

A Bilateral Trade Tool for EU countries not yet belonging to the Inforum system

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Overview

- Methodological notes on the Eurostat's foreign trade statistics;
- Construction of the databank.

Introduction

- 1988: Introduction of the Combined Nomenclature (CN) and Single Administrative Document led to important changes in statistics with non-member countries.
- 1993: Single Market. Adoption of a new data collection system, **Intrastat**, as a basis for statistics on intra-Community trade.

Legal background

- The statistics to be provided to Eurostat are based on precise legal texts, directly applicable in the Member States, and on definitions and procedures which have to a large extent been harmonized.
- Different legislation applies to statistics on trade between Member States (“**Intrastat**”) and trade between Member States and countries that are not members of the EU (“**Extrastat**”).

Methods

- Outward flows from a Member country to:
 - another Member State are called DISPATCHES;
 - a non-member State are called EXPORTS.
- A Member country's inward flows from:
 - another Member State are called ARRIVALS;
 - a non-member State are called IMPORTS.

Product classifications

- CN, the most detailed, based on Harmonized System:
 - More than 10.000 8-digit codes.
- SITC Rev.3 (United Nations)
 - 3118 5-digit codes.
 - Available link from SITC to CN.
- CPA – Classification of Products by Activity in the European Economic Community – is the European version of the UN's Central Product Classification.

Intra-European Trade

- It provides for direct collection of information from trade operators.
- It is based on a close link with the VAT system relating to the intra-EU trade.

Intra-EU statistical thresholds fixed by individual Member States

- Exemption threshold;
- Simplification threshold;
- Small transaction threshold: transactions with individual values less than € 200;
- Statistical Value threshold

It makes possible to exempt two-thirds of operators (especially small and medium-sized enterprises) from statistical formalities.

Extra-EU statistical thresholds fixed by individual Member States

- The limits permitted by Community legislation:
 - No export or import with neither net mass more than 1 tons nor a value of more than € 1000 need be recorded
 - But Member States have to adjust their data to incorporate trade below the threshold in their total results.

Statistical discrepancies

- The thresholds system caused discrepancies in the various Member States' intra-EU statistics. Since January 2005, the principle of full coverage is in force: Member States must estimate undeclared trade, including trade below threshold, at least at chapter level and by partner country.
- Extra-EU: Eurostat performs regular reconciliations of European trade statistics with those of its main partners (USA, Canada, Japan) in order to measure and, so far as possible, explain differences.

COMEXT (commerce extérieur)

- Comext is the official European Union Foreign Trade statistics database, the only source for harmonized and comparable data for each of the 25 Member country.

Construction of bilateral trade data bank

- Collection of data on:
 - Trade;
 - Prices;
 - Export prices (few cases).
- Software used:
 - Stata;
 - G7.

