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EU-GEORGIA TRADE

industrial products explained

Factsheet on Deep and Comprehensive Free Trade Area (DCFTA)

The EU and Georgia have agreed a reform plan to tackle so called “technical barriers to trade” (TBTs). TBTs affect industrial products whenever two countries apply different rules, for example on product safety or labelling.

The EU and Georgia decided to work together to apply the same approach when regulating selected products or sectors. They agreed to base their approach on European rules.

ARE RULES REALLY NECESSARY?



Differences in rules are costly for business and consumers. But not having rules at all costs even more. Unregulated products may be dangerous, pose a risk to health or life, or harm the environment. Imagine if toys, household appliances, machinery or building materials did not have to meet certain standards.

The DCFTA reform will remove differences in rules for selected products/sectors. At the end of the process, such rules in Georgia will be similar to those in the EU. This will boost trade. It will upgrade, step by step, the quality of goods made in Georgia and make them more attractive for export. It will also improve safety of products (including imported ones), reduce environmental damage and cut the risk of accidents for all users.

WHAT EXACTLY IS THE REFORM PLAN? WHICH PRODUCTS ARE COVERED?

- ✓ Georgia carefully examined all the relevant EU rules on product regulations and technical requirements and then selected the ones it agreed to apply in Georgia. Georgia chose them on the basis of its domestic production, the potential to increase exports and the need to improve consumer safety.
- ✓ Under the DCFTA Georgia will implement 21 EU regulations. The products to be regulated include toys, medical devices, building materials, lifts, cable cars, electrical equipment and explosive materials.
- ✓ These regulations are not prescriptive. Instead, they describe functions or characteristics that a product must meet so that they are safe for the consumer and the environment. It is up to the producer to choose how to meet the requirements on the basis of available standards.
- ✓ In the EU, producers use international (ISO) or European standards. They are recognised worldwide as a symbol of quality.
- ✓ The reforms are spread over eight years, depending on the product/sector. European experts will help Georgia in this process. The EU and Georgia will discuss progress and concerns regularly.

Did you know that...

... Producers can comply with the law by choosing one of the many voluntary standards for their product.

...Once the reforms are completed, the EU and Georgia might conclude a special agreement to allow specific products to be traded freely between the EU and Georgia in the same way as happens now between EU countries.



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WHAT DOES THE GEORGIAN PRODUCER/IMPORTER HAVE TO DO?



Rules are specific for each product. Producers/importers will have to ensure that products they sell comply with the new rules, once they start to apply.

In Georgia, some producers might need to change the way they make things. Some importers will have to check the safety of products they sell in Georgia.



Check if your product will be covered by the reform. If so, check the timing.



Be aware that the Georgian Ministry of Economy and Sustainable Development is coordinating the reform process. It works closely with agencies (GEOSTM, GAC and Technical and Construction Supervision Agency).



Be proactive and ask questions to prepare yourself.

More on the topic...

- Read **Articles 44-49** (Chapter 3 of Title IV) of the Association Agreement/DCFTA to know exactly what Georgia and the EU agreed on industrial products. Check also **Annex III-A and III-B** to see which products/sectors are covered and when the reforms are to be effective.
- To understand more about the way the EU regulates products, check out the [European Commission website](#).
- You can find the Association Agreement on the website of the EU Delegation to Georgia http://eeas.europa.eu/delegations/georgia/index_en.htm (in English) or of the Georgian Ministry of Foreign Affairs <http://www.mfa.gov.ge> (in Georgian).
- Exporters to the EU can check out the requirements on the [Export Helpdesk website](#).
- For any further questions, contact us: Delegation-Georgia@eeas.europa.eu.

Did you know that...

...ISO standards are developed by the International Standards Organisation. In the EU, CEN and CENELEC are organisations that develop standards.

..In Georgia, the EU is helping three agencies with reforms: GEOSTM, the Georgian Accreditation Centre (GAC) and the Technical and Constructions Supervision Agency. These institutions implement the reforms, notably oversee accreditation activities, check if hazardous products are being sold, adopt relevant standards, and inform business.