



Trade

The EU's external trade policy contributes to Europe's competitiveness in foreign markets. Being an open economy, the EU's aim is to secure improved market access for its industries, services and investments, as well as to enforce the rules of free and fair trade. Coordinated trade policy takes on even greater importance in an era of globalisation, with economies and borders opening up, leading to an increase in trade and capital movements, and the spread of information, knowledge and technology.

The EC Treaty establishes the overall aims and objectives of the EU's trade policy: Article 2 sets the general aims, including promoting the development of economic activities, high employment and competitiveness, and environmental protection. Article 131 explains how common commercial policy should operate: 'to contribute, in the common interest, to the harmonious development of world trade, the progressive abolition of restrictions on international trade and the lowering of customs barriers'. Article 133 sets out the scope, instruments and decision-making procedures. Article 300 establishes the current inter-institutional procedure for the conclusion of international agreements, principally through the European Council.

Within the EU, there are two main sources for statistics on international trade. **External trade statistics (ETS)** provide information on trade in merchandise goods, collected predominantly on the basis of customs and VAT declarations. ETS provide information on the value and volumes (quantity) of external trade in goods; there is a highly-detailed classification of different commodities. In contrast, **balance of payments statistics (BoP)** register all the transactions of an economy with the rest of the world. The current account of the BoP provides information on external trade in goods (generally the largest category), but also on external transactions in services,



income (from employment and investment) and current transfers. For all these transactions, the BoP registers the value of exports (credits) and imports (debits), the difference of which is usually referred to as the balance (surplus or deficit); for more information on the current account, refer to Subchapter 1.5.

Statistics on international trade are an important data source for many public and private sector decision-makers, as they can be extensively used for multilateral and bilateral trade negotiations, for example, to define and implement anti-dumping policies, or evaluate the progress of the Single Market.

9.1 Trade in goods

Introduction

The EU has a common trade policy whereby the European Commission negotiates trade agreements and represents the EU's interests on behalf of its 27 Member States. The European Commission consults Member States through an advisory committee which discusses the full range of trade policy issues affecting the Community including multilateral, bilateral and unilateral instruments.

Globally, multilateral trade issues are dealt with under the auspices of the World Trade Organisation (WTO). Its membership covers 153 countries (as of July 2008), with several candidate members in the process of joining. The WTO sets the global rules for trade, provides a forum for trade negotiations, and for settling disputes between members. The European Commission negotiates with

its WTO partners and participated in the latest round of WTO multilateral trade negotiations, known as the Doha Development Agenda (DDA). However, having missed deadlines to conclude these talks in 2005 and again in 2006, the Doha round of talks broke down again at a WTO meeting in July 2008⁽¹⁾. Although world leaders included a pledge to complete the Doha round in a declaration at the end of the G20 summit of world leaders in London in 2009, no timetable was set.

Definitions and data availability

External trade statistics for goods are used extensively by public body decision-makers at an international, EU and national level, as well as by the private sector. In the case of Community authorities, external trade statistics help in the preparation of multilateral and bilateral trade negotiations, in defining and implementing anti-dumping policies, for the purposes of macro-economic and monetary policies and in evaluating the progress of the Single Market, or the integration of European economies. In the private sector, businesses can use external trade data to carry out market research and define their commercial strategy.

A positive balance of trade is known as a trade surplus and consists of exporting more than importing. On the contrary, a negative balance of trade is known as a trade deficit and consists of importing more than exporting. Neither is necessarily damaging in a modern economy, although large trade surpluses or trade deficits may sometimes be a sign of other economic problems.

⁽¹⁾ For more information: <http://ec.europa.eu/trade> and <http://www.wto.org>.

The two main flows covered by EU trade statistics concern **extra-EU trade**, which covers the trading of goods with non-member countries, and **intra-EU trade**, which refers to trade between Member States. Whereas extra-EU trade statistics are required for a common trade and customs policy, intra-EU trade statistics measure the integration of the Member States in a common Single Market.

In extra-EU trade statistics, the data shown for the EU-27 treats this entity as a single trading block and reports exports from the whole of the EU-27 to the rest of the world and imports from the rest of the world into the EU-27. In contrast, when reporting data for individual Member States, external trade flows are generally presented in terms of world trade flows (including both intra-EU and extra-EU partners).

Statistics on trade with non-member countries (extra-EU trade) cover movable property imported and exported by the EU, using a variety of product classifications. One of the most common is the standard international trade classification of the United Nations (SITC Rev. 4); this classification allows a comparison of external trade statistics to be made on a worldwide basis. The definitions of extra-EU trade are as follows:

- **imports** are goods which enter the statistical territory of the EU from a non-member country and are placed under the customs procedure for free circulation (as a general rule goods intended for consumption), inward processing, or processing under customs control (goods for working, processing), either immediately or after a period in a customs warehouse;

- **exports** are goods which leave the statistical territory of the EU for a non-member country after being placed under the customs procedure for exports (definitive export), outward processing, or re-exportation following either inward processing or processing under customs control.

Statistics on trade with non-member countries do not, therefore, include goods in transit or those placed under a customs procedure for bonded warehousing or temporary entry (for fairs, exhibitions, tests, etc.), nor do they include re-export following entry under one of these procedures.

Statistics on trade between the Member States (intra-EU trade) cover the arrivals and dispatches of movable goods recorded by each Member State. Arrivals and dispatches are defined as follows:

- **arrivals** are goods in free circulation within the EU which enter the statistical territory of a given Member State;
- **dispatches** are goods in free circulation within the EU which leave the statistical territory of a given Member State to enter another Member State.

Intra-EU trade generally accounts for the majority of trade flows recorded for Member States. Countries that are near the centre of Europe are more likely to have a higher proportion of intra-EU trade than countries that are geographically on the periphery of the EU.

As a result of customs controls being abolished between the borders of the Member States during the creation of the Single Market, intra-EU trade statistics are collected directly from trade operators.



The statistical values of extra-EU trade and intra-EU trade are recorded at their free-on-board (FOB) value for exports/dispatches and their cost, insurance and freight (CIF) value for imports/arrivals. The values reported comprise only those subsidiary costs (freight and insurance) which relate, for exports/dispatches, to the journey within the territory of the Member State from which the goods are exported/dispatched and, for imports/arrivals, to the journey outside the territory of the Member State into which the goods are imported/enter.

Main findings

External trade forms an increasing part of the world economy, through the influence of globalisation, as well as rapidly growing exchanges with developing economies such as China and India, and some of the countries formed out of the Soviet Union – in particular those where indigenous energy supplies are of particular importance. For each of the main players in external trade, the values of both exports and imports of goods rose sharply in the ten years through until 2008, highlighting the globalisation of trade flows. The EU-27 accounted for about one fifth of the world's trade in goods in 2008.

The EU-27 exported goods to the value of EUR 1 308 600 million to non-member countries in 2008, and imported goods to the value of EUR 1 550 700 million from the rest of the world. The trade deficit of EUR 242 100 million in goods recorded for 2008 was larger than that for any other year in the period for which EU-27 data are available (since 1999), and confirmed a widening trend recorded since 2002.

The trade in goods between Member States (intra-EU trade), which was valued in terms of dispatches at EUR 2 701 700 million in 2008, was a little over twice the value of exports from the EU-27 to non-member countries. The importance of the internal market was underlined by the fact that for each of the Member States, intra-EU trade of goods was higher than extra-EU trade. The proportion of the total trade in goods accounted for by these two flows varied considerably among the Member States, reflecting to some degree historical ties and geographical location. The highest levels of intra-EU trade (about 80 %) were recorded for Luxembourg, the Czech Republic and Slovakia, with this share falling to less than 60 % in the United Kingdom, Italy, Bulgaria, Lithuania and Finland.

