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European Union

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NOTE

From: General Secretariat of the Council
To: Council

Subject: Trade practices applied by third countries vis-à-vis EU, EU Member States
respectively
- Information from the Czech delegation

Delegations will find in the Annex an information note from the Czech delegation on the above subject to be presented under "Any other business" at the Council (Agriculture and Fisheries) on 17-18 July 2017.

Trade practices applied by third countries *vis-à-vis* EU, EU Member States respectively

Explanatory document by the Czech Republic

The EU belongs to the most opened economies all over the world as the trade policy regulation concerns. The EU follows all its concessions resulting from multi- and bilateral trade negotiations as well as international trade rules and allows entering the goods from third countries to its market without any artificial and unreasonable obstacles.

On the other hand, there are a number of third countries partners, majority of them the WTO Members, using the non-tariff barriers as a tool to protect their market.

The strongly affected sector is the agri food trade as the rules of WTO SPS Agreement or internal food security laws of the particular countries give a quite flexible basis for creating sophisticatedly close ground for such barriers. The most common barriers are the complicated and not fully transparent certification systems, unreasonably long procedures or import bans based on various reasons. Some of these measures are even in breach of international trade rules. However, also other sectors than agriculture are seriously affected as well, which has a negative impact on the EU economy.

With some partners the EU conducts negotiations leading to conclusion of bilateral preferential trade agreement focussed *inter alia* at the regulatory rules and the most burdensome practices. Indeed, from implementation of recently concluded FTA with Vietnam or future FTA with Mercosur we expect improvement in market access and more flexible administration of respective procedures.

But there are protectionist measures applied by strategic partners, with which no agreement stipulates mutually respected conditions and level playing field for EU operators.

Any application of mentioned measures represents risk that the existing trade contact may be interrupted and redressing of consequent damage is quite complicated and lengthy and sometimes it is impossible to renew the business in original extent.

The Czech Republic appreciates the Commission's approach in bilateral trade negotiations, however believes that the Commission should make every effort towards preventing application of discriminatory trade policy measures and unjustified trade barriers by third countries partners.
