



## **West Africa's losses of customs duties with and without the Economic Partnership Agreement (EPA) with the EU<sup>1</sup>**

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### Outlook

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Annex 2 - GSP-MFN duties that IC, Ghana & Nigeria would have paid to the EU28-UK in 2015 without the EPA

The loss of West African customs revenues (CRs) on imports from both the EU and from the rest of the world (RoW) and West Africa (WA) due to the Economic Partnership Agreement (EPA) will be compared with the GSP and MFN or GSP+ and MFN import duties (IDs) that Ivory Coast (IC), Ghana and Nigeria would have paid on their exports to the EU28-UK (United Kingdom) in 2015 without the Cotonou Agreement and which they would have to pay in the future without the regional EPA or the interim EPAs of Ivory Coast and Ghana.

### **I - Loss of customs revenues on imports from West Africa with the EPA**

Customs revenues on imports cover import duties (IDs) and value added tax (VAT) on imports, calculated on the sum of the CIF<sup>2</sup> imports value plus IDs. Net losses in customs revenues (CRs) correspond to the gap between those without the EU-WA EPA and those with the EPA<sup>3</sup>. This impact will only be assessed for imports from the EU in part I before adding the impact on internal imports from WA countries and from the rest of the world (RoW) in part II.

#### **1.1 - Loss of customs revenues on WA imports from the EU28-UK**

As the WA countries do not have reliable and up-to-date data on their CIF imports by tariff line from the EU – in fact the EU28 minus the UK (EU28-UK) given the Brexit – we are obliged to use the FOB exports of the EU28-UK according to Eurostat, to which are added the following

<sup>1</sup> Profoundly revised version from the last one of December 31, 2016.

<sup>2</sup> CIF (cost, insurance, freight): price of a product once arrived in the country of importation, before import duties; FOB (free on board): price of a product ready to be exported (port, airport, railway or trucks station).

<sup>3</sup> GSP: the EU Generalised Scheme of Preferences grants to 88 developing countries (DCs) tariffs reduced by around one third of those paid by developed countries, improperly labelled MFN (Most Favoured Nation) tariffs. The GSP+ is a more preferential regime which eliminates IDs on the bulk of imports from the poorest DCs which comply with specific conditions mentioned on page 9 further on. It is close to the EBA (Everything But Arms) regime granted to the LDCs (least Developed Countries).

four elements: the gap between the WA CIF value and the EU FOB value; the increase in imports and IDs linked to the population rise; the increase in imports and IDs linked to the trade diversion favouring imports from the EU; the impact of the value added tax (VAT) on imports, at 16% of the sum of CIF imports + IDs on imports.

The EPA schedule is established for 4 groups of products: group D for those excluded from liberalization and groups A, B and C for those liberalized from T5 (2020), with reduction rates of IDs of 0%, 5%, 10%, 20% and 35%<sup>4</sup>. Imports of Group D products excluded are not prohibited but their IDs will not be reduced with the EPA.

Table 1 shows the EU28-UK FOB exports in 2015 (T time) and the IDs in the WA tariff offer according to the liberalization schedule from T5 (2020) to T20 (2035) and the different product groups: A, B and C for the liberalized products and D for products excluded from liberalization, divided into sub-groups according to their ID rates: D1 (0 or 10%), D2 (20%) and D3 (35%).

Table 1 is a summary of Annex 1 on FOB exports to WA and corresponding IDs of EU28-UK in 2015 according to the different chapters of the Harmonized System (HS) of trade classification. The excluded products taxed at 35% (D3) accounted for 3.06% of total imports in 2015 and those taxed at 20% (D2) accounted for 14.03% of the total, or 17.09% for both of them, with an average ID rate of 22.69%. Details of the EU28-UK FOB exports of the corresponding IDs by group and rate are given in Annex 1.

Table 1 - Summary of the EU28-UK FOB exports to WA and FOB import duties: 2015-35

| Euros<br>Group | EU exports and ID in T (2015) |            |         | Reduction of WA import duties in EU FOB value |             |            |            |
|----------------|-------------------------------|------------|---------|---|-------------|------------|------------|
|                | Export                        | ID         | ID rate | T5 (2020)                                     | T10 (2025)  | T15 (2030) | T20 (2035) |
| D              | 6195499185                    | 1090483848 | 17,60%  | 1090483848                                    | 1090483848  | 1090483848 | 1090483848 |
| D1             | 1742770055                    | 80334175   | 4,61%   | 80334175                                      | 80334175    | 80334175   | 80334175   |
| D2             | 36555370150                   | 731074030  | 20%     | 731074030                                     | 731074030   | 731074030  | 731074030  |
| D3             | 797358980                     | 279075643  | 35%     | 279075643                                     | 279075643   | 279075643  | 279075643  |
| ABC            | 19856890096                   | 1706172427 | 8,59%   | 1367829695                                    | 679724397,7 | 65614228,4 | 0          |
| ABCD1          | 21599660151                   | 1786506602 | 8,27%   | 1448163870                                    | 760058573   | 145948404  | 80334175   |
| ABCD           | 26052389281                   | 2796656274 | 10,73%  | 2458313544                                    | 1770208246  | 1156098077 | 1090483848 |
| ABCD-D1        | 24305763212                   | 2716322099 | 11,18%  | 2377979369                                    | 1689874071  | 1075763902 | 1010149673 |
| ABC/ABCD       | 76,22%                        | 61,01%     |         | 55,64%  | 38,40%      | 5,68%      | 0,00%      |
| ABCD1/ABCD     | 82,91%                        | 63,88%     |         | 58,91%  | 42,94%      | 12,62%     | 7,37%      |

Table 2 below proceeds in several steps to assess the EPA's losses of customs revenues (IDs and VAT) due to the EPA related to its imports from the EU28-UK alone. The first step takes up the essence of Table 1 above.

The next step is to raise the FOB values of the EU28-UK exports to the CAF values of WA imports and to raise accordingly the corresponding IDs. For this, after an analysis of the literature<sup>5</sup>, the CIF values of WA imports and IDs are increased by 20% above the EU FOB values. However we are awaiting confirmation from a Nigerian journalist who studied the issue.

The third step is to take the population growth into account. After a recall of the UN projection from 2015 to 2050, we deduct the growth rates (GR) from T (2015) to T5 (2020), from T5 to T10 (2025), from T10 to T15 (2030), from T15 to T20 (2035), and from T20 to T35 (2050). In our previous EPA studies we assumed for conservative reasons that imports from the EU would

<sup>4</sup> [http://trade.ec.europa.eu/doclib/docs/2015/october/tradoc\\_153869.pdf](http://trade.ec.europa.eu/doclib/docs/2015/october/tradoc_153869.pdf)

[http://trade.ec.europa.eu/doclib/docs/2015/october/tradoc\\_153870.pdf](http://trade.ec.europa.eu/doclib/docs/2015/october/tradoc_153870.pdf)

Group A covers essential social goods, basic necessities, basic commodities, capital goods and specific inputs; group B includes mainly inputs and intermediate goods and group C covers mainly final consumption goods.

<sup>5</sup> *Note sur l'écart entre les prix FAB UE28-RU et CAF AO, CEMAC et EAC en 2015*, SOL, 7 janvier 2017.

increase at a rate equal to  $2/3$  of the GR of the Regional Economic Communities (RECs) negotiating the EPAs. Checking the annual GR of imports from the EU28-UK from 2000 to 2015 shows that they increased about twice as fast as the population: by 5.77% from 2000 to 2015, compared to 2.75% population GR in WA, by 7.20% against 3% in the Eastern Africa Community (EAC) and by 4.84% against 2.73% in the CEMAC (Economic Community of Central Africa States). For conservative reasons for the future, we use an import GR equal to the population GR. Having asked Lionel Fontagné of CEPII by email if he took into account the population growth in his 2008 EPA study<sup>6</sup>, he said he did not and he did not know whether the DG Trade had done so in his Impact study of March 2016 of the WA EPA<sup>7</sup>.

However we assume that imports of the D3 excluded products at a 35% ID rate will be capped in the future at their 2015 level (T time), both for imports from the EU28-UK and from the RoW, the more so as the 35% rate has only entered the ECOWAS Common External Tariff (CET) in 2015 and has been implemented in only a few Member States. We also assume that the D2 excluded products taxed at 20% will increase by half the growth rate of the population, for imports from the EU28-UK as for those from the RoW. On the other hand, imports of products excluded from sub-group D1 taxed at 10% or untaxed would continue to increase at the same rate as the population, such as the liberalized imports of groups A, B and C.

Naturally, the IDs will increase in parallel with imports of the liberalized product groups ABC and the subgroups D1, D2 and D3 of the excluded products.

