



The European Union Trade Policy 2016

European Commission
Trade

Content

1. Today's Context
2. The EU in World Trade
3. EU Trade and Investment Policy
4. Multilateral Dimension
5. Bilateral Agreements
6. Unilateral Dimension
7. Enforcement

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...

14.8 % of world trade (in goods) in 2014



**Second-largest
importer
(after the US)**



€ 1.680,5 bn (2014)



**Second-largest
exporter
(after China)**

€1.702,9 bn (2014)

EU-28* received €523 bn in FDI 2013

(ranking 1st before US € 141.2 bn)

The EU28 in world trade

10 major EU28 **export** partners in 2014 (source: Comext regime 4)

Rank.	EU Exports to	M euro	% world
	Extra EU-28	1,702,854	
1	USA	310.861	18.3
2	China	164.731	9.7
3	Switzerland	140.349	8.2
4	Russia	103.291	6.1
5	Turkey	74.632	4,4
6	Japan	53.303	3,1
7	Norway	50.180	2.9
8	South Korea	43.138	2.5
9	United Arab Emirates	42.772	2,5
10	Brazil	36.928	2,2

The EU28 in world trade

10 major EU28 **import** partners 2014 (sources: Comext regime 4)

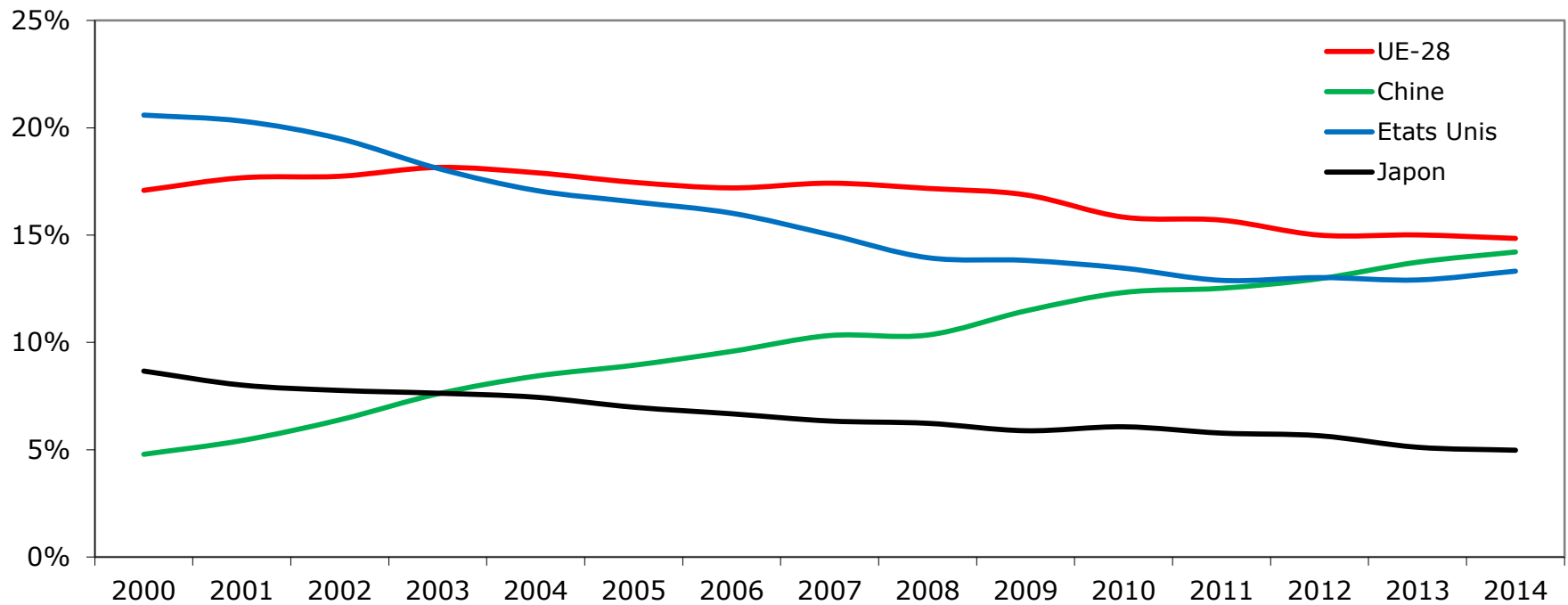
Rank.	EU Imports from	M euro	% world
	Extra EU-28	1.680.542	
1	China	302.504	18,0
2	USA	204.866	12,2
3	Russia	181.805	10,8
4	Switzerland	96.557	5,7
5	Norway	83.964	5,0
6	Japan	54.569	3,2
7	Turkey	54.270	3,2
8	India	39.045	2,3
9	South Korea	37.047	2,2
10	Brazil	31.128	1,9



