

**EVALUTATING THE COMMITMENTS OF THE
REPUBLIC OF MOLDOVA TO THE WORLD
TRADE ORGANIZATION**

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-- Expert Grup --

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ACRONYMS

ADP	WTO agreement on antidumping procedures
CLI	The list of trade tariff agreements
DFID	UK Department for International Development
GATS	General Agreement on Trade with Services
GATT	General Agreement on Tariffs and Trade
GPA	Agreement on Government Procurement
GRM	Government of Republic of Moldova
ISO	International Standard Organization
FAO	Food and Agriculture Organization
LIC/PLI	Agreement on Import Licensing Procedure
LRM	Law of Republic of Moldova
MAIA	Ministry of Agriculture and Food Industry
MFN	Most Favorite Nation clause
MSPS	Ministry of Health and Social Protection
OMC	World Trade Organization
WCO	World Customs Organization
PSI	Agreement on Preshipment Inspection
RWG	Report of the Republic of Moldova accession to WTO work group
HS	Harmonized System
SCM	Agreement on Subsidies and Countervailing Measures
GSP	General System of Preferences
SPS	Sanitary and Phytosanitary Measures
TBT	Technical Barriers to Trade
VAT	Value Added Tax
TPRM	Trade Policy Review Mechanism
TRIPS	Trade Related Aspects of Intellectual Property Rights
VAL	WTO agreement on customs valuation
WTO	World Trade Organization
WIPO	World Intellectual Property Organization

FOREWARD

Today, WTO became the most important organization with economic profile which contributes to solving the most stringent problems of the present days, specifically reduction of poverty and trade inequalities.

For a better participation in the international trade, it is necessary to understand clearly the implications of the WTO rules advantages of adherence of Republic of Moldova to WTO in the framework of integration efforts made to European structure.

On May 8, 2001, the General Council of WTO accepted the adherence of Republic of Moldova to the agreement of creation of World Trade Organization. Further, the set of negotiated documents and the Protocol of Adherence of Republic of Moldova to WTO were approved by the Parliament which adopted the Law Nr. 218/2001 "for adherence of Republic of Moldova to World Trade Organization".

The main goal for joining the WTO constituted rapid integration of the young and independent country in the world economy. It was considered that this event will facilitate establishment of a democratic society with an economy base don market principles. Six governing teams concentrated various mechanisms and instruments over this task in order to facilitate the negotiations, resorting to support of their economic and political partners for becoming full member of the world trade system.

The adherence of Moldova to WTO contributed to recovering certain reforms for improving the legal framework which regulates the economic and trade areas.

The adherence protocol of Republic of Moldova to WTO included: List of commitments in the fields of trade with goods and services and a range of reference commitments stipulated in the Report of the Working Group. The Group Report on Republic of Moldova adherence to WTO is part of the protocol on adherence and includes information on negotiations and a series of commitments in all the fields afferent to the legal framework of the WTO. After adhering to WTO, Republic of Moldova assumed the responsibility to respect all WTO agreements: GATT, GATS, TRIPS and their annexes.

Republic of Moldova commitments to WTO include various regulation fields: rules which govern the trade with goods, which include: most favorite nation clause, customs valuation and application of customs taxes, mandatory and voluntary product standards, sanitary and phytosanitary regulations; import licensing measures, prohibitions and restrictions, export regulation rules, saving clause for restricting imports in urgent situations and for developing purposes of the economy, rules concerning application of countervailing and antidumping taxes, rules concerning origin and investment trade measures.

In the meantime, Moldova adhered to the international rules which govern trade with service and state commerce and assumed responsibilities for adhering to certain rules which govern the public procurements. A separate complex and interesting field represents the human and trade with intellectual property rights (TRIPS). Moldova has a developed legal basis and collaborates with WIPO in relation to their implementation, ensuring a high implementation level of the WTO stipulations.

This paper examines examples of policies and trade practices of Republic of Moldova concerning the WTO rules and engagements for this organization. The second chapter of this paper refers to special policies and measures which influence the imports.

The customs aspects and custom valuation are key subjects of this paper, because these are the most complex field discussed during adherence. As a result the negotiations ended up with a range of commitments assumed by the Government. By analyzing the legal framework which is

applied in this area and numerous studies and researches, it can be asserted that Republic of Moldova does not observe entirely its customs commitments. These derogations take place despite the fact that majority of WTO rules were incorporated in the Customs Register and the Law on customs tariffs during country accession period and the number of seminars targeted at customs employees and covering topics on rule applications measures. Nevertheless, the commitments are not uniformly, reasonably respected or equally applied. The customs services continue applying approximate prices for evaluating the import merchandise. It also applies payments other than the customs tariffs and the ones afferent to the customs procedures which are stipulated according to the WTO Rules.

Another range of measures mentioned in this paper are related to prohibitions, restrictions and procedures related to import licensing. Moldova assured that will not introduce, reintroduce or apply non tariff measures such as: licensing, quotas and other restrictions which cannot be justified in the framework of WTO stipulations. However, the existing requirements for licensing the activity will not decrease or restrict the right to import or export of goods; will insure transparency of information regarding the issuing of licensing and other afferent payments. In reality, the situation is different and details in this regard are also examined in this paper.

Separate subchapters include description about trade barriers, sanitary and phytosanitary measures. These two fields, which are mutually dependent, are only starting being observed in the framework of WTO commitments. The same can be asserted about TBT and SPS Agreements. It is necessary to fully revise the national legislation and stipulate the WTO regulations in the legislation which regulates these areas. None of the national informational points, related to TBT area, or SPS are functional. They do not exercise their goal such as informing the WTO members about new technical regulations other evolutions. These informational points do not provide information to Moldovan exporters about th standards and SPS measures applied by WTO member countries, which are trade partners of Republic of Moldova

The paper ends with a subchapter which includes a summary of all recommendations grouped by fields. In addition there are support materials attached, which constituted instruments for analyzing the Republic of Moldova commitments to WTO.

In most developed countries and several developing countries there have been official institutional mechanisms established to consult on issues debated in WTO with industries and their associations, chambers of commerce and other trade associations. Having these consultations, the government learns about the point of view of the business community concerning political measures that may be necessary to take towards certain issues that are negotiated or examine any problems that enterprises face on the export markets due to the government measures applied on the import market. There is no such mechanism in Republic of Moldova and the government has to take proper measures to create this mechanism.

In the end, it has to be mentioned that the accomplishment of the commitments made during adherence, does not affect the political, economic and social evolutions which take place in Moldova. These measures contribute to created premises for attracting new foreign investments, improving the business climate, ensure trade regulation stability – these are important aspects which contribute to developing the national economy.

Republic of Moldova will benefit from improving its image and credibility in the world. It is easy to identify new export markets of the countries which are WTO members, except from traditional ones, where the same rules and trade principles are applied as in the rest of the world.

INTRODUCTION

A. The adherence of the Republic of Moldova's to WTO

Impressed and determined by the advantages offered by the international legal trade environment and the motivations for being part of an international system, in November 1993 the Republic of Moldova's Government forwarded the request for joining the General Agreement on Trade and Taxes (GATT 1947), which after the creation of the World Trade Organization (WTO), in January 1995, was iterated to WTO (successor of GATT 1947).

Republic of Moldova's adherence to WTO was a difficult and complicated process, which required a high preparation level and coordination of government institutions, including a political consensus for an efficient promotion of the national interests. During almost six years, this process was transformed into detailed bilateral and multilateral negotiations with all the WTO members interested in our state policies.

The basic working structure WTO is composed of 6 key areas, which taken together look the following way:

<i>Umbrella</i>	AGREEMENT ESTABLISHING WTO		
	<i>Goods</i>	<i>Services</i>	<i>Intellectual Property</i>
<i>Basic principles</i>	GATT	GATS	TRIPS
<i>Additional details</i>	<i>Other Agreements and Annexes regarding goods</i>	<i>Annexes regarding services</i>	
<i>Market access</i>	<i>Member states' list of obligations</i>	<i>Member states' list of obligations (and MFN exceptions)</i>	
<i>Regulation of disputes</i>	SYSTEM FOR REGULATING THE DISPUTES		
<i>Transparency</i>	EXAMINATION OF TRADE POLICIES		

Source: www.wto.org

On the May 8, 2001, the WTO General Council adopted the decision regarding adherence of Republic of Moldova to Agreement Establishing WTO, based on conditions stipulated in the Protocol of adherence. The set of negotiated documents and the Protocol of Republic of Moldova's Adherence to WTO were adopted by the Republic of Moldova's Parliament by passing the Law Nr. 218 from 01.06.2001". For adhering to WTO Republic of Moldova provided ratified stipulations for adherence, according to the country procedures. In July 2001, the country became full member of World Trade Organization.

The main purpose for joining WTO was to accelerate the integration of Republic of Moldova, as a young and independent state in the world economy, taking into account that this would facilitate creation of a democratic society with a functioning market economy. The adherence was also motivated by disadvantages of not being a member of WTO, while the existent bilateral trade agreements were not developed enough for assuring fair trade conditions and an attractive environment for foreign investors.

The negotiations carried out during 1996-2000 coincided with the structural reform programs and country's trade and economic policy formulations. The underdeveloped administrative system of that period and the lack of human and financial resources directly affected Government's capacities for taking short term efficient measures.

Republic of Moldova, as any acceding state, was asked to provide substantial concessions for accessing the market of goods and consolidate the customs duties; assume certain responsibilities regarding trade with services and intellectual property rights.

WTO members emphasized a clear position in respect to acceding countries to accept higher obligations, compared to responsibilities of the initial members, which helped them to secure the results of all the negotiations rounds. In practice this means that Moldova was forced to consolidate tariffs and make certain engagements related to services similar to the ones of the most advanced countries.

Meanwhile, Moldova did not have the possibility to benefit from the WTO provisions which offer a special and preferential status to the developing countries, because no acceding state with a transition economy received a *developing country* status when WTO negotiations for adherence were initiated. In this respect, Moldova had difficult negotiations compared to other candidates which were on the UN list of developing countries.

In the meantime, compared to other CIS states, Moldova was very active in this process, being outrun only by Kyrgyzstan and Georgia. In 1995, the country presented the Memorandum for the foreign trade regime. A special Working Group for Moldova adherence to WTO (WT/ACC/MOL/1) was created further, which comprised 24 WTO members (EU participating as a single member). The questions and answers rounds followed together with multiple bilateral and multilateral negotiations regarding the access of goods and services, subsidies for agriculture and adjusting the national legislation to the WTO legal framework.

The most intensive negotiations were carried with the following WTO members: Australia, Bulgaria, Brazil, Canada, Czech Republic, India, Japan, Mexico, Poland, Slovakia, USA, Turkey and EU.

The adherence process implied the mandatory adherence to all the WTO multilateral Agreements and the optional adherence to two multilateral Agreements – Government Public Procurement Agreements (GPA) and the Civil Aircraft Trade Agreement.

The Republic of Moldova faced strong measures due to legal instruments of WTO and its legal framework, for implementing a liberal trade regime with member countries. For this reason separate part of this process constituted the adjustment of the laws to the legal texts of the Uruguay Round (known as the „WTO Agreements”), and elaboration of new laws with a direct or indirect impact on the foreign trade. Thus, when negotiations started, every legal act regulating the trade activity was reexamined in order to meet the provisions of the WTO Agreements.

Several laws from that period corresponded to the provisions WTO. The remaining laws had to be adjusted to these provisions – one of the main conditions for Moldova’s adherence to WTO and a lasting commitment to monitor this correspondence.

The negotiations with the member countries of the Working group concerning adherence of Republic of Moldova to WTO lasted for 5 years. This duration is due to several factors: the lack of an adequate institutional framework and mechanism for elaborating functional policies for market economy, frequent changes of the central administration, the request for a large volume of information and others. These reasons contributed to slowing the elaboration and adoption of the corresponding legislation.

Six governing groups concentrated different mechanisms and instruments to facilitate the negotiations. They asked for support from their political and economic partners using diplomatic means for promoting the national and legal interests for carrying out fair trade and becoming a full member of the world trade system.

B. Republic of Moldova's Advantages as a WTO Member

Today, WTO became the most important international economic organization, which contributes to solving the most significant modern problems, such as poverty reduction and trade inequalities. The adherence and member status of this organization presume the following advantages for Moldova:

- It contributes to the national economic development, which is a key-element for promoting national development policies, a catalyst of the economic reforms based on traditional market economy principles.
- Provides a wide access of the Moldovan products to the 151¹ WTO member countries markets and eliminates discrimination of goods on foreign markets.
- If the country respects the WTO provisions, it gains the market economy status.
- It provides additional insurance conditions for the foreign investors in respect to country's legal and trade framework, which contributes to promoting the investments and creation of new working places; it can assure a continuous cycle: Trade-Investments-Working places.
- It provides a constructive basis for solving economic, political or social problems, by means of the trade and economic measures of the WTO.
- It facilitates the implementation of the European Union Action Plan; it creates favorable conditions for signing the Preferential Agreements with EU related to trade with goods and services.
- It stimulates the expertise and coordination of the government institutions.
- It requires and generates a politic consensus for an efficient and constructive implementation of the economic reforms for promoting the country's international economic interests.
- It guarantees an international legal framework which regulates trade with goods and services, which can help Moldova to deliver professional consulting, tourism and international business services.

As a conclusion, one may consider that the adherence to WTO constituted an instrument for promoting certain „slowing” reforms and for improving the legal trade and economic framework.

C. The summary of the Republic of Moldova's Commitments to WTO

The adherence intention was adopted spontaneously. In order to take advantage from membership in WTO, it is necessary that, ultimately, this process is supported by several **measures for implementing the provisions of WTO**, which refer to:

- (i) Obtaining a consensus of the main political forces regarding the general stipulations of the existent economic policies;
- (ii) Ensure the observance of the rules and norms specified in the legislation by the public institution and each citizen in part;
- (iii) Creation of an economic system compatible with the system practiced by the majority of the trade partners, which could ensure the credibility of trade transactions;

¹ 151 WTO members, at 27 July 2007 (www.wto.org).

- (iv) Adequate protection of private and industrial property and copyrights;
- (v) Harmonization of the national standards and compliance of evaluation procedures with the international and European practices;
- (vi) Creation of the adequate infrastructure and legal framework for developing the consulting services, educating businessmen with managerial skills and strategic penetration on the new markets;
- (vii) Developing and facilitating the trade with services on the basis of international standards and creating a regulation framework to govern this area, including the promotion of export of labor force through intergovernmental partnership agreements in the field of human migration;
- (viii) Encourage and involve all economic agents from Moldova, including the ones from Transnistria, in the foreign trade while respecting the WTO rules;
- (ix) Stronger cooperation with international and regional organizations.

On the May 8, 2001, the General Council of WTO adopted decision (WT/ACC/MOL/39) according to which the Republic of Moldova's Government can adhere to the WTO Agreement while respecting the conditions stipulated in the Republic of Moldova's Adherence Protocol, whose text was approved by the General Council (WT/GC/M/65). In July 2001 after submitting the documents, ratified by the Parliament of Republic of Moldova, the country becomes a WTO member.

The protocol of Republic of Moldova's adherence to WTO includes: The lists of commitments related to trade with goods and services indicated in the documents WT/ACC/MOL/37/Add.1 and WT/ACC/MOL/37/Add.2 and the Commitments which are indicated in paragraph 237 of the Work Group's Report (WT/ACC/MOL/37). The report of the Work Group (RGL) regarding the Republic of Moldova's adherence to WTO is an integrant part of the adherence protocol. More analytical details and references to paragraphs from RGL which various area commitments are indicated in a matrix-table attached to this research (ANNEX VI).

During this process, Republic of Moldova made certain engagements in various areas of economic policies:

1. Informational area:

- Present of annual reports on development of the relevant economic reforms related to the obligations for WTO and reports on the privatization program, as long as it is carried out.
- Create informational centers of TBT, SPS and GATS areas and assure that notification requirements afferent to every WTO Agreement are accomplished.
- Ensure the transparency of information concerning the issuing of licenses for import and export and as well as transparency of information on payments for these procedures.

2. Economic and fiscal area:

- Provide a national and non discriminating treatment for taxes and internal regulations of the fiscal, financial and budgetary policies:
 - o Non discriminating taxes and other internal payments applied on imported products versus the local goods. Ensure that local authorities will not impose other taxes, besides those stipulated in the national laws;
 - o Homogeneous, equitable and non discriminating application of requirements, taxes and payments referred to the import licenses.

- Non discriminating release from certain customs payments for several product categories, exemption from certain ad valorem (%) taxes for customs duties and the introduction of a fixed tax system, which will reflect the approximate cost of the customs services provided for the clearing the customs documents.
- Monitor that any import taxes, other than those specified in the by the trade commitments (customs duties) will be applied strictly according to WTO rules and requirements applied for other types of taxes (e.g. for redressing the balance of payments, antidumping, countervailing and safeguard).
- Applying the Value added tax (VAT) and excise taxes according to the destination of the imported goods principle while observing the national treatment and the favorite nation clause, regardless of the country of origin.
- Prohibit the introduction, reintroduction or application of non tariff measures such as: licensing, quotas, restrictions and other limitations with having an effect which could not be justified according to the WTO provisions.
- Revise the legislation regarding reduction of control.

3. Customs and investment areas:

- Strict application of the international laws regarding customs valuation of imported goods.
- Eliminate the use of the reference prices (minimum values or list with fixed values) for determining the customs value of the imported goods or for applying the import rights.
- Enforce the use of origin rules in conditions of preferential and non-preferential according to the WTO Agreement on Rules of Origin.
- Provide the strict compliance with WTO provisions on Preshipment Inspection before the delivery services in the case of their use in the Republic of Moldova.
- Provide a non discriminating administration of the free economic zones, active in Republic of Moldova; If the merchandise produced on this territory was exempted from certain import or production taxes, once they enter the customs territory, the goods will be exposed to usual customs procedures.