As for trade diversion, after consulting several studies, for conservative reasons we will assume the rate of 20% instead of the 32.5% in the impact study of Lionel Fontagné et al. on EPAs that we had already reduced to 25% in our previous analyzes. Indeed, questioned on the big difference between his estimate of 32.5%, which he confirmed, and that of the DG Trade impact study of 4.1%, Lionel Fontagné replied that this is due, among other reasons, to the difference between the econometric models used: of partial equilibrium in his study of 2008 with data of 2002-04 and of general equilibrium in DG Trade's study with data of 2014. This huge difference between these two studies, to which David Laborde of IFPRI has contributed, is not conducive to accredit the impact studies based on these models! We also assume that imports from the EU28-UK of the D1 subgroup taxed at 10% or untaxed would continue to increase at the same rate as those of liberalized products of groups ABC and that they would also participate to trade diversion. We can then deduct the ID losses on these diverted imports.

The next step concerns the calculation of the VAT on imports of liberalized and excluded products, which is of 16% of the sum of imports (after diversion) and IDs.

The next step concerns the calculation of IDs and VAT in the absence of EPA. In this case, there is no longer any need to distinguish between IDs according to the groups of liberalized and excluded products and the average ID of 10.73% is applied to all imports of WA from the EU28-UK in 2015.

Finally we can compare the losses of customs revenues (IDs + VAT) with and without the EPA. The first years of liberalization the VAT receipts on imports are rising with the increase in imports and IDs linked to trade diversion in favour of the EU, so that the annual and cumulative

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<sup>6</sup> [http://lionel.fontagne.free.fr/papers/fontalabmita\\_JAE.pdf](http://lionel.fontagne.free.fr/papers/fontalabmita_JAE.pdf)

<sup>7</sup> *SOL's report on the DG Trade's report on the West Africa-EU EPA*, May 4, 2016: <http://www.sol-asso.fr/analyses-politiques-agricoles-jacques-b/>

impact of these imports leads to gains, not losses, of customs revenues (negative losses correspond to gains).

Table 2 - Losses of IDs + VAT on WA imports from the EU28-UK with the EPA

| Euros million   | Exports | IDs in FOB value on the EU28-UK FOB exports |           |            |            |            |
|---|---------|---|-----------|------------|------------|------------|
|   | T       | T (2015)                                    | T5 (2020) | T10 (2025) | T15 (2030) | T20 (2035) |
| EU28-UK FOB exports in 2015 and foreseen IDs from T5 to T20 per group of products                                     |         |   |           |            |            |            |
| Liberalized products ABC  | 19856,9 | 1706,2                                      | 1367,8    | 679,7      | 65,6       | 0          |
| D1 excluded products: 0-10%   | 1742,8  | 80,3  | 80,3      | 80,3       | 80,3       | 80,3       |
| ABCD1 products  | 21600   | 1786,5                                      | 1448,2    | 760,1      | 145,9      | 80,3       |
| D2 excluded products: 20%   | 3655,4  | 731,1                                       | 731,1     | 731,1      | 731,1      | 731,1      |
| D3 excluded products: 35%   | 797,4   | 279,1                                       | 279,1     | 279,1      | 279,1      | 279,1      |
| All D excluded products   | 6195,6  | 1090,5                                      | 1090,5    | 1090,5     | 1090,5     | 1090,5     |
| ALL ABCD products   | 26053   | 2796,7                                      | 2458,3    | 1770,2     | 1156,1     | 1090,5     |
| CIF imports and CIF IDs (+20% on EU28-UK FOB values)  |         |   |           |            |            |            |
| Liberalized products ABC  | 23828   | 2047,4                                      | 1641,4    | 815,7      | 78,7       | 0          |
| D1 excluded products: 0-10%   | 2091,3  | 96,4  | 96,4      | 96,4       | 96,4       | 96,4       |
| ABCD1 products  | 25920   | 2143,8                                      | 1737,8    | 912,1      | 175,1      | 96,4       |
| D2 excluded products: 20%   | 4386,5  | 877,3                                       | 877,3     | 877,3      | 877,3      | 877,3      |
| D3 excluded products: 35%   | 956,9   | 334,9                                       | 334,9     | 334,9      | 334,9      | 334,9      |
| All D excluded products   | 7434,7  | 1308,6                                      | 1308,6    | 1308,6     | 1308,6     | 1308,6     |
| ALL ABCD products   | 31262,7 | 3356  | 2950      | 2124,3     | 1387,3     | 1308,6     |
| Population prospects of WA according to the UN population data base revised in 2015                                   |         |   |           |            |            |            |
| 1000 inhabitants  |         | 353224                                      | 402831    | 457071     | 516290     | 580 558    |
| Expected growth rate (GR) of WA population and CIF imports (M) (half the population rate for D2 imports)              |         |   |           |            |            |            |
|   |         | T to T5                                     | T5 to T10 | T10 to T15 | T15 to T20 | T20 to T35 |
| Population and imports GR   |         | 2,66%                                       | 2,51%     | 2,47%      | 2,37%      | 2,14%      |
| WA total imports from the EU28-UK, following the population GR, before trade diversion                                |         |   |           |            |            |            |
|   | T       | T5  | T10       | T15        | T20        | T35        |
| Liberalized products ABC  | 23828   | 27170                                       | 30755     | 34746      | 39063      | 53667      |
| D1 excluded products: 0-10%   | 2091,3  | 2384,6                                      | 2699,3    | 3049,5     | 3428,4     | 4710       |
| ABCD1 products  | 25920   | 29554,6                                     | 33454,3   | 37795,5    | 42491,4    | 58377      |
| D2 excluded products: 20%   | 4386,5  | 4686,1                                      | 4987,6    | 5303,3     | 5625,1     | 6598,7     |
| D3 excluded products: 35%   | 956,9   | 956,9                                       | 956,9     | 956,9      | 956,9      | 956,9      |
| All D excluded products   | 7434,7  | 8027,6                                      | 8643,8    | 9309,7     | 10010,4    | 12265,6    |
| ALL ABCD products   | 31262,7 | 35197,6                                     | 39398,8   | 44055,7    | 49073,4    | 65932,6    |
| WA IDs on imports from the EU28-UK, following the population GR, before trade diversion                               |         |   |           |            |            |            |
| Liberalized products ABC  | 2047,4  | 2334,6                                      | 1858      | 921,5      | 88,5       | 0          |
| D1 excluded products: 0-10%   | 96,4    | 109,9                                       | 124,4     | 140,5      | 158        | 217,1      |
| ABCD1 products  | 2143,8  | 2444,5                                      | 1982,4    | 1062       | 246,5      | 217,1      |
| D2 excluded products: 20%   | 877,3   | 937,2                                       | 997,5     | 1060,7     | 1125       | 1319,7     |
| D3 excluded products: 35%   | 334,9   | 334,9                                       | 334,9     | 334,9      | 334,9      | 334,9      |
| All D excluded products   | 1308,6  | 1382  | 1456,8    | 1536,1     | 1617,9     | 1871,7     |
| ALL ABCD products   | 3452,4  | 3826,5                                      | 3439,2    | 2598,1     | 1864,4     | 2088,8     |
| IDs of 8.27% on the trade diversion of ABCD1 products, with the EPA   |         |   |           |            |            |            |
| Diverted imports  | 0       | 5910,9                                      | 6690,9    | 7559,1     | 8498,3     | 11675,4    |
| ID on diverted imports  | 0       | 488,9                                       | 553,42    | 625,2      | 702,9      | 965,68     |
| Imports (M), IDs and VAT after trade diversion of ABCD1 products with the EPA   |         |   |           |            |            |            |
| ABCD1 imports with diversion  | 25920   | 35465,5                                     | 40145,2   | 45354,6    | 50989,7    | 70052,4    |
| ABCD1 IDs "   | 2143,8  | 2933,4                                      | 2535,8    | 1687,2     | 949,4      | 1182,8     |
| ABCD1 M + IDs "   | 28063,8 | 38398,9                                     | 42681     | 47041,8    | 51939,1    | 71235,2    |
| VAT on ABCD1 M  | 4490,2  | 6143,8                                      | 6829      | 7526,7     | 8310,3     | 11397,6    |
| IDs on D2+D3 M  | 1212,2  | 1272,1                                      | 1332,4    | 1395,6     | 1459,9     | 1654,6     |
| M + ID on D2+D3 M   | 6555,6  | 6915,1                                      | 7276,9    | 7655,8     | 8041,9     | 9210,2     |
| VAT on D2+D3 M  | 1048,9  | 1106,4                                      | 1164,3    | 1224,9     | 1286,7     | 1473,6     |
| Total IDs+VAT on ABCD M   | 8896    | 11455,7                                     | 11861,5   | 11834,4    | 12006,3    | 15708,6    |
| Customs revenues (IDs + VAT) on M from EU28-UK without the EPA  |         |   |           |            |            |            |
| ABCD M without EPA  | 31262,7 | 35647,8                                     | 40351,9   | 45587,7    | 51252      | 70412,3    |
| ABCD IDs rate without EPA   | 10,73%  | 10,73%                                      | 10,73%    | 10,73%     | 10,73%     | 10,73%     |
| IDs on ABCD M without EPA   | 3357,6  | 3828,6                                      | 4333,8    | 4896,1     | 5504,5     | 7562,3     |
| Imports + IDs without EPA   | 34620,3 | 39476,4                                     | 44685,7   | 50483,8    | 56756,5    | 77974,6    |
| VAT at 16% without EPA  | 5539,2  | 6316,2                                      | 7149,7    | 8077,4     | 9081       | 12475,9    |
| IDs + VAT without EPA   | 8896    | 10144,8                                     | 11483,5   | 12973,5    | 14585,5    | 20038,2    |
| EPA net impact on customs revenues (IDs + VAT) without taking into account the impact on M from the RoW and within WA |         |   |           |            |            |            |
| Annual losses   | 0       | -1310,9                                     | -378      | 1139,1     | 2579,2     | 4329,6     |
| Cumulative losses   | 0       | -1310,9                                     | -4614,8   | -924       | 8627       | 60,189     |

