



Editorial



Only a few weeks after taking office, on 3 March the new Commission presented its economic strategy for the coming years. The "Europe 2020 Strategy" will be a benchmark for our actions - at European and national level - to bring Europe back on a path of "smart, sustainable and inclusive growth". As Trade Commissioner, I am committed to contributing to this objective with the full range of tools at the disposal of trade policy. In this respect, the Europe 2020 Strategy lists a number of useful avenues which we will explore further with a view to developing a new trade strategy.

Market Access with its focus on the lifting of specific barriers encountered by European companies on third country markets will continue to be an important pillar of our future trade strategy. The partnership approach has indeed shown its added value, bringing together Commission, Member States and business with the common aim of improving market access conditions for European companies and thus ultimately contributing to growth and jobs in Europe.

This Newsletter gives a good insight into the day-to-day life of the Market Access Strategy with articles on activities undertaken in Australia and New Zealand, discussions with Indonesia and on our market access cooperation with Japan. You will also find a short summary of a recent meeting of the Committee on Technical Barriers to Trade of the World Trade Organisation in Geneva and the first meeting of the new Market Access Working Group on Chemicals. And the Newsletter gives details of a recent success story where we managed to convince the Egyptian authorities to lift restrictive standards for the import of energy saving lamps. Last but not least the section "Voice of Delegations" provides an article about the market access partnership in action with real life experience from Moscow.

I hope that readers find this Newsletter interesting and can draw inspiration for their own active participation in the Market Access Partnership, since it is the active involvement of all players which is ultimately the key for the success of the Market Access Strategy.

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Market Access strategy outreach activities

Communication with stakeholders to inform them of the tools available to improve access to third country markets is an essential element of the Market Access Strategy. To this end the Market Access unit welcomes opportunities, to present the Strategy to Business and Member State representatives at national level, which also gives an opportunity to find out how the Strategy is playing out on the ground.

Since the last newsletter, the Market Access unit has attended and given presentations at conferences and seminars in **Finland, Poland** and the **Czech Republic**.

In **Finland**, the unit attended a forward looking seminar considering "Trade Policy in 2010 and Beyond" and gave a presentation on solving market access barriers in the new era, which was particularly pertinent coming just days after the details of the EU's 2020 Strategy were announced. The seminar was very well attended with over 100 participants from the Ministry for Foreign Affairs of Finland, the Confederation of Finnish industries, Member State embassies, Finnish Business and academia. Other speakers from DG Trade addressed the Lisbon Treaty and its impact on trade policy, the EU's trade policy with Russia and perspectives on WTO and FTA mechanisms in trade disputes and dispute settlement, while senior Finnish business representatives spoke on trade policy challenges in the biofuel sector and sectoral trade regulation and liberalisation in the ICT sector.

The occasion also provided the opportunity to discuss specific market access issues and trade policy matters with Finnish member state experts.

The seminar on barriers to trade in third-country markets organised by the **Polish** Ministry of Economy provided a useful opportunity to enter into dialogue with representatives of the Polish business community. Numerous industry associations and individual companies, as well as government officials attended the event. Presenta-

tion of DG Trade's market access activities in the context of important political developments (economic and financial crisis, the Lisbon Treaty and Europe 2020) was followed by an introduction to the Market Access Database and a presentation on the operational functioning of the Strategy and the Partnership. The Ministry, for its part, highlighted recent innovations, which aim to strengthen the cooperation and information flows between Business and the government administration. Notably, a specific task force has been established for the identification and analysis of barriers to trade in cooperation with the European Commission. Polish exporters may now also access extensive information on the market access policy through the Ministry's website and lodge complaints on trade obstacles through an online form in the Polish language. The business community, in turn, provided very well prepared input, which was followed by an interactive debate, on the existing barriers to trade in different industrial sectors. This very useful exchange enabled the Commission to get a better insight into particular problems for Polish exporters and to provide some immediate feedback on particular concerns. Given that participants considered the seminar highly useful, further events of this kind may be expected in the future.