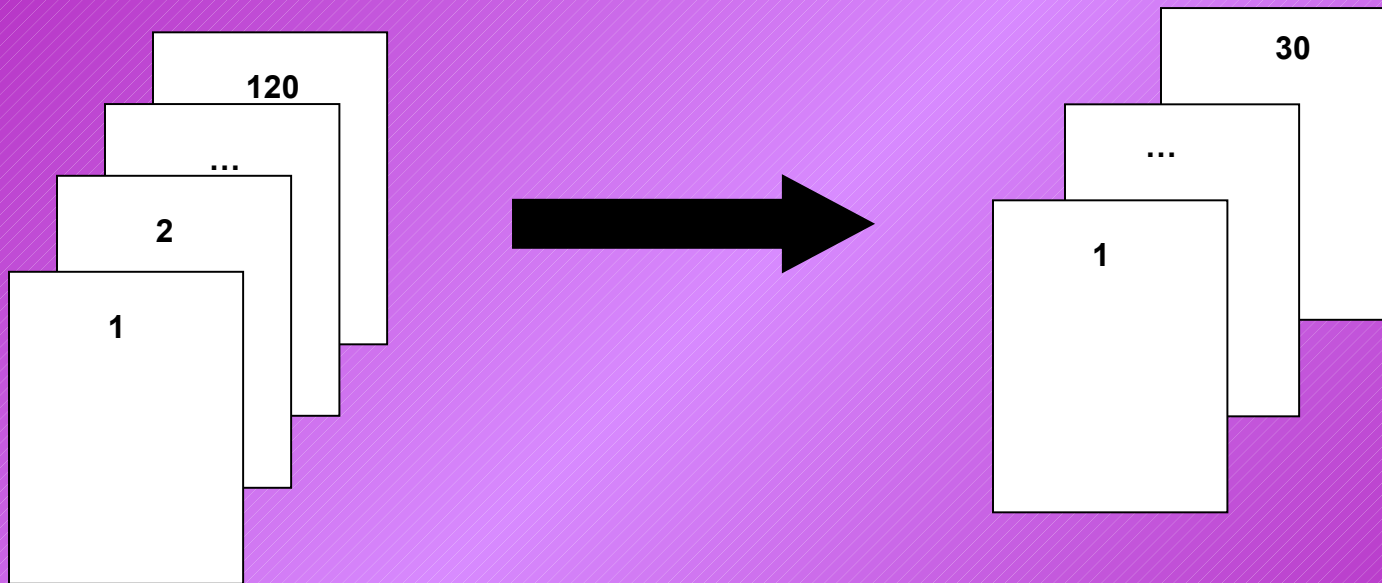
Data collection: trade statistics

- Bilateral trade flows by SITC Rev.3:
 - EU15: imports 1995-2004;
 - EU10: imports 1999-2004.
 - 4 Candidate countries: Member States' export dataas a total 750 individual bilateral trade flows, processed by Stata, in order to get 120 commodity categories, according to the classification scheme used by Qiang Ma.

Data organization

- Making 120 square matrices of bilateral trade flows using G7 (vam files):
 - 29 individual countries;
 - Intra-EU (sum up the flows between 25 Member States);
 - Extra-EU;
 - Total (Intra-EU + Extra-EU).

Aggregation of trade matrices



Other data used

- Value Added, by 31 Nace branches 1997-2004 for almost all the Member States (no Malta, Cyprus, Ireland, Luxembourg) at current and 1995 constant prices. From these, a deflator of VA was calculated to be used as a proxy for sectoral prices.



BUT

in some cases (Denmark & Portugal), the deflator of VA showed a negative value for some sectors and/or years.

Other data used 2

- For these 2 countries, deflators of output were used.
- For Estonia, Latvia, Poland the data on output at current and constant prices were provided by our Inforum partners (Astra & Velga from Latvia and Michal from Poland).

Feeding a stand alone country model

- Bilateral trade flows at current prices
-  pdm = Domestic prices of exporting country
-  Bilateral trade flows at constant prices

Extension of time series up to 2010

- For 7 EU countries belonging to the Inforum system of models (Austria, Belgium, France, Germany, Great Britain, Italy & Spain) BTM forecast was used.
- For other 18 countries, the European Commission's Spring Forecasts were used (up to 2006(7)). The series up to 2010 were extended with an index which follows the trend of 7 EU countries of the BTM.

TABLE 47 : Imports of goods, volume (percentage change on preceding year, 1961-2006)

