



# Views on the EU Trade Policy

## 25 National Federations

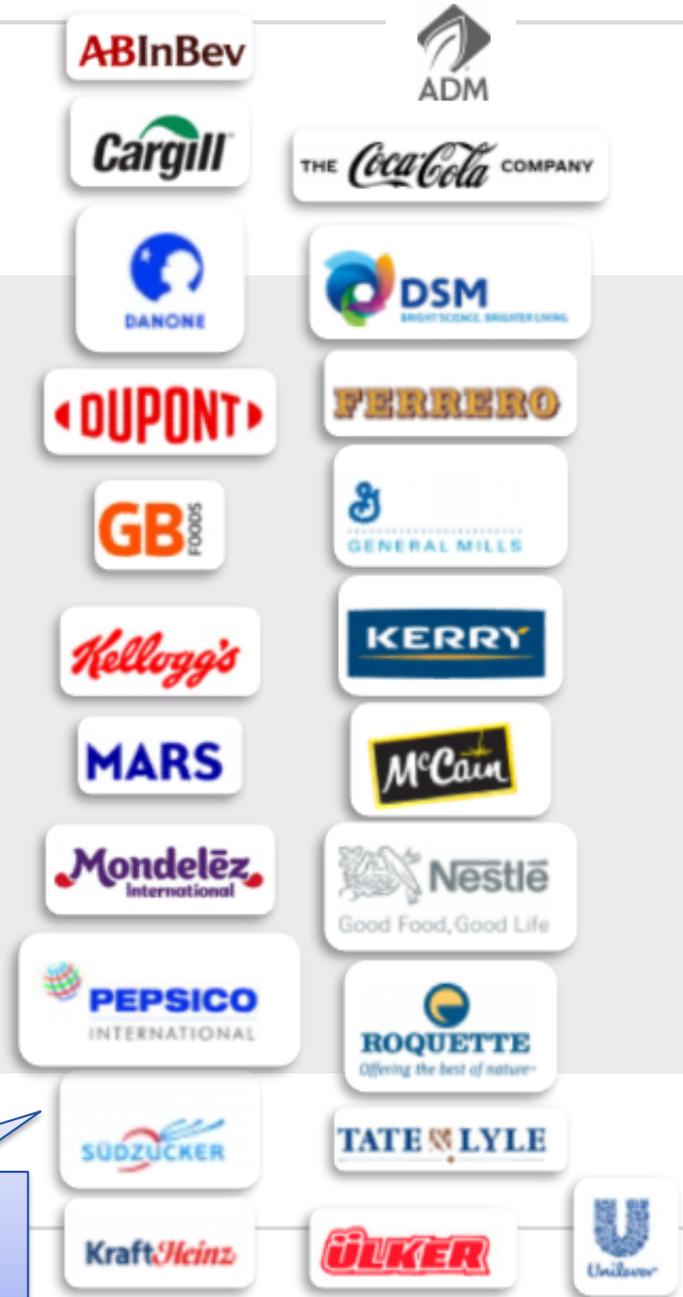


Observers

## 26 EU Sector Associations



## 23 Liaison Companies



# The industry in a snapshot

## EU food and drink industry figures

### Turnover

**€1,205 billion**

Largest manufacturing sector in the EU

### Value added

**1.9%**

of EU gross value added

### Consumption

**20.7%**

of household expenditure on food and drinks

### Employment

**4.82 million people**

Leading employer in the EU

### Number of companies

**291,000**

### R&D expenditure

**€2.9 billion**

### Sales within the Single Market

**91%**

of food and drink turnover

### Small and medium-sized companies

**42.7%**

of food and drink turnover

**58.1%**

of food and drink employment

### External trade

**€120 billion**

Exports

**€76 billion**

Imports

**€44 billion**

Trade balance

**18.8%**

EU share of global exports

**€120 billion**  
value of EU food and drink exports

**1.6 million**  
Jobs supported by EU food and drink exports to the rest of the world

**90%** of EU food and drink exporters are SMEs

# Contribution to the EU Trade Policy Review consultation

- Resilience and COVID-19 recovery
- Openness, fairness and a level playing field
- Multilateral rules-based trade
- Market access
- SME support incl. EU promotion policy
- Sustainable development
- Digital trade rules



FoodDrinkEurope supports an opportunity to contribute to the European Commission's public consultation on "A renewed trade policy for a stronger Europe"

FoodDrinkEurope, the organisation representing Europe's food and drink industry, welcomes the opportunity to contribute to the European Commission's public consultation on "A renewed trade policy for a stronger Europe".

The food and drink industry is the largest manufacturing sector and leading employer in the EU with 294,000 companies (99% SMEs) and 4.7 million employees. The EU is moreover the world's largest exporter and second largest importer of food and drinks in the world. In 2019, food and drink exports reached a value of €127 billion, generated by businesses of all sizes.

While the industry processes about 70% of the EU's agricultural output, manufacturers also rely on imports of some key ingredients from safe, secure and traceable supply chains that are not produced in the EU or at least not in sufficient quantities, and which play a complementary role in the production of many value-added products. The industry is furthermore characterised by diversified food supply chains, which contribute to the industry's ability to deliver safe, affordable, and quality food and drink products to consumers worldwide.

FoodDrinkEurope supports an ambitious EU trade policy, which seeks to establish a more stable and predictable rules-based international trade environment, improve market access conditions in both traditional and emerging markets, maintain fair terms of competition, strengthen the implementation and enforcement of trade agreements, and contribute to sustainable development.

**Question 1: How can trade policy help to improve the EU's resilience and build a model of open strategic autonomy?**

The COVID-19 pandemic has triggered one of the worst global crises in recent history, with serious consequences for people and the global economy.

DG Trade's, Chief Economist Unit:

- latest forecasts show that the EU economy will contract by -7.4% in 2020 while global GDP will fall by -3.5%;
- estimates a decrease of between 10%-16% in global trade for 2020. For the EU27, the predicted reduction is expected to be between 9%-12% for extra-EU27 exports and 11%-14% for extra-EU27 imports (goods and services combined).

1. <https://trade.ec.europa.eu/doclib/press/index.cfm?id=16859> 27.01.2020 2. <https://www.eurostat.ec.europa.eu/press-room/content/2020030101>

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## **Views on key themes**

covered in the

## **EU Trade Policy Communication**

- WTO reform
- Enforcement and implementation
- Implications for key markets (US, UK, China etc.)
- International regulatory cooperation
- Links with the Green Deal and Farm to Fork initiatives

# Thank you for your attention

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