

The slide features a light blue background with a circular arrangement of twelve yellow stars, similar to the European Union flag. The text "European Union Trade Policy" is centered in a blue font.

# European Union Trade Policy

# 1. A few facts about world trade

## GLOBALISATION

TECHNOLOGICAL  
DEVELOPMENTS

TRADE  
OPENING

### IMPLICATIONS

- Opportunities for growth, but disruptive effects
- Need for global governance -> multilateral rules and institutions
- To ensure level playing field and better distribution of benefits

# 1. A few facts about world trade

## GLOBALISATION

TECHNOLOGICAL  
DEVELOPMENTS

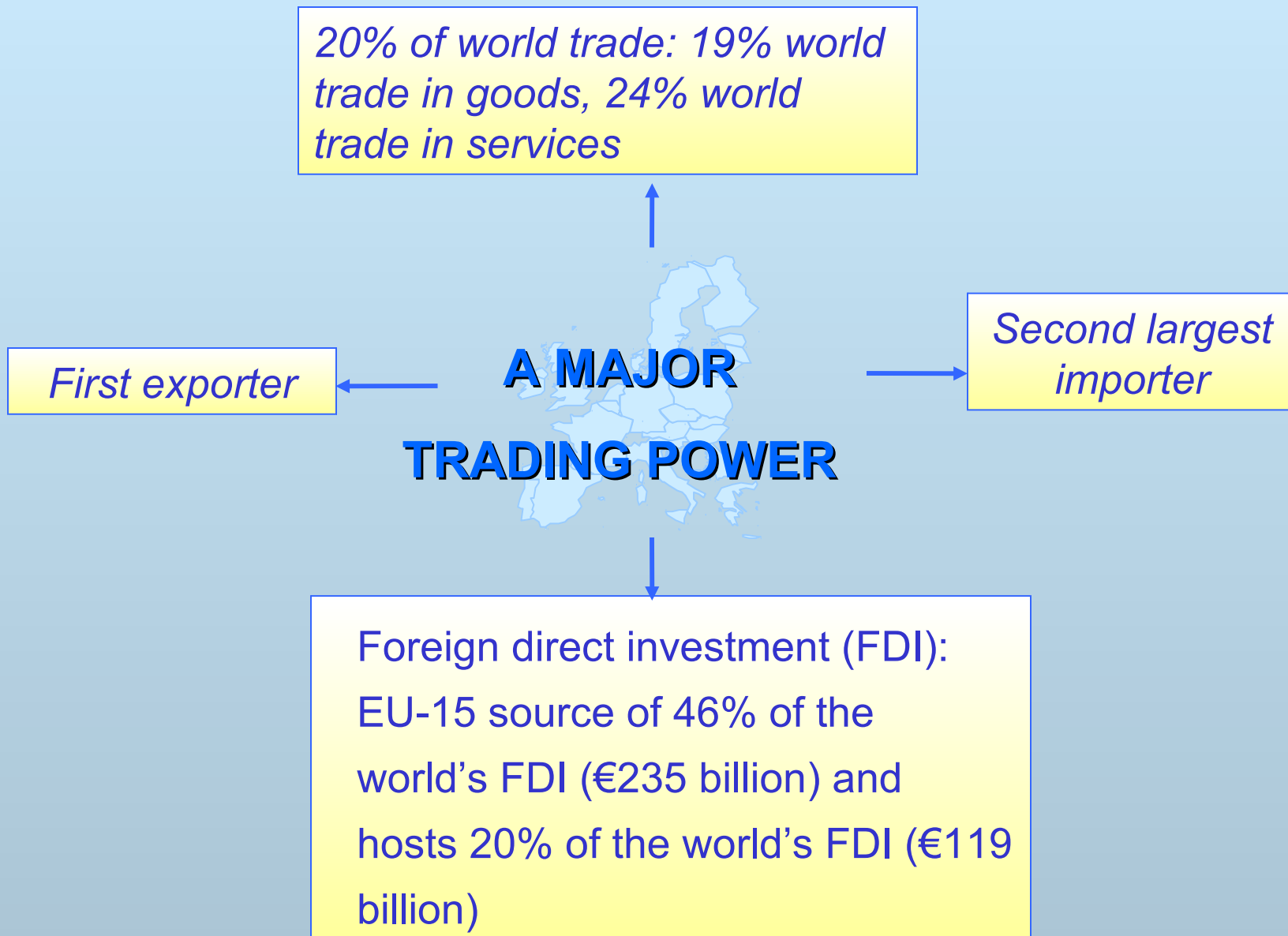
TRADE  
OPENING

### REACTIONS

- 63% of EU citizens in favour globalisation and over half believe that can become more advantageous for them
- 62% of EU citizens believe the process of globalisation can be effectively controlled and regulated, with 58% positive about the European Commission negotiating on behalf of all Member States on trade matters
- 1 in 2 EU citizens foresee an optimistic future for themselves and their families should globalisation intensify - 56% of the respondents view the opening-up of markets as a good opportunity for domestic industry and 57% of EU citizens believe globalisation is positive for economic growth.

*See more: Flash Eurobarometer on “Globalisation”, October 2003 available at [http://europa.eu.int/comm/trade/issues/newround/pr171103\\_en.htm](http://europa.eu.int/comm/trade/issues/newround/pr171103_en.htm)*

