



EU Trade and Development Policy

10 benefits of Economic Partnership Agreements (EPAs)

Trade

An aerial photograph of a city skyline, likely Nairobi, Kenya, featuring several prominent skyscrapers and a mix of urban buildings. In the bottom left corner, the back of a person's head and shoulders is visible as they look out over the city. The sky is blue with scattered white clouds. The top of the image has a solid purple gradient bar.

Economic Partnership Agreements, or EPAs, are new trade and development agreements between African, Caribbean and Pacific (ACP) countries and the EU.

Most ACP countries are either in the process of adopting EPAs with the EU, or putting them into practice.

The deals enable ACP countries to grow their economies in a sustainable way, and raise their citizens' standard of living. And that's in Europe's interests too.

This leaflet explains how.

1. EPAs create new business opportunities



Firms from countries covered by an EPA can **freely export** to the EU – no duties to pay at customs, and no quotas.

And they can import the inputs they need, such as machinery or components, at **lower prices**.

2. EPAs help countries attract more investment



EPAs are permanent, with no end date. That gives potential investors, whether local or foreign, the **long-term stability** they look for.

EPAs also signal that the countries involved are serious about **attracting businesses** and giving them good prospects to set up or expand.

10 benefits of Economic Pa

3. EPAs generate more and better jobs



EPAs help ACP countries to **compete**. That helps them expand their economies. New industries spring up, creating jobs.

EPAs also encourage governments to work with trade unions and NGOs to improve **labour standards**.

4. EPAs cut the costs of exporting and importing



Along with every EPA the EU provides **Aid for Trade**. This helps countries adapt their customs procedures and reduce paperwork.

That means **less hassle** for exporters and importers – and greater incentives to tackle corruption, too.

5. EPAs protect local producers



EPAs enable ACP countries to protect their **local producers** that might otherwise struggle to compete against EU imports.

ACP countries keep **tariffs on sensitive goods**, such as foodstuffs. And if imports of some goods suddenly surge, they can apply safeguards, like import quotas.

Partnership Agreements (EPAs)

6. EPAs encourage industrialisation



EPAs help ACP countries produce and export **higher-value** processed goods instead of just unprocessed, lower-value commodities.

EPAs do so thanks to highly **flexible rules** that determine where products are from.

For example, a **textile product** can enter the EU duty-free if at least one stage in its production – such as weaving or knitting – took place in an EPA country

7. EPAs support ACP farmers



EPAs support ACP **farmers** in meeting the EU's high standards in food safety and animal and plant health.

EPAs also enable ACP countries to **respond** if problems arise – for example, to ensure food supplies are stable.

And they **ban EU subsidies** on exports of agricultural products to ACP countries, meaning higher revenues for local producers..

8. EPAs promote closer relations between neighbouring countries



Regional EPAs build on the existing efforts of groups of countries to work **more closely together** and integrate their economies.

EPAs also promote regional **value chains**. One country can process inputs from neighbours and still benefit from duty-free access to Europe.

9. EPAs promote shared values



In every EPA the EU and its partners agree to promote:

- **labour standards** and **environmental protection**
- good **governance**
- **human rights**.

And to put the EPA into practice, they involve everyone from officials and MPs, to business groups, NGOs and trade unions.

10. EPAs help us respond together to global challenges



EPAs are **partnerships**. In the past, the EU offered some access to its market, which it could withdraw at any time. Now both sides make binding commitments to each other.

EPAs also create joint institutions. These mean ACP countries and the EU can reach decisions **together**.

And EPAs come with EU **development aid**. This helps ACP countries make the most out of the agreements.

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Trade helps spur economic growth
and development.
By doing so it has already helped lift
millions of people out of poverty.
And with EPAs we're preparing
the ground to continue that process.

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Cecilia Malmström
EU Commissioner for Trade



More information:
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