

Editorial

Dear reader,

News of the economic and financial crisis is dominating the headlines all over the world. Economic activities are slowing down globally, - a phenomenon affecting developed and developing countries alike. We witness on a daily basis the far-reaching social and economic impact that the economic crisis is having around us.



There is talk of governments taking protectionist measures in favour of their own national economies and closing the doors on free trade, a step that would exacerbate the economic downturn in our poorer partner countries. We in the European Union are calling for a strong common stance against protectionism as reaffirmed at the G20 Summit in London. We believe that resisting protectionism is the best way to foster sustainable development, get over the economic crisis and create an environment where emerging economies may prosper.

The array of the EU's preferential trade regimes for developing countries and the fact that Europe remains the biggest importer of goods from developing countries among the richer global players, is living evidence of the EU's belief in market openness. In the December edition, we reported extensively on the Economic Partnership Agreements (EPAs) and the Generalised System of Preferences (GSP). Despite the current negative impact on EU Member States' economies, the EU will, of course, continue to offer this preferential tariff treatment and remains committed to help developing countries out of poverty and into sustainable growth, for example through trade facilitation and Aid for Trade. We also continue to work towards completing the Doha Round that would help to revive the global economy, a commitment that was also reaffirmed at the G20 Summit.

Against this background, we will highlight the EU's openness to trade in this edition. We will also update you on recent developments on EPAs, especially in relation to the interim agreement with Cameroon. By way of example, we are also outlining what the Export Helpdesk can do for Paraguayan exporters who can newly benefit from GSP+. We thank the EC Delegation in Cairo for sharing with us its initiatives to increase visibility of the Export Helpdesk in Egypt. We wish you an interesting read and look forward to your suggestions and comments.

Peter KLEIN

Acting Director

On behalf of the Export Helpdesk Team

Produced by

European Commission
External Trade

Contact

Export Helpdesk
European Commission
External Trade
Unit G.1
B-1049 Brussels

Subscribe/unsubscribe

If you would like to subscribe/unsubscribe to the Export Helpdesk Newsletter please send an E-mail to trade-g1-export-helpdesk@ec.europa.eu mentioning "Subscribe" or "Unsubscribe " in the subject line.

The EU remains the largest market for developing countries

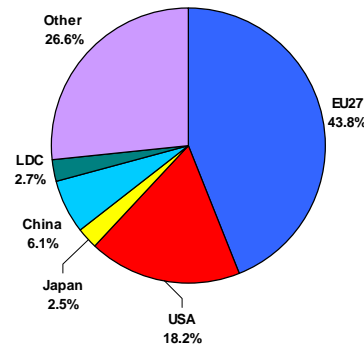
Trade has decreased sharply in recent months and the outlook for 2009 is the worst for 50 years, with the WTO forecasting a 9% reduction of world trade, exacerbated by a steep decline of worldwide demand and most commodity prices. In this context, free trade is more important than ever, notably to offset the negative impact of the crisis on the world's poorest economies. The conclusions reached at the G20 Summit will contribute to boost world trade, inter alia by ensuring \$250 billion for trade finance. In addition, the *European Bank for Reconstruction and Development* has just approved an increase of its trade facilitation programme from EUR 800 million to EUR 1.5 billion.

In the spirit of defending free trade against protectionism, the EU continues to keep its doors open for trade with the developing countries through its preferential trade regimes. This market openness is reflected in the Economic Partnership Agreements with ACP countries in which the EU offers a 100% duty and quota free access (with the only exception being sugar and rice that will be liberalised over a short period of time). It is also reflected in the Generalised System of Preferences (GSP) that offers 176 developing countries preferential treatment, including GSP+ and the 'Everything but Arms' (EBA) arrangements. The new GSP+ Regulation for the period 2009-2011 has just entered into force in January this year and was granted to three new beneficiaries, namely Armenia, Azerbaijan and Paraguay. This means there are now a total of 16 countries benefiting from GSP+.

