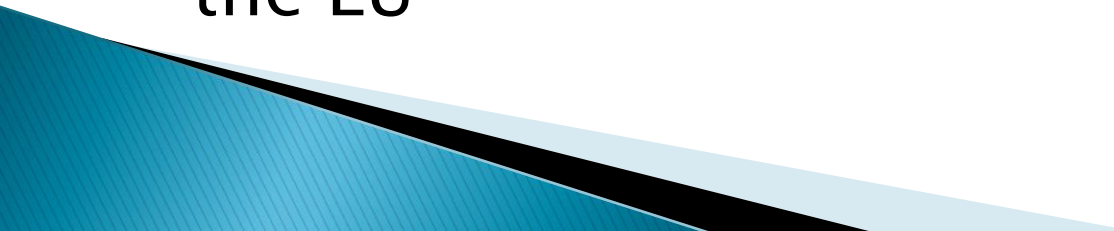


The consequences of WTO revised draft modalities for agricultural market access in the European Union

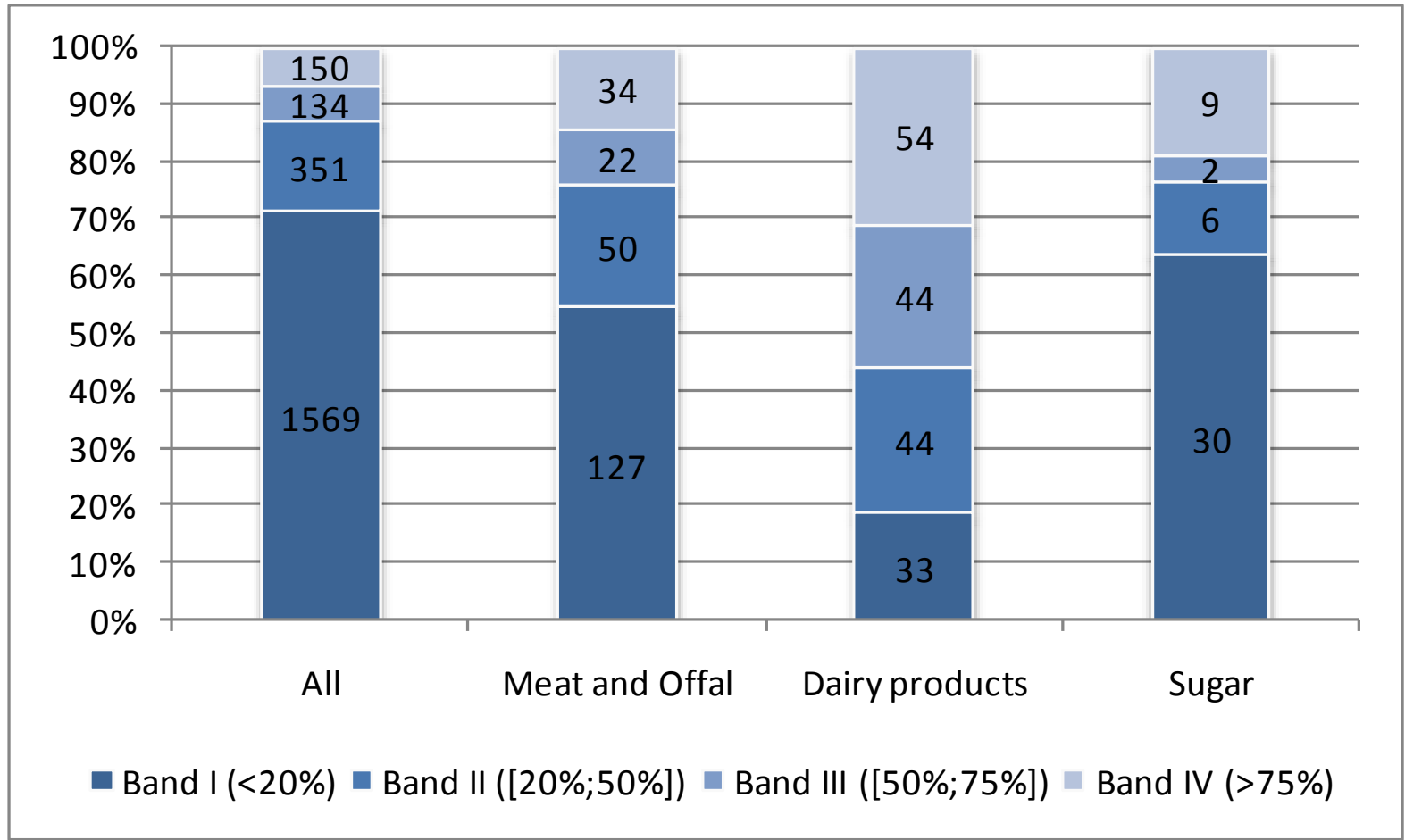
Sébastien Jean (UMR INRA–AgroParisTech & CEPII) & David Laborde (IFPRI)

d.laborde@cgiar.org

Preliminary remarks

- ▶ EU : largest market for agricultural goods.
 - ▶ Large preferential access for some developing countries
 - ▶ Market access is the key issue for EU defensive interests
 - ▶ Heterogeneous political preferences inside the EU
- 