4. Subsidies:

- Prohibit export subsidies, which cannot be justified according to the relevant stipulations of the WTO Agreement on subsidies and countervailing measures.
- Assure that any subsidy program of the Government will be administered according to the WTO practices, while all information related to this subject will be delivered to the WTO Committee dealing with subsidies and countervailing measures.
- Avoid export subsidies for agriculture production which can not be justified in the context of the Agreement on Agriculture.

5. Standardization of the veterinary and phytosanitary measures:

- Adopt and monitor the implementation of the legal and regulating framework which governs the standardization and certification of the veterinary and phytosanitary measures adjusted during adherence period to WTO.
- Elaborate a new set of normative documents which will regulate the mandatory requirements concerning the technical products or processes and will certify their innocuous effect and other legal objectives in the context of the TBT and SPS Agreements.

- Transform the mandatory standards into voluntary standards and elaborate the mandatory technical regulations by the end of 2003, including the approximation of the national standards to the regional and international ones.
- Create TBT and SPS (Enquiry Point) Information Centers for notifying and monitoring the elaboration process of the technical regulations. Informing the economic agents about the non tariff measures, technical regulations on standards for product safety, veterinary and phytosanitary, in order to protect the legal objective of the state.
- Elaborate, adopt and set into practice the legal and institutional framework related to phytosanitary quarantine, sanitarian-epidemiologic surveillance and veterinary service.
- Adhere to the International Convention for Plant Protection and sign bilateral collaboration agreements with the main partner countries in order to facilitate the trade and provide transparency for the application of sanitary and phytosanitary measures.

6. Protecting the intellectual property rights

- Adopt and enforce the laws which protect the intellectual property according to the stipulations of the WTO Intellectual Property Agreement (TRIPS). The TRIPS Agreement regulates the issues related to trade marks, geographic indices of products, industrial drawings, patents, designs and topographies of the integral schemes, unrevealed information, including the commercial secret.

7. Public procurement and trade with civil aircrafts:

- Immediately after adherence receive observer status of the WTO Agreement on public procurement and ultimately initiate negotiations to this multilateral agreement.
- The same commitment was made regarding the WTO Agreement on Trade with Civil Aircrafts.

8. Transparency and notifications

- It is mandatory to permanently notify the WTO Secretariat, about all the legislative acts which have an impact on international trade. This also implies notifying about any final project of law, which has an impact on foreign trade and which has to be translated in one of the official WTO languages and submitted for notifying the WTO member countries.
- Provide the WTO Committee on Regional Agreements, immediately after the adherence, for notifying all the WTO members, copies of the Free Trade Agreements which Moldova signed with other member and non-member states and agreements of establishing of the Customs Unions.
- Create within the Ministry of Economy and Commerce an Informational Center, which will contribute to implementing the WTO Agreement on Trade in Trade with services (GATS).

II. REPUBLIC OF MOLDOVA'S COMMERCIAL POLICIES AND PRACTICES VS. WTO RULES

A. POLICIES AND MEASURES WHICH AFFECT THE IMPORTS

a) Customs aspects and customs evaluation

By acceding to WTO, the Republic of Moldova committed to respect all the customs provisions of this organization, reflected in the General Agreement GATT 1994 and its related Agreements, especially – the Agreement referring to the customs valuation (form here named VAL Agreement, the full title: The Agreement Regarding on Implementation of the Article VII of GATT 1994).

The basic objective of the VAL Agreement is to protect the traders' interests, regardless of their origin. This agreement requires the national customs bodies to accept the real price, for determining the customs value and taxation purposes, paid by the importer in a certain transaction.

It is normal that different importers can obtain different prices for the same products. That is why, the customs body can reject the value of the transaction, but only if it has reasons to question the credibility or the accuracy of the declared prices of imported goods. However, when such cases take place, they should offer the importers the possibility to justify the price. In the case when this justification is not accepted, the importers should receive in writing rejection cause of the transition value and use other methods.

Besides the basic method (the value of the transaction) there are another 5 methods for evaluation, which can be applied in a successive order, when determining the value. Specifically these methods are as follows: the transaction value of an identical or similar product, the deducted value, the calculated value and the last method (any of the previous methods in a flexible order) on condition that the criteria which is being used complies with the Article VII of GATT (*customs evaluation*) and should not be based on the following criteria: i) prices for exports goods to the third markets; ii) minimum values in customs; iii) arbitrary values.

The customs area was one of the most complex subjects discussed during negotiations. Republic of Moldova's Government assumed the following engagements related to customs:

- a. Apply traditional methods and international practices, without derogations from the WTO rules, regarding the valuation of goods in customs;
- b. Abstain from using in customs approximate prices or indicative/reference prices, including different minimum values or fixed values;
- c. Apply direct or indirect taxes (other than the customs duty) related to import or export, which are limited to the approximate cost of delivered services and do not take protectionist measure or impose imports or exports on fiscal purposes;
- d. Publish promptly all the applied laws, decisions, orders and administrative decisions, which refer to the customs practices (classification or valuation of goods in customs, quantum of customs rights, taxes and other assessments, requirements, restrictions or import/export prohibitions or transfer payments for such) or impacts the sale, distribution, transport, insurance, deposit, inspection, exposure, processing or other means as well as the possibility to the WTO governments and its traders to familiarize with them;
- e. Not to apply severe penalties for minor regulations or custom provision breaches; especially, penalties for omissions or errors in the customs documents, which can be

- easily changed and evidently made on purpose or not representing a serious disregard, not overcoming a sum which would represent just a warning;
- f. Diminish the effects and the complexity of import and export formalities and simplify the requirements referring to import and export documents;
 - g. Not to apply special fines if the rules regarding pre import marking are not respected, on condition that the marking is not delayed on purpose, or the application of marks is not intentionally misleading;
 - h. Publish the texts of Agreements concerning current international trade policy, between governments or government institutions in the Monitorul Oficial of the Republic of Moldova;
 - i. Apply all the laws, decisions and customs regulations, homogeneously, impartially and reasonably;
 - j. Institute as soon as possible, judiciary, arbitration or administrative tribunals, or other means for prompt examination and correction of the administrative actions related to customs problems. These tribunals or procedures should be independent from the specialized agencies holding the power to apply administrative measures;
 - k. In case of pre-shipment inspection, it is necessary to provide transparency and respect the nondiscriminatory principle when delivering these services and resort to an inspection only if customs bodies are incapable to perform similar duties.

The majority of these rules were incorporated in the Customs Code and the Law regarding the customs duty during the period of adherence. Also a series of seminars for the customs officers took place on how to apply these rules in practice. Still, the commitments related to the customs sector are not homogeneously, equitably and reasonably respected.

Unfortunately, the customs service and the governmental institutions are perceived usually as an execution body and as a means to accumulate resources for the budget and not as an instrument for promoting trade policies. This is why it is difficult to assert why the customs commitments are not respected. A reason can be that WTO provisions are difficult to apply in our conditions or the customs authorities do not understand the importance of respecting them for developing the trade and the business in the country, satisfying only the immediate objective of the Government for collecting the taxes when crossing the border.

Often there are normative deviations. There are cases when normative acts or internal customs regulations are issued and not published in the Monitorul Oficial. These stipulations contradict the national legislation and the VAL Agreement (e.g. Government's Decision 870 for monitoring import trade transactions, the Order of the Customs Service nr. 361 from 25.09.2007, the order of the Customs Department nr.150 from 20.06.2007 "regarding the product valuation accuracy" and nr. 108 from 10.08.2001 "Regarding the clearance of certain categories of goods").

Product valuation frauds are considered being the main issue which the customs administration is confronts. Similar as in other countries with transition economy, the administration did not have a culture for controlling the valuating trade products. The large number of importers which appeared in a short period of time brought a significant volume of work for the customs and created immediate opportunities for frauds.

Checking the values during the clearance process is based on approximate price lists and is executed by officers in compliance with the rules of the customs service. This is a derogation from the WTO provision and the Government Decision Nr. 870 from 03.08.2007 on monitoring import trade transactions (Monitorul Oficial Nr. 117-126/10.08.2007, article Nr: 906), which stipulates the use of reference/minimum prices of the value in customs and contradicts Article 7 of the VAL/WRO Agreement and the Law nr.218 regarding the adherence of the Republic of

Moldova to WTO; the Law nr.1380 regarding the customs duty (see ANNEX I extracted from OSV nr. 361/25.09.2007)

The lists with “minimal values” or “approximate prices” used in Moldova are compiled from statistical data of previous imports and represent average prices. They are arranged according to the name list of the Harmonized System. The weak points of this method are:

- The names do not make difference between trademarks which many times have different prices – e.g. watches can be cheap or very expensive – thus, the use of an average price does not make any sense; the imported pumps have different prices, depending on their characteristics. Still, they are imposed the same duty;
- The lists of minimum prices tend to calculate an average value, which results in over- or under-valuation of specific imports, establishing an average value of the previous values incorporates undervalued imports.
- The use of indicative prices does not take into consideration the technological innovations and their impact on the production process.

Another commitment which is not respected represents the right to justify the real paid price. Even if these provision are presented in the national legislation, in most cases importers are not given the right to justify the prices, the evaluation of goods in the consecutive order of those 5 methods is being avoided and respectively importers do not receive written notifications about rejection.

The great number of researches referred to the business costs in Moldova during the last years, and the ANNEX IV to this report confirms the complexity of import and export formalities and the need to simplify the list of documents needed to execute trade transactions. In this context, the Republic of Moldova as a WTO member, which got involved actively in the WTO multilateral negotiations, should follow the Decision of the General WTO Council from July 2004 regarding the Doha Work Program, which stipulates regulations oriented for an efficient cooperation of the customs services and with any other authorities regarding the facilitation of trade and the compliance with the customs aspects (WT/L/579, Annex D).

WTO negotiations on this topic will be oriented for improving the Articles V (Liberalization of transit), VIII (Fees and formalities related to import and export) and X (publishing and applying the regulations related to trade) of GATT 1994. These provisions are not respected integrally at the current moment in the Republic of Moldova, even if the Government has assumed the engagements regarding the simplification of the customs clearance procedures and to decrease the time for businessmen to who intend to justify their identity and to express their desire to trade.

Recommendations:

- **Revise the customs valuation legislation and its adjustment to the provisions of WTO. Engage the Government of the Republic of Moldova’s to respect its obligations assumed when adhering.**
- **Abrogate the Government Decision from 03.08.2007 regarding the monitor of import trade transactions and of the Order of the Customs Service nr. 261 from 265.09.2007 as soon as possible, as it is a flagrant miscarriage of the current legislation and of the commitments made to WTO.**
- **Involve the customs service representatives in the WTO multilateral negotiations to facilitate trade and promote their active participation in the WTO committee meetings on topics related to the customs aspects.**
- **Elaborate the notifications in the context of the VAL Agreement and their transmission to the WTO Secretariat for notifying the member countries.**
- **Continuing to train all the customs officers regarding the correct product valuation and provide importers the possibility to justify the real price.**
- **Re-examine the requirements for (i) obtaining the information directly from the source, rather than imposing this to economic agents, (ii) performing regular control**

information validity and (iii) exempting the trustworthy companies from the need to prepared these documents.

- **Abolish the confirmation procedure, which does not seem to have other purposes than imposing preliminary payment of customs duties (which contradicts the Kyoto Convention Kyoto).**

b) Customs duties, other fees and payments

Customs duties

The implementation of the customs duties commitments imply the compliance with the import duty limits stipulated in the WTO commitments on trade with goods and indicated in the CLI list (WT/ACC/MOL/37/Add.1-Schedule CLI Moldova), attached to the Protocol of Adherence of the Republic of Moldova to the Marrakech Agreement regarding the WTO constitutions (Law Nr.218/01.06.2001, art. 3).

Before 2001, the customs duties were established annually by the Law of the State budget. Starting with 2002 – The Customs Duty of the Republic of Moldova is part of the Law regarding the customs duty, Annex 1, which is updated annually in accordance with the formation of the state budget.

Moldova applies certain types of tariffs: ad valorem, specific and combined. The annual customs duties should not overcome the negotiated limits stipulated in the WTO commitments for trade with goods (LRM 218/2001). The customs duties which are not of negotiated tariff limits are qualified as failure to comply with WTO stipulations.

Such derogations related to the customs duties took place in 2007 when the tariff for the products from the 1701 group (sugar) was 30%, while the range limit was set at– 10%. An additional fee was applied to this customs duty – a safeguard measure applied after adopting the Law Nr. 335 from 24.07.2003 and Nr. 8-XV/ 05.04.2004 „regarding the application of a temporary safeguard measure”, of 55%-40% respectively for 2004-2008.

The promotion of this protectionist policy implies certain infractions of engagements: excessive taxation for goods in the 1701 group and application of a safeguard measure. These are violations of the WTO agreements related to safeguard.

(http://www.wto.org/english/tratop_e/tariffs_e/tariff_profiles_2006_e/mda_e.pdf.)

Speaking about the classification fees it has to be mentioned that trade classifiers between the WTO countries should correspond with the Combined Name List of the International Convention regarding the harmonized system of goods description and codification. The trade classifiers elaborated by the International Customs Organization is known as Harmonized System. Moldova has adopted this harmonized system of product codification by adopting governmental decision, immediately after the adherence to WTO. The last changes were introduced with the Government's decision Nr. 54 from 26.01.2004 related to the approval of the List of Product Names of the Republic of Moldova, Monitorul Oficial Nr. 022/06.02.2004 article Nr: 182).

After adhering to WTO, the Republic of Moldova joined the International Convention for product description and codification. To join the Convention, Moldova adopted the Law nr. 112-XV from the April 22 2004, published it Monitorul Oficial Nr. 077 on 14.05.2004.

Currently, OMV, in collaboration with WTO, collaborates on improving this product name codification, taking into consideration the new products which are object of the international trade transactions. Moldova should follow the progress of negotiations in this sector and ensure permanent update of the national list of products names.

Also it is recommended that Moldova approaches its product name list to 10 digits and to the EU's Common Market product names list. Currently it is harmonized only to 6 digits.

Other fees and payments

In this respect Republic of Moldova has the following commitments:

- (i) Guarantee that any import fees, other than those stipulated in the List of commitments which regulated trade with goods, should be applied in compliance with the WTO rules and consequently with the requirements related to other types of fees, such as those for redressing the balance of payments, antidumping, countervailing in cases of safeguard or providing subsidies.
- (ii) Apply the value added tax (VAT) and the excise taxes according to the destination principle for the imported goods by respecting the national treatment and the most favored nation clause, disregarding the country of origin.

(i) As it was mentioned in the previous paragraph, Republic of Moldova's commitments related to the application of *other taxes and payments* are not fully respected, especially because of the introduction of temporary measures of safeguard applied in the trade with sugar. Also, after examining the sector legislation, a series of other payments were identified which are applied at the border for the imported goods: payment for the environment pollution, established through the articles 7 and 11 of the Law Nr. 1540/1998, payment for supporting the vineyards, established through the Law of Wine and vineyards nr. 57/2006.

Payment for environment pollution – represents a payment for emissions of the mobile means and is calculated as 1% from the customs price of ethylated petrol, of the fuel for airplanes and diesel; 0.5% - from the price of the non-ethylated petrol; payment for the import of goods which when being used pollute the environment (these payments range between 0,5-5,0% from the customs value of goods indicated in the Annex 8 of the Law 1540/1998 and ANNEX III of this report).

Payment for supporting the vineyards – represents a mandatory payment made by the importers, producers and exporters of the wine production. The fee is established according to the volumes of the wine production delivered by producers and/or imported, to a deciliter: a) wines from grapes (natural and special) – 3,0 MDL/dal; b) cognacs – 20,0 MDL/dal; c) brandies and other drinks from grapes – 20,0 MDL/dal.

Because these taxes are not collected before or when import goods cross the state border, they are treated according to the GATT 1994 stipulations: Articles III:2 and VIII: 1 a) and their compliance with these stipulations cannot be fully justified: in the first case the national treatment clause is not respected, while in second case similar to the first one, it does not limit to the approximate cost of the services and represent import taxation for fiscal purposes.

ii) In terms of the VAT and excises application according to their destination: in spite of the fact that the Government of Moldova confirmed the existence of a range of agreements to avoid double taxation of VAT and excises, the exported excised goods are subjected to VAT and excise application when exiting the country with the possibility of repayment. However, repayment procedures are very complicated and imply additional expenses for traders, representing a significant obstacle for exports.

Recommendations:

- **Ensuring the compliance with the customs duties applied yearly according to the commitments of the Republic of Moldova concerning the trade with goods.**

- **Urgent notification of the WTO Secretariat on transparency about the application of provisional safeguarding measures at the position 1701 and informing the WTO member states.**
- **Revision of the safeguarding measures application mechanism in compliance with the WTO rules and the Moldovan frame-law in the domain: Law no. 820 from 17.02.2000 on antidumping, compensatory and safeguarding measures.**
- **Examination of the application of the charge for the environment pollution with the WTO provisions and its adjustment to Moldova's commitments.**
- **Detailed revision of the compatibility of application of all duties and payments in force at the border, with the norms and commitments of the Republic of Moldova to WTO, including the provisions regarding the determination of the place of service rendering in order to avoid double taxation, non-discriminatory application of VAT to foreign non-resident persons subjected to taxation.**

c) **Tariff quotas and exemption from duties**

At the moment of Moldova's accession to the WTO, no tariff quotas were applied. In what refers to the exemptions from duties, the Representative of Moldova confirmed that they do not depend on the type of goods, but rather on their utilisation. The list of imported goods, which were exempted from duties included: charity donations from organisations and individuals for recognised charity institutions, goods imported within "cooperation contracts", GSP system and technical assistance agreements.