This market openness has made the EU the largest world importer of goods from developing countries. In 2007, the EU's imports from developing countries were slightly over Euro 700 billion. In the same year, the share of imports from Least Developed Countries (LDCs) that entered the EU market amounted to 43,8%, compared to 18,2% for the US and 2,5% for Japan. With regard to

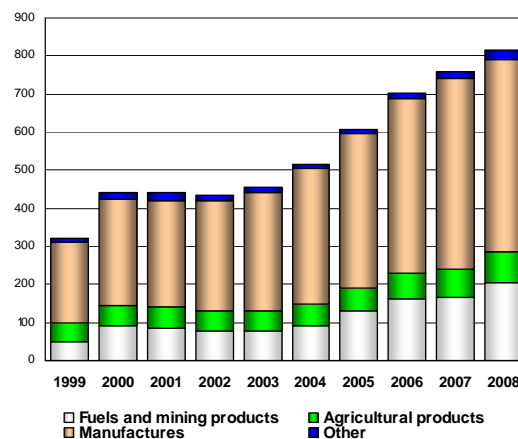
the share of agricultural imports from LDCs, the EU imported 35,3%, compared to only 4,7% by the US.

Share of Countries' Imports from LDCs¹



The growing trend of developing countries' imports into the EU continued in 2008, reaching Euro 800 billion as shown below:

EU 27 Imports from Developing Countries (billion euros)



The concrete initiatives taken at the G20 Summit and the EU's continued trade openness towards developing countries will complement each other in the endeavour to boost their exports and help them get over the current crisis.

Join the Europa Online Debate on the financial crisis and development at:
http://europa.eu/debateurope/index_en.htm

¹ Excluding energy; 2007 figures

NEWS ON THE STATE OF PLAY OF EPA NEGOTIATIONS

With regard to the negotiations towards Economic Partnership Agreements with the African, Pacific and Caribbean countries, we are pleased to bring you some very positive news: on 25 March the European Parliament (EP) gave its assent to the EPA between the EU and Caribbean countries. This is the first full EPA that has been signed with an ACP region. EU Trade Commissioner Ashton welcomed this vote as an important political signal in favour of the first examples of a new generation of agreements and looks forward to continuing the close cooperation with the EP on this issue, as well as on many others. The EP also signalled its support for the interim EPA with Côte d'Ivoire.



Experts discuss services in Dar es Salaam (Tanzania), 16-17 February 2009

EC and Tanzanian officials, stakeholders from the Tanzanian private and public sectors and EPA experts from the Eastern African Community (EAC) discussed the role of services in the WTO and EPA framework at a seminar in Dar es Salaam. The seminar aimed at sparking better understanding and a debate on EPA-related issues and clarifying a number of items in view of the next EU-EAC negotiation session in Mombasa later in 2009.

The representatives discussed in detail services provisions according to WTO rules, in particular the General Agreement on Trade and Services and the different modes foreseen by such provisions. They also elaborated on services in Tanzania, especially in the tourism sector, and in other countries in the region, such as banking in Kenya and investment opportunities in Uganda. Participants also analysed the potential of the Tanzanian service sector compared to other emerging economies, such as Asia, with a view to reform and market opening. The EAC regional integration agenda was also a key topic.

EU and West African EPA negotiators meet in Senegal (Dakar), 16-20 February 2009

During negotiations between the EU and West Africa in Dakar, West Africa tabled for the first time a draft regional market access offer to be considered in the broader framework of regional integration within ECOWAS, and proposals on services, competition, cooperation for the implementation of the EPA, dispute settlement, general exceptions, institutional arrangements and other issues. The important EPA Development Plan was also discussed and further refined. The shared objective is to reach a comprehensive regional

EPA by June 2009, as requested by West African Heads of State.

With regard to trade in goods, progress was made on issues such as Trade Defence Instruments, SPS rules, Technical Barriers to Trade, Trade Facilitation and export taxes. Both parties addressed possible solutions on rules of origin before the next negotiation round in Brussels in late April or early May.