EU tariff structure (bound tariffs, 8 digit)



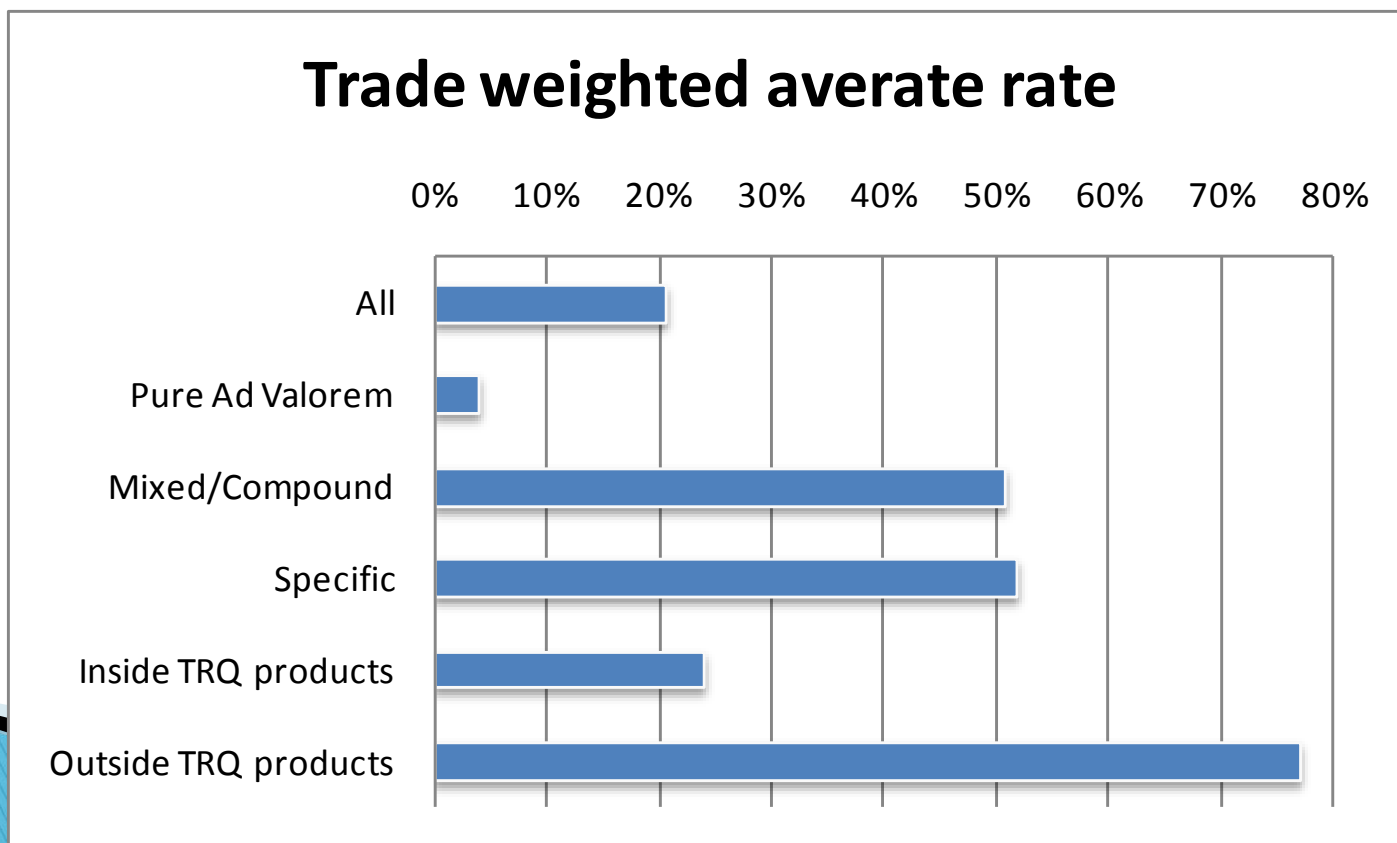
Average Initial Protection (Table 1)

HS chapter	Import-weighted mean	Unweighted mean	Reference group-weighted mean	Mean AVE of specific component	Mean binding overhang	Mean effectively applied duty	Highest bound duty	Share in F
Meat and Offal	67.5	42.2	73.3	58.8	0.0	66.7	407.8	5.3
Edible Fruit and Nuts	25.2	10.2	23.2	17.5	6.0	14.8	117.1	14.6
Coffee and Tea	0.7	2.4	1.2	0.0	0.0	0.3	12.5	6.1
Oilseeds	0.3	7.7	0.5	0.0	0.0	0.2	179.1	8.7
Animal/Vegetable Fats	11.9	14.3	10.7	7.0	0.0	10.6	118.7	5.3
Cocoa and preparation	3.1	8.7	4.6	0.1	0.0	0.6	66.4	5.3
Vegetable preparations	27.2	28.5	28.7	8.4	3.5	18.2	217.4	5.6
Beverages and spirits	8.4	17.0	8.4	8.0	0.3	6.7	136.8	5.8
Food residues	28.7	49.5	37.8	28.5	0.0	17.8	174.9	8.2
Agricultural products	23.79	23.47	30.09	18.63	3.14	16.71	407.82	100.0