After annual gains of €1.311 billion (bn) in T5 (2020) and €378 million (M) in T10, resulting in cumulative gains of € 4.614 bn in 2025 and a further €924 M in 2030, annual losses begin in

2026 (€424 M) and net cumulative losses jump from €417 M in 2031 to €8.627 bn in 2035 and €60.189 bn in 2050.

Table 3 shows the net annual and cumulative losses of IDs +VAT from T5 (2020) to T35 (2050).

Table 3 - Net annual and cumulative losses of IDs + VAT on imports from the EU28-UK with the EPA

| € million  | 2020    | 2021    | 2022    | 2023    | 2024    | 2025    | 2026    | 2027    | 2028    | 2029    | 2030    |
|------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Annual     | -1310,9 | -1022,3 | -797,2  | -621,6  | -484,8  | -378    | 424,1   | 542,9   | 695     | 889,7   | 1139,1  |
| Cumulative | -1310,9 | -2333,2 | -3130,4 | -3752   | -4236,8 | -4614,8 | -4190,7 | -3647,8 | -2952,8 | -2063,1 | -924    |
|            | 2031    | 2032    | 2033    | 2034    | 2035    | 2036    | 2037    | 2038    | 2039    | 2040    | 2041    |
| Annual     | 1341,4  | 1579,6  | 1860,1  | 2190,5  | 2579,2  | 2669,7  | 2763,4  | 2860,4  | 2960,8  | 3064,7  | 3172,3  |
| Cumulative | 417,4   | 1997    | 3857,1  | 6047,6  | 8626,8  | 11296,5 | 14059,9 | 16920,3 | 19881,1 | 22945,8 | 26118,1 |
|            | 2042    | 2043    | 2044    | 2045    | 2046    | 2047    | 2048    | 2049    | 2050    |         |         |
| Annual     | 3283,6  | 3398,8  | 3518,1  | 3641,6  | 3769,4  | 3901,7  | 4038,7  | 4189,4  | 4329,6  |         |         |
| Cumulative | 29401,7 | 32800,5 | 36318,6 | 39960,2 | 43729,6 | 47631,3 | 51670   | 55859,4 | 60189   |         |         |

But the loss of customs revenues due to trade diversion to the detriment of imports from within WA and the Rest of the World (RoW) would increase total losses from the beginning in T5.

## **1.2 – Loss of customs receipts on WA imports from within WA and the RoW**

In the absence of detailed data per tariff line on WA imports from within WA and the RoW, the same distribution as that of EU28-UK imports in 2015 is used between ABCD1 products (82.91%), D2 products (14.03%) and D3 products (3.06%).

Table 4 shows that, according to UNCTAD, 26.2% of total WA imports came from EU28-UK in 2015, 9.3% were intra-WA and 64.5% came from Rest of the world (ROW), of which 3.1% from the UK. Hence the relative shares of WA imports from the RoW and WA, other than those from the EU28-UK, are of 87.4% et 12.6%.

Table 4 – West Africa's total imports per group of exporting countries in 2015

|            | World    | Developed countries | ACP      | Africa   | SSA      | WA      | EU28     | UK      | EU28-UK  |
|------------|----------|---------------------|----------|----------|----------|---------|----------|---------|----------|
| Euros 1000 | 89732739 | 35763749            | 10517363 | 11562422 | 10208311 | 8380998 | 26296791 | 2745448 | 23551343 |
| % of total | 100%     | 39,9%               | 11,7%    | 12,9%    | 11,4%    | 9,3%    | 29,3%    | 3,1%    | 26,2%    |

Source: UNCTAD (<http://unctadstat.unctad.org/wds/TableViewer/tableView.aspx>); OECD: euro-dollar exchange rate

These UNCTAD data on CIF imports from the EU28-UK (€23.551 bn) are significantly lower than those of Eurostat for the EU28-UK FOB exports (€26.595 bn) when they should be much larger, but this undervaluation is shared by both the ITC TradeMap database and Comtrade, the United Nations trade database and UNCTAD's primary source. As we cannot rely on such absolute data from UNCTAD, we can at least consider as more reliable the relative distribution of UNCTAD data among groups of countries, that we will apply to Eurostat data.

In other words the €31.263 bn in WA CIF imports from the EU28-UK in 2015 accounted for 26.20% of WA total imports, which therefore amounted to €119.309 bn, of which €11.096 bn came from within WA (9.30%) and €76.954 bn (64.50%) from the RoW (of which €3.699 bn or 3.10% from the UK). However, if the imports of D3 products taxed at 35% are capped and if the growth rate of imports of D2 products taxed at 20% would be halved in the future, there is no reason to limit the rise of imports from WA as they circulate tax free with its internal market and they would consequently increase at the population growth rate, as imports of ABCD1 products.

Imports from the RoW and WA are distributed between groups in the same proportions as in the EU28-UK (Table 1), i.e. 82.91% for liberalized products ABCD1, 14.03% for D2 and 3.06% for D3.

The €5.911 bn of trade diversion is allocated between the RoW and intra-WA imports and in proportion to their relative shares in total imports of the EU28-RU in T (2015), i.e. 87.4% and 12.6%. The average ID on imports of ABCD1 groups being of 8.27% in 2015, we deduct the loss of IDs and VAT on imports from the RoW and the VAT on 50% of intra-WA imports (according to the estimate of Lionel Fontagné et al.), but there is no IDs within ECOWAS (and by extension in WA).

Finally, the net loss of IDs + VAT on imports from the RoW and WA rises from €1.377 bn in T5 (2020) to €1.558 bn in T10 (2025), €1.761bn in T15 (2030), €1.978bn In T20 (2035) and €2.719 bn in T35 (2050).