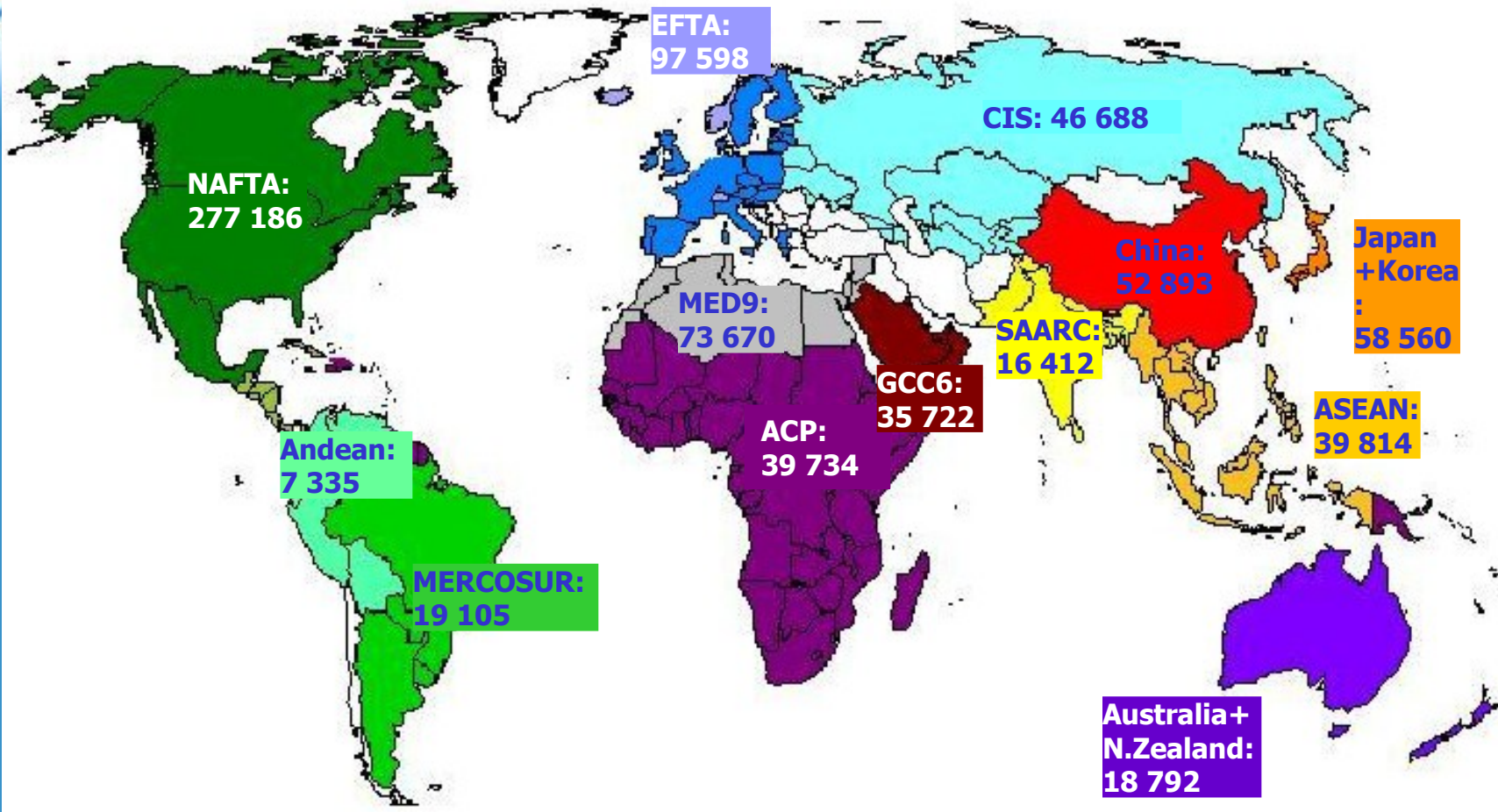
## 2. The EU in world trade



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### EU-25 Trade in goods: Exports by region

(2002, million euro)