Note: computed from HS6 level data

Protection tools

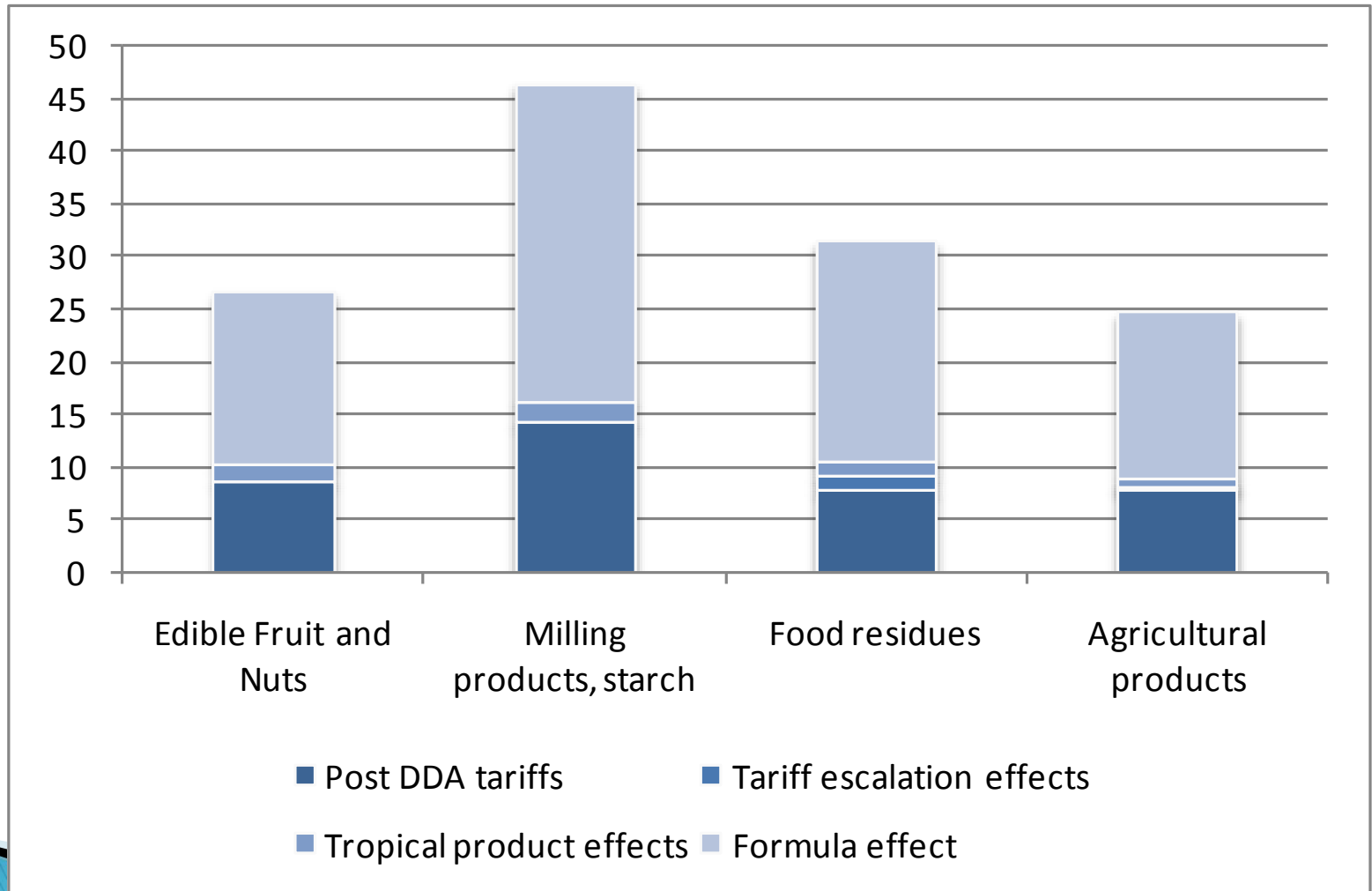
- ▶ 1 / 3 of EU tariffs are specific, compound/mixed. More than half of dutiable lines.



