

EU duty- and quota-free market access – what is it worth for ACP countries in 2008 beyond?

Final Report

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List of acronyms

ACP	African, Caribbean and Pacific
CAP	Common Agricultural Policy
CMO	Common Market Organisation
CN	(the EU's) Combined Nomenclature
DFQF	duty-free, quota-free
EBA	Everything but Arms
EPA	Economic Partnership Agreement
EU	European Union
FMD	foot and mouth disease
FTA	free trade agreement
GSP	Generalised System of Preferences
GSP+	the special incentive arrangement for sustainable development and good governance (within the GSP)
HS	Harmonised System
LDC	least developed country
MFN	most-favoured-nation
OCT	Overseas Countries and Territories
RQ	reference quantity
SPS	Special Preferential Sugar
TQ	tariff quota
US	United States
wse	white sugar equivalent
WTO	World Trade Organization

Executive Summary

This report provides an initial analysis of the potential effects of the EU's offer to import duty and quota free (DFQF) all goods from members of the Economic Partnership Agreements (EPAs) currently being negotiated with the African, Caribbean and Pacific (ACP) group. Most ACP exports (97.6 percent in 2006) already enter the European Union (EU) under DFQF terms. Hence, the new initiative will be restricted to the small proportion of goods currently exported that are not already unrestricted and to any new exports that become possible because of the removal of market access barriers. Most of these are agricultural products. To the extent that manufactures are not already accorded effective preferences, the area for reform is the rules of origin. These are not covered by the DFQF initiative (and hence by this study) although it is also an area being negotiated within the context of EPAs.

Types of effect

This report identifies analytically four separate potential effects from DFQF. The first, and most immediate, is the re-distribution from the EU to elements in the ACP export supply chain of the revenue currently collected as import taxes. To the extent that any of this accrues to ACP producers or exporters it will result in a terms of trade gain.

If the revenue transfer induces importers to shift purchases away from less preferred sources towards the ACP, there could also be an increase in the volume of ACP exports. To the extent that the revenue transfer accrues to elements within the producing country, it may also enable them to increase their supply of competitive products without substantial new investment.

A third area of potential gain is if DFQF makes it commercially feasible, for the first time, for ACP countries to export to the EU products that they already supply competitively to other markets. This would happen if the current EU access barriers are so high as to make it commercially unviable to supply the European market.

In the medium term, the enhanced access provided by DFQF might induce an increase in supply in ACP states. Were this to happen, the gains are likely to be much more substantial than those resulting simply from the first three effects. But, necessarily, this is an area of speculation at the level of aggregation of this study.

The potential breadth of effect

A large number of countries and products could be affected by DFQF. By definition, only non-least developed (LDC) ACP countries will be affected since the least developed have had DFQF access for everything except sugar and rice since the EU's 'Everything but Arms' (EBA) initiative. But, even with this limitation, some 27 ACP states (out of a total of 36 non LDCs) currently appear to be exporting to the EU items that will be affected by DFQF. No fewer than 121 items (at the 8-digit level) currently facing potential tariff barriers were exported to the EU by non-LDC ACP states in 2006, to a value of €1.4 billion. So, the immediate impact of revenue transfer would be substantial.

However, a significant proportion of these exports are covered by the two products for which DFQF will be deferred (sugar and rice). If these two items are removed from the analysis, the value of exports covered by DFQF falls to €62.4 million.

Revenue transfer

Calculating the revenue that will be transferred from the EU to elements in the ACP supply chain is an imprecise activity because the level of tariff currently paid is in some case related

to the entry period, the unit value, the relationship of supplies to a tariff quota and, in some cases, may vary during the year. Nonetheless, we estimate that the duty ‘saved’ on 2006 exports from non-LDC ACP would be at least \$13 million. Of this, \$4 million is derived from rice and will be deferred, therefore, until this product is fully covered by DFQF.

The deferral of DFQF for sugar does not have any impact on the duty saved since it currently enters the EU duty free within the relevant tariff quotas (TQs). Only if ACP countries in aggregate are able to increase their volume of exports beyond the current TQ limits will DFQF produce net *revenue* gains (although it is likely to result in some distributional changes between exporting states regardless of whether the total volume of exports rises and could also produce global economic gains if production shifts from less to more efficient sources).

These revenue gains are compared to the *status quo* of Cotonou. They would be much greater if compared to a counterfactual of the standard GSP, the regime the Commission has indicated will apply to those non-LDCs that decide not to join EPAs. Because the impact of such a change in tariff regime on the volume of ACP exports cannot be calculated with confidence, it is not feasible to produce a ‘combined’ revenue figure (to show the savings of DFQF against a counterfactual of the GSP). But work done by ODI indicates that the impact of applying the GSP would be severe. Every non-LDC ACP state would experience an increase in tariffs on at least some of its exports were they to be treated under the standard GSP, but of course the scale of effect will vary widely between countries (ODI, 2007).¹ In the case of many of the items covered by this study (goods for which Cotonou provides a restricted preference) exports are likely to cease altogether if the standard GSP is applied to the countries concerned.

Implications for trade diversion and preference erosion

The study identifies for the most substantial DFQF-benefiting products the relative terms of access of the ACP and other important suppliers of the EU market. It indicates that there is some potential for importers to switch their purchases from the ACP after DFQF but much will depend on the precise calendars within which these countries and their competitors can export to the EU. This is because many of the ACP’s competitors already have free trade agreements with the EU that may offer equally advantageous access terms to some items and during some time period. Only a detailed case-by-case analysis will show the true scope for trade diversion.

The other side of the coin is the extent to which DFQF could offset for the ACP the effects of past ‘preference erosion’ under which equally (or in some cases more) favourable access has been granted by the EU to other suppliers through multilateral and bilateral trade agreements. The most extensive recent preference erosion resulted from the creation within the Generalised System of Preferences (GSP) of the special incentive arrangement for sustainable development and good governance (known as GSP+) in 2005. Since most of the current beneficiaries of GSP+ were already favoured by the EU under its anti-narcotics regime, the effective erosion of GSP+ was quite limited. In many cases, DFQF would restore a competitive advantage to the ACP – but much will depend upon the precise calendars within which goods are exported.

New exports

It does not appear likely that there will be a sudden surge of new export products from the ACP to the EU as a result of DFQF. Exports from these countries to other major markets

¹ The results are summarised in Appendix 2.

have been analysed to identify items for which current EU barriers might be constraining and explain the non-existence of trade with Europe. A number of such items have been identified, but they fall broadly into the same product categories as those already being exported to the EU (albeit in very limited quantities in some cases). It is more likely, therefore, that DFQF will allow the ACP to export a wider range of items within the same broad product groups as currently feature in their basket than immediately to re-direct entirely new products to the European market.

Supply capacity

Apart from the immediate revenue gain, the principal impact of DFQF will be if it provokes an increase in export supply from the ACP. In turn, this may require increased investment. The study cannot provide definitive evidence for all non-LDC states and all potentially affected products (not least because current supply capacity is very small and often in products for which the ACP do not feature in the secondary literature) but it can direct the attention of analysts, potential investors, and aid donors to the areas that are worthy of further detailed analysis. The most likely candidates for increased supply are meat other than beef and beef products, grapes, rice and, possibly, citrus.

There is also scope to increase exports of processed foods (especially once sugar quotas become unconstraining), but this will depend largely on the rules of origin. It seems improbable that many ACP countries will be able to increase substantially their production of all the basic raw materials that go into processed food products. Moreover, if supply capacity of the raw inputs is constrained it may also be questionable whether it would make sense on food security grounds to use them for processed exports rather than unprocessed domestic consumption. But there could be scope, were the rules of origin to be amended, to undertake value-added processing that would use some locally sourced raw materials together with imported inputs.

A broader DFQF?

The study also considers the implications of DFQF being offered by other OECD states to the ACP.² Since the full impact of the EU's offer will depend critically on ACP supply response, it is not possible to go very far in considering the potential additional gains from a broader offer. The EU is clearly a sufficiently large market to absorb most of the ACP's current exports and any increase in supply that is likely to materialise in the short to medium term. On the other hand, if seen as a precursor to subsequent broader liberalisation, DFQF offers obvious advantages by allowing countries to begin now a process that will eventually be generalised to all suppliers.

² It is perhaps questionable whether any other OECD state would make an offer to 'the ACP' as opposed to, say, all LDCs or separate arrangements for sub-Saharan Africa and, in some cases, the Caribbean. But this is a necessary simplification to allow use to be made of the information collected in this study which is, of course, for the ACP. Moreover, given the uncertainties on supply capacity (and absence of data in this study on the gaps in current OECD provision for LDCs, Africa or the Caribbean) the conclusions drawn could not be significantly different.

1. Introduction

1.1 Background to the report

This report identifies the potential benefits for ACP states from the removal by the EU of all remaining tariff and quantitative restrictions on imports from them as part of the EPAs currently being negotiated.³

Some important elements of the EU's DFQF offer were unclear when the main study was conducted. These are the ones that relate to the two, or possibly three, products for which DFQF will be introduced over a transition period of uncertain duration: sugar, rice and, possibly, bananas. As is explained below, these are quantitatively the most substantial ACP exports to the EU that currently face some duty or quantitative restriction. But there are many other exports for which DFQF is to be offered immediately within EPAs.

The study is based entirely on desk research. This is not a significant limitation for the task of identifying those current ACP exports that would benefit from DFQF and the extent of the resulting trade tax reduction compared to the *status quo* of Cotonou.⁴ It also permits an accurate picture to be painted of how the competitive position between ACP will change *vis-à-vis* other suppliers of the EU market as a result of DFQF.

Where the desk-based nature of the analysis does limit the conclusions is when considering the possible ACP supply response. In many cases, current ACP exports to the EU of DFQF-affected items are very small. Since these are products which, in the main, face substantial barriers to imports from non-LDC states, DFQF could offer to ACP non-LDCs a significant competitive advantage. Whether or not the countries concerned can take advantage of this, though, by scaling up substantially their exports is something that only very detailed country-level research can identify. The purpose of this report is to summarise the existing secondary literature on supply capacity (which, almost by definition, is limited in the case of the products of most concern to this study) and thus provide important pointers to the areas (countries and products) where further, more detailed work would be desirable on production capacity and market demand.

This reports needs to be seen, therefore, as a first review of the way in which the export prospects for ACP countries would alter were they to join an EPA and obtain DFQF access to the EU market. Its aim is less to provide a definitive 'bottom line figure' for the potential gains than to alert producers and observers in the countries most likely to be affected of the potential opportunities that will be opened up. It may also identify areas in which financial and/or technical aid could be used in order to maximise the benefits that the ACP signatories to EPAs obtain from their improved market access.

³ The study on which this report is based was commissioned by the UK Department for International Development. The information and the views presented in the report are wholly those of ODI. The final text was substantially completed by November 2007, but small amendments have been made in February 2008 in respect of sugar. This is because analysis of the EPA texts initialled by the end of 2007 has provided more detail on the regime for processed sugar products.

⁴ It is also possible to view DFQF in comparison with an alternative of standard GSP, given the statements by the Commission that this is the tariff regime that will be applied with effect from 1 January 2008 to non-LDC countries that are not members of EPAs. The report provides information to allow a comparison to be made.

1.2 The scope of DFQF

On 4 April 2007 the European Commission announced that it would offer DFQF market access to all products exported by EPA members.⁵ The statement indicated that this would apply from January 2008 for all goods except sugar and rice. No official details have been given on arrangements during the transition period for rice; during the main research period there were some significant gaps in detail with respect to sugar, but the authors have been able to piece together guidance on many aspects from a combination of sources, some of which are official and publicly available, and to make a final update from the EPA texts initialled by the end of 2007. Subsequent to the April announcement, a question mark was raised over the timetable for bananas but as no further details have been given it is assumed in the report that DFQF will apply from date of signature of any EPAs.⁶

1.3 Potential effects

1.3.1 Types of effect

Tariff changes such as those in the EU's DFQF proposal can have a range of direct and indirect effects over different time periods. There will be an immediate *static* impact as a result of the transfer from the European Commission to elements in the value chain for each export product of the revenue formerly collected through tariffs. It is impossible to identify across the board (or, often, even in respect of specific trade flows) where this re-distributed tariff revenue will eventually rest. Although hard to measure precisely, it is possible to gauge the broad scale of the transfer and put it into perspective.

This direct transfer may also have indirect effects. Even if the transferred revenue rests with the importer the volume of exports ordered from the ACP may increase because they generate more profit for the buyer than those from sources that still pay the duty. In addition to such a diversion of trade away from less preferred towards the more preferred sources of supply, there may also be a diversion of ACP exports away from the rest of the world towards the, now more accessible, EU market. In the medium to longer term, the supply capacity of some ACP states in respect of some products might increase as a result of investment made in the light of the improved access.

If the EU tariff barriers that are being removed under DFQF are sufficiently high, it may provoke the commencement of trade flows that do not currently exist. In other words, the result of DFQF may not only be that existing ACP exports to the EU increase but also that there are entirely new exports in products for which the ACP have a supply capacity but which were suffocated by the barriers that DFQF removes.

Finally, a dimension that needs to be investigated is the potential for a 'demonstration effect' on other major actual or potential ACP markets. If other importing countries were to follow the EU lead, what would be the potential scope for increased exports?

⁵ DFQF does not apply to South Africa. The Commission's announcement does not list the non-LDC beneficiaries of DFQF access. The analysis in this report covers the 36 ACP countries not included in the list of least developed countries on the UN website as at October 2007. However, other Commission documents refer to 37 non-LDC ACP countries. It is likely that the '37th' country is Cape Verde, which it is understood is to be removed from the UN's list. If so, it is unlikely to make a significant difference to the results reported here. In any case, DFQF will apply only to EPA members, and it is not possible to forecast exactly which these will be.

⁶ Bananas were not excluded from the initial DFQF offer. However, the Commission subsequently agreed on an 'additional evaluation' (Mandelson, 2007).

1.3.2 Organisation of the report

The report deals with each of these potential effects in turn. The analysis concentrates on non-LDC states. Because the least developed are covered by the EBA scheme their access terms will not change as the result of DFQF within EPAs.

Whether or not an EPA, with DFQF, provides a more attractive option than EBA is a question that cannot be answered at present. For a start, no final EPA text exists, so the extent to which it adds benefits not available under EBA is a matter of speculation. One possible improvement would be in relation to the rules of origin. Although these are currently very similar for EBA and Cotonou, changes are expected for both regimes. But the changes are not yet finalised and a detailed comparison falls outside the terms of reference for this study. Another possible difference relates to security of treatment, but this is a matter of speculation not economic analysis. Comparing the two regimes would require judgements to be made about, on the one hand, the extent to which LDCs can rely on the EU's statements that EBA is permanent and, on the other hand, the possibility (and outcome) of a future challenge in the WTO to the conformity of EPAs with multilateral rules.

Section 2 identifies the current ACP exports that will be affected directly by DFQF and the potential scale of the revenue transfer away from the Commission.

Section 3 identifies the extent to which the ACP's position in the EU market will be enhanced *vis-à-vis* their main competitors. It also includes a comparison of the 'DFQF gains' for the ACP with the 'preference erosion losses' that have resulted from GSP+, the most significant recent source of erosion (plus a review of what might result from the successful completion of the Doha Round).

Section 4 investigates potential new exports resulting from trade being re-directed towards the EU. This is a very speculative area and is treated as distinct from the trade changes that could result from new investment in production in ACP states. The issue that is investigated is this. Are there products that:

- ◆ ACP countries export to the rest of the world but not the EU;
- ◆ face very high tariff barriers in the EU at present (of sufficient scale that they could plausibly block all ACP exports);
- ◆ which will be removed by DFQF?

If the answer to all three questions is 'yes' there could be a diversion of existing ACP exports away from the rest of the world towards the EU. Because trade statistics between the ACP and many other developing countries (especially in Africa) are very poor, this analysis concentrates on a selection of major global importers and may overlook goods that ACP states sell only in regional markets. But it does serve to give a broad impression about whether such re-direction of trade is likely to occur on a significant scale. Even if goods sold *only* to the regional market were identifiable there would necessarily be questions as to why they are not exported to *any* major market – and whether or not the quality or precise characteristics make them suitable for sale in the EU.

Section 5 looks at the potential to increase supply of products identified in Sections 2–4. Naturally, this is a speculative exercise in a report of this breadth and length, but it serves to direct attention to the areas where further follow-up work may be desirable because there appears to exist *prima facie* evidence that supply could be increased.

Finally Section 6 pulls all the threads together and also considers the implications for the ACP of a wider application of DFQF by other major importing countries.

2. The immediate effects of DFQF

By ‘immediate effects’ we mean those that will occur as soon as DFQF is applied (i.e. in 2008 for most goods and at the end of transition periods for sugar, rice and perhaps bananas).

2.1 Which products?

It is likely that some of the items on which DFQF will confer benefits are exported to small values (precisely because they currently face a severe market access barrier). To avoid overlooking them, no minimum value has been set for this analysis of EU import statistics – with the corollary that some of the records will be errors, the return of previously imported goods, etc. We have attempted to remove items that appear to be erroneous, but some will no doubt have slipped through. Moreover, some genuine exports may be aimed at very restricted ethnic markets in the EU with little scope for growth.

With these caveats, there were no fewer than 121 items (at the EU’s Combined Nomenclature (CN) 8-digit level) exported to the EU by non-LDC ACP states in 2006 to a value of €1.4 billion that currently face potential tariff barriers (see Appendix 1). The word ‘potential’ is used because some are duty free within TQs (so the barrier is against expansion of exports beyond this level) and others are duty free above a certain entry price or within a specific time period (with similar constraints to moving beyond these thresholds).

Table 1. The broad product groups affected by DFQF

Product group	No. non-LDC ACP exporters	No. CN codes	Non-LDC ACP exports 2006 (€mn)
Sugar	17	15	713.2
Bananas	12	1	552.1
Meat	2	4	50.5
Cereals	16	43	35.4
Grapes	1	1	28.1
Citrus	8	9	18.0
Vegetables	8	25	6.2
Deciduous fruit & nuts	6	9	1.0
Oils	2	2	0.3
Wine	3	7	0.2
Dairy	2	2	0.1
Tropical fruit	2	2	0.1
Potatoes and yams	2	1	0.04
Totals		121	1,405.2
<i>Source:</i> Calculated from data obtained from Eurostat COMEXT database.			

Since many items are sub-categories of the same broad product the situation is summarised in Table 1, which is more easily digestible than the full list in Appendix 1. It identifies thirteen broad groups into which most items fall, listed in declining order of the value of non-LDC exports to the EU in 2006. Although the trade is a significant one, overwhelming the two most important product groups in terms of the value of ACP exports are sugar and bananas. Cereals (the most important of which is rice) is the fourth most important. Until sugar and rice are fully covered the scale of ACP exports covered by DFQF falls to €662.4 million.

2.2 Which ACP?

Even though the value of exports other than sugar and rice is modest, the export of products that will potentially gain from DFQF is not limited to a handful of ACP states. In these two product groups the number of non-LDC exporters is in double digits, as it is for bananas, and there are smaller concentrations in three other groups. Where the absolute value of imports is relatively small, though, this means that some (or all) are exporting very small values. This is particularly the case where the number of CN codes covered by the broad product group is high. For example, 16 non-LDC ACP states are exporting cereals to the EU but these are

spread over 43 separate 8-digit codes and amount in total to €35.4 million. In the case of deciduous fruit and nuts, six states export in nine 8-digit codes to a value of only €1 million.

Table 2 gives further details on the distribution of exports between the 27 non-LDC ACP states that are currently exporting goods that will benefit from DFQF. In order to identify the effects of DFQF deferral for sugar and rice, separate columns strip out these products. Removing these two major items only excludes three countries from the list of immediate potential beneficiaries; there remain 24 states that stand to gain on between one and 24 items.

