

REPUBLIC OF SERBIA

NATIONAL TRADE FACILITATION BODY



2022 ANNUAL REPORT

Belgrade, March 2023

1. INTRODUCTION

The National Trade Facilitation Body (hereinafter referred to as the NTFB), was established by the Decision of the Government of the Republic of Serbia in November 2017. Its purpose is to provide a more comprehensive and effective facilitation of Serbia's foreign trade, as well as to coordinate the efforts of relevant authorities, organizations, the business community, and other stakeholders involved in the country's foreign trade system.

The procedure for amending the Decision on the establishment of the NTFB is currently underway. Per the amended Decision, the President of the National Trade Facilitation Body will be Tomislav Momirović, Minister of Foreign and Domestic Trade. The Vice President will be Snežana Karanović, Assistant Minister of Finance.

The professional and administrative-technical support for the work of the National Trade Facilitation Body is provided by the **Ministry of Foreign and Domestic Trade in cooperation with the Customs Administration.**

The National Trade Facilitation Body submits an annual report on its activities to the Government no later than March 31 of the current year for the previous year and, when necessary, it submits extraordinary reports. In line with the regular procedure, the 2021 report was submitted to the **Government, for information, within the prescribed deadline and it covered the period from March 2021 to March 2022.** That report primarily included planned activities related to fulfilling the obligations set out in the 2020 and 2021 Action Plans, as well as the 2022-2023 Action Plans.

As to this reporting period (March 2022 – March 2023), it can be noted that the goals set for 2022 were largely achieved, despite the challenges posed by the ongoing pandemic and the military intervention in Ukraine. During this period, one meeting of the NTFB was held, covering the most significant topics in the area of trade facilitation, primarily related to the obligations outlined in the current Action Plans for 2022 and 2023. All activities within this reporting period were carried out in close cooperation with the private sector representatives.

The activities outlined in the NTFB's Action Plans are part of the **2023-2025 Economic Reform Program (ERP)**. Through the analysis of the ERP, the European Commission monitors NTFB's activities as part of the structural reform "Improving Conditions and Removing Obstacles to Trade," aimed at intensifying, enhancing, diversifying, and further growing Serbia's foreign trade, both regionally and globally.

2. MEETINGS OF THE NATIONAL TRADE FACILITATION BODY

2.1. The Eighth Meeting of the National Trade Facilitation Body

The eighth meeting of the NTFB was held on 12 December 2023, at the premises of the Ministry of Foreign and Domestic Trade. The agenda of the meeting included reporting on the activities carried out by the Expert Working Groups in relation to the

fulfilment of the obligations outlined in the Action Plans for 2022 and 2023. In this regard, the chairpersons of the Expert Working Groups presented extensive reports on the specific items of the Action Plans, after which all participants, particularly representatives of the private sector, had the opportunity to ask questions and provide comments.

Following this, the NTFB Secretariat announced that a procedure would be initiated to amend the Decision on the establishment of the NTFB, particularly regarding the listed members and their deputies. Considering that the Decision was last amended in 2019 and that there have been staffing changes in some ministries and administrations from which the members of the National Trade Facilitation Body were appointed, it is necessary to reflect these changes in the Decision to ensure the continued and effective work of this Body.

Finally, the private sector representatives had the opportunity to highlight potential challenges in business operations concerning foreign trade transactions, as reported by the companies.

3. REPORT ON ACTIVITIES OF THE NTFB EXPERT WORKING GROUPS

In accordance with Article 4 of the Decision on the establishment of the National Trade Facilitation Body, four Expert Working Groups have been formed to carry out the activities of the NTFB. These Expert Working Groups address individual issues and participate in proposing solutions aimed at facilitating foreign trade, removing trade barriers, accelerating and modernizing customs procedures, and conducting controls during the export, import, and transit of goods. They also focus on simplifying and reducing formalities, with active participation and involvement of interested members of the business community, chambers of commerce and other associations, other public authority holders, representatives of scientific and educational institutions, and other organizations that can influence facilitation of foreign trade.

3.1. Report on the Activities of the Expert Working Groups Regarding the Fulfilment of Obligations Contained in the Action Plans for 2022 and 2023

At the seventh meeting of the NTFB, held on November 21, 2021, the Action Plans (APs) for the next two years, i.e., for the period 2022-2023, were adopted. The format of the AP is a tabular presentation of planned activities, measures, responsible institutions, and performance indicators. **The complete overview of the 2022-2023 APs, as well as previous Action Plans, can be found on the NTFB website (<https://nktot.mtt.gov.rs>).**

I – EXPERT WORKING GROUP ON AGRICULTURE, SANITARY AND PHYTOSANITARY MEASURES

Chairperson: Milanka Davidović, Head of Department, Ministry of Agriculture, Forestry and Water Management (MAFWM)

A brief overview of the results achieved for individual activities includes the following:

1. Reduction of the duration of import procedures for agricultural and food products

The Veterinary Directorate has published a list of authorized laboratories on its website. Based on the Food Safety Law, these laboratories are authorized to conduct laboratory testing of the safety of animal-origin food within the scope of official controls.

As of February 2022, the Border Phytosanitary Inspection fully utilizes a new information system for recording import controls. The innovation in this system is the possibility of electronic submission of requests for phytosanitary control. Additionally, the new system allows for the random selection of laboratories based on the scope of accreditation each laboratory holds.

To ensure that import procedures are clear and standardized at all border crossings, 16 official operational procedures and a plan for official controls for the Border Phytosanitary Inspectors have been developed as part of the “EU Support for Effective Border Management” project.

2. Improvement of the risk analysis system during the inspection of goods by all inspection services to facilitate international shipments

The Veterinary Directorate, on an annual basis and through continuous risk analysis, adopts the *Rulebook on the Determination of the Monitoring Program for Animal-Origin Food Safety and Imported Animal Feed* (“Official Gazette of the Republic of Serbia,” No. 48/22). *The Rulebook on the types of shipments subject to veterinary-sanitary control and the method of conducting veterinary-sanitary inspections at border crossings* (“Official Gazette of the Republic of Serbia,” No. 56/10 and 110/21) is regularly applied, which defines the frequency of physical inspections of shipments based on product category and risk level for analysis.

The Plant Protection Directorate also adopts an annual *Rulebook on the Determination of the Monitoring Program for Plant-Origin and Mixed Food Safety* (“Official Gazette of the Republic of Serbia,” No. 45/22). This plan, based on risk analysis regarding the producer, country of origin, and product, prescribes the percentage frequency of sampling of shipments.

Additionally, the new information system conducts risk analysis related to a specific product, country of origin, and producer to expedite and facilitate the work of border phytosanitary inspectors.

Employees of both Directorates actively participated throughout the year in trainings organized by *BTSF (Better Training for Safer Food)* concerning modules for risk analysis and the new *IMSOC* system (*TRACES, ADIS, EUROPHYT, and RASFF*).

Employees of MAFWM and the Ministry of Health regularly follow and act upon received *RASFF* notifications.

3. Reduction of the required documentation and formalities in international shipment procedures

Amendments to the *Rulebook on the conditions for shipments that do not require an import and transit permit* (“Official Gazette of the Republic of Serbia,” No. 39/19 and 35/21) are currently underway. Adoption thereof is expected in the near future, and will introduce an expanded list of products that do not require import and transit permits.

4. Implementation of programs for the harmonization and mutual recognition of documents and other trade facilitation initiatives for agricultural and food products, as foreseen by Additional Protocol 5 of the CEFTA 2006 Agreement, the Memorandum of Understanding and Cooperation on Facilitating Import, Export and Movement of Goods in the Western Balkans concluded between the Republic of Serbia, the Republic of North Macedonia, and the Republic of Albania, and the Open Balkan Initiative

In 2022, the Republic of Serbia, represented by the Ministry of Agriculture, Forestry, and Water Management, chaired the CEFTA Subcommittee on Agriculture. Numerous activities were carried out, including several meetings between the Veterinary Directorate and the Plant Protection Directorate with colleagues from CEFTA.

Efforts to implement the CEFTA Decision on facilitating trade in fruits and vegetables were intensified, including work on harmonizing the Crisis Plan for harmful organisms.

Through the SEED+ project, in the phytosanitary sector, CEFTA parties are working to integrate their systems for the exchange of data on export and import shipments. For instance, if a phytosanitary certificate is issued in North Macedonia for a shipment destined for Serbia, the data for that shipment will immediately be visible in the system used by border phytosanitary inspectors during import.

