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Report on Non-Tariff Barriers affecting Exports from Kosovo
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Kosovo

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Act 3.1.3 - Report on NTBs affecting Kosovar Exporters

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Contents

List of Tables

1 Executive summary

Overall objective

To contribute with the efforts being undertaken to address the trade distorting effects of NTBs affecting Kosovo's trade with other CEFTA member countries.

Specific objective

The specific objective of the assignment is to identify and examine the more prevalent NTBs affecting Kosovo exporters in each of the CEFTA member countries, and to provide recommendations of ways and means to mitigate their negative impact on trade.

Introduction

The issue of unjustifiable barriers to trade among the CEFTA Member countries is a recurring theme in official CEFTA meetings and a source of friction and constant complaints by traders, both exporters and importers. A number of studies have shown that inter-regional trade is well below potential, and such situation, in a tariff free context, is partly attributed to the existence of unjustifiable obstacles to trade. This situation persist despite the fact that CEFTA includes provisions for the elimination of non-tariff-barriers (NTBs) and that this task falls within the mandate of institutional structures created under CEFTA: the Subcommittee on Technical Barriers to Trade (TBTs) and NTBs, the Subcommittee on Agriculture and Sanitary and Phytosanitary (SPS) Issues, and the Subcommittee on Customs and Rules of Origin. Furthermore, in this area a main objective to be achieved through the" Consolidated Multi-annual Action Plan for Regional Economic Area in the Western Balkans 6"(MAP) is the creation of NTMs and TDMs-free region.[1]

This report provides an assessment of the obstacles that Kosovar exporters confront when exporting to other CEFTA countries. For a small open economy as the Kosovar increasing exports is of capital importance. The CEFTA markets are a core destination of Kosovo's exports. Therefore, any obstacles that exporters confront in accessing those markets have significant growth and developmental implications. In this connection addressing unjustifiable obstacles to trade is high on the agenda of the Government. As this report shows Kosovo has not been able to reap all the expected trade-related benefits of its participation in the CEFTA Agreement, in particular when comparing with the performance of other members of the regional grouping. Kosovo has experienced a structural and growing deficit in its regional trade, becoming a main import destination for exports of other CEFTA Members.

The main objective of the undertaking was to assess the extent to which Kosovar exporters face obstacles when exporting to other CEFTA and to identify the specific obstacles affecting them. The assessment conducted through interviews with 50 companies in Kosovo identified a significant number of difficulties and obstacles, which Kosovo companies confront when exporting to CEFTA member countries. Besides the obstacles faced for acceding to the export markets, companies reported a large number of difficulties they face inside Kosovo due to bureaucratic procedures applied by Kosovo authorities, and other resulting from the inappropriate business environment in the country; such as lack of staff within Kosovo authorities responsible for export procedures and unnecessary red tape and excessive costs.

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1 In the trade policy area the MAP provides that "the CEFTA Secretariat will continue to monitor Non-tariff Measures (NTMs) over the region; to do so, a report shall be prepared on an annual basis on the main impediments to trade. The report will in particular reflect the current obstacles faced by companies and breach in the level-playing field that should prevail for companies within the region. CEFTA Parties acknowledge the important role the private sector has to play in the systemic monitoring of NTMs in trade in goods and barriers in trade in services, which the Western Balkans Chambers Investment Forum (WB CIF) will contribute to structure". It should be noted that the objective is to create a NTMs free region; entails an inappropriate use of the terms, misunderstanding of the difference between NTMs and NTBs.

In this regard for example, a World Bank study found that for instance, a Kosovan exporter takes almost two days (42 hours) for border compliance and another 1.5 days (38 hours) for documentary compliance compared to the average of 7 hours and 3.8 hours in the other five Western Balkans states. In addition, the Kosovan firm will have to pay US$ 264 to export compared to an average of US$ 72 in the other five countries.[2]

Kosovo exporters are confronting obstacles of different nature when exporting to CEFTA markets. There are two main types of obstacles: those emerging from political considerations related to not recognition of Kosovo's independence by three members of CEFTA: Serbia, Bosnia and Hercegovina and Moldova; and procedural obstacles of different nature, which are applied by all members of CEFTA. The former constitute a hurdle that is almost impossible to surpass, being equivalent to an import prohibition in the target markets. Constraints emerge from the inability to travel with personal documents issued by Kosovo Authorities and with Kosovo's registered transport vehicles, and not recognition of certificates and other documents issued by Kosovo Authorities. Procedural obstacles emerge, among others due to the application of phytosanitary or/and veterinary testing on each export, lack of transparency, and red tape at the border. The report identifies the specific problems confronted in the different CEFTA countries. In the final section, this report presents some policy recommendations to address the different obstacles affecting Kosovar exporters.

This report is structured as follows. The next section presents a brief discussion of the nature of non-tariff-measures, and the distinction that is necessary to make with unjustifiable obstacles to trade, distinction that sometimes is overlook. Section three briefly examines Kosovo's trade with CEFTA Member Countries, which provides some insights on the possible effects of the obstacles that Kosovo is confronting when trading with CEFTA Member countries. Section four presents the methodology utilized for conducting the assessment. Section five presents the results of the research, identifying obstacles in each CEFTA country; while Section sis summarizes the main findings. The final section suggests some policy recommendations.

Non-tariff Barriers and Unjustifiable Obstacles to Trade: A necessary distinction

NTMs are defined as a negative concept, which comprises the realm of all measures, which are different than import tariffs but that can have an impact on international trade. According to the internationally accepted definition, NTMs are "all policy measures other than ordinary customs tariffs that can potentially have an economic effect on international trade in goods, changing quantities traded, or prices or both".[3] Non-tariff measures, and in particular technical barriers to trade, are often the first-best instruments to achieve public policy objectives.

Non-tariff *measures* need not be non-tariff *barriers*. In addressing the issue of obstacles to trade is important to clearly differentiate between *"non-tariff measures"* (NTMs) and *"unjustifiable obstacles to trade"* which can be denoted as NTBS; important distinction that sometimes is overlooked, as in the case of the objective set for the MAP, an NTM free area, and in the terms of reference for the CEFTA Sub-Committee on TBTs and NTBs, which specifically stipulates that "the task of the Sub-committee is to identify, review and propose measures for elimination of *technical barriers* to trade and non-tariff barriers among the Parties". In a context of regulatory sovereignty and differing national preferences, it is not appropriate aiming at eliminating NTMs that pursue important domestic regulatory objectives. Rather, the emphasis should be on reducing the often-unintended costs and any implicit discrimination between domestic and foreign suppliers.

2 World Bank (2017) WESTERN BALKANS: Regional Economic Integration Issues Notes

3 UNCTAD/DITC/TAB/2009/3. This definition denotes that the set of NTMs is extremely diverse in terms of intent, comprising measures pursuing a quite differentiated set of public policy goals; in terms of the type of policy, whether it is a price, quantity or regulatory measure; and, in terms where the action takes place, whether the measure applies at the border, or behind the border. NTMs also differ in terms of their legal form and in terms of their economic effect. Therefore, it should be noted that NTMs are at least as distinct from each other as they are collectively different from a tariff.

A number of international organizations working together have elaborated a detail classification of NTMs; which is the most commonly utilized one today both by policy-makers and by researchers.[4] This classification encompasses 16 chapters (A to P), and each individual chapter is divided into groupings with depth up to three levels. The current classification of NTMs is presented as the 2012 version.[5] NTMs are of three types: technical, non-technical and those affecting exports. The Annex to this report presents in table format the international classification of NTMs. Table 1 presents the taxonomy of NTMs

Table 1: Taxonomy of Non-Tariff Measures

			Groups	Sub-groups	3 digit
IMPORTS	**Technical Measures**	A Sanitary and phytosanitary measures	7	31	4
		B Technical Barriers to Trade	8	18	4
		C Pre-shipment inspection and other formalities	5		
	Non-technical Measures	D Contingent trade protection measures	3	9	6
		E Non-automatic licensing, quota, prohibitions and quantity control measures and other than for SPS or TBT	6	11	30
		F Price-control measures including additional taxes and charges	9	19	
		G Finance measures	5	9	3
		H Measures affecting competition	3	5	
		I Trade-related investment measures	3		
		J Distribution restrictions	2		
		K Restrictions on post-sales services			
		L Subsidies (excluding export subsidies)			
		M Government procurement restrictions			
		N Intellectual property			
		O Rules of origin			
	EXPORTS	Export related measures	9	10	

With respect to NTMs, three issues should be highlighted. First, they pursue legitimate policy objectives addressing market failure, emerging from asymmetric information and externalities, and other non-economic public-policy objectives. Therefore, following the international definition of NTMs postulating their elimination is no appropriate at all. In this realm, the objective should be improving regulations with the aim

4 The classification of NTMs was discussed and proposed by the following organizations: Food and Agriculture Organization of the United Nations; IMF, International Trade Center; OECD; UNCTAD; UNIDO; World Bank; and, the WTO.