These gains are compared to the *status quo*: they indicate the revenue transfer that arises from the change from Cotonou to DFQF assuming that there is no change in the volume of ACP exports (an assumption that is eased below). A comparison could also be made not with the *status quo* but with the ‘alternative’ to DFQF if that were to be the standard GSP (given the statements on this matter made by the Commission). It cannot be a direct comparison (allowing the potential ‘revenue gains’ from DFQF to be added to the potential ‘revenue losses’ of the standard GSP) because the ‘no change in the volume of exports’ assumption is extremely unrealistic in the case of the standard GSP. However, it is possible using the information in Appendix 2 on the effects of the standard GSP to make a broad estimate of the ‘difference’ for non-LDCs of DFQF on the one hand and the standard GSP on the other.

2.3 How great are the immediate gains?

In order to provide a broader picture than can be gained from the details in Appendix 1, Table 3 provides figures on the potential static gain on all products imported into the EU (from all non-LDC ACP states) to a value greater than €50,000 where there will be duty savings. It shows a total revenue gain for these items of €12.7 million. This ‘duty value’ figure is necessarily ‘ballpark’ because the tariff structure for many of these goods is highly complex: some cereal tariffs, for example, can change daily (under the regime agreed by the EU during the Uruguay Round), or the duty may depend on the entry price of the item (fruit), or vary at the 10-digit level (sometimes in relation to seasonality). It may depend on the volume of exports if there is a TQ. In cases where Cotonou preferences are subject to TQs the estimate of the gain is based on the lower ‘in-quota’ rate which will result in an underestimate if the country has the potential to supply more than its limit. In some cases it has been simply impossible to make any estimate of the duty currently paid (for example because the volume supplied is less than the unit used to determine specific duties).

Table 2. The exporting countries

Non-LDC ACP exporter	All products		Excluding sugar and rice	
	No. CN codes	Value of exports 2006 (€000)	No. CN codes	Value of exports 2006 (€000)
Antigua and Barbuda	8	827	8	827
Bahamas	1	19	1	19
Barbados	6	16,575	3	108
Belize	4	67,854	3	38,921
Botswana	3	23,712	3	23,712
Cameroon	10	175,975	8	175,972
Congo	2	5,513	1	1
Cote D'Ivoire	16	146,382	15	145,537
Dominica	6	8,624	6	8,624
Dominican Republic	21	111,436	21	111,436
Fiji	1	105,792	—	—
Gabon	1	14	1	14
Ghana	24	13,940	22	13,920
Guyana	6	111,196	—	—
Jamaica	17	85,052	13	14,402
Kenya	28	10,685	24	5,764
Marshall Islands	1	112	—	—
Mauritius	20	270,382	9	1,479
Namibia	5	54,870	5	54,870
Nigeria	17	596	16	426
Seychelles	1	16	1	16
St Lucia	2	24,006	1	23,994
St Vincent/Grenadines	1	11,249	1	11,249
Suriname	13	21,332	10	16,920
Swaziland	15	81,065	11	7,005
Trinidad and Tobago	9	18,288	4	50
Zimbabwe	16	39,742	15	7,144
Total		1,405,255		662,408

Source: Calculated from data obtained from Eurostat COMEXT database.

One point of note is the absence from the list in Table 3. Sugar (apart from cane) is not there because, of course, no duty is paid within quota. The deferral of DFQF will dampen its impact only to the extent that beneficiaries are able (once the limits are removed) to increase their exports beyond the current quota (see Section 6).

Grapes, rice and beef account for a very large proportion of the total potential gains. In the next tier down, of modest but not negligible gains, are oranges, cereal products and a range of fruits and vegetables which, while small individually, add up to a reasonable value when taken as a group.

Table 3. Products eligible for greatest static gains

CN code	Description	Non-LDC ACP exports 2006 (€000)	Duty value (€000)
08061010	fresh table grapes	28,075	3,959
10062098	Long grain husked [brown] rice, length-width ratio >= 3 (excl. parboiled)	27,960	3,778
02013000	fresh or chilled bovine meat, boneless	42,684	1,963
08051020	fresh sweet oranges	16,951	542
02023050	frozen bovine boneless crop, chuck and blade and brisket cuts	5,512	430
18069070	preparations containing cocoa, for making beverages	1,174	220
23023010	bran, sharps and other residues, whether or not in the form of pellets, derived from the sifting, milling or other working of wheat	493	244
02023090	frozen bovine boneless meat	2,311	218
10063098	wholly milled long grain rice, length-width ratio >= 3, whether or not polished or glazed (excl. parboiled)	666	176
07049090	kohlrabi, kale and similar edible brassicas, fresh or chilled	1,213	121
11062090	flour, meal and powder of sago and of root or tubers of manioc, arrowroot, salep, Jerusalem artichokes, sweet potatoes and similar roots and tubers with a high content of starch or inulin of heading 0714	694	108
19059090	pizzas, quiches and other unsweetened bakers' wares	504	104
19059060	fruit tarts, currant bread, panettone, meringues, christmas stollen, croissants and other bakers' wares with added sweetener	408	99
10064000	broken rice	1,025	87
15091090	olive oil obtained from the fruit of the olive tree solely by mechanical or other physical means under conditions that do not lead to deterioration of the oil, untreated	248	77
07031019	onions, fresh or chilled (excl. sets)	1,007	61
19023010	dried, prepared pasta (excl. stuffed)	371	61
19059045	biscuits (excl. sweet biscuits)	275	57
08081080	fresh apples (excl. cider apples, in bulk, from 16 September to 15 December)	618	56
07099060	fresh or chilled sweetcorn	2,184	48
07039000	leeks and other alliaceous vegetables, fresh or chilled (excl. onions, shallots and garlic)	386	34
07061000	fresh or chilled carrots and turnips	310	31
08052010	fresh or dried clementines	190	29
07149019	roots and tubers of arrowroot, salep and similar roots and tubers with high starch content, fresh, chilled, frozen or dried, whether or not sliced or in the form of pellets	343	24
04022119	milk and cream in solid forms, of a fat content by weight of > 11% but <= 27%, unsweetened, in immediate packings of > 2,5 kg or put up otherwise	87	23
08052090	fresh or dried tangelos, ortaniques, malaquinas and similar citrus hybrids (excl. clementines, monreals, satsumas, mandarins, wilkings and tangerines)	647	21
07041000	fresh or chilled cauliflowers and headed broccoli	169	19
20098086	juice of fruit or vegetables, unfermented, brix value <= 67 at 20°C, value of <= ç 30 per 100 kg, containing > 30% added sugar	109	15
07020000	tomatoes, fresh or chilled	164	14
07099010	fresh or chilled salad vegetables (excl. lettuce and chicory)	159	14
08082050	fresh pears (excl. perry pears, in bulk, from 1 August to 31 December)	123	13
11062010	denatured flour, meal and powder of sago or of manioc, arrowroot, salep, Jerusalem artichokes, sweet potatoes and similar roots and tubers with a high content of starch or inulin of heading 0714	113	12
19041090	prepared foods obtained by swelling or roasting cereals or cereal products	68	10
11022090	maize flour, with fat content of > 1,5% by weight	58	8
08094005	fresh plums	74	8
19023090	pasta, cooked or otherwise prepared (excl. stuffed or dried pasta)	107	7
08055010	fresh or dried lemons 'citrus limon, citrus limonum'	81	7
07097000	fresh or chilled spinach, New Zealand spinach and orache spinach	80	7

CN code	Description	Non-LDC ACP exports 2006 (€000)	Duty value (€000)
07141099	fresh or dried whole or sliced manioc or in the form of pellets (excl. 0714.10.10 and 0714.10.91)	51	6
07052900	fresh or chilled chicory (excl. witloof chicory)	58	5
08119011	guavas, mangoes, mangosteens, papaws 'papayas', tamarinds, cashew apples, lychees, jackfruit, sapodillo plums, passion fruit, carambola, pitahaya, coconuts, cashew nuts, brazil nuts, areca 'betel' nuts, cola nuts and macadamia nuts, uncooked or cooked by	60	5
22042185	wine of fresh grapes, incl. fortified wine and grape must with fermentation arrested or interrupted by the addition of alcohol, in containers holding <= 2 l and of an actual alcoholic strength of > 13% vol to 15% vol	97	4
11029090	cereal flours (excl. wheat, meslin, rye, maize, rice, barley and oat)	52	4
20079110	citrus fruit jams, jellies, marmalades, purées or pastes, obtained by cooking, with sugar content of > 30% by weight	85	4
12129920	sugar cane, fresh, chilled, frozen or dried, whether or not ground	186	3
21069059	flavoured or coloured sugar syrups	124	0.5
Total		138,351	12,684
<i>Source:</i> Trade: Eurostat COMEXT database. Tariffs: UNCTAD TRAINS database, UK Tariff 2007, EC Taric Consultation online.			

2.4 The scope to increase exports in the short-term

The extent to which the ACP countries currently fill their TQs is very important both in determining the immediate potential gain from DFQF and in assessing the probability of their increasing market share once the residual tariffs are removed. This is shown for the most important items that are limited by TQs or reference quantities (RQs)⁷ in Table 4 (apart from sugar for which TQs are generally filled).⁸ ACP exports of fresh table grapes and citrus exceed the TQ and/or RQ so DFQF will result in a significant change in market access. Exports of rice are within quota but relatively close. Imports of beef fall well short of the quota.

Table 4. CPA quota fulfilment

CN code	Description	Non-LDC ACP exports 2006		Duty value (€mn)	CPA TQ	2006 export vol. (1000kg)
		€ mn	100 kg			
02013000	fresh or chilled bovine meat, boneless	42.7	81,119	2.0	31,916 tons	11,452
02023050	frozen bovine boneless crop, chuck and blade and brisket cuts	5.5	24,414	0.4	31,916 tons	11,452
02023090	frozen bovine boneless meat	2.3	8,987	0.2	31,916 tons	11,452
08030019	Bananas	552.1	8,912,277		775,000 tonnes	891,228
08051020	fresh sweet oranges	17.0	345,166	0.5	Reference quantity 25,000 tons	34,517
08061010	fresh table grapes	28.1	147,479	4.0	800 tons + reference quantity 100 tons (for 'ex 08061010', seedless table grapes only)	14,748
10062098	long grain husked [brown] rice, length-width ratio >= 3 (excl. parboiled)	28.0	996,686	3.8	125,000 tons	99,669
<i>Source:</i> Calculated from data obtained from Eurostat COMEXT database, UK Tariff 2007, EC Taric Consultation online, UNCTAD TRAINS database.						

⁷ If an RQ is exceeded the Commission has the right but not the obligation to impose non-preferential duties.

⁸ Since the quotas are expressed in white sugar equivalent but trade data (for the most important items) are in raw sugar, it is not possible to provide detailed figures. Moreover, the quotas vary from year to year given the size of allocations outside the Sugar Protocol.

3. Change in relative access

3.1 Trade diversion

The most direct way in which exports could increase under DFQF is if the reduction in the tariffs on imports from the ACP leads importers to re-direct their purchases away from less preferred suppliers. Table 5 provides some broad guidance on the extent to which this is likely. The table covers all non-ACP sources of imports into the EU that accounted for more than 0.5 percent of imports in 2006 (plus all non-LDC ACP exporters). In cases where the ACP's competitors trade under a free trade agreement (FTA), very detailed comparisons would be needed to check on the extent of the margin of preferences conferred by DFQF. In most cases, a great deal will depend on the time period in which exports are made – and to be thorough the analysis would need to take account not only of the current temporal distribution of ACP exports but also on whether their growing season would allow them to take advantage of DFQF by shifting the delivery period to one in which their competitive margin is greater.

Table 5. ACP competitors in the EU market

CN code	Description	Main EU suppliers ^a and access regime ^b					
		MFN	CPA	FTA	GSP+	GSP	LDC
02013000	fresh or chilled bovine meat, boneless	Brazil Argentina Uruguay Australia Chile New Zealand Canada	Namibia Botswana				
02023050	frozen bovine boneless crop, chuck and blade and brisket cuts	Brazil Uruguay Argentina	Namibia Botswana				
02023090	frozen bovine boneless meat	Brazil Uruguay Argentina New Zealand	Botswana Namibia				
07031019	onions, fresh or chilled (excl. sets)	New Zealand Australia	Kenya Suriname	Chile Mexico South Africa Turkey Morocco		Egypt Argentina India	
07049090	kohlrabi, kale and similar edible brassicas, fresh or chilled	Israel Norway	Kenya Swaziland Dom. Rep. Suriname	Morocco Jordan Turkey South Africa	Peru	China Thailand Egypt	Bangladesh Zambia
08030019	bananas	Colombia Ecuador Costa Rica Panama Brazil Honduras Peru Venezuela	Cameroon Côte d'Ivoire Dom. Rep. Belize St Lucia Suriname Jamaica Ghana St Vincent Dominica Bahamas Nigeria				
08051020	fresh sweet oranges	Argentina Uruguay Brazil Cuba	Zimbabwe Swaziland Belize Dom. Rep. Jamaica Dominica Ghana Suriname	South Africa Morocco Egypt Israel Tunisia Turkey Chile			

CN code	Description	Main EU suppliers ^a and access regime ^b					
		MFN	CPA	FTA	GSP+	GSP	LDC
08061010	fresh table grapes	United States	Namibia	South Africa Chile Egypt Turkey Morocco Israel Mexico	Peru	Brazil Argentina India	
08081080	fresh apples	New Zealand South Africa Argentina Brazil USA China Canada Australia	Antigua/ Barbuda Côte d'Ivoire	Chile			
10062098	long grain husked [brown] rice, length-width ratio >= 3	India Thailand Pakistan United States Uruguay Argentina	Guyana Suriname Marshall Is				
10063098	wholly milled long grain rice	Thailand India Pakistan USA Uruguay Vietnam	Suriname Guyana				Cambodia
10064000	broken rice	Thailand Egypt Pakistan Brazil Uruguay India USA Turkey Kazakhstan Argentina	Guyana	N. Antilles Aruba			
11062090	flour, meal and powder of sago and of root or tubers of manioc, arrowroot, salep, Jerusalem artichokes, sweet potatoes and similar	Brazil Peru USA Japan Sri Lanka New Zealand India Thailand	Côte d'Ivoire Nigeria Ghana Cameroon				Togo Rwanda Benin
15091090	olive oil, untreated	Syria Argentina Suriname		Tunisia Morocco Turkey Jordan			
18069070	preparations containing cocoa, for making beverages	USA Australia Canada Singapore	Kenya Ghana	Switzerland	Colombia	China Thailand	
19023010	dried, prepared pasta	Singapore South Korea Hong Kong Taiwan Japan Australia	Mauritius Jamaica Nigeria	Switzerland		China Thailand Vietnam Ukraine Malaysia Indonesia Philippines Russia	
19059045	biscuits	Canada Hong Kong USA Japan	Dom. Rep. Barbados Jamaica Trinidad/ Tobago Mauritius	Switzerland Israel Turkey Croatia	Colombia	Thailand China Russia Philippines Argentina	

CN code	Description	Main EU suppliers ^a and access regime ^b					
		MFN	CPA	FTA	GSP+	GSP	LDC
19059060	bakers' wares with added sweetener	USA New Zealand Canada Hong Kong Singapore Japan	Jamaica	Switzerland Norway Israel Turkey FYR Macedonia	Moldova	Indonesia China Vietnam Thailand Ukraine Malaysia Russia	
19059090	unsweetened bakers' wares	USA Singapore New Zealand Australia Japan Canada	Mauritius Dom. Rep.	Switzerland Turkey Norway Israel Tunisia Bosnia/ Herzegovina Lebanon		China Thailand India Indonesia Vietnam Malaysia Russia Mexico	
23023010	Residues from the working of wheat	USA Switzerland	Mauritius				

Notes:
(a) i.e. all those supplying more than 0.5% of EU imports from extra-EU in 2006 (except in the case of the CPA column, where all major non-LDC ACP suppliers are shown) – listed in order of magnitude of their exports.
(b) Where more than one regime applies to the product in question (i.e. at different times of year, or for different 10-digit sub-components of the product code), the most favourable is shown here.
Sources: Eurostat COMEXT database, UK Tariff 2007, EC Taric Consultation online.

In cases where most competitors export under most-favoured-nation (MFN) terms it is easier to draw immediate conclusions. These are the products most likely to be of immediate interest. They include beef, rice and, possibly, cocoa preparations as well as bananas. (India and Pakistan are shown in the table as trading under MFN but in fact they have preference for Basmati rice).

The supply capacity for each of the ACP for these goods (plus the others identified in Table 1) is explored in Section 4. But the failure of the ACP to fill their TQ for beef suggests that they may not be able to take over market share, particularly since the margin of preference is relatively small so long as their competitors export within the TQ established under the Agreement on Agriculture. Particular attention will be given, though, to the scope for increasing exports of rice (given that the Cotonou TQ is almost full), citrus and products for which there are no TQs.

3.2 Preference erosion

How far will DFQF restore to the ACP any competitive edge that has been lost through preference erosion? Erosion arising from a reduction in the EU's MFN tariffs confers broader economic gains which, from a wider perspective, outweigh the adjustment costs for the ACP. But the changes resulting from the WTO Uruguay Round are now distant history, and there have been no other across-the-board MFN cuts by the EU on goods likely to be exported by the ACP.

The latest known EU position on agricultural access in the Doha Round might have caused erosion (and therefore may still do so when the Round comes to a conclusion) but this cannot be known for certain until the details are clear. In headline terms (that is, before making any allowance for sensitive products), it would result in a cut in the EU's average tariff in the agri-food sector by 47 percent, which is considerably greater than either the nominal cut agreed in the Uruguay Round of 36 percent or the actual cut made of around 33 percent. The EU Trade Commissioner has indicated that he is prepared to improve on this offer and to meet the G-20's target for an average reduction of around 52 percent provided there is a reciprocal level of ambition in other pillars of the agricultural negotiations, as well as non-agricultural market access and services.

Although the EU is reluctant to improve on its reduction offer for the highest tariffs the final agreement could probably be close to the G-20 request, which is for a cut of 75 percent on tariffs greater than 75 percent. The current EU position is to make cuts of 50–60 percent on tariffs greater than 90 percent, whilst that of the United States (US) is for cuts of 85–90 percent on tariffs above 60 percent.

At the same time, however, the EU has sought the right to designate a certain percentage of tariff lines as sensitive, where a reduced reduction coefficient (relative to the band in which the tariff line is placed) would be used. It has accepted that, in these cases, there would have to be some compensation to third countries by means of increased TQs where lower in-quota tariffs would apply. The EU has sought the right to designate up to 8 percent of tariff lines as sensitive (compared to the US proposal of 1 percent and the G-20 proposal of 5 percent), and Chairman Falconer’s view is that the final figure will be between 1 percent and 5 percent. Certainly at 8 percent, and to a substantial degree at 5 percent, the EU could shield, if it chose to do so, most if not all the agricultural products of most interest to developing countries (because they are important exports that currently face high tariffs – and therefore also deep preferences of value to those developing countries with preferential market access).

Whilst the Doha Round is an unknown, the EU’s GSP+ has resulted in known levels of preference erosion (producing more complex economic effects than would be the case from an MFN-induced erosion since it simply alters the relative hierarchy of preference receivers). The study has analysed GSP+ and DFQF to determine the extent to which the latter offsets for the ACP the erosion effects of the former.

This has been done by identifying the significant items that:

1. are exported by non-LDC ACP and will benefit from DFQF;
2. are eligible for GSP+;
3. are actually exported to the EU by GSP+ beneficiaries, and for which
4. GSP+ is more favourable than previous regimes for these countries.

Table 6 shows the results. The GSP+ regime for all eight of the items that fulfil all four criteria is exemption from the *ad valorem* element of the MFN duty, but not any specific duties and only within a specified calendar. Since DFQF will remove both *ad valorem* and specific duties and be year round, those ACP states exporting the items will be able to establish a clear preference margin especially if they have (or can create) the technical capacity to export outside the GSP+ calendar periods.

