

## Energy prices boosted the EU-27 trade deficit in 2008

Russia became the second largest destination for EU-27 exports after the USA

Between 2000 and 2008, EU imports were consistently higher than exports, due mainly to an increasing trade deficit in the energy sector. In 2008, the total EU-27 trade deficit reached a record level of EUR 242.1 billion.

The United States was by far the most important trading partner for EU-27 exports in 2008, in spite of a slight fall compared to the previous year. Russia recorded a growth rate of 18% for 2007-2008 and overtook Switzerland to become the second largest trading partner for EU-27 exports.

China was the most important trading partner for imports to EU-27. Together, China, the United States and Russia accounted for 39% of imports from outside EU-27 in 2008. Germany remained the largest contributor to EU-27

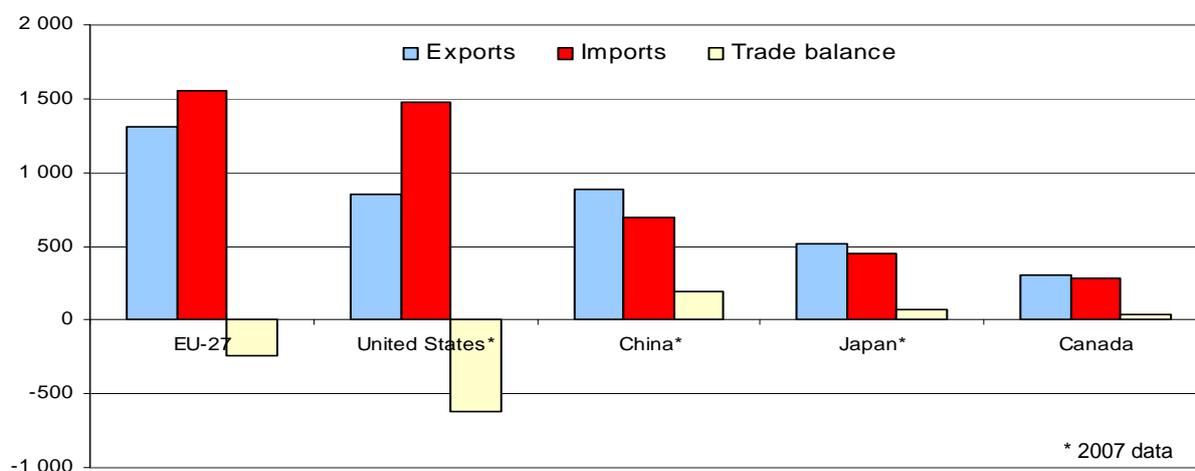
external trade among the Member States, with more than one fifth of total extra EU-27 trade. With few exceptions, the 12 Member States who joined the EU in 2004 and 2007 showed large increases in extra-EU-27 trade in 2008.

A major area of growth in extra EU-27 exports from 2007 to 2008 was food and drinks.

Imports of machinery and transport equipment, as well as of other manufactured products, decreased during 2007-2008. Still, these product groups accounted for half the imports from outside EU-27.

Petroleum products were by far the most traded product group during 2008, with values of trade boosted by increasing prices. Cars and electrical machinery followed.

Graph 1: The European Union and other major players in international trade, 2008 - value in billion euro



Source: Eurostat ([tet00018](#)) and United Nations (COMTRADE database)

