

to replace these inherited standards by international and regional standards. For the time being, approximately 100 Croatian standards are being prepared by adopting international and regional standards.

**QUESTION 71:**

**Please prepare and submit a response to the WTO questionnaire on the TBT Agreement.**

**Croatia states its intention to fully comply with the provisions of the TBT Agreement. Please elaborate on the specific steps which Croatia has undertaken to comply with the TBT. Has Croatia identified the entity that will serve as its TBT inquiry point?**

**ANSWER:**

The preparation of a data base of Croatian Standards was the first step, our next step will be to connect to ISONET.

The Republic of Croatia intends to fully comply with the provisions of the TBT Agreement. The State Office for Standardization and Metrology is going to accept and comply with the Code of Good Practice for the preparation, adaption and application of standards. The State Office for Standardization and Metrology will notify the acceptance of the Code to the ISO/IEC Information Centre in Geneva within nine months.

The Republic of Croatia has not yet identified the entity that will serve as a TBT inquiry point. An information center is being prepared in the State Office for Standardization and Metrology in order to be an inquiry point for standards, technical regulations and conformity assessment procedures according to the Law on Standardization.

**QUESTION 72:**

**Could Croatia please indicate for which areas they are considering establishing standards?**

**ANSWER:**

We are considering establishing standards for all areas that are of interest to our economy (industry, agriculture, services, etc.). Croatian standards will be prepared mostly by adoption of international standards (ISO, IEC), regional standards (EN), and the standards of developed countries (only when relevant international standards or regional standards do not exist).

**QUESTION 73:**

**What is the status of the drafting of the new law on standardization and the accompanying by-laws specific to Croatia? (L/7466, page 37)**

**Croatia indicates in response 52 that a new Law on Standardization is under development. What is the status of this legislation? Does the legislation establish administrative procedures for the development of technical regulations? Are public notice and comment provisions in place? And if so, are these provisions consistent with WTO TBT rules? (WT/ACC/HRV/3)**

**ANSWER:**

The new Law on Standardization is expected to pass the Croatian Parliament in June of 1996. The Law will be the legal framework of the new system of standards and conformity assessment procedures in compliance with the international system, in particular the WTO TBT Agreement. The Republic of Croatia would appreciate technical assistance in harmonizing standards, technical regulations and conformity assessment procedures as soon as possible.

The main provisions of the Draft Law on Standardization are:

- Croatian Standards will be prepared mostly by adoption of international standards (ISO, IEC), regional standards (EN), and the standards of developed countries (only when relevant international or regional standards do not exist);
- Croatian Standards will be voluntary;
- Technical regulations on product requirements will be prepared in terms of performance characteristics;
- Conformity assessment procedures (accreditation, certification, testing) will be in compliance with the international system;
- Domestic and foreign origin products will be equally treated;
- Safety, health, environmental and consumer protection will be stressed.

**QUESTION 74:**

**Please confirm that certification requirements for entry are based on valid scientific grounds, and that there are domestic controls of an equivalent nature (L/7466, page 37).**

**The New Law on Standardization is expected to pass Parliament in June 1996. Croatian Standards will be prepared mostly by adoption of international standards (ISO, IEC). Which Croatian Standards are applied currently that are not international standards? (WT/ACC/HRV/7, Question 28)**

**ANSWER:**

According to the Law on Standardization there is equal treatment of domestic and foreign origin products concerning the certification requirements. These requirements are based on Croatian Standards and they are actually JUS standards of the former Yugoslavia. These standards were prepared by adopting international standards (about 30%). The other part was prepared on the basis of national standards of other countries. We are making strong efforts in order to replace these inherited standards by international and regional standards. For the time being, approximately 100 Croatian Standards are being prepared by adopting international and regional standards.

**QUESTION 75:**

**Please indicate if Croatia applies mandatory standards and describe the reasons and administration of such measures for both domestic and imported goods. (WT/ACC/HRV/3)**

**ANSWER:**

The Law on Standardization is one of the former federal laws which the Republic of Croatia assumed in 1991. Approximately, 400 regulations and 12,000 standards have been assumed. 85 percent of these standards are mandatory. There are about 55 technical regulations on mandatory certification and testing of various products concerning safety, protection of life and health, environmental protection and customer protection.

**QUESTION 76:**

**With respect to the mandatory certification system for imports of goods into Croatia, what types of products must be accompanied by a producer's declaration, instructions for use and a guarantee? (WT/ACC/HRV/3, Question 53)**

**Could Croatia please list the products which are subject to quality control and the specific requirements for each product?**

**ANSWER:**

Under the Import and Export Quality Control of Certain Goods Act, the quality control of goods to be imported checks that:

- they comply with the quality conditions set out by Croatian standards whose application is obligatory or by regulations on the quality of products in Croatia;
- they are declared, identified, labelled and packed in accordance with regulations;
- they are accompanied by proper documentation (guarantee note, instructions for use, technical specifications, list of authorised service agents, maintenance services, etc.);
- they have proper documents, labelling, markings and symbols concerning their compliance with product quality regulations which set out certification procedures etc. The Ministry of Economic Affairs issued a list including non-alimentary products, prior examination by expert institutions is obligatory for the following products:

**Export**

- canned meat
- wine
- plum brandy

**Import**

- canned meat and fish
- animal fats and oils
- powdered milk
- butter
- rennet and dairy cultures
- egg products
- preserved fruit
- fruit juices, bases and concentrates
- preserved vegetables
- vegetable juices and concentrates
- coffee and coffee substitutes
- table and preserving salt
- soup concentrates
- additives
- vegetable fats and oils
- sugar and honey
- cocoa and cocoa products
- wine and wine products
- alcoholic and non-alcoholic beverages
- enological products
- raw materials and part-finished products for production of alcohol, alcoholic and non-alcoholic beverages
- animal feeds and animal feed additives.