Germany recorded the highest trade surplus (extra and intra-EU combined) for goods in 2008, valued at EUR 175 500 million. This represented a narrowing of the surplus by almost EUR 20 000 million compared with 2007. The next highest trade surplus in 2008 (EUR 40 500 million) was recorded for the Netherlands, followed by Ireland (EUR 28 000 million). In contrast, the highest trade deficit in goods (EUR 118 000 million) was recorded by the United Kingdom, although this figure represented a considerable narrowing of the deficit compared with 2007. The trade deficits for a number of Member States widened in 2008, none more so than France (by EUR 18 600 million to EUR 67 900 million).

Exports of goods from the EU-27 to the United States were valued at EUR 249 400 million in 2008, representing a little less than one fifth (19.1 %) of all exports to non-member countries.



The value of exports to the United States was about two and a half times the size of the next largest market, namely that of Russia. However, whereas the value of exports to the United States declined to its lowest level since 2004 (in part reflecting the relative strength of the euro against the dollar), the value of exports to Russia rose sharply (up 18.0 % on their 2007 level).

Since 2006, China has become the main origin of EU-27 imports of goods; it accounted for 16.0 % of extra-EU imports in 2008, up from 7.1 % in 1999. Although growth in the value of imports from China continued in 2008, there was faster growth in a number of other countries from which energy supplies were secured; the share of extra-EU imports from Russia rose sharply to 11.2 % of the total in 2008 and that from Norway to 5.9 %.

Machinery and transport equipment accounted for the largest share (43.5 %) of exports of goods from the EU-27 to non-member countries in 2008; this latest figure represented a slightly lower proportion of EU-27 exports than five years earlier (45.0 % in 2003). Machinery and transport equipment also recorded the largest trade surplus (EUR 155 200 million) in 2008. Mineral fuels and lubricants accounted for the largest share (28.6 %) of extra EU-27 imports in 2008, which marked a considerable increase when compared with five years before (16.9 % in 2003). It should be noted that these shares are calculated on the basis of the value of transactions, and comparisons over time reflect both changes in quantity and price levels (with a significant increase in the price of most energy raw materials over the period considered).

Table 9.1: Main players for external trade
(EUR 1 000 million)

	Exports			Imports			Trade balance		
	1998	2003	2008	1998	2003	2008	1998	2003	2008
EU-27 (¹)	:	869	1 309	:	935	1 551	:	-66	-242
Norway	36	61	114	33	35	60	3	25	53
Switzerland	70	89	136	71	85	124	-1	4	12
Canada (²)	191	241	306	180	213	277	12	28	29
China (excluding Hong Kong) (²)	164	387	889	125	365	698	39	23	191
Japan (²)	346	417	521	250	339	454	96	78	67
United States (²)	607	640	848	842	1 154	1 472	-235	-514	-624

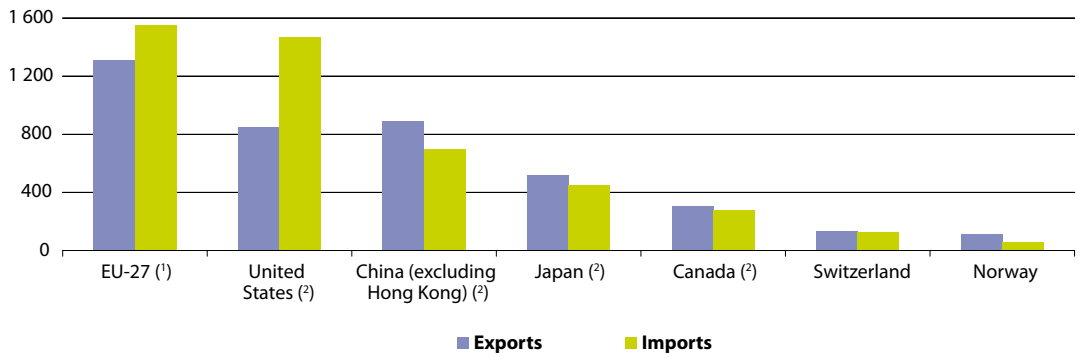
(¹) External trade flows with extra EU-27.

(²) 2007 instead of 2008.

Source: Eurostat ([ext_lt_intertrd](#))



Figure 9.1: Main players for external trade, 2008
(EUR 1 000 million)

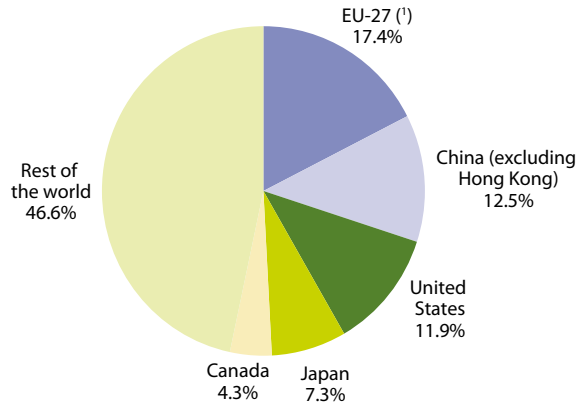


⁽¹⁾ External trade flows with extra EU-27.

⁽²⁾ 2007 instead of 2008.

Source: Eurostat ([ext_lt_intertrd](#))

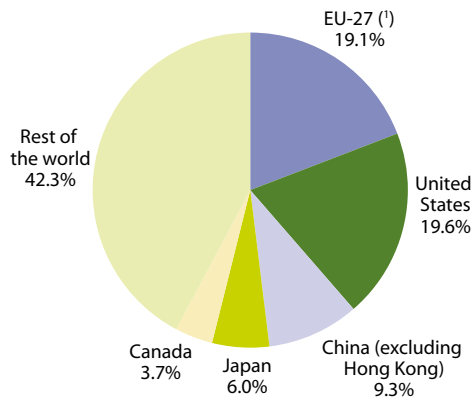
Figure 9.2: Shares in the world market for exports, 2007
(% share of world exports)



(¹) External trade flows with extra EU-27.

Source: Eurostat ([ext_lt_intrrole](#))

Figure 9.3: Shares in the world market for imports, 2007
(% share of world imports)

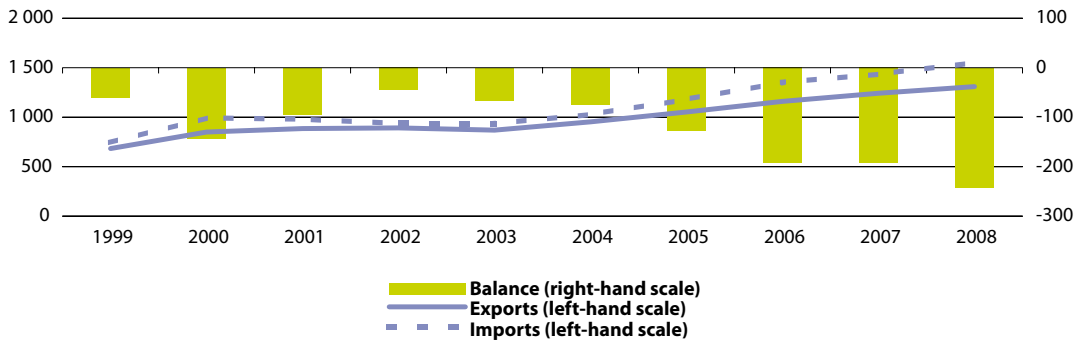


(¹) External trade flows with extra EU-27.