Table 6. DFQF and preference erosion by GSP+

CN code	Description	GSP+ beneficiaries' tariff
08052010	fresh or dried clementines	0 AV (1.3-31.10)
08052050	fresh or dried mandarins and wilkings	0 AV (1.3-31.10)
08052070	fresh or dried tangerines	0 AV (1.3-31.10)
08052090	fresh or dried tangelos, ortaniques, malaquinas and similar citrus hybrids	0 AV (1.3-31.10)
08061010	fresh table grapes	0 AV (1.1-20.7 & 21.11-31.12 excl. Emperor 1-31.12)
08092095	fresh cherries (excl. sour cherries 'prunus cerasus')	0 AV (1.1-20.5 & 11.8-31.12)
08093010	Nectarines, fresh	0 AV (1.1-30.6 & 1.10-31.12)
08093090	peaches, fresh (excl. nectarines)	0 AV (1.1-30.6 & 1.10-31.12)
08094005	fresh plums	0 AV (1.1-30.6 & 1.10-31.12)

Sources: EU GSP 2005; UK Tariff 2007; EC Taric Consultation online.

4. Potential new exports

Given that some of the tariff barriers that will be removed by DFQF are very high, it is possible that they have had the effect of preventing ACP states exporting some goods to the EU. It is very difficult in cases where there are no exports to distinguish between three possible causes:

- ◆ a complete absence of supply capacity in the ACP;
- ◆ a capacity to supply some goods but ones that are less appropriate to the EU market than to other markets;
- ◆ a supply capacity that has been hobbled by EU market access barriers.

The first two are particularly uncertain over time: it is possible that, had access been better, investment would have occurred to produce a supply capacity. To the extent that this is the case, DFQF might be the change required to provoke the investment to liberate the supply.

Given this uncertainty the contribution made by this study is to provide a ‘long list’ of goods not exported to the EU even though there appears to be an ACP supply capacity and on which Cotonou tariffs are so high that market access barriers could plausibly explain the absence of trade (although alternatively it might be because the goods are more attuned to other markets). This is the list of products for which DFQF *might* unlock the door.

The list of products is given in Table 7 and has been derived through the following four steps.

1. We have identified the imports of six major global markets (Australia, Canada, China, India, New Zealand and USA) from non-LDC ACP, in most cases for 2006.⁹
2. We have selected from these the goods that some or all ACP countries export to one or more of these markets but not to the EU and which are not currently accorded DFQF treatment in the EU¹⁰ – this produced a list of 389 country/product combinations.
3. This list was filtered to focus on items exported to a sufficiently high value (\$500,000) that they are unlikely to be errors or one-offs. This reduced the list to 29 country/product combinations.
4. These combinations, affecting 18 different products, have been aggregated to provide a broad picture and the results are given in Table 7.

The table picks up regional trade that would have been expected because of proximity (such as Fiji to Australia/New Zealand and Dominican Republic to USA) but the goods in question mainly do not fall into major product categories that are different from those listed in Table 1. They are, instead, either different items and sub-heads within the same broad group or exports from non-LDC ACP countries that do not sell to the EU, e.g. olive oil and raw cane sugar exported by the Dominican Republic. Two of the items (sugar confectionery from Fiji and sweetened cocoa powder from Dominican Republic) contain processed sugar, and so their coverage by DFQF will be determined by the details of the transition regime for sugar (see section 5.7.2 below). Overall, the data tend to reaffirm the conclusions drawn above about the scope for DFQF to produce an increase in exports to the EU as a result of trade diversion.

⁹ The data on India’s imports are for 2005.

¹⁰ As the Harmonised System (HS) is common to 6 digits only, exports to the major markets were analysed at HS6. An HS6 sub-head was considered as ‘non-DFQF’ if *any* 8- or 10-digit sub-component falling within it is not accorded DFQF treatment in the EU.

Table 7. Potential new exports to the EU ^a

Market	Non-LDC ACP supplier ^c	HS2002	Description	Total imports from listed non-LDC ACP (\$000)
USA	Jamaica	040630	processed cheese, not grated or powdered	1,578
New Zealand	Fiji	070990	fresh or chilled vegetables	830
Australia	Fiji	071410	fresh, chilled, frozen or dried roots and tubers of manioc 'cassava', whether or not sliced or in the form of pellets	547
Australia, New Zealand, USA	Fiji	071490	roots and tubers of arrowroot, salep, Jerusalem artichokes and similar roots and tubers with high starch or inulin content, fresh, chilled, frozen or dried, whether or not sliced or in the form of pellets and sago pith	12,935
USA	Dominican Rep.	110412	rolled or flaked grains of oats	695
Australia	Fiji	121299	fruit stones and kernels and other vegetable products, incl. unroasted chicory roots of the variety cichorium intybus sativum, of a kind used primarily for human consumption, n.e.s.	710
USA	Dominican Rep.	151000	other oils and their fractions, obtained solely from olives, whether or not refined, but not chemically modified, incl. blends of these oils or fractions with oils or fractions of heading 1509	575
USA	Dominican Rep., Papua New Guinea	170111	raw cane sugar (excl. added flavouring or colouring)	122,098
Canada, USA USA	Belize Dominican Rep.	170310	cane molasses resulting from the extraction or refining of sugar	13,709
USA	Dominican Rep., Fiji	170390	beet molasses resulting from the extraction or refining of sugar	5,512
Australia	Fiji	170490	sugar confectionery not containing cocoa, incl. white chocolate (excl. chewing gum)	978
USA	Dominican Rep.	180610	cocoa powder, sweetened	500
Australia USA	Fiji, Papua New Guinea Guyana	190219	uncooked pasta, not stuffed or otherwise prepared, not containing eggs	3,227
New Zealand	Fiji	190230	pasta, cooked or otherwise prepared (excl. stuffed)	4,145
USA	Trinidad and Tobago	190410	prepared foods obtained by swelling or roasting cereals or cereal products, e.g. corn flakes	1,395
USA	Dominican Rep.	190420	prepared foods obtained from unroasted cereal flakes or from mixtures of unroasted cereal flakes and roasted cereal flakes or swelled cereals	656
New Zealand	Fiji	190590	bread, pastry, cakes, biscuits and other bakers' wares, whether or not containing cocoa; communion wafers, empty cachets of a kind suitable for pharmaceutical use, sealing wafers, rice paper and similar products (excl. crispbread, gingerbread and the like, sweet biscuits, waffles and wafers with water content of <= 10%, rusks, toasted bread and similar toasted products)	1,068
USA Australia	Côte d'Ivoire, Gabon, Nigeria Papua New Guinea	230230	bran, sharps and other residues of wheat, whether or not in the form of pellets, derived from sifting, milling or other working	10,007
<p>Notes:</p> <p>(a) As the Harmonised System is common to 6 digits only, exports to 'rest of world' (RoW – defined in this report as Australia, Canada, China, India, New Zealand and the USA) have been analysed at the HS6-digit level. The table shows 'non-DFQF' HS6 sub-heads exported to RoW by countries not also exporting items in these sub-heads to the EU. An HS6 sub-head has been considered as 'non-DFQF' if any 8- or 10-digit sub-component falling within it is not accorded DFQF treatment in the EU.</p> <p>(b) Non-LDC countries exporting \$500,000-worth or more of the item in question to the markets listed in the previous column.</p> <p>Source: UN COMTRADE database.</p>				

5. ACP supply capacity

What scope is there to increase supply in the medium term to take advantage of the opportunities offered by DFQF? This section reviews the evidence for all the goods identified above.

5.1 Meat and meat products

In 2006, EU imports of meat and meat products were reported only from the two ACP countries, Botswana and Namibia, which benefit from the EU Beef and Veal Protocol. Swaziland, Kenya, Zimbabwe and Madagascar, which also have a quota under the Beef and Veal Protocol, had to stop exporting because of difficulties complying with EU import requirements.

About 80 percent of Botswana's and Namibia's production is exported, mainly to the valuable EU market where the countries face a duty equivalent of a maximum of 8 percent of the MFN rate within their quota.¹¹ On the basis of Botswana's and Namibia's exports in 2006, DFQF market access would have saved the industry €1.21 million (Botswana) and €1.4 million (Namibia). But the scope for either country to increase its exports to the EU substantially is limited. Neither of them has ever fulfilled its allocated quota of 18,916 tons and 13,000 tons respectively and exported only 5,250 tons (Botswana) and 6,200 tons (Namibia) in 2006 (although 2006 was a particular bad year for both countries). Droughts and animal diseases as well as the restricted areas that are foot and mouth (FMD) free limit the number of deboned premium cuts that are available for export.¹²

Namibia is also eligible to export 500 tons of deboned lamb at preferential rates.¹³ Though these preferences apply to all ACP countries, Namibia is the only one that fulfils the strict EU requirements and has a commercial interest in exporting lamb. However, since New Zealand has a quota of about 227,000 tons p.a. in the EU market, the competition for lamb is very high. In 2006, Namibia exported only a tiny amount worth €343. The country is currently exploring options to export bone-in lamb to the EU which the industry believes would help to boost lamb exports to the EU. First inspections from EU veterinaries took place in March 2007 to determine whether they may consider approving Namibia for bone-in export status.

5.2 Milk products

Milk and cream products are hardly exported at all by the ACP. Jamaica and Barbados were the only ACP dairy exporters, accounting for 73 tons in 2006. Whether the countries would be able to expand their exports following the removal of residual tariff barriers is, however, doubtful. Both are very small producers. In Jamaica, total milk production has slightly

¹¹ The quota volume can be exported at a preferential rate of zero tariff plus a duty (0%+24.2 €/100kg/net). Compared with the regular MFN tariff for boneless meat, which is 12.8% plus a duty of 303.4 €/100kg/net, this implies a 92 percent tariff reduction, i.e. Botswana and Namibia can export boneless beef and veal at 8 percent of the applied MFN tariff.

¹² Due to FMD risk both countries are only allowed to export deboned meat to the EU. For veterinary control purposes, Botswana and Namibia are divided into zoo-sanitary zones. In Namibia, the northern area is largely separated from the southern commercial farming areas by a veterinary cordon fence. About 50 percent of the cattle lives in the northern area and is not allowed to be exported to the EU. Botswana is divided into 17 veterinary zones. Veterinary cordon fences, geographical barriers and a permit system control livestock movements between the FMD-free zone, the surveillance (buffer) zones and the vaccination zones. Only cattle from FMD-free zones is allowed to be exported to the EU.

¹³ Zero percent tariff plus 35 percent reduction of the MFN specific duty (ACP: 0%+€82.07/100kg; MFN: 12.8%+€234.5€/100kg).

decreased in the past decade and the country imported almost three times more milk and cream than it exported to the EU market (Jamaica Dairy Development Board 2002/03).

5.3 Vegetables

Eight ACP countries¹⁴ exported 1,962 tons of vegetables in 2006. Kenya is by far the biggest exporter of vegetables (82 percent of total exports). The second biggest producer is Dominican Republic with 148 tons (7.5 percent of total ACP exports).

Kenya exports all sorts of vegetables such as tomatoes, onions, garlic, leeks, shallots, cauliflowers, broccoli, cabbages, kohlrabi, lettuce, chicory, carrots, cucumbers, artichokes, asparagus, spinach, salad, sweetcorn, and courgettes.¹⁵

For many of these products the GSP tariff is lower than the Cotonou tariff and most products can be exported at a tariff rate between 6.1 and 8.5 percent. Although DFQF is likely to improve modestly the competitiveness of Kenya in the short run, the expansion of the horticulture industry is less dependent on tariffs than on the compliance costs of EU standards¹⁶ and the costs of labour and production in Kenya compared to neighbouring countries (where e.g. the Ethiopian Government is trying to attract foreign investors with highly generous incentives).

5.4 Citrus, deciduous and vine fruits

The main EU fruit imports from the ACP that will be affected by DFQF are bananas, citrus fruit, apples, grapes and pineapples. The EU is the biggest world importer of fruits and vegetables and more than 70 percent of its imports come from countries that benefit from preferences (USDA, 2004). As a result, competition in the EU fruit and vegetable sector is very high for the ACP.

The decoupling of EU agricultural subsidies from production is most likely to produce complex changes in the mix of production and may result in increased competitiveness of EU fruits and vegetables. Any fall of prices will vary from sector to sector and will also be influenced by possible improved market access for third country suppliers, mainly from Latin America, which are negotiating FTAs with the EU. This implies that ACP producers are more likely to face decreasing prices and increased competition than a continuation of the *status quo*. In order to move up the value chain and target higher valuable market niches (such as organic vegetables and fruits) ACP suppliers will need public and/or private sector financial and technical support.

5.4.1 Citrus

Eight ACP countries¹⁷ exported a total of 35,934 tons of citrus fruits to the EU market in 2006. Products included fresh and dried oranges, clementines, mandarins, tangerines and lemons. The biggest exporters were Swaziland (39 percent of total ACP exports) and Zimbabwe (36 percent).

¹⁴ Côte d'Ivoire, Dominican Republic, Ghana, Kenya, Nigeria, Suriname, Swaziland, and Zimbabwe.

¹⁵ Kenya and Zimbabwe also exported 1.2 tons potatoes to the EU in 2006. Potatoes are currently subject to a rather low tariff rate of 11.8 percent, which makes their significant expansion as a result of DFQF unlikely.

¹⁶ The costs of compliance with EU public and private requirements are estimated at 25 percent of exporters' profit Kenyan horticulture sector. It is feared that stricter private standards (e.g. by supermarket chains) will further reduce the profit margin and push smallholders out of business (USDA, 2004).

¹⁷ Belize, Dominica, Dominican Republic, Ghana, Jamaica, Suriname, Swaziland, and Zimbabwe.

Swaziland exported a total of 32,350 tons in 2004, of which 65 percent was directed to the EU market. The area of land under citrus has remained the same in recent years (2,800 hectares). Swaziland's citrus exports have declined by more than 30 percent since 2000 due to the bankruptcy of one major producer and production damage as a result of heat stress (Sadcreview, 2006). The expansion of production will depend not only on citrus prices but also significantly on sugar prices, Swaziland's major export crop.

Zimbabwe had substantially increased citrus production since the mid-1990s and would have the potential to become an important citrus producer. However, citrus exports to the EU require technical expertise as well as financial resources to carry out top standard production. The upheaval resulting from the land reform process has decreased Zimbabwe's productivity tremendously. Nonetheless, South African citrus growers have already used the window of opportunity to export to the EU market from Zimbabwe on better market access terms. South Africa supplies the technical expertise and the financial resources to 'new farmers' who grow the crop and pack it for export. The marketing of the fruits is done by South Africans.

The extent to which exports can be further expanded depends highly on the political and economic situation in Zimbabwe. Currently virtually all products and expertise must be imported which results in high input costs. Exchange rate controls for exporters have further contributed to reduce the attractiveness of the citrus fruit business (Citrus Grower Association, 2003).

5.4.2 Deciduous fruits

Six countries¹⁸ exported deciduous fruits and nuts to the EU in 2006: fresh apples, cherries, nectarines, peaches, plums and papayas at total volume of 1,076 tons. Antigua and Barbuda was responsible for more than 80 percent of total exports, which were mainly fresh pears and apples. It is, however, doubtful that Antigua and Barbuda will expand its fruit exports significantly as a result of DFQF. Like other Caribbean producers it can already export its fruits duty free to the US market, which is its major destination. However, if EU prices remain higher than those in the US and exporters feel that EU sanitary and phytosanitary requirements are less stringent, exports might increasingly be diverted towards the EU.

Fresh and dried hazelnuts as well as chestnuts, exported by Kenya and Dominican Republic, are subject to residual tariffs under Cotonou. However, fresh and dried hazelnuts can be exported DFQF under GSP and chestnuts face only a 2.1 percent GSP tariff. It is therefore assumed that both countries export already under the more favourable GSP terms so that no expanded exports can be expected as a result of DFQF.

5.4.3 Grapes

Namibia is the only ACP country that sells grapes to the EU, with about 75 percent of its exports directed to the EU where it has a TQ of 900 tons of seedless grapes in December/January. Namibian grape exports greatly exceed this quota – 14,748 tons in 2006 – and exports are largely under the GSP. DFQF would have saved the industry €3.95 million.

Though the Namibian grape industry faces less favourable market access than its main competitors, South Africa and Chile, which have FTAs with the EU and enjoy a larger quota than Namibia, the industry has successfully expanded its production in the highly competitive EU market. Since the profit margins for grapes are very small, DFQF market access would

¹⁸ Antigua and Barbuda, Côte d'Ivoire, Dominican Republic, Kenya, Seychelles, and Zimbabwe.

help to improve the competitiveness of the industry further, thus assisting in the expansion of its production.

Namibian grapes are harvested from early November to early January which gives them a competitive advantage over Chile and South Africa. The industry is seeking to cultivate more early grapes and to concentrate exports on the most lucrative time periods: grapes supplied in December receive a higher unit value.¹⁹ The almost non-exhaustible availability of land and water along the Oranje River offers great potential to cultivate semi-desert land, to create employment and income sources for disadvantaged Namibians and to further diversify and expand Namibian fruits and vegetable production.²⁰

5.5 Bananas

Some 85 per cent of the EU's bananas are imported, of which 80 percent are from Latin America and 20 percent (891,228 tons at €552.1 million in 2006) from 12 ACP states. The biggest ACP suppliers were Cameroon (28 percent), Côte d'Ivoire (25 percent), and Dominican Republic (20 percent).²¹ But Belize, Jamaica, and the Windward Islands²² are the most dependent on bananas for gross domestic product and employment (EC, 2006).

There are two question marks over the impact of DFQF on ACP banana production. One concerns the status of bananas within the DFQF offer. The other relates to the margin of preference that DFQF will confer.

There is resistance to DFQF for bananas from two sources although, to date, the Commission has successfully resisted pressure to remove bananas from its offer. Southern European producer associations are concerned about increased imports not only from Latin American but also from Cameroon and Côte d'Ivoire. The traditional Caribbean ACP producers are also concerned because they fear a loss of market share due to their high unit costs and limited capacity to expand production.²³ They fear their further marginalisation when African exporters increase their supply.

Following disputes with Latin American producers and a WTO ruling to implement a tariff-only regime for bananas, the EU has had to abolish its former complex licensing system. It adopted in January 2006 an MFN tariff of €176/t with a 775,000 ton zero-TQ exclusively allocated for ACP countries (available on a first-come-first-served basis).

But this new regime is still regarded as a discriminatory measure by Ecuador (the world's biggest single exporter) and may be subject, therefore, to further change. Ecuador requested in November 2006 a WTO Panel to review the new EU regime since it considers the ACP quota to be discriminatory and the MFN tariff to be too high. Several exporting countries have asked to join the consultations as third parties in the dispute (GAIN, 2007:4). To avoid a

¹⁹ In the period June to November, EU grapes are highly protected to ensure that domestic demand is mainly met by Italy, Spain and Greece, which account for about 90 percent of EU grape production.

²⁰ The Namibian grape industry exports currently mainly seedless and seeded table grapes. There are, however, attempts to diversify production into raisins and to grow citrus fruits, hoodia, pomegranate and olives.

²¹ Other exporters in 2006 were Bahamas, Belize, Dominica, Ghana, Jamaica, St Lucia, Nigeria, Suriname, and St Vincent and Grenadines.

²² Dominica, Grenada, St Lucia, and St. Vincent and the Grenadines.

²³ In 1999, the EU established a Special Framework of Assistance (SFA) to improve the competitiveness of ACP banana producers and to help them to diversify into other products in order to cope with the challenges induced by a reformed EU banana regime. As a response, Caribbean producers (except the Windward Islands) have moved towards fair trade and organic bananas which reap higher prices in the EU market. The SFTA also assisted producers to introduce EUREGAP and to improve their productivity (EC, 2006).

second complaint at the WTO Panel by Latin American producers the EC is proposing to lower the applied MFN rate to €123/ton within five years (Reuters, 2007). Additionally, the EU has said it will 'establish an enhanced partnership through a network of association agreements (including free trade agreements)' with Latin American countries.

Until the dispute is played out, it is uncertain how great a competitive advantage would be conferred by DFQF. Moreover, the current EU price premium (about 1.5 the level in US²⁴) is likely to fall for other reasons. These include the new EU banana regime which moves, in line with the 2003 Common Agricultural Policy (CAP) reform, from production to producer support²⁵ as well as the continuing constant pressure for lower prices from the big supermarket chains and consumers, which may have an effect in due course.