EU and Southern African negotiators hold trade talks in Swakopmund (Namibia), 9-11 March

As part of the EPA process between the EU and the Southern African Development Community (SADC), senior officials from the EC and the SADC EPA Group met in Swakopmund. Talks were held on a number of remaining items in the comprehensive EPA with compromises being reached on several issues of greatest concern to both sides. As regards comprehensive EPA negotiations, the parties solved concerns on export taxes, infant industry protection, food security, quantitative restrictions and free circulation of goods within the SADC EPA area. An agreement was found on tariffs issues and the need to preserve the SACU (Southern African Customs Union) external tariff. Concerns on the Most Favoured Nation (MFN) clause and the definition of parties will need further discussion.

EU-South Africa trade relations will continue to be governed by the Trade, Development and Cooperation Agreement (TDCA) signed in 1999, though all sides remain committed to South Africa signing the full SADC EPA now being negotiated.

New fact-sheets are available, with an overview of the main features of interim EPAs and the way ahead: http://ec.europa.eu/trade/issues/bilateral/regions/acp/index_en.htm

Cameroon, the Economic Partnership Agreement and the Export Helpdesk

On 15 January, Cameroon signed an interim Economic Partnership Agreement (EPA), while negotiations with the other Central African countries are continuing. In this context, a Regional EPA Information Seminar, funded by the Directorate General for Trade of the European Commission, took place in Douala on 25-26 February. This event allowed an exchange of views with civil society from Central African countries on EPA-relevant issues.

At this occasion and in the light of the signing of the interim EPA, specific events were organized in Douala and attended by Ms Verena Vahland from the EH team to draw attention to the usefulness of the EH in putting the legal arrangements and trade provisions of this new agreement into practice. They aimed primarily at providing import information for economic operators so that they can effectively benefit from the duty free quota free access under the interim EPA. The agreement provides for an asymmetric and gradual opening of Cameroon's economy. Cameroon excluded various agricultural and manufactured goods from liberalisation, and will liberalise 80% of EU im-

ports over 15 years. The agreement includes commitments by the EC and Member States to assist Cameroon to improve its competitiveness and help exporters meet EU import standards. It also includes cooperation on customs procedures and fiscal adjustment to ensure that tariff removals do not destabilise the country's public finances.

A presentation of the EH was made at the EPA seminar and at a separate private sector event co-organised by the EC Delegation in Yaoundé and the "Groupement Inter-Patronal du Cameroun" (GICAM, www.gicam.org). These activities were very timely as they integrate well into the visibility strategy of the EH that aims at multiplying awareness raising activities in the ACP where the tool is not yet widely known. The ACP countries account for about 5 % of the users worldwide. Among its Central African neighbours, Cameroon is the frontrunner with 75% of use.

To contact the EC Delegation in Cameroon, please visit:

<http://www.delcmr.ec.europa.eu/webeu/index.php>

Paraguay, GSP Plus and the Export Helpdesk

On 1st January 2009, Paraguay became one of the 16 beneficiary countries of the "GSP Plus", the special incentive under the Generalised System of Preferences to support vulnerable developing countries in their ratification and implementation of relevant international conventions in the field of sustainable development and good governance. As already explained in the December edition, this Special Incentive Arrangement offers tariff preferences in the form of either duty-free access or reductions in the otherwise applicable standard tariffs and covers roughly 6400 tariff lines.

To mark this, the EC Delegation in Paraguay, in close collaboration with the Ministry of Foreign Relations (www.mre.gov.py), the Ministry of Industry and Commerce through *Red de Inversiones y Exportaciones* (REDIEX, www.rediex.gov.py) and the *Union Industrial Paraguaya* (UIP, www.uip.org.py) organised a week of events from 2 to 5 March 2009 across

the country (Asunción, Encarnación and Ciudad del Este) to inform economic operators of the new trade opportunities offered under GSP+, reaching out to more than 300 participants in total.

The three seminars included a presentation on the bilateral trade relations between the EU and Paraguay, the main features and advantages of the new GSP+ and a workshop on the Export Helpdesk illustrating all GSP+-relevant information, such as import duties, customs documents and rules of origin. In order to ensure maximum benefit from these Export Helpdesk seminars, hands-on workshops were organised where participants were connected to computers and could get practical training and assistance of Ms. Coutouradis from the EH team.

