

TRADE FACILITATION COMMITTEE

OBJECTIVE 1: ENSURE GREATER EFFICIENCY OF CUSTOMS PROCEDURES AND ONLINE COMMUNICATION WITH CUSTOMS AUTHORITIES

...THROUGH ELECTRONIC COMMUNICATION AND EXCHANGE OF INFORMATION

CHALLENGE: Reducing time needed to issue binding tariff information (BTI) decisions.

RECOMMENDATIONS:

- Establish a system for online submission of BTI applications and mandatory accompanying documentation.
- Introduce an online back-end system for storing and processing BTI applications and generating outgoing BTI decisions, reports, and the like, that also permits automated tracking of applications and BTI validity periods and offers advanced search, sorting, and data export functionality across the system for all types of cases.
- Link the online back-end system with an online database of BTI decisions that is updated automatically.

CHALLENGE: Facilitating online communication between businesses and the Customs Administration's **Collection Division** with regard to outstanding customs duties, interest on late payments, refund of excess duty paid, accounting clearance of erroneous payments, notices requiring payment of duties owed, and bank guarantees.

RECOMMENDATION: Introduce e-filing arrangements into the Customs Administration clerk's office and develop online forms for communicating with businesses in the situations outlined above, and identify the security levels required for those documents.

CHALLENGE: Linking the Plant Protection Administration and the Veterinary Medicine Administration at the Ministry of Agriculture, Forestry and Water Management with the Customs Administration via an online information system.

RECOMMENDATIONS:

- Establish a case management system that would link the Border Phytosanitary Inspection and Border Veterinary Inspection, on the one hand, and the Customs Administration, on the other.
- Define the set of data to be exchanged between the Customs Administration, on the one hand, and the Border Phytosanitary Inspection and Border Veterinary Inspection, on the other.

CHALLENGE: Lack of consistent practice by individual customs offices when issuing EUR1 certificates of origin.

RECOMENDATION:

- Introduce a single protocol for valuation and recognition of working/processing, transport costs, electricity used, etc. for the purpose of issuing EUR1 certificates of origin.

CHALLENGE: Delays in certifying exit of goods from the Serbian customs area for purposes of VAT exemption.

RECOMMENDATION:

- Ensure customs authorities are able to certify formal exit of goods from the Serbian customs area with no undue delay.

CHALLENGE: Use of GPS tracking devices that require lengthy removal procedures at border customs posts.

RECOMMENDATION:

- Eliminate the requirement to use tracking devices or ensure customs authorities can quickly remove them when no longer needed.

CHALLENGE: Double customs clearance procedures in river transport through Serbian territory.

RECOMMENDATION:

- Amend procedure to stipulate checks are done at the final customs destination once the goods have formally left Serbian territorial waters, rather than during transit (as vessels will enter and leave Serbian territory multiple times whilst using the waterway).

OBJECTIVE 2: ENHANCE IMPACT OF GREEN CORRIDORS ON TRADE FACILITATION

CHALLENGE: The Green Corridors initiative, launched in response to EU-wide border closures due to Covid-19, has much potential to facilitate cross-border trade in the region and with the EU, but these opportunities remain under-utilised.

RECOMMENDATIONS:

- Take advantage of the SEED+ project **to allow provision of additional consignment information that permits inspectors to assess risk** before the consignment arrives (Veterinary Inspection: exporter, importer, export control number of exporting facility, and certificate; Phytosanitary Inspection: country of origin, country of export, exporter, and importer).
- **Link SEED+ and other platforms used by the Ministry of Agriculture's border inspections** to ensure pre-arrival information is directly available to information systems used by these inspections services for risk assessment.
- **Involve the Ministry of Interior in the Green Corridors initiative**, as traffic at border crossings is regulated by the Border Police and customs officers are not authorised to prioritise vehicles crossing the national border.
- **Involve the Serbian National Property Directorate in the Green Corridors initiative**, as this body is responsible for constructing and maintaining infrastructure at border crossings and priority entry envisaged by Green Corridors will require alterations to traffic signage.
- Continue efforts to extend the Green Corridors initiative so that it applies not only to frontiers between regional countries, but also those between the EU and the region.

OBJECTIVE 3: SHORTEN IMPORT PROCEDURES FOR AGRICULTURAL AND FOOD PRODUCTS

RECOMMENDATIONS:

- Allow e-filing of applications for controls of goods and accompanying documentation so as to improve risk assessment of imports (permit pre-arrival processing).
- In cases where goods are sampled, permit random selection of authorised laboratories able to perform all required analyses that are geographically closer to the customs post so as to reduce time needed for sample analysis.
- Ensure laboratories are able to efficiently send sample analysis reports to relevant inspections bodies online.
- Publish up-to-date lists of authorised laboratories and types of accredited analyses they are able to perform on the web sites of the Ministry of Agriculture and Ministry of Health.
- Establish an effective oversight and control mechanism for authorised laboratories, including de-licensing for non-compliance.
- Admit goods analyses performed by accredited laboratories in EU Member States and/or countries with which Serbia has agreements on recognition of laboratory analyses, and publish list of these laboratories and their accredited analyses on the web sites of the Ministry of Agriculture and Ministry of Health.