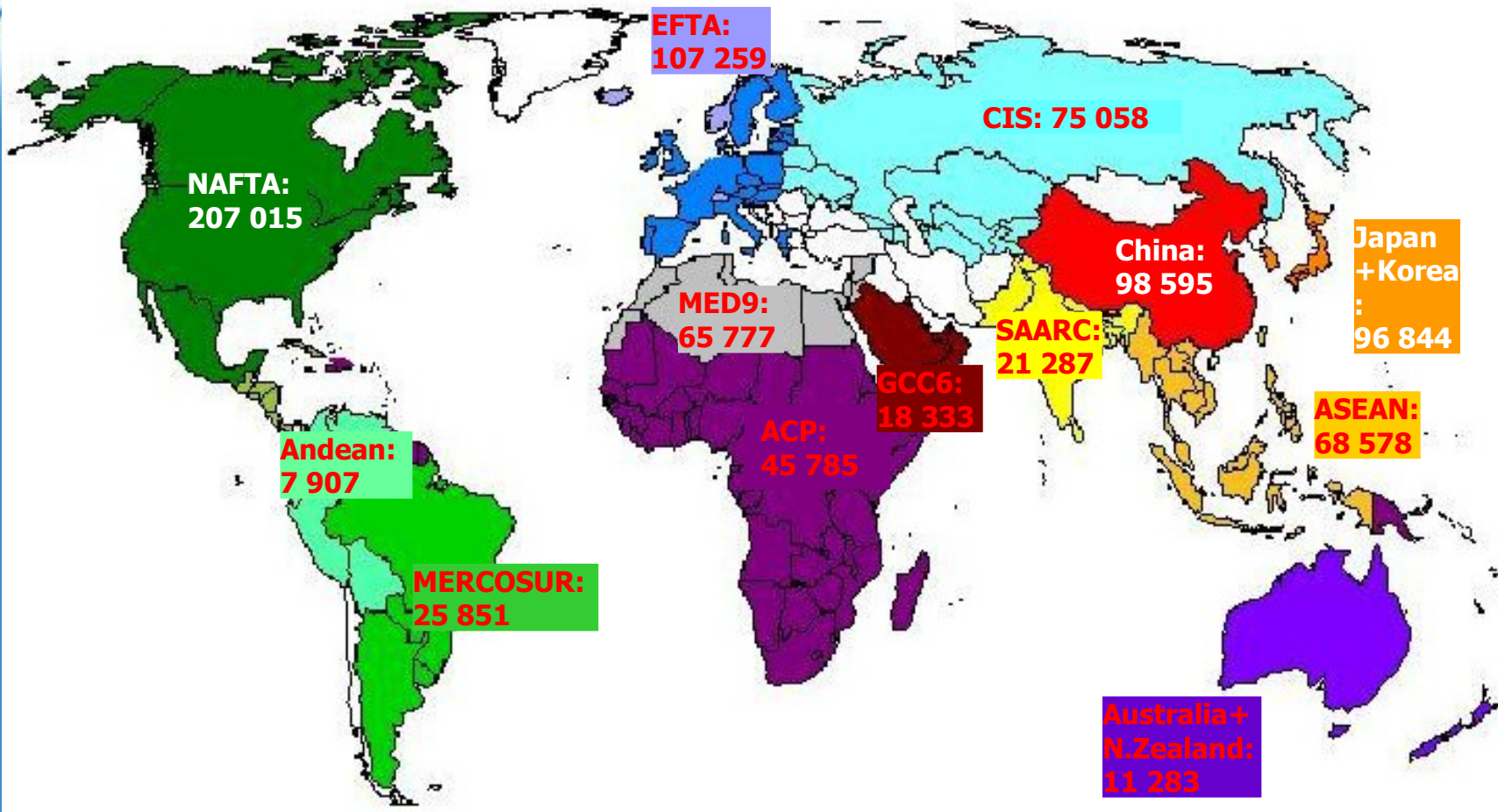




## 2. The EU in world trade

### EU-25 Trade in goods: **Imports** by region

(2002, million euro)





## 2. The EU in world trade



%

# 3. EU Trade policy - basic features

## Policy concepts

*to contribute to sustainable development by integrating more countries in world trade*

