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CROATIA'S NEIGHBOURS ISSUE ULTIMATUM OVER IMPORT FEES

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Four Balkan countries have threatened to relatiate with counter-measures if Croatia does not revoke its decision within a week to raise fees on imports of fruit and vegetables.

Serbia, Bosnia and Herzegovina, Macedonia and Montenegro issued an ultimatum to Croatia on Monday, demanding that it revokes its decision to raise fees on imports of fruit and vegetables in one week, or face counter-measures.

"Our aim is not to fight a trade war. We do not want to start a cycle of measures and countermeasures, but our hand will be forced if the issue is not resolved at the next meeting, which should be held by the end of this week," said Serbias Trade Minister Rasim Ljajic.

If the situation is not resolved, each country will determine the nature of its own countermeasures, ministers from Serbia, Bosnia and Herzegovina, Macedonia and Montenegro told media after meeting in Sarajevo.

Bosnian Minister of Foreign Trade Mirko Sarovic told the press that he spoke with Croatias Agriculture Minister Tomislav Tolusic after the meeting, and that Tolusic agreed to meet the other countries ministers in the coming days.

"These measures are unacceptable. We will not tolerate them and we will certainly take appropriate action," Sarovic said.

Montenegrin Economy Minister Dragica Sekulic said that she believes Croatia will revoke the decision to raise the fees at the ministers next meeting, which is to be held in Podgorica.

Macedonias Agriculture Minister Ljupco Nikolovski said that Croatia is violating the Stability and Association Agreement that regional countries have signed with the EU, as well as the principles of the World trade Organisation.

Croatia last week expanded the list of fruits and vegetables from non-EU countries that must undergo phytosanitary checks at the border and has set new fees for exporters that are 22 times more expensive than the previous ones.

According to the new tax rates, a certificate of compliance with Croatian market standards will now cost 270 euros instead of 12 euros.

Albania, Bosnia and Herzegovina, Kosovo, Macedonia, Montenegro and Serbia sent a joint letter to the European Commission last week, complaining about Croatia's imposition of so-called non-tariff barriers.

The European Commission still has not answered the complaint, but Serbias Ljajic said that he has information that Brussels considers this a breach of the Stabilisation and Association Agreement on Croatias part.

Croatian Agriculture Minister Tomislav Tolusic said on Sunday that the higher tariffs have been imposed on a total of 168 countries, and are not meant to hurt regional neighbours economies.

"I expect that we will have a meeting with the ministers from neighbouring countries in a week or two and see what the problem is," Tolusic told media.

http://www.balkaninsight.com/en/article/regional-countries-issue-ultimatum-over-croatia-s-tax-hike-08-07-2017

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