With the support of the SEED+ project, the text of the Decision on the establishment of a working group in the field of veterinary medicine has been harmonized. Additionally, work on harmonizing veterinary certificates between CEFTA member states continues. Efforts are currently underway to create a joint CEFTA certificate for honey.

II – EXPERT WORKING GROUP ON TECHNICAL BARRIERS AND MEASURES WITH EQUIVALENT EFFECT IN TRADE

Chairperson: Zoran Bakić, Head of Group, Ministry of Economy, Department for Product Quality and Safety

A brief overview of the results achieved for individual activities includes the following:

1. Development of an analysis of regional practices regarding the mandatory submission of conformity documents during import customs clearance with the aim of completely eliminating this type of control

In the part of the AP activities related to the obligation to obtain documents during import, it was noted that Annex 5 of the Decision on Determining Goods for which the import, export, or transit requires the procurement of certain documents (“Official Gazette of the Republic of Serbia,” No. 59/2022 and 107/2022) has been further reduced, and this obligation currently applies to a very small number of products. As to the frequently imported products, the obligation exists for cement, but no issues have been observed in practice regarding the procurement of documents. Plans are underway to remove bolts for structural steel construction and ribbed reinforcing steels from Annex 5A of the Decision.

2. Establishing an efficient risk analysis system by the Sanitary Inspection to reduce barriers and facilitate imports for companies with good business

practices, compliant products, and well-developed internal safety and quality control

In the part of the AP activities related to establishing an efficient risk analysis system by the Sanitary Inspection of the Ministry of Health, it was noted that additional activities are necessary to achieve progress. Representatives of the responsible institution have stated in previous meetings that they apply risk analysis in the inspections and sampling of general-use products. However, the private sector maintained the position that this activity should be carried over to the next action plans to reduce barriers and facilitate imports for companies with good business practices, compliant products, and well-developed internal safety and quality control. Additionally, representatives of the Ministry of Health emphasized that during the previous period, all resources were focused on the COVID-19 pandemic, but in the future, they will dedicate maximum effort to the activities outlined in this action plan.

3. Further harmonization of technical regulations with EU legislation

The most significant result in the area of harmonizing technical regulations with the EU is the adoption of the Rulebook on Amendments to the Rulebooks in the field of Low-Voltage Electrical Equipment, Electromagnetic Compatibility, and Machinery. This rulebook, among other things, repeals provisions related to placing the Serbian conformity mark on products two years after Serbia's accession to the EU or the signing of the "ACAA" Agreement, as well as the obligation to obtain conformity certificates, with application starting on 1 January 2022. In addition to the above, the Rulebook on Equipment and Protective Systems Intended for Use in Potentially Explosive Atmospheres ("Official Gazette of the Republic of Serbia," No. 21/20) was amended, stipulating that the certificates of conformity would cease to be valid on 1 January 2023.

In practice, it has been observed that third-party issued conformity certificates are still being requested, with these requirements appearing in various tenders and within mutual business relations between economic operators.

Furthermore, since May 2021, when the new Law on Technical Requirements for Products and Conformity Assessment ("Official Gazette of the Republic of Serbia," No. 49/21) was adopted and published, a new institute for recognizing foreign conformity certificates has been introduced, which favours issuing domestic conformity certificates based on foreign ones.

All regulations and information in the field of quality infrastructure are regularly published and updated on the TEHNIS portal (<https://tehnis.privreda.gov.rs/>).

As part of the "Product Info" project by the Ministry of Economy, there are plans to digitize all services in the field of quality infrastructure (Institute for Standardization of Serbia, Accreditation Body of Serbia, and the Directorate of Measures and Precious Metals).

4. Acceptance of foreign conformity certificates

Further simplification of procedures for the acceptance of foreign conformity certificates, specifically documents issued by notified bodies (NANDO database - EU) for conformity assessment and countries that are signatories to the EA MLA, led to the signing of a Memorandum of Mutual Cooperation and Acceptance of Documents Issued by Accredited Laboratories for Industrial Non-Food Products with Bosnia and Herzegovina. The same Memorandum text was offered to the Republic of North Macedonia, which expressed no interest in signing it.

In addition to the above, through the daily activities of the Ministry of Economy, Department for Product Quality and Safety, possible facilitation measures arising from the signed EA MLA agreement between the national Accreditation Body and European Accreditation are being promoted, as well as solutions from the Draft Regulation on the procedure for recognizing foreign certificates and conformity marks. This contributes to achieving the third objective of the AP of this Expert Working Group (EWG).

5. Eliminating delays in issuing registrations for new medicines and renewing registrations and approvals for promotional materials, in accordance with the legally prescribed deadlines

Regarding the reduction of delays in issuing registrations for new medicines and renewing registrations, there has been little to none progress in this AP activity. It is also important to highlight the low level of cooperation achieved with the responsible institution. The private sector confirmed that the problem of delays in issuing registrations for new medicines and renewing registrations still persists in practice, with delays for some cases measured in months and years. The private sector's proposal is to retain this activity in the AP for the following period. The private sector also noted that there is no issue with the registration of medical devices, where an electronic system for submitting applications for registration and renewal of registration is in use at the Medicines and Medical Devices Agency, and suggested that a similar system be applied for medicines as well.

III - EXPERT WORKING GROUP ON CUSTOMS PROCEDURES

Chairperson: Snežana Karanović, Assistant Minister of Finance

A brief overview of the results achieved for individual activities includes the following:

1. Mutual recognition and promotion of the Authorized Economic Operator (AEO) program

Regarding this activity, the Customs Administration signed a protocol in December 2021 with the Republic of North Macedonia, which defined the establishment of a validation procedure for the mutual recognition of AEOs. The two administrations exchanged validation team reports and concluded that the legislation and implementation of the AEO programs in both countries fully comply with the prescribed provisions for mutual recognition. A pilot project for exchanging data on AEO authorization holders and testing the application of the agreement is planned for 15 December 2022.

A mutual recognition agreement for AEO authorization was signed with Albania, along with a protocol that defines the establishment of a validation procedure. The exchange of validation team reports is expected in the near future.

The design and protection of the AEO logo are in the final stages, and the entire process is expected to be completed by the end of this year or at the beginning of next year.

Regarding the introduction of additional benefits for AEO authorization holders, the Customs Administration has prepared a set of new benefits, the implementation of which is expected in January 2023. Additionally, with the support of the German organization GIZ, a project is underway to introduce new benefits for AEO authorization holders.

2. Accelerating the movement of goods at the Preševo-Tabanovce border crossing

Both sides have expressed a strong willingness to significantly accelerate the flow of people and goods at this border crossing. On our side, the agreements have been honoured, and since June of this year, the concept of joint controls can be implemented. However, given that the Macedonian side has not yet ratified the Agreement on the Establishment of Joint Controls at the Preševo-Tabanovce International Road Border Crossing, full implementation of the agreed measures has not yet been achieved.

Regarding the planned activities **3**, **4**, and **5**, which involve the IT integration of the Customs Administration with the Plant Protection Directorate, the Directorate for Radiation and Nuclear Safety and Security, the Veterinary Directorate, and the Border Sanitary Inspection, no actions have been taken from the Customs Administration's side, as the data to be exchanged have not yet been defined, nor has the IT system integration occurred.

6. Reducing the time for issuing binding information on goods classification

In cooperation with the World Bank, the Tariff Department of the Customs Administration successfully completed the project "Development of a Software Application for Binding Information on the Classification of Goods" (at no financial cost). The application, which allows the electronic submission of requests for Binding Tariff Information (BTI), was made available on the Customs Administration's website and has been fully operational since 1 February 2022.

With the development of this application, the Customs Administration has provided the business community with a new functionality that enables completely paperless operations and automates the process of submitting requests and issuing BTIs.

7. Analysis of the current situation and taking measures and activities that will enable electronic communication between economic operators and the Customs Administration's Collection Department regarding the collection of due customs, late payment interest, refunds of overpaid customs, reallocation of incorrect payments, reminders for customs debt settlement, and communication with the guarantor bank

The Collection Department of the Customs Administration handled its daily activities solely based on written requests from economic operators.

To speed up communication and provide adequate information, a group email address has been established, allowing real-time communication with economic operators regarding the status of submitted requests and instructions on how to proceed with specific inquiries. With the implementation of the Regulation on Office Operations for State Administration Bodies (e-Registry), efficient and secure communication in an electronic environment will be established. This will simplify and streamline the Customs Administration's and economic operators' handling of due customs debts, late payment interest, refunds of overpaid duties, reallocation of incorrect payments, sending reminders for customs debt settlement, and other activities related to customs debt collection.

