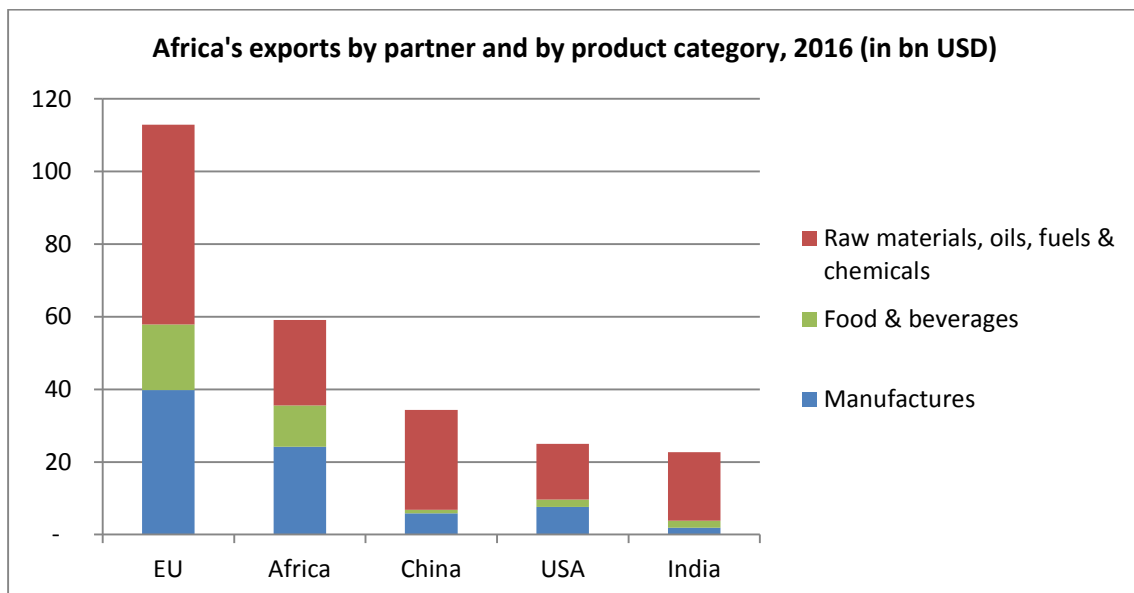


EU trade policy and Africa's exports

The EU is Africa's main customer – especially for food and manufactured products.

Africa's exports to the European Union (EU) amounted to more than €116 billion in 2016. Europe is by far **Africa's largest export market (35% of Africa's exports)**, followed by Africa itself (18%), China (11%), the USA (8%) and India (7%).¹



The EU is also **the main market for African food and manufactured products**. Both categories accounted for **51% of Africa's exports to the EU** in 2016 (Food and beverages: 16%, Manufactures: 35%) whereas raw materials accounted for 49%.² **Exports of food and manufactured products to the EU increased constantly since 2013**, respectively by +23% and +17%. Africa's exports of raw materials to the EU decreased in recent years, due in particular to decrease in oil prices.

35%

The share of total African exports which the EU accounts for.

€116 bn

The value of Africa's exports to the EU in 2016.

+23%

Increase in African food and beverages exports to the EU, 2013-2016

+17%

Increase in African manufactures exports to the EU, 2013-2016

¹ Source: UNCTAD Data Center, November 2017, SITC categories.

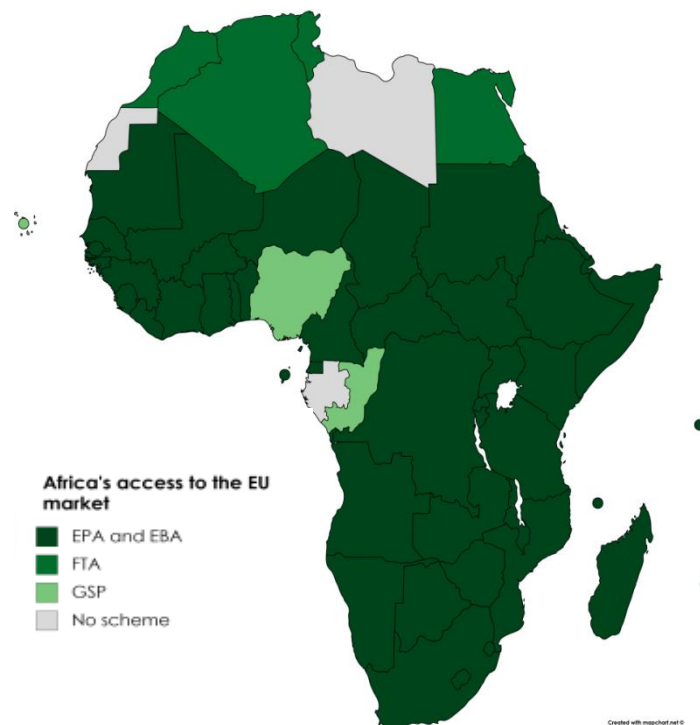
² Source: Eurostat, SITC categories.