Protection tools

- ▶ 1 / 3 of EU tariffs are specific, compound/mixed. More than half of dutiable lines.
 - ▶ Entry price mechanisms in vegetables/fruits.
 - ▶ Seasonal protection in cereals and vegetables/fruits.
 - ▶ Tariff simplification and GSP scheme
- 

Formula impacts on average bound tariffs (Table 3)

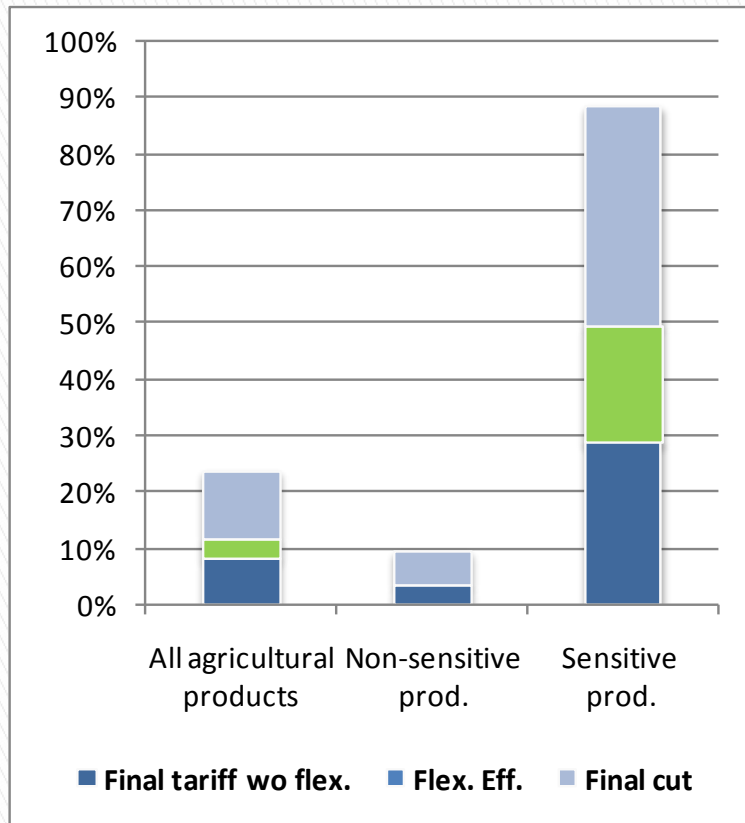


Assessing flexibility consequences (Table 5)

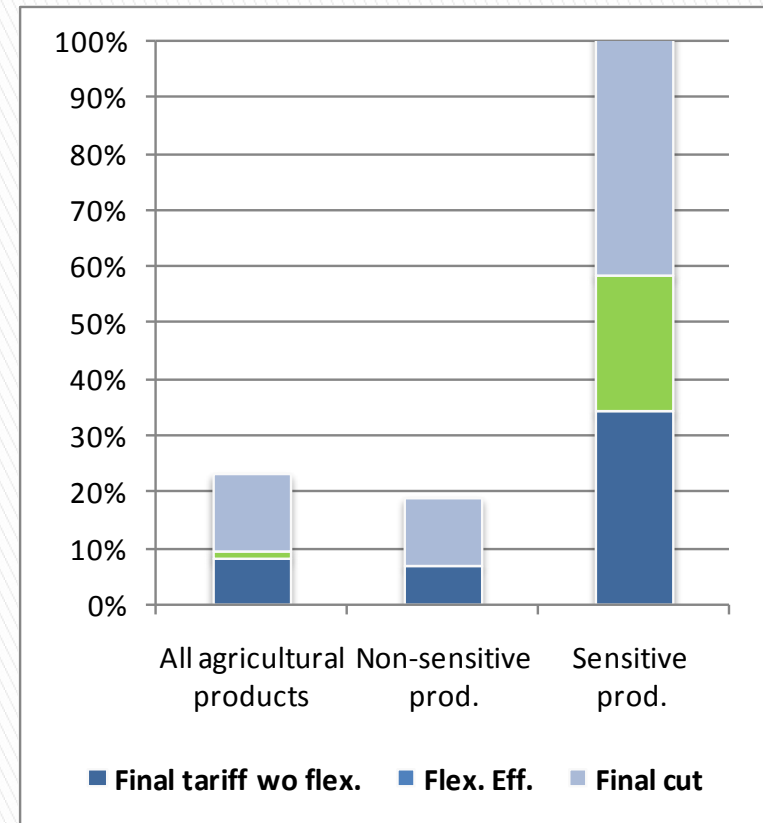
Rank	HS6 code	Label	Initial MFN duty	Post-formula	With 2/3 cut	Assessed initial share of imports in quotas (%)	Assessed TRQ creation (share in initial imports, %)
1	170111	Raw cane sugar	177.2	55.8	96.3	37.0	19.6
2	230890	Maize stalks, maize leaves	423.7	89.9	230.2	0.0	n.a.
3	080300	Bananas	63.5	20.0	36.6	21.6	n.a.
4	170199	Cane or beet sugar	160.9	50.7	87.4	0.7	59.9
5	230990	Animal food preparations	116.6	36.7	63.3	2.5	n.a.
6	020230	Boneless frozen bovine meat	124.4	39.2	67.6	19.1	23.1
7	020130	Fresh or chilled bovine meat boneless	88.2	27.8	47.9	7.6	17.1
8	071410	Fresh or dried manioc `cassava`	139.3	41.1	75.7	99.8	n.a.
9	020442	Frozen cuts of sheep unboned	67.5	24.6	38.9	70.6	3.8
10	100630	Semi-milled or wholly milled rice	109.3	41.8	76.9	7.9	10.4
11	040510	Butter	78.5	24.7	42.7	57.1	32.5
12	070320	Garlic fresh or chilled	201.6	63.5	109.5	5.1	n.a.
13	020443	Frozen boned cuts of sheep	80.3	25.3	43.6	72.7	7.7
14	230310	Residues of starch manufacture	94.8	29.9	51.5	0.0	n.a.
15	020714	Frozen offal of fowls	50.9	18.6	29.4	4.1	36.8

