

Brussels, 22 April 2008

Report shows EU imports from developing countries growing

The European Commission has presented to the European Parliament its regular report on the openness of the European market to imports from developing countries. The report sets out how the EU has continued in 2007 to use its trade policy to advance a pro-development agenda and analyses the relevant data for which the most recent available is for the period up to the end of 2006. The report shows that the EU continues to offer market access for developing country exports that is unmatched by any other major economy. EU imports from developing countries rose 16% in 2006 from 2005 and by 14% if imports from China are excluded. According to the WTO, overall global merchandise trade grew by around 8% over the same period.

EU Trade Commissioner Peter Mandelson said: "This report demonstrates the EU commitment to putting trade at the service of development not only in theory, but in practice. The new Economic Partnership Agreements with African, Caribbean and Pacific countries have taken EU openness for developing country exports to new levels, eliminating all duties and quotas for African, Caribbean and Pacific countries. This gives them the same beneficial terms of access already enjoyed by Least-Developed Countries under the Everything But Arms scheme. The EU is active on many fronts to ensure that all Developing Countries have greater opportunity to share in the benefits of trade with the world's largest Single Market. Our goal remains a trade policy that promotes development and provides greater opportunities to developing countries in support of their own individual development priorities".

Key points in the report include:

- EU imports from developing countries have continued to rise. They increased by 16% between 2005 and 2006 and by 14% if China is excluded. Imports from developing countries with which the EU has Free Trade Agreements have also shown a healthy rise between 2005 and 2006: from Mexico 15%, from South Africa 10% and from Chile 54%.
- Almost 70% of imports from developing countries entered the EU at a zero tariff rate in 2006. This was the case for almost 98% of imports from the African, Caribbean and Pacific countries (this figure will now increase because the signing of the Economic Partnership Agreements has further extended duty-free treatment for ACP countries). 88.5% of Least Developed Country imports to the EU entered at a zero tariff rate.
- Agricultural exports from developing countries to the EU grew by just under 12% from 2005-2006. Textiles imports grew by 12.3% for the same period.
- EU imports from the 50 Least Developed Countries increased by just under 7% 2005-2006. The biggest increases in LDC exports to the EU were in textiles, which grew by 25%.

The report also assesses EU measures to help developing countries integrate further into the global economy by developing their capacity to trade. The EU's Aid for Trade strategy of October 2007, jointly agreed by the Commission and EU Member States, provides a strong basis for implementation of Aid for Trade in their respective development assistance activities. It argues that both the Doha WTO trade talks and the ongoing negotiations for comprehensive Economic Partnership Agreements and other bilateral and regional agreements have considerable potential for increasing imports and economic diversification in the developing world.

To read the full report visit: <http://ec.europa.eu/trade/>