5 UNCTAD(2015). International Classification of Non-Tariff Measures. 2012 Version. UNCTAD/DITC/TAB/2012/2Rev.1. United Nations New York and Geneva.

of minimizing their costs for the private sector. Given this objective, the problems involved in making NTMs less trade distorting are essentially problems of better regulation, which are akin to those encountered in the improvement of domestic regulations. Secondly, the application of NTMs is internationally regulated both by the WTO Agreements and by specific provisions in the SAA Agreements and in CEFTA 2006.[6] Therefore, all CEFTA Members are bound to apply NTMs in line with their international commitments, which aim to minimize the effects on trade.

Finally, NTMs are not necessarily trade reducing. Different empirical studies have demonstrated that NTMs, in particular the technical ones, can be trade enhancing. In the case of the technical barriers to trade and sanitary and phytosanitary measures more specifically, empirical evidence confirms that these may either increase or decrease trade and that harmonisation and mutual recognition are ways in which any negative trade effects can be mitigated. Therefore, well-designed regulations can have a trade-facilitating effect although they raise prices. For example, in the presence of information asymmetries, the imposition of technical NTMs can increase consumer trust, decrease transaction costs and promote trade. Furthermore, it should be noted that exporters and domestic producers might differ in their capacities to adapt with the measures. Therefore, the implementation of a new NTM might in the end increase the imports of the NTM imposing country. This could be the result, for example, of the transposition of the EU technical regulations in the CEFTA member countries.

There is no clear definition of NTBs. Most definitions explain non-tariff barriers in negative terms. An unjustifiable obstacle to trade, or NTB as we are using in this report, as such only exists or arises when a country's behaviour in relation to the application of NTMs is or becomes inconsistent with the terms of its international binding commitments or its domestic legislation; if it is discriminatory, if it is prepared, adopted or applied with a view to or with the effect of creating an unnecessary obstacle to international trade, or if it is more trade restrictive than necessary. In this connection, therefore, NTBs can arise from politically imposed measures, from legislation issues, and because the manner in which the NTMs are implemented. The latter are defined as *procedural obstacles.*

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6 For example, regarding technical NTMs, TBTs are regulated in chapter IV of the CEFTA Agreement, which obliges all parties to apply the WTO Agreement on TBTs. Article 13 requires that "the Parties undertake to identify and eliminate unnecessary existing technical barriers to trade within the meaning of the WTO Agreement on TBTs". In addition, the Parties "undertake not to introduce new unnecessary technical barriers to trade" and "shall inform Republic of any draft text for a new technical regulation or standard" .Moreover, "the Parties are strongly encouraged ... to harmonize their technical regulations, standards and procedures for assessment of conformity with those in the European Community". The Agreement specifies a concrete deadline for action on this issue: "the Parties undertake to enter into negotiations to conclude plurilateral agreements on harmonization of their technical regulations and standards, and the mutual recognition of conformity assessment procedures... before 31 December 2010." SPS measures are regulated in the chapter on agriculture products (III) and article 12 of the Agreement obliges all parties to apply the WTO Agreement on the application of SPS measures. The same article requires that "the Parties shall co-operate in the field of sanitary and phytosanitary measures, including veterinary matters, with the aim of applying relevant regulations in a non-discriminatory manner." In addition, it obliges parties to provide information on SPS measures upon request of another party. Moreover, "The Parties shall enter, where appropriate, into negotiations to conclude agreements on harmonization or mutual recognition in threes matters..."

2 Kosovo Exports to CEFTA Countries

This section of the report presents a brief discussion of Kosovo exports to CEFTA member countries. Trading with the region is of a very importance for Kosovo businesses. CEFTA market represents the largest market for Kosovo exports. The data presented in the table below shows the value of exports to specific CEFTA country members, for the period from year 2015 until 2018. From the data, we can derive some important observations.

Table 2: Exports of goods to CEFTA, 2015-2018

Country/Year	2015	2016	2017	2018	Increase of exports between 2015-2018
Albania	40.25	36.41	53.29	66.27	**64.64%**
North Macedonia	33.36	31.46	39.54	41.84	**25.42%**
Serbia	32.26	39.75	46.35	32.19	**-0.21%**
Montenegro	12.14	13.17	19.17	18.53	**52.63%**
B & H	5.66	7.62	7.86	7.74	**2.08%**
Total exports to CEFTA (mil. €)	**123.67**	**128.41**	**166.21**	**166.57**	**34.69%**
Total exports (mil. €)	**207.60**	**218.24**	**313.00**	**367.26**	**76.91%**
% of exports to CEFTA on total exports	**59.5%**	**58.84%**	**53.10%**	**45.35%**	

The statistics provided by Kosovo Customs show that the level of trade exchange between Kosovo and CEFTA country members has increased from year to year. The value of exports to the CEFTA markets during the period 2015 to 2018 has increased by 34.69%. Even though this represents a significant increase, the data show some interesting trends:

Exports to CEFTA increased much less compared to overall growth of exports. For the same period overall exports increased for 76.91%. In consequence the portion of exports to CEFTA market have decreased year after the year when compared with total exports. While in 2015 exports to CEFTA represented 59.57% from total exports, in 2018 they decreased to 45.35%. This shows that Kosovo exports to other markets, in particular to the EU which us a much more demanding market in terms of regulation and product quality and the other main destination of Kosovo exports, have experienced significantly more dynamism. This might be showing that Kosovo exporters are confronting some particular problems in entering the markets of CEFTA member countries; which might be attributed to the effect of the NTBs being confronted.

It is interesting to note the different performance of Kosovo exports to those countries that have recognized Kosovo's independence in comparison with those that have not. In the first case, a notable dynamism can be observed, while in the latter case exports are non-existing as the case of Moldova or practically stagnant or even declining as the cases of B&H and Serbia. This differentiated performance might be attributed to the "costs of non-recognition".

Certainly more detailed analysis need to be undertaken to explore the significant differences in export performance. This analysis has to be done at the product level identifying the coverage of NTM and the particularities of their implementation in each of the CEFTA countries. An issue that needs to be highlighted is that none of the CEFTA countries are included in the international databases of NTMs that would allow undertaking more comprehensive assessments. Being included in a NTM database would allow through the simple inventory approach, using: the frequency index, the coverage ratio, and the pervasiveness score to have a better understanding of the potential effects of NTMs on intra-regional trade. The frequency index simply captures the percentage of products that are subject to one or more NTMs. The coverage ratio captures the percentage of imports that are subject to one or more TMs. The pervasiveness score captures the average number of NTMs that apply to a product.

The most exported commodities to CEFTA member countries in 2018 were:

Table 3: Top exported products from Kosovo to CEFTA in 2018

Tariff code	Product	Value of export (mil. €)	% to total exports to CEFTA
7204	Ferrous waste and scrap; re-melting scrap ingots of iron or steel	24.20	14.30
7306	Other tubes, pipes and hollow profiles (for example, open seam or welded, riveted or similarly closed), of iron or steel:	12.30	7.38
2203	Beer made from malt	8.83	5.30
2716	Electrical energy	8.78	5.27
7404	Copper waste and scrap	8.74	5.25
7304	Tubes, pipes and hollow profiles, seamless, of iron (other than cast iron) or steel	8.19	4.92
2607	Lead ores and concentrates	7.40	4.44
2202	Waters, including mineral waters and aerated waters, containing added sugar or other sweetening matter or flavoured, and other non-alcoholic beverages, not including fruit or vegetable juices of heading 2009:	7.09	4.26

The information presented on the table above shows that most exported commodities in 2018 were scrap metals, products from metals and minerals. Except beer and water, the processed food and agricultural products are not within this group.

3 Methodology

The research was done utilizing primary data collected through meetings and interviews with the representatives of 50 businesses in Kosovo. Based on trade statistics provided by Kosovo Customs, the total number of the companies, which exported to CEFTA countries in 2018, was 198 companies.

Based on the value of their exports to CEFTA countries in 2018, these companies can be classified as presented in the table below:

Table 4: Companies exporting to CEFTA countries in 2018

Value of exports (EURO)	Number of companies	%
0 – 100,000	114	57.58
100,000 – 500,000	43	21.72
500,000 – 1,000,000	17	8.58
1,000,000 – 5,000,000	15	7.57
5,000,000 -	9	4.55
Total	198	100%

From the data presented in table 3, we can see that majority of the companies, which exported to CEFTA countries during 2018, are companies with low value of goods exported. Only 9 out of 198 companies exported at the value more than 5 million Euro individually. From the universe of companies, exporting to CEFTA countries a sample was selected aiming at including the main exporters and to cover a significant range of sectors. The companies finally included in the sample represented more than 58% of total goods exports to CEFTA countries during 2018.[7]

In the survey are also included some companies which are not in the list of exporting companies to CEFTA. This was done on purpose to find out why they are not exporting to CEFTA while they are well known producers in Kosovo, and they are exporting in other countries outside CEFTA. Interviews were conducted based on a questionnaire, which was prepared specifically for this research.

The questionnaire is presented in Annex 1. In the case of some companies, more than one meeting was necessary to gather the necessary information.

The interviews were conducted by the senior expert to together with staff from the Trade Department of the Ministry of Trade and Industry (MTI). The selection of the companies was done based on:

- Industry
- Country of destination
- Size of company
- Location of the companies

Industry

Interviewed companies are coming from these industries:

[7] Kosovo Customs data for 2018.