5% of products, 18.1% of imports

Flexibility effects on EU protection (Table 6)

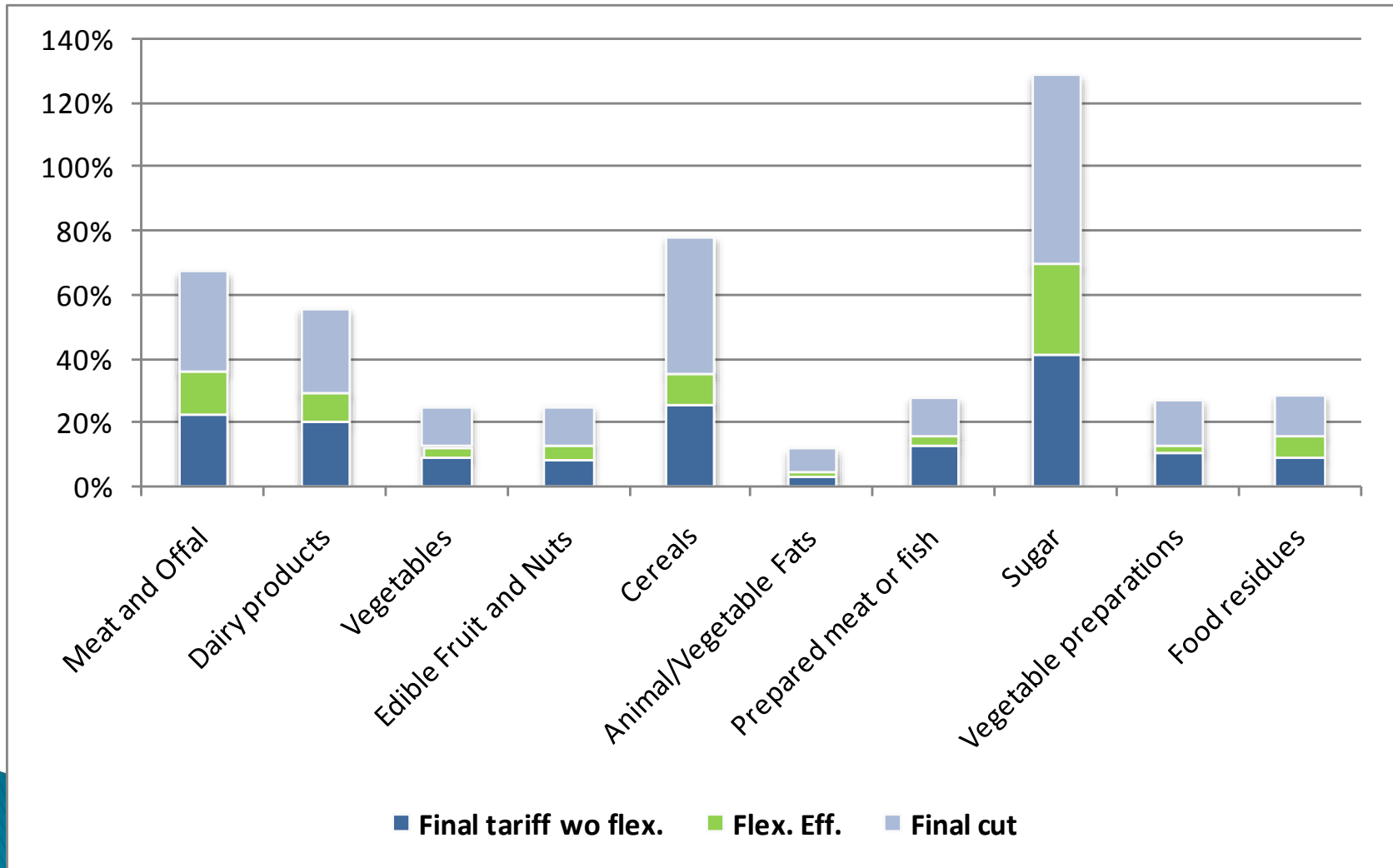


Trade weighted average

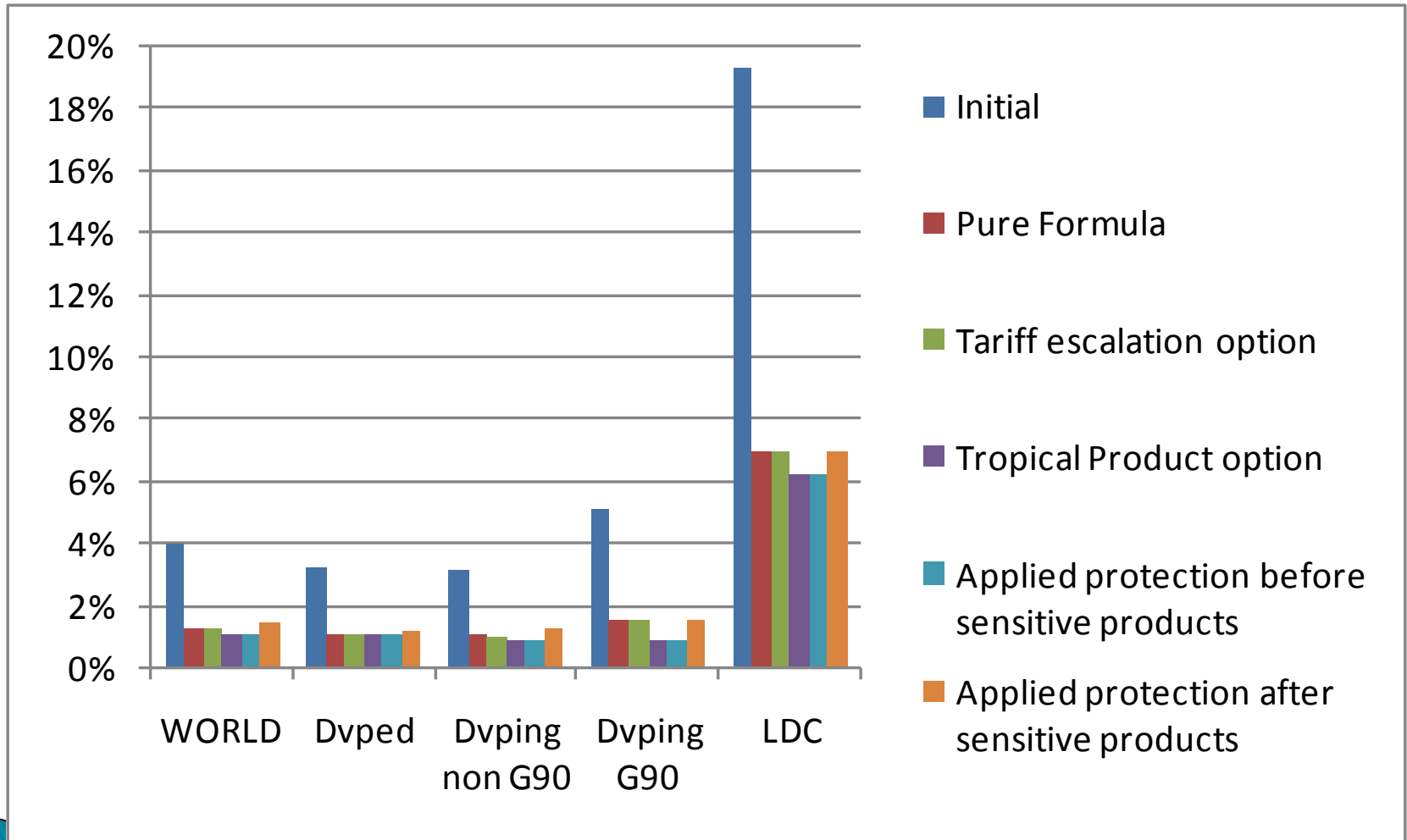


