

1. Main Messages

EU trade agreements increasingly integrate sustainability provisions, yet their effectiveness varies significantly across countries and sectors.

Stakeholder engagement remains a challenge, with limited participation from local actors in shaping sustainability provisions.

Deforestation, biodiversity loss, and labour rights remain critical concerns, requiring stronger enforcement mechanisms and capacity-building initiatives.

Sustainability provisions need clearer enforcement mechanisms to avoid becoming mere symbolic commitments.

PROJECT BRIEF 5:

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SUSTAINABILITY WITHIN EU TRADE AGREEMENTS – INSIGHTS FROM GHANA, VIETNAM AND TUNISIA



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2. Research Scope & Methodology

This study examines **how Trade and Sustainable Development (TSD) provisions operate** in the EU's trade agreements with Ghana, Vietnam, and Tunisia. The analysis is based on:

- **A review of TSD provisions** in different EU trade agreements.
- **Qualitative stakeholder interviews** in Ghana, Vietnam, and Tunisia.
- **Analysis of sustainability challenges and compliance mechanisms** in each country.

To review how SDGs are included in the EU trade agreements, three strategic products' value chains (cocoa, coffee and olive oil) have been analysed in three countries: Ghana, Vietnam and Tunisia, having different agreements, at different stages of development (Figure 5.1).

Figure 5.1: Main features of EU trade agreements with Vietnam, Ghana and Tunisia.

	Vietnam	Ghana	Tunisia
Type of Agreement	'New generation' Free Trade Agreement	Economic Partnership Agreement	Association Agreement (Deep and Comprehensive Free Trade Agreement under negotiation)
Entry into force	1st August 2020	Provisionally applied since 1st December 2016	1st March 1998, ongoing negotiations on modernization since 2015
Was a SIA conducted?	✓	Not specifically for Ghana (one for ECOWAS region)	✓
Is a TSD Chapter included in the agreement?	✓	✗	Proposal under negotiation

Source: Authors' elaboration based on case study reports.

3. Key Findings: Evidence Supporting Policy Discussions

3.1. Ghana: Sustainability in the Cocoa Value Chain

- **The EU-Ghana Economic Partnership Agreement (EPA) promotes sustainability**, but implementation gaps persist.
- **Cocoa production faces deforestation and social issues**, including child labour and poor working conditions.
- **Market access is dependent on compliance with EU sustainability standards**, but smallholder farmers struggle to meet requirements.

Implication: Technical assistance and financial support are needed to help smallholders comply with EU standards.

3.2. Vietnam: Trade, Sustainability, and Coffee Production

- The EU-Vietnam Free Trade Agreement (EVFTA) includes strong sustainability provisions, **yet enforcement remains weak**.
- **Compliance with EU environmental regulations**, such as deforestation-free commodity standards, **poses challenges for coffee producers**.
- **Stakeholder participation in sustainability dialogues is low**, limiting the effectiveness of TSD chapters.

Implication: The EU should use cooperation mechanisms within the TSD chapter to improve sustainability compliance through training and technical support.

3.3. Tunisia: Challenges in the Olive Oil Sector

- The EU-Tunisia Association Agreement includes sustainability commitments, but **implementation remains uneven**.
- **Water scarcity and climate change impact olive oil production**, raising concerns about long-term sustainability.
- **Producers favour liberalisation**, but sustainability regulations may marginalise small-scale farmers.

Implication: The EU should prioritise water management strategies and sustainability investments in future agreements.

Stakeholders' opinion on FTAs impacts on the three value chains foresee opportunities and challenges (Figure 5.2).



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Figure 5.2: Opportunities and challenges of FTAs according to stakeholders' interviews

	Opportunities	Challenges
Ghana	Duty free access to EU market of cocoa and overall economic growth.	Export of cocoa beans means lack of value added; Low cooperation with the EU; Does not pay enough attention to the environment.
Vietnam	Increase in coffee exports and investments; product quality, value-added and welfare.	Market access difficulties due to limited capacity of small farmers; Small farmers issues in meeting compliance with EU standards; limited use of cooperation mechanism.
Tunisia	Greater market opportunities and economic growth; modernisation of the olive oil sector.	Risk of marginalisation of small producers; difficulties in compliance with EU standards; Environmental concerns due to production intensifications.

Source: Authors' elaboration based on case study reports.

4. Implications for EU Policy & Trade Governance

- **Ensure that TSD provisions are enforceable**, with clear compliance benchmarks.
- **Improve monitoring and reporting** on sustainability outcomes within trade agreements.
- **Provide technical support and training** for smallholder farmers to meet sustainability standards.
- **Encourage knowledge transfer and technology sharing** for sustainable agricultural practices.
- **Involve civil society and local stakeholders** in trade negotiations and sustainability monitoring.
- **Create structured dialogue platforms** to address sustainability challenges at the local level.



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5. Conclusion

This analysis highlights the need for stronger enforcement, stakeholder engagement, and capacity-building measures within EU trade agreements to enhance sustainability outcomes.

Key takeaways include:

- **TSD provisions need clearer enforcement mechanisms** to ensure real impact.
- **Local stakeholder engagement must be strengthened** to tailor sustainability policies to on-the-ground realities.
- **Technical assistance and knowledge-sharing are crucial** for helping partner countries meet EU sustainability standards.

This Project Brief is based on **Deliverable 2.2.** of the TRADE4SD project.



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Trade4SD is a 4-year project devoted to research on a topic which is high on the domestic as well as multilateral, EU and bilateral trade policy agenda. The ambition of the project is to explore and foster the positive linkages between trade and sustainable development is to provide policy recommendations for the creation of new opportunities for agents involved in the global, regional and national agri-food value chains, and to define conditions for sustainable livelihoods of farm producers in the EU and developing partner countries. Trade is a central factor in shaping global, regional and local development. Increased trade, empowered by the growth of Global Value Chains (GVCs), has boosted productivity and incomes in many countries.

