance which brings together like-minded people who share a commitment to jointly strengthen start-up ecosystems in the Western Balkans. They work jointly on existing challenges in this domain within the region, whilst also promoting and advocating the benefits of regional ecosystems to foreign founders and investors. To support this goal, the project organised its **2<sup>nd</sup> Growth and Traction camp**, together with The Next Web, where twenty start-ups from the region are to be empowered through practical workshops about their position in current markets and their possible expansion into Europe and beyond.



## HIGHLIGHTS



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