**QUESTION 77:**

**Concerning sanitary and veterinary regulations: What specific steps has Croatia taken to bring its sanitary and phytosanitary standards system into compliance with WTO provisions under the SPS Agreement? Please provide the required notifications for this Agreement for Working Party review. (WT/ACC/HRV/3)**

**ANSWER:**

All draft laws and regulations in this area are as a matter of policy, submitted for comments to the relevant international organizations prior to their enactment. Yes, Croatia plans to implement the sanitary and phytosanitary standards before the accession to the WTO.

**QUESTION 78:**

**We understand that on 14 March 1995 Croatia passed a law on "quality control on imported and exported products" and that the relevant implementing regulation was approved on 6 March 1996.**

**Please provide the texts of the law and regulation together with a full description of these in an official GATT language, including a listing of the products affected by HS number, the rationale for the requirement for each of these products and any fees involved.**

**ANSWER:**

Please refer to the attachment "Quality Control Information". (WT/ACC/HRV/22)

### **III.4 Incentives for Exports of Goods and Services**

#### **QUESTION 79:**

**Croatia has noted its intent to rebate customs duties in the case of re-export. Has Croatia since developed its "drawback system"? (WT/ACC/HRV/3)**

**ANSWER:**

Although the last repayment of import duties and taxes under the drawback procedure was made in 1992, this system was inefficient, slow and very expensive, so it was replaced in practice by another system (article 54 of the Act).

Presently we are not able to implement and develop this system because it is very difficult to ensure a fund for repayment of import duties and taxes.

#### **QUESTION 80:**

**The possibility is mentioned here of establishing a specialized agency, either fully or partially State-owned, with the task of covering non-commercial risks and providing a refinancing facility for exports. What is the status of this project? Has it been implemented? (L/7466, page 50)**

**ANSWER:**

The Bank for Reconstruction and Development (CBRD) is a state owned investment bank with the purpose of financing reconstruction and development of the Croatian economy and export financing. The CBRD has elaborated loan programs for financing development projects and SME's in the war torn areas (homes, infrastructure, educational and health facilities, companies, etc.). The source of funds for the CBRD are external loans (World Bank, EBRD, KfW, etc.), bond issuance and the government budget.

#### **QUESTION 81:**

**Please outline any provisions of any laws or draft laws that provide special treatment or exemptions for firms that export. (WT/ACC/HRV/3)**

**ANSWER:**

No such laws or draft legislation exists in Croatia.

#### **QUESTION 82:**

**What is the present status of the new draft law on foreign trade with respect to export subsidies? (WT/ACC/HRV/3, Question 59)**

**ANSWER:**

The new Law on Trade does not contain any provisions on export subsidies. Croatia does not apply any export subsidies. The Government of the Republic of Croatia does not intend to introduce a foreign trade law in general, let alone with export subsidies.

### **III.4(a) Protective Measures**

#### **QUESTION 83:**

**When will the law on trade stipulating, *inter alia*, the provisions relating to anti-dumping measures be adopted? (WT/ACC/HRV/3, Question 65)**

#### **ANSWER:**

Article 49 and 50 of the new Law on Trade contains provisions on anti-dumping measures.

#### **QUESTION 84:**

**Croatia notes in the response to question 65 that the Croatian law relating to anti-dumping measures will be included in the Law on Trade (Articles 48 and 49). Were these provisions of the law enacted? If so, will there be additional regulations to address the specific provisions of the WTO Agreements on Safeguards, Anti-dumping, and Subsidies and Countervailing Duties? Please provide a copy of the draft or finalized provisions of the law and regulations on these issues to the Working Party for review. (WT/ACC/HRV/3)**

#### **ANSWER:**

Provisions on anti-dumping measures were included in the Law on Trade (Article 48-49), which was submitted to the WTO Secretariat in March of 1996. Croatia plans to introduce regulations on safeguards anti-dumping and countervailing duties in due course. We will provide draft legislation to the Working Party.

#### **QUESTION 85:**

**Concerning the response to question 120 of WT/ACC/HRV/3, Croatia notes that the government will retain the right to prompt adjustment of customs protection measures within the framework of GATT provisions. Please explain what is meant by "prompt adjustment" and which GATT, now WTO, provisions will provide the basis for these measures.**

#### **ANSWER:**

Answering question number 120 in the document WTO/ACC/HRV/3 Croatia has stated that the Croatian Government will retain the right to prompt adjustment of customs protection measures within the framework of GATT provisions. In the answer the expression "prompt adjustment" means the possibility to increase customs protection or implementing additional import duties in order to prevent markets being damaged by a surge of imports, either in terms of their volume or their low price. WTO provisions which provide the basis for imposing additional duties Article XIX and the WTO Agreement on Safeguards.

## **IV OTHER POLICIES AFFECTING FOREIGN TRADE**

### **IV.1 Industrial Policy**

#### **IV.1(a) Industrial Property**

#### **QUESTION 86:**

**In answer to questions 69 and 70 of WT/ACC/HRV/3, Croatia reported that a first draft of an industrial property law had been prepared, work on a draft industrial design law was under way, and it was expected that these laws would be enacted at the end of 1996. or in the early part of 1997. An example stated that the Law on Patents might enter into force at the beginning of 1996.**