To the extent that it does confer an advantage, the scope to increase exports to the EU after DFQF lies primarily with the two main African producers and the Dominican Republic. Unfortunately, the available secondary literature supports only ambivalent conclusions on whether or not these countries could increase exports rapidly. Production in Cameroon and Côte d'Ivoire (which accounted for 98 percent of Africa's banana exports in 2001) has increasingly shifted towards the EU export market. With support of the EU, Cameroon was able to increase its average yield rate and to increase exports by more than 20 percent to 278,000 tons in 2005 (AfDB/OECD, 2006). However, high transport costs and port fees constrain its competitiveness (WTO TPR, 2001). Côte d'Ivoire has attracted investment from US companies and increased its exports from 188,400 tons in 1991 to 229,000 tons in 2004 (FAO, 2003; EC, 2006). But further scope for rapid expansion is unclear. The Dominican Republic expanded its production by over 20 percent in 2000–2004 with a mix of small-scale farmers in the South (which are mainly involved in the organic banana trade) and medium- to large-scale producers in the North. It has increasingly stepped into the organic banana business and seeks to further expand this type of production (FAO, 2005).

Whether DFQF is sufficient to sustain further expansion or to kick-off production from non-traditional African exporters is doubtful since it would require substantial (foreign) investment into yields, infrastructure and production processes in order to enable the countries to export to international standards. The potential cultivable area is also largely limited to a coastal strip to allow harvest to be shipped rapidly.

5.5 Rice, cereals and processed cereal products

5.5.1 Rice

In 2006, four ACP countries exported rice to the EU. The traditional ACP rice exporters Guyana and Suriname were responsible for 99.6 percent of the total. The ACP rice benefit from a reduced-tariff duty (35 percent of the MFN rate) within a TQ of 125,000 tons whole grain rice and 20,000 tons broken rice p.a. if exported directly to the EU. Another 35,000 tons can be exported duty free if it is processed in any EU Overseas Country and Territory (OCT). But exports in 2006 from Guyana (90,888 tons) and Suriname (14,758 tons) used only 59 percent of the quota (compared to 68 percent in 2005).

²⁴ The January-August 2007 average EU price was US\$ 1017/mt compared to US\$ 685.9/mt for the US (World Bank, 2007).

²⁵ However, it is too early to make any according predictions. So far, the average 2007 price is about 20 US\$/mt above the 2006 price (World Bank, 2007).

Rice will not be included immediately in DFQF but is to be duty and quota free after ‘a brief transition period’ and with ‘substantially increased’ TQs from January 2008 onwards.²⁶ To date, the EC has not indicated its proposed time frame for total liberalisation or what ‘substantially increased’ means.

How much could production increase once DFQF is phased in? Despite a 50 percent price decline as a result of the CAP reform the EU is still a lucrative market with prices of €194/t in 2006, which is about three times higher than the world market price. For Guyana the prospects are quite good, but it is doubtful that much can be done by Suriname, which is a small and uncompetitive rice producer – production has declined by more than 20 percent in the past decade to 193,000 tons (WTO TPR, 2004).

Prior to 1997, when there was no TQ on exports via the OCT, Guyana took full advantage of this route and exported about 200,000 tons p.a. This indicates that it might be able to increase its exports to the EU as a result of DFQF. On the other hand, it has not met its quota in recent years and export volumes have remained steady which indicates that production has reached a plateau. The industry, which underwent a major restructuring in the early 1990s made major investments as a result of the OCT window of sales into Europe. When this window closed in 1997 many companies went bankrupt and the focus of sales shifted to the Caribbean Common Market, which absorbs about 60 percent of total exports currently (WTO TPR, 2003). According to the Guyanan rice industry the sector has the potential to double its production from current volumes (Agri-Net Guyana, 2007). Whether it will be able to do so depends, however, critically on whether the sector will be able to restructure the industry so that production and productivity can be increased in a sustainable way (WTO TPR, 2003).

5.5.2 Cereals, cereal products and food preparation

Three ACP countries, Kenya, Ghana, and Zimbabwe, exported 33 tons of maize to the EU in 2006. Cereal products (mainly flour and manioc starch) were exported by Cameroon, Côte d’Ivoire, Ghana and Nigeria on a small-scale.²⁷ A significant expansion of cereal production as a result of DFQF is doubtful since all exporting countries are net importers and produce only small amounts of these products which are mainly consumed locally.²⁸ The same applies to food preparation, bread, pizza, waffles, and non-sweet biscuits (which were mainly exported by Dominican Republic, Jamaica and Nigeria) and to pasta (362 tons in 2006, exported mainly by Mauritius and Nigeria in 2006).

Any expansion of exports of processed cereals cannot be based on processing domestic raw materials as all countries are net importers of cereals and produce only a small scale. The expansion of production for cereal food preparation, cereal products and pasta might be possible using imported wheat – but only if the rules of origin are reformed: the Cotonou Agreement requires all the cereals used in the production of flour, starches and pasta to be wholly obtained.

²⁶ Italy is virtually the only EU rice producer.

²⁷ Zimbabwe was the only ACP country that exported cereal grains/flakes. However, the small volume (8.8 tons) and the deteriorating economic situation in Zimbabwe make it highly unlikely that the country significantly expands its production in the medium-term.

²⁸ Cereal production in West Africa is generally characterised by the predominance of communally owned land and small-scale farms with a low productivity level. A low level of irrigation, mechanisation and fertilizer inputs as well as poor access to credit and technology are further characteristics. The development of agricultural exports has also been affected by poor infrastructure, low agricultural investment rates, unfavourable exchange rates and the general negligence of the agricultural sector in favour of mineral production. All these factors significantly hamper the expansion of exports in the short-run (WTO TPR 2001 and 2005).

5.6 Oils and margarine

Suriname exported 62 tons of olive oil in 2006 and Nigeria exported 15 tons of margarine. Olive oil is highly protected in the EU market with a duty of €124.5/100kg (which was a 31 percent tariff equivalent for Suriname). Hence the country will save €76,940 if it exports its 2006 quantities duty free. However, large-scale olive oil exports from Suriname must be considered as doubtful since the country hardly has the ideal climate to grow olive trees.

Nigeria is a net importer of fats and oils and protects domestic margarine production with a 100 percent tariff which contributes to the industry's focus on the domestic market (WTO TPR, 2005).

5.7 Sugar

5.7.1 *The current regime*

The EU sugar market has long been one of the most restricted and regulated markets in the world (with prices currently about three times the world market price) Up to 2001, the only ACP countries enjoying duty-free access to this lucrative market were the signatories of the Sugar Protocol. Their access was subject to country-specific quotas at a price guaranteed to be related to that prevailing in the EU market. Had this continued unchanged the impact of DFQF would have been very clear: it would have allowed increases in ACP sugar exports to this very attractive market and possibly led to investment. But in reality the outlook is much more uncertain both because changes to the internal EU sugar regime²⁹ will cause prices to fall (though they will remain high by comparison with the world market) and because the quotas under the EU's EBA initiative come to an end in 2009, eroding this exclusivity.³⁰ The internal EU reforms will result in a cut in the intervention price of 36 percent.³¹ The current EU price of €23.7/t will therefore fall to €35/t in 2009/10.

Under the present regime of fixed quotas any reduction in the intervention price is equivalent to an absolute income loss for ACP suppliers since even the most efficient cannot increase their volume of sales to compensate. In principle, therefore, DFQF would offer the possibility of allowing those lower-cost producers able to sell competitively at the lower EU prices to increase their exports to compensate for the fall in unit price (and, in the longer term, to increase their supply).

5.7.2 *Arrangements for the DFQF transition period*

Whether or not DFQF will in practice rise to this challenge is not possible to say with any confidence given the information currently available. Full DFQF will not apply immediately to sugar (or sugar products). In its offer, the EU announced transitional arrangements (EC, 2007). There are several significant gaps of key details concerning implementation in the Commission's published documents. Some of these gaps have been filled in from information

²⁹ Further factors were the WTO ruling that forbid C-sugar re-exports; the high costs of the CMO; the shrinking economic relevance of sugar production in the EU; and the perception that export subsidies would be ruled out under the WTO Doha Round.

³⁰ As of 2007 the following ACP countries were eligible to export sugar duty free to the EU under either the Sugar Protocol or EBA or both: Barbados, Belize, Congo, Côte d'Ivoire, Fiji, Guyana, Jamaica, Kenya, Madagascar, Malawi, Mauritius, Swaziland, Suriname, Tanzania, Trinidad and Tobago, Uganda, Zambia and Zimbabwe. The full EBA liberalisation will be fully phased in by July 2009 when the quotas for LDCs (which will have grown from 74,000 tons in 2001 to 197,000 tons in 2009) will be abolished.

³¹ The SPS is added to the ACP sugar quota to ensure the optimal supply of EU factories with raw sugar. Fairly constant quotas of SPS sugar were imported duty free (or at highly reduced tariff rates) and at a fixed price (which was, however, lower than the Sugar Protocol price).

contained in the draft EU–Cariforum EPA text of October 2007. In other cases, though, it appears that the details have not yet been settled.

What is clear from the Commission’s DFQF offer is that the transition will be in three-phases.

- ◆ *Phase 1* (from January 2008 to 30 September 2009) will involve a continuation of the Sugar Protocol, with ‘additional market access; for the Sugar Protocol beneficiaries.’³²
- ◆ *Phase 2* (from 1 October 2009 to 30 September 2015) foresees that non-LDC ACP countries can supply the EU market duty and quota free subject to an ‘automatic volume safeguard clause’. Processed agricultural products with high sugar content will be subjected to an ‘enhanced surveillance mechanism in order to prevent circumvention of the sugar import regime.’ Analysis of the EPA texts initialled by the end of 2007 indicates that this surveillance will apply to the following CN items: 17049099, 18061030, 18061090, 21069059 and 21069098.
- ◆ *Phase 3* (from 1 October 2015 onwards) will offer DFQF market access for non-LDC sugar exports, subject to a ‘special safeguard clause’.

There are three distinct elements to the future regime for ACP sugar: the price received, the quantities that can be exported and the safeguard mechanisms. The provisions on price appear to be as follows. Prices will be fixed only until September 2009. Between October 2009 and September 2012 it is believed that importers will be required to pay a certain percentage of the EU reference price. Thereafter ‘a price information system’ will apply ‘based upon the current system [which] would provide for transparency of the market.’

Although the DFQF announcement is vague on quantities, some details of current thinking have emerged. The Phase 1 ‘additional market access’ is believed to comprise for the period October 2008 to September 2009 zero duty TQs of raw sugar for refining (17011110):

- ◆ 150,000 tonnes for LDC ACP;
- ◆ 80,000 tonnes for non-LDC ACP.

The way in which these global TQs will be divided between countries or EPA regions has yet to be determined. There are some suggestions that the extra non-LDC TQ could be intended for Dominican Republic and, perhaps, Papua New Guinea. The TQ is, presumably, additional to the quantities covered by the Sugar Protocol but it is not yet certain that it is also additional to the ‘Complementary Quantity’ allocation (formerly Special Preferential Sugar).

The provisions on safeguards are particularly unclear. Under Phase 2 there will be an ‘automatic volume safeguard clause’ for sugar and an ‘enhanced surveillance mechanism’ for goods with a high sugar content the details of which are not spelled out. Some information exists on Commission intentions but key elements are still, apparently, undecided.

It appears that there will be a ‘double-trigger’ safeguard for sugar. The first trigger will operate if total imports from all ACP states exceed 3.5 million tonnes. If that happens, then the imports from non-LDC ACP states will be curtailed if they exceed the second trigger level. This is set at 1.3 million tonnes in 2009/10, 1.45 million tonnes in 2010/2011, or 1.6 million tonnes during the period 2011/12 – 2014/215.

³² LDCs will receive additional quantities to the ones foreseen under the EBA initiative and non-LDC ACP countries that are not party to the Sugar Protocol will be granted initial market access. However, both extensions have not yet been quantified.

Two unanswered questions are: whether imports from non-LDC ACP can exceed the second trigger levels so long as total imports are within the 3.5 million tonnes of the first trigger, and how any restrictions will be applied. The second question has a bearing on the first since sugar producing countries harvest at different times in the year. With some forms of allocating restrictions the possibility could arise of those states that harvest near the start of the sugar year being able to increase sales whilst those unfortunates that harvest late have their exports restricted by the triggers.

Another point that still needs clarification is that the 3.5 million trigger does, indeed, apply just to imports from the ACP. Only if this is the case would any imports from non-ACP LDCs, such as Laos, Cambodia and Bangladesh be additional and not constrain the DFQF offer.

As noted above the Special Surveillance mechanism applies only to the following high-sugar-content products: pastes, marzipan, nougat and other prepared sugar confectionery (CN 17049099); sweetened cocoa powder (CN 18061030 and 18061090); flavoured or coloured sugar syrup (CN 21069059); food preparations n.e.s., containing not less than 1.5 percent milkfat, not less than 5 percent sucrose or isoglucose, not less than 5 percent glucose or not less than 5 percent starch (CN 21069098). Although the list is a short one, it has the potential to affect ACP take-up of DFQF. It covers products that are exported by the ACP to the EU. Total exports to the EU from 16 ACP states in 2006 were €7.7 million.³³ Interestingly, although 12 of the states were non-LDCs, their exports were only €83,000; the vast bulk of exports came from the four LDCs (with Ethiopia alone accounting for €7 million-worth of the total ACP exports); whether or not this is because the EBA direct and indirect barriers were lower is worthy of further investigation.. The list includes both of the processed sugar products that the ACP actually export to the non-EU markets that have been analysed in section 4 (see Table 7).

The mechanism does not trigger an automatic quota; it just requires the Commission to obtain an economic justification for the imports and the right (but not the obligation) to suspend the issuing of import licences for imports from non-LDCs. It is triggered in the event of ‘a cumulative increase of imports by more than 20 percent in volume during a period of 12 consecutive months compared to the average of the yearly imports over the three previous 12 months’.

During Phase 3, too, there is a ‘special safeguard’. This will be applied when the EC market price of white sugar ‘falls during two consecutive months below 80 percent of EC market price for white sugar prevailing during the previous market year.’

5.7.3 Supply capacity

How do these figures compare to recent flows? All of the quantities cited above are in terms of ‘white sugar equivalent’ (wse), whereas the EU’s import figures for most of the sugar imported from the ACP is in terms of ‘raw sugar’. In Table 8 those EU import figures that are expressed as raw sugar have been converted to wse to allow direct comparisons to be made with the TQs.

Over the three years 2004-6, EU imports of sugar from the non-LDC ACP have averaged 1.37 million tons. In 2006 they were 1.32 million tons. The biggest exporters in 2006 were Mauritius (37 percent), Fiji (15 percent), Guyana (12 percent), Swaziland (11 percent) and Jamaica (10 percent).

³³ Plus Suriname – but since its recorded exports were under €1,000 it is not included.

Table 8. EU25 sugar^a imports from non-LDC ACP countries^b, 2004–6

Non-LDC ACP supplier	Volume (1000kg wse)				
	2004	2005	2006	Average all five codes	Average for 17011110 ^c
Barbados	31,813	32,935	31,139	31,962	30,481
Belize	54,461	39,204	54,819	49,495	48,284
Congo	15,009	10,699	9,599	11,769	11,769
Côte d'Ivoire	21,282	20,142	1,480	14,301	11,951 ^d
Fiji	173,905	172,224	201,522	182,550	182,550
Guyana	173,814	155,485	161,304	163,534	163,534
Jamaica	133,292	116,712	130,820	126,941	126,941
Kenya	10,732	20,104	6,491	12,442	10,442 ^d
Mauritius	505,752	537,914	480,942	508,203	457,029
Swaziland	174,079	148,543	141,377	154,666	142,555
Trinidad and Tobago	42,108	32,456	33,658	36,074	35,977
Zimbabwe	71,955	63,261	62,145	65,787	64,031
Non-LDC ACP total	1,421,352	1,360,215	1,315,300	1,365,622	1,285,971

Notes:
(a) Figures are for CN codes 17011110, 17011190, 17019100, 17019910 and 17019990. Those for 17011110 and 17011190 (only) have been converted to 1000kg white sugar equivalent (wse) using a conversion factor of 96.8%.
(b) Only countries which exported to the EU in all three years shown here.
(c) Raw cane sugar for refining.
(d) Average for 2004–5 only (this item was not exported to the EU in 2006).
Source: Eurostat COMEXT database, partially adjusted as indicated in note (a).

It would appear, therefore, that the second safeguard trigger for 2009/10 is set at a level below current import levels. By the following year the trigger will be higher at 1.45 million tonnes. Whilst this is higher than the current level of imports, the difference will be filled by the rumoured new TQ of 80,000 tonnes for the non-LDC ACP (unless this replaces the complementary quantity). Only from 2011 will the second trigger allow any further increase in exports – of up to 12.5 percent over actual flows in 2004, the highest of the three in Table 8. And by then, the link to EU prices will be in its last year.

In other words, as far as is known at the present time there will be limited if any scope for existing non-LDC exporters to increase their exports whilst any formal link to the EU price remains in place. Predicting whether or not DFQF will provoke any supply capacity increase requires assumptions to be made both about the future EU price for imports and the way in which potential investors will view the Commission's intentions regarding the Phase 3 special safeguard mechanism. This is an area of considerable speculation at the present time. There is no clear consensus on how far countries can cut production costs and which out of any that are identified as *potential* sources of increased supply will actually receive the necessary investment.

5.7.4 Processed fruits, jams and fruit juices

The removal of TQs on sugar will allow ACP states to export processed products without sacrificing an equivalent quantity of raw sugar. The EU has not applied tariff escalation to imports from the ACP for decades, but there is a disincentive to export any processed product that includes agricultural items subject to residual tariffs. Goods containing sugar and/or milk are most affected in this way.

The removal of TQs on sugar would lift this disincentive and could result in an increase in processed products: the value of sugar included in processed goods would no longer be offset by either an equivalent reduction in exports of raw/partially refined sugar or payment of a supplementary duty. Juices, jams and processed fruits are subject to specific duties in the framework of the EU sugar regime (see Appendix 2). Their removal could lead to an

expansion, although this would be from a low level. Dominican Republic was the only ACP juice exporter to the EU in 2006 (74 tons), while Swaziland exported 30 tons of citrus fruit jams and preserved citrus fruits. Expansion would also be subject to climatic conditions (see section on citrus), and the ability of tiny ACP producers to place their product in the highly competitive EU market.

5.7.5 Sweets, confectionery, syrup and other high-sugar-content products

Eight ACP countries³⁴ exported 595 tons of processed sugar products. Main exporters were Kenya (cocoa preparations, accounting for 67 percent of total ACP processed sugar exports) and Jamaica (17 percent, mainly sugar syrup).

Export of food preparations containing milk fat and sucrose/isoglucose takes place on a very small basis with 432 tons in 2006, with Dominican Republic and Jamaica as main exporters.

However, these product lines could be restricted under DFQF as they fall under the EU's special surveillance mechanism (see above). In 2006, the EU imported eight different items falling into this broad category from the ACP (with eight exporting countries); one-quarter of these items are subject to the special surveillance mechanism. Much may depend on whether or not investors consider the Commission's powers to be a deterrent to a major expansion of production. Even if the products were to be granted unrestricted DFQF their significant export expansion seems doubtful. In most ACP sugar producing countries sugar-containing products are subject to high tariffs in order to protect domestic production. Thus, cane sugar, glucose and caramel are often highly protected which limits the international competitiveness of ACP sweet producers. In these cases, the expansion of exports may require a reform to ACP tariff policy.

5.8 Wine

Three ACP countries³⁵ exported wine to the EU in 2006. The total export volume was very small: 68 tons. By far the biggest exporter was Antigua and Barbuda with 64 tons. Considering the small-scale of exports and the limitations of producing wine on the island, the expansion of exports is considered to be doubtful.

6. What if DFQF spreads?

The impact of trade preferences is related to the concessionality of the preferred country's treatment and the height of the barriers imposed on other import suppliers to the preference-giving market. If the tariffs applying to most sources of imports are high there is a probability that domestic prices will be above world market levels (since this is an intended effect of the tariffs) and hence that the market will be an attractive one for suppliers able to avoid the barriers.

