



The European Union Trade Policy 2013

European Commission
Trade

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1. Today's Context

- Globalisation
 - Including fragmentation of value chains
- Emergence of new economic powerhouses
 - China, India, Brazil
- Economic downturn
 - Trade is part of the solution

2. The EU in World Trade

EU 28 remains a trading power...

15 % of world trade (in goods) in 2012



*Largest
importer*



€ 1,794 bn (2012)

*First
exporter*



€1,686 bn (2012)



EU-27 received €241.7 bn in FDI 2011

(ranking 1st before US €163 bn)

The EU28 in world trade

10 major EU28 **export** partners (2012)

Rank.	EU Exports to	M euro	% world
	Extra EU-28	1,686,421	
1	USA	292.461	17,3
2	China	143.872	8,5
3	Switzerland	133.369	7,9
4	Russia	123.358	7,3
5	Turkey	75.286	4,5
6	Japan	55.528	3,3
7	Norway	49.855	3,0
8	Brazil	39.649	2,4
9	India	38.488	2,3
10	South Korea	37.764	2,2

The EU28 in world trade

10 major EU28 **import** partners (2012)

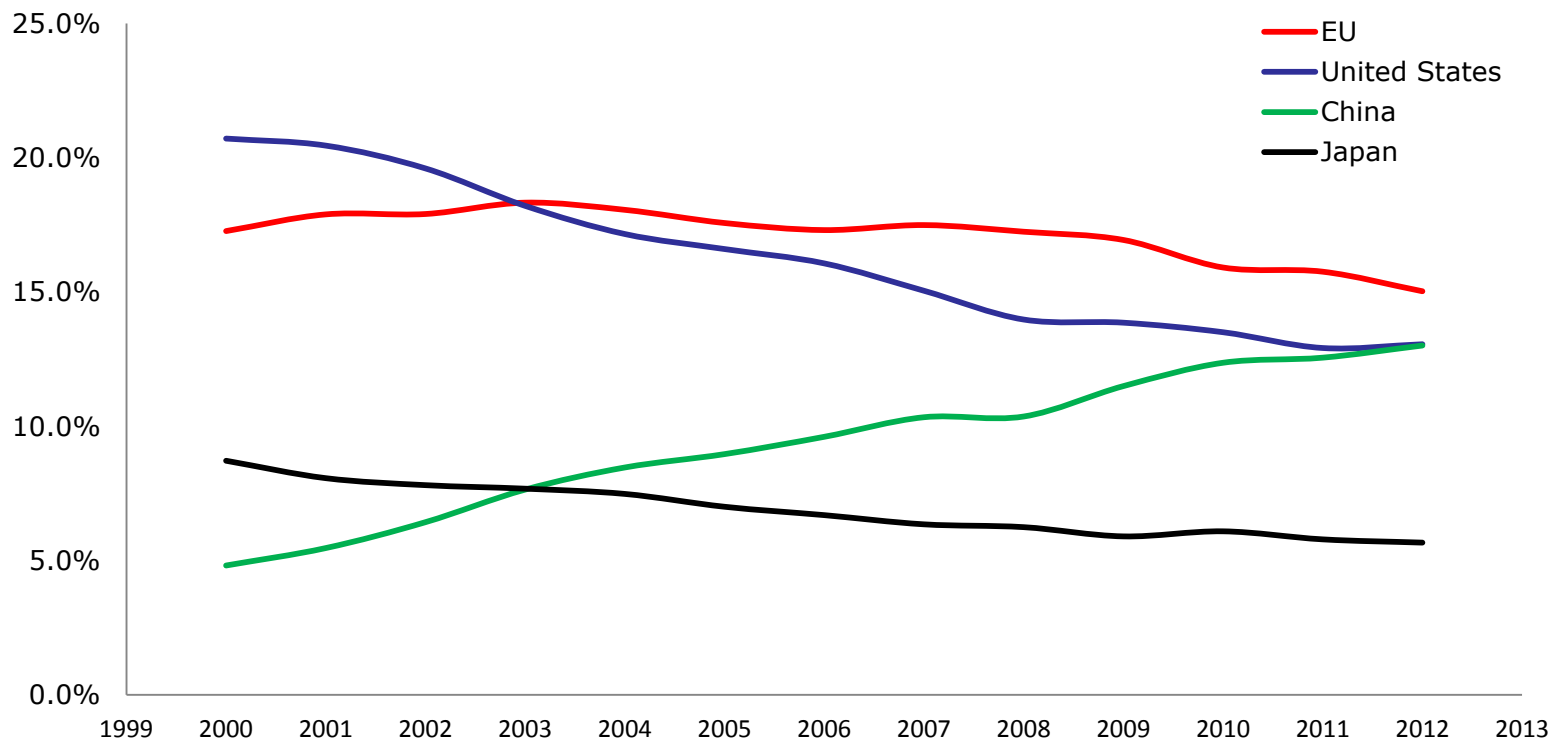
Rank.	EU Imports from	M euro	% world
	Extra EU-28	1.793.999	
1	China	291.105	16,2
2	Russia	214.186	11,9
3	USA	205.762	11,5
4	Switzerland	104.928	5,8
5	Norway	100.799	5,6
6	Japan	64.477	3,6
7	Turkey	48.095	2,7
8	South Korea	37.958	2,1
9	India	37.463	2,1
10	Brazil	37.414	2,1