European
Commission

The EU in world trade

Share of EU28*, USA, Japan and China in World Trade in Goods (%)



Coverage: shares in world trade excluding intra-EU trade.
Sources: Eurostat (Comext, Statistical regime 4), WTO

* Excluding intra EU Trade

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

2013 World investment
into EU **€ 523bn** (46,2 %)



2013 EU investment into
world **€ 477.5bn** (43,5 %)



Total World investment
into EU **€3.778bn** (20.6%)



Total EU investment into
world **€ 4.900bn** (25.4%)



EU's investments in the world, 2013

Rank	Country	Million euro
1	USA	225.201
2	Brazil	37.829
3	Switzerland	28.472
4	Bermuda	22.082
5	Cayman Islands	20.846
6	Mexico	20.334

3. EU Trade and Investment Policy

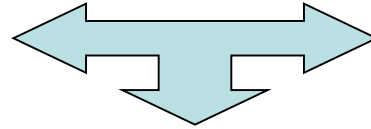
EU Trade and Investment Policy

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)

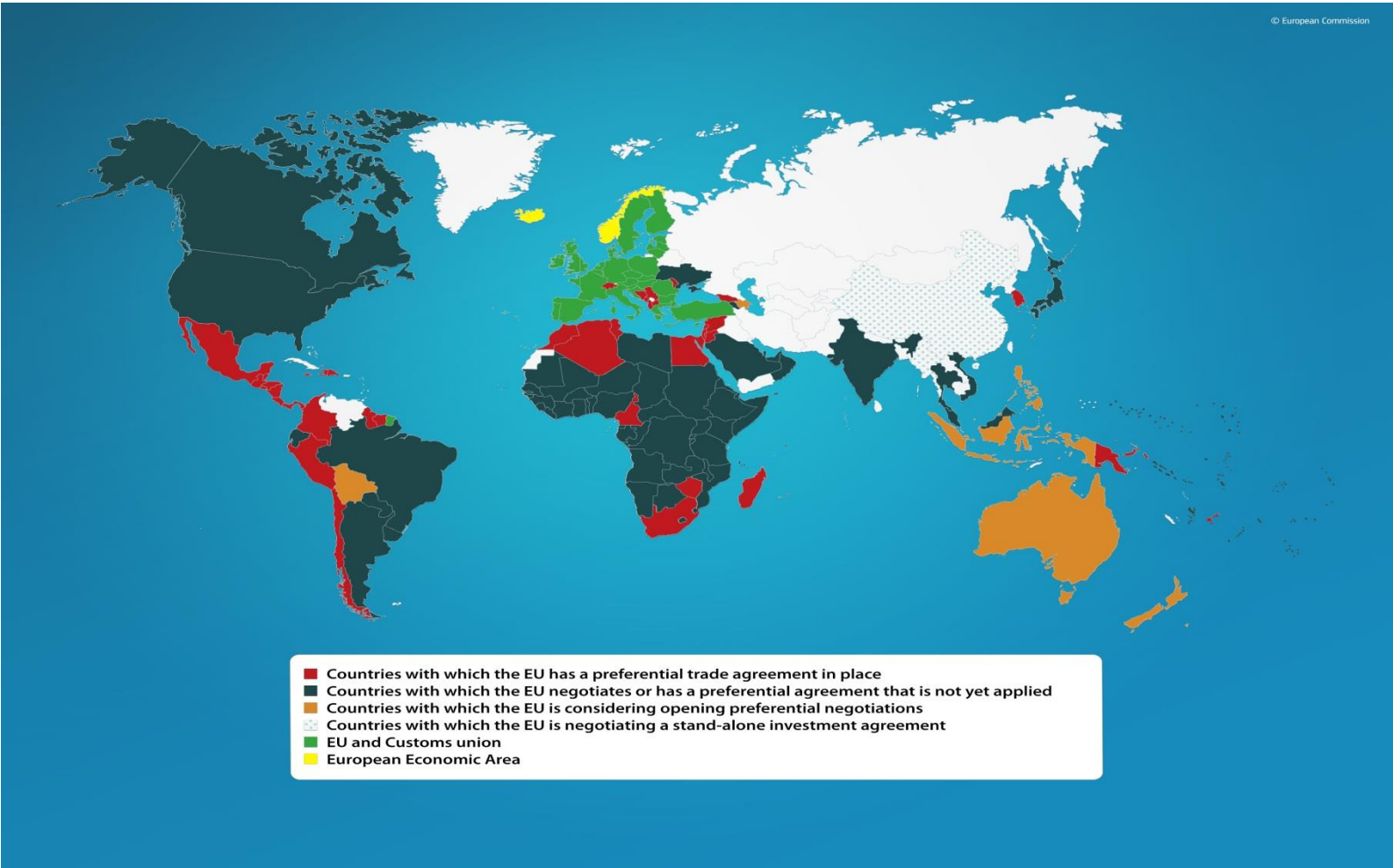
Context

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



European
Commission

Bilateral agreements – State of play



FTA partners and trade in goods

Country / Region	Imports	Exports	Trade	% EU28 Trade
USA	204.9	311.1	516.0	15.2
China	302.4	165.0	467.4	13.8
EFTA	185.5	194.3	379.8	11.2
Russia	182.0	103.5	285.5	8.4
MEDA (excl EU and Turkey)	77.5	107.3	184.8	5.5
ASEAN	100.5	78.6	179.2	5.3
GCC	51.4	97.1	148.5	4.4
ACP (excl South Africa)	72.5	62.2	134.8	4.0
Turkey	54.2	74.8	129.0	3.8
Japan	54.5	53.4	107.8	3.2
MERCOSUR (5)	44.6	51.3	96.0	2.8
South Korea	38.9	43.2	82.1	2.4
India	37.0	35.5	72.6	2.1
Canada	27.4	31.7	59.1	1.7
Mexico	18.2	28.5	46.7	1.4
Hong Kong	10.6	34.7	45.4	1.3
South Africa	18.4	23.4	41.8	1.2
Taiwan	23.2	17.0	40.2	1.2
Australia	9.1	29.6	38.7	1.1
Ukraine	13.8	17.2	30.9	0.9
Andean Community (4)	16.2	12.6	28.8	0.8
Central America (6)	6.2	5.2	11.4	0.3
Other Countries	132.0	128.2	260.2	7.7
Extra EU28	1,681.2	1,705.4	3,386.5	100.0

Grey	Concluded or under negotiations
White	No preferential trade agreement

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

