

## FOR IMMEDIATE RELEASE

### Latest Global Trade Alert Report asks "If Africa can resist protectionism, why can't the EU?"

#### Report available at:

<http://globaltradealert.org/gta-analysis/africa-resists-protectionist-temptation-5th-gta-report?top-ad>

The EU has spent decades urging African countries to open their markets to international trade. But since the onset of the global financial crisis, Sub-Saharan Africa has resisted the temptations of protectionism. The EU, on the other hand, is now in the top five offending nations on all of the Global Trade Alert criteria. "If Africa can resist protectionism, why can't the EU?" asks Professor Simon Evenett, coordinator of the Global Trade Alert.

Highlights of the latest GTA Report, published today:

- To keep the Global Trade Alert the most comprehensive, freely available resource on state measures taken since the crisis, 247 new state measures have been reported to GTA since January. This expands our coverage of state measures taken during the crisis by 40% (to a total of 960 reports). This data affords the best basis to assess contemporary protectionism.
- The GTA team has examined these reports and concluded that governments have implemented a total of 496 measures that harm foreign commercial interests. Governments have implemented more than one protectionist measure every working day since the first G20 crisis-related summit in November 2008.
- Almost a third (31%) of the 496 discriminatory measures involve bailouts and state aids: surprisingly, the clear majority of these are not in the financial sector but instead in smokestack declining industries or in agriculture.
- There some good news, however: the ratio of protectionist to liberalizing measures has fallen recently, and was less than three to one in the latest reporting period.
- Sub-Saharan African governments have by and large resisted the temptation to protectionism: governments have made repeated changes to tax, investment, and other policies to lure foreign firms to establish facilities.
- GTA uses four criteria to assess 'harmfulness' (the number of: harmful measures implemented, tariff lines affected, sectors affected, and trading partners affected). The Russian Federation has fallen in the "offenders league table": it is no longer among the top 5 of offending nations on all. Now the EU 27 has this dubious distinction; almost all of these harmful EU measures have been undertaken by member states and not by the European Commission.

#### Which countries have inflicted the most harm?

Unlike previous GTA reports, by May 2010 it was not longer the case that the Russian Federation was in the top 5 of offending nations on all four criteria (number of harmful measures implemented, tariff lines affected, sectors affected, or trading partners affected). Now, taken together, the EU 27 has this dubious distinction (see table below). On all four metrics, Argentina, China, Indonesia, and Russian Federation are always in the top 10 worst offending nations.

### Which countries have inflicted the most harm?

Rank	By number of (almost certainly) discriminatory measures imposed	By number of tariff lines (product categories) affected	By number of sectors affected	By number of trading partners affected
1.	EU 27* (140)	Russian Federation (487)	Algeria (54)	Indonesia (165)
2.	Russian Federation (48)	Brazil (440)	EU 27 (52)	EU 27 (163)
3.	Argentina (37)	Ukraine (389)	Indonesia (31)	China (152)
4.	Germany (28)	EU 27 (371)	Ecuador (30)	Argentina (145)
5.	India (27)	Indonesia (346)	China (26)	India (144)
6.	UK (22)	China (335)	Russian Federation (25)	Russian Federation (137)
7.	Indonesia (20)	Ecuador (316)	Mexico (24)	Belgium (132)
8.	China (19)	Argentina (299)	Argentina	UK (128)
9.	Italy (18)	India (282)	Belarus (23)	Germany (124)
10.	Austria (17)	Belgium (203)	Belgium	France (121)

*Notes:*

*Number of measures in parenthesis*

*The EU27 refers to the sum of all of the measures taken by the 27 national governments of the European Union and the measures taken by the European Commission. To be included in this total a state measure must have involved discrimination against the commercial interests of another state, including potentially another member of the European Union.*

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