18.03.2005

	long-term	5-year average						2004		2005		2006	
	average 1961-90	1991-95	1996-00	2000	2001	2002	2003	estimate of X-2004	III-2005	forecast of X-2004	III-2005	forecast of X-2004	III-2005
Belgium	5.8	3.8	5.1	8.3	-0.2	1.4	3.2	4.3	7.5	6.0	6.0	6.8	6.4
Germany	6.7	3.8	8.1	11.1	-0.2	-1.5	5.8	8.1	7.9	7.2	7.2	6.7	7.3
Greece	8.0	3.9	9.4	15.2	-6.3	3.2	6.6	8.8	8.1	4.6	4.1	3.9	4.4
Spain	:	7.5	11.5	10.5	3.3	3.4	5.2	7.4	9.9	7.6	9.1	7.7	8.2
France	7.2	3.8	8.3	15.0	1.0	3.2	-0.1	8.2	8.0	7.0	6.6	7.0	6.9
Ireland	6.7	9.0	13.7	16.9	3.5	0.0	-7.3	5.9	3.5	6.3	6.4	5.9	7.7
Italy	7.2	3.6	6.7	8.0	0.0	-1.0	0.9	6.3	3.2	6.3	5.4	6.1	5.6
Luxembourg	4.6	3.4	8.3	6.8	8.7	-2.6	-1.8	5.5	5.8	6.5	6.3	7.0	6.1
Netherlands	6.0	5.8	7.8	10.6	1.6	-0.2	1.0	7.2	7.8	6.5	4.5	6.2	5.7
Austria	:	3.7	7.9	11.6	4.5	-0.1	5.6	5.7	8.3	6.4	6.2	6.8	7.1
Portugal	:	6.7	:	:	:	:	:	8.2	7.7	5.8	4.6	6.3	6.2
Finland	:	0.6	11.3	16.8	1.0	3.0	3.7	2.2	6.0	3.8	3.8	4.5	4.2
Euro area ¹	6.9	4.4	8.2	11.4	0.8	0.6	2.9	7.1	7.3	6.7	6.4	6.6	6.7
Czech Republic	:	:	10.4	20.0	14.7	4.6	8.9	16.1	18.7	11.4	13.3	7.6	10.8
Denmark	4.8	3.5	8.1	12.4	3.4	6.1	-2.4	6.8	7.6	6.2	6.1	4.8	5.3
Estonia	:	:	14.1	33.0	0.3	5.2	13.6	9.7	10.9	10.2	9.9	10.8	9.1
Cyprus	:	:	4.6	14.8	6.0	-0.9	-4.6	2.4	9.5	5.0	0.5	5.0	4.6
Latvia	:	:	8.3	4.0	16.7	4.0	11.3	14.1	14.6	10.4	7.5	9.1	9.7
Lithuania	:	:	8.8	8.6	20.0	17.6	9.9	13.6	12.9	10.9	11.2	8.9	7.8
Hungary	:	:	19.5	20.4	3.8	4.9	10.0	13.4	15.0	9.7	11.8	9.4	10.9
Malta	:	:	3.1	17.6	-15.0	-2.6	10.8	1.9	4.6	2.3	3.1	2.6	2.7
Poland	:	:	17.6	22.0	-5.0	3.6	10.3	12.8	10.5	13.9	12.3	13.7	12.8
Slovenia	:	-1.1	8.4	7.7	3.2	4.4	7.3	10.3	13.2	6.6	8.5	7.3	7.8
Slovakia	:	:	11.7	12.7	11.7	5.0	14.1	13.7	15.1	13.1	13.8	13.8	13.5
Sweden	:	3.7	7.8	11.7	-5.1	-0.2	6.1	6.3	7.2	8.6	8.1	7.9	7.0
United Kingdom	4.7	3.0	8.8	9.3	5.4	4.1	1.9	5.5	5.8	5.7	6.8	5.2	5.0
EU-25 ²	:	:	8.7	11.8	1.6	1.4	3.3	7.4	7.6	7.0	7.0	6.8	6.8
EU-15 ²	6.5	4.2	8.3	11.1	1.3	1.1	2.7	6.9	7.1	6.6	6.5	6.4	6.4
USA	6.8	8.2	12.3	13.5	-3.2	3.7	4.7	10.5	10.8	6.1	7.5	5.8	4.6
Japan	:	5.1	3.5	11.9	0.1	1.1	3.8	8.9	8.9	6.9	7.1	7.9	6.2

¹ Excluding Spain, Austria and Finland up to 1973 and Portugal up to 2003.² Excluding Spain, Austria, Finland and Sweden up to 1973 and Portugal up to 2003.

TABLE 47 : Imports of goods and services, volume (percentage change on preceding year, 1961-2007)