8. Establishment of the National Single Window System

In the previous period, the Blueprint was completed, and the report was adopted. Additionally, a draft of the Functional Specifications for the National Single Window System was created. An expert from the Project Management Unit (PMU), within the

ministry responsible for construction activities, as the lead on this project, drafted the Law on the National Single Window System, which has been forwarded to the Customs Administration and all other relevant authorities in the Republic of Serbia involved in this project for review.

The tender documentation for the software and hardware for the National Single Window System has been prepared and is expected to be published by the end of the first quarter of 2023, with implementation expected over the next 24 months.

IV – EXPERT WORKING GROUP FOR THE COORDINATION OF TRADE FACILITATION ACTIVITIES WITHIN INTERNATIONAL AND REGIONAL TRADE AGREEMENTS

Chairperson: Tatjana Dinkić, NTFB Secretary, Head of Group, Ministry of Foreign and Domestic Trade

1. Coordination and monitoring of the implementation of trade facilitation obligations derived from free trade agreements and cooperation with international organizations

After the last year's publication of the **Fourth UN Global Survey on Digital and Sustainable Trade Facilitation**¹ in which Serbia again made progress in trade facilitation, additional progress was noted in the **World Bank's Tracking Tool**, in March 2022. This tool monitors the implementation of the WTO Trade Facilitation Agreement for individual countries every four years. According to the World Bank's assessment, Serbia's fulfilment of obligations in 2022 reached 83%, marking continued progress compared to 78% in 2018 and 65% in 2014.

During January and February 2023, the NTFB Secretariat coordinated the completion of the UN Questionnaire by the departments involved in the work of the NTFB. The completed questionnaire was submitted to the relevant UN bodies on 24 February this year, with results for the previous two-year period expected by mid-year. Regarding new bilateral agreements, Serbia initiated the process for concluding a Free Trade Agreement (FTA) with the People's Republic of China in February 2022. Between February and December 2022, several online consultative meetings were held at the expert level, and the text of the Scoping Paper for a Potential China-Serbia Free Trade Agreement was agreed upon. This document serves as the starting point for negotiations to conclude the Free Trade Agreement between Serbia and China.

The Serbian government completed its internal procedure by adopting the negotiation framework on 1 December 2022, thereby fulfilling the formal prerequisites for the commencement of negotiations. The Serbian side is currently awaiting a response from China.

2. Accelerating the flow of goods at border crossings through integrated border management, harmonization of working hours of border services, and infrastructure improvement. Expansion of the "Green Corridors" at EU border crossings for medicines and medical equipment.

¹ The fulfilment of trade facilitation measures for our country in 2021 was rated at 72.04%, continuing the positive trend. Specifically, in 2019, the fulfilment rate for Serbia was 61.29%, while the results for 2015 and 2017 were only 36.5% and 38.7%, respectively.

Regarding the flow of goods at the border, the most significant progress has been achieved under the Open Balkan initiative, particularly at our border and the Albanian border. However, North Macedonia has not yet ratified the agreed agreements, so the Open Balkan is not yet fully implemented. On our side, all controls have been moved away from the border, and a special lane for the Open Balkan has been introduced.

The Green Corridors and their expansion to the EU are part of the Action Plan for the creation of a Common Regional Market 2021-2024 (CRM AP), adopted at the EU-Western Balkans Summit in Sofia. The plan aims to create conditions for the free movement of goods, services, people, and capital in the region. This Action Plan provides for the continuation of work on improving the CEFTA Green Corridors and expanding them to border crossings with the EU, harmonizing inspection services' working hours, removing Non-Tariff Barriers (NTBs), and achieving full functionality of the SEED+ system (electronic exchange of customs documents and veterinary and phytosanitary certificates).

This initiative is being implemented in multiple phases. In the first phase, a list of border crossings between the EU and CEFTA was defined where the rules of the expanded EU initiative for Green Lanes would apply, along with a list of goods that would receive priority. In the meantime, all goods have been included.

Following that, a Memorandum of Understanding (MoU) on data exchange for the expansion of Green Corridors between EU customs authorities and CEFTA member states' border services was signed. These memorandums are a prerequisite for the accelerated flow of goods mechanism to be implemented in practice.

To date, **MoU has been signed between the customs authorities of Greece and North Macedonia** on data exchange for the expansion of Green Lanes, which took place on 7 July 2022 at the Thessaloniki Forum. Additionally, on 9 September in Rome, MoUs were signed on the "Blue Lanes" initiative between the **customs authorities of Italy and Albania, and between Italy and Montenegro**, for data exchange.

On 9 December 2022 in Brussels, during CEFTA Week and the annual meeting of the CEFTA Joint Committee, **Montenegro and Bosnia and Herzegovina** signed MoUs with Croatia to apply Green Corridors at these border crossings. Moldova and Romania are also in negotiations, with a special focus on empty trucks, to reduce the long queues of trucks leaving Moldova.

3. Coordination of the preparation of mutual recognition programs for documents submitted during the import and export of goods, as stipulated by: - Additional Protocol 5 of the CEFTA 2006 Agreement, and - Memorandum of Understanding and Cooperation on Facilitating the Import, Export and Movement of Goods under the Open Balkan Initiative

The adoption of decisions within CEFTA remains blocked due to Pristina's insistence on excluding UNMIK from the CEFTA Agreement. At the expert level, the following decisions have been prepared but are yet to be adopted.

- a. Decision on recognizing the status of Authorized Economic Operators (AEOs) for the Republic of Serbia, the Republic of Moldova, the Republic of North Macedonia, and the Republic of Albania
- b. Decision on facilitating e-commerce
- c. Decision on preventing unjustified geo-blocking
- d. Decision on the delivery of shipments

4. Establishing cooperation with Trade Facilitation Committees at the bilateral and multilateral levels

The NTFB Secretariat participated in the conference **Regional Economic Integration in the Western Balkans: Trade and Global Value Chains in an Uncertain Global Environment**, organized under the auspices of the World Bank on **25 October 2022** in Vienna, Austria.

World Bank experts presented both qualitative and quantitative analyses of trade flows at global and regional levels, highlighting the importance of value chains. Over 70% of global trade in goods and services is conducted through global value chains. In the past two decades, the growth of trade via value chains has contributed to reducing transportation costs and trade barriers. During the COVID-19 pandemic crisis, trends of protectionism and reshoring of production within national borders emerged. However, recent World Bank research indicates that this approach is counterproductive and could contribute to an increase in global poverty. On the contrary, the research shows that greater economic integration and strengthening of value chains could stimulate sustainable economic growth.

The importance of connectivity and the facilitation of goods flow across borders is evidenced by the fact that five hours of waiting at a border crossing is equivalent to a 4.6% *ad valorem* customs duty. Transportation connectivity and the fast movement of goods are crucial, and one of the assumptions is that Greece was most affected by the global crisis among EU countries precisely because it is geographically isolated, requiring the crossing of multiple borders for trade.

During the COVID crisis, road transport costs significantly increased, primarily due to rising fuel prices. There was also an increase in the cost of ocean freight and a shortage of capacities, alongside unpredictable transport schedules, all of which negatively impacted trade.

The most significant logistics challenges in the Western Balkans are reflected in the limited number of transport permits and the mutual recognition of licenses in rail transport. Regarding road border crossings, the following issues were particularly highlighted: the lack of dedicated lanes for trucks, the lack of special lanes for empty trucks, as well as for Authorized Economic Operators (AEOs). AEO status is not recognized among all Western Balkans partners, and inspection services, except for customs, are not at an adequate level of digitalization, risk assessment, or process management. All countries in the region, except for North Macedonia, are in the early stages of preparing a National Single Window system.

When it comes to logistics costs, World Bank analysis has shown that, for example, these costs account for 10-15% in the EU, while in Serbia, they account for 20%. One of the most significant logistics problems for the entire Western Balkans is the long waiting times at border crossings with the European Union.

As part of the support through the Swiss Program on Capacities for Trade Policies (C4TP), and in collaboration with USAID's Economic Development, Governance, and Enterprise Growth (EDGE) project, a **Regional Workshop on Enhancing the Efficiency of AEO Program Implementation through Improved Participation of Other Border Agencies** was held on 23 and 24 November 2022 in Skopje, North Macedonia. Representatives from the NTFB Secretariat also participated in the workshop.