Table 5: Distribution of sample by the sector of economic activity

Industry	Sub-sector	Number of companies
Agricultural and food products	Food processing	13
	Agriculture	9
	Wine, alcohol and beer production	3
	Collection and processing of animal skins	1
Total		**26**
Other industries	Metal processing industry	8
	Products from plastics	5
	Construction materials	4
	Packaging materials	2
	Paper recycling	2
	Pharmaceutical industry	1
	Extract of minerals	1
	Production of mattresses	1
Total		**24**
Grand total		**50**

Country of destination

Based on statistics received from Kosovo Customs, exports of selected companies went to those member countries of CEFTA:

- Albania
- Serbia
- Macedonia
- Bosnia and Herzegovina
- Montenegro[8]

Size of company

- 6 of the interviewed companies are small companies with up to 10 employees and with the annual turnover of less than 0.5 mil Euro.
- 32 of them are medium size companies with up to 100 employees/ annual turnover between 0.5- 5 mil Euro.
- 12 of them are large companies with over 100 employees and with the annual turnover over 5 mil Euro.

Location of the companies

Selected companies are located from all around Kosovo. The list with the names of the companies and the places where they are located is presented in **Annex 2.**

[8] Based on Kosovo Customs data there was no export of goods from Kosovo to Moldova.

4 The results from the research

CEFTA market represents the largest market for Kosovo exporters. According to the Kosovo Customs data for 2018, Kosovo exports to CEFTA countries reached the value of EURO 166.57 million out of total exports of EURO 367.26 million that represented 45.35% of total domestic exports.[9]

The exports to individual CEFTA countries in 2018 were as follows:

Table 6: Kosovo exports to CEFTA countries in 2018

Country	Domestic exports	Re-exports	Temporary exports	% of domestic exports
Albania	66.27	25.53	1.27	39.79
North Macedonia	41.84	11.17	0.27	25.12
Serbia	32.19	10.32	0.53	19.32
Montenegro	18.53	5.07	0.40	11.12
Bosnia and Hercegovina	7.74	1.27	0.002	4.65
Total	166.57	53.36	2.47	100.00

Companies have been asked about the importance of export for their businesses. On the question regarding the portion of exports from the total turnover and the portion of exports to CEFTA countries from their total exports, the respondents answered as follows:

Table 7: Portions of exports from their total turnover and of exports to CEFTA from the total exports

Share of exports in total turnover groups (%)	Distribution of companies by share of exports in total turnover (%)	Distribution of companies by share of exports to CEFTA in total exports (%)
0	4	8
0-10	20	6
10-50	44	28
50-80	8	12
80-100	24	46

Companies have been asked regarding the value of their exports in relation to their total turnover. 8% of the interviewed companies declared that they are not exporting to CEFTA. These companies while for more than 68% of respondents export represent less than 50% of their total turnover, for 24% of the interviewed companies export represent between 80-100% of their total turnover. This shows that ¼ of the interviewed companies are export oriented and exporting is vital for their existence and development.

Companies also have been asked specifically regarding their exports to CEFTA countries and its portion when compared to their total exports. From the answers received, it is obvious that CEFTA market represent a very important market for these companies. 46% of interviewed companies declared that they export to CEFTA countries between 80-100% of their total exports.

9 Kosovo Customs data for 2018.

On the question regarding their experience exporting to the CEFTA countries in terms of the ease of their products entering the market and the treatment conferred by the authorities of the destination country, they answered as follows:

Table 8: The opinion of respondents regarding the ease of exporting to CEFTA countries

No. of comp./ %	Albania (34) %	Montenegro (21) %	North Macedonia (31) %	B&H (20) %	Serbia (27) %
Not good	(8) 23	(3) 14	(2) 6	(4) 20	(14) 52
Satisfactory	(5) 15	(2) 9.5	(3) 10	(0) 0	(0) 0
Good	(14) 41	(13) 62	(20) 65	(14) 70	(11) 41
Very good	(7) 21	(2) 9.5	(6) 19	(2) 10	(2) 7
Excellent	(0) 0	(1) 5	(0) 0	(0) 0	(0) 0

The information received from the respondents shows that most of them are not happy with the treatment by the authorities of the destination countries. According to these data, Serbian authorities are leading on this with 52% of the respondents saying that they were not treated well by them, followed by Albanian authorities with 23% of the respondents and Bosnia and Hercegovina authorities with 20% of the respondents. According to the respondents, this situation is mainly as result of barriers they faced during exporting, not recognition of quality and phytosanitary/ veterinary certificates and of other documents issued by Kosovo authorities.

On the question if when exporting to the CEFTA countries they have experienced any difficulties or obstacles, which they think, was not part of a normal procedure, or they think there were requirements not justified or non-proportional:

- 34% of the respondents said that they didn't face such difficulties or obstacles, while
- 66% of the respondents confirmed that they faced difficulties/obstacles to export to CEFTA countries.

On the question regarding the number of CEFTA country members they exported to in 2018:

- 8% of the respondents said that they didn't export to CEFTA;
- 16% of the respondents said that they exported only to one country;
- 24% of them exported to 2 countries;
- 26% of them exported to 3 countries;
- 12% of them exported to 4 countries;
- 14% of them exported to 5 countries;

The received responds in relation to the number of CEFTA countries they exported during 2018, show that the number of the companies, which exported to all CEFTA countries, is zero as there was no export to Moldova. The responds also show that number of the companies that exported to 5 countries is only 14% of them. The respondents explained this situation as result of difficulties and obstacles they faced when they tried to export to some of the CEFTA country members, what forced them to leave their plans to export to more countries within CEFTA and limit their exports only to one or two countries where they faced fewer difficulties.

4.1 The obstacles and barriers to export to CEFTA countries

The obstacles and barriers they reported are different from one country to another and they could be divided into two groups:

1. Those related to political status of Kosovo and not recognition of its independence by three CEFTA country members.

There are no exports to Moldova.

4.1.1 Exporting to Serbia

- In Serbia, the wine producers cannot export wine on glass bottles due to the label stating that the product is made in Kosovo. They export only not bottled and not labelled wine in large tankers.
- All Certificates issued by Kosovo authorities must be status-neutral, which means there should not be any insignia related to Kosovo.
- Pharmaceutical producer from Kosovo is not able to export to Serbia due to the requirement to be registered within the Serbian Authorities as exporter from Kosovo, and they have been told that the registration will not be approved by Serbian Authorities, as they do not accept any document issued by the Kosovo Authorities if the document is not status neutral.
- Producers of products from recycled plastics are not allowed to export to Serbia if in the package of their products is written declaration that these products are made by the company from Kosovo.
- Serbia does not recognize a quality certificate issued by Kosovo Authorities for isolation materials used in construction.
- Companies cannot export to Serbia using local transporters due to non-recognition of vehicles plates.
- Kosovo Producers are not allowed to apply to the public procurement tenders in Serbia.
- Companies, which collect used and cardboard paper, cannot export to Serbia, as importing companies from Serbia are not licensed by their authorities for importing from Kosovo.

4.1.2 Exporting to Bosnia and Herzegovina

- To transport goods to Bosnia and Hercegovina, a Kosovar driver needs an entering visa. Bosnia and Herzegovina and Moldova are the only countries within CEFTA agreement, which apply entering visa for Kosovo citizens.
- Apart of the visa requirement for driver, Kosovo companies cannot use their own transport, as Bosnia and Hercegovina do not recognize Kosovo vehicle plates.
- All Certificates issued by Kosovo authorities must be status-neutral, which means there should not be any insignia related to Kosovo.
- Kosovo Producers are not allowed to apply to the public procurement tenders published by the authorities in Bosnia and Hercegovina.
- Kosovo producer of potatoes was not allowed to export to B&H as a part of phytosanitary certification issued by Kosovo authorities, the B&H authorities requested from the exported to provide a phytosanitary certificate issued by Serbian authorities.
- Pharmaceutical producer from Kosovo is not able to export to B&H due to the requirement to be registered within the B&H Authorities as exporter from Kosovo, and they have been told that the registration will not be approved by B&H Authorities as they don't accept any document issued by the Kosovo Authorities if the document is not status neutral.

2. Obstacles and barriers related to administrative actions taken by the authorities of the countries of destination.

4.1.3 Obstacles exporting to Albania

- On each export the Albanian authorities require the original copy (or notarized copy) of Certificate of Quality for products which are subject to phytosanitary and veterinary control. This requirement of Albanian authorities is causing additional financial cost to Kosovo exporters and consuming a lot of their time, which they need to spend for obtaining the certificate.
- Customs clearance procedures in Albania are complicated. Even though it was expected that the agreement between two Governments will facilitate the trade exchange between Kosovo and Albania, when the export goes from Kosovo to Albania, the consignment will be stopped by Albanian Customs authorities at the BCP Morine and Albanian importing company needs to submit an application for internal transit of goods, from the border to the inland customs terminal. When the transit is approved, the truck needs to go to the nearest customs terminal where importing company is registered.
- If exporting company has loaded two or more consignments in the same truck and the final destination is not in the same place, the customs procedures cannot be completed in one single customs terminal, but the truck needs to move from one to another customs terminal.
- One other obstacle from Albanian Customs is the requirement for scanning of the consignments. The selection of the consignments for scanning is done based on risk analysis. Even though not all consignments are scanned, for those, which are selected, and if the value of the goods in the consignment is over 1,000 Euro, there is a fee of 22 Euro, which they have to pay for scanning.

