

Title A quantitative assessment of the effects on the banana market of the economic partnership agreements and the possible conclusions of on-going bilateral and multilateral trade negotiations

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Abstract

The paper offers a quantitative assessment of the impact on the banana market of the expansion of trade preferences the EU granted ACP countries with the Economic Partnership Agreements (EPA) and of the possible erosion of these preferences as a result of different possible endings, if any, of on-going WTO negotiations. The results of the simulations performed suggest that the impact of the EPA on the production and consumption of bananas in the EU will be limited, while benefits for ACP countries will be significant (at the expense of MFN exporters). However, a multilateral agreement (the conclusion of the WTO Doha Development Agenda round) or a bilateral agreement between the EU and MFN banana exporters may bring an erosion of the preferential margins currently enjoyed by ACP countries of such an order of magnitude as to cancel out most of these benefits.