

AN OPEN, SUSTAINABLE AND ASSERTIVE TRADE POLICY

KEY FACTS AND FIGURES

KEY FACTS AND FIGURES ON EU TRADE

In 2019, the EU exported over [€3.1 trillion worth of goods and services](#) and imported [€2.8 trillion of goods and services](#). Taken together, it makes the EU the biggest player in world trade.



Two-way trade accounts for [43% of the EU's Gross Domestic Product](#).

THE NUMBER OF COUNTRIES FOR WHICH THE EU IS THE MAIN TRADING PARTNER

74

EU

66

CHINA

31

US

Compared to the US and China, the EU is the number one trading partner for 74 countries around the world. It is the number one trading partner for Asia, Africa, the US, Western Balkans and the EU's Neighbourhood. China is the most important trading partner for 66 countries while the US is number one partner in 31 countries.

[Trade supports 35 million jobs](#) in the EU, up from 20 million in 2000. These jobs enjoy a 12% wage premium compared to jobs not supported by trade.

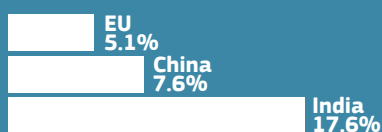


[16 Million jobs](#) in Europe depend on foreign investment in the EU.

Small and medium-sized firms represent 85% of all EU exporters. Their exports [support over 13 million jobs](#) in the EU, with goods and services exports making a similar contribution.

The EU is applying [46 trade agreements with 78 partners](#). Trade with these partners amounted to €1,398 billion, representing 34% of EU external trade.

AVERAGE TARIFF RATES



WHY OPEN TRADE IS IMPORTANT

The EU is an open economy: its (simple) [average tariff rate is 5.1%](#) (including industrial and agricultural goods), similar to other developed countries, including the US. Emerging and developing countries usually retain higher tariffs: China's average tariff rate is 7.6% and India's is 17.6%. In addition, many emerging economies can increase their tariffs up to a much higher 'bound' WTO level. This is why the EU wants to reduce such tariffs.



Imports and exports cannot be considered separately. They are both part of our economic success and help EU exporters remain competitive globally. EU firms that both import and export account for [95% by value of all goods traded in and out of the EU](#).

The EU economy relies on imports, which provide access to critical raw materials and inputs. 60% of EU imports are actually used to produce EU goods. Overall, the EU's increased openness to imports has boosted its GDP by about [€550 billion since 1995](#).

THE OUTLOOK FOR TRADE

The economic consequences of the Covid19 pandemic continue to send shockwaves around the world. [Latest WTO data](#) shows that the volume of global trade in goods is forecast to fall by 9.2% in 2020. The projected decline is less, however, than the 12.9% drop foreseen in the optimistic scenario in the WTO's April forecast. Growth in the volume of trade should rebound to 7.2% in 2021 but will remain well below the pre-crisis trend.

The latest [European Commission Economic Forecast](#) estimates that the global economy could grow by 5.2% in 2021, while EU GDP is expected to rise by 3.7%. This follows a 3.4% drop in world GDP in 2020 and a 6.3% fall in EU GDP.



By 2024, [85% of the world's GDP](#) growth is expected to be outside the EU.



China's continued rise will affect the global economic landscape over the next 10 years, with [the OECD predicting Chinese GDP will grow by 4.7% annually](#).

Asia's broader consolidation as the growth pole for the world economy is equally important. This trend is likely to be strengthened through initiatives such as the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) and the Regional Comprehensive Economic Partnership (RCEP).