Source: Eurostat ([ext_lt_intrrole](#))



Figure 9.4: Development of external trade, EU-27 ⁽¹⁾
(EUR 1 000 million)



⁽¹⁾ External trade flows with extra EU-27.

Source: Eurostat ([ext_lt_intertrd](#))



Table 9.2: External trade
(EUR 1 000 million)

	Exports			Imports			Balance	
	2007	2008	2007-08 growth rate (%)	2007	2008	2007-08 growth rate (%)	2007	2008
EU-27 (*)	1 241.6	1 308.6	5.4	1 434.1	1 550.7	8.1	-192.5	-242.1
Belgium	315.3	323.3	2.6	301.4	319.2	5.9	13.9	4.1
Bulgaria	13.5	15.3	13.1	21.9	25.3	15.9	-8.4	-10.1
Czech Republic	89.4	99.4	11.2	86.2	96.2	11.6	3.2	3.2
Denmark	74.9	79.5	6.2	71.9	75.6	5.1	3.0	3.9
Germany	964.0	993.9	3.1	769.8	818.5	6.3	194.3	175.5
Estonia	8.0	8.4	4.5	11.4	10.9	-4.8	-3.4	-2.5
Ireland	88.7	84.5	-4.8	61.2	56.4	-7.7	27.5	28.0
Greece	17.2	17.2	-0.3	55.6	52.9	-4.9	-38.4	-35.7
Spain	184.8	182.4	-1.3	284.1	272.9	-3.9	-99.2	-90.5
France	402.7	411.7	2.2	452.0	479.7	6.1	-49.3	-67.9
Italy	358.6	365.8	2.0	368.1	377.3	2.5	-9.5	-11.5
Cyprus	1.0	1.1	6.9	6.3	7.2	14.5	-5.3	-6.1
Latvia	6.1	6.9	13.2	11.2	10.9	-2.5	-5.1	-4.0
Lithuania	12.5	16.1	28.5	17.8	21.0	18.0	-5.3	-5.0
Luxembourg	16.4	17.3	5.4	20.1	21.5	6.9	-3.7	-4.2
Hungary	69.6	73.2	5.2	69.7	73.4	5.2	-0.1	-0.1
Malta	2.3	1.9	-15.6	3.5	3.1	-10.1	-1.2	-1.2
Netherlands	401.9	430.4	7.1	359.4	389.8	8.4	42.4	40.5
Austria	119.4	123.0	3.1	119.0	124.7	4.8	0.4	-1.7
Poland	102.3	114.3	11.7	120.9	138.9	14.9	-18.7	-24.6
Portugal	37.6	38.0	1.0	57.1	61.2	7.2	-19.5	-23.2
Romania	29.5	33.6	13.7	51.3	56.2	9.6	-21.8	-22.7
Slovenia	22.0	23.2	5.6	23.0	25.1	9.2	-1.1	-2.0
Slovakia	42.5	48.2	13.6	43.9	49.8	13.4	-1.5	-1.6
Finland	65.7	65.5	-0.3	59.6	61.7	3.4	6.1	3.8
Sweden	123.2	124.6	1.1	111.3	113.5	1.9	11.9	11.2
United Kingdom	320.4	311.7	-2.7	454.5	429.7	-5.4	-134.1	-118.0
Iceland	3.5	:	:	4.9	:	:	-1.4	:
Norway	99.3	113.6	14.4	58.5	60.5	3.4	40.8	53.1
Switzerland	125.5	136.3	8.6	117.6	124.4	5.8	7.9	11.9
Canada	306.4	:	:	277.3	:	:	29.1	:
China	888.6	:	:	697.5	:	:	191.0	:
Japan	521.2	:	:	454.0	:	:	67.2	:
United States	848.3	:	:	1 471.8	:	:	-623.6	:

(*) External trade flows with extra EU-27.

Source: Eurostat (tet00002)



Table 9.3: Extra EU-27 trade, 2008

	Exports		Imports		Trade balance (EUR 1 000 million)
	(EUR 1 000 million)	Share of EU-27 exports (%)	(EUR 1 000 million)	Share of EU-27 imports (%)	
EU-27	1 308.6	100.0	1 550.7	100.0	-242.1
Belgium	74.0	5.7	94.8	6.1	-20.9
Bulgaria	6.1	0.5	11.0	0.7	-4.9
Czech Republic	15.0	1.1	22.2	1.4	-7.2
Denmark	23.9	1.8	21.0	1.4	2.9
Germany	361.0	27.6	291.7	18.8	69.2
Estonia	2.5	0.2	2.2	0.1	0.3
Ireland	30.8	2.4	16.8	1.1	14.0
Greece	6.2	0.5	19.9	1.3	-13.7
Spain	58.1	4.4	117.7	7.6	-59.7
France	152.2	11.6	155.6	10.0	-3.4
Italy	151.9	11.6	173.3	11.2	-21.4
Cyprus	0.3	0.0	2.3	0.2	-2.0
Latvia	2.2	0.2	2.7	0.2	-0.5
Lithuania	6.4	0.5	9.0	0.6	-2.6
Luxembourg	1.9	0.1	5.4	0.4	-3.5
Hungary	16.1	1.2	23.5	1.5	-7.4
Malta	1.0	0.1	0.8	0.1	0.2
Netherlands	91.7	7.0	198.8	12.8	-107.1
Austria	34.2	2.6	27.4	1.8	6.8
Poland	25.7	2.0	39.9	2.6	-14.2
Portugal	10.0	0.8	16.2	1.0	-6.2
Romania	9.9	0.8	17.3	1.1	-7.4
Slovenia	7.4	0.6	7.2	0.5	0.2
Slovakia	7.1	0.5	13.5	0.9	-6.5
Finland	28.9	2.2	23.6	1.5	5.3
Sweden	49.8	3.8	35.3	2.3	14.4
United Kingdom	134.4	10.3	201.1	13.0	-66.7

Source: Eurostat ([ext_lt_intratrd](#))

