

World Ceramic Tiles Forum

Trade related aspects





- I. FTA negotiations overview
- II. Technical barriers and tariffs
- III. Cooperation on standardisation – TBT Committee
- IV. WTO Accession commitments of Russia

I. FTA negotiations overview (ongoing negotiations)

Ongoing Negotiations	Important dates	Details
United States	29 Sep - 3 Oct 2014	Since July 2013, EU and the US have held 7 rounds of negotiations for a Transatlantic Trade & Investment Partnership (TTIP) which deals with tariffs, technical barriers, energy&raw materials, SMEs. Next round is to be scheduled in early 2015
Canada	26 September 2014	The Canada-EU summit in Ottawa marked the end of the negotiations of the EU-Canada trade agreement (CETA).
Japan	20-24 October 2014	7 rounds were held so far in Brussels and Tokyo. One year review with intention of reaching an agreement in 2015. 7th round held 20-24 October in Brussels.
Mercosur	21 March 2014	EU-Mercosur negotiations are stalled - market access offers to be determined
China	17 - 19 June 2014	3 rounds of EU-China investment agreement negotiations took place in 2014 in Beijing and Brussels.
Vietnam	6 - 10 October 2014	EU & Vietnam aim at a comprehensive agreement covering tariffs, non-tariff barriers as well as commitments procurement, regulatory issues, competition, services/investment, and sustainable development. Tenth round was held from 6-10 October in Brussels. Both sides aim to
Thailand	8 - 10 April 2014	Last meeting in April 2014. Due to military coup, no FTA rounds have been scheduled.
Ecuador	end 2014	4th round of negotiations were concluded on 17 July Brussels in view of Ecuador's potential accession to the EU Andean Community (Peru and Colombia Agreement). Draft proposal agreement needs to be drafted end of 2014 and then approved by Peru and Colombia.
India	NA	on-going negotiations focus on market access for goods
Morocco	12-16 May 2014	5th negotiations round of Deep&Comprehensive Free Trade Agreement

Source: DG Trade, Overview of FTA and other trade negotiations, http://trade.ec.europa.eu/doclib/docs/2006/december/tradoc_118238.pdf

I. FTA negotiations overview (concluded negotiations)

FTAs finished but not yet applied		
Ukraine	2016	EU and Ukraine have completed the process of signature of the Association Agreement including the (DCFTA). MEPs ratified Deep and Comprehensive Free Trade Agreement (DCFTA) on 16 September by 535 votes in favour, 127 against. Implementation of DCFTA not until 2016.
Singapore	Spring 2015	Draft agreement to be formally approved by the EC, agreed by Member States and ratified by the EP. The procedures allowing the agreement to become effective are expected to be completed
FTAs already in force		
Peru and Colombia	Mar and Aug 2013	
South Korea	July 2011	
Mexico	October 2000	
Central America	December 2012	

II. Technical barriers and tariffs

OVERVIEW - Wall and Floor tiles (6907 & 6908) on Market access - tariffs and certification requirements

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Wall & floor tiles (6907, 6908)	Algeria	Argentina	Belarus	Bosnia & Herzeg.	Brazil	Canada	Chile	China	Colombia	Cuba	Ecuador	Egypt	Guyana	India	Indonesia	Iran	Israel	Japan	Jordan	Kenya
VAT	17	21	20	17			19	17	16		12		6		10		16			16
Other taxes, fees	x		x	x	x	x			x		x	x		x				x	x	x
tariff barriers (in %)	21-23	12-14	10-12	0	12-14	8	0	8-12	0-10	10	5-25	6	0-17	10	5-20	100	0	1.7-2.1	0	25
mandatory standards				x										x	x					
mandatory certification	x		x	x				x			x	x			x	x	x		x	x
other		x			x			x												

	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	Total
Wall & floor tiles (6907, 6908)	Lebanon	Malaysia	Mexico	Morocco	Nigeria	Peru	Philippines	Qatar	Russia	Saudi Arabia	Senegal	Singapore	South Korea	Syria	Thailand	Turkey	Ukraine	USA	Venezuela	
VAT		16	20	5	18	12		18		18						20		12	12	
Other taxes, fees	x	x	x	x	x	x			x		x							x	x	22
tariff barriers (in %)	3.6	5-60	0	0	20-35	0	3-10	5	13-12	5-12	20	0	0-2.7	20-50	10-30	0	5-10	8.5-10	14-15	28
mandatory standards				x						x					x					6
mandatory certification	x	x		x	x		x	x	x	x				x	x		x			22
other	x		x			x			x		x						x	x		10

