

EU-Canada Summit

An EU27 external trade surplus of 2.3 bn euro with Canada in 2008

Surplus of 2.0 bn in trade in services in 2007

Between 2000 and 2008, **EU27** exports of goods to **Canada** grew from 21.1 billion euro to 26.1 bn, while **EU27** imports from **Canada** rose from 19.0 bn to 23.8 bn. As a result the **EU27** surplus in trade with **Canada** remained nearly stable, at 2.1 bn in 2000 and 2.3 bn in 2008. The share of **Canada** in the **EU27**'s total external trade in goods has fallen between 2000 and 2008. In 2008, **Canada** accounted for 2.0% of **EU27** exports and 1.5% of **EU27** imports, and was the **EU27**'s eleventh most important trading partner.

On the occasion of the **European Union - Canada** summit, which will take place on Wednesday 6 May 2009 in Prague, **Eurostat**, the **Statistical Office of the European Communities**, issues data on trade and investments between the **EU** and **Canada**.

Germany has largest surplus and United Kingdom largest deficit

Among the **EU27** Member States, **Germany** (6.2 bn euro or 24% of the total) was the largest exporter to **Canada** in 2008, followed by the **United Kingdom** (4.6 bn or 18%), **France** (2.8 bn or 11%) and **Italy** (2.6 bn or 10%). The **United Kingdom** (7.4 bn or 31%) was by far the largest importer, followed by **Germany** (2.8 bn or 12%), the **Netherlands**¹ (2.6 bn or 11%) and **France** (2.3 bn or 10%). The largest surpluses were observed in **Germany** (+3.4 bn), **Italy** and **Sweden** (both +0.8 bn), while the largest deficits were registered in the **United Kingdom** (-2.8 bn) and the **Netherlands** (-0.9 bn).

In 2008, nearly two-fifths of **EU27** exports to **Canada** were machinery and vehicles², while chemicals and other manufactured articles² each accounted for around a fifth of exports. Machinery and vehicles made up around a quarter of imports, and crude materials and other manufactured articles each accounted for around a fifth of imports. At the detailed level, the main **EU27** exports to **Canada** were medicine, motor cars, crude and refined oil and aircraft engines, while the main imports were aircraft, refined oil, diamonds, coal, nickel and iron ore.

EU27 Member States trade with Canada

million euro

	Exports		Imports		Balance	
	2000	2008	2000	2008	2000	2008
EU27	21 112	26 102	18 978	23 790	2 134	2 312
Belgium ¹	842	2 109	1 520	2 023	-678	86
Bulgaria	35	41	16	46	19	-5
Czech Republic	68	139	103	211	-35	-72
Denmark	373	804	316	326	57	479
Germany	4 293	6 238	2 873	2 792	1 420	3 446
Estonia	11	42	7	19	4	24
Ireland	394	344	513	324	-119	20
Greece	82	80	111	285	-29	-205
Spain	579	824	613	1 354	-34	-530
France	2 851	2 826	2 094	2 266	757	560
Italy	2 343	2 596	1 922	1 759	421	837
Cyprus	0	1	13	11	-13	-9
Latvia	21	15	8	18	12	-3
Lithuania	12	195	17	16	-4	179
Luxembourg	54	53	36	106	18	-53
Hungary	43	148	83	94	-40	53
Malta	26	13	12	7	14	6
Netherlands ¹	953	1 749	1 249	2 603	-296	-854
Austria	531	864	486	320	45	543
Poland	176	450	180	193	-4	257
Portugal	145	188	117	225	28	-37
Romania	38	44	59	192	-21	-148
Slovenia	22	31	64	111	-42	-80
Slovakia	16	91	18	43	-2	48
Finland	360	461	146	638	214	-177
Sweden	1 085	1 161	273	387	812	774
United Kingdom	5 758	4 595	6 128	7 421	-370	-2 826
Total Extra-EU27	849 739	1 308 594	992 698	1 550 681	-142 959	-242 087
Canada / Total	2.5%	2.0%	1.9%	1.5%		