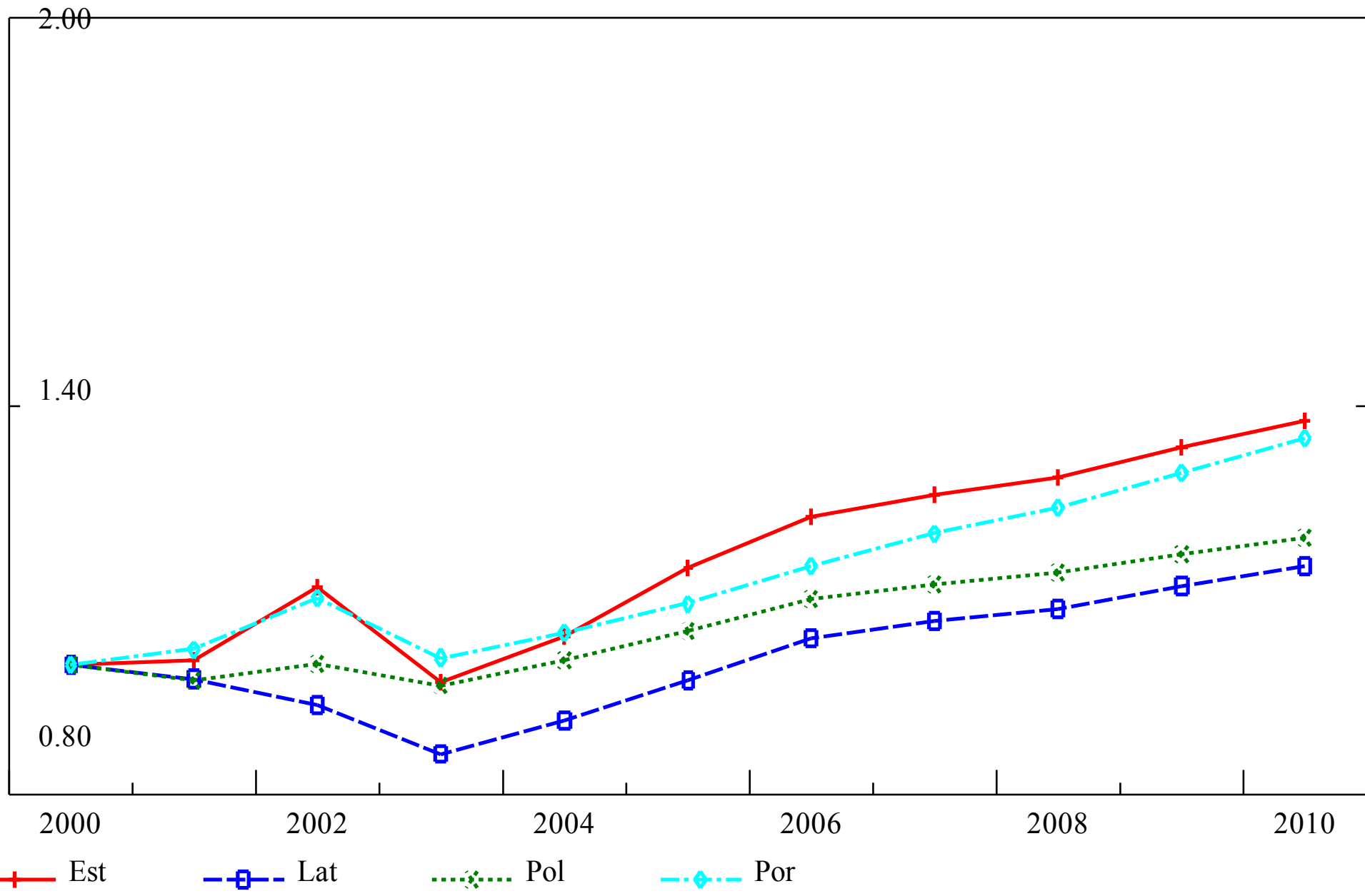
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	<u>average</u> 1961-90	<u>5-year average</u>						2005		2006		2007	
		1991-95	1996-00	2001	2002	2003	2004	XI-2005	IV-2006	XI-2005	IV-2006	XI-2005	IV-2006
Belgium	5.8	3.7	5.5	0.2	0.1	3.1	6.4	2.7	3.4	4.3	4.1	4.7	4.5
Germany	6.4	4.9	8.0	1.2	-1.4	5.1	7.0	4.5	5.3	5.2	7.7	5.0	4.3
Greece	8.0	3.5	12.1	-5.2	-1.4	4.5	9.3	1.4	-1.2	4.3	4.4	4.5	5.0
Spain	11.1	6.7	12.3	4.2	3.9	6.0	9.3	6.8	7.1	6.4	6.0	5.6	4.9
France	6.7	3.3	8.6	2.2	1.7	0.7	6.9	5.1	6.6	5.0	6.0	5.5	5.6
Ireland	7.1	9.9	18.0	7.3	1.8	-1.4	7.6	3.2	4.6	4.6	6.1	5.3	6.0
Italy	7.1	2.6	4.9	-0.2	-0.5	0.8	2.5	2.1	1.4	4.2	3.4	3.8	3.2
Luxembourg	4.9	4.4	11.0	6.0	1.8	4.9	9.8	6.7	9.1	7.6	8.1	8.1	7.8
Netherlands	5.8	5.3	7.7	2.2	0.3	2.0	7.8	3.0	5.1	5.0	7.0	6.4	6.4
Austria	6.3	3.4	6.7	5.1	0.2	5.6	6.2	2.0	1.8	5.2	5.2	5.0	4.5
Portugal	7.7	6.1	8.6	0.9	-0.7	-0.4	6.8	1.7	1.8	3.0	2.3	4.1	3.4
Finland	5.4	1.4	9.0	0.4	1.8	2.9	6.0	5.3	10.3	4.1	7.0	4.1	5.5
Euro area ¹	6.6	4.3	8.1	1.8	0.3	3.0	6.7	3.9	4.8	5.0	6.0	5.1	4.8