In the **Czech Republic** the unit participated in a seminar organised by the Czech Ministry of Industry and Trade, gathering together participants from the Czech business community and industry federations. The seminar aimed at presenting the main activities under the umbrella of the Market Access Strategy with a particular focus on the Partnership and its actors, in order for the local business to get acquainted with the Strategy and to understand the importance of their contributions in tackling trade barriers. A videoconference with Commission Delegations in Moscow and Kiev was also set up, in order to show concretely how the Commission, the Member States and the business commu-



nity cooperate in Brussels and in third country markets on trade barriers. Throughout the seminar, the message that Business is welcome to actively express concerns and provide information on existing or new trade obstacles was strongly conveyed.

A practical demonstration of the Market Access Database was also provided to the participants and was very much welcomed by Czech business.

The seminar was very well attended and business representatives appreciated the

opportunity to learn about contact points in third country markets, to whom they will be able to express their concerns on market access directly in the future.

Based on the support and positive feedback from attending such events, outreach is an important element in spreading information about market access services. It is to be hoped that similar opportunities to present the Strategy in other Member States will arise in the near future.

Trade G.1



The Voice of the Delegations from the European Union Delegation in Russia

Following the objectives of the EU's Market Access Strategy the EU Delegation in Russia has continued its active cooperation with Member States and its main business partner in Russia, the Association of European Businesses (AEB). The Delegation has done this via regular monthly market access meetings and by taking an active part in the committee work of the AEB. The delegation is also going regional in its market access strategy implementation by activating companies in the Saint Petersburg area through the local foreign business association. Below is a description of some specific cases on market access the market access team has been working on. All these issues fall under the list of key market access barriers to Russia as identified in spring 2009.

In December, 2009 the Group SEB, an AEB member and distributor of "Rowenta", "Moulinex", "Krupps" and "Tefal" products in Russia, submitted an application to the Federal Antimonopoly Service (FCS) against a Russian company "Bork". Bork was copycatting the German company and manipulating with the word "Germany" in order to mislead Russian customers in relation to the place of pro-

duction of the goods it sold. Most Bork appliances are produced in China and not in Germany as they declared. Based on a complaint supported by the market access team (the AEB in particular) the Federal Antimonopoly Services Commission found Bork guilty of unfair competition and requested it to stop violating the Antimonopoly Law.

Russian customs authorities toughened control procedures with regard to Lithuanian trucks crossing the Russia-Latvia border in August 2009. About two thousand carriers with Lithuanian number plates were waiting for 5-7 days to cross the border. The lines of trucks stretched for more than 15 kilometres. Later in December, there was again high traffic congestion and increasingly long waiting times of up to six days at the Latvia-Russia border. This time the Russian Federal Customs Services introduced 100% controls on Latvian carriers. Controls were applied in a discriminatory way solely on Lithuanian and Latvian carriers on the basis of their nationality. The enhanced controls heavily disrupted EU-Russia trade flows, creating considerable losses to the operators and delays at the border. The Commission in coopera-



tion with the Member States in question solved the problems and the FCS re-established normal customs procedures for hauliers from all EU Member States.

Together with the AEB Pharmaceutical Committee, the Delegation submitted letters to the Russian government on the Draft "Law on the Turnover of Medicines". Already in 2004, Russia committed to introducing Regulatory Data Protection in the "Law of Medicine" (as it was called then) before joining the WTO. This would mean that Russia would have to adequately protect data of original manufacturers against unfair commercial use, by ensuring non-disclosure and non-reliance for a period of at least 6 years starting from the registration of the original medication in Russia. The period of protection in the EU is ten years.

Another potentially worrying provision is that on clinical data. The draft law required submission of information on clinical trial results received in Russia only. This provision could lead to a period of three - seven years to obtain market authorization for drugs in Russia. Data protection and clinical trial data are two major issues for EU pharmaceutical companies and this is the reason why the Commission raised these

issues at the highest level in a letter from the two Director Generals (DG Trade and DG Enterprise and Industry) to the Russian Minister of Health and to the State Duma Committee.

