

Why are we doing this now?



Existing strategy “Global Europe” generally
on the right track

BUT

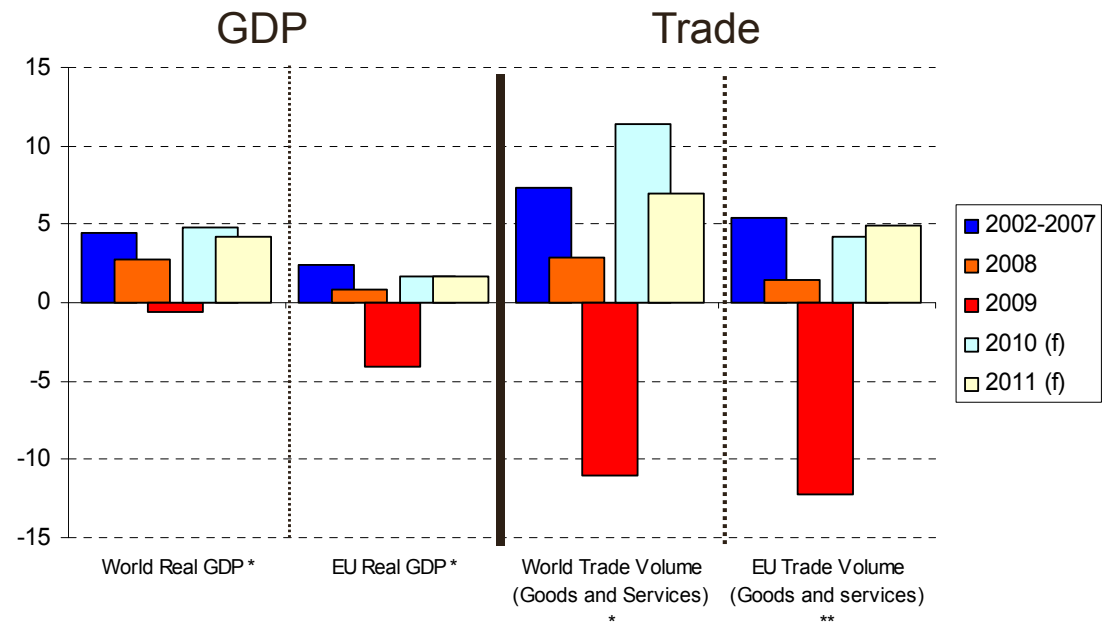
- Impact of economic crisis
- Changing economic environment
- Public expectations and new policy objectives

Trade, growth and world affairs: the facts



- EU trade remains solid but domestic growth will remain sluggish
- 90% of world growth in the next 5 years will take place **outside Europe**
- China will account for around one 3rd of future growth
- Other emerging economies growing very fast

Annual variation in global GDP, EU GDP, global trade and EU trade (2002-2011, in %)



* IMF (World Economic Outlook, October 2010)

** DG Ecfm (European Economic Forecast, Spring 2010)

The EU 2020 strategic objectives



- **smart and green growth 3X20**
 - e.g. less greenhouse emission, more renewable energies and energy efficiency
- **job creation**
 - employment rate should increase from the current 69% to at least 75% by 2020
- **boosting innovation and the digital economy**
 - investing 3% of GDP in R&D
- **Dynamic labour force**
 - higher education, training and lifelong learning
- **poverty reduction in Europe**
 - lifting over 20 million people out of poverty

What can trade policy do for you?

The triple benefit from trade



- **Growth**
 - Finalizing all the ongoing negotiations (DDA and FTAs) would lead by 2020 to a EU GDP level more than 1% higher (150bn per year)
- **Jobs:**
 - 14 million European workers dependent on exports
 - 36 million European workers, directly or indirectly, linked to trade
 - 7% wage premium as a result of trade-induced competitiveness
- **Consumer welfare:**
 - The average EU consumer gains around 600 euros per year from wider and cheaper choice of goods

What does the strategy propose?