There are some other obstacles reported on exporting to Albania, but those obstacles should be classified as tariff and non-tariff measures rather than non-tariff barriers:

- Non-acceptance of transaction value by Customs Authorities and the application of other methods for the valuation of goods on import.
- Application of higher excise rate on imported products made from plastics compared to the excise rate applicable on same products produced in Albania.
- Albania applies higher excise rates on wine and beer if the production capacity of producer/exporter is bigger than 1 million litters of wine or beer per year.

4.1.4 Obstacles exporting to Serbia

- For the drinks exported to Serbia, on each export the Serbian authorities require additional tests. They take samples of the products and send them to the laboratories in Serbia. It takes a lot of time to complete these tests and sometimes the consignments are kept for more than 40 days in customs terminals before completing customs clearance. The cost for lab tests and for the terminal services made them not any more competitive and most of the interviewed companies stopped exporting to Serbia after the first experience.
- Serbian authorities require that documents should always be prepared in Serbian language.
- Companies, which collects old and scratch metals, are not allowed to sell to or transit these goods through Serbia. According to them, the Serbian authorities told them that Kosovo exporters could not export to Serbia or transit through because Kosovo is not a member of “Basel Convention on the control of transboundary movements of hazardous wastes and their disposal”.
- Export of decorative trees produced in Kosovo was refused, with verbal explanation that decorative trees cannot be exported to Serbia.
- At the border between Kosovo and Serbia, the Serbian phytosanitary officials work on reduced working hours. After 14:00 there is no presence of inspectors at the border what force them to wait there until next day.

4.1.5 Obstacles exporting to North Macedonia

- Producers of white flour complained that Macedonian authorities requires additional tests on every export. The cost of these tests and the delays caused by this pushed them to stop exporting.
- A meat processing company in Kosovo was refused to export in Macedonia; with the justification of Macedonian authorities, that producer in Kosovo does not possess an adequate warehouse for storage of final products.
- Customs clearance procedures in Macedonia take too long time.

4.1.6 Obstacles exporting to Montenegro

- Montenegro Authorities frequently ask for additional tests for goods, which are subject of phytosanitary and veterinary control, as they do not rely on tests completed in Kosovo.
- A local producer of vegetable beeswax was not allowed to export to Montenegro with the justification that they do not believe that in Kosovo exist condition for production of these products.

4.1.7 Obstacles exporting to Bosnia and Hercegovina

- Companies, which collects old and scratch metals, are not allowed to sell to or transit these goods through Bosnia and Hercegovina. According to them, the B&H authorities told them that Kosovo exporters cannot export to B&H or transit through because Kosovo is not a member of "Basel Convention on the control of transboundary movements of hazardous wastes and their disposal". The representatives of these companies confirmed that North Macedonia, Albania and Montenegro are not stopping them to export to these three countries or transit through them.
- B&H Authorities frequently ask for additional tests for goods, which are subject of phytosanitary and veterinary control, as they do not rely on tests completed in Kosovo.

On the question regarding their opinion for the reason of such actions taken by the authorities of the destination countries:

- 24% of the respondents said that they think this is happening, as they want to restrain imports from Kosovo.
- 14% of them think that this is due to lack of mutual agreements between Kosovo's authorities and authorities from destination country.
- 8% of them think this is due to corruption behaviour.
- 4% of the respondents think this is due to lack of legislation procedure.
- 4% of the respondents think this is due to market protection, while
- 46% of the respondents did not have any opinion about this.

Most of the respondents 46% of them did not know the reason of such actions taken by the authorities while 24% of them thinks that this is happening because they want to restrain imports from Kosovo.

On the question regarding how well they are informed about different requirements and import regulations in the different countries and of the modifications that take place in the requirements and regulations and if they consider there are difficulties in getting the necessary information in time,

- 26% of the respondents said that they get this information through their clients and distributers from the country of destination.
- 20% of the respondents said that they are informed through their freight forwarding agents.
- 10% said that they get information through media and web portals.
- 6% said that they get informed about the changes only after they face difficulties at the border and drivers inform them.

- 6% said that they have their representatives in these countries, and they inform them.
- 32% of them are not informed and they do not know how to get this information.

Most of the companies are facing difficulties to receive information on time regarding any legal changes on import regulations in the CEFTA countries where they export. 32% of them said that they do not know how to get this information while 26% of the respondents said that they receive this information through their clients.

On the question regarding their reaction when they faced obstacles to export,

- 34% of them said that they have informed Kosovo authorities.
- 2% of them complained to the authorities of destination country.
- 2% decided to stop exporting, and
- 62% of them did not take any action.

Majority of the respondents (62% of them) said that they did not inform Kosovo authorities neither authorities of destination country about the barriers they faced during exporting to CEFTA countries. On the question why they did not do so, the answers we received were that they did not believe that Kosovo authorities could do much to help them to solve these obstacles especially when this happened during exporting to Serbia and Bosnia and Hercegovina. Some of the respondents expressed unhappiness with the Kosovo Government and they said that they do not believe Government is interested to help them to solve those problems, as they believe they are not on the focus of the Government.

4.2 Internal obstacles and procedures in Kosovo affecting the export

On the question regarding what Kosovo authorities can do to assist them, they presented number of issues and procedures applied by local authorities, which they see as obstacles for them on export.

They gave some proposals on how to improve the situation so they could export easily:

- **To increase the number of phytosanitary officials**

  Most of exporters, which produce food, and beverages which are subject of phytosanitary and veterinary control, complained about the lack of staff of Food and Veterinary Agency. Regional offices of FVA are not enough staffed and this is creating many difficulties to exporters, by consuming them a lot of time to obtain the export certificates.

- **To reduce the number of samples which they need to send to Phytosanitary and Veterinary Offices**

  This is one other issue raised by exporters. In order to obtain the export certificate, first, they need to send samples of their products to Institute of Public Health and after they receive the Certificate of quality issued by this Institute, they need to apply for export certificate to Food and Veterinary Agency at their regional office, in the region where the business is registered. To obtain the export certificate, they need to send additional samples to Food and Veterinary office. In their opinion, the authorities should not ask for samples for each individual export. The rules applied by Kosovo Institutions require that companies must send at least 2 samples to specific agencies for each product they are exporting. This means that companies which produce agricultural products, processed foods and beverages, have to send 2 samples for each exported product to the Institute of Public Health and 2 other samples to Food and Veterinary Agency.

- **To coordinate with the internal customs terminals' operators so they pay less fee for using services of these terminals**

  If Customs risk profiling system select the consignment as high-risk consignment, prior to leaving country, the consignment needs to go to the inland customs terminal for inspection. A fee, which they have to pay for using the facilities, is 40 Euro and businesses think they should pay less. The fee of 40 Euro is applied on every consignment entering to the terminal and this amount is applicable for the period up to 24:00 hours.

  If the truck stays shortly even only 30 minutes, they are still charged to pay full amount. If the procedures take more than 24 hours, companies must pay additional 40 Euro for the second day of using the terminal's facilities.

- **Improve the electricity supply**

  Some businesses from different places around Kosovo raised the issue of lack of regular electricity supply and the price they pay, as one obstacle for manufacturing and increasing their competitiveness. According to them, this situation will worsen if the electricity price is going to increase as they heard by the authorities. Recently officials from Energy regulatory office have pronounced to the media that soon the electricity price is expected to increase up to 50% from the actual price and this is related to the new power plant project.

- **To be more engaged in protection of domestic producers from unfair imports** and **imports of not good quality goods**

  Number of businesses complained on unfair imports from the region and expect that government should do more to protect them from those imports. According to them imports coming from the region quite often are coming with low dumped prices and as not good quality goods, what is damaging their chances to increase the production level and compete with them.

- **To help on fighting against negative perception on goods produced in Kosovo**

  Businesses complained that they are facing difficulties to export due to the negative perception, which exist about the quality of goods produced in Kosovo. They believe Government can help them to fight against this perception.

- **To help them for finding trade partners abroad Kosovo**

  Some of the businesses complained that they have difficulties to find trade partners in other countries outside Kosovo. They think Kosovo Government could help them to find trade partners, by organizing more fairs and helping them to participate to international fairs.

- **To reduce the time needed for getting export license for export of used paper, issued by Ministry of Environment and Spatial Planning**

  Companies, which collect used paper, complained regarding the procedures and time needed to obtain export license, which is issued, by Ministry of Environment and Spatial Planning. According to them, those procedures are too bureaucratic and take significant time for them.

- **To abolish the legal obligation to obtain a phytosanitary and veterinary certification on each export**

  According to the actual legislation, for every export there is a requirement for obtaining a phytosanitary or veterinary certificate. Businesses think that this should not be mandatory for every consignment and especially taking in consideration the fact that the authorities of the country of destination do their testing and do not rely on Kosovo certificates.