Czech Republic	:	8.4	9.7	13.0	4.9	7.9	18.4	4.5	4.8	8.4	8.6	9.1	8.5
Denmark	4.6	4.4	7.5	1.9	7.5	-1.7	6.4	6.3	11.0	5.1	6.3	4.5	5.3
Estonia	:	:	13.7	2.1	3.8	10.6	14.6	13.7	17.4	11.6	11.2	11.4	12.0
Cyprus	:	:	5.3	4.7	-0.5	-2.3	11.1	3.1	3.4	4.7	6.1	4.8	6.1
Latvia	:	:	9.8	14.3	4.7	13.1	16.6	9.5	13.5	10.5	12.6	10.3	10.3
Lithuania	:	:	8.5	17.6	17.7	10.3	14.8	11.5	15.9	11.4	11.4	10.5	10.5
Hungary	:	:	17.8	5.2	6.6	11.1	13.2	8.6	5.8	10.5	10.3	9.8	9.9
Malta	:	:	2.9	-8.6	-2.3	7.0	2.0	-2.0	0.2	1.9	1.2	2.9	2.2
Poland	:	15.6	16.6	-5.3	2.7	9.3	15.2	1.9	3.4	5.6	8.4	7.1	8.1
Slovenia	:	-2.4	7.6	3.0	4.8	6.7	13.2	6.3	5.3	6.8	6.6	7.3	7.5
Slovakia	:	:	10.4	11.0	5.5	13.6	12.7	8.2	11.2	9.6	11.4	11.0	11.3
Sweden	4.4	2.7	8.6	-2.6	-1.9	5.0	6.4	4.8	7.4	7.2	7.7	6.4	6.4
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EU-15 ²	6.0	4.1	8.3	2.1	1.1	2.7	6.7	4.1	5.1	4.9	5.9	5.0	4.8
Bulgaria	:	:	9.6	14.8	4.9	15.3	14.1	13.3	14.6	10.8	10.1	10.9	10.9
Romania	:	-1.5	10.2	18.4	12.0	16.0	22.1	16.5	17.2	13.9	15.4	12.0	13.3
USA	6.1	6.9	11.7	-2.7	3.4	4.6	10.7	6.0	6.4	5.7	8.1	5.1	4.7
Japan	8.8	3.4	3.6	0.9	0.9	3.9	8.5	6.4	6.2	8.2	8.1	9.4	9.8

