



## Editorial

*Dear reader,*

The Market Access team in Trade G1 is proud to implement and to follow-up on the *Market Access Strategy* launched by Commissioner Mandelson. This initiative will require the input and the active support from all partners addressed in the strategy and we know that our all success very much depends on this active participation of everybody concerned. This requires regular reporting, updating and readily available information.

The MA team therefore intends to report regularly about our activities, responsibilities and matters concerning the team, special features and success stories with a view to best organising the feed back to our partners, clients and the interested public. This first zero edition of our first Market Access Newsletter is the "proto type" of a series for further reports which might still change slightly in its form and lay-out but it should always be of use for those looking for further information on MA issues.

We are grateful for comments and suggestions on how to improve and we are also looking for contributions and special cases the reader would like to add. In any case, we want to keep you informed about what is going on and we are looking forward to working together with all of you.

**Jens Schaps**

On behalf of the Market Access Team

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## The renewed Market Access Strategy

A decade after the adoption of the Market Access Strategy in 1996 the **changing nature of European exporters' market access concerns** called for a review and strengthening of the European Union's Market Access Policy. While successive multilateral trade rounds in the WTO and unilateral liberalisation had substantially reduced tariff levels, there had been a parallel **emergence of "behind the border" non-tariff barriers** and other regulatory restrictions, which prevent EU exporters from effective market access in third countries. In this regard, the Commission's Communication on "Global Europe – Competing in the World" (COM 2006/0567 of 01.10.2006) argued that **a strong market access policy** is a key area in which the EU **can deliver real economic benefits** for its Member States and its businesses and contribute to creating growth and jobs in Europe.

### *The Public Consultation*

The need for and interest in an adaptation and strengthening of the Market Access Strategy has obviously been shared by a majority of stakeholders. The public consultation launched in November 2006 attracted over 150 replies, including, inter alia, Member States, EU and national trade associations, companies and associations of companies, especially of SME's as well as civil society organisations. The consultation showed a strong overall support for the Market Access Strategy. A recurring theme was the demand for a **renewed partnership** between the

European Commission, Member States and EU business, with more focus "on the ground" in third countries. Other requests included calls for a more integrated involvement of business in tackling trade barriers, specific consideration of the needs of SME's, the need to prioritise in order to effectively tackle the most important market access barriers and user-friendly improvements to the Market Access Database. Read the full [Report on the Public Consultation](#) on the EU Market Access Strategy.

### *The Commission's Communication*

In reaction to these requests Trade Commissioner Peter Mandelson announced on 18 April 2007 a renewed Strategy for Market Access, the [Commission's Communication](#) :



"Global Europe: A Stronger Partnership to Deliver Market Access".

This renewed Strategy aims at giving a visible and systematic focus to market access. At the heart of this strategy a new partnership between the Commission, Member States and business should be set up to improve work on barrier detection, analysis and removal. This Partnership should involve more systematic contacts and cooperation within the EU as well as in third countries.

While drawing on all available EU Trade policy instruments and adapting them to the needs of specific barrier

removal, a more result-orientated bottom-up approach should increase the benefits for European business. Key proposals are:

- A much closer and more systematic **partnership with Member States and business** in Brussels, to identify and tackle trade barriers, as well as "on the ground" in third countries through the establishment of Market Access Teams.
- The **right mix of policy instruments** – multilateral and bilateral, formal and informal – to be used in securing and guaranteeing market access.
- **Prioritisation of trade barriers** for a better and more focused use of resources.
- **Improving the Market Access Database** for an enhanced and more transparent information service to business.

### *Council Conclusions*

For this renewed strategy and the proposed partnership to work effectively, the support and commitment of Member States for cooperation in Brussels and in third countries is essential. The clear interest and engagement of Member States for the main objectives of such a strengthened Market Access



Strategy, expressed by Council Conclusions in June 2007 (Doc. 10542/07), was therefore an important step. Member States especially supported the

idea of closer cooperation throughout the whole process of barrier removal, sharing information and database entries, with particularly valuable effects on the ground in key third country markets benefiting from local expertise. The Council therefore welcomed the idea of the progressive establishment of Market Access Teams and gave its support for using available resources and institutions in a coordinated manner more effectively. In order to make the best use of resources, the Council also endorsed the idea of focussing on key barriers in the light of objective prioritisation indicators. Such an indicator could be the potential economic benefit of removing the barrier in question as well as the likelihood of resolution within a reasonable time frame. The importance of assisting in particular Small and Medium sized Enterprises was also raised and Member States agreed to support the Commission in promoting the Market Access Partnership and its services broadly at national level, including SMEs.