On 24th March 2010 the bill passed the third reading in the Russian Parliament and the "Law on Turnover of Medicines" was adopted. The adopted law does not cover Regulatory Data Protection. However Russian officials claim that this provision will be included upon Russia's accession to the WTO. It should be pointed out that some amendments on clinical trial data have been incorporated into the adopted law.

As Russia is not yet a member of the WTO, it remains more difficult to formally tackle market access problems with the Russian authorities than in many other countries. Having this in mind and despite the above limited positive developments, a large number of trade issues, including market access issues, still remain to be solved. The local market access team will continue to work with colleagues in Brussels to monitor and follow up new cases on the Russian market. *Economic Section*

EU Delegation Moscow



EU - Indonesia Trade and Investment Working Group

The second EU - Indonesia Trade and Investment Working Group meeting took place on 25-26 March in Brussels. Indonesia showed a high degree of commitment by sending a strong Delegation from Jakarta.

This was the first opportunity to continue the dialogue on trade and investment with this important partner from South East Asia since the signing of the PCA agreement last November.

A very useful discussion took place on investment matters where Indonesia handed over a draft of the latest revision of a so-called "Negative List" with details on the sectors that will open or not to foreign investors. Follow-up discussions (in the context of a sub working group on investments) will also take place concerning local content requirements included in several recent pieces of legislation, which are considered not to be in line with Indonesia's international commitments.



On the market access front, the European Commission provided a copy of the list of Indonesian measures of concern to the EU. At the meeting, an in-depth discussion on a few of these issues took place. However, the full list will be analysed in follow-up meetings in Jakarta with the objective of making concrete progress.

In particular, concerning trade restrictive measures introduced in the aftermath of the financial crisis (Decrees 56/2008 and 8/2009) Indonesia indicated that it is still considering if the Decrees (which usefully fulfilled their objectives) will be prolonged. The Commission maintained a tough position and insisted that although most of the products affected do not come from the EU, there are systemic considerations against the introduction of these non-WTO compliant measures. The Commission therefore, requested further discussions with Indonesia regarding the effectiveness of the regulations and possible alternative less trade disruptive measures. In case a decision is taken to prolong the Decrees, the Commission asked Indonesia to consider pragmatic solutions for EU exporters such as extension of the priority lane status.

Reinforced dialogue will also take place in the pharmaceuticals and cosmetics sectors, including dedicated meetings between officials, also involving the concerned

industry associations. In particular, the implications of the recent revision of the negative investment list and of Decree 245 for the status of pharmaceutical wholesalers will be explained in a follow-up meeting with the authorities concerned.

As regards the Indonesian SPS measures, the meeting confirmed the commitment of Indonesia to notify, in a timely manner, any draft revisions of existing regulations (Decree 20/2009) which could potentially lead to restrictions on imports of certain types of offal and other meat products. They also agreed to ensure the EU would be given sufficient time to submit comments. Moreover, Indonesia will look into the possibility of alleviating the burden for exporters by recognising the EU control and inspection system and reducing the recently introduced testing requirements for dairy products.

Finally, the meeting also discussed the Indonesian concerns regarding a number of EU regulations, in particular RED and REACH. The next Working Group for Trade and Investments is scheduled in Jakarta in December 2010. Several sectoral dialogues will also be organised (dates still to be confirmed).

Trade C.3 and G.1



EU-Australia and EU- New Zealand Trade Policy Dialogues (18 - 25 February 2010)

The Trade Policy Dialogues (TPD) with Australia and New Zealand took place on 18th February 2010 in Canberra and on the 22nd February 2010 in Wellington. Market Access issues figured prominently on the agenda of both meetings.

As regards the TPD in **Australia**, most of the trade irritants included in the Commission's list of key priority barriers for Australia were discussed (e.g. SPS issues, Geographical Indications, Government Procurement and Luxury Car Tax). In



particular, Australia's political commitment to solve SPS barriers was noted.