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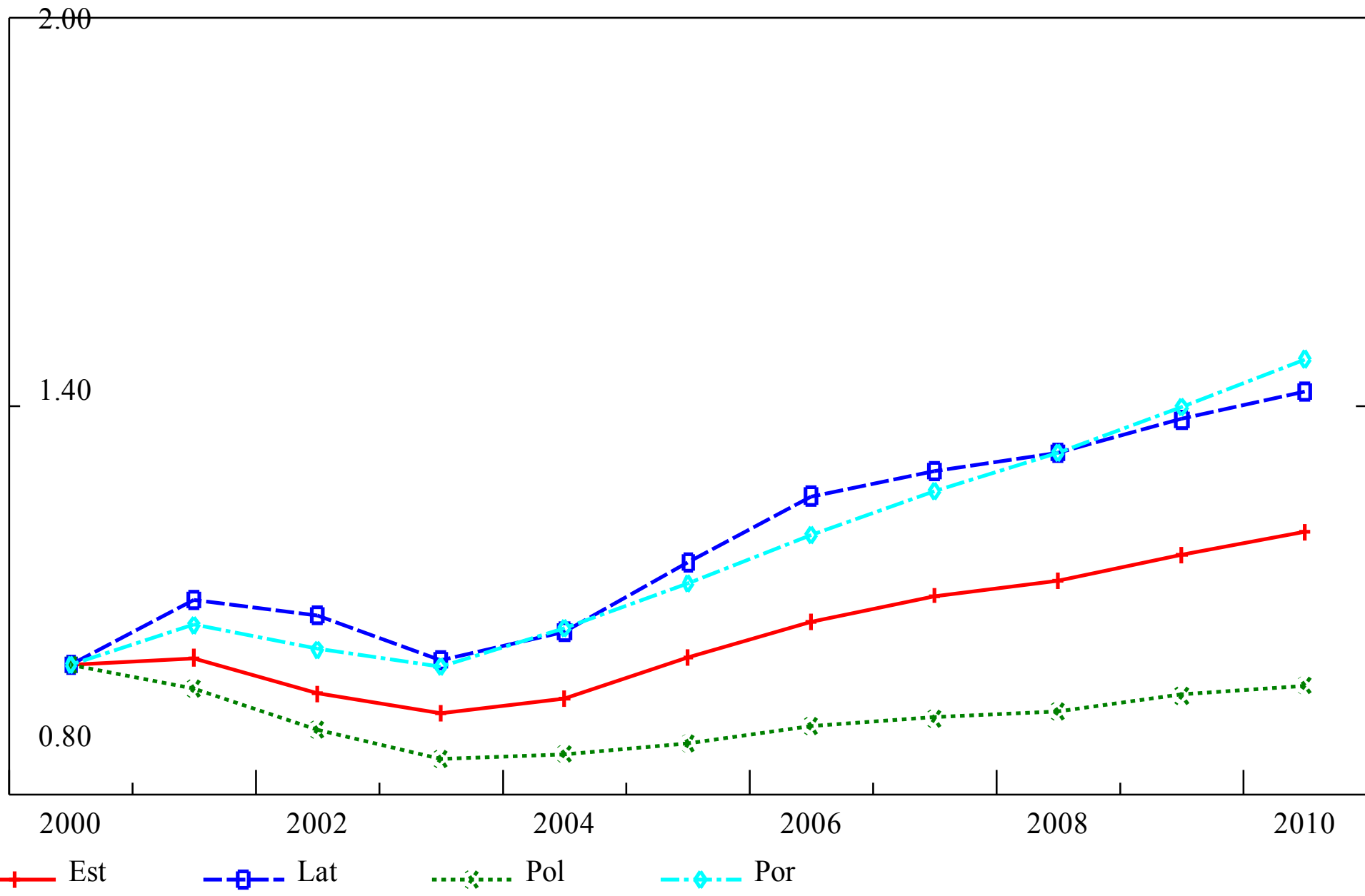
Products of Agriculture