The topic of the workshop was facilitating the implementation of the national AEO program and mutual recognition arrangements for these programs within the Open Balkan framework, specifically between Serbia, North Macedonia, and Albania. The workshop focused on improving cooperation between customs, veterinary, and phytosanitary agencies present at the border.

The conclusions of the workshop were that finding ways to involve both phytosanitary and veterinary services in the AEO program to facilitate trade at border crossings for entities with AEO status is important, yet quite challenging. Customs officers and phytosanitary

and veterinary inspectors at the border have completely different approaches when it comes to the movement of goods at border crossings: one focuses on the documentation accompanying the shipments, while the others primarily concentrate on the inspection of the goods themselves. On the other hand, it is essential to dedicate further attention to these issues to facilitate trade at the border, making this workshop a first step toward better understanding the perspectives and responsibilities of border services regarding the AEO program.

5. Informing the public and business representatives about the application of unilateral trade facilitation measures, as well as those arising from the implementation of international agreements

As part of the support through the **Swiss Program on Capacities for Trade Policies**, in 2021 an activity plan was developed, which also includes further development of the NTFB website content. During 2022, further steps were taken to improve the development and visibility of the website, as well as the options it provides for proposals and initiatives from stakeholders, primarily the business community, with the aim of facilitating trade. A new website logo was also created, along with connections to the websites of other institutions and departments related to NTFB's work, to ensure the website operates at full capacity.

Representatives of the NTFB Secretariat took part in the **Global Trade Facilitation Programme (GTFP)**, with the Serbian Customs Administration as one of the beneficiaries. This joint initiative by the State Secretariat for Economic Affairs of Switzerland (SECO) and the World Customs Organization (WCO) is designed to accelerate and simplify international trade for selected beneficiary countries and their customs administrations.

4. Questions and initiatives of the business community

During the eighth session of the NTFB, held on 12 December 2022, the chairs of the expert working groups presented the planned activities in the draft action plans for 2022 and 2023. **Private sector representatives** raised issues they face in foreign trade and proposed actions and measures to be taken in order to find solutions.

Representatives of the American Chamber of Commerce in Serbia expressed their satisfaction with what was presented by the chairs of the working groups and noted that there have been concrete improvements in various areas. They particularly emphasized that it was encouraging to hear that representatives of the Sanitary Inspection of the Ministry of Health announced a more active role in this process during the meeting.

Two questions were raised during the session:

1. The meeting mentioned newly introduced good practices of the border phytosanitary inspection regarding the control of laboratories, the limitation of time for which analyses must be delivered, and the random selection of accredited laboratories for all required analyses. AmCham's question was whether the Veterinary Directorate has implemented or plans to implement any control measures for authorized laboratories to which samples are sent for analysis, in order to standardize and shorten the time required to obtain the analysis results, following these good phytosanitary practices? The Veterinary Directorate

representatives stated they would check with their colleagues in charge and provide an answer later.

2. A question was also raised regarding the issuance of decisions on veterinary and sanitary conditions (import permits). Namely, since the end of last year and the beginning of this year, AmCham members have reported significant delays in the issuance of import permits for raw materials for the meat industry and general permits for meat imports. Previously, this document was regularly issued within 8–10 days, but since the beginning of 2023, companies have been waiting 4 to 6 times longer on average. At the beginning of the year, it was explained that the reason was the introduction of a new IT system, but the situation has not permanently improved, and currently, we have information from one company that they have been waiting for one import permit 64 days (which still hasn't been issued). An explanation was requested on what needs to be done by the Directorate or by the company in order to reduce the waiting time for this import document to the level before the introduction of the new IT system or the digitization of this procedure. It would also be valuable for companies to know when they can expect this procedure to return to the timelines from a year ago?

Presentation by the representative of the Chamber of Commerce and Industry of Serbia: The representative of the Animal Feed Producers Group informed the Chamber of Commerce and Industry of Serbia that the Food and Veterinary Agency of the Republic of North Macedonia has issued a decision on measures regarding the import of milk, dairy products, and animal feed from Serbia and Bosnia and Herzegovina, requiring proof that shipments of goods (products) do not contain aflatoxin M1 and B1.

So far, two members (“Gebi” and “Patent Co”) have encountered this issue, and they are major producers of animal feed who export their products to various markets, including the EU, where the presence of a certain amount of aflatoxin in dairy products and animal feed is permitted (Italy, Poland).

The Group considers the adopted measure to be a new administrative barrier in foreign trade with North Macedonia, and it has been in effect since 1 December 2022. They also point out that, within the framework of the food and animal feed safety monitoring program, control of the presence of aflatoxin M1 and B1 in milk and dairy products, as well as in animal feed, is carried out (funds provided by the Law on the Budget of the Republic of Serbia). As part of internal HACCP procedures, producers are required to conduct self-control of incoming raw materials. In addition to the financial burden (around 25 euros per analysis) and logistical challenges, analysing the finished product poses a threat to the competitiveness of domestic products in the North Macedonian market. Moreover, the decision states that every shipment of animal feed from Serbia and Bosnia and Herzegovina must be analysed at border crossings, implying that analyses conducted by Serbian laboratories are not recognized.

In telephone communication with the members of the Group, the Chamber of Commerce and Industry of Serbia learned that they were told (by the border veterinary service of North Macedonia) that shipments of milk and animal feed would be accepted if they were accompanied, in addition to a veterinary certificate, by laboratory analyses of the raw materials conducted in one of the accredited laboratories in Serbia. Although it is expected that the trade of these goods will proceed smoothly, the decision of the Food and

Veterinary Agency of the Republic of North Macedonia remains in force, and it is uncertain how North Macedonia's border inspectors will act in the future.

The Chamber of Commerce and Industry of Serbia was approached by Atlantic Group from Belgrade regarding the entry into force of the new Consumer Protection Law of North Macedonia, as of 15 November 2022 (submitted electronically). According to this law, product declarations must also be printed in the minority language if the percentage of minorities exceeds 20% of the total population in North Macedonia. More than 1,000 companies from Serbia export to the North Macedonian market, many of them operating in the agricultural and food industries.

Articles 6 and 37 of the said law create financial and logistical problems for domestic producers, as product packaging is printed in large batches and planned cycles, and the law does not provide a transitional period for producers to adjust to the new requirements.

The company Nelt Adriatic from Skopje, a subsidiary of Nelt from Belgrade, approached the Economic Chamber of North Macedonia, and later the Department for Labelling, Marking, and Food Quality at the Ministry of Agriculture, Forestry, and Water Economy, seeking interpretation of the two mentioned laws. Their proposal is to amend the law to introduce a transitional period of at least 6 months, allowing producers to use up existing packaging stocks and adapt to the new requirements.

Therefore, the Chamber of Commerce and Industry of Serbia has contacted its partner institution in North Macedonia, the Economic Chamber of North Macedonia, and requested that the proposal from the business community for a transitional period of at least 6 months for compliance with the new Consumer Protection Law be adopted.

4.1. Initiative of the Chamber of Commerce and Industry of Serbia regarding the establishment of border phytosanitary and veterinary controls at the Tovarnik railway border crossing

On 1 March 2023, the Chamber of Commerce and Industry of Serbia sent a letter to NTFB highlighting the domestic economy's need for the establishment of phytosanitary and veterinary controls at the Tovarnik railway border crossing with Croatia.

In relation to this, on 16 March 2023, a meeting was held at the Government of Serbia, chaired by the Ministry of Domestic and Foreign Trade, in its role as the new chair of NTFB. Representatives of the Chamber of Commerce and Industry of Serbia presented the steps taken so far to address this issue, including establishing contacts with the Croatian Chamber of Commerce (HGK), and both chambers held meetings with representatives of the relevant Croatian departments.

