

ACCESSION OF CROATIA

Memorandum on Implementing TBT and SPS Agreements in the Republic of Croatia

The Republic of Croatia communicates the following check-list of TBT and SPS application, which is a detailed design of the system which will be fully in place at the time of Croatia's accession to the WTO, although in its major part it is already applied:

1. The implementation of the requirements of the TBT and SPS Agreements in the Republic of Croatia is incorporated in laws and regulations which have already been passed by the Croatian parliament or Government prior to the accession to the WTO. The following major laws and regulations are valid for regulating TBT and SPS issues:

- Law on Standardisation
- Law on State Inspectorate
- Law on Health Safety and Health Control of Foodstuffs and Goods of Personal Usage
- Law on Veterinary
- Law on Plant Protection
- Law on Pharmaceuticals and Medical Products
- Regulation on implementing TBT and SPS Agreements
- Regulation on the List of Items Subject to Quality Control
- Regulation on Bearing of Costs of Quality Control
- Technical regulations on quality and health requirements for each particular product subject to quality and SPS control
- Regulation on Phytosanitary Inspection of Plants and Control of Plant Protection Products in the National Cross-Boundary Transportation

2. In order to ensure a full conformity of the procedure of preparing, adopting and applying new technical regulations and standards with the provisions of the TBT and SPS Agreements, the Government of Croatia adopted a regulation which sets the following points:

- Products imported from other WTO Member countries are accorded treatment not less favourable than that accorded to Croatian domestic products, in respect of technical regulations and standards.
- There must be no discriminatory treatment in respect of technical regulations and standards as between different WTO Member countries.
- The Government of Croatia ensures that technical regulations and standards are not prepared, adopted and applied in a manner as to cause an unnecessary obstacle to trade. All technical regulations and standards are to be prepared and adopted on the basis of scientific information and evidence and based on international standards. Competent authority for issuing non-mandatory and mandatory standards is the State Office for Standardisation and Metrology,

and competent Ministries are in charge of issuing technical regulations on quality and health requirements, depending on their competence for each particular product. Before issuing new technical regulations and standards, competent authorities shall examine whether any existing international standard can be used. Only if the regulatory authorities believe that the international standards would be ineffective or inappropriate in Croatia due to climatic, geographical, or technological factors, a decision could be taken to prepare a new technical regulation or national standard. In that case, regulatory authority shall publish a notice in the Official Gazette of the State Office for Standardisation and Metrology of a draft technical regulation or standard and supply a copy of the draft to the WTO Secretariat. Upon request, copies of draft technical regulations or standards will be provided to other WTO Members. Regulatory authority will allow all interested parties a time of 60 days to submit comments on draft technical regulations or standards. The comments received will be duly considered and parties making comments will be informed if their comments could not be accepted. The final technical regulation or standard is published in the Official Gazette of the Republic of Croatia and copies are submitted to the WTO Secretariat. They become applicable three months after their publication in the official gazette.

- Competent authorities follow a similar procedure for conformity assessment procedures in order to ensure that foreign suppliers are not put in a disadvantageous situations when obtaining certificates of positive assurance of conformity, especially by granting national treatment in procedural matters, chargeable fees and samples selection.
 - The Government of Croatia encourages the regulatory and control authorities to accept the results of the inspection and tests carried out by competent certifying bodies in the exporting countries, according to bilateral agreements on mutual recognition of certificates of conformity assurance that are to be signed with other countries.
 - Preparation, adoption and application of technical regulations and standards for SPS control are exercised in a similar manner, with differences allowed under SPS Agreement in terms of deviations from MFN clause and international standards, taking into account economic factors in risk assessment, and adopting SPS measures on a provisional basis, as a precautionary step in cases where there is imminent risk of the spread of diseases, but the scientific evidence is insufficient.
 - With regard to sanitary measures, Croatia actively participates in the activities of the FAO/WHO Codex Alimentarius Commission and International Office of Epizootics. Sanitary measures in force in Croatia are based on the standards, guidelines and recommendations of these two organisations, as well as on the regulations, decisions or directives in force in the European Union. Phytosanitary measures are based and harmonised with the plant protection regulations and recommendations of the International Plant Protection Convention and the European and Mediterranean Plant Protection Organisation. The process of harmonisation of Croatian phytosanitary regulations with the international standards, measures and procedures is completed in May, 1999, when Croatia formally joined the International Plant Protection Convention.
3. The State Office for Standardisation and Metrology periodically examines technical regulations and standards to determine if their continued application is necessary.
- Quality and SPS controls are exercised by comparing actual characteristics of the domestic and imported products determined to be subject to either quality or SPS control with the characteristics required under technical regulations prescribing either quality or health requirements for each particular product. If a regulation prescribing a standard of a particular product enlisted for quality or SPS control is passed by the State Office for Standardisation