It follows that DFQF access to other OECD markets has the potential to be of considerable interest to ACP exporters, but only in cases where other, more competitive suppliers face high barriers. In countries such as the US, where GSP tariffs are zero, the potential gains will be limited to items that are excluded from this scheme. In those such as Canada and Japan, by contrast, there could be broader gains.

³⁴ Barbados, Cameroon, Ghana, Jamaica, Kenya, Mauritius, St. Lucia and Trinidad and Tobago.

³⁵ Antigua and Barbuda, Côte d'Ivoire, and Gabon.

Whether or not any such potential will be actually beneficial to an ACP country will depend upon the relative attractiveness of these new markets compared to the EU. This, in turn, is dependant partly on the height and country coverage of the tariffs applying to other suppliers and partly on the potential to increase ACP supply (so that countries can export to both the EU and other OECD markets).

Supply capacity depends, in turn, partly on the rules of origin. Even in the case of the EU's DFQF offer, which applies primarily to agricultural products since there has long been unrestricted access for manufactures and industrial products, the rules of origin could be important in determining the supply response (for example in relation to processed foods). For OECD countries that do not currently offer DFQF for all manufactures, the rules of origin will be even more important in determining the overall impact. As the case of clothing exports to the USA under AGOA illustrates, it may be the origin rules rather than tariffs *per se* that are the main constraints on the growth of ACP exports. In cases where global value chains split production processes into smaller units than are recognised by the rules of origin, it may be impossible to interest investors in locating part of their output in a nominally preference-receiving state.

Apart from 'quick wins' from the removal of punitive market access barriers and/or origin rules that allow production to commence with minimal investment, the extent to which OECD-wide DFQF would benefit the ACP will depend critically upon its effect on investment. This will depend, in turn, on the relationship between the pay-back period for investment and the anticipated duration of the competitive advantage conferred by DFQF. The Doha Round is not the only source of preference erosion: all trade agreements between an OECD state and a potential ACP competitor could have the effect of eroding preferences.

For these reasons, as with the EU's offer, the impact of wider DFQF will be very country and product specific. From the perspective of the ACP, wider DFQF must be a 'good thing' by definition since it will relieve exporters of a tax; whether from a wider perspective trade creation will exceed trade diversion is uncertain without further study. However, if DFQF is seen as 'precursor' of wider liberalisation it could be seen as unambiguously beneficial. On this perspective, countries would be encouraged to liberalise towards the ACP on products that they cannot yet agree to liberalise either multilaterally or to another large group of countries (such as all LDCs). The act of partial liberalisation could be the 'thin end of the wedge', accustoming domestic producers and consumers to the need to adjust to imports and, hence, to make it politically easier to widen the group of countries offered duty-free access over a period of time.

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Ghana (2001)
Guyana (2003)
Jamaica (2005)
Mauritius (2001)
Nigeria (2005)
Suriname (2004)

Appendix 1. Current ACP exports (and exporting countries) for which DFQF will improve market access

CN code	ACP exporter	Description (abbreviated in some cases)	EU imports 2006		Tariff (Cotonou preference unless otherwise noted)			
			€000	1000kg	AV	Spec. €	Per	Note
02013000	Botswana	fresh or chilled bovine meat, boneless	19,574.2	3,666.8	0 +	24.2	100kg	
02013000	Namibia	fresh or chilled bovine meat, boneless	23,109.5	4,445.1	0 +	24.2	100kg	
02022030	Bahamas	frozen unseparated or separated bovine forequarters, with bone in	0.03	-	0 +	141.1	100kg	
02023050	Botswana	frozen bovine boneless crop, chuck and blade and brisket cuts	2,629.8	952.0	0 +	17.6	100kg	
02023050	Namibia	frozen bovine boneless crop, chuck and blade and brisket cuts	2,881.9	1,489.4	0 +	17.6	100kg	
02023090	Antigua/Barbuda	frozen bovine boneless meat	4.3	1.2	0 +	304.1	100kg	
02023090	Botswana	frozen bovine boneless meat	1,508.4	631.0	0 +	24.3	100kg	
02023090	Namibia	frozen bovine boneless meat	802.3	267.7	0 +	24.3	100kg	
02044310	Namibia	frozen meat of lambs, boneless, frozen	0.3	-	0 +	234.5	100kg	
04021011	Marshall Islands	milk and cream in solid forms, of a fat content by weight of <= 1,5%, unsweetened, in immediate packings of <= 2,5 kg	0.1	-		43.8	100kg	
04021011	Mauritius	milk and cream in solid forms, of a fat content by weight of <= 1,5%, unsweetened, in immediate packings of <= 2,5 kg	0.2	-		43.8	100kg	
04021011	Nigeria	milk and cream in solid forms, of a fat content by weight of <= 1,5%, unsweetened, in immediate packings of <= 2,5 kg	1.2	-		43.8	100kg	
04021099	Nigeria	milk and cream in solid forms, of a fat content by weight of <= 1,5%, sweetened, in immediate packings of > 2,5 kg	0.03	0.1		7.3	100kg+0.41kg	
04022119	Jamaica	milk and cream in solid forms, of a fat content by weight of > 11% but <= 27%, unsweetened, in immediate packings of > 2,5 kg or put up otherwise	86.9	50.0		45.6	100kg	
04061080	Suriname	fresh cheese 'unripened or uncured cheese', incl. whey cheese and curd of a fat content, by weight, of > 40%	0.1	-		77.4	100kg	
04081989	Ghana	egg yolks (other than liquid), frozen or otherwise preserved, suitable for human consumption, whether or not containing added sugar or other sweetening matter (excl. dried)	0.04	-		55.6	100kg	
07020000	Côte d'Ivoire	tomatoes, fresh or chilled	21.2	24.0	8.8			MFN (max. seasonal rate for this entry price)
07020000	Dominican Rep.	tomatoes, fresh or chilled	142.4	121.2	8.8			MFN (max. seasonal rate for this entry price)
07020000	Kenya	tomatoes, fresh or chilled	9.7	11.6	8.8			MFN (max. seasonal rate for this entry price)
07020000	Zimbabwe	tomatoes, fresh or chilled	0.6	0.3	8.8			MFN (max. seasonal rate for this entry price)
07031011	Kenya	onion sets, fresh or chilled	4.5	1.2	6.1			GSP
07031019	Ghana	onions, fresh or chilled (excl. sets)	8.1	6.6	6.1			GSP
07031019	Kenya	onions, fresh or chilled (excl. sets)	1,004.0	308.6	6.1			GSP
07031019	Mauritius	onions, fresh or chilled (excl. sets)	4.7	12.5	6.1			GSP
07031019	Suriname	onions, fresh or chilled (excl. sets)	2.6	10.6	6.1			GSP
07031090	Ghana	shallots, fresh or chilled	0.8	0.4	8			GSP rate is lower (6.1%)

CN code	ACP exporter	Description <i>(abbreviated in some cases)</i>	EU imports 2006		Tariff (Cotonou preference unless otherwise noted)			
			€000	1000kg	AV	Spec. €	Per	Note
07031090	Kenya	shallots, fresh or chilled	1.1	0.4	8			GSP rate is lower (6.1%)
07031090	Suriname	shallots, fresh or chilled	0.3	1.3	8			GSP rate is lower (6.1%)
07032000	Kenya	garlic, fresh or chilled	0.6	0.7	8.1			
07032000	Zimbabwe	garlic, fresh or chilled	41.6	26.3	8.1			
07039000	Ghana	leeks and other alliaceous vegetables, fresh or chilled	2.2	2.2	8.7			GSP rate is lower (6.9%)
07039000	Kenya	leeks and other alliaceous vegetables, fresh or chilled	369.4	67.6	8.7			GSP rate is lower (6.9%)
07039000	Swaziland	leeks and other alliaceous vegetables, fresh or chilled (e	1.9	0.8	8.7			GSP rate is lower (6.9%)
07039000	Zimbabwe	leeks and other alliaceous vegetables, fresh or chilled	12.6	4.6	8.7			GSP rate is lower (6.9%)
07041000	Kenya	fresh or chilled cauliflowers and headed broccoli	168.3	55.6	11.4 min 1.3	100kg		Max. seasonal rate
07041000	Swaziland	fresh or chilled cauliflowers and headed broccoli	0.8	-	11.4 min 1.3	100kg		Max. seasonal rate
07049010	Côte d'Ivoire	white and red cabbages, fresh or chilled	1.6	1.0	10 min 0.3	100kg		GSP rate is lower (8.5% only)
07049010	Dominican Rep.	white and red cabbages, fresh or chilled	1.5	10.0	10 min 0.3	100kg		GSP rate is lower (8.5% only)
07049010	Kenya	white and red cabbages, fresh or chilled	5.2	1.0	10 min 0.3	100kg		GSP rate is lower (8.5% only)
07049010	Swaziland	white and red cabbages, fresh or chilled	0.7	-	10 min 0.3	100kg		GSP rate is lower (8.5% only)
07049090	Dominican Rep.	kohlrabi, kale and similar edible brassicas, fresh or chilled	1.3	2.8	10			Max. rate. GSP rate is lower (8.5% for all items)
07049090	Kenya	kohlrabi, kale and similar edible brassicas, fresh or chilled	1,210.6	407.8	10			Max. rate. GSP rate is lower (8.5% for all items)
07049090	Suriname	kohlrabi, kale and similar edible brassicas, fresh or chilled)	0.1	-	10			Max. rate. GSP rate is lower (8.5% for all items)
07049090	Swaziland	kohlrabi, kale and similar edible brassicas, fresh or chilled	1.4	0.1	10			Max. rate. GSP rate is lower (8.5% for all items)
07051900	Kenya	fresh or chilled lettuce (excl. cabbage lettuce)	45.1	14.7	8.7			GSP rate is lower (6.9% only)
07052100	Kenya	fresh or chilled witloof chicory	11.4	16.3	8.7			GSP rate is lower (6.9% only)
07052900	Dominican Rep.	fresh or chilled chicory (excl. witloof chicory)	1.0	0.3	8.7			GSP rate is lower (6.9% only)
07052900	Kenya	fresh or chilled chicory (excl. witloof chicory)	57.9	50.1	8.7			GSP rate is lower (6.9% only)
07061000	Dominican Rep.	fresh or chilled carrots and turnips	4.0	0.9	10.1			GSP
07061000	Kenya	fresh or chilled carrots and turnips	309.6	68.5	10.1			GSP
07061000	Swaziland	fresh or chilled carrots and turnips	0.3	0.2	10.1			GSP
07069090	Ghana	fresh or chilled salad beetroot, salsify, radishes and similar edible roots	1.2	0.8	10.1			GSP. Max. rate for any item.
07070005	Dominican Rep.	cucumbers, fresh or chilled	5.7	6.0	16			MFN (max. seasonal rate for this entry price)
07070005	Kenya	cucumbers, fresh or chilled	0.1	-	16			MFN (max. seasonal rate assuming entry price not less than 35€/100kg)
07070005	Mauritius	cucumbers, fresh or chilled	3.6	-	16			MFN (max. seasonal rate assuming entry price not less than 35€/100kg)
07070005	Suriname	cucumbers, fresh or chilled	0.7	0.4	16			MFN (max. seasonal rate for this entry price)
07070090	Dominican Rep.	fresh or chilled gherkins	12.7	7.7	10.7			

CN code	ACP exporter	Description <i>(abbreviated in some cases)</i>	EU imports 2006		Tariff (Cotonou preference unless otherwise noted)			
			€000	1000kg	AV	Spec. €	Per	Note
07091000	Kenya	fresh or chilled globe artichokes	2.9	0.5	8.8			Max. seasonal rate for this entry price
07092000	Kenya	fresh or chilled asparagus	28.6	6.9	6.7			GSP
07092000	Zimbabwe	fresh or chilled asparagus	2.4	0.3	6.7			GSP
07095910	Zimbabwe	fresh or chilled chanterelles	22.6	1.8	2.6			GSP rate is zero
07095930	Namibia	fresh or chilled flap mushrooms	1.8	0.1	4.7			GSP rate is lower (2.1%)
07097000	Kenya	fresh or chilled spinach, New Zealand spinach and orache spinach	79.7	20.5	8.7			GSP rate is lower (6.9%)
07099010	Kenya	fresh or chilled salad vegetables (excl. lettuce and chicory)	158.8	123.1	8.7			GSP rate is lower (6.9%)
07099010	Nigeria	fresh or chilled salad vegetables (excl. lettuce and chicory)	0.5	0.1	8.7			GSP rate is lower (6.9%)
07099050	Kenya	fresh or chilled fennel	0.2	-	6.7			GSP rate is lower (4.5%)
07099050	Swaziland	fresh or chilled fennel	29.1	5.0	6.7			GSP rate is lower (4.5%)
07099060	Ghana	fresh or chilled sweetcorn	4.1	2.3		9.2	100kg	
07099060	Kenya	fresh or chilled sweetcorn	2,001.4	449.9		9.2	100kg	
07099060	Zimbabwe	fresh or chilled sweetcorn	178.1	67.9		9.2	100kg	
07099070	Ghana	fresh or chilled courgettes	91.6	56.6				Free all year round at this entry price
07099070	Kenya	fresh or chilled courgettes	161.7	16.8				Free all year round at this entry price
07129019	Ghana	dried sweetcorn 'zea mays var. saccharata', whether or nor cut or sliced, but not further prepared (excl. hybrids for sowing)	0.3	0.2		9.2	100kg	
07129019	Nigeria	dried sweetcorn 'zea mays var. saccharata', whether or nor cut or sliced, but not further prepared (excl. hybrids for sowing)	2.0	0.5		9.2	100kg	
07141010	Cameroon	pellets of manioc flour and meal	5.2	3.0		8.6	100kg	
07141010	Congo	pellets of manioc flour and meal	1.0	0.5		8.6	100kg	
07141010	Côte d'Ivoire	pellets of manioc flour and meal	7.4	6.4		8.6	100kg	
07141010	Ghana	pellets of manioc flour and meal	2.8	1.2		8.6	100kg	
07141010	Nigeria	pellets of manioc flour and meal	2.3	4.4		8.6	100kg	
07141099	Cameroon	fresh or dried whole or sliced manioc or in the form of pellets	20.4	22.0		8.8	100kg	
07141099	Côte d'Ivoire	fresh or dried whole or sliced manioc or in the form of pellets	14.1	13.6		8.8	100kg	
07141099	Ghana	fresh or dried whole or sliced manioc or in the form of pellets	14.1	26.9		8.8	100kg	
07141099	Nigeria	fresh or dried whole or sliced manioc or in the form of pellets	2.1	1.9		8.8	100kg	
07149019	Cameroon	roots and tubers of arrowroot, salep and similar roots and tubers with high starch content, fresh, chilled, frozen or dried, whether or not sliced or in the form of pellets	287.8	220.5		8.8	100kg	Max. rate for any item
07149019	Côte d'Ivoire	roots and tubers of arrowroot, salep and similar roots and tubers with high starch content, fresh, chilled, frozen or dried, whether or not sliced or in the form of pellets	47.4	43.0		8.8	100kg	Max. rate for any item
07149019	Dominican Rep.	roots and tubers of arrowroot, salep and similar roots and tubers with high starch content, fresh, chilled, frozen or dried, whether or not sliced or in the form of pellets	1.5	3.5		8.8	100kg	Max. rate for any item
07149019	Ghana	roots and tubers of arrowroot, salep and similar roots and tubers with high starch content, fresh, chilled, frozen or dried, whether or not sliced or in the form of pellets	8.2	13.0		8.8	100kg	Max. rate for any item

CN code	ACP exporter	Description <i>(abbreviated in some cases)</i>	EU imports 2006		Tariff (Cotonou preference unless otherwise noted)			
			€000	1000kg	AV	Spec. €	Per	Note
08022200	Kenya	fresh or dried hazelnuts or filberts 'corylus spp.', shelled and peeled	35.5	3.5	2.6			GSP rate is zero
08024000	Dominican Rep.	fresh or dried chestnuts, whether or not shelled or peeled	0.1	0.1	4.7			GSP rate is lower (2.1%)
08030019	Bahamas	bananas, fresh (excl. plantains)	19.0	40.6	0			
08030019	Belize	bananas, fresh (excl. plantains)	35,423.4	73,207.2	0			
08030019	Cameroon	bananas, fresh (excl. plantains)	175,530.5	252,702.4	0			
08030019	Côte d'Ivoire	bananas, fresh (excl. plantains)	144,357.7	221,790.9	0			
08030019	Dominica	bananas, fresh (excl. plantains)	8,586.9	13,298.2	0			
08030019	Dominican Rep.	bananas, fresh (excl. plantains)	110,172.5	176,756.5	0			
08030019	Ghana	bananas, fresh (excl. plantains)	12,958.9	22,404.3	0			
08030019	Jamaica	bananas, fresh (excl. plantains)	13,186.3	31,863.1	0			
08030019	Nigeria	bananas, fresh (excl. plantains)	17.6	54.0	0			
08030019	St Lucia	bananas, fresh (excl. plantains)	23,993.8	36,726.1	0			
08030019	St Vincent/ Grenadines	bananas, fresh (excl. plantains)	11,248.8	17,238.7	0			
08030019	Suriname	bananas, fresh (excl. plantains)	16,622.7	45,145.7	0			
08051020	Belize	fresh sweet oranges	3,377.4	6,814.2	3.2			Max. seasonal rate for this entry price
08051020	Dominica	fresh sweet oranges	16.7	43.9	3.2			Max. seasonal rate for this entry price
08051020	Dominican Rep.	fresh sweet oranges	250.1	624.3	3.2			Max. seasonal rate for this entry price
08051020	Ghana	fresh sweet oranges	11.9	20.2	3.2			Max. seasonal rate for this entry price
08051020	Jamaica	fresh sweet oranges	167.3	394.9	3.2			Max. seasonal rate for this entry price
08051020	Suriname	fresh sweet oranges	2.2	6.0	3.2			Max. seasonal rate for this entry price
08051020	Swaziland	fresh sweet oranges	6,479.1	13,641.6	3.2			Max. seasonal rate for this entry price
08051020	Zimbabwe	fresh sweet oranges	6,646.5	12,971.5	3.2			Max. seasonal rate for this entry price
08051080	Dominica	fresh or dried oranges (excl. fresh sweet oranges)	8.7	30.0	3.2			Max. seasonal rate
08051080	Dominican Rep.	fresh or dried oranges (excl. fresh sweet oranges)	35.7	174.8	3.2			Max. seasonal rate
08051080	Suriname	fresh or dried oranges (excl. fresh sweet oranges)	0.1	0.1	3.2			Max. seasonal rate
08052010	Belize	fresh or dried clementines	120.0	214.4	3.2	+ 10.6	100kg	Max. seasonal rate for this entry price
08052010	Dominican Rep.	fresh or dried clementines	1.7	4.7	3.2	+ 10.6	100kg	Max. seasonal rate for this entry price
08052010	Zimbabwe	fresh or dried clementines	68.6	62.1	3.2			Max. seasonal rate for this entry price
08052050	Dominican Rep.	fresh or dried mandarins and wilkings	5.6	10.0	3.2			Max. seasonal rate for this entry price