Index 2000=1



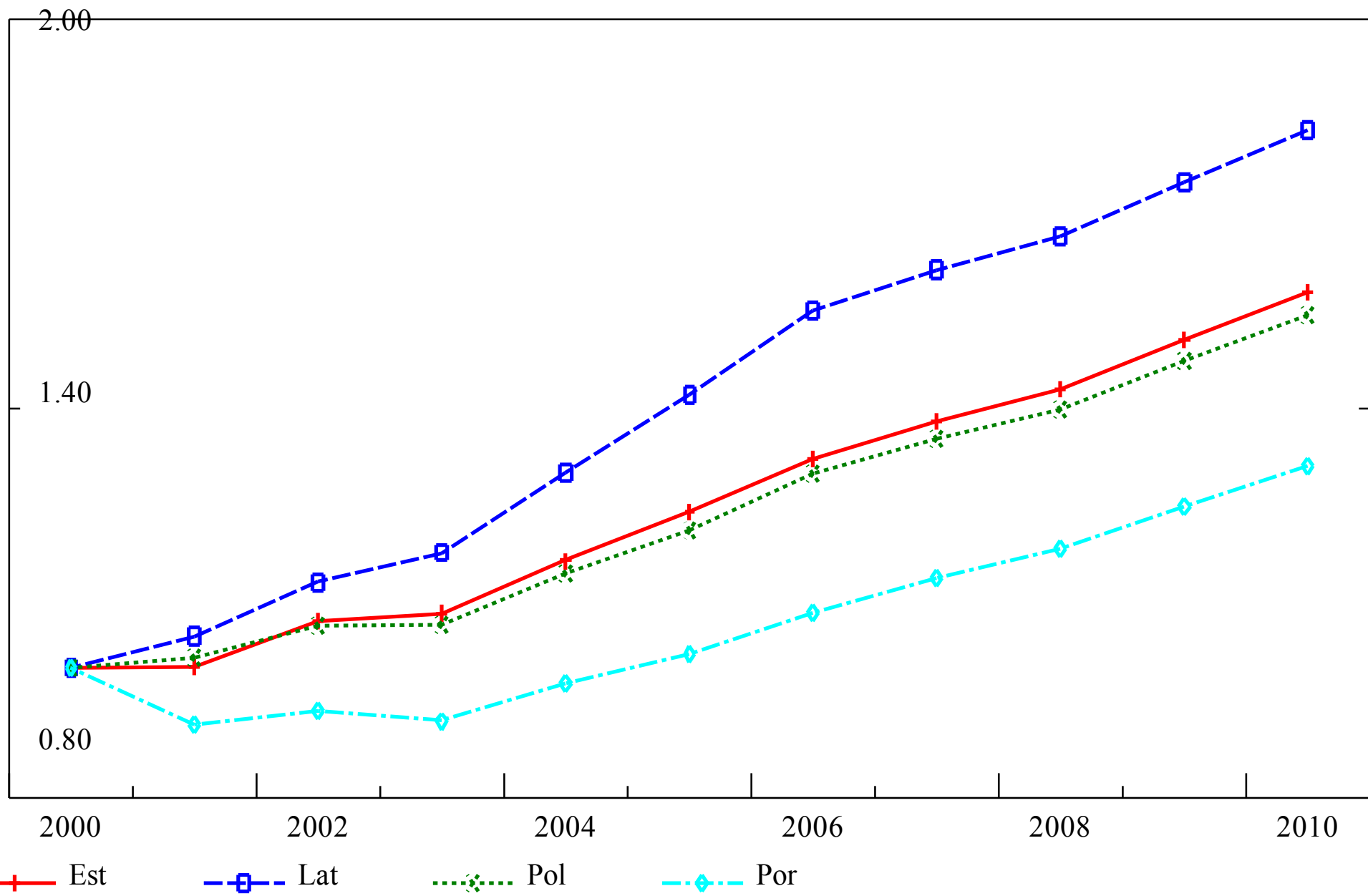
Fish & Fishing products

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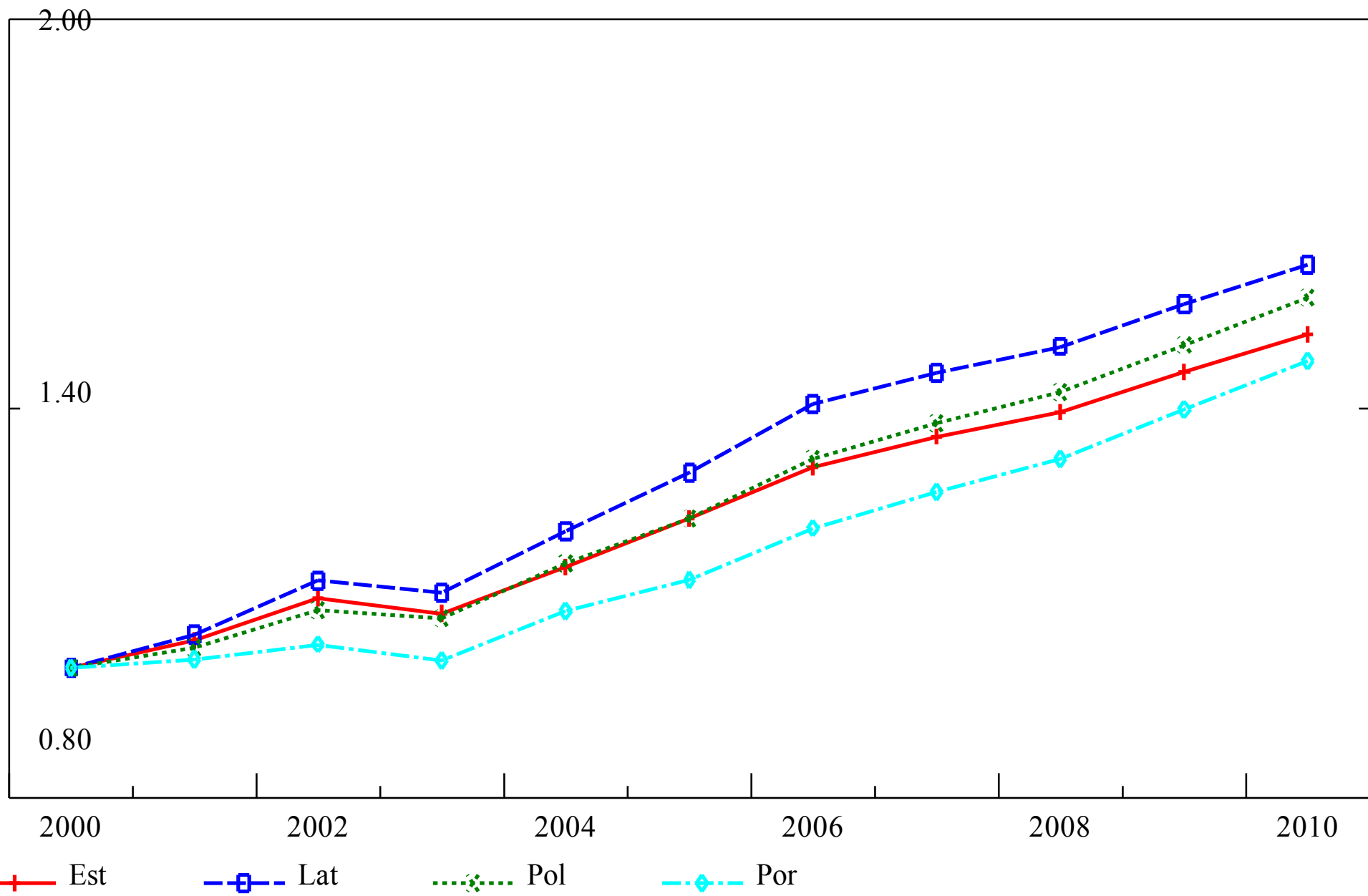
Pulp, Paper & Paper products

