

The European Union's Safeguard for Rice Imports from Cambodia and Myanmar[†]

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Abstract

Following a substantial increase in Indica rice imports from Cambodia and Myanmar, the European Union (EU) adopted safeguard measures to reinstate the common-customs tariff rate of 175 euros per ton from 2019, with progressive liberalization over three years. To estimate the impact of safeguard duties, this paper uses a sample of milled rice imports in 28 EU importers during 2017-2020 and adopts a standard triple differences approach. The results show that safeguard duties have a significantly negative impact on import values and quantity of affected goods, and a significantly positive impact on import prices. Safeguard duties appear to induce trade redirection to other third markets, but produce little substitution effects for EU rice producers.

Keywords: Safeguard, Export, Rice, European Union

JEL Classification: F13, F63, O13

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