Table 5 – WA loss of customs revenues on imports from WA and the RoW

|  | T      | T5     | T10    | T15    | T20    | T35    |
|--|--------|--------|--------|--------|--------|--------|
| Répartition des importations totales de l'AO venant de l'UE28-RU, de l'AO et du Reste du monde (RdM) avant détournement des échanges |        |        |        |        |        |        |
| Growth rate of population and imports  |        | 2,66%  | 2,51%  | 2,47%  | 2,37%  | 2,14%  |
| M from EU28-UK: ABCD   | 31263  | 35198  | 39399  | 44056  | 49073  | 65933  |
| M from WA  | 11096  | 12652  | 14322  | 16180  | 18190  | 24992  |
| Of which ABCD1 products (82,91% ABCD)  | 9200   | 10490  | 11874  | 13415  | 15081  | 20720  |
| Of which D2 products (14,03% ABCD)   | 1557   | 1775   | 2009   | 2270   | 2552   | 3506   |
| Of which D3 products (3,06% ABCD)  | 340    | 388    | 439    | 496    | 558    | 766    |
| M from the RoW   | 76954  | 86640  | 96984  | 108446 | 120798 | 162298 |
| Of which ABC products (76,22%)   | 58654  | 66881  | 75707  | 85530  | 96157  | 132105 |
| Of which D1 products (6,69%)   | 5148   | 5871   | 6646   | 7508   | 8441   | 11597  |
| Of which ABCD1 products (82,91% ABCD)  | 63802  | 72751  | 82353  | 93038  | 104598 | 143702 |
| Of which D2 products (14,03% ABCD, 50% GR)   | 10797  | 11534  | 12276  | 13053  | 13845  | 16241  |
| Of which D3 products D3 (3,06% ABCD)   | 2355   | 2355   | 2355   | 2355   | 2355   | 2355   |
| Total M  | 119313 | 134490 | 150705 | 168682 | 188061 | 253223 |
| Distribution of trade distortion of EU28-UK ABCD1 products ABCD1 coming from the RoW and WA  |        |        |        |        |        |        |
| Diverted M: 20% M ABCD1  | 0      | 5911   | 6691   | 7559   | 8498   | 11675  |
| Diverted M from the RoW (86,88% of total)  | 0      | 5135   | 5813   | 6567   | 7383   | 10144  |
| Diverted M from WA (13,12% of total)   | 0      | 776    | 878    | 992    | 1115   | 1532   |
| Reduction of M, IDs and VAT on ABCD1 groups linked to trade diversion against the RoW and WA   |        |        |        |        |        |        |
| IDs on ABCD1 diverted M from RoW   |        | 425    | 481    | 543    | 611    | 839    |
| VAT on ABCD1 diverted M from the RoW   |        | 890    | 1007   | 1138   | 1279   | 1757   |
| VAT on 50% ABCD1 diverted M from WA (no IDs)   |        | 62     | 70     | 80     | 88     | 123    |
| Net loss of IDs+VAT from RoW+WA  |        | 1377   | 1558   | 1761   | 1978   | 2719   |
| Unchanged IDs+VAT on other non-diverted WA M from th RoW and WA  |        |        |        |        |        |        |
| ABCD1 non-diverted M from the RoW  | 63802  | 67616  | 76540  | 86471  | 97215  | 133558 |
| IDs on ABCD1 non-diverted M from the RoW   | 5276   | 5592   | 6330   | 7151   | 8040   | 11045  |
| M + IDs ABCD1 non-diverted M from the RoW  | 69078  | 73208  | 82870  | 93622  | 105255 | 144603 |
| VAT ABCD1 non-diverted M from the RoW  | 11052  | 11713  | 13259  | 14980  | 16841  | 23136  |
| IDs on D2 products (20%) of RoW M  | 2159   | 2307   | 2455   | 2611   | 2776   | 3257   |
| IDs on D3 products D3 (35%) of RoW M   | 824    | 824    | 824    | 824    | 824    | 824    |
| VAT on D2+D3 M from RoW  | 2582   | 2723   | 313    | 325    | 337    | 373    |
| Non-diverted ABCD1+D2+D3 M from WA   | 11097  | 11877  | 13444  | 15189  | 17076  | 23460  |
| VAT on non-diverted ABCD1+D2+D3 M from WA (no ID)  | 1776   | 1900   | 2151   | 2430   | 2732   | 3754   |
| Total unchanged IDs+VAT on M from RoW and WA   | 23669  | 25059  | 25332  | 28321  | 31550  | 42389  |

Table 6 adds the annual and cumulative losses of customs revenues (IDs + VAT) incurred on WA imports from the EU28-UK to losses related to the decline in imports from WA and the RoW affected by trade diversion of the EU28-UK. Table 7 shows the annual and cumulative losses per year from 2020 to 2050.

As the loss of customs revenues on imports from the RoW and WA was initially higher than the gains (negative losses) recorded in the first years on imports from the EU28-UK, the annual losses increased from 66 M (beginning of the liberalization in T5 or 2015) to €1.180 bn in T10 (2025), €2.900 bn in T15 (2030), €4.557 bn in T20 (2035) and €7.049 bn in T35 (2050). As a

result, cumulative losses jump to €2.608 bn in T10, €13.057 bn in T15, €32.230 bn in T20 and € 119.891 billion in T35.

Table 6 – Losses of customs revenues on WA imports from the EU28-UK, the RoW and WA

|  | T | T5    | T10  | T15   | T20   | T35    |
|--|---|-------|------|-------|-------|--------|
| Annual losses on M from the EU28-UK    | 0 | -1311 | -378 | 1139  | 2579  | 4330   |
| Annual losses on M from the RoW and WA |   | 1377  | 1558 | 1761  | 1978  | 2719   |
| Net annual losses                      |   | 66    | 1180 | 2900  | 4557  | 7049   |
| Cumulative net losses                  |   | 66    | 2608 | 13057 | 32230 | 119891 |

Table 7 – Annual losses of IDs+VAT on WA imports from the EU28-UK, the RoW and WA

| € million  | 2020    | 2021    | 2022    | 2023    | 2024    | 2025   | 2026    | 2027    | 2028    | 2029    | 2030    |
|------------|---------|---------|---------|---------|---------|--------|---------|---------|---------|---------|---------|
| Annual     | 66      | 117,5   | 209,2   | 372,3   | 662,8   | 1180   | 1412,5  | 1690,7  | 2023,8  | 2422,5  | 2900    |
| Cumulative | 66      | 183,5   | 392,7   | 765     | 1427,8  | 2607,8 | 4020,3  | 5711    | 7734,8  | 10157,3 | 13057,3 |
|            | 2031    | 2032    | 2033    | 2034    | 2035    | 2036   | 2037    | 2038    | 2039    | 2040    | 2041    |
| Annual     | 3174,3  | 3474,6  | 3803,3  | 4163,1  | 4557    | 4691,4 | 4829,8  | 4972,3  | 5190    | 5343,1  | 5500,7  |
| Cumulative | 16231,6 | 19706,2 | 23509,5 | 27672,6 | 32229,6 | 36921  | 41750,8 | 46723,1 | 51913,1 | 57256,2 | 62756,9 |
|            | 2042    | 2043    | 2044    | 2045    | 2046    | 2047   | 2048    | 2049    | 2050    |         |         |
| Annual     | 5663    | 5830,1  | 6002    | 6170    | 6350    | 6520   | 6700    | 6850    | 7049    |         |         |
| Cumulative | 68419,9 | 74250   | 80252   | 86422   | 92772   | 99292  | 105992  | 112842  | 119891  |         |         |

Finally we calculate the IDs and VAT receipts on imports from the RoW and intra-WA which will not be affected by trade diversion.

### **3.1 - Customs revenues not affected by trade diversion on imports from RoW and WA**

The bottom of Table 5 shows that the annual loss of customs revenues due to trade diversion to the EU28-UK does not affect those perceived on the remainder of imports from the RoW and WA. These revenues remain very large since the trade diversion concerns only 20% of imports from the EU28-RU, which themselves account for only 26.2% of total WA imports in 2015. However, if the percentage of total customs revenue losses on imports due to the EPA is only 0.27% of the total net T5 revenues, it climbs to 5% in T10, 11.7% in T15, 17.4% T20 and 20.6% T35.

Table 8 – Net customs losses on WA imports with revenues not affected by trade diversion

|   | T     | T5    | T10   | T15    | T20    | T35    |
|---|-------|-------|-------|--------|--------|--------|
| Losses of IDs+VAT due to the EPA        | 0     | 66    | 1180  | 2900   | 4557   | 7049   |
| Revenues of IDs+VAT not affected by EPA | 23669 | 24529 | 24732 | 27643  | 30788  | 41344  |
| Net revenues with the EPA               | 23669 | 24463 | 23552 | 24743  | 26231  | 34295  |
| Losses due to EPA on net revenues       | 0%    | 0,27% | 5,01% | 11,72% | 17,37% | 20,55% |

These losses will only materialize if the regional WA EPA is implemented, which seems unlikely since Nigeria, The Gambia and Mauritania have not even signed it. But now that Ghana and Ivory Coast have ratified and implemented their interim EPAs (iEPAs) and that the European Parliament has also ratified them, the other WA States should impose IDs on their imports from these two countries from T5 on in order not to be invaded by the EU28-UK products which they will import duty-free given ECOWAS lax rules of origin. These IDs to be paid to the rest of the WA by Ghana and Ivory Coast would be very large, even higher for Ivory Coast than the GSP and MFN duties they would have had to pay on their exports to the EU28-UK if they had not implemented their iEPAs, at least if they would be excluded from ECOWAS. The other ECOWAS States cannot remain passive in this situation which will ruin regional integration and their customs revenues.

## **II – GSP-MFN duties that Ivory Coast, Ghana and Nigeria would have paid to the EU28-RU without the WA EPA**

Table 9 summarizes the Annex 2 detailing the GSP and MFN IDs as well as the GSP+ and MFN IDs that IC and Ghana should have paid on their exports to the EU28-UK in 2015 – and that Nigeria has paid – if they did not benefit from the Cotonou regime and which they would have paid in the future if they had not ratified and implemented their interim EPAs.

