

LORD BRETT



Minister in the Government Whips Office
Government Spokesperson for the Foreign Office

The Lord Hylton
House of Lords
London
SW1A 0PW

11 March 2010

Dear Lord Hylton

European Union (Definition of Treaties) (Stabilisation and Association Agreement) (Bosnia and Herzegovina) Order 2010

During the motion to approve the Stabilisation and Association Agreement (SAA) on 03 March you asked, and I quote from Hansard:

My Lords, I have two questions concerning the order. First, how soon will the asymmetrical trade preferences come into force? Secondly, what will be the length of the transitional period for the free trade area? I raise these points because the Bosnians need to have tangible benefits as they move towards EU membership. **(3 Mar 2010 : Column 1452)**

In answer to your first question, Bosnia and Herzegovina started to receive the benefits of trade liberalisation following the Interim Agreement with the European Union entering into force 1st July 2008.

The liberalisation schedules vary accordingly depending on the type of goods, such as agricultural, processed agricultural goods, and industrial goods for example. The longest period is for industrial goods with the period for tariff on those goods exported from the EU, expiring 01 January 2013 as contained in Annex 1(c) of the Interim Agreement.



In regards to the length of the transitional period for the free trade area, this is contained in Article 3 of the Interim Agreement (SAA Article 18) as follows:

“The Community and Bosnia and Herzegovina shall gradually establish a free trade area over a period lasting a maximum of five years starting from the entry into force of the Agreement in accordance with the provisions of the Agreement and in conformity with those of the GATT 1994 and the WTO”.

I will place a copy of this letter in the House of Lords Library.

Yours ever

Bill

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