CHALLENGE: Establishment of an effective risk assessment system for controls of goods that would cover all inspections services and so reduce barriers and facilitate imports and exports.

RECOMMENDATIONS:

- Develop and implement risk assessment models for goods imports based on European practices (taking into account businesses' conformity risks, good business practices, and existence of internal quality controls).
- Review current rules and, wherever possible, introduce risk assessment in control of agricultural and food products for presence of genetically modified organisms (GMOs) and radioactivity.
- Develop and implement risk-based official control plans.
- Assess options for introducing IT tools for risk assessment and management in frontier controls of goods and develop such tools.

CHALLENGE: Reducing the volume of mandatory documents and formalities in import, export, and transit of goods.

RECOMMENDATIONS:

- Either broaden the range of products not requiring certificates of meeting veterinary and sanitary conditions for import and transit or eliminate these certificates altogether.
- Review current rules and, wherever possible, align actual practice with regulations to formally mandate that product samples do not require certificates of meeting veterinary and sanitary conditions for import and transit.
- Enhance compliance with international treaties regulating trade in agricultural and food products.

CHALLENGE: Implementation of alignment and mutual recognition programmes and other trade facilitation initiatives envisaged by Additional Protocol 5 to the 2006 Central European Free Trade Area (CEFTA) Agreement.

RECOMMENDATION: Take part in the deliberations of CEFTA bodies so as to reach agreement on alignment and mutual recognition of documents for trade in agricultural and food products. Implement fruit and vegetable trade facilitation activities as envisaged by the 2006 CEFTA Agreement.

OBJECTIVE 4: REMOVE BARRIERS TO IMPORT OF FOOD PRODUCTS

CHALLENGE: Several regions of Serbia are subject to export restrictions due to African Swine Fever (ASF).

RECOMMENDATION: Introduce zones so that areas affected by the ASF virus remain subject to export bans whilst others are allowed to export products without restriction.

OBJECTIVE 5: INTRODUCE EFFECTIVE RISK ASSESSMENT AT THE SANITARY INSPECTION

CHALLENGE: Establishment of an **effective risk assessment system at the Sanitary Inspection** to reduce barriers and facilitate imports by companies that apply good business practices, trade in goods that conform to requirements, and implement internal safety and quality controls.

RECOMMENDATIONS:

- Assess the applicability of import risk assessment models (such as that developed by Working Party 1 for imports of short shelf life products, or similar approaches) on industrial non-food products from the Sanitary Inspection portfolio.
- Identify criteria for risk and needs assessment.
- Develop a plan to implement risk assessment in import controls, indicating the resources required (funding, staffing, IT, etc.).

CHALLENGE: Eliminate delays with the granting and renewal of marketing authorisations for medicines and approval of promotional material to ensure compliance with statutory time limits.

RECOMMENDATIONS:

- **Amend rules on time-unlimited marketing authorisations** to allow their issuance for medicines registered pursuant to previous regulations, in line with EU rules.
- **Significantly simplify procedures for medicines granted EU-wide marketing authorisations.**
- Amend rules on **promotional material**: follow EU best practices by requiring prior approval only for material aimed at the general public whilst allowing material intended for health professionals to be issued without prior approval but remain subject to subsequent inspection control.
- Ensure the regulator ALIMS publishes waiting times for initial marketing authorisation, authorisation renewal, and approval of promotional material indicating any non-compliance with statutory time limits.
- Review fees payable to the ALIMS (with support from donor-funded projects and based on suggestions from business associations' members).

CHALLENGE: Recognition of foreign declarations of conformity.

RECOMMENDATION: Enhance procedure for recognition of foreign declarations of conformity, especially those issued by notified and designated conformity assessment bodies (those listed in the European Commission NANDO database) and legislate requirements for recognition of declarations issued by conformity assessment bodies accredited by signatories of the European Accreditation Multilateral Agreement (EA MLA) where such declarations certify conformity with EU technical regulations transposed in Serbia for purposes of marketing products in Serbia, by:

- Entering into international treaties/memorandums of understanding and recognition of declarations issued by accredited laboratories;
- Produce informative leaflets and offer training to all stakeholders on the recognition of foreign declarations of conformity and testing reports, as well as on legally permitted options to issue appropriate Serbian conformity declarations for certified products **without the need for a second conformity assessment**, with possible support from the civil sector (projects, organisations, associations, and the like).

OBJECTIVE 6: ENHANCE REGIONAL TRADE ARRANGEMENTS

CHALLENGE: Alignment of goods imports and exports standards between Western Balkan countries.

RECOMMENDATIONS:

- Align and recognise certificates that accompany agricultural products and recognise results of testing by accredited laboratories throughout the region.
- Align technical regulations and standards, in particular for road transport.
- Align working hours of customs posts.