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The EU in world trade

Share of EU27*, USA, Japan and China in World Trade in Goods (%)



* Excluding intra EU Trade

Sources: WTO, Eurostat (Comext)

Investment going **into** and **from** the EU

2011 World investment
into EU € **242bn** (27.6 %)



2011 EU investment into
world € **365bn** (33.2 %)



Total World investment
into EU € **3.807bn** (35.6%)



Total EU investment into
world € **4.983bn** (43.5%)



EU's investments in the world

Rank	Country	M euro
1	USA	123.524
2	Offshore financial centres	41.339
3	EFTA	29,794
4	Canada	29.257
5	Brazil	28.399
6	China + Hong Kong	25.426

Sources: Eurostat, converted from US\$ / 2011

3. EU Trade and Investment Policy

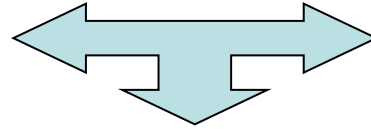
EU Trade and Investment Policy

Basic features

Being the leading trade region

Strong interest in:

- Open markets
- Clear regulatory frameworks



Responsibility towards:

- EU citizens
- Rest of the World

Need to reinforce EU
competitiveness on world
markets

Reaching beyond the borders...

- **Trade is no longer just about tariffs...**
 - Standards
 - Licensing practices
 - Domestic taxes
 - Investment

- **Trade is not just about trade...**
 - Environment
 - Human Rights
 - Labour Rights



Trade Policy Agenda

Trade, Growth and World Affairs

- **Pursue active negotiating agenda**
 - Multilateral Trade Agreements
 - Bilateral Trade Agreements
- **Deepen relations with strategic partners**
 - China, Russia, Brazil
- **Enforce EU rights, tackling trade barriers**

Investment policy

- **EU exclusive competence** (Lisbon Treaty)
- **Communication "Towards a comprehensive European investment policy"** (2010)
 - Investment protection within negotiations:
 - . On-going: Canada, India, Japan, Morocco, Singapore, USA
 - . Possible: Tunisia, Egypt, Jordan
 - Standalone investment agreement with China
 - Legal certainty and transparency



EU Trade and Investment Policy

Three strands

Dimensions of trade and Investment policy

- Multilateral
- Bilateral
- Unilateral

EU Trade and Investment Policy

How we negotiate

Civil Society and Public Consultations

The Commission negotiates

- On behalf of the 28 Member States
- Regular reporting to the Council and the European Parliament

The Council co-decides

- Directives for negotiations
- Follows the negotiation process
- Council approve the results of the negotiation (generally by qualified majority)

The Parliament co-decides

- EP co-decides with the Council on trade legislations (except negotiating directives)
- EP gives consent on agreements

4. Multilateral Dimension

The Doha Development Round

- **Context**

- Launched in 2001
- Broad coverage
- 2013 window of opportunity (Bali, trade facilitation)?