- **To increase the number of customs staffs in the Department of TARIK and rules of origin of goods**

  Some of the respondents think that the number of Kosovo Custom's staff engaged in the departments for tariff classification and rules of origin of goods should increase. This would help them to get faster the information they need regarding the tariff issues and rules of the origin of the goods.

- **To ease the procedures for getting licenses for exploitation issued by Kosovo Mineral and Mining Agency**

  Producers of construction products from clay complained regarding the procedure applied by Kosovo Agency for Minerals and Mining regarding issuing the licenses for exploitation. According to them, those procedures are taking them a lot of time and energy and increasing their cost of production.

- **To increase the number of officials of Kosovo Medical Agency as getting export license take too long due to lack of staff**

  Producers of pharmaceutical products complained that due to the lack of staff within Kosovo Medical Agency, the procedure to get an export or import license is taking them a lot of time. Even though the online application has eased the procedure, this procedure is still taking between 2-5 days and they cannot do anything regarding other activities such are customs clearance procedure or to load the transport vehicle before obtaining the license.

5 Findings

During the implementation of the activity, the following findings were made:

- CEFTA is a very important market for Kosovo exporters. The collected data shows that for 46% of the respondents the export to CEFTA market represents between 80 to 100% of their total exports. However, the report shows that the exports to CEFTA for the period 2015-2018 increased slowly compared with exports to other countries. In 2018, exports to CEFTA represented 45.35% of total exports while in 2015 this was at the level of 59.57% of total exports. This may suggest that Kosovo companies are finding easier access to other markets rather exporting to CEFTA market.
- Kosovo exporters are facing difficulties and obstacles while exporting to the CEFTA countries. These obstacles cannot be classified as non-tariff barriers only, as some of them represent direct infringement of CEFTA agreement. Application of lower excise rates for domestic plastic producers in Albania compared to those on import, or restriction applied towards Kosovo exporters to apply on public tenders in Serbia and Bosnia and Hercegovina, are two examples of this nature.
- The experience of Kosovo companies exporting to CEFTA countries varies from one to another country. Based on the data presented in the table above, 52% of the respondents said that they had not good experience while exporting to Serbia, followed by 23% of them with not good experience while exporting to Albania, and 20% with not good experience while exporting to Bosnia and Hercegovina.
- The research shows that 8% of the interviewed companies did not export to CEFTA, followed by 16% of other companies, which exported, only to one country. Only 14% of the companies exported to five countries. According to the respondents the obstacles, they faced when they tried to export to some of the CEFTA country members, forced them to change their plans to export to those countries and stop exporting or export only to one country, where they faced less difficulties.
- The obstacles and barriers Kosovo companies are facing while exporting to CEFTA countries, are more frequent on export of the goods where a specific license or certificate is required. The collected information from the respondents show that most affected products are food and beverages while for other industrial products for which are not required any specific license apart of regular export documents (Customs export declaration, invoice, certificate of origin/EUR), there are less obstacles for exporting them.
- Statistics regarding the commodities exported in 2018; show that agricultural products and processed food are not in the group of most exported products. This may suggest that this situation is due to fact that most affected products by NTBs are agricultural and food processed goods, due to the difficulties with recognition of phytosanitary and veterinary certificates.
- The collected data shows that although the number of companies from the food processing and agricultural sectors exporting to CEFTA is bigger in number than from other industries, the low value of their exports makes that products from food processing and agricultural sectors are not in the group of most exported products from Kosovo.
- One other important observation from these data is the lack of variety of goods on export and concentration mainly on 3-4 products. This represents high potential risk if specific NTBs are imposed on these products, what will bring a negative impact on Kosovo's exports.
- In order to realize their exports to Serbia and Bosnia and Hercegovina, Kosovo companies, which export used paper for recycling, are forced to export through third companies in North Macedonia, what increase their costs and make them less competitive.
- Kosovo exporters, which export to CEFTA and to the EU countries, face fewer difficulties to export to EU rather than exporting to CEFTA countries. Some of the respondents export same products to several EU countries and to the CEFTA countries but they face no difficulties to export to EU while exporting to CEFTA is difficult for them although they use the same quality certificates.
- Kosovo Political status and not recognition of the independence of Kosovo by Serbia and Bosnia and Hercegovina, creates serious problems to export to these two countries, due to not recognition of the documents issued by Kosovo authorities.

- Despite CEFTA provisions, there is a lack of cooperation between the responsible authorities of different CEFTA countries. There is also lack of mutual recognition of the phytosanitary and veterinary certificates.
- Kosovo exporters are facing internal obstacle while preparing for the export of their goods. Lack of staff and the bureaucratic procedures applied by some Government Institutions are making for them harder and costly to export. Lack of staff within Food and Veterinary Agency in some regions especially in the Food and Veterinary regional office in Prizren, is creating a lot of delays and cost for local producers and exporters to obtain the export permit, which is issued by this Agency. Prizren region is known for its agricultural production and significant number of food and beverage producers and processors are concentrated in this region.
- Kosovo exporters of food and beverages must obtain phytosanitary and veterinary export permit issued by Food and Veterinary Agency, prior to export their goods. To obtain this permit, on each export they need to send samples of the products they are planning to export. The requirement to send samples on each export is seen as time consuming, costly and not based in best practices.
- Business environment in Kosovo needs further improvement and still does not provide the best conditions for business development. Companies are complaining regarding the lack of regular supply of electricity and for the lack of fair market competition and protection from unfair imports.
- Some of the Customs Administrations often applies different methodologies from the transaction value method on the valuation of the goods on import procedures. Albanian Customs Administration applies the so-called “floor prices” list by which they do not accept any invoice value on import, if the prices of products in that invoice are lower that the prices from their list. They uplift the prices for Customs purposes and ask companies to pay higher taxes on import.
- Kosovo exporters are not able to get information on time regarding the different requirements and import regulations in the different countries. 32% of respondents said that they are not informed on time and do not know where to get that information.

6 Recommendations

- Kosovo Institutions should increase bilateral contacts with their counterparts in the countries where Kosovo exporters are facing obstacle to export, in order to resolve these obstacles. Kosovo National Trade Facilitation Committee (NTFC) and the cooperation with other NTFCs from neighbouring countries could be one of the options for the resolution of these obstacles.
- Businesses should be encouraged to report the NTBs and other obstacles they face on exporting. The data collected shows that 62% of the respondents did not report their cases neither to the authorities of the country of destination of exports or to Kosovo's authorities. According to majority of them, they did not report these obstacles to the authorities, as they did not believe that they would take any action to assist them.
- Ministry of Trade and Industry should report these cases to CEFTA secretariat and request from CEFTA secretariat to assist on reducing/solving the NTBs between CEFTA country members.
- Government of Kosovo should increase the cooperation with businesses in Kosovo, in order to get better understanding of their difficulties to do business in Kosovo and to export.
- Although most of the difficulties and obstacles to export to Serbia and Bosnia and Hercegovina are politically related, Government of Kosovo should do its best to find a solution to overcome these issues.
- Government should work on improving business environment in Kosovo. This should include legal and technical infrastructure.
- Some Governmental agencies should increase the number of their staff, what will make easier for Kosovar exporters to obtain the required licenses and certificates. The findings from the research show that Kosovo Food and Veterinary Agency is the agency, which due to the lack of staff is mostly affecting Kosovo exporters.
- Government through its agencies such as the Kosovo Investment and Enterprise Support Agency (KIESA) should be more engaged on assisting Kosovo businesses to get easy access to foreign markets and help them on fighting negative perception regarding the quality of products produced in Kosovo.
- Government of Kosovo should increase its engagement to provide information to Kosovo businesses for the different requirements and import regulations in the different countries.
- Food and Veterinary Agency should improve its procedures and reduce the current requirements on export. Food and Veterinary Agency should start implementing the application of risk management system in their procedures and move from application of uniform procedure for all companies to modern procedure, which is based on risk profiling.

7 Annex 1 The Questionnaire

Subject: Trade Barriers to export from Kosovo to CEFTA's countries

1. Name and the address of the company

   ____.

2. Your position within company?

   ____.

3. Your annual turnover?
   - Up to 50,000 Euro
   - Between 50,000-100,000 Euro
   - Between 100,000-500,000 Euro
   - Over 1,000,000 Euro

4. To which industry belongs your company?

____.

4a. Which products you exported or are exporting to the CEFTA countries. Could you please provide the name and tariff code of the product (8-digit number)?
____;
____;
____;

5. What is the portion of export from your total turnover?

______________________________________.

6. What is the portion of exports to CEFTA's country members from your total exports?

   ______________________________________.

7. To which CEFTA's country/s members you export? Which is your main export market?

   ____.

8. What is your experience exporting/importing/transiting to and from the CEFTA countries in terms of the ease of your products entering the market and the treatment conferred by the authorities of the destination country?

	Albania	Montenegro	Macedonia	B&H	Serbia	Moldova
Not good						
Satisfactory						
Good						
Very good						
Excellent						

9. During export/import/transit to and from CEFTA countries, have you experienced any difficulties or obstacles, which you think was not part of a normal procedure or you think there where requirements not justified or non-proportional. If the answer is yes, could you explain it? Please describe in detail the concrete difficulties encountered in the countries of destination of your exports, country by country and affecting particular products if that is the case. Please be as detailed as possible in your answer.