---

## EU-27 confirms its leadership in international trade

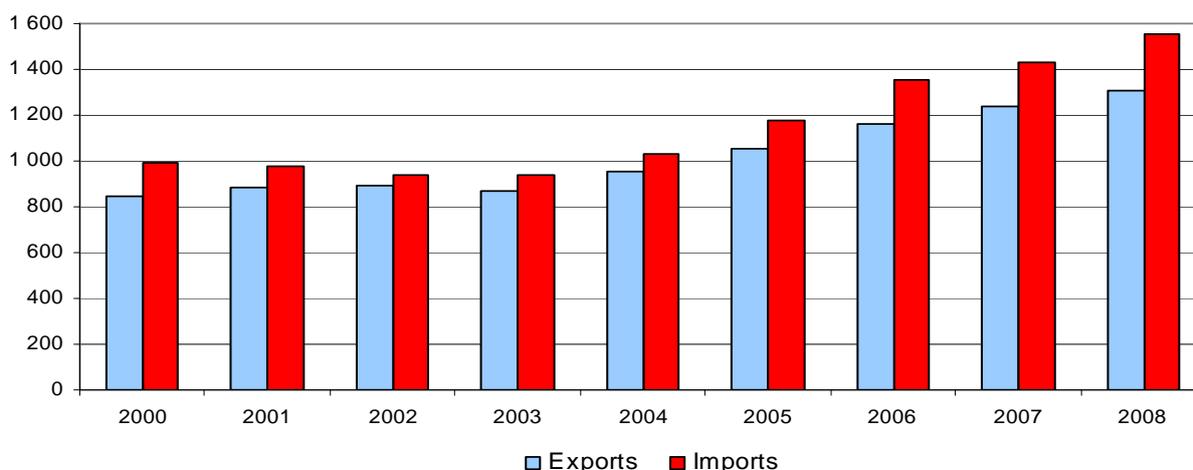
The European Union was the major world player in international trade during 2007, the most recent year for which comparable data for other major economies is available. The sum of exports and imports reached EUR 2 675.6 billion, of which exports made up 46% and imports 54%. The resulting trade deficit was EUR 192.5 billion. The second largest world player was the United States,

with total trade of EUR 2 320.1 billion. However, the trade deficit of the United States was substantially higher than that of EU-27, reaching EUR 623.6 billion; this was a result of the wide gap between exports (37% of trade) and imports (63%). China, Japan and Canada followed, all with considerably lower levels of total trade. However, they all showed small trade surpluses.

---

## EU-27 trade deficit reached a record level in 2008

**Graph 2: Evolution of extra EU-27 trade, 2000-2008 - value in billion euro**



Source: Eurostat ([tet00002](#))

Every year between 2000 and 2008, the value of EU imports was higher than the value of exports, due mainly to increasing deficits in the energy sector. In 2008, the EU-27 trade deficit reached the record level of EUR 242.1 billion.

Total EU trade with the rest of the world rose by more than half from 2000 to 2008. While there was little movement between 2000 and 2003, both

exports to and imports from outside the EU rose steadily from 2004 to 2008.

The growth of EU-27 trade in 2008 was concentrated in the first three quarters of the year, with a reduction during the last quarter (-2.1% in comparison with the last quarter of 2007). However, imports fell more rapidly than exports in the period, resulting in a decreased trade deficit.

---

## In 2008, Russia became the second most important destination for EU exports

The United States was by far the main destination for goods from EU-27, representing almost a fifth of all EU exports in 2008, in spite of a slight fall in their imports between 2007 and 2008. Machinery and transport equipment was the largest group of EU exports to the United States in 2008, even after falling by 7.4% during 2007-2008.

China remained the most important trading partner for EU-27 imports during 2008. The growth in

imports from China was remarkable; compared to the year 2000, imports during 2008 showed an increase of 232%.

Over the period 2000-2008, import and export trade with Russia, China and India grew by a two-digit annual rate. In the same period, EU trade with the United States and Japan remained fairly stable, albeit with slight decreases in imports to the EU.