At the moment of accession, exemptions from the import duties were applied for the raw material from all the states, on condition that the final goods are later exported. Exemptions from tariffs, other than those provided in the context of custom unions or free trade agreements were applied on the basis of the most favoured nation clause.

At present, Moldova applies *tariff contingents* within the CEFTA Agreement (Ministry of Economy and Trade is entitled to administer the tariff contingents at the import of goods from CEFTA member-states, in particular: the Republic of Albania, Bosnia and Herzegovina, Croatia, Macedonia, Serbia, Montenegro and the United Nations Interim Administration Mission in Kosovo, representing Kosovo, in compliance with the Resolution 1244 of the UN Security Council (Government Decision 955/2007).

The WTO legal framework provides for the application of preferential tariffs and tariff quotas within the Free trade agreements concluded by parties, but, in order to ensure the compliance of their application with the WTO provisions, the texts of the CEFTA Agreement, including the Annexes containing tariff quotas should be notified to the WTO Committee on regional trade agreements.

In what refers to the *exemptions from taxes*, besides the lists of exemptions from VAT and custom duties which are stipulated in the Tax Code, Customs Code and the Law on the Customs Tariff, the Parliament and the Government of Moldova are applying *ad hoc* different types of exemptions which wouldn't be easily justified in the context of WTO commitments. These are some examples of ad hoc or even nominal exemptions which would not fit the framework described above:

- Law no.115-XVI from 18 May 2006 on the exemption from customs duties for some goods imported by organisation from the domain of science and innovation.
- Law no. 77 from 06.04.2006, on the exemption from customs duties and the value added tax for the goods and services imported for the construction of the power station near Burlaceni, Cahul District.

- Law no. 56, from 10.03.2006, on the import of granite stones and granite wares utilised for the renovation of the Military Glory Memorial in the Municipality of Chisinau.
- Law no. 450 from 30.12.2004, on the import of some power and heat cogeneration installations in 2005 published on 21.01.2005 in the Monitorul Oficial no. 013, art no: 53.
- Law no. 440 from 24.12.2004 on the import of some ambulances, published on 01.01.2005 in the Monitorul Oficial no. 001, art no: 30.
- Law no. 317 from 30.09.2004 or No. 108 from 16.04.2004 on the import of a means of transportation, published on: 15.10.2004 in the Monitorul Oficial no. 186, art no: 830.
- Government Decision no. 610 from 15.05.2002 on the import of wine distillates.

Recommendations:

- **Re-examination of all tax exemptions applied to the import of goods and the evaluation of their compliance with the WHO provisions, particularly with the following articles: I, III, VIII, X of GATT 1994.**
- **Notification of CEFTA Agreement, to which Moldova acceded recently, to the WTO Secretariat for ensuring transparency in compliance with the commitments.**

d) Rules of origin

Rules of origin are used by the WTO governments in order to determine what country should be regarded as the place where the imported goods were produced. Such a determination is necessary in one of the three situations:

- In case of imports within *preferential commitments* (for instance - with EU, CEFTA and CIS countries). Importing countries should apply lower or preferential tax levels for the goods produced in countries benefiting from preference. In consequence, the entrepreneur should present a proof according to which the imported good was, if not entirely, at least substantially transformed in a country benefiting from preference.
- In case of the imports for which the most favoured nation clause is applied, as a rule the determination of the country of origin is not necessary – because a single tax level is applied, on non-discriminatory basis, for imports coming from all sources. However, when a country applies protection measures at the border (antidumping or compensatory taxes; safeguard measures, marking origin and quantitative restrictions or discriminatory tariff quotas) the country of origin will be taken into consideration.
- For working out trade statistics.

The basic objective of the WTO Agreement on Rules of Origin is to request countries to adopt a range of harmonised laws in order to determine the origin of the imported goods which are benefiting from the most favoured nation clause.

Almost all the goods available on the market today are not sold in only one country. The tendency towards supplying with inputs from different states is facilitated by the measures on the elimination of custom duties and other impediments for trade.

The national system currently used for determining the state of origin is different to the one existing at the moment of accession to the WTO (2001). As consequence of the WTO commitments, the government have worked out frame-rules for determining the origin of the goods, approved through the Government Decision no. 1599 from 13.12.2002, published in the Monitorul Oficial no. 174 from 20.12.2002.

Through the Government Decision no. 550 from 2001, the Government of the Republic of Moldova reserved itself the right not to apply, partly or entirely, the Rules on the determination

of the country of origin of goods, if they contravene the WTO provisions and sanctioned this right in the Decision on the rules for determination of the country of origin of goods, signed within the meeting of the Council of the Heads of Governments of the Community of Independent States on November 30, 2000, in Minsk.

Starting July 1 2006, the Customs Service is entitled to issue preferential certificates of origin for the export of goods to the European Union (“A”-form certificates) and verify the preferential and non-preferential origin certificate for import. The Chamber of Commerce and Industry, which earlier had been issuing all kinds of origin certificates, was issuing non-preferential certificates of origin (“C”-form certificates) and preferential certificates of origin (forms “CT-1”, “RM”, “ZEL” and “EUR.1”) until August 2007.

Starting January 1, 2008, all preferential certificates of origin for export, including the “CT-1”-form will be issued by the Customs Service. The Chamber of Commerce and Industry will issue only non-preferential certificates of original (the general “C” – form).

The WTO commitments of the Republic of Moldova in the area of the rules of origin consist include:

- Rules of origin, including the substantial transformation criteria should be clearly defined and must not be applied as trade policy instruments.
- Rules of origin should not create restrictive, distortion or perturbation effects on the international trade and should not require the fulfilment of the conditions which do not relate to producing or processing the specific good.
- Rules of origin should be administered in a coherent, uniform, impartial and reasonable way and promptly published.
- When requested, the estimations concerning the origin should be delivered as soon as possible, but not later than 150 days after the request is submitted.

Recommendations:

- **The Government of Moldova should notify the Committee on the Rules of Origin of the WTO Secretariat about the last normative documents concerning the application of the rules of origin , because in the last years the mechanism of origin certificates issuance was subjected to serious changes compared to the one registered in the moment of accession, and the last notification in this direction were made in 2002 (G/RO/N/36).**
- **It is recommended that origin certificates issuance mechanism should be evaluated in the context of the WTO Agreement on the rules of origin and the compliance with the principles directed towards trade facilitation.**

e) Preferential tariffs

The Republic of Moldova offers preferential tariffs on importing goods from 15 countries in accordance with the bilateral and multilateral agreements within the framework of:

- Those 6 bilateral agreements of free trade signed with CIS countries (Russian Federation, Belarus, Ukraine, Uzbekistan, Kazakhstan, Kyrgyzstan) and,
- Central European Free Trade Agreement (CEFTA 2006), partnering with countries as Republic of Albania, Bosnia and Herzegovina, Republic of Bulgaria, Republic of Croatia, Former Yugoslav Republic of Macedonia, Republic of Montenegro, Romania, Republic of Serbia and United Nations Interim Administration Mission in Kosovo.

In order to facilitate the trade and apply the preferential mode in an uniform and nondiscriminatory way there is a need to *create the Integrated Customs Tariff of the Republic of*

Moldova both in electronic format and in hard copy, including elaboration of a webpage – the Customs Tariff of the Republic of Moldova.

This tool will help the Customs Service and the entrepreneur, only by determining a tariff code, to know all the currently applicable regulations which refer to a definite good, accordingly – the customs duties, preferential tariffs, prohibitions and restrictions, the necessary documents for customs formalities, references to legal framework. It has to cumulate applicable customs law provisions and compile within the structure of the Import Customs Tariff of the Republic of Moldova the regulations concerning import and export of goods as well as trade policy measures, codified and integrated in accordance with the principles used for the Integrated Customs Tariff of the European Union.

Using this instrument, the entrepreneurs will have timely access to information on the documents to be presented at the customs and the level of taxation to be applied for the good identified through a tariff code. Elaboration and gradual implementation of a database access system similar to the European one (TARIC http://www.ec.europa.eu/taxation_customs/dds/tarhome_ro.htm) will be made available for those interested on the website of the Customs Service, the latter being lawfully bound to permanently update the database.

One of the most important benefits to follow the introduction of this compilation of provisions concerning the customs activity will be the fact that these regulations will be uniformly applied on the entire customs territory of the Republic of Moldova, by all customs officials and interested entrepreneurs.

Completion and application of the Integrated Customs Tariff in the practice of charging customs duties is a crucial step towards making the national customs system compatible with the European Union Customs System.

Recommendations:

- **Making public and promote in media the terms and conditions of trade with these countries, the commercial instruments and simplification of export procedures on these markets, including notification of the Republic of Moldova joining the CEFTA.**
- **Creation of the Integrated Customs Tariff of the Republic of Moldova both in electronic format and in hard copy, including elaboration of a webpage – the Customs Tariff of the Republic of Moldova.**
- **Elaboration and gradual implementation of a database access system similar to the European TARIC and lawfully bounding the custom authority to permanently update the database.**

f) Prohibitions, restrictions and import licensing

In the process of joining the WTO, Republic of Moldova assured that the licensing requirements will not reduce or restrict the right to import or export goods and that it will guarantee the transparency of the procedures and charges for issuing import and export licenses.

By the terms of WTO Agreement on Procedures to License the Imports (*PLI/LIC*), the national procedures in this field could potentially jeopardize the flow of imports particularly if these procedures are not transparent or if they unreasonably delay the issuance of licenses. The agreement divides licenses in two categories: automatic and non-automatic licenses.

The automatic licenses are supposed to be issued in maximum 10 working days after receiving the requests (The Law of the Republic of Moldova 451/2001, Art.11). The decision on issuing the license or on rejecting the request for issuance a license establishes a term of 15 working days to study the request and take a decision. Nevertheless the polls conducted by COB prove

that even this period is not being respected and the entrepreneurs receive the license in around 20 days.

The non-automatic licenses, usually used to place quantitative restrictions, have to be issued in a period of maximum 30 days after receiving the request has been submitted, when issued in accordance with the principle “first come, first served” and in 60 days if all the requests are examined simultaneously.

The agreement also provides for certain principles and rules to make sure that the international commercial flow is not impeded by inadequate usage of import licensing/authorization procedures and that these procedures are applied in a correct and fair manner. WTO member countries have also undertaken to offer full informational support to both exporters and importers on the products subject to taxation, the authority issuing licenses and eligibility of persons who can present requests for licenses.

Because for the moment there is no List of products/goods which would be regulated at import and liable to import licensing procedures, there is a need in such a list which would specify the tariff codes in accordance with the Harmonized System. The list should be coordinated with the Customs Service, Ministry of Economy and Trade or License Chamber to ensure facilitation of international trade and accurate usage of customs procedures when importing products subject to licensing.

After joining the WTO one could notice a restriction in import of wine distillers and establishment of import quotas (100,000 dal of absolute alcohol in 2001, 180,000 dal in 2002) made by the Ministry of Agriculture and Food Industry (i.e. Decision of the Government nr. 1319/29.11.2001 and nr. 610/2002 on import of wine distillers) which are subsequently distributed only to those entrepreneurs who possess the technological base to produce cognac and guarantee a high quality of products, including tax deferrals on paying import duties. These Governmental Decisions contradict the fundamental principles of WTO and the commitments assumed by the Republic of Moldova regarding restriction of unreasonable import and trespassing against national treatment within the framework of WTO provisions.

Recommendations:

- **It is recommended to review and amend the national legislation on import licensing procedures and namely:**
 - **Adjust the terms of issuing licenses and goods import authorizations to the WTO provisions; the automatic licenses are issued in accordance with the lawfully prescribed terms.**
 - **Completing national legislation with well-defined provisions which would ensure that the licensing requirements for all types of activities will not restrict the right to import or export; are not burdensome more than it is absolutely necessary to administrate the licensing system taking into account the aim of their introduction.**
 - **Ensuring the transparency and predictable character of the procedures protecting the importers and producers against unreasonable delays and arbitrary actions. The license applicants will not be penalized for minor errors in the documents..**
- **Establishing of a List or a Nomenclature of Goods free to be imported or regulated by import authorizations or licenses; publication of this nomenclature on the website of the Customs Service, License Chamber and in other information means targeting participants in international trade.**
- **Notifying the Secretariat of the WTO on the Government Decision nr. 955 from 21.08.2007 on regulating the import to the Republic of Moldova of the products**

originating from the member countries of the Central European Free Trade Agreement (CEFTA).

- **Ensuring issuance of import authorizations in strict compliance with the WTO requirements within the setting of the following legal acts:**
 - **Free trade agreement with CEFTA member countries.**
 - **Government Decision Nr. 1363 dated 29.11.2006 on the proceedings to issue authorizations for import of meet, edible organs produced (prepared) out of meet and dairy products (Official Gazette Nr. 184-185 from 01.12.2006, art Nr: 145).**
- **Reviewing chapter 12 of the Government Decision 1363/2006 on authorization of meet imports and excluding quantitative restrictions and barriers made for the issuance of authorization for one single entrepreneur and one single batch of goods which cannot outweigh, for meet, edible organs – 110 tones; meet foods – 25 tones; dairy products (butter, cheese and green ewe cheese) – 60 tunes.**
- **Reviewing the Order Nr. 73 from 22.07.2005 „On Approving the Regulation on the Procedure of Issuing Precursory Inference for the Ethylic Alcohol Import Rights” and adjusting it to the commitments of the Republic of Moldova not to restrict the import rights. Under this Order only those entrepreneurs who have license to produce, store and market alcoholic products by wholesale can be issued Inference for the Right to Import Ethylic Alcohol (chapter 2 Annex Ord.73 of AAMV).**
- **Re-examining the regulations on importing wine distillers and elimination of import quotas or notifying the WTO Secretariat on them if there are sufficient proofs that their application does not contravene the fundamental principles of WTO and the commitments undertaken by the Republic of Moldova regarding restriction of unreasonable import and trespassing against national treatment.**
- **Reviewing the Law Nr.57 from 10.03.2006 „Of Vine and Wine” and its adjustment to the WTO commitments in this field and namely those concerned with prohibiting import of wine produced out of single cross grapes (directly by producers themselves).**

Derogations of the same kind were attested in the Government Decision nr.1583 from 29.12.2003 on import and utilization of edible sub-products of animal origin which provided that beginning with January 1st, 2004 the import of edible sub-products of animal origin was allowed only if it was done with the purpose of industrial fabrication of meet products. However, the Government Decision 1583 was abrogated in 2005 in the framework of regulation reform instituted by Government Decision 1030/03.10.05 and other procedures which concern this type of import couldn't be identified at the moment this research was being made.

g) Technical Barriers for Trade

Every country has the right that the imported products comply with the obligatory standards which it adopts for the sake of health care, security of population and protection of environment. WTO Agreement on Technical Barriers for Trade (TBT) establishes that these obligatory standards cannot be applied by the member countries in a way that imposes unnecessary barriers for international trade and for this reason they have to be based on international standards.

Provided that the geographical, climate or any other peculiarities of the country don't make it possible to justify the obligatory regulations on the basis of international standards, the Commitments of the Republic of Moldova stipulate the mandatory publication and notification of these regulations as a draft to let the manufacturers/businessmen from other WTO member countries to comment on them.

The TBT agreement contains a Code of Good Practices in elaborating, adopting and applying standards and demands member governments to request that the institutions competent in standardization use the same principles and rules at elaboration and application of voluntary standards as the ones stipulated for obligatory standards.

The WTO rules also force Moldova to consider the comments for the finalization of the regulations (standards) to ensure that the specifics of the goods produced and exported by other countries are notified. The voluntary standards can also provoke difficulties for international if they differ a lot from country to country.

The commitments of the Republic of Moldova in the TBT field were the following:

Approval and observance of the legal and regulatory framework implementation program in the field of standardization, certification, and veterinarian and phytosanitary measures adjusted in the period of joining WTO, as well as elaboration of a new series of legal acts which have to stipulate the obligatory requirements to ensure the inoffensiveness of the goods and technological processing.

Conversion of obligatory State Standards into voluntary standards and elaboration of obligatory technical regulations until the end of 2003, including approximation of national standards to the regional and international ones as ISO, EASC, CEN, CENELEC, Codex Alimentarius. Beginning with January 1st, 2003 the national standards will stay obligatory only through references to a technical regulation, adopted by a public authority in compliance with legitimate objectives as those of national security, protection of health and life of population, animals, plants and environment.

Creation of an Information Centre on the notification and monitoring of the technical regulations elaboration process, informing the entrepreneurs on application of non-tariff measures, for example those related to technical provisions of standardization, inoffensiveness provisions, veterinarian and phytosanitary provisions, which are aimed at protecting a legitimate objective within the scope of WTO.

To include corresponding provisions into national legislation regarding commitments of the Republic of Moldova which regulate:

- (a) offering nondiscrimination treatment to imports from countries with which Moldova doesn't have agreements on mutual recognition of standards and procedures of conformity and evaluation of goods; and
- (b) elaboration of procedures to accept the results of conformity evaluation done by specialized agencies located outside the country.

Until the present moment the TBT commitments are not fully honored. Specialized institutions contributed efforts to realize the above mentioned objectives and to implement the collateral commitments, but the wide range of problems and the diversity of technical aspects which are to be regulated didn't allow observing the implementation terms of the TBT Agreement as of January 1st, 2003.

Similarly, meeting the TBT and SPS commitments require a strong cooperation among all the institutions vested with regulatory jurisdictions, including a good cooperation and motivation from the side of the Ministry of Economy and Trade which wasn't possible to achieve during the post-accession period.