EU trade policy and Africa's exports

Most African countries are exporting to the EU on a duty-free or preferential basis.

EU trade policy with Africa Five ways of promoting African exports					
Type and name of agreement or scheme	Bilateral EU agreements		Unilateral EU scheme		
	1. Economic Partnership Agreement (EPAs)	2. Free trade agreements (FTAs)	3. Everything But Arms (EBA)	4. Generalised Scheme of Preferences Plus (GSP+)	5. Generalised Scheme of Preferences (GSP)
Target countries	Sub-Saharan Africa	North Africa	Least-developed countries (LDCs)	Developing countries ³	Developing countries
Type of access offered	Duty- and quota-free access (except arms)	Duty- and quota-free access (except some agro-food/fisheries tariff lines)	Duty- and quota-free access (except arms)	Duty-free access for over 66% of products	Lower EU tariffs on 66% of products
Number of countries covered	12 countries (+15 signatories)	4 countries	32 countries	1 country	2 countries

Under Economic Partnership Agreements or the Everything-But-Arms scheme, **most African countries enjoy duty-free and quota-free access to the EU market** – in dark green below. Free Trade Agreements with North African countries also offer duty-free quota-free access for most goods. A few other countries benefit from preferential schemes – in light green below.



³ Vulnerable low and lower-middle countries in terms of their economies diversification and import volumes. In return, beneficiary countries must ratify and effectively implement 27 core international conventions.

EU trade policy and Africa's exports

For African exporters, the EU is the world's most open market.

The EU offers African countries by far **the most open access to its market** of any major economy through Economic Partnership Agreements, Free Trade Agreements, or preferential schemes. Other major trade partners of Africa, like **the USA, China and India**, also have trade schemes in place which improve access to their markets for African countries:

- The USA:
 - has a free trade agreement with one African country – Morocco
 - offers duty-free access on fewer products from LDCs than the EU does
 - has a unilateral initiative called the African Growth and Opportunity Act (AGOA) which offers 44 African countries improved access to the US market.
- China and India:
 - don't offer any African country fully-free access to its market
 - have a unilateral scheme for least-developed countries
 - have no free trade agreements with any African country.

Share of all products from Africa which can enter major economies duty-free⁴ (% of duty-free tariff lines)

<i>Scheme or agreement</i>	<i>Economy</i>			
	EU	USA	China	India
Schemes for least-developed countries	100% except arms	82%	97%	94%
Unilateral schemes for developing countries (GSP)	57% + reduced tariff lines ⁵	68%	No schemes	
Other unilateral schemes: GSP+ (EU), AGOA (USA)	89%	84%		
Bilateral agreements (EPA/FTA ⁶)	100% except arms	Almost no agreements in place ⁷		

Conclusion

The EU is the most open market for African exports. Most African countries export to the EU on a duty-free quota-free basis through EPAs, Everything-But-Arms or FTAs, or enhanced market access conditions. Other trading partners offer less beneficial conditions for Africa's access to their markets.

This has led to a **regular increase of exports of food and manufactured products from Africa to the EU**. Europe is by far Africa's largest export market, and its main customer of food and manufactured products.

EPAs are a decisive step for African countries, to further improve market access conditions and diversify exports beyond commodities. The EU is also supporting the emergence of regional value chains and the reinforcement of the capacity of African producers to meet market standards.⁸

⁴ Source: World Trade Organisation, Database on Preferential Trade Arrangements, Extracted on 10 November 2017.

<http://ptadb.wto.org/ptaTradeInfo.aspx>

⁵ The EU's GSP reduces duties on 66% of tariff lines (31% become duty free, 35% are reduced but not duty-free). Another 26% of tariff lines are already duty-free for all WTO members (MFN). So for a GSP beneficiary, 57% of tariff lines (31%+26%) are duty-free, and another 35% reduced.

⁶ Market access is slightly lower for South Africa, and is duty free quota free for FTAs with North African countries except for some agro-food and fisheries tariff lines.

⁷ US has a trade agreement with Morocco, which provides for reciprocal duty-free access.

Source: World Trade Organisation, Regional Trade Agreements Information System, Extracted on 10 November 2017.

<http://rtais.wto.org/UI/PublicMaintainRTAHome.aspx>

⁸ See Trade for All Communication, October 2015. http://trade.ec.europa.eu/doclib/docs/2015/october/tradoc_153846.pdf