Index 2000=1



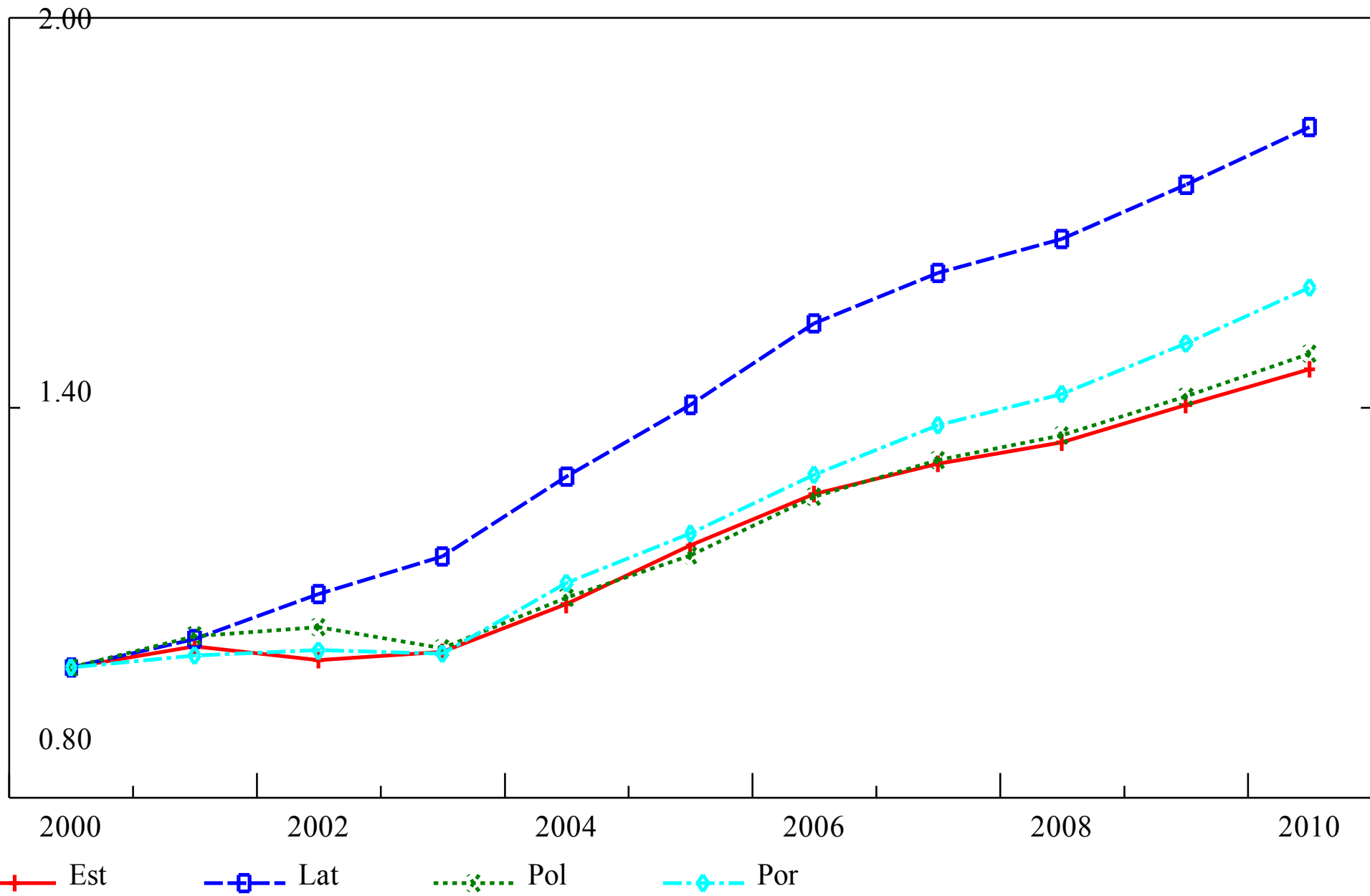
Rubber & Plastic products

Index 2000=1



Machinery & Equipment

Index 2000=1



Motor vehicles

Index 2000=1