____
____
____
____
_________________________.

10. What do you think is the reason for such action?
    - Lack of Legislation procedure, or discretionary application of the regulations
    - Lack of human and technical capacities within the authorities in destination country
    - Corruption behaviour
    - To restrain imports from Kosovo
    - Lack of mutual agreements between Kosovo's authorities and the authorities from destination country
    - Other reason. Please explain in detail.

10.a How well informed are you of the different requirements and import regulations in the different CEFTA countries and of the modifications that take place in the requirements and regulations? Do you consider there are difficulties in getting the necessary information in time?

____
____
____;

11. What was your reaction to the situation presented in questions 10 and 10.a?
    - You have complained to the authorities in destination country
    - You have informed the Kosovo's authorities
    - You stopped exporting
12. What Kosovo authorities can do to assist you? Could you please give us your opinion?

____
____
____.

8 Annex 2 The List of Companies which participated to the research

No.	Name of the Company	Place
1	600143177 - STONECASTLE VINEYARDS & WINERY L.L.	Rahovec
2	600884755 - "FLEXOGRAF" SH.P.K.	Gjilan
3	600022339 - "EUROFOOD" SH.P.K.	Prizren
4	601044548 - "SUNNY HILLS" SH.P.K.	Rahovec
5	600033914 - "SATSTYRO" SH.P.K.	Prizren
6	601128988 - "HIT - FLORES" SH.P.K.	Dragash
7	600108741 - N.P.T. " KAMILA " SH.P.K.	Prizren
8	600277174 - N.P.T. ,,LIRI"	Prizren
9	600447983 - "PROTON CABLE" L.L.C.	Prizren
10	TREPHARM	Sllatine, Fushe Kosove
11	600106513 - N.T.P.ET-COM	Ferizaj
12	600087739 - "PLASTIKA" SH.P.K.	Fushe Kosove
13	600068937 - ,,RRONI FER" SH.P.K.	Gjakove
14	601651111 - " ROTO EKO " SH.P.K.	Prishtine
15	600141543 - ,,TREPÇA - NDËRMARRJE NË ADMINISTRIM	Mitrovice
16	600024096 - "REC KOS" SH.P.K.	Fushe Kosove
17	600171483 - "POFIX" SH.P.K.	Konjuh, Lipjan
18	600757069 - " GEMIX " SH.P.K.	Parku industrial Drenas
19	600911102 - " BIBITA " SH.P.K.	Vitomorice, Peje
20	600129341 - N.SH.P. ,,MITRO - PLAST"	Mitrovice
21	600510318 - NEWCO MINEX L.L.C.	Ferizaj
22	600047634 - ,,INTER STEEL" SH.P.K.	Prishtine
23	600119946 - ,,ADI" SH.P.K.	Lebane, Prishtine
24	600233093 - "NEWKO BALKAN" L.L.C.	Suhareke
25	600960878 - " LABERION " SH.P.K.	Podujeve
26	601182942 - " FRESH FRUIT - PR " SH.P.K.	Suhodolle, Graqanice
27	600792685 - " ENRAD " SH.P.K.	Gjilan
28	600005690 - "BESIANA - G" SH.P.K.	Prelez i Jerlive, rruga Prishtine- Ferizaj
29	600283080 - "BIRRA PEJA" SH.A.	Peje
30	600035928 - "IMK-INDU META E KOSOVËS"SH.P.K.	Ferizaj
31	600146717 - " M & SILLOSI " SH.P.K.	Xerxe, Rahovec
32	600002787 - FERPLAST	Ferizaj
33	600017736 - "FRUTEX" SH.P.K.	Suhareke
34	601531157 - " VENTIUS KOSOVO " L.L.C.	Gjakove
35	600052568 - "FLUIDI" SH.P.K.	Gjilan
36	600087466 - " SOLE KOSOVA " SH.P.K.	Fushe Kosove
37	600161658 - " PESTOVA " SH.P.K.	Pestove
38	KONSON	Milen, Gjakove
39	DANI COMPANY	Smallush, Lipjan
40	VI-PRINT	Parku i Biznesit Mitrovice
41	NARA	Rruga Prishtine-Shkup
42	OAZA	Prishtine
43	Argjendi-Pisha	Gjilan
44	MEKA shpk	Plave, Dragash
45	GRUDA	Vitomerice, Peje
46	Grate e Krushes	Krusha e Madhe, Rahovec
47	Haxhijaha	Rahovec
48	Vellezerit Borovci- BRICKOS	Kamenice
49	KORAL DAIRY	Fushe Kosove
50	"BODRUMI I VJETER"	Rahovec

9 Annex 3 Principal exports to CEFTA countries

Grupi i vendeve	Vendi	Nr	Artikujt	Vlera	Perqindja
1 Eksportet ne CEFTA	**AL – Albania**	1	720449 - Të Tjera:	16,844,832.51	25.42%
		2	220300 - Në Shishe	8,828,735.76	13.32%
		3	730449 - Të Tjera:	6,616,185.49	9.98%
		4	760200 - Mbetje Dhe Kthime Alumini:	2,832,283.20	4.27%
		5	110100 - Prej Grurit Të Fortë	2,183,414.50	3.29%
		6	220210 - Ujrat, Përfshirë Ujrat Minerale Dhe Ujrat E Gazuar, Që Përmbajnë Sheqer Apo Lëndë Të Tjera Ëmbëlsuese Apo Aromatizuese Shtesë	1,829,238.01	2.76%
		7	391721 - Prej Polimereve Të Etilenit:	1,738,027.93	2.62%
		8	070190 - Të Tjera:	1,358,534.82	2.05%
		9	230230 - Prej Gruri:	992,282.40	1.50%
		10	220299 - Lengje Frutash	990,503.85	1.49%
		11	220421 - Në Konteniere Që Mbajne 2 Litra Apo Me Pak :	943,670.70	1.42%
		12	730690 - Të Tjera	894,038.69	1.35%
		13	681091 - Komponentët Strukturale Parafabrikate Për Inxhinjerinë Ndërtimorë Apo Civil	832,737.60	1.26%
		14	481930 - Thasët Dhe Çantat, Që Kanë Një Bazë Prej Një Gjërësie 40 Cm Apo Më Shumë	728,022.07	1.10%
		15	392113 - Prej Poliuretaneve:	717,826.42	1.08%
		16	160100 - Sallam Dhe Produkte Të Ngjashme,Prej Mishi, Prej Të Brendshmeve Të Mishit Apo Prej Gjakut;Përgatitjet Ushqimore Me Bazë Të Këtyre Produkteve:	699,514.73	1.06%
		17	730439 - Të Tjera:	682,155.15	1.03%
		18	440394 - Prej Ahut (Fagus Spp), Te Tjera	503,617.50	0.76%
		19	090121 - E Pa Dekafeinizuar	492,634.80	0.74%
		20	940429 - Prej Materialesh Të Tjera :	443,356.25	0.67%
		21	Kodet tj.	15,122,050.31	22.82%
	AL - Albania - Total			**66,273,662.69**	**100.00%**
	BA - Bosnia And Herzegovina	1	410150 - Sholle Dhe Lëkurë Të Papërpunuar Të Plota, Të Një Peshe Më Tepër Se 16 Kg:	1,593,834.41	20.60%
		2	730690 - Të Tjera	1,259,986.65	16.29%
		3	410120 - Lëkurët E Gjedheve Të Tëra, Të Një Peshe Për Një Lëkurë Jo Më Tepër Se 8 Kg Kur Thjesht Thahet, 10 Kg Kur Thahet Dhe Kripet, Apo 16 Kg Kur Është E Freskët, E Kriposur E Njomë Apo E Ruajtur Ndryshe :	860,000.15	11.12%