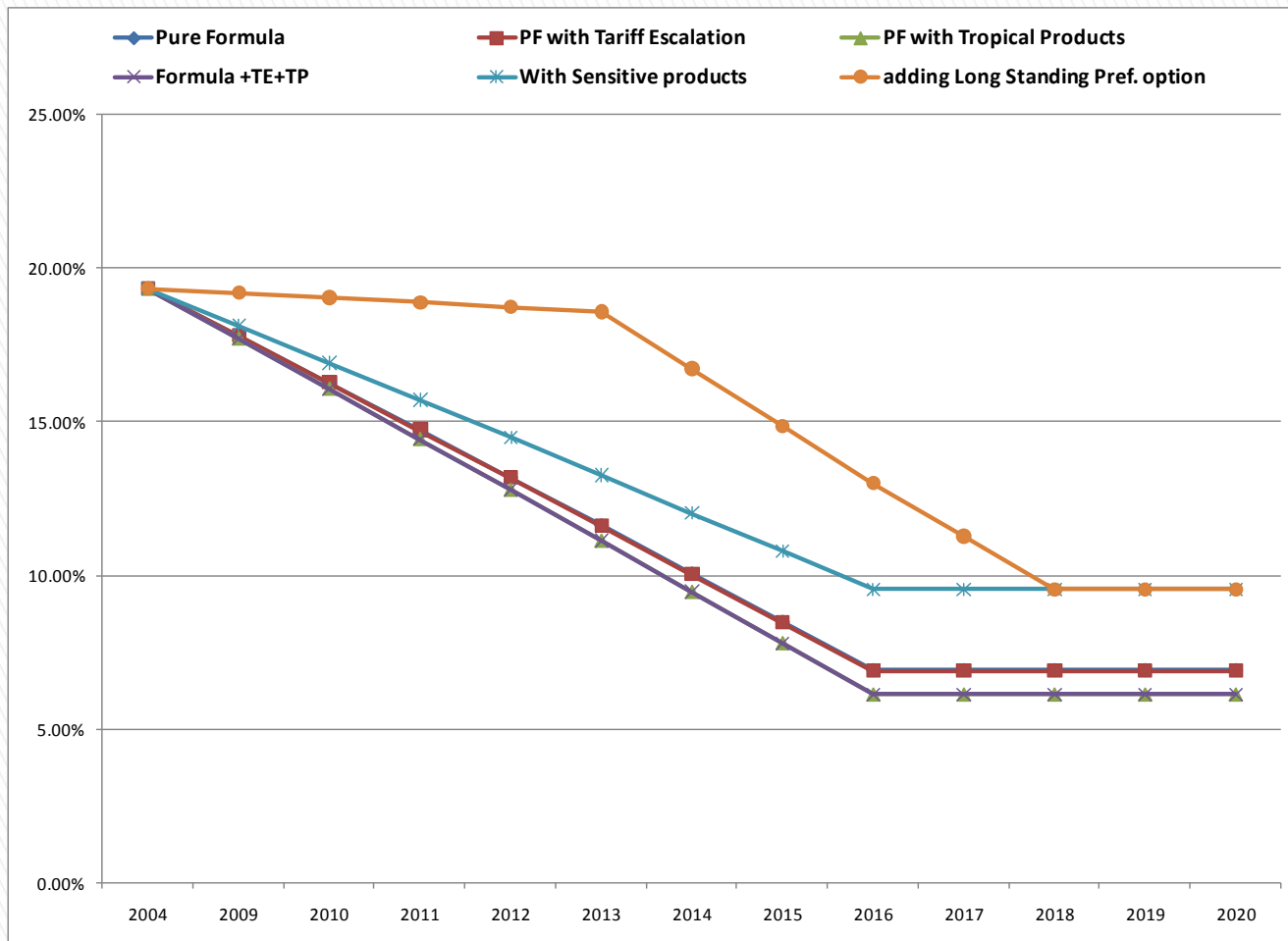
Simple average

Flexibility effects on EU protection (Table 6)



Preferential margins on the EU market (Table 7)