At the present moment the status quo on TBT commitments is the following:

- The main legal acts notified within the process of joining WTO and subsequently adjusted in compliance with the TBT demands (the Law on technical barriers in trade and the Law on certification) were abrogated by other two laws – the Law on technical regulation and the Law on evaluation of conformity. A preliminary analysis of the new laws proves that not all of the demands formulated by the accession Working Group were integrated into these legal acts.
- It is not possible to declare *de facto* application of voluntary standards in the Republic of Moldova starting with 2003 because not all the necessary technical regulations were elaborated and it won't be possible in 2008 even if the implementation period of the National Action plan in this field was extended.
- Thus application of national standards cannot be voluntary for all the imported goods because the technical regulations in many key fields are missing.
- IN 2002, the Government created an inter-sectorial Commission to supervise the process of converting obligatory standards into voluntary ones and technical regulations (GD nr.702 from 04.06.2002), and in 2004 approved the National Program on Elaboration of Technical Regulations 2003-2008, but its execution is being behind the time with 2-3 years (GD nr.873 from 30.07.2004). When the present evaluation was compiled it was proposed to extend the Program for the period 2008-2011.
- The TBT Information Centre created in 2001 (with the support of the technical assistance project financed by DFID) within the National Standardization Authority is not functional. Its responsibilities, previously stipulated under the Law nr. 866/2000, were passed by Law nr. 420/2006 to the Ministry of Economy and Trade.
- The lack of comprehensible and explicit domains and objectives within the elaboration process of the technical regulations constituted one of the main reasons which led to failure. The author of the present study considers this aspect being of utmost importance for the context of execution of the TBT Agreement and recommends that both the legislation and the National Program on elaboration of technical regulations are enriched with provisions stating that the elaboration of technical regulations must necessarily consider the principles and main directions of the WTO and make sure that the technical regulation doesn't have as an effect creation of needless barriers for trade and its text contains all the obligatory requirements for the regulated products.
- Since accession and until the present moment no negotiations were initiated with any of the WTO countries to seek acceptance of the recognition results on certification procedures, as it is stipulated in article 6 of the TBT Agreement. The conformity evaluation procedures in the Republic of Moldova are very complicated and the positive law does not envisage recognition for the results delivered by specialized agencies unless the latter fit in with the bilateral agreements on mutual recognition of conformity evaluation procedures.
- Moldova has signed bilateral Agreements only with CIS countries out of which Kyrgyzstan, Georgia, Armenia are WTO members. But these agreements were not published in Official Gazette and access to the texts is limited. Despite the fact that national legislation (Law on conformity evaluation) contains provisions on granting necessary information to the interested persons the enforcement seems to be a very complicated procedure for the foreign manufacturers and the information transparency level is very low. One of the reasons is the inactivity of the TBT Center. De jure the access is unrestricted, but de facto there is no functioning system and no contact point where solicitants could obtain information on certification procedures.

- The commitment to periodically review the active standards have also moved in shadow because of the lack of technical capacity, human resources and financial support from the Government's side in this field.

Recommendations:

- **Elaboration of an Action Plan on implementation of the TBT Agreement which will include:**
 - a) **Reexamination of the legal framework in the field of standardization, elaboration of technical regulations and conformity evaluation and recognition of certification procedures and its results and all the measures collateral to the amendment of legislation and its final enforcement.**
 - b) **Elaboration of a check list of WTO/TBT Agreements requirements to assess the state of their implementation in the Republic of Moldova (similar to the one elaborated in the accession phase WT/ACC/MOL/19/Rev.1, Sept.2000 MOL19R1_TBT Checklist) and collateral measures for adjusting to the commitments of the Republic of Moldova in this field.**
 - c) **Elaboration of the Plan for Training the specialists in TBT field and elaboration of technical regulations within the WTO framework and their approximation to the EU legislation.**
- **Taking notice of the Government's activities aimed at the implementation of the National Development Plan 2008-2011 it would be necessary to include in the plans of regulating bodies actions collateral to technical regulation including elaboration, adoption, and implementation of standards applying to technical regulations that are compliant with the European and international ones.**

h) Sanitary and Phytosanitary Measures (SPS)

Moldova has committed to implement the Agreement on Sanitary and Phytosanitary Measures (SPS) from the time of accession and to continue applying national legislation in accordance with the WTO terms. When elaborating a new legal act concerning application of new measures in the sanitary and phytosanitary field, Moldova have guaranteed to keep them conform to the SPS Agreement provisions.

Observance and implementation of the SPS as well as TBT Agreement provisions should represent a major interest to the regulating and trade policy making authorities in the Republic of Moldova because these make available instruments which could be used for achieving the legitimate objectives of the state, specifically consumer protection

Transformed into practical steps, the commitments in SPS field consist in the following:

- Identification of the institution responsible for assessing the risk, ensuring coherence and their proportionality and assigning a corresponding level of phytosanitary protection based on scientific proofs.
- Introducing new standards, regulations on animal health and food security in strict compliance with the principles of SPS Agreement.; Ensuring transparency for the elaboration process, including publishing the measures when at the draft phase to collect comments and giving sufficient time for suggestions from members and public making sure that the comments are considered indiscriminately.
- Establishing an Information Center within the Ministry of Health and Ministry of Agriculture and Processing Industry which will be responsible for exchanging information with WTO members, for notification of documents and phytosanitary regulations adopted or still at the stage of draft.
- Accession of the Republic of Moldova to the International Plant Protection Convention and implementation of the new revised text of the Convention as it is stated in the Resolution 12/97 of the 29th Session of the FAO Conference from November 1997 to the end of 2000.
- Elaboration, adaptation and implementation of the legal and institutional framework in the field of phytosanitary quarantine, sanitary-epidemiological and veterinary supervision.
- Signing bilateral cooperation Agreements with main partner countries in order to facilitate the trade and ensure transparency of the application of sanitary and phytosanitary measures.

Although in the accession period concrete terms were established for adopting the legal framework reviewed under the provisions of SPS, some normative acts were adopted with a big delay from the moment of accession (i.e. GD nr. 938/2006 on the Regulation, Conditions and Procedure of Sanitary-Veterinary Inference of Import, Export and Transit of Goods).

The Food Inoffensiveness System is not developed as to correspond to the requirements of the WTO and be capable of implementing SPS Agreement, including facilitating the trade. There is a need for a significant reform in the sanitary and phyto-sanitary field. The fundamental principles of WTO are not incorporated into the SPS regulations, there are no regulations on the right to appeal the decisions concerned with issuance of inferences and sanitary-veterinary authorizations.

The Government elaborated and approved through GD Nr. 217/27.02.2007 a new draft law on sanitary-veterinary activity and passed it to the parliament for examination. When the present evaluation was compiled this draft law was in legal process in the Parliament. The text of the

draft law isn't placed on a web page for discussions and comments making it impossible to be evaluated against compliance with WTO provisions.

The SPS Information Centre, as the TBT one, was created and fully equipped with the technical assistance of DFID and the personnel were trained in the specific field. At the moment this evaluation was compiled the SPS Center was not functional and unfortunately is not used as an instrument to facilitate trade and support the Moldovan exporters, as it is being done in other WTO member countries.

Procedure of accession to the International Plant Protection Convention was not finalized at the moment this evaluation was compiled. Practically there weren't signed any bilateral cooperation agreements with main partner countries on facilitating trade or ensuring transparency in application of sanitary and phytosanitary measures after joining WTO with the exception of CEFTA which includes specific provisions in this domain.

It is praiseworthy that there were elaborated and updated a series of normative acts which are regulating the activity in the field during the post-accession period and namely:

- GD Nr. 1203 from 08.10.2003 on *import and export of breeding resources*. Published: Official Gazette/17.10.2003 in Nr. 215, art Nr: 1256.
- Decision of MHSP Nr. 9 from 19.07.2005 on approving the modifications and completions to the *sanitary rules for import of foodstuffs rough material and products into the Republic of Moldova*, nr.06.10.3.8 from 21.12.94 Published: 20.01.2006 in Official Gazette Nr. 009, art. Nr: 29.
- GD Nr.1045, from 05.10.2005, on adopting the *Regulation on import, stocking, marketing and usage of phytosanitary products and fertilizers*.
- List Nr. 160, from 30.12.2005, of necessary documents to receive *phytosanitary certificates for export and phytosanitary quarantine permits for import (transit)*.
- Order of the MAPI, Nr. 197 from 22.08.2006, on approval of the *sanitary veterinary norm for sanitary veterinary conditions at export and import of birds and incubation eggs*, Official Gazette / 06.04.2007 in Nr. 047.
- Order MAPI Nr. 218 from 26.09.2006 on the approval of *sanitary veterinary norm regarding establishment of the health conditions which regulates the import and export of animals, seminal fluids, ovules, and embryos of the*, Official Gazette/04.05.2007 Nr.060.
- Order MAPI, Nr. 220 from 26.09.2006, on the approval of *sanitary veterinary norm regarding health conditions of the animals and template of the veterinary certificate for export and import of fresh chicken meat*. Official Gazette/8.05.2007 in Nr.067.
- Order Nr. 172 from 14.07.2006 on the approval of the *sanitary veterinary norm regarding sanitary veterinary conditions for producing, marketing with EU member states and import from other countries of some foodstuffs and some edible unprocessed products for company animals*. MO/30.03.2007 in Nr. 043.
- GD Nr. 883 from 02.08.2006 on *some consumer protection measures*, modified by GD1055 from 26.09.07.

But all these normative acts have to be reviewed in light of observance of commitments to WTO, primarily observance of WTO's fundamental principles: ensuring national treatment, ensuring transparency of the regulations' elaboration process and its nondiscriminatory application; secondly all the legal acts have to be notified at the WTO Secretariat for circulation and comments. For instance, the following aspects of the Moldovan Legislation can be considered as scientifically unjustified impediments in the context of the WTO provisions:

- The ban on the import of chicken meat and other animal products, which are not packed, labelled or do not contain information on the producer (Government Decision no. 883/02.08.2006).
- Banning products made of chilled or frozen meat (HG Nr. 883/02.08.2006)
- Restricting the import of animal comestible sub-products, which can be operated only with the aim of industrial processing, in compliance with the programmes of production of certain meat products and the contracts coordinated with the Ministry of Agriculture and Food Industry
- Extension of the classified list of products subjected to compulsory conformity regulation and certification, approved through the Government Decision no. 1469 from December 30 2004
- The ban on the import phytosanitary products and fertilisers, mentioned in the Annex 1 of the Government decision 1045/2005. par. 74.”the validity term of which will expire within 1 year after their introduction into the country”.

Such impediments for trade are often found in the ministries’ regulations (for cosmetics or food - for instance) and they should be eliminated from the legal texts of the regulations on trade.

Recommendations (similar to those for the implementation of the TBT Agreement):

- **Working out a plan of measures on the implementation of the SPS Agreement, including a detailed programme for notification of all normative acts adopted after the WTO accession.**
- **Making the final decision on entitling a single institution responsible for notifying WTO.**
- **Revising all import restrictions which are similar to those contained in the Government Decision 883/2006.**
- **Activating SPS Centres from the Ministries of healthcare and social protection and Agriculture and Food Industry and their cooperation with the TBT Centre and the WTO Division in order to ensure an efficient collaboration resulting in the creation of a mechanism for respecting the WTO commitments.**

i) Public procurements and trade with civil aircrafts

Moldova was to adhere to the WTO Agreement on public procurements (GPA) a year after the accession, already being an observer since 2000. Immediately after the accession, the Government was to initiate negotiations for obtaining the status of the member to this agreement. There were attempts to respect the commitments, but the agreement isn’t fulfilled yet.

At present, The Agency of Material Reserves, Public Procurements and Humanitarian Aid prepares the offer and the documents required for obtaining the negotiation mandate. At the same time, a new Law on public procurements was adopted (Law no. 96, from 13.04.2007), and there are several drafts of Government decisions, designed for the implementation of the law, which can be found on the official website of the agency (<http://www.tender.gov.md/ro/projects/>).

After the accession, Moldova was also to comply with the *Agreement on the civil airships trade*. No law was adopted yet concerning the adherence to this agreement. This is why it is recommended that the government should work out a draft law on the adherence to the agreement and pass it to the parliament for adoption, because the rest of the legal aspects related to the level of customs duties were accepted in the process of accession to WTO.

B. DIRECT MEASURES WHICH AFFECT EXPORTS

a) Procedures, registering and documentation

The Customs Code of the Republic of Moldova is applied on both the import and the export procedures. All the goods exported outside the Moldovan customs territory are subjected to the customs supervision of the normal clearing customs procedures. Export documentation consists in the submission of the custom-house clearance and all the additional papers which should be annexed (licenses, authorisations, certificates of origin etc.)

b) Duties, expenses, payments and tax collection

At the moment of the accession, there were no requirements of payment for export licenses, and the registering of export contracts was annulled through the Government Decision no. 777 from August 13 1997; moreover, in 1998, the 0.1% tax for license was annulled.

At the same time, the Fund for encouraging the development of walnut cultivation was created in 2000 and the export of walnut, walnut products and walnut tree wood were subjected to an export tax. The export tax was of 1% of the export value; later, in 2004, this tax rose up to 1.5% and was compulsively paid in advance.

WTO rules authorise the countries to use duties for export, but prohibit the restriction of export, except for the case when such a restriction can be justified. The countries are also required to apply the MFN treatment when collecting these duties.

c) Prohibitions, restrictions and export licensing

Restricting exports should not be an aim for Moldova. In the period of accession, temporary restrictions of the export of bulk wine were applied, in order to promote the image of the Moldovan wine quality; later the restriction was cancelled because it was inefficient in attaining the proposed goal.

Moldova took upon itself the obligation that, if it will resort to the introduction of similar instruments in the future, they will fully comply with the WTO provisions. On the other hand, the requirements for licensing certain types of activity will not limit the right to export.

The provisions of GATT which ban the restriction of imports are also applied for the export. However, if it is necessary, Moldova can restrict or ban exports: in order to apply standards or regulations concerning the classification, quality and the commercialisation of goods designated to the international trade; in order to prevent or solve a critical situation caused by a penury of food or other essential products.

WTO members are prohibited though to impose restrictions upon raw materials in order to protect or promote a national processing industry or avoid the competition between the exporters.

In spite of these commitments, the Moldovan Government adopted the Decision no. 834 from July 26 2004 on certain measures for regulating procurement and export of grains and grain products, which was providing that the export of some goods (wheat, barley, wheat flour) is operated on the basis of contracts registered within the auctions at the Moldova Universal Commodity Exchange.

This restriction was annulled only in September 2006 through the Decision 946/18.08.06, MO138-141/01.09.06 as result of great efforts made by the affected persons and the international organisations. Also, in 2001, the licensing of the walnut export was introduced, including quantitative restrictions. Shortly after that, the restriction was annulled.

d) Subsidising exports

The Moldovan government took upon itself the commitment to abstain from export subsidising measures which contravene the WTO Agreement on the subsidising and compensatory measures (SCM). In the period after the accession, no such subventions were allotted.

C. TRANSPARENCY AND NOTIFICATION

Transparency and notifications are very important aspects, which have to be respected by the WTO members without derogations and delays. Moldova took upon itself the commitments complying with the requirements of each agreement and at the moment of accession it worked out a List of obligations for notification in compliance with the WTO Agreements signed by Moldova. This list was approved by the government through the Government Decision no. 933 from 11.10.1999 (Annex no.5.). The document was transmitted to the WTO Secretariat for informing the member-states, receiving the code OMC: WT/ACC/SPEC/MOL/6/Rev.1 (Schedule of Notification Obligations of the Republic of Moldova under the WTO Acorduls).

The decision also provides that „when working out legislative and normative acts, national economy development programmes and strategies, promoting tax, monetary, budgetary, investment and trade policies of the Republic of Moldova, ministries, departments and other public administration bodies will respect Moldova’s commitments for WTO”

This implies the fact that any regulation adopted later, having an on the laws which were adopted for the implementation of any WTO Agreement should be in compliance with the requirements of this agreement and the commitments of Moldova

Most of the notification obligations, specified in * BV is presented only when perfecting the first transaction

have not been respected. The systematic communication of information and experience exchange between the WTO countries provides the utilisation of a better base for national standards. Intensification of transparency also protects the interests of the consumers as well as those of the trade partners from the protectionism, hidden among the useless technical requirements.

In most of the developed countries and in a lot of the developing countries official institutional mechanisms were established for consultations on the issues discussed in WTO, with their industries and associations, with chambers of commerce and other commercial societies.

Through these consultations, the government can be informed about the point of view of the business community concerning the political approaches which are to be made on specific negotiated aspects. The community can also emphasise any problems which they confront as consequence of the measures implemented by the importing countries. There is no such mechanism in Moldova so it should be created.

Recommendations:

- **Updating the Agenda and urgent sending of notification to the WTO Secretariat, because Moldova is in the period of Trade Policy Review and all members are obliged to comply with the TPR mechanism.**
- **Creation of an inter-ministerial team and its training on the issues of transparency of normative acts and the WTO notification mechanism or the updating and respecting Decision no. 933 from 1999.**
- **Resuming the activity of informational centres on TBT, SPS and GATS.**
- **Creation of an institutional Mechanism for consultations in the domains discussed on the WTO with the branch industries and trade associations.**

The conclusion is that the implementation of the notification and transparency commitments in the accession process does not affect the political, economic and social processes that take place in Moldova. They only contribute for the creation of premises for attracting new foreign investments, improvement of the business climate, ensuring stability in the regulation of trade – extremely important issues which are necessary for the country's economic growth and development.

