



EU INITIATIVES

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# Introduction

- COVID -19 economic impact heavily impacting LDCs:
  - sectoral specialisation,
  - occupational characteristics
  - financial resources,
  - inadequate access to digital infrastructure
  - insufficient IT skills
  - Fall in tourism revenues and remittances : drying up sources of income for LDC
- LDCs needs to integrate their economies into the world economy by strengthening their competitiveness: Openness to trade
- Sound domestic policies and reforms: good governance + ownership



# EU: tools helping LDC & services suppliers

- *EU's unilateral preferences.*
  - The EU's notification of 2015 : substantial preferences within all modes of supply and groups of sectors identified in the LDC collective request (more than 155 services sectors )
- EU on-going *bilateral negotiation agenda:*
  - to improve its trade relations with countries most in need and to address issues that DCs and LDCs face: EU's Economic Partnership Agreements (or EPAs), which are pro-development agreements (i.e.: ESA5-EU EPA)



- In trade in services:

- 16% of total services exports were ICT services.
- High Potential for LDCs in digital service exports, participation in global value chains, and the economic inclusion fostered by affordable mobile services, provided they continue to catch up on internet infrastructure and the right policy and business environment.

**BUT the EU recognises that LDCs need help to draw the full benefit of services trade:**

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# EU Aid for Trade

- AfT 2017: is results-driven and provides an integrated approach to aid and investment for trade,
- Focus: creating more and better jobs and on countries in the greatest need, in particular LDCs.
- EU + its Member States : leading Aid for Trade donor with one third of the global Aid for Trade (2018, 13.6 billion euro), increasing proportion to LDC: 3bEUR (22%, 2018)
- Emphasis on services trade (2018):
  - Transport and storage: 605m EUR
  - Tourism: 38m EUR
  - Banking sector: 353m EUR





# EU: main partner for LDCs and DCs

- EU: main partner for LDCs and DCs Our priorities are based on five partnerships:
  - Green alliances and partnerships
  - Alliances for Science, technology, innovation and digital
  - Alliances for sustainable growth and jobs
  - Partnerships for migration and mobility
  - Partnerships for human development, peace and governance
- COVID response:
  - ST response: addressing challenges and mitigating negative consequences
  - M/LT: building back better: green+ digital+inclusive