CN code	ACP exporter	Description <i>(abbreviated in some cases)</i>	EU imports 2006		Tariff (Cotonou preference unless otherwise noted)			
			€000	1000kg	AV	Spec. €	Per	Note
08052070	Dominican Rep.	fresh or dried tangerines	5.8	11.2	3.2			Max. seasonal rate for this entry price
08052070	Suriname	fresh or dried tangerines	0.4	1.2	3.2			Max. seasonal rate for this entry price
08052090	Jamaica	fresh or dried tangelos, ortaniques, malaquinas and similar citrus hybrids	282.1	369.5	3.2			Max. seasonal rate for this entry price
08052090	Swaziland	fresh or dried tangelos, ortaniques, malaquinas and similar citrus hybrids	365.4	439.2	3.2			Max. seasonal rate for this entry price
08055010	Dominican Rep.	fresh or dried lemons 'citrus limon, citrus limonum'	63.8	38.3	6.4			MFN (max. seasonal rate for this entry price)
08055010	Swaziland	fresh or dried lemons 'citrus limon, citrus limonum'	16.8	32.7	6.4	+ 5.6	100kg	MFN (max. seasonal rate for this entry price)
08061010	Namibia	fresh table grapes	28,075.4	14,747.9	14.1			MFN (max. seasonal rate for this entry price)
08061090	Kenya	fresh grapes (excl. table grapes)	3.3	2.6	14.1			GSP (max. seasonal rate)
08081080	Antigua/Barbuda	fresh apples	583.1	753.3	9			MFN (max. seasonal rate for this entry price)
08081080	Côte d'Ivoire	fresh apples	34.6	42.1	9			MFN (max. seasonal rate for this entry price)
08081080	Dominican Rep.	fresh apples	0.1	0.2	9			MFN (max. seasonal rate for this entry price)
08082050	Antigua/Barbuda	fresh pears (excl. perry pears, in bulk, from 1 August to 31 December)	123.0	140.6	10.4			MFN (max. seasonal rate for this entry price)
08092095	Kenya	fresh cherries (excl. sour cherries 'prunus cerasus')	14.7	3.9	12			MFN (max. seasonal rate for this entry price)
08092095	Namibia	fresh cherries (excl. sour cherries 'prunus cerasus')	0.3	-	12			MFN (max. seasonal rate assuming entry price not less than €149.4/100 kg)
08092095	Seychelles	fresh cherries (excl. sour cherries 'prunus cerasus')	15.8	2.7	12			MFN (max. seasonal rate for this entry price)
08093010	Zimbabwe	nectarines, fresh	2.7	0.8	14.9			Max. seasonal rate for this entry price
08093090	Zimbabwe	peaches, fresh (excl. nectarines)	26.9	14.6	14.9			Max. seasonal rate for this entry price
08094005	Zimbabwe	fresh plums	74.0	28.2	10.2			Max. seasonal rate for this entry price
08119011	Dominican Rep.	guavas, mangoes, mangosteens, papaws 'papayas', tamarinds, cashew apples, lychees, jackfruit, sapodillo plums, passion fruit, carambola, pitahaya, coconuts, cashew nuts, brazil nuts, areca 'betel' nuts, cola nuts and macadamia nuts, uncooked or cooked by steaming or boiling in water, frozen, containing added sugar or other sweetening matter, with a sugar content of > 13% by weight	60.1	86.3	0	+ 5.3	100kg	

CN code	ACP exporter	Description <i>(abbreviated in some cases)</i>	EU imports 2006		Tariff (Cotonou preference unless otherwise noted)			
			€000	1000kg	AV	Spec. €	Per	Note
08119019	Suriname	frozen fruit and nuts, edible, uncooked or cooked by steaming or boiling in water, containing added sugar or other sweetening matter, with a sugar content of > 13% by weight	1.4	0.3	0 + 8.4	100kg		
10011000	Côte d'Ivoire	durum wheat	409.1	117.9	0	1000kg		'Within limit of the quota reduction 50%'
10019099	Ghana	spelt, common wheat and meslin (excl. seed)	6.0	41.5	47.5	1000kg		'Within limit of the quota reduction 50%', but not clear in all cases what rate to deduct 50% from
10019099	Jamaica	spelt, common wheat and meslin (excl. seed)	1.3	1.3	47.5	1000kg		'Within limit of the quota reduction 50%', but not clear in all cases what rate to deduct 50% from
10019099	Suriname	spelt, common wheat and meslin (excl. seed)	0.03	-	47.5	1000kg		'Within limit of the quota reduction 50%', but not clear in all cases what rate to deduct 50% from
10030090	Nigeria	barley (excl. seed)	0.2	-	46.5	1000kg		'Within limit of the quota reduction 50%'
10059000	Cameroon	maize (excl. seed)	0.3	0.1	13.87	1000kg		'reduction 1.81€/t'
10059000	Ghana	maize (excl. seed)	4.4	10.7	13.87	1000kg		'reduction 1.81€/t'
10059000	Kenya	maize (excl. seed)	19.1	21.7	13.87	1000kg		'reduction 1.81€/t'
10059000	Swaziland	maize (excl. seed)	0.1	-	13.87	1000kg		'reduction 1.81€/t'
10059000	Zimbabwe	maize (excl. seed)	0.7	0.4	13.87	1000kg		'reduction 1.81€/t'
10062011	Nigeria	round grain husked [brown] rice, parboiled	0.1	-	37.91	1000kg		'within limit of the quota reduction 65% and 4.34€/t'
10062013	Ghana	medium grain husked [brown] rice, parboiled	0.03	-	37.91	1000kg		'within limit of the quota reduction 65% and 4.34€/t'
10062098	Guyana	long grain husked [brown] rice, length-width ratio >= 3 (excl. parboiled)	24,023.1	85,803.0	37.91	1000kg		'within limit of the quota reduction 65% and 4.34€/t'
10062098	Marshall Islands	long grain husked [brown] rice, length-width ratio >= 3 (excl. parboiled)	112.5	381.3	37.91	1000kg		'within limit of the quota reduction 65% and 4.34€/t'
10062098	Suriname	long grain husked [brown] rice, length-width ratio >= 3 (excl. parboiled)	3,823.9	13,484.3	37.91	1000kg		'within limit of the quota reduction 65% and 4.34€/t'
10063027	Guyana	semi-milled long grain rice, length-width ratio >= 3, parboiled	10.4	23.0	98.6	1000kg		'within limit of the quota reduction of 16.78 €/t, then reduced by 65% and 6.52 €/t'
10063061	Suriname	wholly milled round grain rice, parboiled, whether or not polished or glazed	0.2	0.3	98.6	1000kg		'within limit of the quota reduction of 16.78 €/t, then reduced by 65% and 6.52 €/t'
10063067	Jamaica	wholly milled long grain rice, length-width ratio >= 3, parboiled, whether or not polished or glazed	16.4	16.8	98.6	1000kg		'within limit of the quota reduction of 16.78 €/t, then reduced by 65% and 6.52 €/t'

CN code	ACP exporter	Description <i>(abbreviated in some cases)</i>	EU imports 2006		Tariff (Cotonou preference unless otherwise noted)			
			€000	1000kg	AV	Spec. €	Per	Note
10063098	Guyana	wholly milled long grain rice, length-width ratio >= 3, whether or not polished or glazed (excl. parboiled)	78.5	507.2		98.6	1000kg	'within limit of the quota reduction of 16.78 €/t, then reduced by 65% and 6.52 €/t'
10063098	Suriname	wholly milled long grain rice, length-width ratio >= 3, whether or not polished or glazed (excl. parboiled)	587.0	1,274.0		98.6	1000kg	'within limit of the quota reduction of 16.78 €/t, then reduced by 65% and 6.52 €/t'
10064000	Guyana	broken rice	1,025.3	4,554.6		19.13	t	In quota 35% of MFN and 3.62€/t less than MFN
10070090	Nigeria	grain sorghum (excl. hybrid for sowing)	0.1	-		0	t	Within ceiling (200 tons) reduction of 60% on MFN
10082000	Côte d'Ivoire	millet (excl. grain sorghum)	2.5	1.2		35.7	t	
10082000	Ghana	millet (excl. grain sorghum)	0.8	2.9		35.7	t	
11010011	Dominican Rep.	durum wheat flour	5.9	5.7		144.4	t	
11010015	Suriname	flour of common wheat and spelt	0.4	1.4		144.4	t	
11010090	Ghana	meslin flour	0.1	0.4		144.4	t	
11022010	Dominican Rep.	maize flour, with fat content of <= 1,5% by weight	0.9	2.0		165.7	t	
11022010	Ghana	maize flour, with fat content of <= 1,5% by weight	8.3	17.1		165.7	t	
11022010	Kenya	maize flour, with fat content of <= 1,5% by weight	0.9	2.4		165.7	t	
11022090	Côte d'Ivoire	maize flour, with fat content of > 1,5% by weight	7.5	12.4		94.4	t	
11022090	Dominican Rep.	maize flour, with fat content of > 1,5% by weight	19.7	41.7		94.4	t	
11022090	Ghana	maize flour, with fat content of > 1,5% by weight	15.4	20.6		94.4	t	
11022090	Nigeria	maize flour, with fat content of > 1,5% by weight	15.2	9.8		94.4	t	
11029090	Cameroon	cereal flours (excl. wheat, meslin, rye, maize, rice, barley and oat)	0.8	1.0		94.4	t	
11029090	Côte d'Ivoire	cereal flours (excl. wheat, meslin, rye, maize, rice, barley and oat)	47.3	38.5		94.4	t	
11029090	Ghana	cereal flours (excl. wheat, meslin, rye, maize, rice, barley and oat)	3.7	3.0		94.4	t	
11029090	Nigeria	cereal flours (excl. wheat, meslin, rye, maize, rice, barley and oat)	0.04	0.1		94.4	t	
11031110	Côte d'Ivoire	durum wheat groats and meal	0.8	2.0		224.2	t	
11031310	Ghana	groats and meal of maize, 'corn', with a fat content, by weight, of <= 1,5%	0.9	2.3		165.7	t	
11031390	Ghana	groats and meal of maize, 'corn', with a fat content, by weight, of > 1,5%	2.0	5.0		94.4	t	
11031990	Suriname	groats and meal of cereals	1.5	0.5		94.4	t	
11032090	Côte d'Ivoire	cereal pellets (excl. rye, barley, oats, maize, rice and wheat)	2.7	2.7		94.4	t	
11041910	Ghana	rolled or flaked wheat grains	0.7	0.1		167.7	t	
11041999	Ghana	rolled or flaked cereal grains	0.1	0.3		165.7	t	
11042298	Jamaica	oat grains	4.7	4.2		89.4	t	
11042390	Ghana	kibbled maize grains	0.3	2.5		94.4	t	
11042399	Ghana	cereal grains of maize	8.5	5.7		94.4	t	
11042918	Ghana	hulled [shelled or husked] cereal grains	1.0	1.0		125.4	t	
11062010	Côte d'Ivoire	denatured flour, meal and powder of sago or of manioc, arrowroot, salep, Jerusalem artichokes, sweet potatoes and similar roots and tubers with a high content of starch or inulin of heading 0714	60.6	24.2		0 or 87	t	

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			€000	1000kg	AV	Spec. €	Per	Note
11062010	Ghana	denatured flour, meal and powder of sago or of manioc, arrowroot, salep, Jerusalem artichokes, sweet potatoes and similar roots and tubers with a high content of starch or inulin of heading 0714	19.2	64.0	0 or 87	t		
11062010	Nigeria	denatured flour, meal and powder of sago or of manioc, arrowroot, salep, Jerusalem artichokes, sweet potatoes and similar roots and tubers with a high content of starch or inulin of heading 0714	33.3	49.8	0 or 87	t		
11062090	Cameroon	flour, meal and powder of sago and of root or tubers of manioc, arrowroot, salep, Jerusalem artichokes, sweet potatoes and similar roots and tubers with a high content of starch or inulin of heading 0714	58.3	181.8	0 or 136.8	t		
11062090	Côte d'Ivoire	flour, meal and powder of sago and of root or tubers of manioc, arrowroot, salep, Jerusalem artichokes, sweet potatoes and similar roots and tubers with a high content of starch or inulin of heading 0714	437.2	319.8	0 or 136.8	t		
11062090	Ghana	flour, meal and powder of sago and of root or tubers of manioc, arrowroot, salep, Jerusalem artichokes, sweet potatoes and similar roots and tubers with a high content of starch or inulin of heading 0714	95.6	149.0	0 or 136.8	t		
11062090	Nigeria	flour, meal and powder of sago and of root or tubers of manioc, arrowroot, salep, Jerusalem artichokes, sweet potatoes and similar roots and tubers with a high content of starch or inulin of heading 0714	102.6	138.5	0 or 136.8	t		
11062090	Suriname	flour, meal and powder of sago and of root or tubers of manioc, arrowroot, salep, Jerusalem artichokes, sweet potatoes and similar roots and tubers with a high content of starch or inulin of heading 0714	5.6	0.1	0 or 136.8	t		
11071099	Nigeria	malt (excl. roasted, wheat and flour)	0.8	-	131	t		
11072000	Barbados	roasted malt	7.0	16.7	152	t		
11081400	Cameroon	manioc starch	7.0	15.6	58.2	t		
11081400	Côte d'Ivoire	manioc starch	1.1	1.8	58.2	t		
11081400	Ghana	manioc starch	10.1	27.2	58.2	t		
11081400	Nigeria	manioc starch	6.5	3.4	58.2	t		
11081400	Suriname	manioc starch	0.6	0.2	58.2	t		
12129920	Cameroon	sugar cane, fresh, chilled, frozen or dried, whether or not ground	2.3	1.1	3.8	100kg/net		
12129920	Dominican Rep.	sugar cane, fresh, chilled, frozen or dried, whether or not ground	0.04	-	3.8	100kg/net		
12129920	Ghana	sugar cane, fresh, chilled, frozen or dried, whether or not ground	2.1	1.0	3.8	100kg/net		
12129920	Kenya	sugar cane, fresh, chilled, frozen or dried, whether or not ground	10.1	4.5	3.8	100kg/net		
12129920	Nigeria	sugar cane, fresh, chilled, frozen or dried, whether or not ground	170.2	70.1	3.8	100kg/net		
12129920	Suriname	sugar cane, fresh, chilled, frozen or dried, whether or not ground	1.7	0.6	3.8	100kg/net		
15091090	Ghana	olive oil obtained from the fruit of the olive tree solely by mechanical or other physical means under conditions that do not lead to deterioration of the oil, untreated (excl. virgin lampante oil)	0.1	-	124.5	100kg/net		

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			€000	1000kg	AV	Spec. €	Per	Note
15091090	Suriname	olive oil obtained from the fruit of the olive tree solely by mechanical or other physical means under conditions that do not lead to deterioration of the oil, untreated (excl. virgin lampante oil)	247.9	61.8		124.5	100kg/net	
15099000	Ghana	olive oil and fractions obtained from the fruit of the olive tree solely by mechanical or other physical means under conditions that do not lead to deterioration of the oil (excl. virgin and chemically modified)	0.1	-		134.6	100kg/net	
15171010	Nigeria	margarine containing > 10% but <= 15% milkfats (excl. liquid)	12.5	15.0	0 +	28.4	100kg/net	
17011110	Barbados	raw cane sugar, for refining (excl. added flavouring or colouring)	15,678.7	31,055.3	0			
17011110	Belize	raw cane sugar, for refining (excl. added flavouring or colouring)	28,933.0	56,631.6	0			
17011110	Congo	raw cane sugar, for refining (excl. added flavouring or colouring)	5,512.1	9,916.0	0			
17011110	Fiji	raw cane sugar, for refining (excl. added flavouring or colouring)	105,791.8	208,184.1	0			
17011110	Guyana	raw cane sugar, for refining (excl. added flavouring or colouring)	86,043.6	166,636.3	0			
17011110	Jamaica	raw cane sugar, for refining (excl. added flavouring or colouring)	70,543.8	135,144.8	0			
17011110	Mauritius	raw cane sugar, for refining (excl. added flavouring or colouring)	225,144.7	444,980.1	0			
17011110	Swaziland	raw cane sugar, for refining (excl. added flavouring or colouring)	55,718.3	112,091.5	0			
17011110	Trinidad and Tobago	raw cane sugar, for refining (excl. added flavouring or colouring)	18,171.5	34,750.0	0			
17011110	Zimbabwe	raw cane sugar, for refining (excl. added flavouring or colouring)	32,597.3	64,199.7	0			
17011190	Barbados	raw cane sugar (excl. for refining and added flavouring or colouring)	773.0	1,112.6	0			
17011190	Kenya	raw cane sugar (excl. for refining and added flavouring or colouring)	12.7	18.9	0			
17011190	Mauritius	raw cane sugar (excl. for refining and added flavouring or colouring)	34,322.4	48,800.9	0			
17011190	Nigeria	raw cane sugar (excl. for refining and added flavouring or colouring)	3.2	2.6	0			
17011190	Swaziland	raw cane sugar (excl. for refining and added flavouring or colouring)	14,740.4	27,675.7	0			
17019910	Côte d'Ivoire	white sugar, containing in dry state >= 99,5% sucrose	845.3	1,480.0	0			
17019910	Ghana	white sugar, containing in dry state >= 99,5% sucrose	0.3	0.3	0			
17019910	Kenya	white sugar, containing in dry state >= 99,5% sucrose	3,743.0	6,472.9	0			
17019910	Mauritius	white sugar, containing in dry state >= 99,5% sucrose	2,628.3	2,941.7	0			
17019910	Nigeria	white sugar, containing in dry state >= 99,5% sucrose	0.01	-	0			
17019910	Swaziland	white sugar, containing in dry state >= 99,5% sucrose	3,570.7	6,082.8	0			
17019910	Trinidad and Tobago	white sugar, containing in dry state >= 99,5% sucrose	13.8	20.0	0			
17019990	Barbados	cane or beet sugar and chemically pure sucrose, in solid form	1.7	0.5	0			
17019990	Mauritius	cane or beet sugar and chemically pure sucrose, in solid form	15.8	20.1	0			
17029075	Swaziland	sugar and molasses, caramelised, containing in the dry state < 50% by weight of sucrose, in powder form, whether or not agglomerated	30.5	20.0		16	100kg/net	
17031000	Guyana	cane molasses resulting from the extraction or refining of sugar	15.0	65.0	0			In quota 0% of MFN
17031000	Jamaica	cane molasses resulting from the extraction or refining of sugar	4.1	0.9	0			In quota 0% of MFN
17031000	Mauritius	cane molasses resulting from the extraction or refining of sugar	6,688.8	63,311.2	0			In quota 0% of MFN
17031000	Suriname	cane molasses resulting from the extraction or refining of sugar	2.8	0.2	0			In quota 0% of MFN
17041019	Trinidad and Tobago	chewing gum, whether or not sugar-coated, containing < 60% sucrose, incl. invert sugar expressed as sucrose (excl. in strips)	0.8	1.5	0 +	27.1	100kg/net	

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17041019	Zimbabwe	chewing gum, whether or not sugar-coated, containing < 60% sucrose, incl. invert sugar expressed as sucrose (excl. in strips)	0.3	0.1	0 +	27.1	100kg/net	
17041099	Botswana	chewing gum, whether or not sugar-coated, containing >= 60% sucrose, incl. invert sugar expressed as sucrose (excl. in strips)	0.2	-	0 +	30.9	100kg/net	
17041099	Mauritius	chewing gum, whether or not sugar-coated, containing >= 60% sucrose, incl. invert sugar expressed as sucrose (excl. in strips)	2.7	1.6	0 +	30.9	100kg/net	
17041099	Trinidad and Tobago	chewing gum, whether or not sugar-coated, containing >= 60% sucrose, incl. invert sugar expressed as sucrose (excl. in strips)	1.5	0.6	0 +	30.9	100kg/net	
17049051	Mauritius	pastes, incl. marzipan, in immediate packings of >= 1 kg	8.7	0.6	0 +	AC		max 18.7%
17049061	Mauritius	sugar-coated 'panned' goods, not containing cocoa	33.0	1.8	0 +	AC		max 18.7%
17049065	Palau	gum and jelly confectionery, incl. fruit pastes in the form of sugar confectionery	0.03	-	0 +	AC		max 18.7%
17049071	Cameroon	boiled sweets, whether or not filled	1.4	7.7	0 +	AC		max 18.7%
17049071	Jamaica	boiled sweets, whether or not filled	5.7	1.5	0 +	AC		max 18.7%
17049071	Kenya	boiled sweets, whether or not filled	0.4	0.1	0 +	AC		max 18.7%
17049071	Mauritius	boiled sweets, whether or not filled	1.7	1.5	0 +	AC		max 18.7%
17049071	Trinidad and Tobago	boiled sweets, whether or not filled	13.3	5.2	0 +	AC		max 18.7%
17049075	Palau	toffees, caramels and similar sweets	0.01	-	0 +	AC		max 18.7%
17049081	Mauritius	compressed tablets of sugar confectionery, whether or not manufactured with binding agents, not containing cocoa	42.5	2.0	0 +	AC		max 18.7%
17049099	Mauritius	pastes, marzipan, nougat and other prepared sugar confectionery, not containing cocoa	15.7	2.9	0 +	AC		max 18.7%
17049099	Trinidad and Tobago	pastes, marzipan, nougat and other prepared sugar confectionery, not containing cocoa	17.3	6.8	0 +	AC		max 18.7%
17049099	Zimbabwe	pastes, marzipan, nougat and other prepared sugar confectionery, not containing cocoa	1.9	0.1	0 +	AC		max 18.7%
18061030	Grenada	sweetened cocoa powder, containing >= 65% but < 80% sucrose, incl. inverted sugar expressed as sucrose or isoglucose expressed as sucrose	3.4	0.1	0 +	31.4	100kg/net	
18069070	Ghana	preparations containing cocoa, for making beverages	18.4	23.7	0 +	AC		max 18.7%
18069070	Kenya	preparations containing cocoa, for making beverages	1,155.5	400.4	0 +	AC		max 18.7%
18069090	Nigeria	preparations containing cocoa, in containers or immediate packings of <= 2 kg	8.4	7.0	0 +	AC		max 18.7%
18069090	St Lucia	preparations containing cocoa, in containers or immediate packings of <= 2 kg	11.9	0.3	0 +	AC		max 18.7%
19011000	Nigeria	food preparations for infant use, put up for retail sale, of flour, groats, meal, starch or malt extract, not containing cocoa or containing < 40% by weight of cocoa calculated on a totally defatted basis, n.e.s. and of milk, sour cream, whey, yogurt, kephir or similar goods of heading 0401 to 0404, not containing cocoa or containing < 5% by weight of cocoa calculated on a totally defatted basis, n.e.s.	25.2	22.0	0			Reduction 100% AV duties; exemption EA under the condition (c.1)'

