ABSTRACT WORKING PAPER 2.1

EU trade policies towards neighboring countries

January 2013

ABSTRACT

This paper reviews the complex EU trade policies towards neighbouring countries. It reveals that EU neighbouring countries do not form a homogenous group, neither in terms of geography nor in terms of income. Israel, for example, has a GDP per capita which in many cases is more than 10 times larger compared to the poorest EU neighbors (e.g. Armenia, Georgia, Egypt, Moldova, and Morocco). The EU has applied a varying degree of trade integration and trade strategies to her neighbors, ranging from shallow to deep integration and from bilateral to multilateral strategy. The effectiveness of such EU trade policies is critically discussed.