

EU trade policy digest: September–December 2023

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Recent developments in EU trade policy

European Commission: [Negotiations and agreements](#)

Update

A brief outline of progress in EU trade negotiations with low- and middle-income countries, and key developments in trade policy. For detail see the AGRINFO Quarterly Trade Digest: [EU Trade Policy September–December 2023](#).

Recent developments

EU negotiations with low- and middle-income countries

India: Some progress has been reported in the negotiation of three agreements on trade, investment, and GIs. But there are still major hurdles in relation to dispute settlement, sustainable development, and intellectual property rights. Progress on GIs has been slow due to changes in Chief Negotiators.

Kenya: Finalisation of the EU–Kenya Economic Partnership Agreement (EPA) moves closer, with both sides signing in December 2023. The Agreement will remove import tariffs on all goods exported from Kenya to the EU. Kenya will remove import tariffs on the majority of goods over the coming 15–25 years – but, notably, agricultural products will be excluded.

Mexico: Although the EU and Mexico hoped to finalise talks in 2023 on a new modernised agreement to replace the existing one signed in 2000, differences in relation to energy and the structure of the agreement mean that talks will continue in 2024.

Mercosur: Since provisional agreement was reached in 2019, the EU has asked Mercosur countries for additional guarantees that they will stop deforestation and protect labour rights. This is viewed to have become less likely with the election of environment sceptic Javier Milei as Argentinian President. Both sides have announced the continuation of negotiations in 2024.

Thailand: Talks with Thailand were relaunched in September 2023, following the suspension of talks since 2014 due to the military takeover in Thailand. A second round of discussions will be held in January 2024.

Trade policy

New EU–OACPS Samoa Partnership Agreement: The EU and ACP countries have agreed a new legal framework for their relations, which replaces the Cotonou Agreement. It sets out the commitments of both sides to address global challenges, including economic growth and sustainable development, human rights and democracy, peace, and security. The Agreement is not a trade deal, so does not reduce import duties or introduce quotas.

EU extends GSP rules: The EU has extended the current generalised scheme of tariff preferences (GSP) until 31 December 2027. The scheme was due to be revised by the end of 2023, but the EU has not yet agreed on these revisions. The extension will provide more time for discussion on a new scheme.

European Parliament critical of EU–South African Development Community (SADC) Agreement: A draft International Trade Committee report, due to be adopted in January 2024, is critical of the implementation of the EU–SADC Agreement in application since 2016. While some growth in trade has been established, the Committee monitoring the Agreement found no substantial improvements in food sovereignty or poverty reduction.

Commission report shows limited benefits of preferential trade agreements for agri-food products: The Commission's review of trade in 2022 found that general growth in trade is greater between the EU and countries that have a preferential trade agreement with the EU, compared to countries that do not have such an agreement. In contrast, growth in trade specifically in agri-food products was greater with those countries *without* a preferential trade agreement.

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