Thus, Moldova will benefit from a favourable image and a stronger credibility in the world, promoted also through the Informational Centres. At the same time, they can assist in identifying new markets among WTO markets with generally-accepted rules and principles.

After the accession of the Republic of Moldova, a range of economic and trade reforms were implemented. However, the compliance with the OMC commitments will allow a better degree of improvement of the market economy functioning and the business climate, by ensuring transparency and better predictability of business conditions.

SUMMARY OF RECOMMENDATIONS

Recommendations for the CUSTOMS and FISCAL sectors:

- **Revision of the laws and standards referred to the customs valuation, adjust them to the provisions of the WTO and emphasize a more serious engagement of Republic of Moldova's Government for respecting the assumed obligations at the moment of adherence.**
- **Abrogation of the Government's Decision 870 from 03.08.2007 referred to monitoring the trade import transactions; the Customs Service Order nr. 361 from 25.09.2007, as it is a flagrant infraction of the WTO rules and national laws.**
- **Involve customs service representatives in WTO multilateral negotiations related to the facilitation of the trade and their active participation at the WTO committee meetings on the customs issues and promotion of facilitation.**
- **Continue training all the customs officers for determining the right value in customs and create the possibility for the importer to justify his real price according to the WTO requirements.**
- **Monitor the compliance of the customs duties applied annually with the Republic of Moldova's engagements related to the trade with goods and instant notification of the WTO Secretariat about the application of the temporary safeguard measures at the position 1701.**
- **Revise the application mechanism of the safeguard measures according to the WTO rules and the respective law of the Republic of Moldova in this sector: RML 820/17.02.2000 related to the antidumping, countervailing and safeguard measures.**
- **Detailed revision of the compatibility of all current fees and payments applied at the border with the standards and Republic of Moldova's commitments to WTO, including the provisions referred to the determination of the place for rendering services, taking into consideration the avoidance of the double taxation, discriminatory application of VAT and excises and reimbursement of VAT to the foreign nonresident persons subject for taxation.**
- **Revise all tax exemptions applied on the import of goods and evaluation of their compliance with the WTO provisions, particularly with the articles I, III, VIII, X of GATT 1994.**
- **Eliminate or evaluate the application fees for environment pollution according to Moldova's requirements and engagements towards WTO.**
- **Elaborate necessary notifications in the context of the VAL Agreement and their transmission to the WTO Secretariat.**
- **Notify, on behalf of Republic of Moldova, the CEFTA Agreement, as a contracting-party, and ensure notification on tax preferences stipulated in the framework of this agreement.**

Recommendations for the RULES of ORIGIN and conferring Preferences framework

- **Notify the Committee of Laws of Origin from the WTO secretariat about all the current normative laws referred to the application of the laws of origin (the last notifications in this framework were made in 2002 (G/RO/N/36)).**

- Evaluate the mechanism for issuing the certificates of origin in the context of the WTO Agreement regarding the rules of origin and observance of the principles oriented for promoting trade.
- Mediate the conditions, trade instruments and the terms of trade with CEFTA states and simplify the export procedures on these markets.
- Create, an electronic or hard copy, an Integrated customs duties of the Republic of Moldova, including a web page – about the Customs duties of Moldova with the indication of the tariffs codes, customs duties and other payments at the border and all the possible regulations applied at the current moment, referred to a certain product (fee preferences, prohibitions and restrictions, necessary documents for performing the customs formalities and references to the legal framework).
- Elaborate and implement gradually a consulting database system for the customs sector, similar to the European one and publish on the web page of the Ministry of Trade and Economics or on the web page of the Customs Department, being mandatory for the customs authority to update permanently the database.
- Homogeneous application of the customs legislation on the whole territory of the Republic of Moldova, including the evaluation methods applied by the customs officers.
- Mediate the GSP preferences and assure an efficient control over the origin of goods, in order to benefit from the GSP agreement with other EU states.

Recommendations for REGULATING IMPORT LICENCES

- Adjust the issuing terms of the import authorizations of merchandise and licenses to the WTO provisions.
- Revise the licensing legislation and stipulate clear provisions which assure that the licensing requirements of all activities will not limit the right to import or export of goods.
- Assure the transparency of the procedures and protect importers and foreign suppliers against delays and arbitrary actions of the regulating institutions and eliminate in the legislation penalties applied on license inquirers for minor errors in documentation.
- Issue a List with names of Goods whose import is authorized or regulated by import authorizations and licenses; publish this List on the web pages of the Licensing Chamber, Customs Department and other informational channels of the international trade subjects.
- Notify the WTO Secretariat about the Government's Decision nr.955 from 21.08.2007 regarding the regulation of import in the Republic of Moldova of products with their origin in one of the member-countries of CEFTA.
- Assure the issuing of import authorizations strictly according to the WTO requirements about the import licensing procedures.
- Revise paragraph nr. 12 of the Government's Decision 1363/2006 regarding the authorization of meat import in order to eliminate the quantitative restrictions and other trade barriers.
- Revise Order Nr. 73 from 22.07.2005 "Concerning the approval of the Regulation of preliminary notice on issuing method, regarding the right of ethylic alcohol

import” and its adjustment to the non-restriction engagements of the import rights.

- Reexamine the regulations concerning wine distillates and elimination of the restrictions in terms of import shares, including offering import rights and fiscal vacations for paying the customs rights to all the solicitors, not only to the agents who own technologic bases for producing divines.
- Revise the Law nr.57 from 10.03.2006 “Wine and Vineyards” and adjusting it to the WTO engagements referred to the prohibition of the import of wines made from simple hybrids (directly produced).

Recommendations for the TBT and SPS sectors:

- Develop an Action Plan for implementing the TBT and SPS Agreement, which will include:
 - a) Reexamining the legal framework in the field of standardization, elaborating the technical regulations and evaluating the compliance and admission of the certification procedures as well as their results and all the measures referred to the elaboration of the modifications in legislation and their applications;
 - b) Simplifying the compliance evaluation procedures, in order to avoid the mandatory certification of the products perceived as being inoffensive and reduce the List of products which are subject to certification;
 - c) Compute a control list with requirements of the WTO/TBT agreements regarding their implementation status in the Republic of Moldova (e.g. the one computed at the moment of adherence WT/ACC/MOL/19/Rev.1, September 2000 MOL19R1_TBT Checklist) and all the afferent measures for adjusting to the Republic of Moldova’s engagements towards WTO;
 - d) The training plan of the responsible personnel in the TBT and SPS sector and elaborate the technical regulations in the framework of WTO.
- Taking into consideration the Government’s activities for elaborating The National Development Plan for the 2008-2011 years, it is necessary to include in the activity plan of the regulation authorities measures related to the technical regulation, including the elaboration, adoption and implementation of the related standards to the technical regulations in compliance with the European and international ones.
- Continue the revision of the current Moldovan standards, with the elimination of the mandatory elements and their harmonization with the international and European standards. Adjust to the administrative and legal EU and international practices concerning the elaboration of the technical regulations and evaluation of compliance methods.
- Make a final decision for appointing a single institution responsible for the WTO notices in the SPS sector; Activation of the SPS Centers in the Ministry of Health and Social Protection and Agriculture and Food Industry and their collaboration with the TBT Center and WTO Department for assuring an efficient

collaboration confirmed by the creation of a compliance system with the WTO engagements.

OTHER RECOMMENDATIONS

- **Update the List of obligations for notification according to the WTO Agreements and initiate as soon as possible the notification process, because Moldova is in the period of executing the Examination of Trade Policies and all the derogations of the WTO will be reflected in the Country Report.**
 - **Create an inter-ministerial team and train it for assuring the transparency of the normative acts and the mechanism of WTO notification.**
 - **Reanimate the informational centers of TBT, SPS and GATT and create of institutional mechanism for consulting the branch industries and trade associations on the problems discussed in WTO.**
 - **Revise all the import restrictions similar with the Government's Decision 883/2006.**
 - **Initiate the adherence procedures to the Agreement concerning the trade with civil aircrafts and the Public Procurement Agreement.**
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ANNEX I

The list of goods with minimal values in customs at import

Extract from OSV nr. 361 from 25.09.2007 regarding monitoring the import trade transactions

Fees position (HS)	Type of Merchandise	Unit of measure	Value in customs (MDL)
0201	Bovines' meat, fresh or refrigerated		
0201 30 000	Bovines' meat, fresh or refrigerated without bones (muscles)	Kg	35,71
0206 21 000	Bovines' tongue, frozen	Kg	37,65
0206 22 000	Bovines' liver, frozen	Kg	21,91
0206 41 200	Home swine's species liver, frozen	Kg	23,29
0207	Meat and edible organs of gallinacean birds, ducks, gees, turkeys, home species chickens, fresh, refrigerated or frozen		
0207 12 900	Whole chickens, without feathers, eviscerated, beheaded, legs, throat, heart, liver and gizzard, named "65% chickens" or differently cut – Whole chicken meat, with the weight of 1-1,5 kg, frozen	Kg	24,88
0207 14 600	Legs or parts of legs from the gallinacean family, imported chicken legs, frozen. Produced in bulk.	Kg	21,70
0207 27 300	Whole wings, with or without peaks, of a turkey, with bones, frozen	Kg	21,16
0209 00 110	Pork bacon	Kg	11,14
0401	Milk and sour cream, not concentrated, without added sugar or other sweeteners		
0401 10	Containing fats which should not be higher than 1% from weight	Kg	
0401 20	Containing fats between 1% and 6% of the weight	Kg	
04012011	Which should not be higher that 3% of weight: Fresh pasteurized milk, containing 2,5% fats, packed in plastic or carton. Price for one liter.	Kg	4,90
04012091	Which are higher that 3% of the weight: Fresh pasteurized milk, containing 3,2% fats, packed in plastic or carton. Price for one liter.	Kg	6,69
0401 30	Containing fats which overpass 6% of the weight	Kg	
040130110	Which should not overpass 21% of the weight: Sour cream obtained form fresh milk, pasteurized, containing 10% fats, packed in plastic boxes or packs.	Kg	11,75
040130110	Sour cream obtained from fresh milk, pasteurized, containing 15% fats, packed in plastic boxes or packs	Kg	18,48
040130110	Sour cream obtained from fresh milk, pasteurized, containing 20% fats, packed in plastic boxes or packs.	Kg	24,39
0405 10190	Butter: Homemade butter "Taranesc", containing 72,5% fats. Produced in bulk.	Kg	18,40
040510110	Homemade butter "Taranesc", containing 72,5% fats. Produced in 200 g packs.	Kg	34,09
0902	Flavored Tea:		
0902 30 000	Black tea (fermented) and partially fermented, provided in direct packages with a maximum weight of 3 kg.	Kg	193,67
2003	Mushrooms and earth nuts, prepared or preserved other than in vinegar or acetic acid:		
200190500	Whole champignons marinade, packed in glass jars or in metal cans.	Kg	33,00

Fees position (HS)	Type of Merchandise	Unit of measure	Value in customs (MDL)
200580000	Sweet corn (Zea Mays var. saccharata), conserved	Kg	22,64
200570	Olives: Medium size Black olives. Produced in bulk.	Kg	58,68
200570	Black olives, type: „Hutesa”, packed by the producer in metal cans	Kg	62,04
200540000	Pea (Pisum sativum): Green pea, conserved, natural, whole, medium size, packed in glass jars or in metal cans	Kg	12,40
2008 11 920	Fried peanuts type „Fiesta” packed in small packs, 40-50 g weight	Kg	54,12
120210900	Other peanuts, not cleaned, sold in bulk	Kg	23,30
2009	Fruit juices (including grapes juice) and vegetable juices, not fermented, without alcohol, with or without added sugar or other sweeteners:		
200980	Natural plum juice – 100% without water, sugar, packed in TetraPak boxes – 1 liter	L	8,97
20097	Natural apple juice – 100% without water, sugar, packed in TetraPak boxes – 1 liter	L	8,64
200990	Natural grapes juice – 100% with sugar, packed in TetraPak boxes – 1 liter	L	8,89
200980	Natural peach juice – 100% with sugar, packed in TetraPak boxes – 1 liter	L	9,29
200950	Natural tomato juice – packed in TetraPak boxes – 1 liter	L	8,38
2402	Sheet cigarettes (including those with cut ends) cigars and cigarettes, filled with tobacco or tobacco substitutes:		
2402 20 901	– With filter „Marlboro”	1000 un.	433,00
2402 20 901	– With filter „Monte-Carlo”	1000 un.	156,26
3208	Lacquers and paints (including enamels) on the basis of synthetic polymers or natural modified polymers, dispersed or dissolved in a non-water environment:		
3208	Enameled paint, resistant to contact with air, for outside works, for wood and metal surfaces, package: metal boxes of 1-3 kg	kg	26,27
3209	Lacquers and paints (including enamels) on the basis of synthetic polymers or natural modified polymers, dispersed or dissolved in a water environment:		
3209	Paint not dispersed in water, dissolvable in water, white, which dries easy in metal or plastic can, volume of 2-3 kg	kg	17,87
4202 92 91	Traveling bag made from textile, having following dimensions: 60 x 30 x 30, with two short handles and one long, which can be removed, with two lateral pockets that are closed with a zip.	unit	101,91
4202 92 91	School bag type rucksack	unit	94,17
4203	Clothes articles and accessories for clothes, from natural or recovered leather:		
4203 29 91	Men gloves from natural leather, inside material -- 100% acryl, monochromatic.	pair	182,94
4203 29 99	Women gloves from natural leather, length – 20 cm, inside material - - 100% acryl, monochromatic.	pair	148,04
5701 10	Plush carpet Persian type, wool – 100%.	m ²	303,00
5701 90	Carpet – carpet articles, 100% synthetic.	m ²	95,80

Fees position (HS)	Type of Merchandise	Unit of measure	Value in customs (MDL)
6103 11 00	Men suit (2 parts) wool – 100% coat: - classic, with one row or two rows of buttons, two pockets, one chest pocket, inside material from polyester, acetate or viscose trousers: - classic style, straight, inside material until knees – two pockets, one pocket at the back, well sewed.	1 suit	1909,72
6103 12 00	Men suit (2 parts) synthetic – 100% coat: - classic, with one row or two rows of buttons, two pockets, one chest pocket, inside material from polyester, acetate or viscose trousers: - classic style, straight, inside material until knees – two pockets, one pocket at the back, well sewed.	1 suit	583,60
6103 12 00	Men suit (2 parts) wool – 45%, polyester – 55% coat: - classic, with one row or two rows of buttons, two pockets, one chest pocket, inside material from polyester, acetate or viscose trousers: - classic style, straight, inside material until knees – two pockets, one pocket at the back, well sewed.	1 suit	923,33
6103 42	Trousers – man jeans 100% cotton from thick fabric color – indigo, black, with contrast sewing, large belt holders with zip, without inside material, not less than 4 pockets	pair	305,03
6103 43	Men trousers –100% synthetic, classic style, two pockets on sides, one or two pockets on the back with zip, well finished.	pair	138,66
6103 43	Men trousers 45% wool, 55% polyester, classic style, partially with inside material from polyamide or viscose, 2 pockets on sides, belt holders, but without a belt, with zip, well finished .	pair	261,48
611011	Cardigan-jacket knitted, semi-wool, monochromatic, long sleeves, plastic buttons, well sewed.	unit	317,72
6115	Socks-pants, stockings, socks and other similar products, including footwear without an applied sole, knitted or crocheted:		
6115 11 00	Socks-pants from synthetics, having the fineness of the simple fiber under 67 decitex – socks-pants for the ladies	pair	29,84
6115 19 00	Socks-pants from other textile materials, socks-pants for the ladies from semi-wool	pair	61,98
6115 92 00	Stockings, socks and other similar products from cotton – Men’s socks, 100% cotton	pair	10,73
6115 93	Stockings, socks and other similar products from synthetics – Men’s socks, 100% synthetics	pair	3,85
6115 99 00	Stockings, socks and other similar products from other textile materials – Men’s socks, mixed fibers.	pair	11,87
6205	Man or boy’s shirts:		
6205 3000	Men shirts – 80% polyester, 20% cotton, with long sleeves, with cuff, monochromatic, with a chest pocket	unit	159,96
6206	Blouses, shirts and blouses-shirts for women and girls:	unit	
6206 30 00	Blouses, shirts and blouse-shirts for women and girls, from cotton	unit	253,16
6206 40 00	Blouses, shirts and blouse-shirts for women and girls, from synthetic or artificial fibers.	unit	276,16
6301	Blankets and coverings		
6301 20	Blankets (other than the electric one) and wool or thin animal hair blankets, wool coverings	unit	139,98
6301 90	Blankets from artificial fibers and 100% acryl blankets Size 130x170 cm	1 m ²	72,29