Source: Market Access: Inventory of tariffs and certification requirements, European ceramic industry, 2014

III. Cooperation on standardisation – TBT Committee

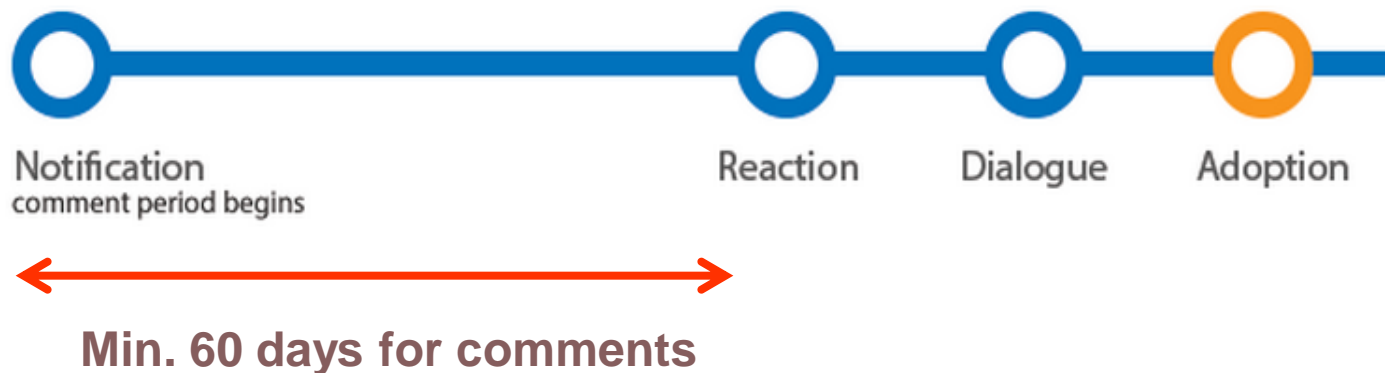
- Regulations adopted by WTO Members pursue legitimate objectives
 - e.g. the protection of public health, consumers, and the environment
- WTO Members cooperate on standards, technical requirements & conformity assessments
 - TBT Agreement was last renegotiated during the Uruguay Round
- TBT Agreement aims to:
 - prevent the creation of unnecessary technical barriers to international trade
 - prevent adoption of protectionist measures
 - encourage global harmonisation and mutual recognition of international standards
 - enhance transparency
- Before adoption of new technical regulations & conformity assessment procedures are **notified** to WTO member and stakeholders for their comments → notifications (see next slide)
- Work on technical regulations, standards and conformity assessment procedi handled by the TBT Committee (see next slide)



III. Cooperation on standardisation – TBT Committee (continued)

TBT Committee

- Handles work on **technical regulations, standards & conformity assessment procedures** in WTO
- **Notification** of new measures to WTO TBT Committee to avoid potential trade barriers
- Any WTO Member can send **comments** on the proposed measure in writing within **60 days**
- TBT documents & notification available on WTO website e.g. **G/TBT/....**
- **TBT Inquiry points** answer enquiries from other Members & stakeholders
- Explanations & consultations (i.e. **dialogue**) or raising the issue at the TBT committee aim at discussing the comments and taking them into account before measures are adopted
- Dispute settlement provisions → panel if dialogue does not solve the issue



IV. WTO Accession commitments of Russia

- Russia formally acceded to the WTO in the on 22 August 2012
- Conditions for Russia to enter WTO was to fulfill commitments:
 - Implement WTO's multilateral agreements and individual commitments
 - Reduce import tariffs on goods exported to Russia (reduction of the average maximum rates to 7.8% as compared to the average of 10% that existed in 2011)
 - Commitments for ceramic tiles: reduction from 15% in 2011 to 7.5 %– 12 % by 2014/2015

WTO Schedule on concession of goods - example of ceramic wall and floor tiles

Product code (CN)	Years 2011-2013	2014	2015
6907	15%	12%	target 12% reached in 2014
6908	15% but not less than 0,06€/m ²		
6908.10		12%	target 12% reached in 2014
6908.90		10%	7.5%

- WTO Schedule of Concessions on Goods has not been respected by Russia
 - Some rates for other than ceramic tiles are even higher than WTO bound tariffs levels
 - Continuation of applying combined duty tariffs
- New WTO challenge (in addition to three existing WTO challenges)
 - 1) Russia's recycling fee on motor vehicles of November 2013; 2) Import restrictions on EU pork products of July 2014; 3) AD on light commercial vehicles of September 2014)