After the discussion and presentations by all representatives of the departments present, several conclusions were defined:

- According to the procedure applicable in EU legislation, it is possible to establish phytosanitary and veterinary control at a railway border crossing where such controls did not previously exist if Croatia submits a request to the European Commission, which has a set timeframe to respond to the request (considering this is an EU external border);
- As there have been no direct contacts between the relevant state authorities of Serbia and Croatia so far, the Ministry of Domestic and Foreign Trade proposed sending a joint letter from the two ministers - of domestic and foreign trade and of agriculture, forestry, and water management - to the relevant Croatian departments, explaining the problem and proposing ways to overcome it. The letter should also

mention that, as part of the Green Agenda, it is necessary to transfer as much freight transport as possible to railways to relieve road traffic, reduce harmful gas emissions, and minimize border crossing wait times;

- A representative of the Customs Administration suggested checking with the Croatian side to see if it is possible to establish such control on request, i.e., when a shipment is announced in advance, and phytosanitary and veterinary inspectors would be present during that time. Such practices existed previously with other neighbouring countries. This is especially important as building a border crossing would require additional funds, time, and personnel, and this approach could potentially bridge the current situation.
- The Chamber of Commerce and Industry of Serbia will provide an analysis of how much the Tovarnik crossing would be used if phytosanitary and veterinary control were established there, and how significant it would be not only for Serbian businesses but also for Croatian railways and the Port of Rijeka.
- The Chamber of Commerce and Industry of Serbia will submit an official request to the relevant authorities in Serbia to extend the working hours of border services at the Erdut-Bogojevo railway crossing and potentially establish operations during weekends. This will be preceded by additional checks with business community representatives to determine what types of goods are transported through this crossing and what inspections are conducted.

5. OTHER SIGNIFICANT FOREIGN TRADE FACILITATION ACTIVITIES

Open Balkan Initiative

The initiative for intensified cooperation in the Western Balkans was launched in 2019 with the aim of establishing the free movement of goods, services, people, and capital, following the model of the EU single market. The Open Balkan initiative supports existing regional initiatives, enhancing them, operationalizing them, and responding to the growing demands of the region's economies. Initially launched under the name Mini-Schengen, it was later renamed Open Balkan, and it has an inclusive character, meaning it is open to the accession of all economies in the region.

During 2019, 2020, 2021, and 2022, a series of meetings, forums, and summits were held (Novi Sad, Tirana, Ohrid, Skopje, Belgrade, Niš, Tirana), during which several declarations and agreements were signed, giving the initiative a legal framework for action.

Regarding agreements that facilitate trade within the Open Balkan, it is important to mention the Agreement on Cooperation in the Veterinary, Phytosanitary, and Food and Animal Feed Safety Fields in the Western Balkans. This agreement was signed at a meeting in Tirana, Albania, on 21 December 2021. So far, Serbia and Albania have ratified the agreement in accordance with their internal procedures, while ratification by North Macedonia is still pending.

The most significant trade facilitation activities under this agreement include:

- Recognition of test reports issued by authorized/accredited laboratories;
- Physical inspection of plants, plant products, and other items and objects at the nearest location outside the border crossing, at a customs terminal;
- Physical inspection of food derived from plants directly at the destination, at a customs terminal;

- Physical inspection of food of animal origin, animal feed, live animals, mixed products, directly at the destination, at a customs terminal.

As noted in the report of the working group on customs procedures under the Open Balkan, Serbia signed the Agreement on the Mutual Recognition of Authorizations of Authorized Economic Operators for Security and Safety (AEOS) with North Macedonia in December 2019, which came into force at the beginning of 2020. The same agreement was signed with Albania in December 2021 and ratified on 29 December 2021.

A significant agreement expected to further facilitate trade within the Open Balkan initiative is the Trilateral Agreement on Cooperation of Accredited Bodies of the Participating Countries.

Establishment of the Customs Round Table

As part of the cooperation program with the Swiss organization SECO (State Secretariat for Economic Affairs) and the World Customs Organization, under the Global Trade Facilitation Programme (GTFP), one of the goals defined was the establishment of a Customs Round Table as a consultation mechanism within the working group on customs procedures of the National Trade Facilitation Body (NTFB).

At an event jointly organized by the Project and NTFB in Belgrade on 15 March 2023, the customs round table was formed, and its first meeting was held. The speakers at the meeting included representatives from the Customs Administration, SECO, the World Customs Organization, the Ministry of Finance, and the NTFB Secretariat. Following the presentations, representatives of the business community had the opportunity to participate in the discussion.

The customs round table will serve as a platform for discussions on operational customs issues specific to certain businesses, with an appropriate mechanism for follow-up. The customs round table shall be held at least once a year, and it can be convened upon request by its members.

6. EVALUATION OF THE WORK OF NTFB AND TRADE FACILITATION IN SERBIA BY INTERNATIONAL INSTITUTIONS

The progress made in Serbia thanks to the activities within the NTFB has been recognized by international organizations. According to the **Fourth UN Global Survey on Digital and Sustainable Trade Facilitation for 2021**, Serbia has once again made significant progress in this area compared to previous reports. Specifically, this year's score for the implementation of trade facilitation measures in Serbia is **72.04%**, representing a **continuation of the positive trend**, considering the results from previous periods: 61.29% in 2019, and 36.56% and 38.71% in 2015 and 2017, respectively. The UN Global Survey is jointly conducted by five regional UN commissions in collaboration with a growing number of global and regional partners, and the results are published every two years, starting from 2015. The survey covers 143 economies worldwide and analyses the implementation of 58 measures related to the World Trade Organization (WTO) Trade Facilitation Agreement (TFA).

In January and February 2023, the NTFB Secretariat coordinated the completion of the UN Questionnaire by the departments involved in the work of NTFB. The completed questionnaire was sent to the relevant UN bodies on 24 February this year, and the results for the previous two-year period are expected mid-year.

Additionally, progress was also noted in the World Bank's *Tracking Tool*, which monitors the implementation of the WTO Trade Facilitation Agreement for individual countries on a four-year basis. According to the World Bank, Serbia's compliance with its obligations in 2022 reached 83%, marking further progress in the area of trade facilitation, considering that this figure was 78% in 2018, while in 2014, the compliance rate was 65%.

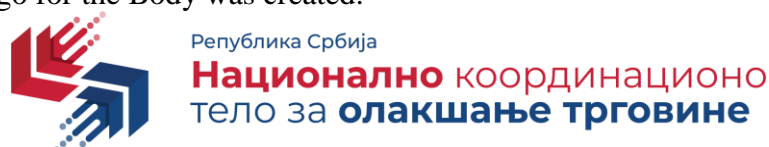
7. PUBLIC PRESENTATION

The work of the National Trade Facilitation Body (NTFB) is public. Transparency is ensured by presenting the work of the NTFB on the online portal, issuing statements and press releases, as well as participating in conferences and other public events. In line with this, the official NTFB website has been available to the public since December 2018 at the following website: <http://nktot.mtt.gov.rs/>.

The website provides all relevant information regarding the work of NTFB and its expert working groups, and it is regularly updated with the latest information. The creation of the website was financially and organizationally supported by *USAID*.

The structure of the bilingual NTFB website (Serbian and English) includes: basic information about NTFB, legal framework, documents, sessions, expert working groups, proposals and initiatives, regional cooperation, events and news, useful links, and contact information.

In 2022, due to the support project by the State Secretariat for Economic Affairs of the Government of Switzerland (SECO), the visual identity of the NTFB website was enhanced, and a logo for the Body was created.



8. PLANNED ACTIVITIES

In the upcoming period, efforts will focus on fulfilling the obligations defined in the Action Plans for 2022 and 2023 for each expert working group individually. Special activities will be directed towards obligations arising from the implementation of CEFTA Additional Protocol 5 and trade facilitation measures stemming from the Open Balkan initiative. Additionally, the most significant issue remains the situation at border crossings, especially towards the EU. In this regard, it is important to establish cooperation both bilaterally with EU countries and the European Commission and multilaterally via the CEFTA mechanism.

Further activities are planned in cooperation with donors and international organizations to implement the WTO Trade Facilitation Agreement, as well as to fulfil other obligations taken under regional and bilateral agreements. In the fourth quarter of 2023, work will begin on harmonizing new NTFB Action Plans for the next two-year period, i.e., 2024-2025.

The **most significant challenges** are primarily due to potential negative **external impacts** on Serbia's foreign trade. In this regard, it is important to note that the movement of both people and goods remains hindered, further burdened by additional checks and delays since the onset of the migrant crisis, particularly at border crossings with the EU. The current crisis between Russia and Ukraine, along with related sanctions and various

restrictions on trade flows, is disrupting certain global supply chains, which may affect Serbia's foreign trade operations.

The NTFB will continue to work on facilitating foreign trade procedures through planned activities and intensive contact with key trade partners, as well as business organizations and companies.

It is necessary to strengthen the capacity within NTFB, particularly considering that all members, working group chairs, and representatives from the Ministry of Foreign and Domestic Trade, who serve as the Secretariat, handle these responsibilities in addition to their regular duties and tasks.