Fees position (HS)	Type of Merchandise	Unit of measure	Value in customs (MDL)
6404	Footwear with sole made from rubber, plastic material, natural or recovered leather, and with faces from textile materials:		
640590100	Athletic shoes, top from natural leather combined with artificial. Synthetic sole	pair	300,01
6404 19 100	Home slippers and other interior footwear with exterior soles from rubber or plastic and with face made form textile materials	pair	40,12
6908	Plates and slabs for pavement or for covering the walls, lacquered or enameled, from ceramic; cubes and similar ceramic articles for mosaic, lacquered or enameled, even for support:		
6908 90 210	Plates and slabs, border stones, friezes, corners etc. from common ceramic with a thickness of maximum 15 mm. Plate of imported backed clay. Dimensions 20x30 cm	m ²	78,47
7113	Jewelry articles and their parts, from precious metals or even covered, plated or doubled with precious materials:		
7113 19 000	Jewelry articles and their parts, from precious metals or even covered, plated or doubled with precious materials - Golden jewels	g	303,59
8520	Tape recorder and other apparels for sound recording, even an apparel which incorporates a sound reproducer:		
8520 33 90	Other recording and sound reproducing apparels, on magnetic tapes, with cassettes. High quality audio players type "Panasonic CT – 510" or other well known brands	unit	1406,62
8521	Video apparels for recording or reproducing, even incorporating a receiver of video signals:		
8521 90 000	Video apparels for recording or reproducing, which incorporate a receiver of video signals on magnetic discs. VHS player	unit	825,79
8525	Emission apparels for radiotelephony, radiotelegraphy, radio emission or television, even incorporating an apparel or receiving, recording or sound reproducing; television camcorders, apparels for making fixed images and other camcorders with recording possibilities, digital cameras:		
8525 40 110	Apparels for taking fixed images, digital cameras type „Olimpus FE100”	unit	1774,15
8525 40 990	Other digital camcorders and camcorders type SONY TR 425 E or another type	unit	4421,85
8527	Emission apparels for radiotelephony, radiotelegraphy, radio emission combined in the same body with an apparel for recording or reproducing the sound or with a clock:		
8527 12 100	Digital pocket recorders, sound system type LG LM-M140 or another type of the same brand	unit	2052,83

ANNEX II

Merchandise released from customs duties imported by organizations from the science sector

From the Law nr.115-XVI/18.05.2006 regarding the abolishment of paying customs duties for certain goods by organizations from the science and innovation framework

Fees position	Merchandise name	Quantity, units
Zoology Institute of the Academy of Science from Moldova		
9016 00 100	Analytical balance AUX-220	1
Institute of Electronic Engineering and Industrial Technology of the Academy of Science from Moldova		
9030	Oscilloscopes, specter analyzers and other instruments for measuring or controlling the electric measures, exclusive those from the position 9028; instruments and apparels for measuring or detecting the radiations of the X, alpha, beta rays of the cosmic radiations and other ionized radiations	
9030 31 900	Keithley 2002 Multimeter	1
9030 39 910	Voltmeter Model 2182A Keithley Nanovoltmeter	4
9025 19 910	Pyrometer Raynger 3I 2M	1
Institute of Applied physics of the Academy of Science from Moldova		
9025 19 910	Pyrometer	1
8413 70 690	Centrifugal pump PC-20	1
9024 10 100	Analyzer for the vibrations specter COM-VB 10000V	1
9017	Painting, tracing and calculation instruments (e.g. painting machines, pantographs, protractor, painting sets, rulers and calculation discs); instruments for measuring lengths, for manual use (e.g. rulers, roulettes, micrometers, calipers, calibers).	
9017 30 900	Indicator and caliber for vibrations WOBMET – M1	1
Institute of Energy of the Academy of Science from Moldova		
9030	Oscilloscopes, specter analyzers and other instruments for measuring or controlling the electric measures, exclusive those from the position 9028; instruments and apparels for measuring or detecting the radiations of the X, alpha, beta rays of the cosmic radiations and other ionized radiations.	
9030 20 900	Digital professional weather station Matrix.	1
9030 20 900	Anemometer Standard MAX40 anemometer	1
9030 20 900	Oscillograph Tektronix DPO-4104	1
Chemistry Institute of the Academy of Science from Moldova		
9016 00 100	Sartorius BP analytical balance	1
Institute of Genetics and Physiology of plants of the Academy of Science from Moldova		
9030 39 300	QUANTUM sensor	1
Institute of Zootechnology and Veterinary Medicine of the Ministry of Agriculture and Alimentary Industry		
9011 20 100	Microscope with camcorder Nicont	1
Republican Center of Preventive Medicine of the Ministry of Health and Social Protection		
9011 80 000	Micro boards reader ELISA "Reader"	1
9011 80 000	Test-system E.granulosus IgG (96 tests)	10
9011 80 000	Single channel dosing system 5, 10, 50, 100, 200, 500, 1000 molls	1

Fees position	Merchandise name	Quantity, units
9011 80 000	Multichannel dosing system	1
9011 80 000	Biologic binocular Microscope "Standard-20"	1
9011 80 000	Binocular Microscope XSV-20 series biological	1
Center of Metrology and Analytical Research Methods of the Academy of Science from Moldova		
8543 20 000	Generator of tries signals at electrostatic downloads type ESD 30C, with accessories	1
8543 20 000	Generator of tries signals with long term impulses of nano- and microseconds of high energy, magnetic field impulses etc. type UCS 500M6B, with accessories	1
8543 20 000	Generator of tries signals during conductive jamming type CWS 500CS1, with accessories	1
8543 20 000	Generator of tries signals to the flicker-factor, type DPA 503, with accessories	1
8543 20 000	Generator of tries signals with magnetic attenuated fields type OSC 500M6, with accessories	1
9013	Instruments with liquid crystals, exclusive articles which form other specific positions; lasers, other than diode lasers; other apparels and optic instruments, not named and not included in other positions	
9013 90 900	Crystal beta-BBO (Ba B ₂ O ₄)	1
9012 90 100	Detector for cathode-luminescence	1
State University from Moldova of the Education and Youth Ministry		
9013 20 000	Laser for the eximers	1".

ANNEX III

List of the imported goods submitted to payments for polluting the environment

Annex nr.8 to the Law 1540 regarding the payment for polluting the environment

Fees position	Name of the merchandise according to the Nomenclatorial Register of Merchandise of the Republic of Moldova	Payment normative (in % from the cost of the merchandise at the border)
2903	Halogenous derivatives of hydrocarbons	1,0
3824 71 000	- Mixes containing acyclic hydrocarbons perhalogenated only with chlorine and fluorine (Substances which destroy the Ozone layer and products which contain these substances from the positions mentioned above – according to the Law nr. 852- XV from the 14 th of February 2002 for the approval of the Regulation regarding the trade status and regulation of the use of Halogenous hydrocarbons which destroy the ozone layer) Leaf cigarettes (including those with cut ends), cigars and cigarettes, from tobacco and its substitutes:	1,0
2402 10 000	- Leaf cigarettes (including those with cut ends), cigars and fine cigarettes, containing tobacco	1,0
2402 20	- Cigarettes containing tobacco	1,0
2707 40 000	- Naphthalene	1,5
	-- Fuel oil:	
2710 00 760	- " – Containing sulfur more than 1% in weight, but maximum 2%	0,5
2710 00 770	- " - Containing sulfur more than 2% in weight, but maximum 2,8 %	1,0
2710 00 780	- " - Containing sulfur more than 2.8% in weight	1,5
	Lacquers and paintings	
3208 10	- On the base of polyesters	5,0
3208 20	- On the base of acrylic and vinyl polyesters	5,0
3923	Transportation articles or packaging plastic materials; plugs, corks, lids, capsules and other instruments for closing, from plastic materials	3,0
4011	New pneumatic envelopes, from rubber; full and semi-full bindings, rolling bands exchangeable for tires and flaps, from rubber:	0,5
4012 10	- Retreated envelopes	1,0
	Files and electric files batteries:	
8506 10	- With dioxide of Manganese	1,5
8506 30	- With dioxide of Mercury	1,5
8506 50	- With Lithium	1,5
8506 60	- With air-zinc	1,5
8506 80	- Others	1,5
	Electric accumulators, including their separating elements, even of square or rectangular form :	
8507 10	-Leaded, similar to the ones used for starting the piston motors	1,5
8507 20	- Other leaded accumulators	1,5
8507 30	- With nickel-cadmium	1,5
8507 40	- With nickel-iron	1,5
8507 80	- Other accumulators	1,5
8523	Supports for registering the sound or for similar registering, but unregistered, other than the products specified in the chapter 37	0,5
8524	Discs, bands and other supports for registering the sound or for similar registering, but unregistered, including matrixes and galvanic forms for confectioning discs, except the products form the chapter 37	0,5
	- Lamps and tubes with download, other than the ultraviolet ones:	
8539 31	- Fluorescent, cu warm cathode	3,0
8539 32	- Lamps and tubes with steam of mercury or sodium; lamps with metal Halogenous	3,0

Note: Annex 8. Introduced through LP1566/20.12.02, MO20/14.02.03 art.59.

ANNEX IV

Necessary documents for customs clearance of the merchandise

Name of the document ²	Attestation DVM ³	In the DVM folder		
		Original	Attested copy by the notary	Attested copy by the economic agent
Customs Declaration		Nr.1 copy		
Contract of goods delivery			X	
Transportation documents				
<i>By air:</i> Consignment Note (waybill);	X			X
<i>Auto:</i> CMR /Road Consignment Note; TIR Card and its slots	X			X
<i>By train:</i> Railway consignment Note	--			--
<i>Naval:</i> Bill of freight	X			X
	X			X
Trade documents: - Trade invoices - Trade pro-forms - Other documents which contain information about the price of the transported goods	X			X
Licenses			X	
Authorizations			X	
Compliance certificate			X	
<i>Certificate of Origin</i> , for issuing the CO, preferable it is being presented a request with the following attachments: a) Registration certificate of the company in RM; b) License or authorization (in the case of exporting licensed or quoted merchandise); c) Quality certificate issued by the producer; d) Warrant issued on the name of the company's representative, which confirms this right to perfect the documents of import-export in the name of the company; and e) Expertise act referring to the determination of producer for the new types of activities.				
Certificate of origin, for verifying the credibility, is required: the transaction contract; certificate of origin issued by the respective authority of the exporting state; accompanying documents of the merchandise; the export declaration		X		
Declarations of repatriation		X		
Expertise acts		X		
Acts of the economic agent's constitution* - Certificate of Registration - Funding status/decision - Contract of constitution - Certificate stipulating attribution of the statistical code - Certificate of fiscal code attribution - Certificate of registration as a VAT payer - Acts/orders/protocols regarding the appointment of the company's managers and chief accountant			X X X X X X X	
Certificates which confirm the bank account*		X		
Documents which confirm the seal samples*		X		
Documents which confirm the signatures samples of the persons who have the right to activate in the name of the company*		X		
Economic agents demarches				
Documents translated by the authorized legal entities		X		
Warrant for the person authorized to perform the merchandise clearance		X		
Identification documents of the person which declares the merchandise	X			X
The technical passport of the transporting mean	X			X
Driving license of the driver	X			X
Other required documents with customs purposes		X		

* BV is presented only when perfecting the first transaction

² All the documents specified for the first time are presented in original form. DVM attestation is performed by the External Transaction Section of the Customs Office, which have filled the customs declaration.

³ When declaring the merchandise in the transit customs regime, the specified acts will be attested by the transporter

ANNEX V

Republic of Moldova's obligations list for notification according to the WTO Agreement

Annex 5 of the Government's Decision Nr. 933 from 11.10.1999 regarding the Republic of Moldova's commitments made during the accession to WTO

Notifications requirements	Type of measures	Deadline	Format	WTO body:
1. The Agreement regarding the Implementation of the Article VII GATT 1994, Article 22.2	Changes in these law/regulations and the administrative adjustments (regarding the languages of notification according to the Article 22: The document will be computed by the Customs Evaluation Committee).	Before the accession	No	Customs Evaluation Committee
2. The Agreement regarding the Implementation of the Article VII GATT 1994, Article 22	Notification of the national legal framework	In two months after the accession	No	Customs Evaluation Committee
3. The Agreement regarding the Implementation of the Article VII GATT 1994 Decision referring the checklists (overtaken by the WTO Committee at the 12 th of May 1995 and the 25 th of April 1996)	Answer to the checklists	October 2000	No	Customs Evaluation Committee
4. The Agreement regarding the Implementation of the Article VII GATT 1994 Decision regarding the treatment of the Interest payment while setting the value in customs (G/VAL/5 paragraph.A.3 adopted by the WTO Committee on 12 May 1995)	Date when the members will start enforcing the Decision	Prior the accession	No	Customs Evaluation Committee
5. The Agreement regarding the Implementation of the Article VII GATT 1994, Decision regarding the evaluation of the software support means for information processing equipment, (G/VAL/5 para.A.4 – adopted by the WTO Committee on 12 May 1996)	Date of the practical application regarding the paragraphs nr.2 of the Decision	Before the accession	No	Customs Evaluation Committee

Notifications requirements	Type of measures	Deadline	Format	WTO body:
6. Agriculture Agreement, Article 18.2 – internal support	Internal support – General Quantification of the Total Support	Immediately after the accession	DS:1 and respectively, Support tables DS:1 to DS:9	Agriculture Committee
7. Agriculture Agreement, Article 18.3 – internal support	Internal support– new or modified exceptions or the internal support	Immediately after the accession	Internal support Table DS:2	Agriculture Committee
8. Agriculture Agreement, Article 18.2 – internal support –export subventions	Budget expenditures for subsidizing the exports and reducing quantitatively the commitments; total exports	Immediately after the accession	Commitments related to Export subsidies Tables ES:1 and ES:2 and Support tables	Agriculture Committee
9. Agreement on Implementing the Article VI GATT 1994, Article 16.5	Investigations: entitled authorities for initiating investigations according to the AIA VI article 16.5, internal procedures which regulate these investigations	Before the accession	G/ADP/N/14	Antidumping Committee
10. Agreement on Implementing the Article VI GATT 1994, Article 18.5	Laws/regulations and their changes, including the changes related to law administration (concerning notification languages according to Article 18.5, see G/ADP/N/1 document)	January 2001	G/ADP/N/1 si Suppl.1	Antidumping Committee
11. Agreement on Preshipment Inspection, Article 5 – by	Laws/regulations according to which the agreement comes into force for the entitled member, as well as other laws/regulations regarding Preshipment Inspection	October 2000	No	Council for Trade with Goods
12. Agreement on Subventions and Countervailing Measures, Article 25.1 annual; GATT 1994, Article XVI:1/ annual	Any subvention, defined in ASCM Article1:1, which corresponds to the ASCM meaning, as well as any other subvention which generates higher exports or decreases the imports according to GATT 1994, Article XVI:1	June 2001	G/SCM/6	The committee on subsidies and countervailing measures
13. Agreement on Subventions and Countervailing Measures, Article25.12	Entitled authorities for initiating and carrying out the investigations over safeguard taxes according to ASCM, Article 11, internal procedures which regulate the investigation process.	Before the accession	G/SCM/N/18	The committee on subsidies and countervailing measures

Notifications requirements	Type of measures	Deadline	Format	WTO body:
14. Agreement on Subventions and Countervailing Measures, Article 28.1	Subsidy programs which do not comply with ASCM stipulations	90 days after the accession	PC/IPL/11 Annex 4	The committee on subsidies and countervailing measures
15. The agreement on subsidies and countervailing measures, Article 29.3	The programs that are subject to ASCM stipulations, article 3	Immediately after	PC/IPL/11, Annex 5	The committee on subsidies and countervailing measures
16. The agreement on subsidies and countervailing measures, Article 32.6	Laws/Regulations and amendments to them, including amendments to the implementation of these laws (concerning the language of making notifications, according to Article 32.6, see the G/SCM/N/1 document)	January 2001	PC/IPL/11, Annex 6	The committee on subsidies and countervailing measures
17. The interpretation of the GATT 1994 stipulations on the Balance of Payments	Restrictions to the Balance of Payments, the consolidated notification of the laws/regulations, including the amendments to the laws, regulations, decisions of the public authorities, for the examination by the Members.	Within 90 days after the accession	Upon the consideration of the respective committee	WTO Secretariat
18. The agreement on trade-related investment measures (TRIMs), Article 5.1	Trade-related investment measures (TRIMs) introduced with 180 or more days before the WTO Agreement enforcement that contradict the stipulations of the GATT 1994 Article III or Article XI, and are not justified by the GATT 1994 exceptions.	Within 90 days after the accession	G/TRIMS/1	The committee on TRIMs
19. Import Licensing Procedures Agreement (LIC), Article 1.4 (a)	The name of the publications that comprises the rules and the information related to the LIC Agreement, copies of the publications.	Before the accession	No	The committee on Import Licensing
20. Import Licensing Procedures Agreement, Article 7.3	Answers to the survey on import licensing procedures	September 2000	G/LIC/3, Annex	The committee on Import Licensing
21. Import Licensing Procedures Agreement, Article 8.2(b)	Laws/Regulations, administrative procedures and amendments to them	Ad hoc Before the accession	No	The committee on Import Licensing
22. GATS, Article III.4	References to the Informational Center	Before the accession	free	The Council for Trade in Services
23. GATS, Article IV.2	References to the Informational Center	Before the accession	free	The Council for Trade in Services

Notifications requirements	Type of measures	Deadline	Format	WTO body:
24. GATS, Article V:7	Economic integration agreements and their expansion or relevant changes	In 90 days after the accession	S/L/5	The Council for Trade in Services
25. GATS, Article VII:4	New or existent acknowledgement measures or their amendments. The beginning of the acknowledgement negotiations.	Within 6 month after the accession	S/L/5	The Council for Trade in Services
26. GATS, Article XXVIII (k):(ii):2	Equal treatment of the permanent residents and the national ones as stated by GATS Agreement.	In two month after accession	S/L/5	WTO Secretariat
27. TRIPS Agreement, Article 14.6 [Article 17 of the "Rome Convention"]	The protection of phonogram producers based only on the fixation criteria.	Before the accession	IP/C/W/15 (guide)	TRIPS Council
28. TRIPS Agreement, Article 63.2	Laws/Regulation enacted by the notification body (concerning the accessibility, scope, granting, implementing, and preventing the abuse of the intellectual property right)	Before the accession	IP/C/2 IP/C/4 IP/C/5	TRIPS Council
29. TRIPS Agreement, Article 69	Specification of the Inquiry Points (within the administration of the members on the information sharing concerning the trade with goods where the intellectual property rights are infringed).	Before the accession	WTO/AIR/168	TRIPS Council
30. Agreement on technical barriers to trade, Article 15.2	Administrative agreements; laws/regulations that are enforced or adopted for ensuring the implementation of the TBT Agreement	September 2000	G/TBT/1/Rev.3	The committee on technical barriers to trade
31. Agreement on technical barriers to trade, Annex 3 paragraph C	Acceptance/Withdrawal from the Code of Good Practice for the Preparation, Adoption and Application of Standards	In 90 days after the accession	G/TBT/W/4/ Rev.1 Forms A and B	Through the ISO/IEC information center
32. Agreement on technical barriers to trade, Annex 3 paragraph J	Working programs on standardization activities	Before the accession	G/TBT/W/4/ Rev.1 Form C	Through the ISO/IEC information center
33. Annex B, paragraph 3	Enquiry Point	October 2000	No	WTO Secretariat
34. Annex B, paragraph 10	The notification authority	September 2000	No	WTO Secretariat
35. Agreement on Rules of Origin, Article 5.1	Existent non-preferential rules of origin; judicial and administrative decisions on the general applications of the existent non-preferential rules of origin.	In 90 days after accession	No	The committee on Rules of origin