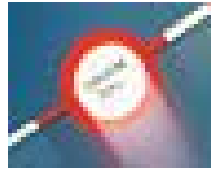


### *From Words to Action: First Steps of Implementation*

Having received such a positive response, it is now time to move from words to action. The first steps in implementing the renewed strategy have already been taken: the Market Access Unit of DG Trade is working on **user-friendly improvements to the Market Access Database** as the operational tool of the Strategy for Market Access, as well as on a new **Complaint Register** to serve as a single entry point for all barrier complaints from business (cf.

next article). At the same time, the Commission is working closely together with Member States and business to pave the way for better cooperation on specific cases and a swift **establishment of Market Access Teams** (cf. more information in separate article) However, filling this new market access approach with life and making it a success cannot be achieved by the Commission alone but will depend on the commitment, cooperation and input from Member States as well as from business. It is by working together in the envisaged manner that we should be able to achieve a real improvement of market access in the months and years to come.

For any further information on the Market Access Strategy please visit our [website](#) or feel free to contact the Market Access Unit of DG Trade via the "Your comments" section of the Market Access Database.



### **Successful resolution of Auto-barrier in Pakistan**

On 18 June 2007, Pakistan decided to exempt imported motor vehicles from the payment of Capital Value Tax (CVT) with immediate effect. This measure was taken following the steady request by the European Commission in the WTO negotiations on NTBs as well as in the EC-Pakistan Trade Sub Group and Joint Commission. The CVT, which was levied on imported vehicles and ranged from 3.75 to 7.5 percent depending on the size of the vehicles' engines, has been a long standing trade irritant for EU exporters in light of its discriminatory nature in favour of locally assembled vehicles. Also, the CVT was considered to put EU manufacturers in a disadvantaged position compared to their foreign competitors. The Commission strongly welcomes this decision and commends Pakistan for the preparedness to take steps in the direction towards a more trade-neutral automotive tax regime. While the Commission continues to have concerns with tariff peaks on motor vehicles in Pakistan, the decision to remove the CVT on motor vehicles constitutes a real and tangible improvement for EU automotive exports to Pakistan.



*Joakim Reiter, DG Trade, G.3*

## Improvements of the Market Access Database and a new Complaint Register

The Market Access Database of DG Trade has proved to be an important and increasingly demanded tool for European exporters. It provides rapidly accessible and reliable information with regard to applied tariffs, import formalities and documentary requirements for imports as well as an overview of all recorded trade barriers in relation to countries, sectors or specific measures. In June 2007 the number of users of the database had increased to an average of 2600 a day.

To increase the benefits of this instrument, the Commission promised in its Communication on the renewed Market Access Strategy to **improve the Market Access**

**Database** as one of the main operational tools of this strategy. Further to requests by users, the Market Access Unit of DG Trade has been looking for ways to make the database more user-friendly and service-orientated in order to make it easier to identify and report problems.

As a first step, we gave the Market Access Database a new look in summer 2007 and improved the functions for searching for information on barriers by adding new search criteria and additional possibilities to sort results. By

these means, users can either get a quick overview of all recorded barriers for a specific sector in a specific country (different cross tables available) or just opt to view the most recently updated barrier fiches, resolved barriers or any new barrier fiche. Future developments will address possible improvements of the coverage of the database in areas such as services, IPR enforcement and investment and more user friendly summary records.

For further information, please consult the MADB website at:  
<http://madb.europa.eu>.



In addition to these direct improvements of the Market Access Database, we are developing a new **Complaint Register** to serve as a single entry point for all barrier complaints from business. Streamlining the registration of all complaints should make

the process of barrier removal more efficient and transparent – for those complaining as well as for those working on the removal of a specific barrier. Furthermore, the Complaint Register will make the follow-up of complaints more transparent and facilitate quicker feedback to business. We are aiming at a very simple and efficient tool for registration of barriers via an on-line submission form in order to encourage business to provide information on barriers to trade and investment and to ensure Commission-wide sharing of such

incoming information. The Complaint Register will allow EU business to follow the progress of a complaint more easily and to be informed of a designated case handler.

While still consulting with Member States and business on the details of this new Complaint Register, we are planning on launching it by the end of the year. If you want to know more about the Complaint Register or have any suggestions, please feel free to contact the Market Access Unit via [Graham.Taylor@ec.europa.eu](mailto:Graham.Taylor@ec.europa.eu)

Note: Personal data will not be published

Name or contact person:	<input type="text"/>
Company or organisation:	<input type="text"/>
Address or Registered Office:	<input type="text"/>
E-mail address:	<input type="text"/>
Telephone number::	<input type="text"/>
Fax Number:	<input type="text"/>
Select the third country (outside the 27 EU Member States) that you allege to be introducing or to have a market access barrier in place:	<input type="text" value="Afghanistan"/>
Select the type of measure which most accurately describes the trade barrier which you are bringing to our attention:	<input type="text" value="Tariffs and Duties"/> <ul style="list-style-type: none"> <li>Tariffs and Duties</li> <li>Tariff Levels</li> <li>Tariff Quotas</li> <li>Internal Taxation</li> </ul>
Please select the sector of activity which your company or organisation belongs to from the following lists:	<input type="text" value="Agriculture and Fisheries"/>
Summarised description of the market access barrier (please not more than 1000 characters)	<input type="text"/>
<input type="button" value="Register Complaint"/>	