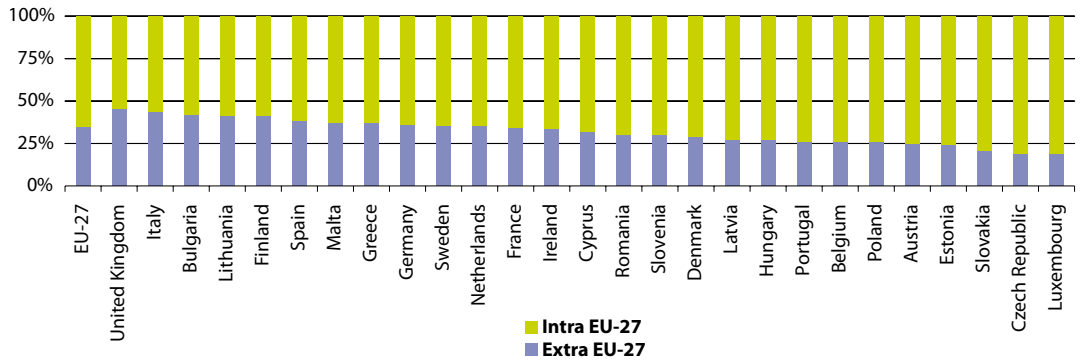
**Table 9.4:** Intra EU-27 trade

	Dispatches		Arrivals		Balance	
	2003	2008	2003	2008	2003	2008
EU-27	1 914.5	2 701.7	1 824.1	2 621.9	-	-
Belgium	174.4	249.4	152.8	224.4	21.6	25.0
Bulgaria	4.2	9.2	5.6	14.3	-1.3	-5.1
Czech Republic	37.6	84.4	32.7	74.0	4.9	10.5
Denmark	41.3	55.6	37.2	54.6	4.1	1.0
Germany	431.1	633.0	353.3	526.7	77.8	106.2
Estonia	3.3	5.9	3.7	8.7	-0.4	-2.8
Ireland	51.2	53.7	29.9	39.6	21.3	14.0
Greece	7.7	11.0	23.1	33.0	-15.4	-22.0
Spain	103.9	124.4	127.9	155.2	-24.0	-30.8
France	231.1	259.5	247.6	324.1	-16.6	-64.6
Italy	165.0	213.9	166.5	204.0	-1.5	9.9
Cyprus	0.3	0.8	2.2	4.9	-1.9	-4.1
Latvia	2.0	4.7	3.5	8.2	-1.5	-3.5
Lithuania	3.9	9.7	4.8	12.1	-0.9	-2.4
Luxembourg	10.5	15.4	11.1	16.0	-0.6	-0.7
Hungary	32.1	57.1	27.3	49.8	4.8	7.3
Malta	1.0	0.9	1.9	2.3	-1.0	-1.4
Netherlands	210.4	338.7	128.4	191.0	81.9	147.6
Austria	64.7	88.8	72.0	97.3	-7.3	-8.5
Poland	38.9	88.5	42.0	99.0	-3.1	-10.5
Portugal	22.8	28.0	33.2	45.0	-10.4	-17.0
Romania	11.8	23.7	14.5	38.9	-2.7	-15.3
Slovenia	7.7	15.8	9.4	17.9	-1.7	-2.1
Slovakia	16.6	41.2	14.8	36.3	1.8	4.9
Finland	28.3	36.6	25.7	38.1	2.7	-1.4
Sweden	53.0	74.9	53.1	78.2	-0.1	-3.3
United Kingdom	160.0	177.3	200.2	228.6	-40.2	-51.3

Source: Eurostat (tet00039)

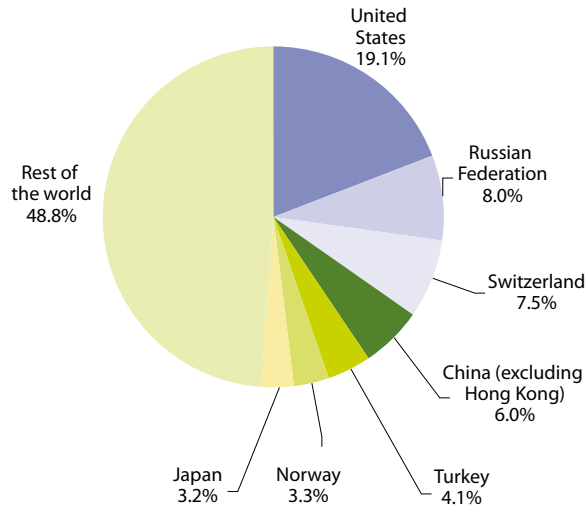


Figure 9.5: Intra and extra EU-27 trade, 2008
(imports + exports, % share of total trade)



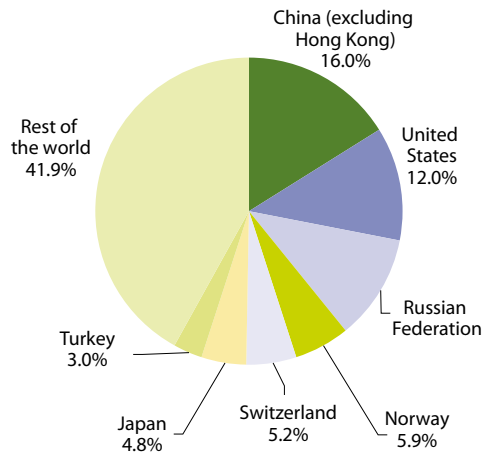
Source: Eurostat ([ext_lt_intratrd](#))

Figure 9.6: Main trading partners for exports, EU-27, 2008
(% share of extra EU-27 exports)



Source: Eurostat ([ext_lt_mainieu](#))

Figure 9.7: Main trading partners for imports, EU-27, 2008
(% share of extra EU-27 imports)



Source: Eurostat ([ext_lt_maineu](#))



Table 9.5: Extra EU-27 trade by main trading partners, EU-27 ⁽¹⁾
(EUR 1 000 million)

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
EXPORTS										
Extra EU-27	683.1	849.7	884.7	891.9	869.2	953.0	1 052.7	1 159.3	1 241.6	1 308.6
United States	187.0	238.2	245.6	247.9	227.3	235.5	252.7	269.0	261.4	249.4
China (excl. Hong Kong)	19.7	25.9	30.7	35.1	41.5	48.4	51.8	63.8	71.9	78.4
Russian Federation	16.9	22.7	31.6	34.4	37.2	46.0	56.7	72.3	89.1	105.2
Switzerland	63.7	72.5	76.5	72.8	71.4	75.2	82.6	87.7	92.9	97.7
Norway	23.9	26.4	27.2	28.2	27.7	30.8	33.8	38.5	43.6	43.7
Japan	35.7	45.5	45.5	43.5	41.0	43.4	43.8	44.8	43.8	42.4
Turkey	21.6	31.9	21.9	26.6	30.9	40.1	44.6	50.0	52.7	54.3
South Korea	11.7	16.7	15.8	17.7	16.5	17.9	20.2	22.9	24.8	25.7
Brazil	14.4	16.9	18.6	15.7	12.4	14.2	16.1	17.7	21.3	26.3
India	10.6	13.7	13.0	14.3	14.6	17.2	21.3	24.4	29.5	31.5
IMPORTS										
Extra EU-27	743.3	992.7	979.1	937.0	935.3	1 027.5	1 179.6	1 351.7	1 434.1	1 550.7
United States	165.9	206.3	203.3	182.6	158.1	159.4	163.5	175.2	181.6	186.3
China (excl. Hong Kong)	52.6	74.6	82.0	90.2	106.2	128.7	160.3	194.8	232.6	247.6
Russian Federation	35.9	63.8	65.9	64.5	70.7	84.0	112.6	140.9	144.3	173.3
Switzerland	55.1	62.6	63.6	61.7	59.1	62.0	66.6	71.6	76.9	80.1
Norway	30.4	47.2	46.4	48.0	51.0	55.3	67.2	79.2	76.7	92.0
Japan	75.4	92.1	81.1	73.7	72.4	74.7	74.1	77.3	78.4	74.8
Turkey	16.0	18.7	22.1	24.6	27.3	32.7	36.1	41.7	47.0	45.9
South Korea	20.5	27.0	23.3	24.6	26.0	30.7	34.5	40.8	41.4	39.4
Brazil	14.1	18.7	19.6	18.4	19.1	21.7	24.1	27.2	32.8	35.5
India	10.5	12.9	13.5	13.7	14.1	16.4	19.1	22.6	26.6	29.4
TRADE BALANCE										
Extra EU-27	-60.2	-143.0	-94.4	-45.1	-66.0	-74.6	-126.9	-192.4	-192.5	-242.1
United States	21.1	31.9	42.3	65.3	69.2	76.1	89.2	93.8	79.8	63.1
China (excl. Hong Kong)	-32.9	-48.8	-51.3	-55.1	-64.8	-80.3	-108.5	-131.1	-160.7	-169.2
Russian Federation	-19.0	-41.0	-34.3	-30.1	-33.5	-37.9	-55.9	-68.6	-55.2	-68.2
Switzerland	8.6	10.0	12.9	11.1	12.3	13.2	16.0	16.1	16.0	17.6
Norway	-6.5	-20.8	-19.2	-19.9	-23.4	-24.5	-33.4	-40.7	-33.1	-48.3
Japan	-39.7	-46.6	-35.6	-30.2	-31.4	-31.3	-30.3	-32.5	-34.6	-32.4
Turkey	5.7	13.2	-0.2	2.0	3.6	7.4	8.5	8.3	5.7	8.4
South Korea	-8.8	-10.2	-7.4	-6.9	-9.6	-12.7	-14.2	-17.9	-16.6	-13.7
Brazil	0.3	-1.8	-1.0	-2.6	-6.7	-7.6	-8.1	-9.5	-11.5	-9.2
India	0.2	0.8	-0.5	0.7	0.5	0.8	2.2	1.8	2.9	2.1