	4	730449 - Të Tjera:	595,885.31	7.70%
	5	220210 - Ujrat, Përfshirë Ujrat Minerale Dhe Ujrat E Gazuar, Që Përmbajnë Sheqer Apo Lëndë Të Tjera Ëmbëlsuese Apo Aromatizuese Shtesë	448,643.66	5.80%
	6	401012 - Të Përforcuar Vetëm Me Materiale Tekstile	317,473.44	4.10%
	7	392010 - Prej Polimereve Të Etilenit:	283,170.94	3.66%
	8	470730 - Prej Letrës Apo Kartonit Të Bërë Kryesisht Prej Brumit Mekanik (Psh, Gazeta, Revistat Dhe Materiale Të Ngjashme Të Shtypura):	223,597.40	2.89%
	9	570292 - Prej Materialeve Tekstile Të Bëra Nga Njerëzit:	218,424.33	2.82%
	10	482340 - Rolete, Fletat Dhe Disqet, Të Shtypura Për Aparatet Vetë Regjistruese	199,507.30	2.58%
	11	190590 - Të Tjera:	191,179.52	2.47%
	12	732211 - Prej Gize Të Derdhur	142,058.05	1.84%
	13	220421 - Në Konteniere Që Mbajne 2 Litra Apo Me Pak :	133,870.08	1.73%
	14	081040 - Legjithje(Boronic E Kuqe), Rrush Mali(Boronicë) Dhe Fruta Të Tjera Të Llojit Vaccinium:	125,493.20	1.62%
	15	220299 - Lengje Frutash	100,240.00	1.30%
	16	640299 - Të Tjera:	93,115.20	1.20%
	17	392111 - Prej Polimereve Të Stirenit	80,977.31	1.05%
	18	081190 - Të Tjera:	66,315.00	0.86%
	19	960390 - Të Tjera:	52,118.66	0.67%
	20	081020 - Manaferra Të Buta, Manaferra Të Egra,Mana Dhe Rrush Logan:	49,646.00	0.64%
	21	Kodet tj.	700,089.08	9.05%
	BA - Bosnia And Herzegovina - Total		**7,735,625.69**	**100.00%**
	MD - Moldova	1	980500 - Mallra Te Perziera (Laramani)	4,976.00	75.67%
		2	630533 - Të Tjera, Prej Shirritash Polietileni Apo Polipropileni Apo Prej Të Ngjashmeve Të Tyre:	1,600.00	24.33%
	MD - Moldova - Total		**6,576.00**	**100.00%**
	ME - Montenegro	1	260700 - Xeherore Dhe Koncentrate Plumbi	7,398,250.66	39.93%
		2	740400 - Mbetjet Dhe Kthimet E Bakrit:	2,412,042.35	13.02%
		3	760200 - Mbetje Dhe Kthime Alumini:	1,516,451.49	8.18%
		4	854140 - Paisjet Gjysëmpërçuese Të Ndjeshme Ndaj Dritës, Përfshi Pilat Fotovoltaike Nëse Janë Apo Jo Të Montuara Në Module Në Panele; Diodat Emetuese Të Drites:	532,952.00	2.88%
		5	220210 - Ujrat, Përfshirë Ujrat Minerale Dhe Ujrat E Gazuar, Që Përmbajnë Sheqer Apo Lëndë Të Tjera Ëmbëlsuese Apo Aromatizuese Shtesë	511,223.65	2.76%
		6	261800 - Zgjyra Të Granuluara (Rërë Zgjyre) Të Dalë Nga Përpunimi I Hekurit Dhe Çelikut	419,889.60	2.27%

		7	392030 - Prej Polimereve Të Stirenit	330,554.60	1.78%
		8	730449 - Të Tjera:	300,361.22	1.62%
		9	321490 - Të Tjera	295,160.70	1.59%
		10	720449 - Të Tjera:	205,048.59	1.11%
		11	401012 - Të Përforcuar Vetëm Me Materiale Tekstile	187,544.96	1.01%
		12	730661 - Me Prerje Tërthore Katrori Apo Katërkëndëshi :	174,140.40	0.94%
		13	470730 - Prej Letrës Apo Kartonit Të Bërë Kryesisht Prej Brumit Mekanik (Psh, Gazeta, Revistat Dhe Materiale Të Ngjashme Të Shtypura):	162,668.63	0.88%
		14	790200 - Mbetje Dhe Kthime Zinku	155,459.94	0.84%
		15	732690 - Të Tjera:	154,469.51	0.83%
		16	611780 - Plotësues Të Tjerë :	130,058.11	0.70%
		17	720429 - Të Tjera	110,961.57	0.60%
		18	190590 - Të Tjera:	97,404.07	0.53%
		19	392113 - Prej Poliuretaneve:	94,341.73	0.51%
		20	392111 - Prej Polimereve Të Stirenit	91,687.37	0.49%
		21	Kodet tj.	3,246,688.36	17.52%
	ME - Montenegro - Total			**18,527,359.51**	**100.00%**
	MK - Fyr Of Macedonia	1	720449 - Të Tjera:	6,995,882.97	16.72%
		2	740400 - Mbetjet Dhe Kthimet E Bakrit:	6,325,028.18	15.12%
		3	220210 - Ujrat, Përfshirë Ujrat Minerale Dhe Ujrat E Gazuar, Që Përmbajnë Sheqer Apo Lëndë Të Tjera Ëmbëlsuese Apo Aromatizuese Shtesë	2,805,052.25	6.70%
		4	730690 - Të Tjera	2,646,671.28	6.33%
		5	392111 - Prej Polimereve Të Stirenit	1,813,516.57	4.33%
		6	730661 - Me Prerje Tërthore Katrori Apo Katërkëndëshi :	1,456,604.95	3.48%
		7	090121 - E Pa Dekafeinizuar	1,375,648.00	3.29%
		8	470730 - Prej Letrës Apo Kartonit Të Bërë Kryesisht Prej Brumit Mekanik (Psh, Gazeta, Revistat Dhe Materiale Të Ngjashme Të Shtypura):	1,355,572.61	3.24%
		9	854810 - Mbetje Dhe Mbeturina Të Qelizave Primare, Baterive Primare Dhe Akumulatorëve Primare; Qelizat Primare Të Harxhuara, Bateritë Primare Të Harxhuara Dhe Akumulatorët Elektrikë Të Harxhuar:	1,150,927.87	2.75%
		10	760200 - Mbetje Dhe Kthime Alumini:	1,019,544.12	2.44%
		11	271311 - E Pa Kalcinuar	698,417.49	1.67%
		12	470790 - Të Tjera, Përfshirë Mbetjet Dhe Kthimet E Pa Seleksionuara:	522,709.93	1.25%
		13	392010 - Prej Polimereve Të Etilenit:	503,585.07	1.20%
		14	392119 - Prej Plastikave Të Tjera	479,355.99	1.15%
		15	391590 - Prej Plastikave Të Tjera:	455,582.33	1.09%
		16	730890 - Të Tjera:	442,915.21	1.06%

	17	220299 - Lengje Frutash	409,594.37	0.98%
	18	681011 - Blloqet Dhe Tullat E Ndërtimit:	394,314.29	0.94%
	19	731420 - Grilla, Rrjeta Dhe Gardhe, Të Salduara Tek Ndërprerjet, Prej Teli Me Një Maksimum Të Dimensionit Kryq Seksional Prej 3 Mm Apo Më Shumë Dhe Që Kanë Një Masë Të Vrimës Së Rrjetës Prej 100 Cm2 Apo Me Shume:	340,424.28	0.81%
	20	200520 - Patate:	318,323.64	0.76%
	21	Kodet tj.	10,327,383.56	24.68%
MK - Fyr Of Macedonia - Total			**41,837,054.96**	**100.00%**
XS - Serbia	1	271600 - Energji Elektrike	8,783,676.26	27.29%
	2	730661 - Me Prerje Tërthore Katrori Apo Katërkëndëshi :	3,047,125.80	9.47%
	3	730690 - Të Tjera	2,409,594.49	7.49%
	4	410120 - Lëkurët E Gjedheve Të Tëra, Të Një Peshe Për Një Lëkurë Jo Më Tepër Se 8 Kg Kur Thjesht Thahet, 10 Kg Kur Thahet Dhe Kripet, Apo 16 Kg Kur Është E Freskët, E Kriposur E Njomë Apo E Ruajtur Ndryshe :	1,449,416.44	4.50%
	5	220429 - Të Tjera:	1,374,312.50	4.27%
	6	732211 - Prej Gize Të Derdhur	1,261,550.52	3.92%
	7	081020 - Manaferra Të Buta, Manaferra Të Egra,Mana Dhe Rrush Logan:	1,115,571.24	3.47%
	8	392113 - Prej Poliuretaneve:	758,686.71	2.36%
	9	392310 - Kutite, Kasat, Sendyqet Dhe Artikuj Të Ngjashëm	653,972.65	2.03%
	10	441520 - Palete, Kutite E Paletave Dhe Panele Të Tjera Për Ngarkim; Mbështjellëset E Paletave :	559,827.28	1.74%
	11	200799 - Të Tjera:	552,700.85	1.72%
	12	081120 - Manaferra Të Buta, Manaferra Të Egra,Mana,Rrush Logan,Rrush Frengu I Zi,I Bardhë Apo I Kuq Dhe Rrush I Egër:	493,332.34	1.53%
	13	220421 - Në Konteniere Që Mbajne 2 Litra Apo Me Pak :	440,509.40	1.37%
	14	392111 - Prej Polimereve Të Stirenit	433,285.01	1.35%
	15	392010 - Prej Polimereve Të Etilenit:	428,500.74	1.33%
	16	081190 - Të Tjera:	427,119.15	1.33%
	17	730630 - Të Tjera, Të Salduara, Të Një Seksioni Kryq Seksional Rrethor, Prej Gize Apo Çelik Jo Të Lidhur:	411,195.71	1.28%
	18	401012 - Të Përforcuar Vetëm Me Materiale Tekstile	385,498.07	1.20%
	19	271311 - E Pa Kalcinuar	305,740.68	0.95%
	20	780420 - Pluhura Dhe Fetëza	282,196.74	0.88%
	21	Kodet tj.	6,618,197.94	20.56%
XS - Serbia - Total			**32,192,010.52**	**100.00%**
1 Eksportet ne CEFTA - Total			**166,572,289.36**	**251.34%**

