



# 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 1<sup>st</sup> before US €163 bn)*

# The EU28 in world trade

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

Rank.	EU Exports to	M euro	% world
	<b>Extra EU-28</b>	<b>1,686,421</b>	
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)

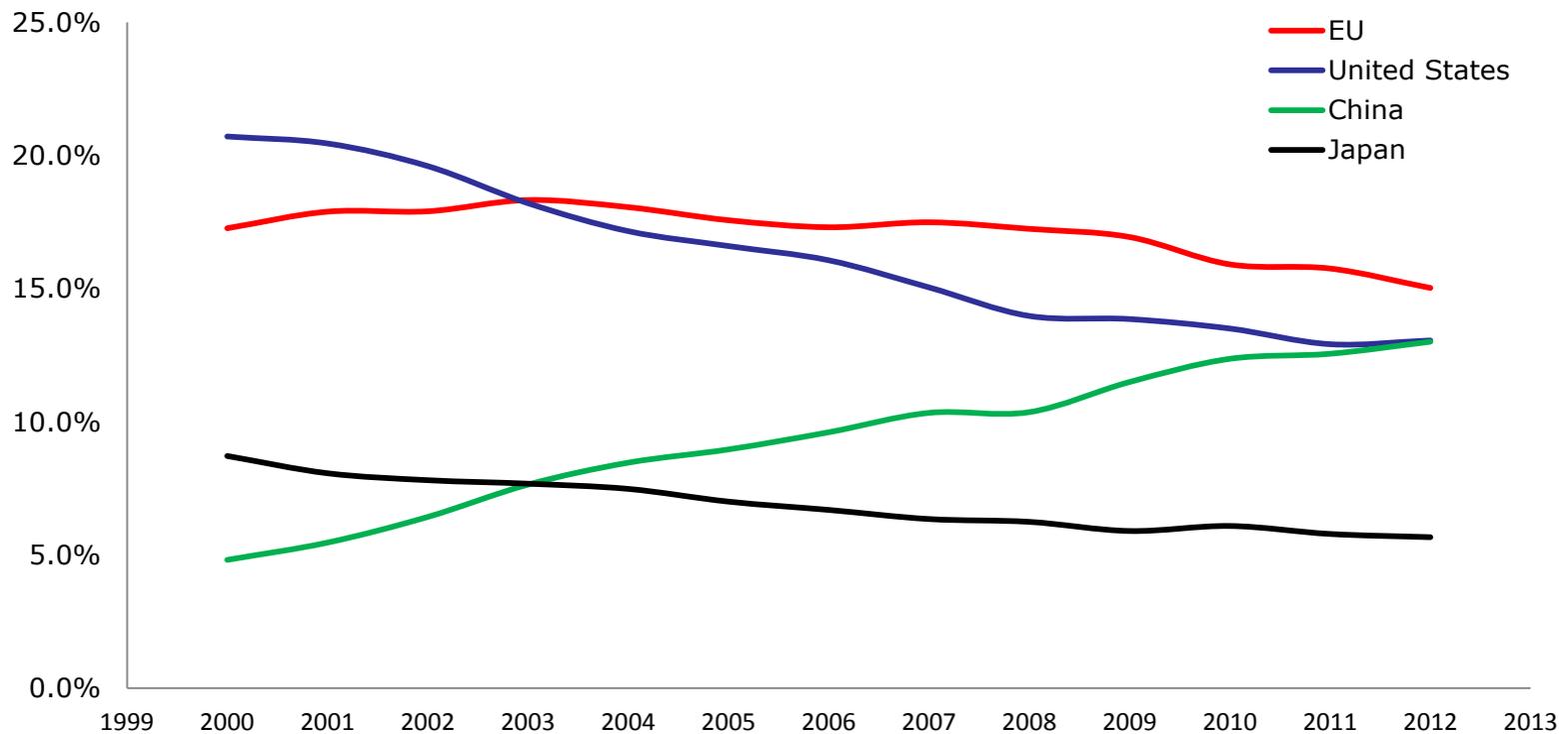
Rank.	EU Imports from	M euro	% world
	<b>Extra EU-28</b>	<b>1.793.999</b>	
1	China	291.105	16,2
2	Russia	214.186	11,9
3	USA	205.762	11,5
4	Switzerland	104.928	5,8
5	Norway	100.799	5,6
6	Japan	64.477	3,6
7	Turkey	48.095	2,7
8	South Korea	37.958	2,1
9	India	37.463	2,1
10	Brazil	37.414	2,1