1. Completion of current negotiating agenda
2. Deepen trade relations with other strategic partners
3. Help European businesses access global markets
4. Create opportunities for investors
5. More assertive approach to enforcement
6. Share the benefits of the global economy

Trade relations with strategic partners



Cutting tariffs is still important but majority of trade barriers now lie elsewhere:

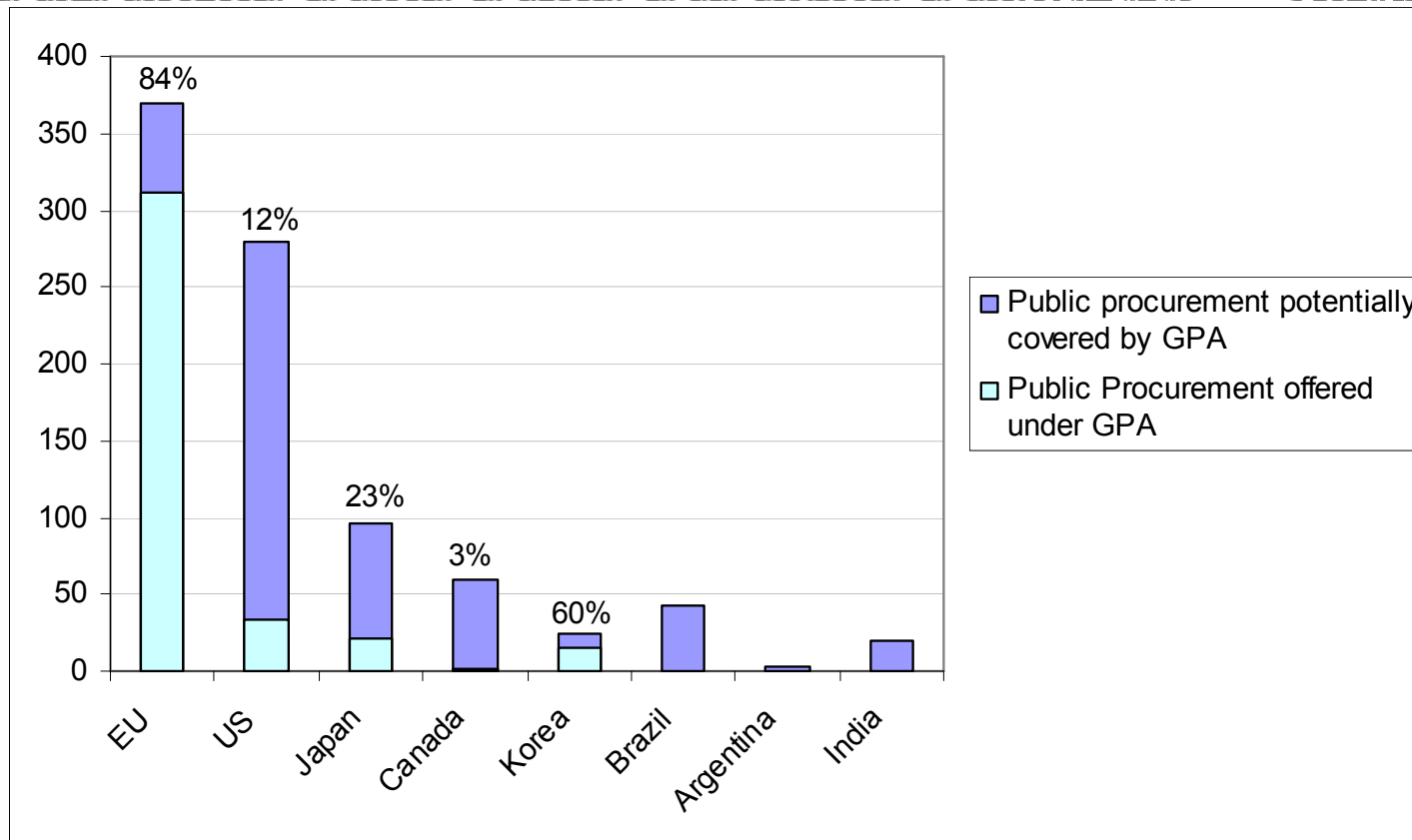
- *Improved market access for services and investment*
- *Opening up public procurement*
- *Better protection of intellectual property*
- *Unrestricted supply of raw materials and energy*
- *Overcoming regulatory barriers*

More assertive approach to enforcement



- Trade rules to be fairly applied to all
- Effective enforcement of trade agreements
- Mutual supportiveness of internal and external policies for market opening
- Public procurement in partner markets
- Market Access Strategy
- SMEs access to global markets
- Act against protectionism

Public procurement: market access imbalances



What comes next?



In 2011 we will:

1. work for an early deal in the Doha round
2. make progress - and conclude - many bilateral trade negotiations
3. initiate legislation for an EU instrument to increase symmetry in access to public procurement markets
4. conclude the debate on a new investment policy for the EU

What comes next?



5. adopt a Communication on trade and development and initiate legislation to reform the Generalised System of Preferences for developing countries
6. produce papers on how to improve our export control system and support measures for small and medium sized enterprises
7. produce a report on trade and investment barriers

Thank you for your attention.

Find the Communication and accompanying analysis:

<http://ec.europa.eu/trade/trade-growth-and-jobs/>