In addition, further activities were carried out aiming mainly at promoting the Market Access Strategy (MAS), the Market Access Data Base (MADB) and the Export Help Desk (EHD). Two presentations were made: one to the Australian Government (Ministry of Agriculture and Trade and Foreign Affairs) and a second one to EU Member States' representatives. Both aimed to set out the evolution and goals of the MAS, highlighting the partnership approach between Member States the Commission and Business within Market Access Working Groups and local Market Access Teams (MATs) and the role of EU Member State attachés located in third countries. Discussions also referred to the links between the MAS and the key priority barriers exercise targeting major EU trading partners, the financial crisis and the protectionism report, Europe 2020 and also the next steps for the MAS.

The Australian authorities gave positive feedback with regard to the MAS and the EHD. On the latter, in particular, issues like "Private Standards" and the way those are currently addressed by the EHD were raised. The possibility of joint action for those markets in which we may have a common interest in terms of market access (e.g. ASEAN, China, India, etc) in the agriculture sector was raised by the Australian authorities.

An additional presentation of the MAS (addressing the services sector) was also given during a round table organised by the European Australian Business Council (EABC) in Sydney, where the need to combine efforts to obtain better market

access in third markets (service sector) was also highlighted by EABC representatives.

Two additional meetings took place with representatives of the pharmaceutical and automotive industry. Those meetings aimed at learning more about problems faced by EU companies in the Australian market, to check the state of play on trade irritants and at finding the best way to achieve progress.

Finally, the status /action required for the key priority barriers were discussed with EU Member States during this visit.

With regard to **New Zealand**, bilateral market access issues were addressed, including SPS issues and Geographical Indications (GIs).

Concerning GIs, the Commission highlighted that New Zealand had not implemented the existing GI legislation and stressed that implementing this legislation would help to improve bilateral trade relations. In relation to SPS barriers, the Commission noted progress and good collaboration between the parties (including at multilateral and international level). It highlighted however that the system could benefit from the improvement of generic rules, by moving away from the positive list approach and avoidance of undue delays (especially during the process of public consultation). The Commission clarified that the current forum for bilateral dialogue on SPS is working well, but that efforts should be put into enforcement and follow-up, aiming mainly to avoid undue delays for market access. Further technical discussions are expected to take place in spring 2010.

Trade G.1 and Trade B.2





Launch of the Market Access Working Group on Chemicals

The first meeting of the Market Access Working Group on Chemicals took place in Brussels on 4 March, under the chairmanship of DG TRADE Unit G1.

The decision to set up a Working Group resulted from discussions in the High Level Group on the EU chemicals industry - launched in 2007 - its purpose being to determine the main challenges to the competitiveness of the chemicals sector. As many of these challenges stem from ever increasing global competition and the need to secure a level playing field and rules-based trade, a sectoral working group was set up in order to focus on those Non-Tariff Barriers that are particularly relevant for the competitiveness of the sector. The EU chemicals industry maintains its leading position on the world market; yet, its position is being gradually eroded by emerging economies, hence the need to pool synergies to tackle existing and emerging trade obstacles.

The first meeting benefited from very good participation from industry and Member States, as well as representatives from different units in DG TRADE. The main purpose was to get the participants acquainted with the general context in which working groups operate, the Market Access Strategy and the concept of the Market Access Partnership.

Some substantive progress was made: the participants considered a provisional list of trade barriers that had been proposed by

CEFIC in order to decide which barriers should be considered as highest priority for action. From the discussion, it emerged that IPR issues, notably in China, Argentina, Brazil and Russia, are important for the sector. Additionally, priority was given to customs issues, notably in China and Russia, while specific concerns with regard to Chemicals registration in China and India were also considered important. Furthermore, some concrete cases of import restrictions were flagged in China, Indonesia, Thailand and Brazil, particularly import restrictions on nitrocellulose being applied by Brazil and Thailand. Finally, SPS issues in Japan also seem to particularly affect the EU chemicals industry.

This prioritisation exercise resulted in around 15 barriers being considered as worth prioritising. In advance of the next meeting, which is due to take place before the summer break, the members of the working group will select a limited number of concrete cases for further analysis, with a view to discussing a strategy for their removal.