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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

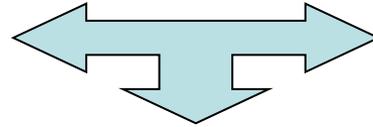
# EU Trade and Investment Policy

## 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?



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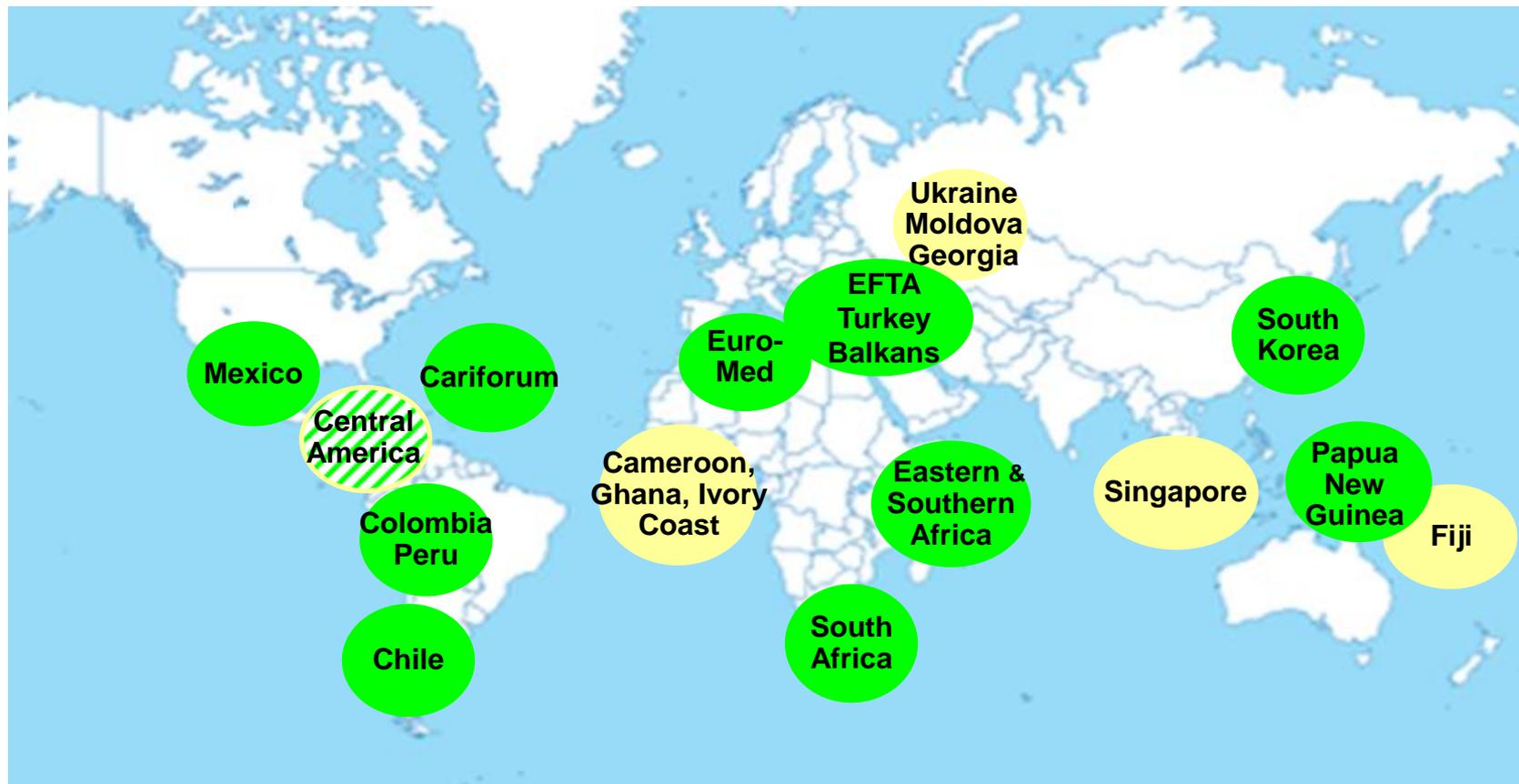
# 5. Bilateral Agreements