APPENDIX 1: 2022-2023 Action Plans of NTFB Expert Working Groups

I – EXPERT WORKING GROUP ON AGRICULTURE, SANITARY, AND PHYTOSANITARY MEASURES

Chairperson: Milanka Davidović, Head of Department, Ministry of Agriculture, Forestry, and Water Economy

The Expert Working Group on Agriculture, Sanitary, and Phytosanitary Measures reviews issues and proposes initiatives that contribute to promoting and facilitating foreign trade in agricultural and food products. In the issues and initiatives it reviews and proposes, the expert working group ensures that veterinary, sanitary, and phytosanitary measures related to foreign trade in agricultural and food products are adopted and implemented in a way that is no more burdensome for the economy than necessary to ensure the appropriate protection of human, plant, and animal life and health.

	Planned activity	Measures for implementing the activity	Competent institutions	Result indicators
1.	Reducing the time required for import procedures for agricultural and food products	<ul style="list-style-type: none"> Further improvement of the functionality of electronic submission of requests for goods control and accompanying documentation to reduce the time of import controls and improve risk analysis during imports, and, if necessary, organizing training for the private sector and customs brokers Continue the practice of random selection of authorized laboratories for sampling goods during import procedures, ensuring they can conduct all required analyses and are geographically closer Establish, maintain, and improve efficient electronic communication between laboratories and competent inspection authorities during the sampling of goods and the delivery of laboratory analysis results 	Ministry of Agriculture, Forestry, and Water Management – Veterinary Directorate and Plant Protection Directorate, Ministry of Health, authorized accredited laboratories	<p>Assessment of Serbia's progress based on the European Commission's report and other relevant international organizations</p> <p>Improved online modules for the electronic submission of requests for control and exchange of analysis results with laboratories</p> <p>Published lists of authorized laboratories and accredited methods on the websites of competent</p>

	Planned activity	Measures for implementing the activity	Competent institutions	Result indicators
		<ul style="list-style-type: none"> • Publish and regularly update lists of authorized laboratories according to the types of accredited analyses they conduct on the website of the ministry responsible for agriculture or health, in accordance with signed agreements, activities agreed within CEFTA, and the Open Balkan initiative • Establish an efficient monitoring and control system for authorized laboratories to improve and speed up the performance of laboratory testing services and the delivery of test results • Acceptance of test results from accredited EU laboratories and/or from countries with which agreements have been signed, regulating, among other things, the acceptance of laboratory test results, as well as in accordance with activities agreed under CEFTA and the Open Balkan initiative • Optimize the work of inspection services to speed up the flow of goods at selected border crossings 		<p>ministries</p> <p>The number of signed and implemented agreements on the recognition of laboratory test results</p> <p>Accelerated inspection procedures at selected border crossings</p>
2.	Improvement of the risk analysis system during goods inspection by all inspection services to facilitate international shipment traffic	<ul style="list-style-type: none"> • Improvement and further application of the risk analysis model during the import of goods, based on European practices in the inspection of imports (taking into account the business entity's risk concerning the compliance of goods with prescribed requirements, and/or good business 	Ministry of Agriculture, Forestry, and Water Management – Veterinary	Assessment of Serbia's progress based on the European Commission's report and reports from other relevant international organizations

	Planned activity	Measures for implementing the activity	Competent institutions	Result indicators
		<p>practices and developed internal quality controls)²</p> <ul style="list-style-type: none"> • Development and implementation of official control plans and monitoring programs based on risk analysis • Development and revision of internal procedures for inspector conduct • Assessment of available options for improving IT tools used for risk analysis and management during the inspection of goods upon import, and further development of these tools • Training inspectors to use risk analysis tools and to implement official control plans and monitoring programs based on risk analysis 	<p>Directorate and Plant Protection Directorate, Ministry of Health</p>	<p>Adopted risk assessment-based official control plans</p> <p>Number of training sessions held on risk analysis and the number of participants at the trainings</p>
3.	<p>Reduction of the volume of mandatory documentation and formalities in international shipment procedures</p>	<ul style="list-style-type: none"> • Expand the list of products for which a mandatory decision on compliance with veterinary and sanitary conditions for import and transit is not required, and align practices with current regulations so that such decisions are not required for samples of these products, or completely abolish these decisions • Improve the implementation of international agreements affecting the trade of agricultural and food products, including the Memorandum of Understanding on Cooperation to Facilitate Import, Export, and Movement of Goods in the Western Balkans concluded between the 	<p>Ministry of Agriculture, Forestry, and Water Management – Veterinary Directorate and Plant Protection Directorate, Ministry of Health</p>	<p>Amendments to relevant regulations and/or internal procedures (Veterinary Law and/or Rulebook on conditions for shipments for which an import and transit permit is not required)</p> <p>Reports on the implementation of activities within CEFTA and the Open Balkan initiative</p>

² The business community's proposal to apply risk analysis during the inspection of agricultural and food products for GMOs and radioactivity.

	Planned activity	Measures for implementing the activity	Competent institutions	Result indicators
		Republic of Serbia, the Republic of North Macedonia, and the Republic of Albania, as well as the implementation of activities agreed under CEFTA and the Open Balkan initiative for the facilitation of trade in agricultural and food products		
4.	<p>Implementation of programs for harmonization and mutual recognition of documents, as well as other trade facilitation initiatives for agricultural and food products, provided by:</p> <ul style="list-style-type: none"> - CEFTA 2006 Additional Protocol 5 - Memorandum of Understanding on Cooperation to Facilitate Import, Export, and Movement of Goods in the Western Balkans concluded between the Republic of Serbia, the Republic of North Macedonia, and the Republic of Albania - Open Balkan initiative 	<ul style="list-style-type: none"> • Active participation in the work of CEFTA bodies to reach agreements on the harmonization and mutual recognition of documents in the trade of agricultural and food products • Implementation of activities necessary for the execution of Decision No. 1/2020 of the Joint Committee of the CEFTA 2006 Agreement on the facilitation of trade in fruits and vegetables • Active participation in the implementation of activities agreed under the Open Balkan initiative to facilitate trade in agricultural and food products. 	<p>Ministry of Agriculture, Forestry, and Water Management – Veterinary Directorate and Plant Protection Directorate, Ministry of Health</p>	<p>Reports on the implementation of activities within CEFTA and the Open Balkan initiative</p> <p>Regional trade growth</p>

II - EXPERT WORKING GROUP ON TECHNICAL BARRIERS AND MEASURES WITH EQUIVALENT EFFECT IN TRADE

Chairperson: Zoran Bakić, Head of Group, Ministry of Economy, Department for Product Quality and Safety

The Expert Working Group on Technical Barriers and Measures with Equivalent Effect in Trade reviews issues and proposes initiatives that contribute to promoting and facilitating foreign trade in industrial (non-food) products (this includes, inter alia, cosmetic products, other general-use items, medicines, medical devices, chemicals, machinery, and various types of technical products, toys, etc.). In the issues and initiatives it reviews and proposes, the expert working group ensures that technical regulations, standards, and conformity assessment procedures are adopted and implemented in a way that does not introduce unnecessary barriers to trade.

	Planned activity	Measures for implementing the activity	Competent institutions	Result indicators
1.	Establishment of an efficient risk analysis and management system by the Sanitary Inspection	<ul style="list-style-type: none"> • Development of a risk analysis model for the import of industrial non-food products to establish an efficient risk analysis system, reduce barriers, and facilitate imports for companies with good business practices, goods compliant with prescribed requirements, and developed internal safety and quality controls • Identification of criteria for risk analysis and needs assessment • Creation of an implementation plan for risk analysis in the import control procedure, with the necessary resources (financial, personnel, IT, etc.) • Adoption and implementation of measures necessary for the implementation of risk analysis 	Sanitary Inspection, Ministry of Health	Functional risk assessment upon the arrival of each import shipment, and based on that, decision-making on sampling
2.	Further harmonization of technical regulations with	<ul style="list-style-type: none"> • Publication of the complete list of Serbian standards (EU list) in the domain of 	Ministry of Construction, Transport and Infrastructure	List of standards that “accompanies” the Law on