Table 9 – GSP and GSP+ and MFN IDs to pay to the EU28-UK in 2015 without Cotonou or EPA

| HS chapters    | Ivory Coast | Ghana    | Nigeria | The 3 developing countries |             |         |          |       |
|----------------|-------------|----------|---------|----------------------------|-------------|---------|----------|-------|
|                |             |          |         | GSP and MFN IDs            |             | Imports | GSP rate | GSP+  |
| Chapters 01-24 | 113767991   | 43292621 | 4573526 | 161634138                  | 4818987491  | 3,36%   | 41713832 | 0,87% |
| Chapters 25-97 | 117846      | 1400201  | 4265510 | 5783557                    | 17625188902 | 0,03%   | 4083620  | 0,02% |
| Total          | 113885837   | 44692822 | 8839036 | 167417695                  | 22444176393 | 0,75%   | 45797452 | 0,20% |
| 01-24/total    | 99,90%      | 96,87%   | 51,74%  | 96,55%                     | 21,47%      |         | 91,08%   |       |
| 25-97/total    | 0,10%       | 3,13%    | 48,26%  | 3,45%                      | 78,53%      |         | 8,92%    |       |

Source: Eurostat and TARIC

The exporters of these 3 developing countries would have paid €167.7 M in GSP and MFN IDs, which, however, represented only an average rate of 0.75% of their imports from the EU28-UK. 96.55% of these IDs relate to agricultural and fish products of chapters 01 to 24 of the Harmonized System (HS) of Trade Classification, of which 99.90% for IC, 96.87% for Ghana and only 51.74% for Nigeria. 85.9% of these IDs (€144 M) relate to 3 agricultural products: processed cocoa (€76 M), canned tuna (€38.3 M) and fresh bananas (€29.8 M). Detailed data are available in the studies specific to each of these three countries.

On the other hand, if these 3 countries had requested to the EU and obtained the GSP+ status, they would have paid almost 4 times less IDs (€45.8 M), of which €41.7 M on agricultural products, particularly fresh bananas from IC and Ghana (€29.8 M), aluminium from Ghana (€2.663 M) and hides and skins from Nigeria (€1.420 million), the only two products outside chapters 01 to 24. And the GSP+ IDs would even fall to €33.5 M by 2020 if IC and Ghana could get an alignment of their IDs on bananas on those granted to the Andean and Central America countries having signed since 2012 bilateral free trade agreements with the EU: from €111/tonne in 2015 to €75/tonne in 2020, while it will stay at €127/tonne (MFN level) for ACP countries without EPAs. Moreover, these €48.5 M of GSP or €33.5 M of GSP+ and MFN IDs could be financed by a Regional Solidarity Fund proposed by the civil society in Dakar in January 2015, for which IC would only have to pay 9.4%, i.e. €3.149 M<sup>8</sup>!

Getting the GSP+ status for Ghana, IC and Nigeria should not pose a legal objection since they have now signed or ratified the 27 international conventions required<sup>9</sup> and since they fulfil the criteria of economic vulnerability, which was confirmed by an e-mail of DG Trade of 13 June 2016. But the EU twice refused to accept Nigeria's request, the first time in 2007, with a refusal in 2008 because it had not ratified the International Convention on Genocide, which it did in 2009 when the EU Commission did not even answer to Nigeria's new request. Granting the

<sup>8</sup> *Taxe anti-APE sur les exportations extra-Afrique de l'Ouest*, Solidarité, janvier 2015 : <https://www.sol-asso.fr/articles-de-2015/>

<sup>9</sup> The list of the 27 conventions is given at the end of the EU impact assessment report of January 2016 on the GSP countries and Ghana's signature or ratification can be checked on 3 United Nations websites: [https://eeas.europa.eu/delegations/costa\\_rica/documents/eu\\_costa\\_rica/european\\_commission.\\_\(2016\).\\_report\\_o\\_n\\_the\\_generalised\\_scheme\\_of\\_preferences\\_during\\_the\\_period\\_2014-2015..pdf](https://eeas.europa.eu/delegations/costa_rica/documents/eu_costa_rica/european_commission._(2016)._report_o_n_the_generalised_scheme_of_preferences_during_the_period_2014-2015..pdf)

[https://treaties.un.org/Pages/TreatyParticipantSearch.aspx?clang=\\_en;](https://treaties.un.org/Pages/TreatyParticipantSearch.aspx?clang=_en;)

[http://www.ilo.org/dyn/normlex/en/f?p=1000:11200:0::NO:11200:P11200\\_COUNTRY\\_ID:103231](http://www.ilo.org/dyn/normlex/en/f?p=1000:11200:0::NO:11200:P11200_COUNTRY_ID:103231)

<https://cites.org/eng/disc/parties/chronolo.php>



GSP+ to Nigeria would have ruined DG Trade's goal to impose the regional EPA. Refusing to grant GSP+ status to Nigeria was at the same time a way of pressuring IC and Ghana not to request this status but to ratify instead their iEPAs pending Nigeria's signature on the regional EPA. But Nigeria has repeatedly asked the European Institutions, particularly with President Muhammadu Buhari's address to the European Parliament on 3 February 2016 to amend certain provisions of the regional EPA which would hamper its major objective of industrialization. Trade Commissioner Cecilia Malmström has once more been adamant on this demand<sup>10</sup>, which is not the best way to get Nigeria come to terms.

### **Conclusion**

If we compare the GSP duties to pay on exports of IC, Ghana and Nigeria to the EU28-UK, and a fortiori those of the GSP+, in the absence of the Cotonou regime or EPA, with the losses of IDs and VAT that the AO will suffer from T5 (2020) on with the EPA these will exceed the GSP IDs at the beginning of T7 (2022) and the GSP+ IDs by 44% already in T5.

As WA exports to the EU28-RU are much more likely to fall than to increase due to both the stagnation and aging of the EU population and the WA declining competitiveness on the EU market following its multiple free trade agreements, all this underscores the blindness of IC and Ghana in ratifying and implementing their interim EPAs and the wisdom of Nigeria in refusing to sign the regional EPA. Let us add all the other good reasons for not doing so, summarized in a document of December 11, 2016<sup>11</sup>.

But the main responsibility lies with the EU which has imposed EPAs and will suffer serious consequences at all levels – economic and political – in the short and long term, including a massive influx of illegal immigrants and an increase in Jihadist attacks.

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<sup>10</sup> <http://www.euractiv.com/section/development-policy/news/malmstrom-put-on-spot-by-nigeria-on-eu-deals-with-acp-countries/>

<sup>11</sup> *The EU fraudulent behaviour to extort the signing of the EPAs*, SOL, December 11, 2016 (<http://www.sol-asso.fr/analyses-politiques-agricoles-jacques-b/>)

**Annex 1 – Evolution from T to T20 of EU28-UK FOB exports to WA and losses of import duties linked to the EPA according to IDs groups and rates**