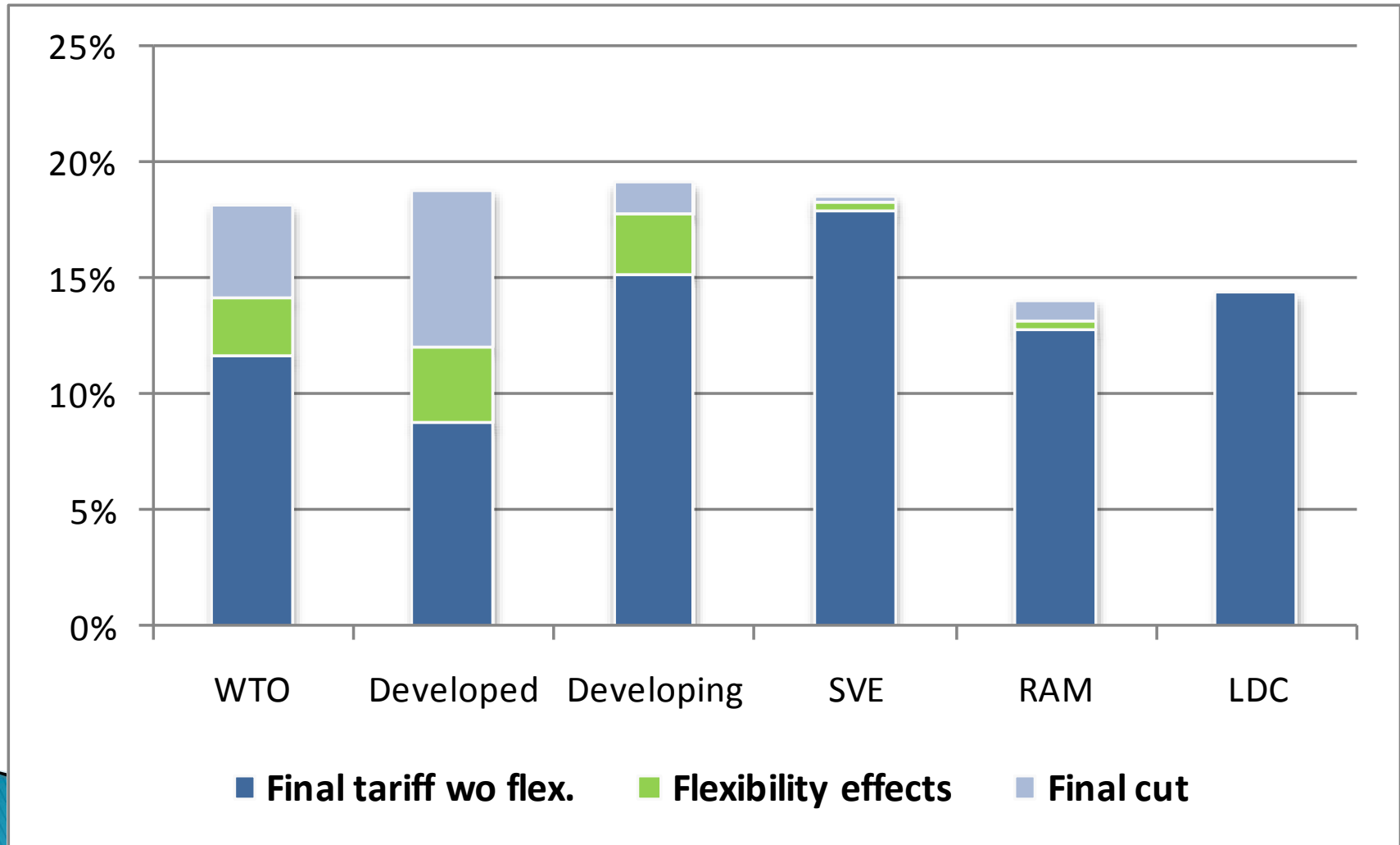




LDC preferential margins in the EU

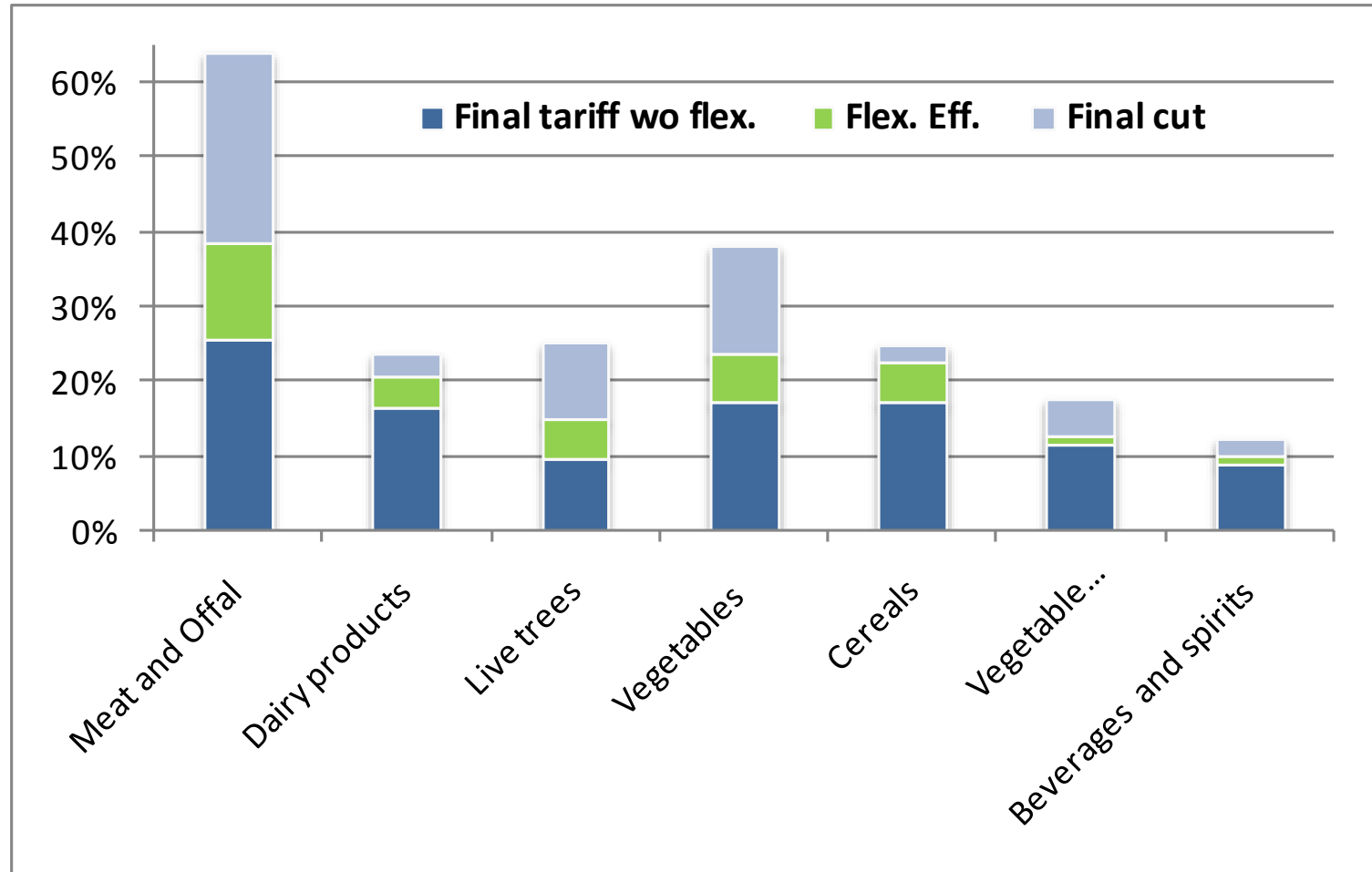
“Long standing preference option”
 assumption = 5 years with no
 cut, then 5 years linear cut.

Protection faced by EU exporters by partner (Table 8)



Trade weighted average

Protection faced by EU exporters by chapter (Table 9)



Trade weighted average