# European Commission Directorate-General for Trade



## Countries and regions

## **Tunisia**



Tunisia was the first Mediterranean country to sign an <u>Association</u> <u>Agreement</u> with the EU, in July 1995. Tariff dismantling under the Agreement was completed in 2008, with the resulting Free Trade Area, the first between the EU and a Mediterranean partner.

The Council of the European Union adopted in December 2011 negotiating directives for a Deep and Comprehensive Free Trade Areas for four Southern-Mediterranean countries, including Tunisia.

### Trade picture

- The EU is Tunisia's first trading partner with a total trade amounting to approximately €20.6 billion in 2012, which accounts for 55.9% of Tunisian trade.
- EU's import from Tunisia are dominated by machinery and transport equipment (33.5%), textile and clothing (25.4%) and fuel and mining products (18%).
- EU's exports to Tunisia are dominated by machinery and transport equipment (36.4%), fuel and mining products (15.1%), textile and clothing (12%) followed by chemicals (11%) and agricultural products (6%).
- Flows of Foreign Direct Investment to Tunisia are concentrated on the development of the infrastructure network as well as of the textiles and clothing sectors.

## **EU-Tunisia** "trade in goods" statistics

Trade in goods 2010-2012, € billions

Year	EU imports	EU exports	Balance
2010	9.5	11.1	1.6
2011	9.9	11.0	1.1
2012	9.5	11.1	1.6

More statistics on Tunisia

### **EU** and Tunisia

On 14th December 2011, the Council adopted negotiating directives for Deep and Comprehensive Free Trade Agreements (DCFTAs) with Egypt, Jordan, Morocco and Tunisia. The <u>DCFTA</u> would aim at improving market access opportunities and the investment climate and at supporting economic reforms undertaken by Tunisia. It will extend significantly beyond the scope of the existing Association Agreement to include trade in services, government procurement, competition, intellectual property rights, and investment protection. Overall, it could

Financial support

■ The European Neighbourhood Policy is lead to a gradual integration of Tunisia's economy into the EU single market. The main objective of the <u>DCFTA</u> is to bring Tunisian legislation closer to EU legislation in trade-related areas. Negotiations will be launched only after the completion of a preparatory process carried by the Commission with Tunisia. The Commission is working on a scoping exercise with the goal of assessing the commitment of each partner on a case-by-case basis. For Tunisia, the scoping exercise started in 2012 and is ongoing.

the framework for financial assistance from the EU to support the Tunisian economy.

■ More information about the <u>EU co-operation</u> programmes for <u>Tunisia</u> 2007 - 2013.

A Sustainability Impact Assessment (SIA) of the <u>DCFTA</u> with Tunisia has been carried out by an independent contractor in 2013. Further information on SIA available <u>here</u>

The current framework for EU-Tunisian trade relations is the <u>Association Agreement</u>, which entered into force in 1998 and provides for a Free Trade Area.

Tunisia already has a Free Trade Agreement with the EU and will accordingly cease to benefit from preferential access to the EU market under the Generalised System of Preferences (GSP) scheme from January 2014 (for more details on the EU's new GSP scheme, see here)

In December 2009, the EU signed a bilateral protocol with Tunisia on the establishment of a <u>dispute settlement</u> <u>mechanism</u> which entered into force in September 2011.

#### **Tunisia in Euromed**

Tunisia is one of the partners of the Euro-Mediterranean Partnership (Euromed) that promotes economic integration and democratic reform across 16 neighbours to the EU's south in North Africa and the Middle East. One important part of this work is to achieve mutually satisfactory trading terms for the Euromed region's partners.

The Euro-Mediterranean Partnership is an essential component in the pursuit of greater economic integration in the Mediterranean region. Within the European Neighbourhood Policy, the EU offers its neighbours a privileged relationship, building upon a mutual commitment to common values (democracy and human rights, rule of law, good governance, market economy principles and sustainable development). The European Neighbourhood and Partnership Instrument is designed to target sustainable development and approximation to EU policies and standards, supporting the agreed priorities in the European neighbourhood Policy Action Plans and EU cooperation programme for Tunisia 2007-2013

In February 2004 Tunisia signed the Agadir Agreement with Jordan, Morocco and Egypt. This committed all parties to removing all tariffs on trade between them and to harmonizing their legislation with regard to standards and customs procedures. The Agadir Agreement entered into force in July 2006 and the implementation is ensured by the Agadir Technical Unit in Amman. The Agadir Agreement foresees the PanEuroMed cumulation of origin. Tunisia signed the Regional Convention on pan-Euro-Mediterranean preferential rules of origin in January 2013. When applied, this will replace the current network of bilateral protocols, facilitate the revision of existing rules of origin, and thus enhance regional trade and economic integration. The system – which makes it simpler to import products manufactured in more than one country throughout the Mediterranean basin – will generate new opportunities for economic operators and be an important spur for further regional economic integration.

Tunisia signed a free trade agreement with Turkey and <u>EFTA</u> that entered into force in July 2005. Tunisia has also signed a bilateral agreement with Libya that entered into force in 2002.

More information on the Euro-Mediterranean partnership

## **Trading with Tunisia**

- Rules and requirements for trading with Tunisia
  - Importing into the EU from Tunisia
    - EU trade defence measures on imports from Tunisia
  - Exporting from the EU to Tunisia
    - Export rules on food and plant health
    - Trade defence measures in force in Tunisia
- The EU is present on the ground in Tunisia.

- Trade relations are part of the EU's overall political and economic relations with Tunisia.
- Tunisia is a member of the World Trade Organisation.
- Sustainable impact assessment of the Euro-Mediterranean Free Trade Area (EMFTA)

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