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			€000	1000kg	AV	Spec. €	Per	Note
19011000	Zimbabwe	food preparations for infant use, put up for retail sale, of flour, groats, meal, starch or malt extract, not containing cocoa or containing < 40% by weight of cocoa calculated on a totally defatted basis, n.e.s. and of milk, sour cream, whey, yogurt, kephir or similar goods of heading 0401 to 0404, not containing cocoa or containing < 5% by weight of cocoa calculated on a totally defatted basis, n.e.s.	17.7	7.4	0			Reduction 100% AV duties; exemption EA under the condition (c.1)'
19012000	Côte d'Ivoire	mixes and doughs of flour, groats, meal, starch or malt extract, not containing cocoa or containing < 40% by weight of cocoa calculated on a totally defatted basis, n.e.s. and of mixes and doughs of milk, cream, butter milk, sour milk, sour cream, whey, yogurt, kephir or similar goods of heading 0401 to 0404, not containing cocoa or containing < 5% by weight of cocoa calculated on a totally defatted basis, n.e.s., for the preparation of bakers' wares of heading 1905	13.7	26.7	0			Reduction 100% AV duties; exemption EA under the condition (c.1)'
19012000	Ghana	mixes and doughs of flour, groats, meal, starch or malt extract, not containing cocoa or containing < 40% by weight of cocoa calculated on a totally defatted basis, n.e.s. and of mixes and doughs of milk, cream, butter milk, sour milk, sour cream, whey, yogurt, kephir or similar goods of heading 0401 to 0404, not containing cocoa or containing < 5% by weight of cocoa calculated on a totally defatted basis, n.e.s., for the preparation of bakers' wares of heading 1905	9.3	17.1	0			Reduction 100% AV duties; exemption EA under the condition (c.1)'
19012000	Jamaica	mixes and doughs of flour, groats, meal, starch or malt extract, not containing cocoa or containing < 40% by weight of cocoa calculated on a totally defatted basis, n.e.s. and of mixes and doughs of milk, cream, butter milk, sour milk, sour cream, whey, yogurt, kephir or similar goods of heading 0401 to 0404, not containing cocoa or containing < 5% by weight of cocoa calculated on a totally defatted basis, n.e.s., for the preparation of bakers' wares of heading 1905	13.0	9.3	0			Reduction 100% AV duties; exemption EA under the condition (c.1)'
19012000	Mauritius	mixes and doughs of flour, groats, meal, starch or malt extract, not containing cocoa or containing < 40% by weight of cocoa calculated on a totally defatted basis, n.e.s. and of mixes and doughs of milk, cream, butter milk, sour milk, sour cream, whey, yogurt, kephir or similar goods of heading 0401 to 0404, not containing cocoa or containing < 5% by weight of cocoa calculated on a totally defatted basis, n.e.s., for the preparation of bakers' wares of heading 1905	39.6	13.6	0			Reduction 100% AV duties; exemption EA under the condition (c.1)'
19012000	Nigeria	mixes and doughs of flour, groats, meal, starch or malt extract, not containing cocoa or containing < 40% by weight of cocoa calculated on a totally defatted basis, n.e.s. and of mixes and doughs of milk, cream, butter milk, sour milk, sour cream, whey, yogurt, kephir or similar goods of heading 0401 to 0404, not containing cocoa or containing < 5% by weight of cocoa calculated on a totally defatted basis, n.e.s., for the preparation of bakers' wares of heading 1905	0.2	-	0			

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			€000	1000kg	AV	Spec. €	Per	Note
19012000	Suriname	mixes and doughs of flour, groats, meal, starch or malt extract, not containing cocoa or containing < 40% by weight of cocoa calculated on a totally defatted basis, n.e.s. and of mixes and doughs of milk, cream, butter milk, sour milk, sour cream, whey, yogurt, kephir or similar goods of heading 0401 to 0404, not containing cocoa or containing < 5% by weight of cocoa calculated on a totally defatted basis, n.e.s., for the preparation of bakers' wares of heading 1905	0.4	0.2	0			Reduction 100% AV duties; exemption EA under the condition (c.1)'
19019011	Trinidad and Tobago	malt extract with a dry extract content of >= 90%	0.1	-	0 + 18		100kg/net	
19019019	Nigeria	malt extract with a dry extract content of < 90%	4.2	21.1	0 + 14.7		100kg/net	
19019099	Antigua/Barbuda	food preparations of flour, groats, meal, starch or malt extract, not containing cocoa or containing cocoa in a proportion by weight of < 40%, calculated on a totally defatted basis, and food preparations of milk, cream, butter milk, sour milk, sour cream, whey, yogurt, kephir or similar goods in heading 0401 to 0404, not containing cocoa or containing cocoa in a proportion by weight of < 5%, calculated on a totally defatted basis, n.e.s.	3.1	2.3	0			Reduction 100% AV duties; exemption EA under the condition (c.1)'
19019099	Cameroon	food preparations of flour, groats, meal, starch or malt extract, not containing cocoa or containing cocoa in a proportion by weight of < 40%, calculated on a totally defatted basis, and food preparations of milk, cream, butter milk, sour milk, sour cream, whey, yogurt, kephir or similar goods in heading 0401 to 0404, not containing cocoa or containing cocoa in a proportion by weight of < 5%, calculated on a totally defatted basis, n.e.s.	52.1	42.7	0			Reduction 100% AV duties; exemption EA under the condition (c.1)'
19019099	Côte d'Ivoire	food preparations of flour, groats, meal, starch or malt extract, not containing cocoa or containing cocoa in a proportion by weight of < 40%, calculated on a totally defatted basis, and food preparations of milk, cream, butter milk, sour milk, sour cream, whey, yogurt, kephir or similar goods in heading 0401 to 0404, not containing cocoa or containing cocoa in a proportion by weight of < 5%, calculated on a totally defatted basis, n.e.s.	18.2	41.2	0			Reduction 100% AV duties; exemption EA under the condition (c.1)'
19019099	Ghana	food preparations of flour, groats, meal, starch or malt extract, not containing cocoa or containing cocoa in a proportion by weight of < 40%, calculated on a totally defatted basis, and food preparations of milk, cream, butter milk, sour milk, sour cream, whey, yogurt, kephir or similar goods in heading 0401 to 0404, not containing cocoa or containing cocoa in a proportion by weight of < 5%, calculated on a totally defatted basis, n.e.s.	647.6	1,129.9	0			Reduction 100% AV duties; exemption EA under the condition (c.1)'
19019099	Jamaica	food preparations of flour, groats, meal, starch or malt extract, not containing cocoa or containing cocoa in a proportion by weight of < 40%, calculated on a totally defatted basis, and food preparations of milk, cream, butter milk, sour milk, sour cream, whey, yogurt, kephir or similar goods in heading 0401 to 0404, not containing cocoa or containing cocoa in a proportion by weight of < 5%, calculated on a totally defatted basis, n.e.s.	1.4	0.6	0			Reduction 100% AV duties; exemption EA under the condition (c.1)'

CN code	ACP exporter	Description <i>(abbreviated in some cases)</i>	EU imports 2006		Tariff (Cotonou preference unless otherwise noted)			
			€000	1000kg	AV	Spec. €	Per	Note
19019099	Nigeria	food preparations of flour, groats, meal, starch or malt extract, not containing cocoa or containing cocoa in a proportion by weight of < 40%, calculated on a totally defatted basis, and food preparations of milk, cream, butter milk, sour milk, sour cream, whey, yogurt, kephir or similar goods in heading 0401 to 0404, not containing cocoa or containing cocoa in a proportion by weight of < 5%, calculated on a totally defatted basis, n.e.s.	119.5	380.9	0			Reduction 100% AV duties; exemption EA under the condition (c.1)'
19021100	Nigeria	uncooked pasta, not stuffed or otherwise prepared, containing eggs	45.7	18.8	0 + 24.6		100kg/net	
19021100	Suriname	uncooked pasta, not stuffed or otherwise prepared, containing eggs	1.0	0.4	0 + 24.6		100kg/net	
19021910	Mauritius	uncooked pasta, neither stuffed nor otherwise prepared	2.3	6.8	0 + 24.6		100kg/net	
19021910	Nigeria	uncooked pasta, neither stuffed nor otherwise prepared	1.0	0.6	0 + 24.6		100kg/net	
19021990	Dominican Rep.	uncooked pasta, neither stuffed nor otherwise prepared, containing common wheat meal or flour (excl. eggs)	11.2	20.8	0 + 21.1		100kg/net	
19021990	Jamaica	uncooked pasta, neither stuffed nor otherwise prepared, containing common wheat meal or flour (excl. eggs)	5.6	1.8	0 + 21.1		100kg/net	
19021990	Mauritius	uncooked pasta, neither stuffed nor otherwise prepared, containing common wheat meal or flour (excl. eggs)	2.3	0.1	0 + 21.1		100kg/net	
19021990	Nigeria	uncooked pasta, neither stuffed nor otherwise prepared, containing common wheat meal or flour (excl. eggs)	1.7	1.1	0 + 21.1		100kg/net	
19021990	Suriname	uncooked pasta, neither stuffed nor otherwise prepared, containing common wheat meal or flour (excl. eggs)	1.4	0.2	0 + 21.1		100kg/net	
19022091	Côte d'Ivoire	cooked pasta, stuffed with meat or other substances	2.5	1.5	0 + 6.1		100kg/net	
19023010	Jamaica	dried, prepared pasta (excl. stuffed)	67.0	31.1	0 + 24.6		100kg/net	
19023010	Mauritius	dried, prepared pasta (excl. stuffed)	266.9	182.1	0 + 24.6		100kg/net	
19023010	Nigeria	dried, prepared pasta (excl. stuffed)	37.4	34.3	0 + 24.6		100kg/net	
19023090	Mauritius	pasta, cooked or otherwise prepared (excl. stuffed or dried pasta)	107.1	74.8	0 + 9.7		100kg/net	
19023090	Nigeria	pasta, cooked or otherwise prepared (excl. stuffed or dried pasta)	2.5	4.4	0 + 9.7		100kg/net	
19023090	Suriname	pasta, cooked or otherwise prepared (excl. stuffed or dried pasta)	4.3	1.6	0 + 9.7		100kg/net	
19024010	Côte d'Ivoire	couscous unprepared	42.1	31.3	0 + 24.6		100kg/net	
19024090	Côte d'Ivoire	couscous, cooked or otherwise prepared	6.1	19.0	0 + 9.7		100kg/net	
19041010	Zimbabwe	prepared foods obtained by swelling or roasting cereals or cereal products based on maize	4.0	4.6	0 + 20		100kg/net	
19041030	Mauritius	prepared foods obtained by swelling or roasting cereals or cereal products based on rice	1.1	0.5	0 + 46		100kg/net	
19041090	Côte d'Ivoire	prepared foods obtained by swelling or roasting cereals or cereal products (excl. based on maize or rice)	1.5	0.6	0 + 33.6		100kg/net	
19041090	Kenya	prepared foods obtained by swelling or roasting cereals or cereal products (excl. based on maize or rice)	67.5	29.6	0 + 33.6		100kg/net	
19041090	Zimbabwe	prepared foods obtained by swelling or roasting cereals or cereal products (excl. based on maize or rice)	8.3	2.9	0 + 33.6		100kg/net	
19042091	Nigeria	prepared foods obtained from unroasted cereal flakes or from mixtures of unroasted cereal flakes and roasted cereal flakes or swelled cereals, obtained from maize	0.03	-	0 + 20		100kg/net	

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			€000	1000kg	AV	Spec. €	Per	Note
19042099	Jamaica	prepared foods obtained from unroasted cereal flakes or from mixtures of unroasted and roasted cereal flakes or swelled cereals	0.9	1.0	0 +	33.6	100kg/net	
19042099	Nigeria	prepared foods obtained from unroasted cereal flakes or from mixtures of unroasted and roasted cereal flakes or swelled cereals	1.3	1.2	0 +	33.6	100kg/net	
19042099	Zimbabwe	prepared foods obtained from unroasted cereal flakes or from mixtures of unroasted and roasted cereal flakes or swelled cereals	4.4	1.2	0 +	33.6	100kg/net	
19049080	Zimbabwe	cereals in grain or flake form or other worked grains, pre-cooked or otherwise prepared, n.e.s.	12.4	8.8	0 +	25.7	100kg/net	
19051000	Jamaica	Crispbread	1.0	0.3	0 +	13	100kg/net	
19053291	Mauritius	waffles and wafers, salted, whether or not filled (excl. of a water content, by weight, of > 10%)	1.5	0.8	0 +	AC		max 20.7%
19054010	Mauritius	Rusks	2.2	0.5	0			'Reduction 100% AV duties'
19054090	Ghana	toasted bread and similar toasted products (excl. rusks)	0.6	0.7	0			'Reduction 100% AV duties'
19059010	Mauritius	Matzos	24.9	0.7	0 +	15.9	100kg/net	
19059020	Mauritius	communion wafers, empty cachets for pharmaceutical use, sealing wafers, rice paper and similar products	4.4	1.4	0 +	60.5	100kg/net	
19059030	Jamaica	bread, not containing added honey, eggs, cheese or fruit, whether or not containing in the dry state <= 5% by weight of either sugars or fats	1.9	1.1	0 +	AC		
19059030	Nigeria	bread, not containing added honey, eggs, cheese or fruit, whether or not containing in the dry state <= 5% by weight of either sugars or fats	0.3	-	0 +	AC		
19059030	Suriname	bread, not containing added honey, eggs, cheese or fruit, whether or not containing in the dry state <= 5% by weight of either sugars or fats	1.7	0.8	0 +	AC		
19059045	Barbados	biscuits (excl. sweet biscuits)	75.1	47.3	0 +	AC		max 20.7%
19059045	Dominican Rep.	biscuits (excl. sweet biscuits)	130.8	84.4	0 +	AC		max 20.7%
19059045	Jamaica	biscuits (excl. sweet biscuits)	46.7	18.4	0 +	AC		max 20.7%
19059045	Mauritius	biscuits (excl. sweet biscuits)	10.2	4.9	0 +	AC		max 20.7%
19059045	Nigeria	biscuits (excl. sweet biscuits)	0.1	0.1	0 +	AC		max 20.7%
19059045	Trinidad and Tobago	biscuits (excl. sweet biscuits)	12.0	2.1	0 +	AC		max 20.7%
19059055	Ghana	extruded or expanded products, savoury or salted	4.4	18.0	0 +	AC		max 20.7%
19059055	Jamaica	extruded or expanded products, savoury or salted	47.1	27.6	0 +	AC		max 20.7%
19059060	Jamaica	fruit tarts, currant bread, panettone, meringues, Christmas stollen, croissants and other bakers' wares with added sweetener	407.6	262.5	0 +	AC		max 24.2%
19059090	Cameroon	pizzas, quiches and other unsweetened bakers' wares	1.0	0.8	0 +	AC		max 24.2%
19059090	Dominican Rep.	pizzas, quiches and other unsweetened bakers' wares	17.9	8.1	0 +	AC		max 20.7%
19059090	Jamaica	pizzas, quiches and other unsweetened bakers' wares	2.0	0.7	0 +	AC		max 20.7%
19059090	Mauritius	pizzas, quiches and other unsweetened bakers' wares	486.4	19.0	0 +	AC		max 20.7%
19059090	Nigeria	pizzas, quiches and other unsweetened bakers' wares	0.1	0.1	0 +	AC		max 20.7%
19059090	Suriname	pizzas, quiches and other unsweetened bakers' wares	3.1	0.8	0 +	AC		max 20.7%
19059090	Zimbabwe	pizzas, quiches and other unsweetened bakers' wares	1.2	0.1	0 +	AC		max 20.7%
20019040	Ghana	yams, sweet potatoes and similar parts of plants containing >= 5% starch, prepared or preserved by vinegar or acetic acid	2.8	1.1	0 +	3.8	T	

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			€000	1000kg	AV	Spec. €	Per	Note
20052020	Kenya	potatoes in thin slices, cooked in fat or oil, whether or not salted or flavoured, in airtight packings, suitable for direct consumption, not frozen	5.9	1.4	11.8			
20052020	Zimbabwe	potatoes in thin slices, cooked in fat or oil, whether or not salted or flavoured, in airtight packings, suitable for direct consumption, not frozen	33.2	10.8	11.8			
20060035	Dominican Rep.	guavas, mangoes, mangosteens, papaws 'papayas', tamarinds, cashew apples, lychees, jackfruit, sapodillo plums, passion fruit, carambola, pitahaya, coconuts, cashew nuts, brazil nuts, areca 'betel' nuts, cola nuts and macadamia nuts, preserved by sugar drained, glacé or crystallised, with a sugar content of > 13% by weight	8.5	7.4	0 + 15		100kg/net	
20060035	Jamaica	guavas, mangoes, mangosteens, papaws 'papayas', tamarinds, cashew apples, lychees, jackfruit, sapodillo plums, passion fruit, carambola, pitahaya, coconuts, cashew nuts, brazil nuts, areca 'betel' nuts, cola nuts and macadamia nuts, preserved by sugar drained, glacé or crystallised, with a sugar content of > 13% by weight	3.7	2.6	0 + 15		100kg/net	
20060038	Jamaica	vegetables, fruit, nuts, fruit-peel and other edible parts of plants, preserved by sugar 'drained, glacé or crystallised', with a sugar content of > 13% by weight	16.3	6.3	0 + 15		100kg/net	
20079110	Swaziland	citrus fruit jams, jellies, marmalades, purées or pastes, obtained by cooking, with sugar content of > 30% by weight (excl. homogenised preparations of subheading 2007.10)	85.4	17.0	0 + 23		100kg/net	
20079130	Zimbabwe	citrus fruit jams, jellies, marmalades, purées or pastes, obtained by cooking, with sugar content of > 13% but <= 30% by weight (excl. homogenised preparations of subheading 2007.10)	1.2	1.2	0 + 4.2		100kg/net	
20083019	Swaziland	citrus fruit, prepared or preserved, containing added spirit, with sugar content of > 9% and actual alcoholic strength of > 11,85% mas	23.7	12.9	0 + 4.2		100kg/net	
20089931	Dominican Rep.	fruit, nuts and other edible parts of plants, prepared or preserved, containing added spirit, with sugar content of > 9 %, and actual alcoholic strength of =< 11.85 % mass n.e.s.	8.1	5.8	0 + 2.6		100kg/net	
20091111	Nigeria	frozen orange juice, unfermented, brix value > 67 at 20 °c, value of <= 30 ç per 100 kg, whether or not containing added sugar or other sweetening matter	0.1	-	0 + 20.6		100kg/net	
20091991	Zimbabwe	orange juice, unfermented, brix value > 20 but <= 67 at 20 °c, value of <= 30 ç per 100 kg, containing > 30% added sugar	2.6	1.2	0 + 20.6		100kg/net	
20098034	Dominica	juice of a single fruit or vegetable, of density > 1.33, of value =< 30 ecu per 100 kg, (excl. 2009.11-11 to 2009.80-32), unfermented	4.5	5.5	0 + 12.9		100kg/net	
20098034	Jamaica	juice of a single fruit or vegetable, of density > 1.33, of value =< 30 ecu per 100 kg, (excl. 2009.11-11 to 2009.80-32), unfermented	2.9	2.0	0 + 12.9		100kg/net	
20098086	Dominican Rep.	juice of fruit or vegetables, unfermented, brix value <= 67 at 20 °c, value of <= ç 30 per 100 kg, containing > 30% added sugar	108.9	73.9	0 + 20.6		100kg/net	
21061020	Cameroon	protein concentrates and textured protein substances, not containing milkfats, sucrose, isoglucose starch or glucose or containing, by weight, < 1,5% milkfat, < 5% sucrose or isoglucose, < 5% glucose or < 5% starch	0.03	-	0			