**Promote European interests and defend European values**

On democracy, rule of law, environment, social rights, public services, cultural diversity, food security...

**Open world trade markets, through:**

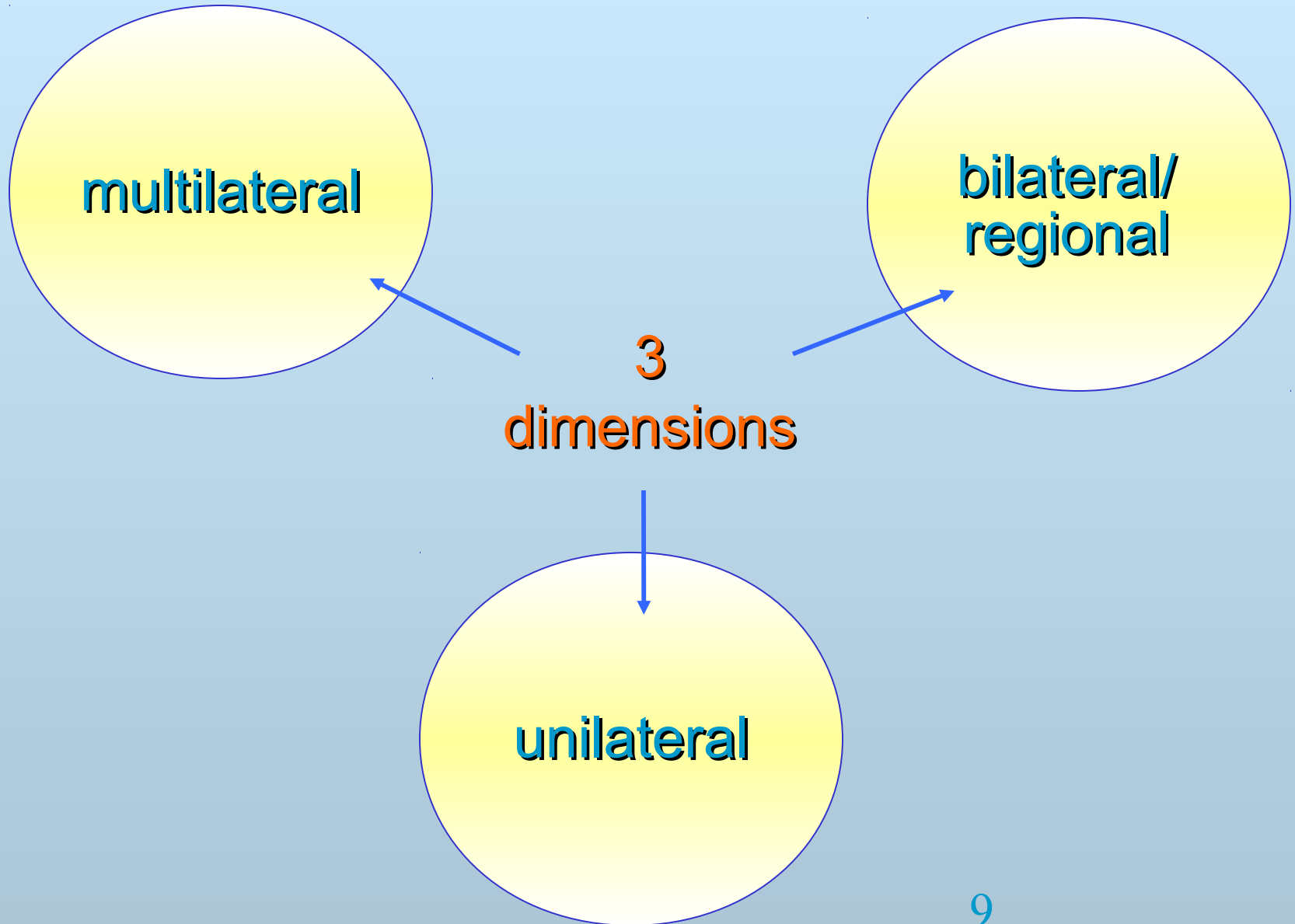
the progressive abolition of obstacles to international trade and the lowering of customs barriers