- **Big questions**

- Where are we today?
- Will this make a difference for development?
- Will this be a good deal?
- Will we get there in the end?

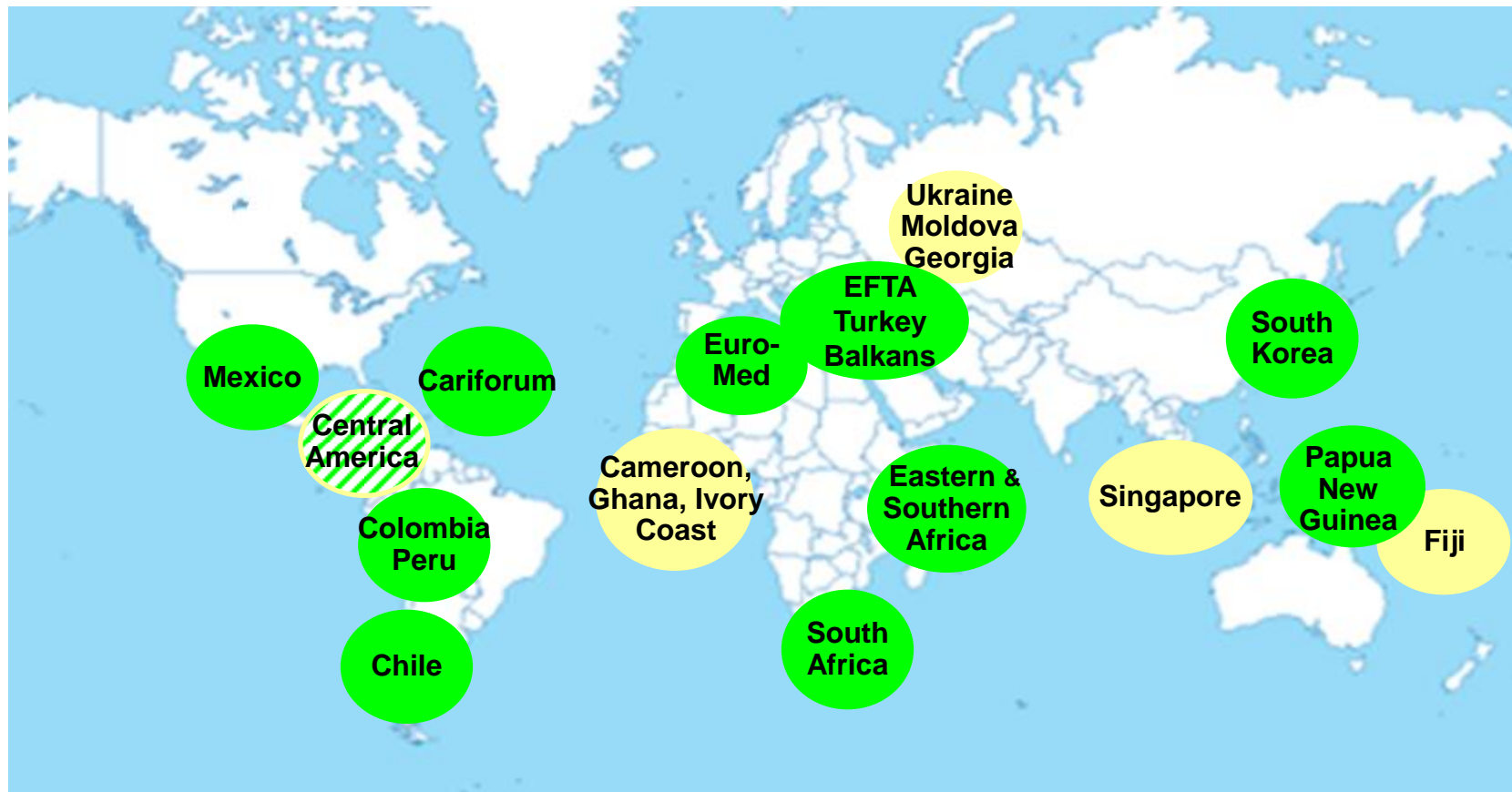
5. Bilateral Agreements

Bilateral relations (FTAs)