| Chapters  | Group | ID rate  | EU28-UK exports in T |             | Reductions of IDs in EU28-UK FOB value |             |             |             |
|-----------|-------|----------|----------------------|-------------|--|-------------|-------------|-------------|
|           |       |          | Exports              | IDs (2015)  | T5 (2020)                              | T10 (2025)  | T15 (2030)  | T20 (2035)  |
| 01-02     | D     | 35%      | 378515450            | 132480408   | 132480408                              | 132480408   | 132480408   | 132480408   |
| 03-04     |       |          | 16006218             | 5602176     | 5602176                                | 5602176     | 5602176     | 5602176     |
| 05-08     |       |          | 152812958            | 53484535    | 53484535                               | 53484535    | 53484535    | 53484535    |
| 15-18     |       |          | 56659589             | 19830856    | 19830856                               | 19830856    | 19830856    | 19830856    |
| 19-24     |       |          | 81436534             | 28502786,9  | 28502786,9                             | 28502786,9  | 28502786,9  | 28502786,9  |
| 29-37     |       |          | 24276832             | 8496891     | 8496891                                | 8496891     | 8496891     | 8496891     |
| 51-59     |       |          | 87651399             | 30677990    | 30677990                               | 30677990    | 30677990    | 30677990    |
| Sub-total |       | 35%      | 797358980            | 279075642,9 | 279075642,9                            | 279075642,9 | 279075642,9 | 279075642,9 |
| 01-02     | D     | 20%      | 2467415              | 493483      | 493483                                 | 493483      | 493483      | 493483      |
| 03-04     |       |          | 182482790            | 36496558    | 36496558                               | 36496558    | 36496558    | 36496558    |
| 05-08     |       |          | 41811420             | 8362284     | 8362284                                | 8362284     | 8362284     | 8362284     |
| 09-14     |       |          | 10296656             | 2059331     | 2059331                                | 2059331     | 2059331     | 2059331     |
| 15-18     |       |          | 110326257            | 22065251    | 22065251                               | 22065251    | 22065251    | 22065251    |
| 19-24     |       |          | 1096101326           | 219220265,2 | 219220265,2                            | 219220265,2 | 219220265,2 | 219220265,2 |
| 25-28     |       |          | 41978514             | 8395702,8   | 8395702,8                              | 8395702,8   | 8395702,8   | 8395702,8   |
| 29-37     |       |          | 170106167            | 34021233    | 34021233                               | 34021233    | 34021233    | 34021233    |
| 38-43     |       |          | 205176225            | 41035245    | 41035245                               | 41035245    | 41035245    | 41035245    |
| 44-50     |       |          | 99299285             | 19859857    | 19859857                               | 19859857    | 19859857    | 19859857    |
| 51-59     |       |          | 239574963            | 47914993    | 47914993                               | 47914993    | 47914993    | 47914993    |
| 60-62     |       |          | 40468825             | 8093765     | 8093765                                | 8093765     | 8093765     | 8093765     |
| 63-70     |       |          | 368546773            | 73709354,6  | 73709355                               | 73709354,6  | 73709354,6  | 73709354,6  |
| 71-73     |       |          | 80974568             | 16194913,6  | 16194913,6                             | 16194914    | 16194914    | 16194914    |
| 74-76     |       |          | 45253321             | 9050664     | 9050664                                | 9050664     | 9050664     | 9050664     |
| 77-83     |       |          | 130452733            | 26090547    | 26090547                               | 26090547    | 26090547    | 26090547    |
| 84        |       |          | 40479661             | 8095932,2   | 8095932                                | 8095932     | 8095932     | 8095932     |
| 85        |       |          | 57052350             | 11410470    | 11410470                               | 11410470    | 11410470    | 11410470    |
| 86-90     |       |          | 549403582            | 109880716,4 | 109880716,4                            | 109880716,4 | 109880716,4 | 109880716,4 |
| 91-97     |       |          | 143117319            | 28623464    | 28623464                               | 28623464    | 28623464    | 28623464    |
| Sub-total |       | 20%      | 3655370150           | 731074029,8 | 731074030                              | 731074030   | 731074030,2 | 731074030,2 |
| 03-04     | D     | 10%      | 301670356            | 30167036    | 30167036                               | 30167036    | 30167036    | 30167036    |
| 09-14     |       |          | 7733669              | 773366,9    | 773366,9                               | 773366,9    | 773366,9    | 773366,9    |
| 15-18     |       |          | 7587369              | 758736,9    | 758736,9                               | 758736,9    | 758736,9    | 758736,9    |
| 19-24     |       |          | 4186183              | 418618,3    | 418618,3                               | 418618,3    | 418618,3    | 418618,3    |
| 29-37     |       |          | 64393037             | 6439304     | 6439304                                | 6439304     | 6439304     | 6439304     |
| 38-43     |       |          | 22680488             | 2268048,8   | 2268049                                | 2268049     | 2268049     | 2268049     |
| 50-59     |       |          | 13959636             | 1395964     | 1395964                                | 1395964     | 1395964     | 1395964     |
| 63-70     |       |          | 26339148             | 2633914,8   | 2633914,8                              | 2633914,8   | 2633914,8   | 2633914,8   |
| 71-73     |       |          | 9625899              | 962589,9    | 962589,9                               | 962589,9    | 962589,9    | 962589,9    |
| 77-83     |       |          | 1514492              | 151449,2    | 151449,2                               | 151449,2    | 151449,2    | 151449,2    |
| 86-90     |       |          | 343651463            | 34365146,3  | 34365146,3                             | 34365146,3  | 34365146,3  | 34365146,3  |
| Sub-total |       | 10%      | 803341740            | 80334175,1  | 80334175,3                             | 80334175,3  | 80334175,3  | 80334175,3  |
| 29-37     | D     | 0%       | 939428315            | 0           | 0                                      | 0           | 0           | 0           |
| Total     | D     | 0% à 35% | 6195499185           | 1090483848  | 1090483848                             | 1090483848  | 1090483848  | 1090483848  |
| 01-02     | A     | 5%       | 4418921              | 220946,1    |  |             |             |             |
| 03-04     |       |          | 257123441            | 12856172    | 0                                      | 0           | 0           | 0           |
| 05-08     |       |          | 12767045             | 638352,25   | 0                                      | 0           | 0           | 0           |
| 09-14     |       |          | 652809567            | 32640478    | 0                                      | 0           | 0           | 0           |
| 15-18     |       |          | 8219988              | 410999,4    | 0                                      | 0           | 0           | 0           |
| 19-24     |       |          | 245130911            | 12256545,55 | 0                                      | 0           | 0           | 0           |
| 25-28     |       |          | 249624142            | 12481207,1  | 0                                      | 0           | 0           | 0           |
| 29-37     |       |          | 250142639            | 12507132    | 0                                      | 0           | 0           | 0           |
| 38-43     |       |          | 161366192            | 8068309,6   | 0                                      | 0           | 0           | 0           |
| 44-50     |       |          | 129954283            | 6497714     | 0                                      | 0           | 0           | 0           |
| 51-59     |       |          | 6374194              | 302864,9    | 0                                      | 0           | 0           | 0           |
| 63-70     |       |          | 1458547              | 72927,35    | 0                                      | 0           | 0           | 0           |
| 71-73     |       |          | 301550231            | 15077511,6  | 0                                      | 0           | 0           | 0           |
| 74-76     |       |          | 84446196             | 4222310     | 0                                      | 0           | 0           | 0           |
| 77-83     |       |          | 16108363             | 805418,2    | 0                                      | 0           | 0           | 0           |
| 84        |       |          | 2373262593           | 118663129,7 | 0                                      | 0           | 0           | 0           |
| 85        |       |          | 657686839            | 32242061    | 0                                      | 0           | 0           | 0           |
| 86-90     |       |          | 1366444513           | 68322225,65 | 0                                      | 0           | 0           | 0           |
| 91-97     |       |          | 1128564              | 56428,2     | 0                                      | 0           | 0           | 0           |
| Sub-total |       |          | 68113898             | 338342732,6 | 0                                      | 0           | 0           | 0           |
| 25-28     | A     | 0%       | 37021420             | 0           | 0                                      | 0           | 0           | 0           |
| 29-37     |       |          | 342153610            | 0           | 0                                      | 0           | 0           | 0           |
| 38-43     |       |          | 39152268             | 0           | 0                                      | 0           | 0           | 0           |
| 44-50     |       |          | 109426091            | 0           | 0                                      | 0           | 0           | 0           |