and Metrology, such otherwise non-mandatory standard will become a mandatory one, as a criteria for quality or SPS control. For products determined for quality and SPS control for which no standard is passed, competent Ministry issues a technical regulation prescribing quality or health requirements, as a criteria for quality or SPS control of those products. In this checklist, the term "technical regulation" covers standards which compliance is mandatory, as well as regulations prescribing mandatory quality or health requirements. The term "standard" is used for voluntary standards.

4. An Enquiry Point for TBT and SPS is established in the Republic of Croatia and it is functional as of 1 March 1999 in the State Office for Standardisation and Metrology. The Enquiry Point is able to answer all enquiries and provide the relevant documents on standards, technical regulations, and quality and SPS control procedures.

5. There are five inspectorates in the Republic of Croatia in charge of quality and SPS control: State Inspectorate (for quality control), Sanitary Inspectorate (for health control of goods of general usage), Veterinary Inspectorate (for health control of foodstuffs of animal origin), Phytosanitary Inspectorate (for plant health control), and Pharmaceutical Inspectorate (for quality control of pharmaceuticals). Sanitary, veterinary, phytosanitary and pharmaceutical control of imported items could be performed before the customs clearance, and quality control only after the customs clearance, at the wholesale and retail level. The Government of Croatia will consider a possibility of further rationalisation of inspectorates' operational structure.

6. Quality control as performed by the State Inspectorate is based on ensuring consumer protection. It is performed on designated products at the wholesale and retail level in the market, regardless whether those products are imported or of domestic origin. Quality control on imported items prior to customs clearance has been abolished. The State Inspectorate checks whether products are covered by proper quality conformity documentation issued by authorised institutions in Croatia or abroad, and whether labelling and packaging requirements have been met. The State Inspectorate is also entitled to check product's content against declared values by analysing sample.

7. Sanitary control is performed on products encompassed in the lists of products subject to sanitary controls, as prescribed by the Law on Health Safety and Health Control of Foodstuffs and Goods of Personal Usage, and in accordance to control methods and procedures prescribed by that Law. Sanitary control of imported products is performed at the customs clearance houses, before the customs clearance, and at the market points of retail sale. Sanitary control of domestic products is performed at the production sites, and at the market points of retail sale.

8. The rationale for quality control is protection of customer's rights, and the public policy objective of SPS control is addressing risks to public health. In that regard, for example, a processed product slated for control (fruit juice) will be examined by a Sanitary Inspector who will be assessing public health impacts of its ingredients (by applying regulations prescribed in accordance with the SPS Agreement), and by a State Inspector, who will be assessing conformity of the declared ingredients with the actual ingredient structure, as well as comparing actual product characteristics with prescribed quality, packaging and labeling requirements (by applying regulations prescribed in accordance with the TBT Agreement) in order to address customer preferences and customer protection issues. In cases where sampling is needed, inspectors take samples that are to be sent to the authorised laboratories for required analyses. The shipment is released to the importers or producers warehouse until analyses is completed, usually not longer than 3 to 4 days. For technical products (electrical or mechanical appliances) there is no need of sampling, but the inspectors recognise attestation and certificates issued by an authorised domestic or foreign institutions.

9. Quality control of certain standardised products, like fuels, is performed in a way that certificates are issued on repeat shipments of the same producer without repeating preliminary test.

10. Quality control of pharmaceuticals is performed in accordance with the special Law on Pharmaceuticals and Medical Products. Therefore, pharmaceuticals are not listed in the general quality control list. Pharmaceutical Inspection of the Ministry of Health is in charge of quality control of domestic and imported pharmaceuticals. Every batch of domestically produced and imported pharmaceuticals is subject to repeated batch testing by the Pharmaceutical Inspection. Quality control of all pharmaceuticals will be performed on regular, special, extraordinary and retail sales basis.

11. The same level of fees is charged for quality control and SPS control inspections of domestic products and imported products, corresponding to the actual costs of administrative and laboratory costs. A practice of charging fees in proportion to the inspected quantity has been abolished.