⁽¹⁾ Partners are sorted according to the sum of exports and imports in 2008.

Source: Eurostat (tet00040)

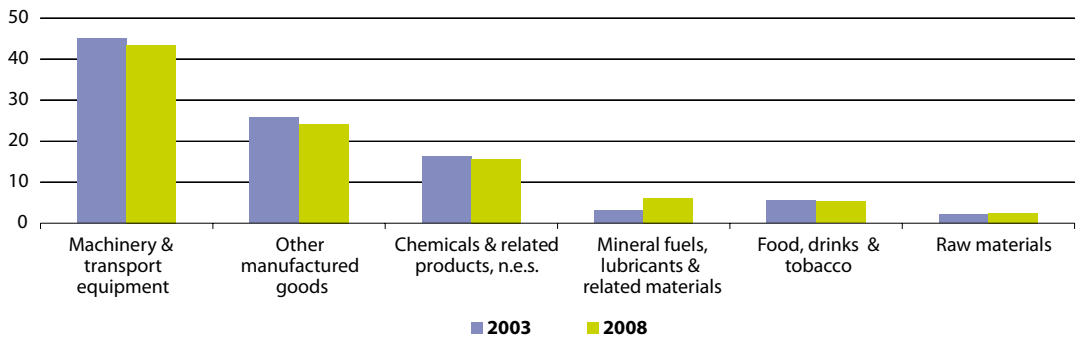
**Table 9.6:** Extra EU-27 trade by main products, EU-27

	1999		2003		2008	
	(EUR 1 000 million)	(%)	(EUR 1 000 million)	(%)	(EUR 1 000 million)	(%)
EXPORTS						
Total	683.1	100.0	869.2	100.0	1 308.6	100.0
Food, drinks & tobacco	41.8	6.1	48.5	5.6	68.3	5.2
Raw materials	14.5	2.1	18.3	2.1	32.4	2.5
Mineral fuels, lubricants	15.7	2.3	27.4	3.2	80.7	6.2
Chemicals & related prod.	97.4	14.3	141.1	16.2	205.2	15.7
Other manufactured goods	181.2	26.5	223.9	25.8	316.5	24.2
Machinery & transport equip.	314.6	46.0	391.6	45.0	569.0	43.5
IMPORTS						
Total	743.3	100.0	935.3	100.0	1 550.7	100.0
Food, drinks & tobacco	50.3	6.8	57.3	6.1	80.1	5.2
Raw materials	38.9	5.2	43.1	4.6	75.6	4.9
Mineral fuels, lubricants	84.1	11.3	157.9	16.9	444.0	28.6
Chemicals & related prod.	58.7	7.9	80.5	8.6	126.8	8.2
Other manufactured goods	200.3	26.9	238.5	25.5	374.3	24.1
Machinery & transport equip.	288.2	38.8	326.8	34.9	413.8	26.7
TRADE BALANCE						
Total	-60.2	-	-66.0	-	-242.1	-
Food, drinks & tobacco	-8.5	-	-8.8	-	-11.7	-
Raw materials	-24.4	-	-24.8	-	-43.2	-
Mineral fuels, lubricants	-68.5	-	-130.5	-	-363.3	-
Chemicals & related prod.	38.8	-	60.6	-	78.4	-
Other manufactured goods	-19.1	-	-14.7	-	-57.7	-
Machinery & transport equip.	26.4	-	64.8	-	155.2	-

Source: Eurostat ([ext_lt_intertrd](#))

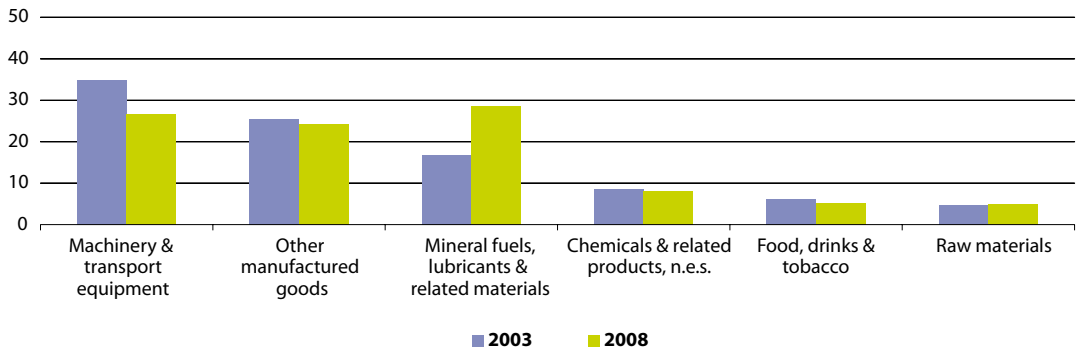


Figure 9.8: Main exports, EU-27
(% share of extra EU-27 exports)



Source: Eurostat ([ext_lt_intertrd](#))

Figure 9.9: Main imports, EU-27
(% share of extra EU-27 imports)



Source: Eurostat ([ext_lt_intertrd](#))

9.2 Trade in services

Introduction

Whereas the previous subchapter described trade in goods, this subchapter focuses on trade in services. Statistics on trade in services are compiled in the balance of payments (BoP) framework. Services play a major role in all modern economies. An efficient services sector is crucial for trade and economic growth and for vibrant and resilient economies. Trade in services also plays an important role in creating wealth and jobs for all economies around the world, and is a catalyst for development. Services are the backbone of economies and trade around the world and provide vital support to the economy and industry as a whole, for example, through finance, logistics and communications. Increased trade in and availability of services may boost economic growth by improving the performance of other industries, since services can provide key intermediate inputs, especially in an increasingly interlinked globalised world. For more information on BoP statistics, refer to Subchapter 1.5.

Definitions and data availability

BoP statistics are of particular interest for analysing the services economy, as external trade statistics only cover goods. The provision of services tends to contribute an increasing share of the economic wealth of the EU, and accounts for more than 50 % of GDP in each Member State. Nevertheless, the value of exports and imports of goods is approximately three times higher than that of services. Part of this imbalance may be due to the nature of some services: for example, the provi-

sion of services of proximity that are difficult to provide over long distances or alternatively professional services that are bound by distinct national legislation. Due to its intangible nature, trade in services is more difficult to record than trade in goods. Services are also often difficult to separate from goods with which they may be associated and trade in goods may indistinguishably include the value of some services, such as insurance, maintenance contracts, transport charges or royalty/licence payments.