**Harness globalisation by:**

agreeing on a set of rules to regulate markets, and ensuring compatibility of trade opening with other societal values



### 3. EU Trade policy - basic features



# 3. EU Trade policy - basic features

multilateral

Mostly implemented *in the framework of the WTO* with the aim of promoting **market access with rules**, in the context of effective **global governance**.

For example -

- for trade in **goods**: policies such as “tariff reduction” and technical barriers to trade.



**But not forgetting the promotion of EU values, including:**

- environmental concerns
- food safety
- cultural diversity
- ... and how to promote core labour standards ?

# 3. EU Trade policy - basic features

## bilateral/regional

In addition to the WTO's multilateral negotiations, the EU concludes **bilateral agreements** and devises specific trading policies with third countries and **regional areas**. 121 countries are potentially linked to the EU by regional trade agreements, many negotiated in the 1990s.

### EU policy rationale for bilateral agreements

- trade expansion and rules-making (WTO+)
- fostering development and...
- ... promoting regional development
- new ideas for “Neighbourhood” policy/ “Wider Europe”



### Key EU bilateral agreements include:

- Economic Partnership Agreements in negotiation with ACP countries (Cotonou)
- Free Trade Agreements with EFTA, EEA, Euromed, Mercosur (in negotiation), Mexico, South Africa...
- Customs Unions with Turkey, Andorra and San Marino
- Partnership and Cooperation Agreements with Russia and Ukraine

# 3. EU Trade policy - basic features

unilateral

The EU also implements **unilateral measures** as an additional trade policy instrument in the interests of **development** and/or **political stability** in line with the Union's key political priorities:

**General System of Preferences (GSP)** - the classical instrument for fostering **development** is by granting tariff preferences. The EU's GSP grants products imported from GSP beneficiary countries either **duty-free access or a tariff reduction** depending on the sensitivity of the product and the GSP arrangement enjoyed by the country concerned.

**“Everything But Arms” initiative (EBA)** - EBA is a special GSP arrangement for the **least developed countries**. EBA grants duty-free access to imports of all products from LDCs without any quantitative restrictions, except to arms and munitions.

**Asymmetrical preferences** e.g. for the Balkans and Moldova, with the aim of ensuring peace, stability, freedom and economic prosperity in the region (cf. “Wider Europe”).

# Conclusion

**Globalisation has put trade issues at the centre of citizens' concerns**

**Opening markets can provide opportunities...**

**... if harnessed by collective rules**

**Towards fairer trade...**

*Well – others see globalisation as a system that is 'fair' if you're rich, and 'unfair' if you're the exploited poor people! DR*