Council of the European Union
General Secretariat

PUBLIC

Brussels, 26 March 2020

WK 3224/2020 INIT

LIMITE

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WORKING DOCUMENT

From:	SI Delegation
To:	Trade Policy Committee (Deputies)
Subject:	EU trade agreements – How can we improve benefits for EU firms and citizens? – Comments by Slovenia

EU trade agreements – How can we improve benefits for EU firms and citizens?

Comments of Slovenia

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Slovenia welcomes the background paper prepared by the Presidency and its intention to put the issue of the FTA implementation high on the agenda among the trade topics. We also very much welcome inputs sent by some Member States. They raised important issues linked to the implementation and presented some good ideas of how to improve the FTA implementation. We believe that sharing the best practices can help with a view to establish the relevant structures within the Member States with a view to help companies and raise awareness of the benefits of the FTAs.

Let us highlight some aspects of the FTA implementation from the perspective of the geographical structure of trade of Slovenia. Slovenian trade is to the great extent directed to other EU Member States accounting more than 80% of total trade. Slovenia therefore faces mostly indirect effects of the FTAs, in particular when it comes to the new generation of FTAs concluded with more distant countries. Almost 60% of the remaining trade goes to the FTA partners, especially to our neighbouring countries which concluded the Stabilisation and Association Agreement with the EU and Switzerland. Companies which traditionally export to those countries are mostly aware of the benefits of these FTAs and use them successfully. That's why Slovenia perhaps achieved relatively high level of preference utilization rate.

1. A short overview of the main steps your government has taken in 2019 to promote EU trade agreements domestically (e.g. events with stakeholders, information material targeting domestic constituencies, web-tools, other) and how these activities respond to, and are embedded in, any possible national foreign trade and economic strategy.

We acknowledge the necessity of strengthening the activities to promote the new generation of FTAs. Those activities should be proportional taking into account the potential of the market for Slovenian companies and the administrative capacity of relevant institutions. Activities could be part of the activities carried out by the Trade Promotion Agencies of the Member States.

Actions of the Ministry of Economic Development and Technology were mostly directed to the informing the public through the web page of Spirit - our Trade promotion Agency (https://www.izvoznookno.si/), through the official page of the ministry, social media and press.

- The effects of the FTA with Vietnam were presented to the companies in the framework of the event "Doing business with Vietnam" organised by the Slovenian Chamber of Commerce.

- Ministry was planning to organize the seminar aiming to present to business the main provisions of CETA EU - Canada. It was unfortunately cancelled, mainly due to the lack of interest.

- Representatives of the Ministry take part in the series of awareness seminars for companies and other stakeholders related to brexit and post-brexit.

We give also a special attention to informing the National Parliament about the trade policy issues.

2. Information on any analytical work you have undertaken to assess the main opportunities EU trade agreements provide for sectors and regions in your country (e.g. studies, surveys) as well as the main challenges faced by business:

The Center of Business Excellence at the School of Business and Economics in Ljubljana produced several studies of the effects of Trade Agreements which can be available at the following link https://www.izvoznookno.si/mednarodno-trgovanje/trgovinski-sporazumi-eu/ (in Slovenian language, with summary in English). The studies are usually presented to shareholders in seminars.

Part of these studies was the empirical analysis on the basis of in-depth interviews among the major exporters. Several exporters were reluctant to cooperate. Those who cooperated acknowledged the opportunities of FTAs, in particular when it comes to the reduction of customs duties on imports and liberalization of trade in services, less when it comes to the provisions for instance on public procurement. However, the potential benefits are hindered by distance, unfamiliarity with the market, lack of direct contact.

3. Any specific areas related to FTA implementation, which could benefit from an exchange of good practices between the Member States among each other and between the Member States and the Commission, with a view to achieving synergies and improving outcomes.

The main challenge is how to activate stakeholders to be more responsive. Special attention should be given to SMEs. Among the areas special attention should be given to the agricultural sector that seems by far the most sensitive.

Like some other Member States highlighted, more structured cooperation between the Member States and the Commission could be useful for internal preparation for the implementation of the Agreement For instance, the creation of the implementation roadmap for the work of Commission and the Member States as suggested by Sweden could help.

We find the regular meetings of the Coordination group for FTA implementation useful. MADB should be developed further as a central tool to help the implementation of FTAs.

Good practices should be exchanged how to better promote the uptake of the FTAs by the SMEs. Existing tools for SMEs should be uploaded with user friendly information how to make use of the benefits of the FTAs.

Besides the aspects of practical implementation for the benefit of the EU business, the FTAs should be an important tool to promote the EU values and to implement the commitments on trade and sustainable development. Effective implementation of this chapter, together with positive examples, could contribute to the creation of positive perception of trade agreements by EU citizens.