12. A detailed information on SPS protection is enclosed herewith, as well as a draft of a new list of domestic and imported items that will be subject to quality control.

SANITARY PROTECTION

In order to determine the health safety, domestically produced foodstuffs are controlled and tested in the course of production and when distributed in the market. Sanitary control of imported items is carried out at border crossings or at customs offices before the customs clearance. It can also be carried out at other places (for instance, bonded warehouse) and it includes sending of samples for laboratory tests and super analyses.

The following is controlled:

- microbiological safety
- heavy metals residue
- pesticides residue
- antibiotics, sulphonamides and hormones residue
- radio active pollution
- additives allowed
- the content of bacterial toxins, micro toxins and histamine

Sanitary inspector determines which parameters out of those 7 should be controlled depending on the nature of goods.

Four basic laws govern this issue:

- The Law on Sanitary Inspection (Official Gazette, No. 27/99)
- The Law on Health Safety and Controls of Foodstuffs and Goods of Personal Usage (Official Gazette, No 1/97 - revised text)
- The Law on Toxic Substances (Official Gazette, No. 27/99, 37/99)
- The Law on Protection of Population from Contagious Diseases (Official Gazette, No. 60/92, 26/93 and 29/94.

VETERINARY PROTECTION

The veterinary inspection of domestically produced items and animals is performed on production sites and in the market. The veterinary and sanitary examinations and controls and veterinary inspection of imported and exported shipments or shipments in transit are carried out by border veterinary inspection at 43 border crossings.

The consignments are inspected at border crossings. The inspection determines if animals and animal products are:

- originating from infected regions,
- if the diagnostic examinations or preventive vaccinations stipulated by laws and regulations were done,
- if the animals intended for slaughter are marked and that the animals were not treated with pharmacological substances so that the meat would not be suitable for consumption,
- that the animals and animal products are accompanied by international certificate on animal health and health safety of the consignment.

In addition, the hygienic and technical conditions required for the vehicle intended for the transportation of animals and animal products are inspected. The vehicles have to comply with the following requirements:

- have to enable loading and transportation of animals,

- have to prevent the impact of bad weather conditions and dust on animal products and to ensure that the temperature needed for each consignment is kept.

After the accompanying veterinary documents are checked and it is determined that those documents are correct, the consignment is being inspected:

- the animals are examined, if necessary, the temperature is taken. If any disease is suspected the quarantine is determined and the samples intended for further laboratory examination are taken.

The organoleptic examination of animal consignment intended for human and animal consumption is performed. The origin and compliance with the accompanying documentation is determined. If needed, the samples are taken and sent to an authorised laboratory in order to determine:

- microbiological safety,
- the presence and quantity of noxious substances,
- the correctness of systems influencing biological values,
- additives tolerance.

It is forbidden to distribute the consignment before the laboratory tests are completed.

The following laws and regulations govern the field of veterinary protection in the Republic of Croatia:

- Veterinary Law (Official Gazette, No. 70/97)
- The Regulation on Animal Products Shipments there are no veterinary or health obstructions for importation into the Republic of Croatia or transit through its territory, (Official Gazette, No. 93/98 and 159/98),
- The Regulation on the manner of loading, transshipment and unloading of consignments containing animals, raw materials, products and offal thereof and hygiene and sanitary conditions that the vehicle and the consignment in international and domestic traffic have to comply with (Official Gazette, No. 87/98),
- The Regulation on Certificates on health of animals and consignments containing animal products in domestic and international traffic (Official Gazette No. 54/98,
- The Regulation on Obligatory Marking of Animals (Official Gazette, No. 137/97 and 164/98)

PHYTOSANITARY PROTECTION

Phytosanitary protection includes health control of plants and plant products consignments, as they might be infected by quarantine plant pests.

The inspection is carried out visually in the first step (for instance, presence of insects), and in the second step, if hidden infection is suspected, the samples shall be send for laboratory examination. The phytosanitary inspection is carried out at the border crossing and it last only few minutes. The duration of laboratory examination of plant consignments depends on the nature of the consignment itself (for instance, seeds or seedlings) and may last for few days. It is important to mention that all consignments are not subject to laboratory examination (for instance, the inspection of seed potatoes - *Ralstonia solanacearum* - brown putrefaction of potatoes, is obligatory)

The size of sample intended for inspection is determined by international laboratory standards.