To contact the EC Delegation in Paraguay, please visit: <http://www.delpry.ec.europa.eu/>.

Changes in the Export Helpdesk Team



Following the departure of Virginie Coussoul last year, the Export Helpdesk team was reinforced in early January by a new team member, Ms Verena Vahland.

She will be active in promoting the Export Helpdesk, public relations and activities related to enhancing cooperation with EC services and Delegations, international organisations and the private sector in developing countries. She will bring along useful relevant experience from previous jobs in Commission Delegations in developing countries and DG Trade's unit dealing with Economic Partnership Agreements.

The Export Helpdesk team led by Ms Maryse Coutsouradis and composed of Ms Catarina de Barros Coelho, Ms Verena Vahland and Ms Alda Rabottini will continue to ensure a high-quality service and is always ready to assist you by responding to your needs and questions.



Updated User Guide available

Following modifications to the content of the EH website, the user guide has been updated in all four languages (EN, FR, ES, PT) and recently put on-line.

The new EU Trade Commissioner, Catherine Ashton, kindly delivered a welcome message for this updated version of the user guide. The update reflects the changes that have been made last year and in early 2009. These include, inter alia, the phasing out of the *Market Place* section, as announced in the December edition and the updating of the EH's database to take account of new trade provisions. These relate primarily to the entry into force of the EPA

Market Access Regulation for the benefit of those ACP countries that have signed or initialled an EPA, as well as to the new Regulation on GSP+ for the period 2009-2011.





THE VOICE OF THE DELEGATIONS

The activities of the EC Delegation in Egypt

With a population of close to 80 million inhabitants and a real GDP growth which has steadily accelerated over the last 5 years to reach around 7% in 2008, Egypt is the most populous Arab country in the world, a key economic player in the Mediterranean region and an important partner in the Euro-Med Partnership. Egypt's strategic location owes much to the fact that it controls the Suez Canal through which transit some 10% of the world trade and 25% of world petroleum. The EU is by far the first trade partner of Egypt, since exchanges of goods with the EU (exports plus imports) account for 34% of Egypt's total trade of goods with the world. In 2008, EU-Egypt bilateral trade of goods amounted to around 20 billion EUR. Since the entry into force of the EU-Egypt Association Agreement in 2004, EU-Egypt bilateral trade has grown by around 20% in value each year. Trade patterns still reflect the different levels of industrial development of Egypt and the EU. Oil, gas and raw materials account for around 50% of Egypt's exports to the EU. Conversely, manufactured products and equipment goods (machinery and transport equipment) constitute around 60% of the EU's exports to Egypt. Over the last few years, Egypt's economy has been characterised by buoyant domestic demand which has fuelled Egypt's bilateral deficit in the trade of goods of around 4 billion EUR in 2008. Interestingly, this deficit is almost perfectly matched by Egypt's surplus of the balance of services vis-à-vis the EU. With a degree of openness to trade (exports plus imports over GDP) of only around 50%, Egypt's economy has a lot of potential to open up further to international trade.

For the last two years, Egypt has not only been the first user of the Export Helpdesk (EH) in the Mediterranean region, but has

also been among the highest 20 users world-wide, judging by the number of hits on the EH website. This is true in absolute terms, but even more so in relative terms, given that Egypt is only the 34th trade partner of the EU and that trade with Egypt accounts for a mere 0.7% of the EU's external trade with the world. This high access rate reflects the intensive promotion activity carried out by the EC Delegation in a sustained rhythm over recent years. The EH is an integral and important component of our regular promotion events and conferences geared mainly towards Business Associations and Chambers of Commerce. The coloured leaflet of the EH is clear, concise and easy to handle, it is a best-seller in all our promotion events. The fact sheet in Arabic is equally useful in reaching out to an Arabic speaking community. But the best promoter of the EH is probably the website itself. Any exporter who actually goes on line to the webpage of the EH, is immediately attracted by the wealth of information that is available on the website free of charge and presented in a user friendly manner. In June 2008, we had the pleasure of welcoming to Cairo, a member of the EH team, Ms Virginie Cossoul, who made three dedicated presentations to the business community, featuring on-line demonstrations adapted to the interests of the audience. As examples, on line queries concerned the exports of onions and cotton apparel, two of Egypt's key export products. The EC Delegation in Cairo intends to build upon this good basis, to further raise awareness of this extremely useful instrument among Egyptian exporters.