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## The Establishment of Market Access Teams



### A Joint Effort for Tackling Barriers to Trade

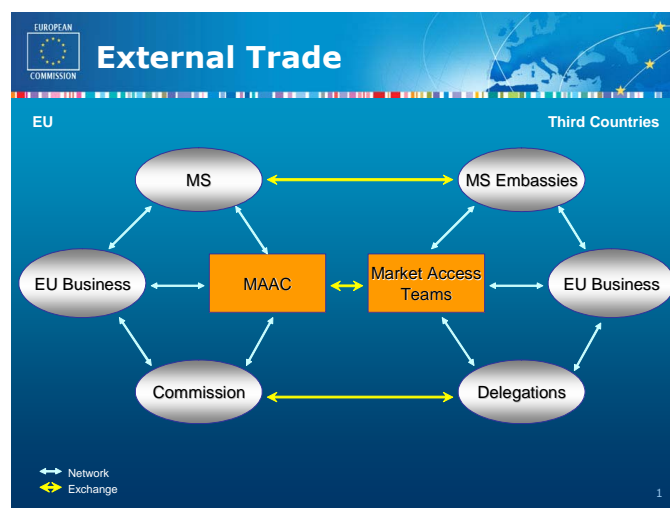
A stronger partnership between the Commission, Member States and EU business is at the heart of the enhanced Market Access Strategy. The establishment of Market Access Teams will play a crucial role in this co-operation.

The idea is to create synergies by pooling all available resources and information at headquarters' level as well as locally in third countries. Combining forces in intelligence

gathering and concerted action for trade barrier removal will substantially increase the leverage of our efforts to improve market access.

While sounding rather logical than innovative, pooling the resources of 27 Member States, the Commission and all sorts of business sectors and organisations can be a rather challenging task. The aim is therefore to gradually build up this partnership in a flexible and

pragmatic manner rather than to create new and additional structures or institutions. In practice, there is already much going on in third countries to pool resources and contacts. Regular meetings



of Trade Counsellors of Commission Delegations and Member States' embassies are just one example. In some third countries, e.g. Japan, demand driven task forces for special thematic or sectoral issues have been set up, working out action plans to raise these issues with the local authorities. A good example for effective team work in Brussels is the Working Group on SPS issues in China, bringing together the relevant experts for these issues. Existing best practices for successful cooperation will guide the work of Market Access Teams in third countries as well as for effective teamwork in Brussels. Value can be added by optimising processes through more systematic contacts and coordination in relation to market access issues.

The objective of the Market Access Teams will be to prevent and detect trade barriers as well as to work on the concrete removal of specific obstacles to trade. The allocation of tasks between Market Access Teams in third countries and cooperation in Brussels will depend on the specific issues at stake. The prevention of trade barriers through an "early warning approach" by, e.g. monitoring new regulations and practices in third countries can best be achieved with local expertise on the ground. In the same sense, Commission Delegations, Member State embassies and European business operating in foreign markets, familiar with the local administrative structures and processes, are usually best placed to offer initial reviews of market access problems and

to identify cases requiring coordinated action with specialists in Brussels. On the other hand, more in depth analysis of trade barriers requiring technical expertise or political decisions on prioritisation or on the handling of specific cases might be better dealt with at headquarters' level. For follow-up actions as well as for any diplomatic activities, local Market Access Teams will again be a crucial factor.



In Brussels, the Market Access Advisory Committee (MAAC), bringing together all Member States and being chaired by the Commission, will play a more operational role in

analysing and removing trade barriers. The regular meetings of the MAAC shall be used to consider information received from Market Access Teams in third countries, to share additional information being received through bilateral channels and to discuss the way forward. Regarding the numbers of trade barriers and the limited resources available, necessary prioritisation will also need to take place in the appropriate fora in Brussels.

The main role of business will be to provide the Commission and Member States with detailed information on market access barriers encountered and to share any analysis or steps already undertaken. This co-operation might take place through the participation in local Market Access Teams as well as through an involvement in the MAAC in Brussels. To share all available information and expertise, business will

be invited to the MAAC itself or to specifically established Working Groups on thematic, sectoral or geographical issues whenever appropriate. For concrete actions on specific market access problems smaller task forces of experts could be convened.

The composition of Market Access Teams will depend on the issues at stake and should therefore be decided in a rather flexible way – depending also on local circumstances and being decided between the Commission delegation and Member States at Commercial Counsellors meetings. From the business side, national and EU Chambers of Commerce and business associations might be involved as well as individual companies where appropriate.

While participation in Market Access Teams shall not be exclusive and shall allow for any interested stakeholder to contribute, the specific interests, involvement and expertise of stakeholders will naturally limit the number of participants so as to allow for effective management of the tasks. On the other hand, broader issues such as information sharing and reporting might involve a larger number of stakeholders.

A successful implementation will depend on the commitment of all partners to contribute to this policy: by sharing information and analytic capabilities, and by dedicating sufficient resources.

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