Notifications requirements	Type of measures	Deadline	Format	WTO body:
36. Agreement on Rules of Origin, Annex II, paragraph. 4 – first date	Existent non-preferential rules of origin; judicial and administrative decisions on the general applications of the existent non-preferential rules of origin.	Before the accession	No	The committee on Rules of origin
37. Agreements on the Regional Arrangements on the interpretation of the Article XXIV, GATT 1994, paragraph 11	Custom unions and free trade areas	Before the accession	No	Council for Trade in Goods
38. Decisions on the Regional Arrangements of Contracting Parties (BISD 18S/37, 38 paragraph 4)	Examining the reports on preferential Agreements every two years.	Within 6 months after accession	No	Council for Trade in Goods
39. Government purchases, GATT 1994, Article XVII: 4 (a) and the notification) paragraph 1 from the Agreement on the interpretation of the Article XVII GATT 1994 - annually	Activities on government purchases (new activities and their full description)	Immediately after accession	G/STR/N/1	Council for Trade in Goods
40. Section D of the Agreement on Trade Policy Review Mechanism	Significant changes in the trade policy	Within 6 months after accession	No	The committee on Trade Policy Review
41. Section D of the Agreement on Trade Policy Review Mechanism	Updating the statistical information	Ad hoc	No	The committee on Trade Policy Review

ANNEX VI

The Matrix of the Republic of Moldova' commitments towards WTO and their implementation process (as of December 2007)

	Description of the WTO commitment	RGL Reference	The commitment implementation stage	References to legislation, recommendations
	Informational:			
	<ul style="list-style-type: none"> - to ensure the transparency in the privatization process and to keep informing the WTO members about the achievements in reforming the economy and the existent trade system: <ul style="list-style-type: none"> - annual reports on the implementation of the privatization programs as long as these programs will exist; - annual reports on other problems that are related to its economic reforms and its obligations in accordance with WTO. 	RGL par.30	Other reports on the privatization process and the ongoing economic reforms have not been sent to the WTO Secretariat after the RM joined WTO.	<ul style="list-style-type: none"> - The principles of the regulatory reform to be applied on any legislative document that refers to trade transactions. - Increasing the transparency level of the measures that affect the import and export of goods and services.
	Pricing policy			
	<ul style="list-style-type: none"> - Modifying the legislation for reducing the impact of regulated prices on the economy, publishing in the Monitorul Oficial for example the List of goods and services that are subject to Government price regulation, and presenting the information on the limitation of the monopoly activities and development of competition. (in 2000 the prices of 41 categories of goods and services were regulated). - Adopting the draft law "on Prices" which at the moment of accession was being approved by the Parliament of the Republic of Moldova. <ul style="list-style-type: none"> - The draft law emphasizes the right of the private enterprises to freely set the price for their merchandise, with the exception of the goods and services which prices are regulated by the State, as compared to the GD 547/1995 which provided a well-defined list of goods and services that were subject to State control. The draft law was also mentioning the amount of goods and services for which the prices are controlled by the State, thus reducing its impact and offering more liberty of action to the physical or juridical persons that sell goods or services. 	RGL par.31-34	<p>We cannot affirm that the commitments are respected, because up till now the draft Law on Prices has not yet been adopted, and the GD 547 which was supposed to be abolished as a result of implementing the new Law, was eventually 7 times amended</p> <ul style="list-style-type: none"> - GD280/13.03.07, GD1360/08.12.04, GD964/25.08.04, GD1385/20.11.03, GD66/27.01.03, - GD191/19.02.2002 <p>The number of goods which prices are controlled or increased by the State, as compared to the accession period.</p>	<ul style="list-style-type: none"> - Notifying the WTO Secretariat about the changes in the institutional framework in the field of developing competition and controlling the State monopoly. - Promoting the draft law "on prices", elaborated in 2001, including the provisions that state the right of the private enterprises to freely establish the prices, and reducing the impact of State control on the formation of prices of the goods sold in the internal market.

Description of the WTO commitment	RGL Reference	The commitment implementation stage	References to legislation, recommendations
Policies of the local and fiscal authorities			
<ul style="list-style-type: none"> - All the fiscal, financial, and budgetary activities of the local authorities will be in compliance to Article III of the GATT Agreement 1994 (national treatment on internal taxes and regulations). The non-discriminatory implementation of the taxes and other local payments, the imported goods over the local ones, ensuring that the local authorities will not impose other discriminatory taxes than those applicable through national laws. - The provisions of the WTO Agreement, including the provisions of the protocol of accession, will be uniformly applied on its custom territory and all the other territories that are under its control, including in the regions that are involved in border trade or traffic, special economic zones, or other areas with a special regime for tariffs and regulations. 	RGL par.48	The commitment is respected, because the local authorities are not autonomous in the field of subsidies, taxes related to trade policy, And other WTO provisions. However, it is difficult to ascertain if all local taxes applied in the field of entrepreneurship respect the national treatment principle.	It is recommended to redact the local taxes and to analyze their implementation from the point of view of their conformation to the national treatment principle.
<ul style="list-style-type: none"> - From the moment of its accession, the Republic of Moldova will ensure that all laws and regulations on the right to trade with goods and all the taxes and payments related to these rights will be in full compliance with the OMC provisions, especially with Article VIII:I (a), XI:I and III:2 and 4 of the GATT 1994. These laws and regulations will be implemented in full compliance with these conditions, including the uniform, equitable, and non-discriminatory application of these taxes and payments. - The requirements for the licensed activities will not limit the right to import or export. - Ensuring the informational transparency regarding the procedure of issuing import and export licenses, and the payments for obtaining such licenses. - In particular, it was promised that the licensing activities will not limit or constrain the import or export of goods. 	RGL par.54	<u>The commitment is partially respected.</u> Despite the fact that the list of the types of activities, the related State fees, the conditions of obtaining a license, and the list of the additional documents are all placed on the website of the Licensing Chamber, which is a very worthy and important thing for ensuring the transparency, but this does not exclude the fact that it can be requested additional conditions or documents that are not mentioned on the website, but present in the specialized legislative and normative framework that usually stipulates additional requirements. The level of reducing or constraining the import or export right can be observed only by analyzing the additional conditions and documents required for issuing the license, and the whole set of normative documents in this field.	Law on issuing of licenses for certain types of activities, Nr.451-XV din 30.07.2001 Order on the conditions of licensing and the list of additional documents that are attached to the requests of issuing a license for certain types of activities nr. 12-g from 02.20.2006 See below examples of constraints: <ul style="list-style-type: none"> - The import of ethyl alcohol, the import and the wholesale of the alcoholic beverages, and/or the imported beer in the limits of the forecasts presented by the Licensing Chamber. - Prohibition the import of phytosanitary goods and/or fertilizers, which validity period expires earlier than one year after their introduction in the customs territory of the Republic of Moldova. - Prohibition of the import of cosmetics and perfume, which validity term is less than two thirds. It is recommended to eliminate these constraints and to abolish the stipulations of

	Description of the WTO commitment	RGL Reference	The commitment implementation stage	References to legislation, recommendations
				the legislations that establish these conditions.
	<ul style="list-style-type: none"> - Moldova does not impose taxes or other payments, besides the ordinary customs taxes and the taxes for the offered services. - Moldova had bound other duties and charges within the meaning of Article II:1(b) of the GATT 1994 at zero in its Schedule of Concessions on Goods which is reproduced in Part I of the Annex to the Protocol of Accession. 	<u>RGL par. 60</u>	We cannot consider that the commitment is respected, because Moldova applies fees for the pollution of the environment and for supporting the wine plantations.	<i>The Law nr.154-XVI din 21.07.05</i>
	<ul style="list-style-type: none"> - It has been confirmed that the “consular charges” applied by the foreign representatives and embassies of Moldova for performing consular actions and certifying documents were not required for the authentication of documents necessary to import goods into Moldova. 	<u>RGL par. 61</u>	The commitment is respected, the applied consular charges do not affect the documents on the imports of goods..	
	<ul style="list-style-type: none"> - To not absolve of customs fees in a discriminatory way any categories of goods. - To not apply or re-introduce, from the moment of accession, the ad valorem customs user fees (%), and to introduce a system of flat fees. - To apply a level of fees that would not exceed the approximate cost of the customs processing of imports, revenues from the fee would be used solely for customs processing of imports, and the total annual revenue from collection of the fee would not exceed the approximate cost of customs processing operations for the items subject to the fees. - To apply fees for import processing in conformity with WTO obligations, especially Articles VIII and X of the GATT 1994. 	<u>RGL par. 63</u>	<p><u>The commitment is not integrally respected.</u></p> <p>Moldova applies “combined fees” for the customs processing operations, that is an ad valorem fee, which can reach a maximum amount of “X”. Although the ad valorem fees have an upper limit, the maximum flat fees are much higher than the approximate cost of the customs services, and they are not differentiated for the import and export activities, as stipulated by the WTO rules.</p>	<u>Re-examining the Law on Customs Tariff, adjusting it to the WTO provisions, Annex 2</u>
	<ul style="list-style-type: none"> - After the accession, all the customs fees and charges applied to imports, other than the ordinary customs fees and charges for the offered services, will be in compliance with the stipulations of the WTO Agreements, and in compliance with the Agreement Memorandum on the GATT stipulations on taxes for improving the balance of payments, anti-dumping and countervailing measures applied in subsidies and safeguard situations. 	<u>RGL par. 65</u>	The commitment for anti-dumping and countervailing measures is respected. The WTO stipulations for these fields have been introduced in the national legislation, and a law was approved for these measures. The Government has introduced protection measures, safeguard taxes for the sugar industry.	<p>Law Nr. 820 din 17.02.2000 on Anti-dumping, Countervailing Duties and Safeguard Measures</p> <p>It is recommended that the WTO Agreement on these measures to be respected, including the notification of the WTO members about the application of such measures.</p>

	Description of the WTO commitment	RGL Reference	The commitment implementation stage	References to legislation, recommendations
	<ul style="list-style-type: none"> - Applying for the goods the value added tax (VAT) and the excise tax based on the principle of destination, respecting the national treatment and the most favored nation status, in strict compliance with Article III, GATT 1994, and in a non-discriminatory way towards the imports, irrespective of the origin of goods. 	<u>RGL par. 66, 69 and 72 and 74</u>	<p>It is hard to estimate the status of this commitment, because Moldova applies VAT and excise taxes also for the export of goods, offering the businessmen a chance to be reimbursed. The reimbursement procedure is quite difficult, and many businessmen refuse to benefit from it.</p>	<p>Re-examining the VAT and excise taxes reimbursement procedure in compliance with WTO rules.</p>
	<p>Import licensing procedures</p>			
	<ul style="list-style-type: none"> - Will not introduce, re-introduce or apply quantitative import restrictions or other non-tariff measures such as licensing, quotas, prohibitions, permissions, need for prior authorization, need for licensing and other restrictions having equivalent effect that could not be justified under the provisions of the WTO Agreements. 	<u>RGL par. 78, 83 and 101</u>	<p>Licensing requirements that act as restrictions.</p> <ul style="list-style-type: none"> - The import of ethyl alcohol, the import and the wholesale of the alcoholic beverages, and/or the imported beer in the limits of the forecasts presented by the Licensing Chamber. - Prohibition the import of phytosanitary goods and/or fertilizers, which validity period expires earlier than one year after their introduction in the customs territory of the Republic of Moldova. - Prohibition of the import of cosmetics and perfume, which validity term is less than two thirds. 	<p>Gradual elimination of the licenses that are not in compliance with Moldova's commitments to WTO and within CPA, and their transparent administration.</p>
	<ul style="list-style-type: none"> - Any further amendments to the import licensing regime after accession would be fully in accordance with all relevant provisions of the WTO, including the Agreement on Import Licensing Procedures. - Any discretionary authority permitting the Government of Moldova to suspend imports or licensing requirements that could suspend, ban, or otherwise restrict the quantity of trade would be applied from the date of accession in conformity with the requirements of the WTO, in particular Articles XI, XIII, XIX, XX and XXI of the GATT 1994, and 	<u>RGL par. 83</u>	<p>At the moment of accession, the Republic of Moldova informed that it did not apply import licensing. Currently, Article 18 of the Law 451 is regulating different amounts for the import licensing.</p> <ul style="list-style-type: none"> - Licenses should be issued promptly, within the prescribed 	<p>It should be formulated a list of goods subject to licensing (by ascribing the HS-code) for facilitating the imports and the transparency of their customs procedures.</p>

	Description of the WTO commitment	RGL Reference	The commitment implementation stage	References to legislation, recommendations
	the Agreements on Agriculture, Application of Sanitary and Phytosanitary Measures, Import Licensing Procedures, Safeguards and Technical Barriers to Trade.		<p>terms.</p> <ul style="list-style-type: none"> - The applicants will not be charged for minor documentation mistakes <p>(Art.1 WTO Agreement on import licensing)</p>	
	<ul style="list-style-type: none"> - Moldova would apply fully the WTO provisions concerning customs valuation, including - the Agreement on the Implementation of Article VII of the GATT 1994 - Moldova had confirmed the elimination of the use of reference prices for determining the customs value of imports, and that from the date of accession Moldova would not use minimum values, reference prices, or a fixed valuation schedule for the valuation of imports or to apply duties and taxes - After the accession, the WTO Agreement on the Implementation of Article VII of the GATT 1994, being an international agreement, would supersede domestic law 	<u>RGL par. 83</u>	<p>The commitment is not respected.</p> <ul style="list-style-type: none"> - <i>The application of the customs valuation methods is not done in its successive order.</i> - <i>Minimum prices are used.</i> - <i>The provisions of the agreements that facilitate trade are not fully considered.</i> 	<p>Redacting the customs normative legislation for a more correctly applied customs valuation, and full compliance to the WTO provisions in the field of customs.</p> <p>Elimination of the lists of minimum prices that are used for the customs valuation.</p> <p>Redacting the documentation requirements for the import and export of goods, requesting a number of documents that will be verified by the issuing public institutions, for reducing the businessmen' time and costs.</p>
	<ul style="list-style-type: none"> - From the moment of its accession, the preferential and non-preferential rules of origin will be integrally applied in compliance with the requirements of the WTO Agreement on Rules of Origin - The provisions of the Article 2(h) and Annex II, paragraph 3(d) of the Agreement, which require provisions upon request of an assessment of the origin of the import and outline the terms under which it will be provided, would be clearly established in Moldova's legal framework 	<u>RGL par. 94</u>	The commitment is established in the national legislation.	It is recommended to notify WTO about the way of issuing certificates of origin, issued for trading with EU, ensuring a higher level of transparency, publication of some brochures and guidelines about the benefits that are offered by the preferential trade regime with EU.
	<ul style="list-style-type: none"> - Moldova confirmed that its pre-shipment inspection regime would be temporary and would only operate until such time as the Moldavian Customs authorities were able to carry out this function independently. 	<u>RGL par. 96</u>	The commitment is established in the national legislation., and it has been considered the corresponding provisions.	
	<ul style="list-style-type: none"> - In the elaboration of any legislation concerning such anti-dumping, countervailing and safeguard measures Moldova would ensure their full conformity with the relevant WTO provisions, including Articles VI and XIX of the GATT 1994 and the Agreements on the 	<u>RGL par. 98</u>	The commitment is established in the national legislation, but the application of provisory safeguard measures for sugar is not in full compliance with these commitments.	Immediately notifying WTO about the application of the provisory safeguard measures for position 1701, and redacting the application mechanism for bringing it in full compliance with WTO rules, and the Law of

	Description of the WTO commitment	RGL Reference	The commitment implementation stage	References to legislation, recommendations
	Implementation of Article VI, the Agreement on Subsidies and Countervailing Measures and the Agreement on Safeguards. After such legislation will be implemented, Moldova would also only apply any anti-dumping duties, countervailing duties and safeguard measures in full conformity with the relevant WTO provisions			the Republic of Moldova Nr. 820 from 02.17.2000 on anti-dumping, countervailing, and safeguard measures.
	- The representative of Moldova stated that from the date of accession Moldova would not maintain any subsidies, including export subsidies, which met a definition of a prohibited subsidy within the meaning of Article 3 of the Agreement on Subsidies and Countervailing Measures, and would not introduce such prohibited subsidies from the day of accession.	<u>RGL par. 105</u>	There were no deviations from this commitment, because Moldova does not have programs of subsidizing industrial goods.	It is recommended to fulfill the notification commitments, even though there are no subsidies.
	- The representative of Moldova confirmed that any subsidy programs provided by the Government after accession would be administered in conformity with the Agreement on Subsidies and Countervailing Measures and Article 25 of the Agreement, and that all necessary information on notifiable programs would be send to the WTO Committee on Subsidies and Countervailing Measures.	<u>RGL par. 109</u>		
	TBT: Standards, technical regulation, and mechanisms of compliance valuation.			
	By 1 January 2002 the authorities of the Republic of Moldova will develop and make known the technical regulations, derived from the present mandatory standards.	<u>RGL par. 111</u>	This commitment has not been respected. Not all the technical regulation has been elaborated to make it possible the implementation of the de facto declaration of the voluntary standards in the Republic of Moldova. There is a National Program on elaborating the Technical Regulations 2003-2008, but its implementation is delayed with 2-3 years.	Through the GD 564 from 05.21.2007 a5 million MDL have been distributed for the realization of the National Program on elaborating the Technical Regulations. 8 institutions were planned to use these funds during 2007.
	The newly developed standards were being harmonized with ISO standards and the existing standards would be harmonized over time through a process of periodic revisions.	<u>RGL par. 112</u>	The newly developed standards are harmonized with ISO ones, but, unfortunately, the process of redacting the existing standards is NOT being done. One of the reasons	Starting the redacting procedure of the existent standards, which have been elaborated without paying attention to the ISO and European standards.