In the meantime, the Commission, together with the industry and Member States, will already start looking at those priority barriers for which a window of opportunity for achieving some progress might exist.

Trade G.1





EU – Japan Market Access Cooperation

The seventh EU-Japan Market Access Cooperation videoconference was held on 11 March 2010. It was a cooperative and dynamic conference jointly chaired by EU Commission's Head of the Market Access Unit, Petros Sourmelis and Mr Muramatsu from the Japanese Ministry of Economy, Trade and Industry leading to enhanced cooperation in several fields. There was good participation on the Japanese side and a mutual interest to cooperate.

Intensive discussions took place on three Chinese cases.

Cases discussed included Buy Chinese, Indigenous Innovation, IT standards and raw materials (all China), US Zeroing, Ontario Green Energy Act, India steel certification and mandatory tyres marking.

This kind of exchange of views between the Commission and Japan is a very useful exercise to compare notes both on facts and strategies.

The next videoconference should take place in June 2010.

Trade G.1



Customs information in a few clicks – the European Commission launches the first phase of the European Customs Information Portal

The "European Customs Information Portal" (ECIP) aims at helping EU companies, in particular SMEs, through the customs procedures that have to be followed when importing goods into and exporting goods from the EU or when only transit of goods through the EU is involved.

The ECIP constitutes a single point of access to relevant and practical information. It uses special animated customs scenarios to explain import, export and transit procedures in an easy way to economic operators. The web portal was jointly developed by the European Commission, its Trade Contact Group and EU Member States. The current first phase of the ECIP website is a forerunner to a comprehensive customs information portal foreseen at a later stage.

The present ECIP gathers information from the Commission and EU Member State

customs sites. The information includes databases, procedures and assistance services as well as relevant policy information contained in various Commission websites. The "customs scenarios" take users step by step through different export, import and transit procedures. These scenarios explain each stage of the procedures, listing responsible authorities and relevant documents that have to be filed at each stage. Each scenario is accompanied by a detailed glossary that links to relevant documents, databases and legislation. Last but not least, the portal covers the legal framework.

The web portal is publicly available as part of the Commission's EUROPA website.

Further information see <http://ec.europa.eu/ecip/>.

TAXUD A.2





Egypt adopts new standard for energy saving lamps

Following the introduction of a new Egyptian standard for energy saving lamps affecting EU companies, the European Union Delegation took action by holding several meetings with concerned Member States' embassies in Cairo and EU business representatives. Formal letters were sent by the EU Delegation in Egypt and by the Commission headquarters in Brussels to the Ministry of Trade and Industry and the Egyptian Organisation for Standards (EOS) to convey the concerns of our exporters. The EU also requested Egypt to notify the new Egyptian standard to the WTO and to provide a reasonable delay before applying the requirements in order to allow European producers to adapt to the new specifications.

The combined pressure of the EU and Member States on the Egyptian government helped convince the Ministry of

Trade and Industry to review the new standard. This resulted in the adoption by the Egyptian Organisation for Standards (EOS) of a new Egyptian standard for energy saving lamps in January 2010, which is based on the European standard.

The Commission welcomes this positive development and commends the swift reaction of the Egyptian authorities. Now that the new standard has entered into force, the Commission will monitor the situation closely to make sure that EU manufacturers enjoy fair access to the Egyptian market.

The Egyptian market for energy saving lamps is estimated at €27 million, while EU exports to Egypt of this product amounted to €3.4 million in 2009.

EU Delegation in Egypt, Trade C.2 and G.1





Market Access Partnership – Looking Ahead...

22 April 2010	MAAC
27 April 2010	STIS – steel – cars and ceramics
4 May 2010	Working Group on Postal Courier
27 May 2010	MAAC
28 May 2010	SPS Working Group
10 June 2010 (tbc)	Working Group on Wines and Spirits
24 June 2010	MAAC
June or July 2010 (tbc)	Working Group on Chemicals



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