Trade integration of goods and services is defined as the average value of debits and credits (summed and divided by two), presented in relation to GDP. This indicator is calculated for both goods and services, based on BoP data; if the values increase over time, then the reporting territory became more integrated within the international economy. It is normal that smaller countries will display a higher degree of trade integration, as they are more likely to import a range of goods and services that are not produced within their domestic markets.

Main findings

In 2008 the EU-27 economy continued to be progressively more integrated with the international economy in terms of its level of credits and debits relative to GDP. The average value of EU-27 trade flows of goods corresponded to 11.4 % of GDP in 2008, up on the 10.7 % share of the previous year. Although the level of external trade in services is less than that for goods, the trade integration of services also rose (from 3.7 % of GDP in 2007), to reach 3.9 % in 2008.

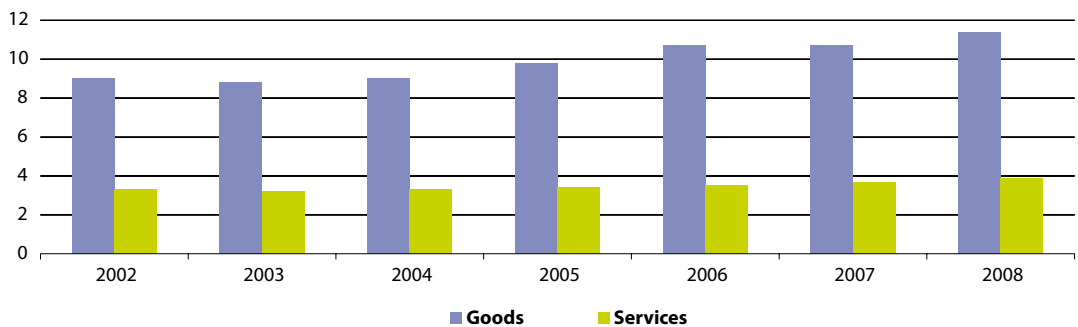


The importance of services in the EU-27's economy is scarcely reflected in terms of external trade. Indeed, the share of services in total trade (goods and services) has remained fairly stable at around 25 % to 27 % since 2002; in 2008 services accounted for 28.3 % of exports and 22.5 % of imports. The EU-27 reported a surplus in service transactions of EUR 78 300 million with the rest of the world in 2008, reflecting credits of EUR 523 600 million and debits of EUR 445 300 million.

The United Kingdom recorded a net credit (extra and intra-EU combined) of EUR 56 900 million in service transactions in 2008, the highest net credit among the Member States and considerably more than the next highest that was recorded by Spain (EUR 26 300 million). In contrast, Germany recorded a net deficit in service transactions of EUR 25 700 million in

2008, the largest deficit by far among the Member States. It is important to underline that most trade in services by Member States involved intra-EU transactions, amounting to 57.3 % of credits and 59.2 % of debits. More than two thirds of the EU-27's credits (68.4 %) and almost three quarters of its debits (73.1 %) in the external trade of services in 2008 were accounted for by three categories: transportation, travel and other business services. The surplus of EUR 32 159 million for other business services was the highest among services, followed by a surplus of EUR 30 364 million for financial services, EUR 20 551 million for transport and EUR 16 428 million for computer and information services. In contrast, the largest deficits were EUR 22 186 million for travel and EUR 11 918 million for royalties and license fees.

Figure 9.10: Trade integration, EU-27 (¹)
(% of GDP)



(¹) EU-25 for 2002 and 2003.

Source: Eurostat (tsier120)



Table 9.7: Share of goods and services in GDP, 2008 ⁽¹⁾
(% of GDP)

	Goods			Services		
	Exports	Imports	Balance	Exports	Imports	Balance
EU-27	10.6	12.2	-1.6	4.2	3.6	0.6
Euro area	17.0	17.1	-0.1	5.5	5.0	0.5
Belgium	73.4	76.5	-3.2	17.6	16.4	1.2
Bulgaria	44.8	70.4	-25.7	15.7	13.3	2.4
Czech Republic	66.5	63.7	2.8	10.2	8.0	2.2
Denmark	33.6	34.0	-0.5	21.1	18.3	2.9
Germany	40.7	33.6	7.2	6.7	7.8	-1.0
Estonia	53.8	65.7	-11.9	22.3	14.7	7.6
Ireland	43.9	31.1	12.8	37.3	40.2	-2.9
Greece	8.2	26.3	-18.1	14.0	7.0	7.1
Spain	17.7	25.7	-8.0	8.9	6.5	2.4
France	20.9	24.0	-3.1	5.6	4.9	0.7
Italy	23.6	23.6	0.0	5.3	5.8	-0.5
Cyprus	7.7	42.3	-34.7	42.1	18.8	23.3
Latvia	28.0	45.0	-17.0	13.4	9.4	4.0
Lithuania	49.8	61.4	-11.6	10.2	9.2	1.1
Luxembourg	39.7	51.4	-11.7	128.2	75.4	52.8
Hungary	68.3	68.2	0.1	12.9	12.1	0.9
Malta	36.1	57.0	-20.9	44.1	26.9	17.2
Netherlands	60.7	54.3	6.4	12.0	10.5	1.5
Austria	45.1	45.2	-0.1	15.1	10.3	4.8
Poland	33.2	37.8	-4.6	6.7	5.7	1.0
Portugal	23.0	35.8	-12.9	10.8	6.8	3.9
Romania	24.5	37.9	-13.4	6.4	5.8	0.6
Slovenia	54.0	61.0	-7.1	14.0	9.2	4.8
Slovakia	73.5	74.6	-1.1	8.9	9.7	-0.7
Finland	35.5	32.3	3.2	10.5	9.7	0.9
Sweden	38.5	34.7	3.8	15.0	11.4	3.7
United Kingdom	17.4	23.8	-6.4	10.7	7.6	3.1
Turkey	20.6	43.5	-22.9	21.3	6.6	14.7
Norway	19.2	26.3	-7.2	4.8	2.4	2.4
Japan	38.0	18.8	19.2	10.0	9.8	0.2
United States	15.3	14.5	0.7	3.1	3.5	-0.4

⁽¹⁾ EU-27, extra-EU flows; euro area, extra-euro area flows; Member States and other countries, flows with the rest of the world.

Source: Eurostat ([bop_q_eu](#), [bop_q_euro](#), [bop_q_c](#) and [tec00001](#))



Table 9.8: Trade in services ⁽¹⁾
(EUR 1 000 million)