Context

- Globally more than 200 FTAs
- Covering more than 35% of global trade
- FTAs top up what can be done in WTO
- 'Extended' regionalism

Bilateral agreements – State of play



 Agreements in force

 Negotiations concluded

Bilateral agreements – the way ahead



 Negotiations ongoing

 Negotiations under consideration

FTA partners and trade in goods

Country / Region	Imports	Exports	Trade	% EU28 Trade
USA	205.8	292.5	498.2	14.3
China	291.1	143.9	435.0	12.5
EFTA	209.5	186.3	395.8	11.4
Russia	214.2	123.4	337.5	9.7
ASEAN	100.3	81.4	181.7	5.2
MEDA (excl EU and Turkey)	73.1	93.2	166.7	4.8
GCC	61.2	83.6	144.9	4.2
ACP (excl South Africa)	78.8	61.2	140.0	4.0
Turkey	48.1	75.3	123.4	3.5
Japan	64.5	55.5	120.0	3.4
India	37.5	38.5	76.0	2.2
South Korea	38.0	37.8	75.7	2.2
Canada	30.3	31.3	61.6	1.8
Australia	14.5	33.9	48.4	1.4
Mexico	19.5	28.0	47.4	1.4
South Africa	20.5	25.6	46.1	1.3
Hong Kong	10.5	33.7	44.2	1.3
Ukraine	14.6	23.8	38.4	1.1
Taiwan	22.6	15.8	38.4	1.1
Andean Community	17.8	11.7	29.5	0.8
Central America 6	9.6	5.4	15.0	0.4
Other Countries	211.8	204.8	416.6	12.0
Extra EU28	1,794.0	1,686.4	3480.4	100.0

Grey	Concluded or under negotiations
White	No preferential trade agreement

In Bn € / 2012

Example: EU-South Korea Free Trade agreement

- ✓ **€1.6bn** in customs duties saved per year
- ✓ Creates **new trade opportunities**
(between €30bn and €50bn, up 80%)
- ✓ Access for **service suppliers**
- ✓ Tackling **non-tariff barriers**
- ✓ Better access to **government procurement**
- ✓ Protection of **intellectual property**
- ✓ Strong **competition** rules
- ✓ Commitment to **sustainable development**



6. Unilateral Dimension

Unilateral dimension

- **Generalised Scheme of Preferences (GSP)**
 - Standard GSP
 - Everything But Arms (EBA)
 - GSP+
- **Trade Defence Instruments**
 - Anti-dumping
 - Anti-subsidy
 - Safeguard measures

7. Enforcement

Removing trade barriers for EU exporters

Market Access Strategy

- New opportunities for EU exporters
- Market Access Partnership:
 - cooperation: Commission - Member States - businesses
 - local expertise make trade barriers easier to identify/address

Removing trade barriers for EU exporters

Market Access Strategy

- Market Access Partnership (Commission-Member States-Businesses)
- Market Access teams created
- Market Access Database (MADB) to record barriers under examination in EU trading partners

How to export **from** the EU

Market Access Database

- Applied Tariffs
- Statistical Database
- Non-tariff barriers
- Sanitary and Phytosanitary Database
- Exporters' Guide to Import Formalities
- Studies



The screenshot shows the Market Access Database (MADB) website interface. At the top, there is a blue header with the text "Market Access Database" and a breadcrumb trail "Trade > Market Access database". Below the header, the main heading is "Exporting from the EU - what you need to know". A sub-heading reads: "The Market Access Database (MADB) gives information to companies exporting from the EU about import conditions in third country markets:". There are several menu items listed in a grid:

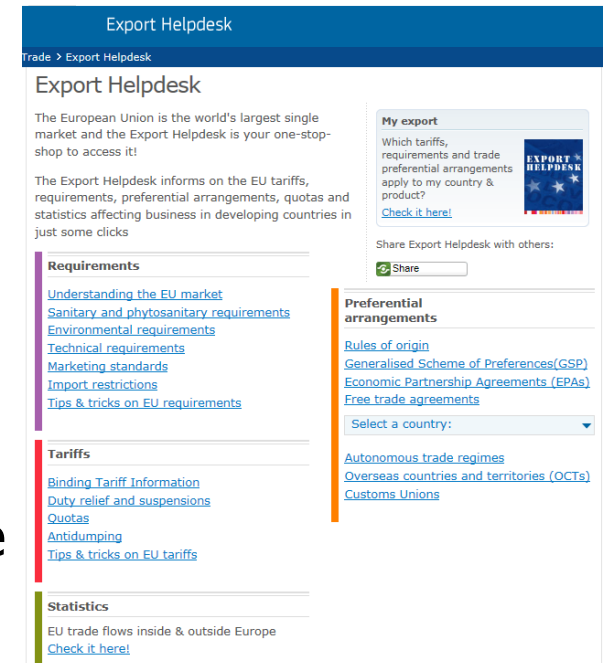
- Tariffs**: Duties & taxes on imports of products into specific countries. A yellow callout box next to it says "Help us counter trade barriers ▾".
- Procedures and Formalities**: Procedures & documents required for customs clearance in the partner country.
- Statistics**: Trade flows in goods between EU and non-EU countries.
- Trade barriers**: Main barriers affecting your exports.
- SPS: Sanitary and Phytosanitary Issues**: Food safety/animal health/plant health measures.
- Rules of Origin**: Preferential agreements & rules of origin.

On the right side, there is a section titled "Importing into the EU?" with sub-links for "EU Tariffs", "EU import tariffs", "Export Helpdesk", and "Special conditions for developing countries". At the bottom right, there is a logo for "madb" featuring a globe.

How to export **into** the EU

Export Helpdesk

- Public and free
- Database on trade in goods
- Tariffs, trade agreements, statistics
- In English, French, Spanish, Portuguese



The screenshot shows the 'Export Helpdesk' website interface. At the top, there is a blue header with the text 'Export Helpdesk' and a breadcrumb trail 'Trade > Export Helpdesk'. Below the header, the main content area is titled 'Export Helpdesk' and contains introductory text: 'The European Union is the world's largest single market and the Export Helpdesk is your one-stop-shop to access it!' and 'The Export Helpdesk informs on the EU tariffs, requirements, preferential arrangements, quotas and statistics affecting business in developing countries in just some clicks'. To the right of the main text is a 'My export' section with a question: 'Which tariffs, requirements and trade preferential arrangements apply to my country & product?' and a 'Check it here!' link. Below this is a 'Share Export Helpdesk with others:' section with a 'Share' button. The main content area is divided into three sections: 'Requirements', 'Tariffs', and 'Statistics'. The 'Requirements' section lists links for 'Understanding the EU market', 'Sanitary and phytosanitary requirements', 'Environmental requirements', 'Technical requirements', 'Marketing standards', 'Import restrictions', and 'Tips & tricks on EU requirements'. The 'Tariffs' section lists links for 'Binding Tariff Information', 'Duty relief and suspensions', 'Quotas', 'Antidumping', and 'Tips & tricks on EU tariffs'. The 'Statistics' section contains the text 'EU trade flows inside & outside Europe' and a 'Check it here!' link. On the right side of the page, there is a 'Preferential arrangements' section with links for 'Rules of origin', 'Generalised Scheme of Preferences (GSP)', 'Economic Partnership Agreements (EPAs)', 'Free trade agreements', 'Autonomous trade regimes', 'Overseas countries and territories (OCTs)', and 'Customs Unions'. A 'Select a country:' dropdown menu is also visible.

More

- EU Trade website: <http://ec.europa.eu/trade/>
- Twitter EU Trade: https://twitter.com/Trade_EU
- EU Trade Commissioner: http://ec.europa.eu/commission_2010-2014/degucht/
- Twitter EU Trade Spokesperson: <http://twitter.com/EUJohnClancy>
- EU Trade Newsletters: <http://trade.ec.europa.eu/eutn/register.htm>
- How to export **from** the EU: <http://madb.europa.eu/madb/indexPubli.htm>
- How to export **into** the EU: www.exporthelp.europa.eu