CLASSIFICATION OF Non-Tariff-Barriers		
	Sanitary and Phitosanitary Measures	
A1 Prohibitions/restrictions of imports for SPS reasons	**A11 Temporary geographic prohibitions for SPS reasons**	
	A12 Geographical restrictions on eligibility	
	A13 Systems approach	
	A14 Special authorization requirement for SPS reasons	
	A15 Registration requirements	
	A19 Prohibitions/restrictions of imports for SPS reasons, not elsewhere specified (n.e.s.)	
A2 Tolerance limits for residues and restricted use of substances	**A21 Tolerance limits for residues of or contamination by certain (non-microbiological) substances**	
	A22 restricted us of certain substances in foods and feeds and their contact materials	
A3 Labelling, marking and packaging requirements	**A31 Labelling requirements**	
	A32 Marking requirements	
	A33 Packaging requirements	
A4 Hygienic requirements	**A41 Microbiological criteria of the final product**	
	A42 Hygienic practices during production	
	A49 Hygienic requirements	
A5 Treatment for elimination of plant and animal pests and disease-causing organisms in the final product (e.g. post-harvest treatment)	**A51 Cold/heat treatment**	
	A52 Irradiation	
	A53 Fumigation	
	A59 Treatment for elimination of plant and animal pests and disease-causing organisms in the final product, n.e.s.	
A6 Other requirements on production or post-production processes	**A61 Plant-growth processes**	
	A62 Animal-raising or catching processes	
	A63 Food and feed processing	
	A64 Storage and transport conditions	
	A69 Other requirements on production or post-production processes, n.e.s.	
	A81 Product registration requirement	

A8 Conformity assessment related to SPS	A82 Testing requirement	
	A83 Certification requirement	
	A84 Inspection requirement	
	A85 Traceability requirements	A851 Origin of materials and parts
		A852 Processing history
		A853 Distribution and location of products after delivery
		A859 Traceability requirements, n.e.s.
	A86 Quarantine requirement	
	A89 Conformity assessment related to SPS, n.e.s.	
	A9 SPS measures, n.e.s.	
	Technical Barriers to Trade	
B1 Prohibitions /restrictions of imports for objectives set out in the TBT agreements	B11 Prohibition for TBT reasons	
	B14 Authorisation requirement for TBT reasons	
	B15 Registration requirement for importers for TBT reasons	
	B19 Prohibitions/restrictions of imports for objectives set out in the TBT agreement, n.e.s.	
B2 Tolerance limits for residues and restricted use of substances	B21 Tolerance limits for residues of or contamination by certain substances	
	B22 Restricted use of certain substances	
B3 Labelling, marking and packaging requirements	B31 Labelling requirements	
	B32 Marking requirements	
	B33 Packaging requirements	
B4 Production or post-production requirements	B41 TBT regulations on production processes	
	B42 TBT regulations on transport and storage	
	B49 Production or post-production requirements, n.e.s.	
B6 Product identity requirements		
B7 Product-quality or performance requirements		
	B81 Product registration requirement	
	B82 Testing requirement	

B8 Conformity assessment related to TBT	**B83 Certification requirement**	
	B84 Inspection requirement	
	B85 Traceability information requirements	**B851 Origin of materials and parts**
		B852 Processing history
		B853 distribution and location of products and delivery
		B859 Traceability requirements, n.e.s.
	B89 Conformity assessment related to TBT, n.e.s.	
B9 TBT measures, n.e.s.		
C1 Pre-shipment inspection		
C2 Direct consignment requirement		
C3 Requirement to pass through specified port of customs		
C4 Import monitoring and surveillance requirements and other automatic licensing measures		
C5 Other formalities, n.e.s.		
D1 Antidumping measure	**D11 Antidumping investigation**	
	D12 Antidumping duty	
	D13 Price undertaking	
D2 Countervailing measure	**D21 Countervailing investigation**	
	D22 Countervailing duty	
	D23 Undertaking	
D3 Safeguard measures	**D31 General (multilateral) safeguard**	**D311 Safeguard investigation**
		D312 Safeguard duty
		D313 Safeguard quantitative restriction
		D314 Safeguard measures, other form
	D32 Agricultural special safeguard	**D321 Volume-based agricultural special safeguard**
		D322 Price-based agricultural special safeguard

	D39 Safeguard, n.e.s.	
E1 Non-automatic import-licensing procedures other than authorizations for SPS or TBT reasons	E11 Licensing for economic reasons	E111 Licensing procedure with no specific ex ante criteria
		E112 Licensing for specified use
		E113 Licensing with local production
		E119 Licensing for political reasons, n.e.s.
	E12 Licensing for non-economic reasons	E121 Licensing for religious, moral or cultural reasons
		E122 Licensing for political reason
		E129 Licensing for non-economic reasons, n.e.s.
E2 Quotas	E21 Permanent	E211 Global allocation
		E212 Country allocation
	E22 Seasonal quotas	E221 Global allocation
		E222 Country allocation
	E23 Temporary	E231 Global allocation
		E232 Country allocation
E3 Prohibitions other than for SPS and TBT	E31 Prohibition for economic reason	E311 Full prohibition (import ban)
		E312 Seasonal prohibition
		E313 Temporary prohibition, including suspension of issuance of licenses
		E314 Prohibition of importation in bulk
		E315 Prohibition of products infringing patents or other intellectual property rights
		E316 Prohibition of used , repaired or remanufactured goods
		E319 Prohibition for economic reasons, n.e.s.
	E32 Prohibition for non-economic reasons	E321 Prohibition for religious, moral or cultural reasons
		E322 Prohibition for political reasons (embargo)

		E329 Prohibition for non-economic reasons, n.e.s.
E5 Export-restraint arrangement	E51 Voluntary export-restraint arrangements (VERs)	E511 Quota agreement
		E512 Consultation agreement
		E513 Administrative cooperation agreement
	E59 Export-restraints arrangements, n.e.s.	
E6 Tariff-rate quotas (TRQ)	E61 WTO-bound TRQs, included in WTO schedules (concessions and commitments under WTO negotiations)	E611 Global allocation
		E612 Country allocation
	E62 Other TRQs included in other trade agreements	E621 Global allocation
		E622 Country allocation
E9 Quantity control measures, n.e.s.		
F1 Administrative measures affecting customs value	F11 Minimum import prices	
	F12 Reference prices	
	F19 Other administrative measures affecting the customs value, n.e.s.	
F2 Voluntary export-prices restraints (VEPRs)		
F3 Variable charges	F31 Variable levies	
	F32 Variable components	
	F39 Variable charges n.e.s.	
F4 Customs surcharges		
F5 Seasonal duties		
F6 Additional taxes and charges levied in connection to services provided by the government	F61 Custom-inspection, processing and servicing fees	
	F62 Merchandise –handling or storing fees	
	F63 Tax on foreign exchange transactions	
	F64 Stamp tax	
	F65 Import licence fee	
	F66 Consular invoice fee	
	F67 Statistical tax	
	F68 Tax on transport facilities	

	F69 Additional charges, n.e.s.	
F7 Internal taxes and charges levied on imports	F71 Consumption taxes	
	F72 Excise taxes	
	F73 Taxes and charges for sensitive product categories	
	F79 Internal taxes and charges levied on imports, n.e.s.	
F8 Decreed customs valuations		
F9 Price-control measures, n.e.s.		
G1 Advance payment requirements	G11 Advance import deposit	
	G12 Cash margin requirement	
	G13 Advance payment of customs duties	
	G14 Refundable deposits for sensitive product categories	
	G19 Advance payment requirements, n.e.s.	
G2 Multiple exchange rates		
G3 Regulation on official foreign exchange allocation	G31 Prohibition of foreign exchange allocation	
	G32 Bank authorisation	
	G33 Authorisation linked with non-official foreign exchange	G331 external foreign exchange
		G332 Importers' own foreign exchange
		G339 Licence linked with non-official foreign exchange, n.e.s.
	G39 Regulation on official foreign exchange allocation, n.e.s.	
G4 Regulations concerning terms of payment for imports		
G9 Finance measures, n.e.s.		
H1 State-trading enterprises, for importing: other selective import channels	H11 State-trading enterprises, for importing	
	H19 Other selective import channels, n.e.s.	
H2 Compulsory use of national services	H21 Compulsory national insurance	
	H22 Compulsory national transport	
	H29 Compulsory national service, n.e.s.	
H9 Measures affecting competitions, n.e.s.		

I1 Local content measures		
I2 Trade-balancing measures		
I9 Trade-related investment measures, n.e.s.		
J1 Geographical restriction		
J2 Restriction on resellers		
P1 Export-licenses, -quota, -prohibition and other quantitative restrictions	**P11 Export prohibition**	
	P12 Export quotas	
	P13 Licensing or permit requirements to export	
	P14 export registration requirements	
	P19 Export quantitative restrictions, n.e.s.	
P2 State-trading enterprises for exporting; other selective export channels	**P21 State-trading enterprises, for exporting**	
	P29 Other selective export channels, n.e.s.	
P3 Export price-control measures		
P4 Measures on re-export		
P5 Export taxes and charges		
P6 Export technical measures	**P61 Inspection requirement**	
	P62 Certification required by the exporting country	
	P69 Export technical measures, n.e.s.	
P7 Export subsidies		
P8 Export credits		
P9 Export measures, n.e.s.		