|           |         |          |             |             |             |             |            |            |
|-----------|---------|----------|-------------|-------------|-------------|-------------|------------|------------|
| 71-73     |         |          | 11140       | 0           | 0           | 0           | 0          | 0          |
| 85        |         |          | 11092623    | 0           | 0           | 0           | 0          | 0          |
| 86-90     |         |          | 158352      | 0           | 0           | 0           | 0          | 0          |
| Sub-total |         |          | 539015504   | 0           | 0           | 0           | 0          | 0          |
| Total A   |         |          | 7319032673  | 338342732,6 | 0           | 0           | 0          | 0          |
| 01-02     | B       | 10%      | 9423450     | 942345      | 942345      | 471172,5    | 0          | 0          |
| 03-04     |         |          | 71861552    | 7186155     | 7186155     | 3593078     | 0          | 0          |
| 09-14     |         |          | 16713621    | 1671362     | 1671362     | 835681,1    | 0          | 0          |
| 15-18     |         |          | 11985789    | 1198579     | 1198579     | 599289,5    | 0          | 0          |
| 19-24     |         |          | 99456351    | 9945635,1   | 9945635,1   | 4972817,55  | 0          | 0          |
| 25-28     |         |          | 8744712976  | 874471297,6 | 874471297,6 | 437235648,8 | 0          | 0          |
| 29-37     |         |          | 317544418   | 31754442    | 31754442    | 15877221    | 0          | 0          |
| 38-43     |         |          | 272650940   | 27265094    | 27265094    | 13632547    | 0          | 0          |
| 44-50     |         |          | 99814244    | 9981424     | 9981424     | 4990712     | 0          | 0          |
| 51-59     |         |          | 6835793     | 683579,6    | 683579,6    | 341789,8    | 0          | 0          |
| 63-70     |         |          | 28550780    | 2855078     | 2855078     | 1427539     | 0          | 0          |
| 71-73     |         |          | 47014605    | 4701460,5   | 4701460,5   | 2350730     | 0          | 0          |
| 74-76     |         |          | 35070962    | 3507096     | 3507096     | 1753548     | 0          | 0          |
| 77-83     |         |          | 54276488    | 5427649     | 5427649     | 2713824     | 0          | 0          |
| 84        |         |          | 503355196   | 50335519,6  | 50335520    | 25167760    | 0          | 0          |
| 85        |         |          | 314887495   | 31488750    | 31488750    | 15744375    | 0          | 0          |
| 86-90     |         |          | 322903127   | 32290312,7  | 32290312,7  | 16145156,35 | 0          | 0          |
| 91-97     |         |          | 12861099    | 1286110     | 1286110     | 643055      | 0          | 0          |
| Sub-total |         |          | 10969918886 | 1096991889  | 1096991890  | 548495944,6 | 0          | 0          |
| 09-14     | B       | 5%       | 42280843    | 2114042     | 2114042     | 0           | 0          | 0          |
| 38-43     |         |          | 29415030    | 1470751,5   | 1470752     | 0           | 0          | 0          |
| 71-73     |         |          | 5888440     | 294422      | 294422      | 0           | 0          | 0          |
| Sub-total |         |          | 77584313    | 3879215,5   | 3879216     | 0           | 0          | 0          |
| 29-37     | B       | 0%       | 88006303    | 0           | 0           | 0           | 0          | 0          |
| Total     | B       | 0% à 10% | 11135509502 | 1100871105  | 1100871106  | 548495944,6 | 0          | 0          |
| 01-02     | C       | 20%      | 2231640     | 446328      | 446328      | 223164      | 111582     | 0          |
| 03-04     |         |          | 2991216     | 598243,2    | 598243,2    | 299121,6    | 149560,8   | 0          |
| 05-08     |         |          | 9400857     | 1880171,4   | 1880171,4   | 940085,7    | 470042,9   | 0          |
| 09-14     |         |          | 10643493    | 2128699     | 2128699     | 1064349     | 532174,7   | 0          |
| 15-18     |         |          | 464391      | 92878,2     | 92878,2     | 46439,1     | 23219,55   | 0          |
| 19-24     |         |          | 11146024    | 2229204,8   | 2229204,8   | 1114602,4   | 557301,2   | 0          |
| 25-28     |         |          | 157577205   | 31515441    | 31515441    | 15757720,5  | 7878860    | 0          |
| 29-37     |         |          | 18758275    | 3745701,2   | 3745701,2   | 1872850,6   | 936425,3   | 0          |
| 38-43     |         |          | 83054696    | 16610939,2  | 16610939    | 8305470     | 4152735    | 0          |
| 44-50     |         |          | 4789904     | 957980,8    | 957980,8    | 478990,4    | 239495,2   | 0          |
| 51-59     |         |          | 6385231     | 1277046     | 1277046     | 638523,1    | 319261,6   | 0          |
| 60-62     |         |          | 11805242    | 2361048     | 2361048     | 1180524     | 590262,1   | 0          |
| 63-70     |         |          | 101025743   | 20205148,6  | 20205149    | 10102574,3  | 5051287,15 | 0          |
| 71-73     |         |          | 408015608   | 81603121,6  | 81603121,6  | 40801560,8  | 20400780,4 | 0          |
| 74-76     |         |          | 19143223    | 3828645     | 3828645     | 1914322     | 957161,2   | 0          |
| 77-83     |         |          | 36720390    | 7344078     | 7344078     | 3672039     | 1836020    | 0          |
| 84        |         |          | 66075914    | 13215182,8  | 13215183    | 6607591     | 3303796    | 0          |
| 85        |         |          | 191954412   | 38390882    | 38390882    | 19195441    | 9597721    | 0          |
| 86-90     |         |          | 16877066    | 3375413,2   | 3375413,2   | 1687706,6   | 843853,3   | 0          |
| 91-97     |         |          | 153253784   | 30650757    | 30650757    | 15325378    | 7662689    | 0          |
| Sub-total |         |          | 1312314314  | 262456909   | 262456909,4 | 131228453,1 | 65614228,4 | 0          |
| 38-43     | C       | 5%       | 83079139    | 4153956,95  | 4153957     | 0           | 0          | 0          |
| 70-73     |         |          | 6788557     | 339427,85   | 339427,85   | 0           | 0          | 0          |
| 86-90     |         |          | 165911      | 8295,6      | 8295,6      | 0           | 0          | 0          |
| Sub-total |         |          | 90033607    | 4501680,4   | 4501680,45  | 0           | 0          | 0          |
| Total     | C       | 5%&20%   | 1402347921  | 266958589,4 | 266958589,9 | 131228453,1 | 65614228,4 | 0          |
| TOTAL     | A+B+C   |          | 19856890096 | 1706172427  | 1367829695  | 679724397,7 | 65614228,4 |            |
|           | A+B+C+D |          | 26052389281 | 2796656274  | 2458313544  | 1770208246  | 1156098077 | 1090483848 |
| ABC/ABCD  |         |          | 76,23%      | 61,01%      | 55,64%      | 38,40%      | 5,68%      | 0,00%      |

Source: Eurostat

**Annex 2 – GSP and GSP+ and MFN IDs that IC, Ghana & Nigeria would pay without EPA**

| Chapitres du SH             | CI        | Ghana    | Nigeria | The 3 developing countries |             |         |          |        |
|-----------------------------|-----------|----------|---------|----------------------------|-------------|---------|----------|--------|
|                             |           |          |         | GSP & MFN IDs              |             | Exports | GSP rate | GSP+   |
| 01- Live animals            | 0         | 0        | 0       | 0                          | 86265       | 0       | 0        | 0      |
| 02- Meats                   | 5         | 0        | 0       | 5                          | 282         | 1,77%   | 0        | 0      |
| 03- Fish                    | 465128    | 1226739  | 1998886 | 3690753                    | 69308615    | 5,33%   | 0        | 0      |
| 04- Dairy produce           | 663       | 0        | 2176    | 2839                       | 8689        | 32,67%  | 2251     | 25,91% |
| 05- Products animal origin  | 0         | 0        | 0       | 0                          | 646647      | 0       | 0        | 0      |
| 06- Live trees and plants   | 122329    | 142188   | 237     | 264754                     | 3416318     | 7,75%   | 0        | 0      |
| 07- Vegetables              | 114944    | 749888   | 8512    | 873344                     | 7603744     | 11,49%  | 734024   | 9,65%  |
| 08- Fruits                  | 27763565  | 4007457  | 486     | 32221301                   | 281876640   | 11,43%  | 29831370 | 10,60% |
| 09- Coffee, tea, spices     | 748       | 137      | 723     | 1608                       | 28641540    | #0      | 0        | 0      |
| 10- Cereals                 | 898       | 0        | 93      | 991                        | 25460       | 3,89%   | 991      | 3,89%  |
| 11- Milling products        | 113401    | 80856    | 28208   | 222465                     | 1062922     | 20,93%  | 136907   | 12,88% |
| 12- Oilseeds                | 5         | 0        | 7       | 12                         | 98797503    | #0      | 10       | #0     |
| 13- Lac, gums, resins       | 0         | 0        | 0       | 0                          | 1865610     | 0       | 0        | 0      |
| 14- Vegetable plaiting      | 0         | 0        | 0       | 0                          | 2379390     | 0       | 0        | 0      |
| 15- Animal&veg fats-oils    | 511278    | 1321023  | 711     | 1833012                    | 47909053    | 3,83%   | 242      | #0     |
| 16- Prepar meats & fish     | 25427628  | 18707619 | 8       | 44135255                   | 215291073   | 20,50%  | 0        | 0      |
| 17- Sugars-confectionery    | 408       | 0        | 116     | 524                        | 6661        | 7,87%   | 197      | 2,96%  |
| 18- Cocoa & preparations    | 56945006  | 16366644 | 2473106 | 75784756                   | 4029696843  | 1,88%   | 9286666  | 0,23%  |
| 19- Preparations of cereal  | 499236    | 17072    | 25053   | 541361                     | 2363997     | 22,90%  | 433449   | 18,34% |
| 20- Preparations of F&V     | 28643     | 596150   | 1753    | 626546                     | 6382557     | 9,82%   | 1619     | 0,03%  |
| 21- Miscel preparations     | 486579    | 56584    | 23443   | 566606                     | 13042897    | 4,34%   | 0        | 0      |
| 22- Beverages               | 1344      | 20264    | 8940    | 30548                      | 762051      | 4,01%   | 0        | 0      |
| 23- Resid, oilseeds meals   | 1286106   | 0        | 0       | 1286106                    | 7895594     | 16,29%  | 1286106  | 16,29% |
| 24- Tobacco                 | 77        | 0        | 1068    | 1145                       | 3405        | 33,63%  | 0        | 0      |
| Sub-total 01-24             | 113767991 | 43292621 | 4573526 | 161634138                  | 4818987491  | 3,36%   | 41713832 | 0,87%  |
| 25- Salt-sulphur-cement     | 0         | 0        | 0       | 0                          | 93388       | 0       | 0        | 0      |
| 26- Ores, slag and ash      | 0         | 0        | 0       | 0                          | 46961224    | 0       | 0        | 0      |
| 27- Mineral fuels & oils    | 0         | 0        | 0       | 0                          | 16680494677 | 0       | 0        | 0      |
| 28- Inorganic chemicals     | 0         | 0        | 0       | 0                          | 1186        | 0       | 0        | 0      |
| 29- Organic chemicals       | 0         | 0        | 0       | 0                          | 641522      | 0       | 0        | 0      |
| 30- Pharmaceutical          | 0         | 0        | 0       | 0                          | 85479       | 0       | 0        | 0      |
| 31- Fertilizers             | 0         | 6        | 624401  | 624407                     | 9734749     | 6,41%   | 0        | 0      |
| 32- Tanning&dyeing          | 638       | 0        | 5       | 643                        | 46453       | 1,38%   | 0        | 0      |
| 33- Essential oils          | 0         | 0        | 0       | 0                          | 4397890     | 0       | 0        | 0      |
| 34- Washing preparation     | 0         | 0        | 0       | 0                          | 301815      | 0       | 0        | 0      |
| 35- Albuminoidal subst.     | 0         | 0        | 0       | 0                          | 1808        | 0       | 0        | 0      |
| 36- Explosives products     | 0         | 0        | 0       | 0                          | 0           | 0       | 0        | 0      |
| 37- Photography-cinema      | 0         | 0        | 0       | 0                          | 1168        | 0       | 0        | 0      |
| 38- Miscel chemicals        | 0         | 0        | 0       | 0                          | 997916      | 0       | 0        | 0      |
| 39- Plastics                | 0         | 0        | 0       | 0                          | 633139      | 0       | 0        | 0      |
| 40- Rubber                  | 0         | 0        | 35      | 35                         | 310673068   | #0      | 0        | 0      |
| 41- Raw hides & skins       | 81802     | 0        | 3414891 | 3496693                    | 158835200   | 2,20%   | 2662955  | 1,68%  |
| 42- Articles of leather     | 41        | 0        | 734     | 775                        | 123201      | 0,63%   | 0        | 0      |
| 43- Furskins-artificial fur | 0         | 0        | 0       | 0                          | 47445       | 0       | 0        | 0      |
| 44- Wood and articles       | 9826      | 5476     | 0       | 15302                      | 145636798   | 0,001%  | 0        | 0      |
| 45- Cork and articles       | 0         | 0        | 0       | 0                          | 1072        | 0       | 0        | 0      |
| 46- Manufactures straw      | 0         | 0        | 3       | 3                          | 521913      | #0      | 0        | 0      |
| 47- Pulp of wood            | 0         | 0        | 0       | 0                          | 124         | 0       | 0        | 0      |
| 48- Paper-paperboard        | 0         | 0        | 0       | 0                          | 28243       | 0       | 0        | 0      |
| 49- Books, newspapers       | 0         | 0        | 0       | 0                          | 162570      | 0       | 0        | 0      |
| 50- Silk                    | 0         | 0        | 0       | 0                          | 0           | 0       | 0        | 0      |
| 51- Wool                    | 0         | 0        | 0       | 0                          | 11698       | 0       | 0        | 0      |
| 52- Cotton                  | 3382      | 232      | 112346  | 115960                     | 16092813    | 0,72%   | 0        | 0      |
| 53- Other textile fibres    | 0         | 0        | 0       | 0                          | 484868      | 0       | 0        | 0      |
| 54- Man-made filaments      | 454       | 0        | 49      | 503                        | 9475        | 5,31%   | 0        | 0      |
| 55- Man-made fibres         | 0         | 0        | 3792    | 3792                       | 114067      | 3,32%   | 0        | 0      |
| 56- Wadding, nonwoven       | 0         | 0        | 47      | 47                         | 805         | 5,84%   | 0        | 0      |
| 57- Carpets & coverings     | 224       | 0        | 23      | 247                        | 8865        | 2,79%   | 0        | 0      |
| 58- Special woven fabric    | 7         | 0        | 4603    | 4610                       | 99248       | 4,64%   | 0        | 0      |
| 59- Covered fabric          | 4         | 0        | 51      | 55                         | 1471        | 3,74%   | 0        | 0      |
| 60- Knitted-crocheted       | 18        | 0        | 27      | 45                         | 799         | 5,63%   | 0        | 0      |
| 61- Apparel knitted-crochet | 5459      | 1365     | 21300   | 28124                      | 294073      | 9,56%   | 0        | 0      |
| 62- Not knitted-crocheted   | 6633      | 4602     | 4973    | 16208                      | 170598      | 9,50%   | 0        | 0      |
| 63- Other textile articles  | 667       | 910      | 1173    | 2750                       | 56159       | 4,90%   | 0        | 0      |
| 64- Footwear                | 209       | 274      | 5346    | 5829                       | 55605       | 10,48%  | 0        | 0      |
| 65- Headgear                | 0         | 0        | 0       | 0                          | 49023       | 0       | 0        | 0      |
| 66- Umbrellas               | 0         | 0        | 1       | 1                          | 747         | 0,13%   | 0        | 0      |
| 67- Prepared feathers       | 0         | 0        | 0       | 0                          | 206919      | 0       | 0        | 0      |