	Description of the WTO commitment	RGL Reference	The commitment implementation stage	References to legislation, recommendations
			is the lack of professionalism and the lack of sufficient funds.	
	Free access to all normative documents on standardization and certification procedures was guaranteed for all applicants for certification from the Republic of Moldova and other countries.	<u>RGL par. 114</u>	<i>De jure</i> the access is free, <i>de facto</i> there is no a well-functioning system, and there is no a unique contact point that would supply the applicants with all the needed information for obtaining the certificates.	Ensuring the functionality of the TBT inquiry point.
	The Moldavian National Standardization Body would enter into consultations with other countries with the aim of accepting the results of conformity assessment procedures of other member countries, as is stated in the Article 6 of the TBT Agreement that stipulates the elaboration of the conformity assessment procedures.	<u>RGL par. 116</u>	From the moment of accession up till now there were no commitments made with any country member of WTO, for accepting the results of conformity certification procedures, as stated in the Article 6 the TBT Agreement. Moldova has bilateral recognition agreements only with CIS countries, but they have not been published in the “Monitorul Oficial”.	Starting negotiations on accepting the results of conformity assessment procedures of other WTO member countries, first of all with EU, then with the main commercial partners.
	Conformity assessment procedures applied to all imported goods are similar to the procedures applied to local goods, and should be in line with the requirements of Articles 5 and 6 of the TBT Agreement.	<u>RGL par. 119</u>	Yes, the national legislation contains such regulations in the Law on conformity assessment, but in real life it is an extremely complex system for the foreign suppliers, and the level of information transparency is extremely low.	Reducing the number of imported goods subject to compulsory certification: Redacting the GD from 12.30.2004 on the approbation Nomenclature of goods which prices are regulated, subject to compulsory conformity certification.
	The Code of Good Practice and all the terms and definitions necessary for the implementation of the TBT Agreement will be enforced from the 1 st of January 2003.	<u>RGL par. 120</u>	Immediately after the accession, it has been established in the national legislation, and it was respected every time new standards were created.	Currently it is necessary a complete redaction of the legislation in order to bring it in full compliance with the Code of Good Practice – Annex 3 to the TBT Agreement.
	Legal instruments would be issued during 2001 to provide for the complete transformation of Moldavian practice from pre-existing mandatory standards into a system based on technical regulations and appropriate voluntary standards.	<u>RGL par. 121</u>	It has been elaborated and approved the National Program on elaborating technical regulations for the 2003-2008 period.	GD nr.873 from 07.30.2004
	The creation of an inquiry point that will be legally and administratively responsible for all relevant notification procedures required by the WTO		This commitment is not respected; a WTO TBT center that would provide	The inquiry point had been created within the National Center for Standardization and

	Description of the WTO commitment	RGL Reference	The commitment implementation stage	References to legislation, recommendations
	TBT Agreement		free access to information exists only on paper. De jure, the Law 420/2006 has passed the responsibilities of the national body for standardization to the Ministry of the Economy, which is impossible to implement in real life.	would answer inquiries from WTO members and interested parties, and to provide relevant documents on technical regulations, Moldavian standards and conformity assessment procedures Currently, according to the new Law 420/2006 on the technical regulation: The Central Body responsible for the cooperation with WTO (Ministry of Economy and Trade) ensures the functioning of the above-mentioned inquiry point in the paragraph (1) of the current article. It is necessary, as soon as possible, to clarify the status of the TBT inquiry point and to ensure its functioning according with the TBT Agreement.
	Starting with January, 1 st , 2003 the application of all national standards would become voluntary. At the end of this period, the national standard will remain mandatory only if a reference in a Technical Regulation is provided, that will be enacted by a public authority in accordance with legitimate objectives, such as national security, preventing of misuse practices, protection of the health and life of physical persons, of the health and life of animals, plants protection, environment protection.	<u>RGL par. 123</u>	This period has been extended for an unlimited time. The legitimate WTO objectives have not been established in the legislation in accordance with whom a Technical Regulations could be elaborated. This is a very important thing in the process of implementing the WTO Agreement. The process of elaboration of the Technical Regulations does not consider the general rules of WTO to determine whether the technical regulation creates useless obstacles for trade.	Even at the end of 2001, the Law on standardization, art. 13 stated that “the application of the national standard is voluntary. And at the same time, the application of a national standard can be compulsory only if a public authority enacts a technical regulation.” <i>Currently, these provisions have the following text: __</i> (LP421-XVI din 22.12.06, MO36-38/16.03.07 art.143] The application of the national standards, excepting the situations described in paragraph (3) and (5) from the present article, is voluntary. (3) The application of the national standard, totally or partially, can become compulsory, if a technical regulation is enacted that directly, with or without mentioning its date, refers to this standard, in the situation when the from the point of view of the public order or the protection of consumers’ interests this measure is necessary.

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	The Government of the Republic of Moldova confirmed that Moldova will implement the WTO TBT Agreement from the moment of its accession, without postponing it to other transition period.	<u>RGL par. 123</u>	There have been big implementation efforts, but we cannot affirm that the TBT Agreement is being actively implemented, and that the post-accession efforts have been capitalized on (personnel training, creation and functioning of the TBT inquiry point, launching the elaboration of technical regulations).	<p><i>For example:</i> <i>The provisions of the Law 590/1995 on standardization, art. 13 (6) and (7) concerning:</i></p> <p>(6) The necessity of applying the national standards for the manufactured goods and the offered services on the territory of the Republic of Moldova for the export it is established in the shipment contract, excepting the situations described by the national legislation.</p> <p>(7) The import of goods in the Republic of Moldova, as well as the confirmation of their compliance with the provisions of the technical regulations and the national standards, is done in the way established by the national legislation.</p> <p><i>Or</i> <i>Art.26 of the Law 186/2003 on the conformity valuation</i></p> <p>(2) The import of goods is done on the basis of the shipment contracts, with the compulsory indications of the normative documents for the respective goods or the essential requirements for the quality and harmlessness of goods.</p> <p><u>They can be considered real trade barriers both for export and import, because they are unclear, vague, impossible to interpret, and cannot be considered as compliant to TBT Agreement.</u></p>
	Sanitary and phytosanitary measures			
	- Establishment of an inquiry point, within the Ministry of Health and Ministry of Agriculture and Processing Industry, responsible for answering questions of WTO members, and to supply appropriate documents and phytosanitary regulations adopted or proposed in Moldova.	<u>RGL par. 133</u>	The commitment is not respected; such points do not function in the mentioned institutions.	Elaboration of List of the Agreements of the mutually recognized hygiene certificates issued by the competent authorities and by the companies, placing them on the webpage and in the database of the TBT/SPS inquiry point.
	- Identification of the responsible institution for determining risk and the	<u>RGL par.</u>	In Moldova there are many public	

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	<p>corresponding level of the phytosanitary protection; introduction of new standards, animal health regulations and food safety regulations in conformity with SPS Agreement principles</p> <ul style="list-style-type: none"> - identification of the authority responsible for making notifications to the WTO and ensuring transparency obligations are met on an ongoing basis, including the publication of proposed measures at an early stage for comment, allowing a reasonable period of time for comment from members and the public and establishment of a process to take comments into account without discrimination - governing animal and plant health and food safety based on scientific evidence; following up international standards, guidelines, and recommendations in establishing SPS measures. - Moldova would accede to the Convention on Plant Protection and implement the new revised text of the Convention, as approved by resolution 12/97 of the twenty-ninth session of the FAO Conference in November 1997 by the end of the year 2000. 	<u>133</u>	<p>institutions active in this field. It is necessary a clear selection of the institution responsible for the coordination and insurance of the application of the WTO commitments in this field.</p> <p>Moldova has acceded to the Convention on Plant Protection, it is necessary to ensure the corresponding resources for implementing this Convention.</p>	<p><i>The recommendations in this field can be found in the previous chapter.</i></p> <p><i>Law Nr. 926 from 04.13.2000</i> <i>On the accession of the Republic of Moldova to the International Convention on Plant Protection.</i></p>
	<ul style="list-style-type: none"> - Moldova would ensure the implementation of the SPS Agreement prior to accession and would apply internal legislation in conformity with the provisions of the WTO Agreement on SPS. In the elaboration of any legislation concerning such measures Moldova would ensure their full conformity with the relevant WTO provisions. 	<u>RGL par. 134</u>	The commitment is not integrally respected.	See the proposals from the recommendations summary.
	<ul style="list-style-type: none"> - At the time of its accession, Moldova had no trade-related investment measures of the kind covered by the WTO Trade Related Investment Measures Agreement (TRIMS Agreement). The Government of Moldova would ensure that any trade related investment measures introduced in the future would be fully in conformity with the requirements of the WTO Agreement on TRIMS. 	<u>RGL par. 135</u>	The commitment is respected; there were no deviations from the TRIMS Agreement.	It is recommended to refer to the Law on investments about respecting the WTO commitments, and the existent WTO TRIMS Agreement, whose member is also Moldova.
	<ul style="list-style-type: none"> - The Government of the republic of Moldova stated that if Moldova were to introduce State trading it would ensure that all relevant laws and regulations were in conformity with the requirements of Article XVII of the GATT 1994 (state trading enterprises) and the Understanding on Interpretation of Article XVII of the GATT 1994, including those provisions requiring the application of "commercial considerations" in the sale and purchase of State traded commodities. 	<u>RGL par. 140</u>	There have been no deviations in this field.	

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Free economic zones			
<ul style="list-style-type: none"> - Moldova confirmed that the free zones established within its territory would be fully subject to the coverage of Moldova's commitments taken in its Protocol of Accession to the WTO Agreement, and that Moldova would ensure enforcement of its WTO obligations in those free zones. - Goods produced in the free zones under tax and tariff provisions that exempted imports and imported inputs from tariffs and certain taxes would be subject to normal customs formalities when entering the rest of Moldova. 	<u>RGL par. 144</u>	The commitment is respected, the requirements are implemented in the customs legislation, there have been no deviation from it up till now.	After the accession of the Republic of Moldova to the WTO new free economic zones have been created, it is necessary to notify WTO about their existence.
Government procurement			
<ul style="list-style-type: none"> - Moldova became an observer to the Agreement on Government Procurement in 2000, immediately after accession, negotiations for membership in the Agreement - If the results of the negotiations were satisfactory to the interests of Moldova and the other members of the Agreement, Moldova would complete negotiations for membership in the Agreement in one year after date of accession. 	<u>RGL par. 149</u>	<i>The commitment was partially fulfilled.</i> Moldova became a member of the Agreement, but negotiations did not start. Currently the offer and the necessary documents for obtaining the negotiation mandate are being prepared.	It is recommended to boost the negotiation process and presenting the offer as soon as possible..
Trade in civil aircraft			
<ul style="list-style-type: none"> - Government would initiate negotiations for membership in the Agreement on Trade in Civil Aircraft immediately after accession to the WTO 	<u>RGL par. 152</u>	<i>The commitment has not been fulfilled. The negotiations for accession in this field did not started yet.</i>	It is recommended the elaboration of the draft Law on the accession to this Agreement.
The Government of the Republic of Moldova confirmed that the Schedule of Concessions on Goods that is reproduced in Part I of the Annex to the Protocol of Accession establishes duty free treatment for products used in civil aircraft.	<u>RGL par. 152</u>		
Transit			
<ul style="list-style-type: none"> - At the moment of accession, Moldova declared that the transit of commodities through the territory of Moldova was free from the levy of fees and customs duties - In relation to VAT and excise tax, Moldova granted freedom of transit through its territory to the trade of WTO members as prescribed by Article V of the GATT. 	<u>RGL par. 153</u>	It is difficult to estimate whether the commitment I respected, because: 1. Different sources stipulate different taxes: a) For transit are applied customs fees and other import/export rights described in paragraph (2) art. 49 of the Customs Code of the Republic of Moldova; b) revenues from the transit tax collected from the transporters equal to the amount established through the budget law for	a) OSV 288/2005 - on the approbation of methodological norms on the application of the transit system on the territory of the Republic of Moldova. b) GD Nr. 15 from 01.15.2003 on ensuring the transit regime for the transport of merchandise, stipulates in paragraph 5 - charges from the transporters a transit fee equal to the amount established by the budget law for the respective year. c) The Law on customs tariff annex 2.

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			<p>that specific year; c) for transit there are fees for customs procedures</p> <p>2. For transported merchandise with the roadsteads there is also an insurance that should ensure the collection of the customs fees and other import/export rights, in the situation when the transit operation is not in accordance with the current regulations.</p> <p>3. The merchandise or the means of transportation that circulate in transit are subject to customs seals.</p>	<p>It is recommended to redact the normative legislation on the application of customs fees and other import rights on the transit of merchandise. There are gaps, including wrong references to the Customs Code (art. 49 does not contain stipulations to the import taxes related to the transit of merchandise</p>
	TRIPS			
	<p>The Government of the Republic of Moldova has declared that Moldova has an intention to become in future a member of the following Agreements::</p> <ul style="list-style-type: none"> i) Madrid Agreement for the Repression of False or Deceptive Indications of Sources on Goods; ii) Lisbon Agreement for the Protection of Appellations of Origin and their International Registration; iii) New Act of the Hague Agreement concerning international registration of designs and industrial models; iv) Patent Law Treaty (PLT). 	<u>RGL par. 165</u>	<p>The commitment is partially fulfilled.</p> <p>iii) The parliament Decision Nr. 548 from 10.12.2001 on the draft Law on ratifying the Geneva Agreement of the Hague Commitment concerning international registration of designs and industrial models.</p>	<ul style="list-style-type: none"> - Law Nr. 1330/ 10.27.2000 for the accession of the Republic of Moldova to the Madrid Agreement for the Repression of False or Deceptive Indications of Sources of Goods. - Law Nr. 1328 from 10.27.2000 concerning the accession of the Republic of Moldova to the Lisbon Agreement for the Protection of Appellations of Origin and their International Registration. - Law Nr. 433/ 10.27.2001 for ratifying the Patent law Treaty (PLT). <p><u>Recommendations:</u> Adopting the draft law on ratifying the Geneva Agreement of the Hague Commitment concerning international registration of designs and industrial models.</p>
	<p>The Government of the Republic of Moldova confirmed that Moldova would comply with all the provisions of the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPs) from the date of accession to the WTO without recourse to any transitional period.</p>	<u>RGL par. 165</u>	<p>The commitment is respected as far as the implementation of the TRIPs provisions in the national legislation. Of course, it is a very complex field and much more developed institutional capacities are needed for its successful implementation.</p>	

	Description of the WTO commitment	RGL Reference	The commitment implementation stage	References to legislation, recommendations
	The Government of the Republic of Moldova has confirmed that it would, within 6 months after accession, submit notifications and copies of its Free Trade Area and Customs Union Agreements to the Committee on Regional Trade Agreements..	<u>RGL par. 231</u>	The commitment has been fulfilled, the respective notifications have been sent to the WTO Secretariat.	It is recommended to notify the CEFTA Agreement to the WTO Secretariat.
	information center that would be established at the Ministry of Economy and Reforms could serve as a central GATS inquiry point The Government of the Republic of Moldova undertook a commitment to create an information point that would be established at the Ministry of Economy and Reforms that could serve as a central GATS inquiry point. Other similar inquiry points would be established in other governmental institutions, such as the Ministry of Finance, National Bank, Ministry of Transport and Communications, thus ensuring compliance with paragraphs 3 and 4 of Article III of GATS. In addition the representative of Moldova confirmed that it would undertake all necessary measures to ensure full application of other transparency requirements of the GATS, including GATS Article III.	<u>RGL par. 234</u>	The commitment is not fulfilled. Such information points as defined by GATS Agreement do not function and basically the requests for transparency stipulated by GATS are not respected.	The creation of a GATS Informational Point through a GD, including its regulation of activity, and offering the necessary resources from the state budget or attracting technical assistance for a normal functioning.
	Any regulations subsequently enacted by Moldova that gave effect to the laws enacted to implement any Agreement constituting part of the WTO Agreement would also conform to the requirements of that Agreement.		The commitment is not respected in all situations.	It is recommended to implement these requests in the legislation through a draft law on the way of implementing the WTO provisions.
	Moldova has presented a complex document WT/ACC/SPEC/MOL/6/Rev.1, which contains the list of notifications required by the WTO Agreements on the information about deadlines for all notifications required upon accession and immediately after accession.	<u>RGL par. 235</u>	The commitment is not integrally respected; the notifications are done only periodically for all agreements, if measures are not applied in the respective field.	It is recommended to evaluate the implementation of this commitment, and sending immediately of all the due notifications.