	Credits			Debits			Net	
	2003	2008	2007-08 growth rate (%)	2003	2008	2007-08 growth rate (%)	2003	2008
EU-27	:	523.6	4.1	:	445.3	6.8	:	78.3
Euro area	329.8	506.5	3.3	307.3	463.8	5.1	22.5	42.8
Belgium	39.5	60.6	9.0	37.9	56.3	10.0	1.6	4.3
Bulgaria	2.8	5.4	13.3	2.3	4.5	13.9	0.5	0.8
Czech Republic	6.9	15.1	21.1	6.5	11.8	13.3	0.4	3.3
Denmark	27.8	49.1	9.5	24.7	42.5	8.2	3.1	6.6
Germany	109.2	168.0	3.3	152.9	193.7	3.1	-43.7	-25.7
Estonia	2.0	3.5	10.6	1.2	2.3	4.2	0.7	1.2
Ireland	37.1	69.2	1.8	48.2	74.6	8.0	-11.1	-5.4
Greece	21.4	34.1	8.7	9.9	16.9	14.8	11.5	17.1
Spain	65.7	97.5	4.6	42.4	71.2	1.6	23.3	26.3
France	87.3	109.8	0.4	73.3	95.7	0.0	14.0	14.1
Italy	63.4	83.7	2.6	65.8	91.5	3.3	-2.4	-7.8
Cyprus	4.7	7.1	11.4	2.0	3.2	16.5	2.8	3.9
Latvia	1.3	3.1	15.6	0.8	2.2	10.1	0.5	0.9
Lithuania	1.7	3.3	12.7	1.1	3.0	19.7	0.5	0.3
Luxembourg	22.5	47.0	-2.0	13.7	27.7	-0.5	8.8	19.4
Hungary	8.1	13.7	9.8	8.1	12.8	12.0	0.0	0.9
Malta	1.2	2.5	2.1	0.8	1.5	-6.0	0.4	1.0
Netherlands	55.9	71.3	1.2	56.5	62.3	1.3	-0.6	9.0
Austria	28.8	42.4	5.1	21.0	29.0	2.1	7.9	13.4
Poland	9.8	24.1	15.3	9.7	20.6	17.3	0.2	3.6
Portugal	10.9	17.9	5.6	7.3	11.4	8.5	3.6	6.5
Romania	2.7	8.8	26.5	2.6	7.9	22.8	0.1	0.8
Slovenia	2.5	5.2	20.8	1.9	3.4	9.7	0.5	1.8
Slovakia	2.9	5.8	12.8	2.7	6.3	31.9	0.2	-0.5
Finland	10.1	19.4	14.1	10.7	17.8	9.4	-0.6	1.6
Sweden	27.2	49.4	6.2	25.3	37.3	6.7	1.9	12.1
United Kingdom	140.3	194.7	-6.3	112.5	137.8	-6.3	27.8	56.9
Croatia	:	10.1	10.4	:	3.1	9.5	:	7.0
Turkey	15.9	23.8	13.7	6.6	11.9	6.1	9.3	11.9
Norway	25.2	31.1	5.6	23.2	30.4	8.7	2.1	0.8
Japan	68.7	101.6	7.8	98.7	115.9	5.6	-29.9	-14.3
United States	266.1	368.6	2.5	221.3	275.8	-0.1	44.8	92.8

(1) EU-27, extra EU-27 flows; euro area, extra EA-16 flows; Member States and other countries, flows with the rest of the world.

Source: Eurostat ([bop_q_eu](#), [bop_q_euro](#) and [bop_q_c](#))

**Table 9.9:** Contribution to extra EU-27 trade in services, 2007

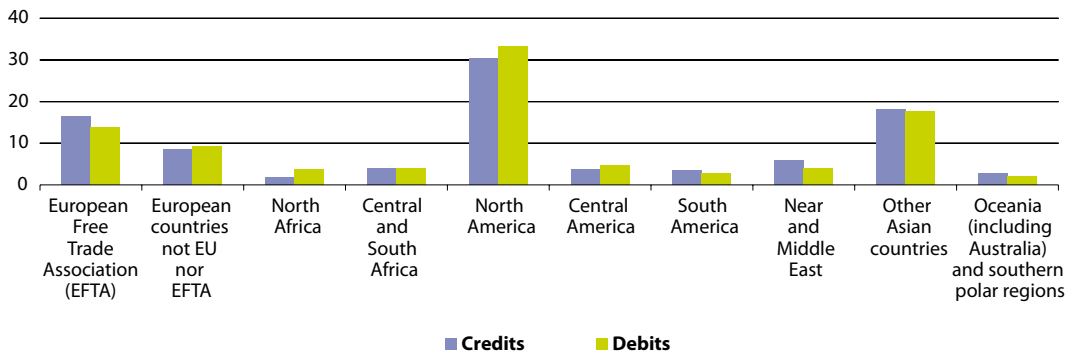
	Credits		Debits		Net (EUR 1 000 million)
	(EUR 1 000 million)	Share of EU-27 credits (%)	(EUR 1 000 million)	Share of EU-27 debits (%)	
EU-27 (*)	498.5	100.0	414.4	100.0	84.1
Belgium	18.7	3.7	15.5	3.7	3.2
Bulgaria	1.3	0.3	1.0	0.2	0.4
Czech Republic	3.1	0.6	3.1	0.8	0.0
Denmark	23.1	4.6	17.6	4.2	5.5
Germany	73.9	14.8	77.8	18.8	-3.9
Estonia	0.9	0.2	0.5	0.1	0.4
Ireland	24.4	4.9	36.8	8.9	-12.5
Greece	14.7	3.0	6.6	1.6	8.2
Spain	25.9	5.2	24.3	5.9	1.5
France	50.1	10.0	46.8	11.3	3.3
Italy	30.3	6.1	33.4	8.1	-3.1
Cyprus	1.7	0.3	0.8	0.2	1.0
Latvia	1.4	0.3	0.7	0.2	0.6
Lithuania	1.2	0.2	0.9	0.2	0.3
Luxembourg	11.7	2.4	8.0	1.9	3.7
Hungary	3.8	0.8	3.9	0.9	-0.1
Malta	0.6	0.1	0.6	0.1	0.0
Netherlands	33.4	6.7	27.8	6.7	5.6
Austria	9.8	2.0	7.5	1.8	2.3
Poland	5.3	1.1	4.2	1.0	1.1
Portugal	3.9	0.8	2.8	0.7	1.1
Romania	1.7	0.3	1.9	0.5	-0.2
Slovenia	1.2	0.2	1.3	0.3	-0.1
Slovakia	1.1	0.2	0.8	0.2	0.3
Finland	9.9	2.0	5.8	1.4	4.1
Sweden	23.3	4.7	13.3	3.2	10.0
United Kingdom	122.2	24.5	70.3	17.0	51.9

(*) Data for the EU institutions are included in the aggregate information presented for the EU-27.

Source: Eurostat ([bop_its_det](#))



Figure 9.11: Trade in services, EU-27, 2007
(% share of extra EU-27 transactions)



Source: Eurostat ([tec00082](#) and [bop_its_det](#))

**Table 9.10:** Contribution to intra EU-27 trade in services, 2007

	Credits		Debits		Net (EUR 1 000 million)
	(EUR 1 000 million)	Share of EU-27 credits (%)	(EUR 1 000 million)	Share of EU-27 debits (%)	
EU-27 (*)	679.6	100.0	622.6	100.0	57.0
Belgium	39.0	5.7	37.3	6.0	1.6
Bulgaria	3.3	0.5	2.5	0.4	0.8
Czech Republic	9.4	1.4	7.3	1.2	2.1
Denmark	21.6	3.2	21.6	3.5	0.0
Germany	84.3	12.4	110.9	17.8	-26.7
Estonia	2.3	0.3	1.7	0.3	0.5
Ireland	41.3	6.1	31.7	5.1	9.5
Greece	16.6	2.4	8.2	1.3	8.4
Spain	68.3	10.1	47.7	7.7	20.6
France	56.2	8.3	48.5	7.8	7.7
Italy	51.3	7.6	55.2	8.9	-3.9
Cyprus	4.7	0.7	2.0	0.3	2.7
Latvia	1.3	0.2	1.2	0.2	0.1
Lithuania	1.8	0.3	1.6	0.3	0.2
Luxembourg	35.3	5.2	19.3	3.1	16.0
Hungary	8.6	1.3	7.5	1.2	1.1
Malta	1.9	0.3	1.0	0.2	0.8
Netherlands	48.1	7.1	44.0	7.1	4.2
Austria	30.6	4.5	20.9	3.4	9.7
Poland	15.6	2.3	13.3	2.1	2.3
Portugal	12.9	1.9	7.3	1.2	5.6
Romania	6.0	0.9	5.5	0.9	0.5
Slovenia	3.1	0.5	1.8	0.3	1.3
Slovakia	4.1	0.6	4.0	0.6	0.1
Finland	7.0	1.0	10.3	1.7	-3.3
Sweden	23.0	3.4	21.6	3.5	1.4
United Kingdom	81.9	12.0	76.8	12.3	5.1

(*) Data for the EU institutions are included in the aggregate information presented for the EU-27.