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			€000	1000kg	AV	Spec. €	Per	Note
21061020	Dominican Rep.	protein concentrates and textured protein substances, not containing milkfats, sucrose, isoglucose starch or glucose or containing, by weight, < 1,5% milkfat, < 5% sucrose or isoglucose, < 5% glucose or < 5% starch	9.3	4.1	0			'Reduction 100% AV duties'
21061020	Ghana	protein concentrates and textured protein substances, not containing milkfats, sucrose, isoglucose starch or glucose or containing, by weight, < 1,5% milkfat, < 5% sucrose or isoglucose, < 5% glucose or < 5% starch	4.0	2.2	0			'Reduction 100% AV duties'
21061020	Nigeria	protein concentrates and textured protein substances, not containing milkfats, sucrose, isoglucose starch or glucose or containing, by weight, < 1,5% milkfat, < 5% sucrose or isoglucose, < 5% glucose or < 5% starch	0.7	0.4	0			'Reduction 100% AV duties'
21061020	Trinidad and Tobago	protein concentrates and textured protein substances, not containing milkfats, sucrose, isoglucose starch or glucose or containing, by weight, < 1,5% milkfat, < 5% sucrose or isoglucose, < 5% glucose or < 5% starch	25.5	4.6	0			'Reduction 100% AV duties'
21069010	Barbados	cheese fondues	27.2	22.8	0	+	AC	
21069030	Jamaica	flavoured or coloured isoglucose syrups	2.3	1.0	0	+	35.8	100kg/net mas
21069030	Suriname	flavoured or coloured isoglucose syrups	0.4	0.1	0	+	35.8	100kg/net mas
21069059	Barbados	flavoured or coloured sugar syrups	15.5	12.5	0	+	0.33	100kg/net
21069059	Jamaica	flavoured or coloured sugar syrups	84.5	102.9	0	+	0.33	100kg/net
21069059	Mauritius	flavoured or coloured sugar syrups	1.2	3.6	0	+	0.33	100kg/net
21069059	Trinidad and Tobago	flavoured or coloured sugar syrups	22.8	22.0	0	+	0.33	100kg/net
21069098	Bahamas	food preparations n.e.s., containing not less than 1.5 % milkfat, not less than 5% sucrose or isoglucose, not less than 5% glucose or not less than 5% starch	2.4	2.3	0	+	AC	
21069098	Cameroon	food preparations n.e.s., containing not less than 1.5 % milkfat, not less than 5% sucrose or isoglucose, not less than 5% glucose or not less than 5% starch	16.4	39.4	0	+	AC	
21069098	Dominican Rep.	food preparations n.e.s., containing not less than 1.5 % milkfat, not less than 5% sucrose or isoglucose, not less than 5% glucose or not less than 5% starch	387.8	264.7	0	+	AC	
21069098	Jamaica	food preparations n.e.s., containing not less than 1.5 % milkfat, not less than 5% sucrose or isoglucose, not less than 5% glucose or not less than 5% starch	75.8	117.2	0	+	AC	
21069098	Mauritius	food preparations n.e.s., containing not less than 1.5 % milkfat, not less than 5% sucrose or isoglucose, not less than 5% glucose or not less than 5% starch	17.4	3.2	0	+	AC	
21069098	Nigeria	food preparations n.e.s., containing not less than 1.5 % milkfat, not less than 5% sucrose or isoglucose, not less than 5% glucose or not less than 5% starch	9.3	5.1	0	+	AC	
21069098	St Kitts and Nevis	food preparations n.e.s., containing not less than 1.5 % milkfat, not less than 5% sucrose or isoglucose, not less than 5% glucose or not less than 5% starch	0.6	-	0	+	AC	

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			€000	1000kg	AV	Spec. €	Per	Note
21069098	Suriname	food preparations n.e.s., containing not less than 1.5 % milkfat, not less than 5% sucrose or isoglucose, not less than 5% glucose or not less than 5% starch	0.1	-	0	+	AC	
21069098	Trinidad and Tobago	food preparations n.e.s., containing not less than 1.5 % milkfat, not less than 5% sucrose or isoglucose, not less than 5% glucose or not less than 5% starch	10.6	2.4	0	+	AC	
22029091	Barbados	non-alcoholic beverages containing < 0,2% fats derived from milk or milk products	5.3	8.0	0	+	13.7	100kg/net
22029091	Dominica	non-alcoholic beverages containing < 0,2% fats derived from milk or milk products	3.3	1.1	0	+	13.7	100kg/net
22029091	Dominican Rep.	non-alcoholic beverages containing < 0,2% fats derived from milk or milk products	6.8	2.3	0	+	13.7	100kg/net
22029091	Mauritius	non-alcoholic beverages containing < 0,2% fats derived from milk or milk products	33.9	3.2	0	+	13.7	100kg/net
22029095	Dominica	non-alcoholic beverages containing >= 0,2% but < 2% fats derived from milk or milk products	3.0	1.1	0	+	12.1	100kg/net
22029099	Dominica	non-alcoholic beverages containing >= 2% fats derived from milk or milk products	5.5	1.8	0	+	21.2	100kg/net
22029099	Dominican Rep.	non-alcoholic beverages containing >= 2% fats derived from milk or milk products	0.1	-	0	+	21.2	100kg/net
22041011	Bahamas	champagne of actual alcoholic strength of >= 8,5% vol	2.3	0.2	32		HI	MFN
22041011	Gabon	champagne of actual alcoholic strength of >= 8,5% vol	14.2	0.3	32		HI	MFN
22041011	Nigeria	champagne of actual alcoholic strength of >= 8,5% vol	5.6	0.1	32		HI	MFN
22041019	Antigua/Barbuda	sparkling wine of fresh grapes of actual alcoholic strength of >= 8,5% vol	0.01	-	32		HI	MFN
22041019	Barbados	sparkling wine of fresh grapes of actual alcoholic strength of >= 8,5% vol	0.1	-	32		HI	MFN
22042110	Côte d'Ivoire	wine of fresh grapes, incl. fortified wines, in bottles with 'mushrooms' stoppers held in place by ties or fastenings, holding <= 2 l; wine otherwise put up with an excess pressure due to carbon dioxide in solution of >= 1 bar but < 3 bar measured at 20°C, in containers holding <= 2 l (excl. sparkling wine)	9.1	5.4	32		HI	MFN
22042138	Barbados	quality white wines produced in specified regions, in containers holding <= 2 l and of an actual alcoholic strength of <= 13% vol	0.1	-	13.1		HI	MFN
22042138	Jamaica	quality white wines produced in specified regions, in containers holding <= 2 l and of an actual alcoholic strength of <= 13% vol	1.1	0.5	13.1		HI	MFN
22042138	Namibia	quality white wines produced in specified regions, in containers holding <= 2 l and of an actual alcoholic strength of <= 13% vol	0.03	-	13.1		HI	MFN
22042138	Palau	quality white wines produced in specified regions, in containers holding <= 2 l and of an actual alcoholic strength of <= 13% vol	0.00	-	13.1		HI	MFN
22042178	Antigua/Barbuda	quality wines produced in specified regions, in containers holding <= 2 l and of an actual alcoholic strength of <= 13% vol	12.9	6.0	13.1		HI	MFN
22042178	Palau	quality wines produced in specified regions, in containers holding <= 2 l and of an actual alcoholic strength of <= 13% vol	0.03	-	13.1		HI	MFN

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			€000	1000kg	AV	Spec. €	Per	Note
22042178	Swaziland	quality wines produced in specified regions, in containers holding <= 2 l and of an actual alcoholic strength of <= 13% vol	0.01	-		13.1	HI	MFN
22042179	Antigua/Barbuda	white wine of fresh grapes, in containers holding <= 2 l and of an actual alcoholic strength by volume of <= 13% vol	8.1	3.6		13.1	HI	MFN
22042179	Nigeria	white wine of fresh grapes, in containers holding <= 2 l and of an actual alcoholic strength by volume of <= 13% vol	3.8	0.3		13.1	HI	MFN
22042180	Antigua/Barbuda	wine of fresh grapes, incl. wine and grape must with fermentation arrested or interrupted by the addition of alcohol, in containers holding <= 2 l and of an actual alcoholic strength of <= 13% vol	0.5	-		13.1	HI	MFN
22042180	Bahamas	wine of fresh grapes, incl. wine and grape must with fermentation arrested or interrupted by the addition of alcohol, in containers holding <= 2 l and of an actual alcoholic strength of <= 13% vol	7.8	0.6		13.1	HI	MFN
22042180	Congo	wine of fresh grapes, incl. wine and grape must with fermentation arrested or interrupted by the addition of alcohol, in containers holding <= 2 l and of an actual alcoholic strength of <= 13% vol	2.3	0.4		13.1	HI	MFN
22042180	Dominican Rep.	wine of fresh grapes, incl. wine and grape must with fermentation arrested or interrupted by the addition of alcohol, in containers holding <= 2 l and of an actual alcoholic strength of <= 13% vol	2.3	1.0		13.1	HI	MFN
22042180	Kenya	wine of fresh grapes, incl. wine and grape must with fermentation arrested or interrupted by the addition of alcohol, in containers holding <= 2 l and of an actual alcoholic strength of <= 13% vol	0.1	-		13.1	HI	MFN
22042180	Namibia	wine of fresh grapes, incl. wine and grape must with fermentation arrested or interrupted by the addition of alcohol, in containers holding <= 2 l and of an actual alcoholic strength of <= 13% vol	5.1	1.0		13.1	HI	MFN
22042180	Swaziland	wine of fresh grapes, incl. wine and grape must with fermentation arrested or interrupted by the addition of alcohol, in containers holding <= 2 l and of an actual alcoholic strength of <= 13% vol	0.3	-		13.1	HI	MFN
22042184	Antigua/Barbuda	wine of fresh grapes, incl. fortified wine and grape must with fermentation arrested or interrupted by the addition of alcohol, in containers holding <= 2 l and of an actual alcoholic strength by volume of > 13% vol to 15% vol	5.3	3.7		15.4	HI	MFN
22042184	Jamaica	wine of fresh grapes, incl. fortified wine and grape must with fermentation arrested or interrupted by the addition of alcohol, in containers holding <= 2 l and of an actual alcoholic strength by volume of > 13% vol to 15% vol	2.5	2.6		15.4	HI	MFN
22042184	Palau	wine of fresh grapes, incl. fortified wine and grape must with fermentation arrested or interrupted by the addition of alcohol, in containers holding <= 2 l and of an actual alcoholic strength by volume of > 13% vol to 15% vol	0.01	-		15.4	HI	MFN
22042184	Suriname	wine of fresh grapes, incl. fortified wine and grape must with fermentation arrested or interrupted by the addition of alcohol, in containers holding <= 2 l and of an actual alcoholic strength by volume of > 13% vol to 15% vol	0.01	-		15.4	HI	MFN

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			€000	1000kg	AV	Spec. €	Per	Note
22042185	Antigua/Barbuda	wine of fresh grapes, incl. fortified wine and grape must with fermentation arrested or interrupted by the addition of alcohol, in containers holding <= 2 l and of an actual alcoholic strength of > 13% vol to 15% vol	78.3	26.2	15.4	HI	MFN	
22042185	Côte d'Ivoire	wine of fresh grapes, incl. fortified wine and grape must with fermentation arrested or interrupted by the addition of alcohol, in containers holding <= 2 l and of an actual alcoholic strength of > 13% vol to 15% vol	19.0	4.3	15.4	HI	MFN	
22042185	Namibia	wine of fresh grapes, incl. fortified wine and grape must with fermentation arrested or interrupted by the addition of alcohol, in containers holding <= 2 l and of an actual alcoholic strength of > 13% vol to 15% vol	7.2	0.8	15.4	HI	MFN	
22042185	Nigeria	wine of fresh grapes, incl. fortified wine and grape must with fermentation arrested or interrupted by the addition of alcohol, in containers holding <= 2 l and of an actual alcoholic strength of > 13% vol to 15% vol	0.1	-	15.4	HI	MFN	
22042185	Palau	wine of fresh grapes, incl. fortified wine and grape must with fermentation arrested or interrupted by the addition of alcohol, in containers holding <= 2 l and of an actual alcoholic strength of > 13% vol to 15% vol	0.01	-	15.4	HI	MFN	
22042189	Trinidad and Tobago	port, in containers holding <= 2 l and of an actual alcoholic strength of > 15% vol to 18% vol	0.03	-	14.8	HI	MFN	
22042194	Antigua/Barbuda	wine of fresh grapes, incl. fortified wine, in containers holding <= 2 l and of an actual alcoholic strength by volume of > 15% vol to 18% vol	0.8	0.5	18.6	HI	MFN	
22042195	Palau	port, in containers holding <= 2 l and of an actual alcoholic strength of > 18% vol to 22% vol	0.004	-	15.8	HI	MFN	
22042965	Antigua/Barbuda	white wine of fresh grapes, in containers holding > 2 l and of an actual alcoholic strength by volume of <= 13% vol	0.05	-	9.9	HI	MFN	
22042983	Antigua/Barbuda	white wine of fresh grapes, in containers holding > 2 l and of an actual alcoholic strength by volume of > 13% vol to 15% vol	0.1	-	12.1	HI	MFN	
22042984	Antigua/Barbuda	wine of fresh grapes, incl. fortified wine and grape must with fermentation arrested or interrupted by the addition of alcohol, in containers holding > 2 l and of an actual alcoholic strength of > 13% vol to 15% vol	15.3	23.9	12.1	HI	MFN	
22042984	Jamaica	wine of fresh grapes, incl. fortified wine and grape must with fermentation arrested or interrupted by the addition of alcohol, in containers holding > 2 l and of an actual alcoholic strength of > 13% vol to 15% vol	0.1	-	12.1	HI	MFN	
23022010	Suriname	bran, sharps and other residues of rice, whether or not in the form of pellets, derived from sifting, milling or other working, with starch content of <= 35%	13.7	141.5	36.8	T		
23023010	Mauritius	bran, sharps and other residues, whether or not in the form of pellets, derived from the sifting, milling or other working of wheat	492.9	6,642.0	36.8	T		
23023010	Suriname	bran, sharps and other residues, whether or not in the form of pellets, derived from the sifting, milling or other working of wheat	0.1	10.0	36.8	T		

CN code	ACP exporter	Description <i>(abbreviated in some cases)</i>	EU imports 2006		Tariff (Cotonou preference unless otherwise noted)			
			€000	1000kg	AV	Spec. €	Per	Note
23099051	Suriname	preparations, incl. premixes, for animal food, containing glucose, glucose syrup, maltodextrine or maltodextrine syrup and containing > 30% of starch and no milk products or < 10% by weight of milk products	28.4	88.0		91.1	T	
33021029	Trinidad and Tobago	preparations based on odoriferous substances, containing all flavouring agents characterizing a beverage, containing, by weight, >= 1,5% milkfat, >= 5% sucrose or isoglucose, >= 5% glucose or >= 5% starch, of a kind used in the drink industries	1.8	0.1	0	+	AC	

Sources: Eurostat COMEXT database; UNCTAD TRAINS database; UK Tariff 2007; EC Taric Consultation online; Cotonou Agreement.

Appendix 2. The cost to the ACP of Cotonou tariff preferences being replaced by the standard GSP

Executive Summary

In a report dated March 2007 ODI has provided a technical analysis of the costs that would be incurred by African, Caribbean and Pacific (ACP) states if their exports to the EU were subject to the tariffs applicable under the Generalised System of Preferences (GSP) rather than those that apply at the present time. For full text visit http://www.odi.org.uk/iedg/publications/online_papers.htm.

If, instead of exporting under current terms, ACP states paid GSP duties every single non-LDC state would experience a jump in the tariff applied to some of their exports. LDC states, by contrast, would benefit from the Everything but Arms (EBA) regime and, hence, would not experience any tariff jumps.

A mitigating factor is that many of the increases in tariff facing non-LDC ACP would be relatively small: 13 percent of the items they export would be subject to a tariff jump of less than 5 percent, and a further 17 percent to one of over 5 percent but less than 10 percent. But 267 items exported by non-LDC states to the EU will experience a tariff jump of 10 percent or more *ad valorem* and/or the imposition of new or increased specific or compound duties, some of which are very high.

In all cases exports could suffer, but it is not possible to make plausible predictions of the casualties in cases where the tariff jump is small. Consequently, the report has assessed potential 'cost' differently in the case, on the one hand, of goods facing a tariff jump of less than 10 percent and, on the other, those facing more substantial jumps.

- ◆ In the case of the smaller tariff jumps it is more likely that many exports will continue and that the cost to the ACP will be the tax they have to pay to the EU on their exports.
- ◆ In the case of the larger tariff jumps it is more likely that some exports will decline or cease altogether, and more easy to identify the most vulnerable cases.

Minimum revenue effects

If the tariffs of 10 percent or less imposed on non-LDC ACP states were absorbed by exporters in order to avoid any decline in exports compared to 2005, there would be a transfer from the ACP to the European treasuries of some €156 million per year.

This would be the minimum cost to the ACP on those products facing relatively moderate tariff hikes since it assumes that the EU tax increase can be absorbed without a decline in exports. More probably, at least over the medium term, some exports of some items from some countries will decline as production moves to locations which do not need to pay the import tax and, hence, are more profitable. But the precise pattern of change is not predictable.

ACP exports most likely to cease

It is more plausible to consider specific cases where exports may fall in relation to the larger tariff hikes. In some cases these are sufficiently large that they have the clear potential to reduce sharply or kill entirely ACP exports of the products. The most problematic products

are almost exclusively agricultural or processed agricultural goods. They include beef, dairy products, fish, cereals, sugar, processed foods and cigarettes.

The most seriously affected countries will be those that export a high proportion of products for which tariffs will increase. Some 22 states will face a tariff jump on exports that account for more than 26 percent of their current export value. For six states (Guyana, Kenya, Mauritius, Nauru, Seychelles and Tonga) tariff jumps will occur on goods accounting for over 50 percent of total exports. And for three states (Belize, Fiji and Swaziland) it will affect over 75 percent of exports.

The largest tariff jumps that would arise from the application of the standard GSP to the exports of the ACP are sugar and rum, bananas, tuna, rice and beef. More moderate, but still significant, tariff jumps would apply to citrus fruit, tobacco, fruit juice, canned fruit, peas, footwear, honey, beans and cherries.

In many cases, these tariff jumps are quite sufficient to undermine ACP exports. The main area of speculation is whether exports will continue even if the current market access conditions were to remain unchanged. Sugar exports from the Caribbean, for example, are problematic because of falling EU prices and might not survive even with a continuation of the current regime. But this is not the case with all ACP exporters. For almost every product a plausible argument can be made that at least some non-LDC ACP exporters would continue to supply some of the products (perhaps to niche markets) in the absence of the tariff jump. Given the height of the tariff jumps and the probability of some continued export under the *status quo*, therefore, it is reasonable to conclude that the application of the standard GSP regime would be solely responsible for the complete cessation of some ACP exports.