	Planned activity	Measures for implementing the activity	Competent institutions	Result indicators
	EU legislation	<p>construction products, i.e., the list of standards that will accompany the legal act on construction products</p>		Construction Products
		<ul style="list-style-type: none"> • In the domain of items of general use – adoption and regular updating of regulations in accordance with amendments to EU regulations, particularly: <ul style="list-style-type: none"> - Drafting of by-laws for materials and items in contact with food, in line with EU regulations - Drafting of by-laws regulating the import regime of detergents, biocides, etc., in line with EU regulations 	Sanitary Inspection, Ministry of Health	Adopted rulebooks based on the Law on Items of General Use
		<ul style="list-style-type: none"> • Abolition of the obligation to obtain a certificate of conformity (for placing products on the market of the Republic of Serbia), issued by designated conformity assessment bodies (CABs) for equipment and protective systems intended for use in potentially explosive atmospheres (ATEX) 	Ministry of Economy	Amended regulations (Rulebook on equipment and protective systems intended for use in potentially explosive atmospheres)
		<ul style="list-style-type: none"> • Transposition of the new EU Radio Equipment Directive (RED), timely publication of the list of Serbian standards in the field of radio equipment (and telecommunications terminal equipment), and revision of the validity period of the certificate of conformity, with the aim of abolishing it 	Ministry of Domestic and Foreign Trade, Market Inspection	Amended regulations – publication of the Rulebook on radio equipment (withdrawal of the Rulebook on radio and telecommunications terminal equipment) Published updated list of

	Planned activity	Measures for implementing the activity	Competent institutions	Result indicators
				Serbian standards in the field of radio equipment (and telecommunications terminal equipment)
3.	Acceptance of foreign certificates of conformity	<ul style="list-style-type: none"> Further promotion of: the procedure for recognizing foreign certificates of conformity conducted by competent ministries; the conditions and methods for issuing domestic certificates of conformity without repeated conformity assessment for products accompanied by foreign certificates; and the meaning and importance of the status of the Accreditation Body of Serbia as a signatory to the EA MLA agreement with the European Cooperation for Accreditation (EA) for certain areas (Considering that a test report is not the sole condition for placing non-food industrial products on the market, but is only part of the technical documentation based on which the manufacturer prepares a declaration of conformity or the conformity assessment body issues a certificate or other document.) Signing of international agreements/MoUs and acceptance of documents issued by accredited laboratories Brochures and training for all interested parties on the topic of acceptance of 	Ministry of Economy, Accreditation Body of Serbia NTFB member institutions	<p>Number of training sessions held and number of participants at the trainings</p> <p>Published brochures</p> <p>Number of concluded agreements/memoranda on the acceptance of foreign certificates of conformity</p>

	Planned activity	Measures for implementing the activity	Competent institutions	Result indicators
		foreign certificates of conformity or test results, as well as on the legal possibility of drafting and issuing appropriate domestic certificates of conformity for the subject product based on a foreign certificate of conformity (with support from the civil sector – projects, organizations, associations, etc.)		
4.	Abolition of permits for the trade of hazardous chemicals, as well as permits for the use of hazardous chemicals by individuals Amendments to the Law on Chemicals (“Official Gazette of the Republic of Serbia,” Nos. 36/09, 88/10, 92/11, 93/12, and 25/15)	<ul style="list-style-type: none"> • Repeal of Articles 63-72. These provisions stipulate that only legal entities or entrepreneurs with a permit can place certain hazardous chemicals on the market; they also outline the procedure for applying for such a permit and the conditions that must be met to obtain it. Additionally, there is a requirement for individuals to apply for a permit to use certain hazardous chemicals. These provisions of the law have been identified as barriers to the free movement of goods and will be repealed with the adoption of a new Law on Chemicals. The deadline for adopting the new law is Q4 2023. 	Ministry of Environmental Protection	Adopted Law on Amendments to the Law on Chemicals
5.	Eliminate delays in issuing registrations, renewing registrations, approving variations, and promotional materials for medicines in accordance with legal deadlines	<ul style="list-style-type: none"> • Introduction of an electronic platform for the submission and processing of drug documentation (for all mentioned procedures) • Preparation of semi-annual ALIMS reports on the average time for processing 	ALIMS (Agency for Medicines and Medical Devices of Serbia) Ministry of Health	Issuance of drug registrations, renewal of registrations, approval of variations, and promotional materials within the legally prescribed deadlines

	Planned activity	Measures for implementing the activity	Competent institutions	Result indicators
		individual requests for registration, renewal, approval of variations, and issuance of promotional material, indicating whether legally prescribed deadlines were exceeded		Established electronic platform for the submission of drug documentation Annual reports for 2022 and 2023 with statistics on the average duration of procedures in accordance with legally prescribed deadlines

III - EXPERT WORKING GROUP ON CUSTOMS PROCEDURES

Chairperson: Snežana Karanović, Acting Assistant Minister of Finance

The Expert Working Group on Customs Procedures reviews issues and proposes initiatives that contribute to improving and facilitating the customs procedure, expanding the application of simplified customs procedures during the import, export, and transit of goods, and standardizing and increasing predictability in the actions of customs authorities.

	Planned activity	Measures for implementing the activity	Competent institutions	Result indicators
1.	Mutual recognition and promotion of the Authorized Economic Operator (AEO) program	<ul style="list-style-type: none"> • Implementation of the agreement on mutual recognition of Authorizations of Authorized Economic Operators for Security and Safety (AEOs) with North Macedonia <ul style="list-style-type: none"> ○ Development of a protocol for the validation of mutual recognition of AEOs ○ Establishment of mandatory information exchange regarding AEOs • Signing of the agreement on mutual recognition of Authorizations of Authorized Economic Operators for Security and Safety (AEOs) with the Republic of Albania <ul style="list-style-type: none"> ○ Development of a protocol for the validation of mutual recognition of AEOs ○ Establishment of mandatory information exchange regarding AEOs • Creation and protection of the logo for the national Authorized Economic Operator 	Customs Administration, Ministry of Finance	<p>Protocol for the validation of mutual recognition of AEOs signed with North Macedonia</p> <p>Accelerated flow of goods and reduced waiting times for freight vehicles at border crossings with North Macedonia for AEO holders</p> <p>Agreement on mutual recognition of AEOs signed with the Republic of Albania, along with the protocol for the validation of mutual recognition of AEOs</p> <p>Number of concluded agreements on mutual recognition of AEO programs</p>

	Planned activity	Measures for implementing the activity	Competent institutions	Result indicators
		<p>program</p> <ul style="list-style-type: none"> • Introduction of additional benefits for AEO holders 		<p>Explanations issued by the Customs Administration, enabling AEO holders to use benefits</p>
2.	Acceleration of goods flow at the Prešovo-Tabanovce border crossing	<ul style="list-style-type: none"> • Establishment of a dedicated lane for entry and exit of freight vehicles in road traffic under TIR and T1 procedures (common transit), for companies with AEO status, and for the transport of perishable goods • Establishment of joint controls 	Customs Administration, Ministry of Finance, NTFB member institutions, Coordination Body for Border Crossings	<p>Accelerated flow of goods at the border and reduced waiting times for freight vehicles at border crossings (<i>mechanism for verifying progress based on the Time Release Study and the Trading Across Borders indicator from the World Bank's Doing Business list</i>)</p>
3.	IT integration between the Plant Protection Directorate of the Ministry of Agriculture, Forestry, and Water Management and the Customs Administration	<ul style="list-style-type: none"> • Defining the set of data to be exchanged between the Customs Administration and the Plant Protection Directorate; • Establishment of an online information exchange system between the Plant Protection Directorate and the Customs Administration; • Training for Customs Administration officers, Plant Protection Directorate officers, as well as the private sector, on the new electronic tools 	Customs Administration, Ministry of Finance Plant Protection Directorate, Ministry of Agriculture, Forestry, and Water Management	<p>Defined set of data to be exchanged Available online system for data exchange Reduction of the average time required for the issuance of documents by the Plant Protection Directorate, as well as the customs procedure for those goods</p>