# 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

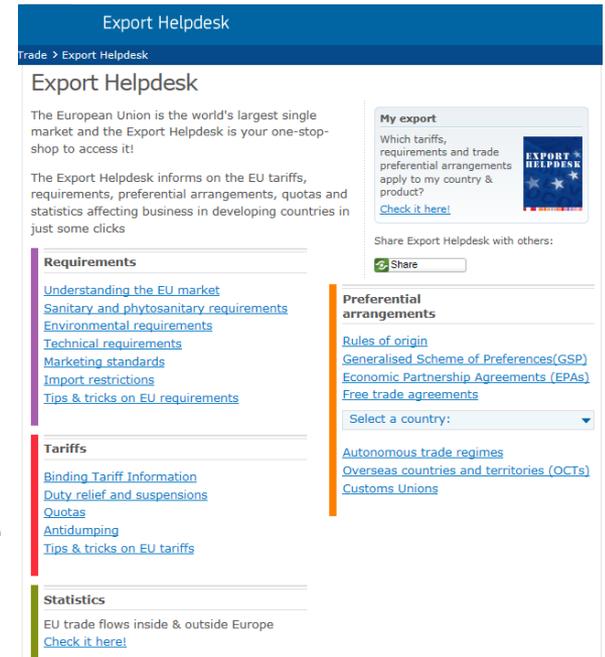


The screenshot shows the Market Access Database (MADB) website interface. At the top, there is a blue header with the text "Market Access Database" and a breadcrumb trail "Trade > Market Access database". Below the header, the main content area is titled "Exporting from the EU - what you need to know" and includes a brief description of the MADB's purpose. A yellow callout box says "Help us counter trade barriers". To the right, there is a section titled "Importing into the EU?" with links for "EU Tariffs", "Export Helpdesk", and "Special conditions for developing countries". On the left side of the main content area, there are several menu items: "Tariffs" (Duties & taxes on imports of products into specific countries), "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), and "Rules of Origin" (Preferential agreements & rules of origin). 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' with links for 'Understanding the EU market', 'Sanitary and phytosanitary requirements', 'Environmental requirements', 'Technical requirements', 'Marketing standards', 'Import restrictions', and 'Tips & tricks on EU requirements'; 'Tariffs' with links for 'Binding Tariff Information', 'Duty relief and suspensions', 'Quotas', 'Antidumping', and 'Tips & tricks on EU tariffs'; and 'Statistics' with a link for 'EU trade flows inside & outside Europe' and a 'Check it here!' link. On the right side, there is a 'Preferential arrangements' section with links for 'Rules of origin', 'Generalised Scheme of Preferences (GSP)', 'Economic Partnership Agreements (EPAs)', 'Free trade agreements', a 'Select a country:' dropdown menu, 'Autonomous trade regimes', 'Overseas countries and territories (OCTs)', and 'Customs Unions'.

# More

- EU Trade website: <http://ec.europa.eu/trade/>
- Twitter EU Trade: [https://twitter.com/Trade\\_EU](https://twitter.com/Trade_EU)
- EU Trade Commissioner: [http://ec.europa.eu/commission\\_2010-2014/degucht/](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](http://www.exporthelp.europa.eu)