|                            |           |          |         |           |             |        |          |       |
|----------------------------|-----------|----------|---------|-----------|-------------|--------|----------|-------|
| 68- Articles stone, cement | 0         |          | 0       | 0         | 6861        | 0      | 0        | 0     |
| 69- Ceramic products       | 33        |          | 15      | 48        | 94619       | 0,51%  | 0        | 0     |
| 70- Glass and glassware    | 58        |          | 59      | 117       | 44807       | 0,26%  | 0        | 0     |
| 71- Natural-cultured pearl | 0         |          | 0       | 0         | 21309798    | 0      | 0        | 0     |
| 72- Iron and steel         | 0         |          | 0       | 0         | 4825575     | 0      | 0        | 0     |
| 73- Articles of iron-steel | 0         |          | 0       | 0         | 2091741     | 0      | 0        | 0     |
| 74- Copper and articles    | 0         |          | 0       | 0         | 71510311    | 0      | 0        | 0     |
| 75- Nickel and articles    | 0         |          | 0       | 0         | 150909      | 0      | 0        | 0     |
| 76- Aluminium & articles   | 2081      | 1382789  | 45796   | 1430666   | 47492065    | 3,01%  | 1420665  | 2,99% |
| 78- Lead and articles      | 0         |          | 4072    | 4072      | 20013997    | 0,02%  | 0        | 0     |
| 79- Zinc and articles      | 4         |          | 0       | 4         | 301         | 1,33%  | 0        | 0     |
| 80- Tin and articles       | 0         |          | 0       | 0         | 238         | 0      | 0        | 0     |
| 81- Other base metals      | 0         |          | 0       | 0         | 213         | 0      | 0        | 0     |
| 82- Tools, implements      | 0         |          | 0       | 0         | 720640      | 0      | 0        | 0     |
| 83- Miscel articles metal  | 0         |          | 0       | 0         | 199436      | 0      | 0        | 0     |
| 84- Reactors, machinery    | 0         |          | 0       | 0         | 35475581    | 0      | 0        | 0     |
| 85- Electrical machinery   | 0         |          | 0       | 0         | 25258985    | 0      | 0        | 0     |
| 86- Railway or tramway     | 0         |          | 0       | 0         | 7125        | 0      | 0        | 0     |
| 87- Other vehicles         | 6284      | 4547     | 17004   | 27835     | 1270707     | 2,19%  | 0        | 0     |
| 88- Aircraft               | 0         |          | 0       | 0         | 10157347    | 0      | 0        | 0     |
| 89- Ships                  | 0         |          | 0       | 0         | 620192      | 0      | 0        | 0     |
| 90- Optical, photo, cinema | 0         |          | 4760    | 4760      | 4918617     | 0,001% | 0        | 0     |
| 91- Clocks and watches     | 0         |          | 0       | 0         | 12042       | 0      | 0        | 0     |
| 92- Musical instruments    | 0         |          | 0       | 0         | 449256      | 0      | 0        | 0     |
| 93- Arms and ammunition    | 0         |          | 0       | 0         | 0           | 0      | 0        | 0     |
| 94- Furniture; bedding     | 20        |          | 0       | 20        | 216716      | #0     | 0        | 0     |
| 95- Toys, games, sports    | 2         |          | 4       | 6         | 22909       | 0,003% | 0        | 0     |
| 96- Miscel manufactures    | 0         |          | 0       | 0         | 46833       | 0      | 0        | 0     |
| 97- Works of art           | 0         |          | 0       | 0         | 191800      | 0      | 0        | 0     |
| Sub-total 01-24            | 113767991 | 43292621 | 4573526 | 161634138 | 4818987491  | 3,36%  | 41713832 | 0,87% |
| Sub-total 25-97            | 117846    | 1400201  | 4265510 | 5783557   | 17625188902 | 0,03%  | 4083620  | 0,02% |
| Total 01-97                | 113885837 | 44692822 | 8839036 | 167417695 | 22444176393 | 0,75%  | 45797452 | 0,20% |
| 01-24/01-97                | 99,90%    | 96,87%   | 51,74%  | 96,55%    | 21,47%      |        | 91,08%   |       |
| 25-97/01-97                | 0,10%     | 3,13%    | 48,26%  | 3,45%     | 78,53%      |        | 8,92%    |       |

Source: Eurostat and TARIC ([http://ec.europa.eu/taxation\\_customs/dds2/taric/taric\\_consultation.jsp?Lang=fr](http://ec.europa.eu/taxation_customs/dds2/taric/taric_consultation.jsp?Lang=fr))