	Planned activity	Measures for implementing the activity	Competent institutions	Result indicators
4.	IT integration between the Directorate for Radiation and Nuclear Safety and Security and the Customs Administration	<ul style="list-style-type: none"> Defining the set of data to be provided to the Customs Administration by the Directorate for Radiation and Nuclear Safety and Security; Establishment of an online system for connecting the Directorate for Radiation and Nuclear Safety and Security with the Customs Administration; Training for officers of the Customs Administration and the Directorate for Radiation and Nuclear Safety and Security on the new electronic tools 	Customs Administration, Ministry of Finance Directorate for Radiation and Nuclear Safety and Security	Defined set of data to be exchanged Available online system for electronic data submission Reduction of the average time required for the Directorate for Radiation and Nuclear Safety and Security's documents to be available to participants in foreign trade, as well as the customs procedure for those goods
5.	IT integration between the Customs Administration and: <ul style="list-style-type: none"> Veterinary Directorate, Ministry of Agriculture, Forestry, and Water Management, and Border Sanitary Inspection, Ministry of Health (to the extent dependent on the Customs Administration) 	<ul style="list-style-type: none"> Defining the set of data to be provided to the Customs Administration by the Veterinary Directorate and the Sanitary Inspection; Establishment of an online connection system Training for officers of the Customs Administration, Veterinary Directorate, and Sanitary Inspection 	Customs Administration, Ministry of Finance Veterinary Directorate, Ministry of Agriculture, Forestry, and Water Management Sanitary Inspection, Ministry of Health	Available online system for electronic data submission Defined set of data to be exchanged Defined set of data to be exchanged Reduction of the average time required for the issuance of documents by the Veterinary Directorate and Sanitary Inspection, as well as the customs procedure for those goods
6.	Reduction of the time required to issue binding	<ul style="list-style-type: none"> Establishment of a system for online electronic submission of requests for the 	Customs Administration, Ministry of Finance	Available online system for the electronic submission

	Planned activity	Measures for implementing the activity	Competent institutions	Result indicators
	tariff information	<p>issuance of binding tariff information and required accompanying documentation</p> <ul style="list-style-type: none"> • Establishment of an electronic (backend) system for storing and processing submitted requests for the issuance of binding tariff information, generating final output documents in the form of binding tariff information, reports, and similar documents, along with automatic tracking of request status and validity of notifications, and the capability for advanced search, sorting, and data export across all segments of the system based on all properties of the items stored • Connecting the electronic (backend) system for processing requests and issuing binding tariff information with an online electronic database of issued binding tariff information, with automatic updates of the database of issued binding tariff notifications • Training for officers in the Customs Administration and the private sector on new electronic tools related to binding tariff information 		<p>of requests for the issuance of binding tariff information</p> <p>Reduction of the average time required to issue binding tariff information upon receipt of a valid request</p>
7.	Analysis of the current situation and implementation of measures and activities that will enable electronic communication between economic operators and the	<ul style="list-style-type: none"> • Introduction of an electronic registry if needed • If needed, develop necessary forms for electronic communication on the aforementioned bases with economic operators, along with identifying the required levels of security for such documents 	Customs Administration, Ministry of Finance	Accelerated communication between economic operators and the Collections Department of the Customs Administration

	Planned activity	Measures for implementing the activity	Competent institutions	Result indicators
	Collections Department of the Customs Administration regarding the collection of receivables related to due customs duties, interest for delays in payment, refunds of overpaid customs duties, rectification of incorrect payments, reminders for settling customs debts, and communication with the guarantor bank			
8.	Work on establishing the National Single Window System	<ul style="list-style-type: none"> • Work on developing the report blueprint • Preparatory activities for the implementation of the National Single Window System 	Customs Administration, Ministry of Finance, Ministry of Construction, Transport, and Infrastructure, and NTFB member institutions	Developed and published specifications for the procurement of expert and technical support for the implementation of the National Single Window System

IV – EXPERT WORKING GROUP FOR THE COORDINATION OF TRADE FACILITATION ACTIVITIES WITHIN INTERNATIONAL AND REGIONAL TRADE AGREEMENTS

Chairperson: Tatjana Dinkić, Head of Group, Ministry of Domestic and Foreign Trade

The Expert Working Group for the Coordination of Trade Facilitation Activities supports the structures outlined in international and regional trade agreements by coordinating and prioritizing activities at the national level concerning trade facilitation issues. This aims to facilitate faster alignment with effective international and regional practices and to reduce costs for the private sector due to procedures that are not sufficiently effective.

	Planned activity	Measures for implementing the activity	Competent institutions	Result indicators
1.	Coordination and monitoring of the implementation of obligations in the area of trade facilitation arising from free trade agreements and cooperation with international organizations	<ul style="list-style-type: none"> Monitoring the implementation of free trade agreements in the context of trade facilitation within the framework of the SAA, CEFTA, EFTA, EAEU, the UK, and Turkey Coordination of the application of measures under the WTO Trade Facilitation Agreement and preparation of notifications in accordance with Serbia's accession dynamics to this organization Coordination with relevant institutions regarding the notification procedure in the area of trade facilitation in accordance with the obligations from CEFTA Additional Protocol 5 	NTFB Secretariat - Ministry of Domestic and Foreign Trade / NTFB member institutions	Assessment of Serbia's progress based on the European Commission's report and other relevant international organizations, including independent research on compliance with the WTO Trade Facilitation Agreement – UN Global Survey on Digital and Sustainable Trade Facilitation and/or the World Bank's Tracking Tool

	Planned activity	Measures for implementing the activity	Competent institutions	Result indicators
		<ul style="list-style-type: none"> Monitoring the implementation of the Open Balkan initiative - Memorandum on Facilitating the Import, Export, and Movement of Goods concluded between the Republic of Serbia, North Macedonia, and Albania 		
2.	<p>Acceleration of the flow of goods at border crossings through integrated management of crossings, alignment of working hours of border services, and improvement of infrastructure.</p> <p>Expansion of the “Green Corridors” mechanism to border crossings with the EU for medicines and medical equipment</p>	<ul style="list-style-type: none"> Cooperation with the Coordination Body for Border Crossings to address issues of long waiting times for freight vehicles at border crossings to Hungary, Croatia, and Bulgaria, as well as further optimization of the operations of border services to expedite the flow of goods at selected railway border crossings and the establishment of joint controls with neighbouring countries Activities directed towards the relevant directorates of the European Commission and the Transport Community Coordination of agreed activities within CEFTA and the Open Balkan initiative to accelerate the flow of goods 	<p>NTFB, Coordination Body for Border Crossings,</p> <p>CEFTA Committee for Trade Facilitation,</p> <p>EU Subcommittee on Industry, Trade, Customs, and Taxation</p>	<p>Accelerated flow of goods at the border and reduced waiting times for freight vehicles at border crossings</p> <p><i>(mechanism for verifying progress based on the Time Release Study and Trading Across Borders indicator from the World Bank’s Doing Business report)</i></p>

	Planned activity	Measures for implementing the activity	Competent institutions	Result indicators
3.	<p>Coordination of the preparation of the mutual recognition program for documents submitted during the import and export of goods as provided for by:</p> <ul style="list-style-type: none"> - Additional Protocol 5 of the CEFTA 2006 Agreement, and - MoU on Facilitating the Import, Export, and Movement of Goods within the Open Balkan initiative 	<ul style="list-style-type: none"> • Continuation of work within CEFTA's relevant bodies and the Open Balkan initiative to reach agreements on mutual recognition of documents • Monitoring the implementation of the agreed programs 	NTFB member institutions	<p>Positive assessment from the CEFTA Trade Facilitation Subcommittee</p> <p>Growth of regional trade</p>
4.	Establishment of cooperation with trade facilitation committees at the bilateral and multilateral levels	<ul style="list-style-type: none"> • Organizing joint activities, conferences, and seminars to exchange experiences 	NTFB Secretariat - Ministry of Domestic and Foreign Trade	NTFB annual report with indicators on the number of joint activities implemented
5.	Coordination of responses to research inquiries in the area of trade facilitation conducted by international organizations	<ul style="list-style-type: none"> • Preparing responses to questionnaires and surveys from international institutions: <ul style="list-style-type: none"> - UN Global Survey on Digital and Sustainable Trade Facilitation 	NTFB Secretariat - Ministry of Domestic and Foreign Trade / NTFB member institutions	Assessment of Serbia's progress based on reports from relevant international organizations

	Planned activity	Measures for implementing the activity	Competent institutions	Result indicators
		<ul style="list-style-type: none"> - Other questionnaires (UNCTAD, UNECE, World Bank) 		
6.	Informing the public and business community representatives about the implementation of unilateral measures for trade facilitation, as well as those arising from the implementation of international agreements	<ul style="list-style-type: none"> • Organization of seminars, round tables, and conferences for representatives of the business community and administration • Participation in workshops organized by international organizations • Regular updates to the NTFB website to ensure timely and accurate information for interested and professional audiences in accordance with the principles of transparency and accessibility • Securing donor support for the implementation of these activities 	NTFB Secretariat - Ministry of Domestic and Foreign Trade / NTFB member institutions	<p>Number of activities held and number of participants present at seminars and workshops</p> <p>Number of new publications on the NTFB website, and increase in the number of visitors to the NTFB website</p>