For further information, please contact delegation-egypt@ec.europa.eu or visit the website of the Delegation to Egypt: <http://www.eu-delegation.org.eg>

OUR ACTIVITIES TO REACH OUT TO MORE NEW USERS

DG Trade Seminars for journalists



...from **Euromed countries:** DG Trade regularly organises seminars for journalists from third countries to provide information on the EU's trade relations with their respective countries. On 12 January such a seminar was held for journalists from countries in the Euro-Mediterranean region, namely Algeria, Egypt, Israel, Jordan, Morocco, Palestine and Tunisia. Users from the Euromed region represented 7% of all visitors to the EH website in 2008.

...**from China:** A second seminar was organised for Chinese journalists on 25 March. Although China is already the front runner in the use of the EH in Asia, the EH team welcomes interaction with media representatives, as they play an important role in multiplying information about the EH in the local press of the EU's trade partners, to the benefit of exporting companies.



Business Support on Your Doorstep

Entreprise Europe Network – Newcomers' training – 18 February 2009

Following its tradition to present the Export

Helpdesk to the newcomers of the **Enterprise Europe Network (EEN)**, another training session was organised in February 2009, following two training activities that already took place in July and October last year.

These training sessions help to increase the visibility of the EH among the European business organisations and associations that are members of the EEN.

Joint conference on co-operation between the European Commission and Cuba (19-20 March 2009)



On 19-20 March, a **conference on co-operation between the European Commission and Cuba took place in Havana (Cuba)**. This conference brought together experts and representatives from the EC, the Cuban authorities, EU Member States in Havana, European and local NGOs as well as UN agencies. Among the issues discussed were: Food Security, Research and Development, Economic Co-operation and Trade, Environment; Renewables and Climate Change as well as Disaster Risk Reduction.

In the trade segment of this Conference, an on-line demonstration of the Export Helpdesk was organised, to show sources of information on the various preferential trade regimes, notably the GSP that Cuba is currently benefiting from.

Before the Conference, bilateral meetings took place with the Ministry of External Trade and Foreign Investment (MINCEX), the Centre for the Promotion of External Trade of Cuba (CEPEC²), as well as chambers of commerce and representatives of Cuba's main companies. These meetings provided the opportunity to raise awareness about the Export Helpdesk as a first-stop-shop to access information about EU import requirements and trade regimes.

To contact the EC Delegation in the Dominican Republic and Cuba, please visit: <http://www.deldom.ec.europa.eu/>

² Centro para la Promoción del Comercio Exterior de Cuba

CALENDAR OF TRADE AND DEVELOPMENT EVENTS

Event	Dates	Location
12 th Africa-EU Ministerial Meeting	28 April 2009	Luxemburg
Aid for Trade Regional Review	4-5 May 2009	Montego Bay (Jamaica)
UN High Level Meeting on the economic crisis and implications for development	26-29 May 2009	New York (USA)
EU-ASEAN Ministerial Meeting	27-28 May 2009	Cambodia
Council of ACP-EC Ministers	28-29 May 2009	Brussels (Belgium)
EU-Economic Community of West African States (ECOWAS) Ministerial Meeting	16 June 2009	Luxemburg
Global Aid for Trade Review	6-7 July 2009	Geneva

Disclaimer: The European Commission services issue this newsletter to enhance information about its initiatives and activities. Our goal is to keep this information timely and accurate. If errors are brought to our attention, we will try to correct them. However, the Commission accepts no responsibility or liability whatsoever with regard to the information in this newsletter. The disclaimer, the copyright notice and the statement on Personal Data Protection that you can find at http://ec.europa.eu/geninfo/legal_notices_en.htm apply accordingly to this newsletter and the data collected for its distribution