The fees and the list of phytosanitary inspections are equally applied to domestic, imported and exported plants and plant products.

The main regulations concerning the international cross-boundary transportation of plants are:

- Plant Protection Act
- Regulation on Phytosanitary Inspection of Plants and Control of Plants Production Products in the National Cross-Boundary Transportation, Official Gazette 12/95 and 96/95
- List of Quarantine Plant Pests of the Republic of Croatia, Official Gazette 87/94 and 142/98.

Draft proposal

Products Subject to Quality Control
and Regulations for the Control of These Products

	Product Description
1.	<u>Meat and Meat Products</u> The regulation on the quality of meat of beef cattle and venison (Narodne Novine, No. 53/91); The regulation on the quality of meat products (Official Gazette, No. 53/91); The regulation on the quality of pork and its categorization (Official Gazette No. 53/91).
2.	<u>Fish, Cray-Fish, Mussels, Sea-Urchins, Frogs, Turtles, Snails, and Related Products</u> The regulation on the quality of fish, cray-fish, mussels, sea-urchins, frogs, turtles, snail, and related products (Official Gazette, No. 53/91).
3.	<u>Milk, Dairy Products, and Pure Cultures</u> The regulation on the quality of milk, dairy products, and pure cultures (Official Gazette, No. 53/91).
4.	<u>Ice-Cream, Ice-Cream Products, and Frozen Desserts</u> The regulation on the quality of milk, dairy products, and pure cultures (Official Gazette, No. 53/91).
5.	<u>Fruit, Vegetables, Mushrooms and Related Products</u> The regulation of the quality of fruit, vegetables, mushrooms and related products (Official Gazette, No. 53/91).
6.	<u>Coffee, Coffee Products, and Products Made of Coffee Substitutes</u> The regulation of the quality of coffee, coffee products, and products made of coffee substitutes (Official Gazette, No. 53/91).
7.	<u>Teas</u> The regulation of the quality of coffee, coffee products, and products made of coffee substitutes, tea, condiments, leaven, baking powder, pudding powder and low-caloric products (Official Gazette, No. 53/91).
8.	<u>Common Salt and Brining Salt</u> The regulation of the quality of salt used as food (Official Gazette, No. 53/91).
9.	<u>Soups, Soup Concentrates, Sauce Concentrates and Food Supplements</u> The regulation of the quality of soups, soup concentrates, sauce concentrates and food supplements (Official Gazette, No. 53/91).
10.	<u>Grain, Baking Products, Pasta, and Deep Frozen Pasta</u> The regulation of the quality of grain, baking products, pasta, and deep frozen pasta (Official Gazette, No. 53/91).
11.	<u>Biscuits and Biscuit-Related Products</u> The regulation of the quality of biscuits and biscuit-related products (Official Gazette, No. 53/91).
12.	<u>Food Oils and Vegetable Fats, Margarine, Mayonnaise and Other Related Products</u> The regulation of the quality of oils and vegetable fats, margarine, mayonnaise and other related products (Official Gazette, No. 53/91); The regulation of the quality of olive oil and blended olive oil (Official Gazette, No. 53/91).
13.	<u>Sugar and Related Products</u> The regulation of the quality of oils and vegetable fats, margarine, mayonnaise, sugar, honey and sugar-related products (Official Gazette, No. 53/91).
14.	<u>Honey and Other Apiary Products</u> The regulation of the quality of honey and other apiary products and regulations on methods of quality control of honey and other apiary products (Official Gazette, No. 53/91).
15.	<u>Cacao Products, Creams, Candies and Related Products</u> The regulation of the quality of cacao products, chocolate-related products, candies (Official Gazette, No. 53/91).

	Product Description
16.	<u>Alcoholic Beverages</u> The regulation of the quality of alcoholic beverages (Official Gazette, No. 53/91).
17.	<u>Non-Alcoholic Beverages</u> The regulation of the quality of non-alcoholic beverages and soda-water (Official Gazette, No. 23/97).
18.	<u>Fodder and Pet-Food</u> The regulation of the quality of fodder (Official Gazette, No 53/91).
19.	<u>Fuel Oils</u> The rules regulating the quality of fuel oils (Official Gazette No. 53/91).
20.	<u>Jet Engine Fuels</u> The rules regulating the quality of jet engine fuels (Official Gazette No. 79/95);
