

G8 factsheet: trade

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1. Why trade?

Trade is key to economic growth and job creation. But in late 2008, global trade saw its steepest fall since the Great Depression. More than four years on trade has still not fully recovered; trade growth fell to 2% in 2012 - well below the 20-year average of over 5% per year.

The European Union is currently negotiating free trade agreements with G8 partners, including Canada and Japan. The EU and US are on track to start negotiations shortly.

Together, they make up around a third of all global trade. An EU-US trade deal could add over £100 billion to EU GDP and over £80 billion to US GDP.

The rest of the world would benefit too, with potential gains of £85 billion worldwide. Overall, this trade agenda could create over two million jobs across the European Union.

Other G8 countries are negotiating ambitious trade agreements. For example, the United States is leading efforts on free trade with the [Trans Pacific Partnership](#), which also includes Canada. Japan is scheduled to participate shortly.

If G8 countries complete all of their current and proposed trade deals it could boost the income of the whole world by more than \$1,000 billion.

2. G8 action

As part of its G8 Presidency, the UK will

- support free trade on a global scale through the World Trade Organisation in Bali
- support ambitious trade agreements
- support the aim of African countries to cut crossing times at border posts and double intra-African trade by 2022

- ensure that countries in all stages of development can benefit from the relaxation of trade restrictions. The G8 will be working particularly with partners from industry, civil society and national governments
- work with Deauville Partners to cut at trade and investment barriers, and to develop market solutions