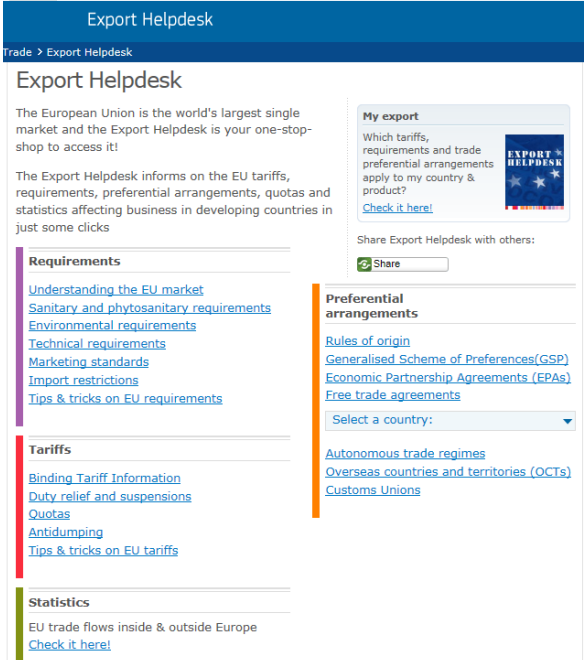


The screenshot shows the Market Access Database (MADB) website interface. At the top, there is a blue header with the text "Market Access Database" and a breadcrumb trail "Trade > Market Access database". Below the header, the main content area is titled "Exporting from the EU - what you need to know" and includes a brief description of the MADB's purpose. A yellow callout box on the right says "Help us counter trade barriers". The main content is organized into several sections, each with a title and a brief description: "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). On the right side, there is a section titled "Importing into the EU?" with links for "EU Tariffs", "Export Helpdesk", and "Special conditions for developing countries". At the bottom right, there is a logo for the MADB, which consists of three globes and the text "madb".

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'. Below the header, the main content area is titled 'Export Helpdesk' and contains introductory text about the EU market and the Helpdesk's role. To the right, there is a 'My export' section with a question about tariffs and a 'Check it here!' link. Below this, there 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'. Each section has a list of links to related information. The 'Requirements' section includes 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 includes links for 'Binding Tariff Information', 'Duty relief and suspensions', 'Quotas', 'Antidumping', and 'Tips & tricks on EU tariffs'. The 'Statistics' section includes a link for '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'. There is also a 'Select a country:' dropdown menu.

More

- EU Trade website: <http://ec.europa.eu/trade/>
- EU Trade on Twitter: https://twitter.com/Trade_EU
- Commissioner website: http://ec.europa.eu/commission/2014-2019/malmstrom_en
- Commissioner on Twitter: <https://twitter.com/MalmstromEU>
- 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