EU27 trade with Canada by product

million euro

	Exports		Imports		Balance	
	2000	2008	2000	2008	2000	2008
Total	21 112	26 102	18 978	23 790	2 134	2 312
Primary products:	2 306	4 461	5 839	8 817	-3 532	-4 356
Food & drink	1 399	1 946	1 289	1 448	110	498
Crude materials	364	483	4 110	4 704	-3 746	-4 221
Energy	543	2 032	440	2 665	103	-633
Manufactured goods:	18 220	20 379	12 616	12 971	5 604	7 408
Chemicals	2 669	5 085	775	2 328	1 895	2 757
Machinery & vehicles ²	10 059	9 794	7 910	5 654	2 149	4 140
Other manuf'd articles ²	5 492	5 500	3 931	4 990	1 561	511
Other	586	1 262	524	2 002	62	-740

Steady growth in trade in services with Canada

In 2007, the **EU27** exported 11.7 bn euro of services to **Canada**, while imports of services from **Canada** amounted to 9.6 bn, meaning that the **EU27** had a surplus of 2.0 bn in trade in services with **Canada**, compared with a surplus of 1.6 bn in 2005 and 1.9 bn in 2006. The surplus in 2007 was mainly due to transportation (+1.1 bn) and financial services (+0.8 bn). **Canada** accounted for 2.3% of total extra-**EU27** trade in services.

EU27 trade in services with Canada
million euro

	Credit			Debit			Net		
	2005	2006	2007	2005	2006	2007	2005	2006	2007
Total	9 018	10 398	11 695	7 423	8 467	9 648	1 595	1 930	2 047
of which:									
Transportation	2 358	2 948	3 267	1 666	1 998	2 131	693	950	1 136
Travel	2 529	2 904	3 254	2 369	2 784	3 193	160	120	60
Other services	4 128	4 539	5 168	3 385	3 687	4 316	743	852	853
of which:									
<i>Communications services</i>	154	177	204	156	160	165	-2	17	39
<i>Construction services</i>	128	209	204	104	254	364	23	-45	-159
<i>Insurance services</i>	661	327	567	340	247	307	322	80	260
<i>Financial services</i>	523	780	979	143	183	217	381	597	761
<i>Computer and information services</i>	437	523	455	212	268	328	225	255	128
<i>Royalties and license fees</i>	407	326	399	350	330	354	57	-4	45
<i>Other business services</i> ³	1 655	2 029	2 171	1 782	2 045	2 352	-127	-16	-180
<i>Personal, cultural and recreational services</i>	56	65	61	133	73	68	-77	-8	-7
<i>Government services, other</i>	108	102	128	166	127	163	-58	-26	-34
Total extra-EU27	403 396	447 080	498 523	349 282	378 555	414 399	54 114	68 525	84 124
Canada / total extra-EU27	2.2%	2.3%	2.3%	2.1%	2.2%	2.3%			

EU27 invested 43 billion euro in Canada in 2007

EU27 Foreign Direct Investment (FDI) in **Canada** grew strongly, from 11.9 bn euro in 2005 to 31.1 bn in 2006 and 42.9 bn in 2007, while **Canadian** direct investment into the **EU27** went from 8.0 bn in 2005 to 10.6 bn in 2006 and 10.3 bn in 2007.

EU27 FDI flows with Canada
(million euro)

	2005	2006	2007
EU27 FDI in Canada (outward)	11 852	31 104	42 908
Canadian FDI in the EU27 (inward)	7 951	10 647	10 258
Net EU27 FDI flows (outward minus inward)	3 901	20 457	32 650

1. Dutch imports, and therefore the trade deficit, are over-estimated because of the "Rotterdam effect", where goods destined for the rest of the EU arrive and are recorded in harmonised EU external trade statistics in Dutch ports. This then has a positive effect on the external trade balances with Canada of those Member States to which the goods are re-exported, as these shipments would be recorded as intra-EU trade with the Netherlands, rather than extra-EU trade with Canada. To a lesser extent, Belgian trade figures are similarly over-estimated.
2. **Machinery and vehicles** includes power generating and industrial machinery, computers, electric and electronic parts and equipment, road vehicles and parts, ships, airplanes and railway equipment.
Other manufactured articles include leather, rubber, wood, paper, textiles, metals, building fixtures and fittings, furniture, clothes, shoes and accessories, scientific instruments, clocks, watches and cameras.
3. **Other business services** comprise merchanting and other trade-related services, operational leasing services and miscellaneous business, professional and technical services.

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