



Ecuador joins EU-Colombia/Peru trade agreement

Brussels, 11 November 2016

Commissioner Malmström signs the Protocol for Ecuador's accession to the agreement at a signature ceremony in Brussels at 13:00 today.

Trade Commissioner Cecilia **Malmström** is today signing the Protocol of Accession of Ecuador to the EU's [Trade Agreement with Colombia and Peru](#). This pro-development agreement will open up markets on both sides, increase stability and predictability for trade and investment in both directions, and promote inclusive and sustainable development.

Commissioner **Malmström** said: *"This agreement is a milestone in relations between Ecuador and the EU and creates the right framework to boost trade and investment on both sides. It's important that the agreement comes into effect soon so exporters, workers and citizens can start reaping the benefits. We need to create more trade between us because trade is a key factor for growth and jobs in the EU but also for an economy like Ecuador, which wants to diversify and integrate into global value chains. It creates a foothold for European business and an anchor for reforms in Ecuador."*

The Commissioner is signing the Protocol of Accession at a ceremony today at one o'clock together with the Slovak Presidency of the EU, represented by Economy Minister Peter Žiga, Vice-President Jorge Glas of Ecuador, Ambassador Rodrigo Rivera of Colombia, and Ambassador Cristina Ronquillo De Blödorn of Peru. The agreement now needs the consent of the European Parliament before it can be implemented provisionally.

The agreement will eliminate tariffs for all industrial and fisheries products, increase market access for agricultural products, improve access to public procurement and services, and further reduce technical barriers to trade. Once fully implemented, the savings for EU exporters will be at least € 106 million in tariffs annually, and Ecuadorian exports will save up to € 248 million in removed duties.

This asymmetric agreement is tailored towards the developmental needs of Ecuador. The tariff-cuts will be implemented only gradually over 17 years, with the EU liberalising almost 95% of tariff lines upon entry into force, and Ecuador about 60%. According to the Commission's estimates, the impact on the Ecuadorian GDP would be significant. The agreement will allow Ecuador to benefit from improved access for its main exports to the EU, such as fisheries, cut flowers, coffee, cocoa, fruits and nuts. Bananas will also benefit from a preferential rate, but a stabilisation mechanism will be in place allowing the Commission to examine and consider the suspension of preferences if an annual threshold is reached, as is currently the case for our trade deals with Colombia, Peru and Central America.

The benefits for the EU will also be important. For example, the EU agriculture sector will benefit from increased market access for its products, as well as from the protection of about 100 EU geographical indications on the Ecuadorian market. Gains can also be expected for the EU in specific sectors, including new market access for cars and machinery.

The proposed deal also includes commitments to effectively implement international conventions on labour rights and environmental protection, which will be monitored with the systematic involvement of civil society.

The agreement will strengthen regional integration, with Ecuador becoming the third member of the Andean Community (alongside Colombia and Peru) included in the trade deal. The deal also keeps open the possibility for the fourth member of this Community, Bolivia, to seek accession to the agreement if it wishes. With this trade deal, the EU continues strengthening relations and advancing in its ambitious trade agenda with Latin America.

Background

Bilateral trade in goods between the EU and Ecuador was € 4.6 billion in 2015: the EU exported € 2 billion to Ecuador and imported € 2.6 billion.

Talks for a Trade Agreement were launched in January 2009 between the EU and Colombia, Ecuador and Peru. In July 2009, Ecuador suspended its participation in the talks. Negotiations for an EU-Colombia/Peru Trade Agreement were concluded in March 2010, with the Agreement being provisionally applied as of March 2013 with Peru and August 2013 with Colombia. The benefits of the

agreement for Colombia and Peru are already visible. For instance, more than 500 Colombian and 1100 Peruvian companies, mainly small and medium-sized ones, exported for the first time to the EU since the agreement entered into force.

In May 2013 Ecuador signalled its willingness to resume the talks and to join the Agreement with Colombia and Peru. Negotiations formally resumed in January 2014 and were concluded on 17 July 2014.

For more information

- [Negotiated text of the Agreement](#)
- [Assessing the economic impact of the Trade Agreement between the European Union and Ecuador](#)
- [More details on the benefits of the Trade Agreement with Colombia and Peru](#)
- [More information on EU-ANDEAN trade relations](#)

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