Source: Eurostat ([bop_its_det](#))



Table 9.11: EU-27 credits for services
(%)

	2004	2005	2006	2007	2008
Extra-EU	41.5	41.8	41.9	42.3	42.7
European Free Trade Association	6.9	6.8	6.6	7.0	:
Switzerland	5.3	5.2	5.0	5.2	5.5
European countries not EU nor EFTA	3.0	3.5	3.8	3.6	:
Central and Eastern Europe	0.8	0.9	1.0	0.4	:
Community of Independent States	1.5	1.8	2.0	2.3	:
Russian Federation	1.0	1.3	1.4	1.6	1.8
Africa	2.5	2.5	2.5	2.4	:
America	16.9	16.7	16.4	15.9	:
Canada	0.9	0.9	1.0	1.0	0.9
United States	13.3	12.7	12.5	11.8	11.2
Brazil	0.4	0.5	0.5	0.5	0.7
Asia	9.3	9.8	9.6	10.2	:
China (excl. Hong Kong)	1.0	1.3	1.3	1.5	1.7
Hong Kong	0.8	0.9	0.7	0.7	0.7
India	0.4	0.6	0.7	0.8	0.7
Japan	2.1	2.0	1.7	1.6	1.5
Oceania (including Australia) and southern polar regions	1.1	1.1	1.1	1.1	:
OECD countries	83.0	81.9	81.1	80.1	:
North American Free Trade Association member countries	14.7	14.1	13.9	13.2	:
Petroleum Exporting Countries (OPEC)	2.2	2.3	2.6	3.0	:
African, Caribbean and Pacific countries, signatories of the Partnership Agreement (Cotonou agreement)	1.8	1.9	2.0	1.9	:
Association of South-East Asian Nations	1.6	1.6	1.7	1.7	:
Southern Common Market	0.6	0.7	0.7	0.8	:

Source: Eurostat (tec00080)



Table 9.12: EU-27 debits for services
(%)

	2004	2005	2006	2007	2008
Extra-EU	39.9	39.9	39.7	40.0	40.8
European Free Trade Association	5.5	5.5	5.2	5.5	:
Switzerland	4.1	4.3	4.0	4.2	4.4
European countries not EU nor EFTA	4.0	4.4	4.3	3.7	:
Central and Eastern Europe	1.2	1.3	1.3	0.7	:
Community of Independent States	1.6	1.8	1.9	1.9	:
Russian Federation	1.0	1.1	1.2	1.2	1.3
Africa	3.1	3.1	3.1	3.1	:
America	17.4	17.3	16.8	16.2	:
Canada	0.9	0.8	0.9	0.9	0.9
United States	13.5	13.4	12.8	12.3	12.1
Brazil	0.4	0.5	0.5	0.5	0.6
Asia	7.7	8.0	8.4	8.6	:
China (excl. Hong Kong)	0.9	1.1	1.2	1.3	1.3
Hong Kong	0.6	0.6	0.7	0.8	0.8
India	0.5	0.6	0.6	0.7	0.7
Japan	1.3	1.4	1.4	1.3	1.3
Oceania (including Australia) and southern polar regions	0.8	0.9	0.8	0.8	:
OECD countries	82.3	82.1	81.3	80.7	:
North American Free Trade Association member countries	14.7	14.5	14.0	13.6	:
Petroleum Exporting Countries (OPEC)	1.5	1.5	1.6	1.7	:
African, Caribbean and Pacific countries, signatories of the Partnership Agreement (Cotonou agreement)	2.1	2.1	2.0	2.0	:
Association of South-East Asian Nations	1.6	1.6	1.7	1.7	:
Southern Common Market	0.6	0.7	0.7	0.7	:

Source: Eurostat (tec00081)

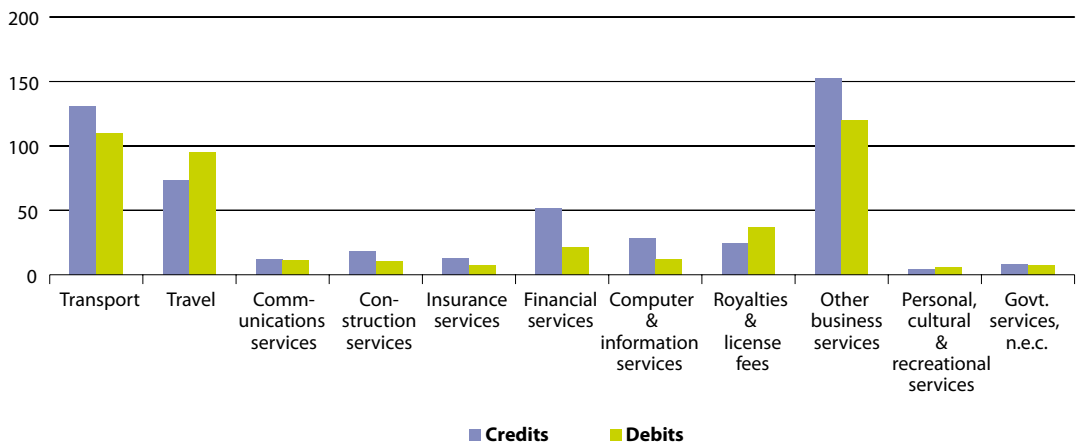


Table 9.13: Development of trade in services, EU-27
(EUR 1 000 million)

	2006			2007			2008		
	Credits	Debits	Net	Credits	Debits	Net	Credits	Debits	Net
Total	447.1	378.6	68.5	498.5	414.4	84.1	520.5	445.0	75.4
United States	133.8	122.0	11.7	139.1	127.7	11.4	136.0	132.2	3.8
EFTA	70.9	50.0	20.9	81.9	57.2	24.7	:	:	:
Japan	18.6	13.2	5.4	19.4	13.8	5.6	18.7	14.0	4.7
Russia	14.7	11.0	3.7	19.2	12.0	7.2	21.6	14.0	7.6
China	13.3	11.9	1.5	17.8	13.8	4.0	20.3	14.5	5.8
Canada	10.4	8.5	1.9	11.7	9.6	2.0	11.4	9.6	1.8
India	7.3	5.8	1.5	9.6	7.0	2.5	9.0	7.4	1.5
Hong Kong	7.0	6.6	0.4	8.2	8.1	0.1	8.1	8.4	-0.3
Brazil	5.3	4.7	0.6	6.4	4.8	1.6	9.0	6.1	2.9
Other countries	165.8	145.0	20.8	185.2	160.3	24.9	:	:	:

Source: Eurostat ([bop_its_det](#))

Figure 9.12: Trade in services, by main categories, EU-27, 2008⁽¹⁾
(EUR 1 000 million)



(¹) Extra EU-27 flows.

Source: Eurostat ([bop_its_det](#))