**Table 1: Extra EU-27 trade by partners, 2000-2008 - value in billion euro**

	EXPORTS					IMPORTS					TRADE BALANCE		
	2000	2007	2008	Grow th 2007-2008	Average annual grow th rate 2000-2008	2000	2007	2008	Grow th 2007-2008	Average annual grow th rate 2000-2008	2000	2007	2008
Extra EU-27	850	1 242	1 309	5.4%	5.5%	993	1 434	1 551	8.1%	5.7%	-143	-192	-242
United States	238	261	249	-4.6%	0.6%	206	182	186	2.6%	-1.3%	32	80	63
China	26	72	78	9.1%	14.9%	75	233	248	6.5%	16.2%	-49	-161	-169
Russia	23	89	105	18.0%	21.1%	64	144	173	20.1%	13.3%	-41	-55	-68
Sw itzerland	73	93	98	5.1%	3.8%	63	77	80	4.1%	3.1%	10	16	18
Norw ay	26	44	44	0.3%	6.5%	47	77	92	20.0%	8.7%	-21	-33	-48
Japan	45	44	42	-3.2%	-0.9%	92	78	75	-4.5%	-2.6%	-47	-35	-32
Turkey	32	53	54	3.0%	6.9%	19	47	46	-2.3%	11.8%	13	6	8
South Korea	17	25	26	3.5%	5.5%	27	41	39	-4.8%	4.9%	-10	-17	-14
Brazil	17	21	26	23.5%	5.7%	19	33	35	8.2%	8.4%	-2	-11	-9
India	14	29	32	6.9%	11.0%	13	27	29	10.5%	10.9%	1	3	2
Others	339	511	554	8.5%	6.3%	369	496	546	10.2%	5.0%	-30	15	8

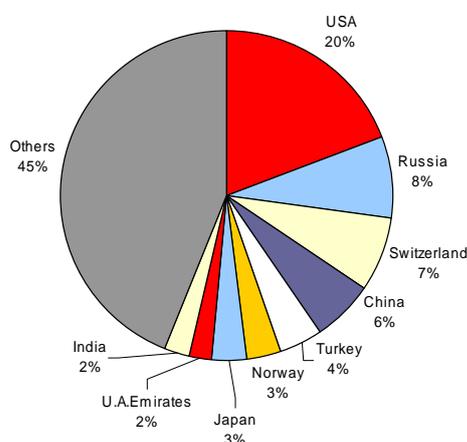
Source: Eurostat ([tet00040](#))

From 2007 to 2008, EU-27 exports to Japan decreased somewhat. It is notable that exports of cars from the EU to Japan fell by 12.9%. Germany accounted for more than half of these exports.

In contrast, EU-27 exports to Russia showed a strong growth rate of 18% for 2007-2008 and Russia overtook Switzerland to become the second largest trading partner for exports from the EU. In particular, the value of exports of machinery and transport equipment increased by 23.1% during 2007-2008 and accounted for over half of EU exports to Russia. Within this product group, the export of cars to Russia grew by a remarkable 34.8%.

The highest growth rate for EU-27 exports during 2007-2008 was recorded for Brazil, due largely to the strong growth in exports of machinery and transport equipment. In particular, exports of industrial machinery and machine parts from Germany to Brazil increased by almost a third in this period.

**Graph 3: Extra EU-27 exports by main partners, 2008 - % of total value**



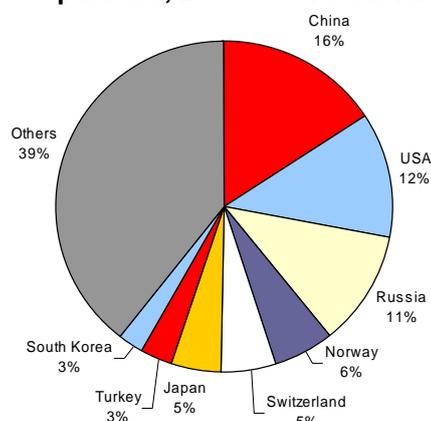
Source: Eurostat ([tet00040](#))

On the import side, EU-27 imports, especially from Russia and Norway, increased sharply from 2007 to 2008. This was mainly due to a large increase in the value of energy products imported into the EU-27 from both countries.

Imports of energy products represented 68% of all EU-27 imports from Russia and rose by 24.6% in 2008. Similarly, energy products made up 62% of all EU-27 imports from Norway and increased by 28.8% in 2008. In particular, the value of imported petroleum products from both countries increased by a fifth.

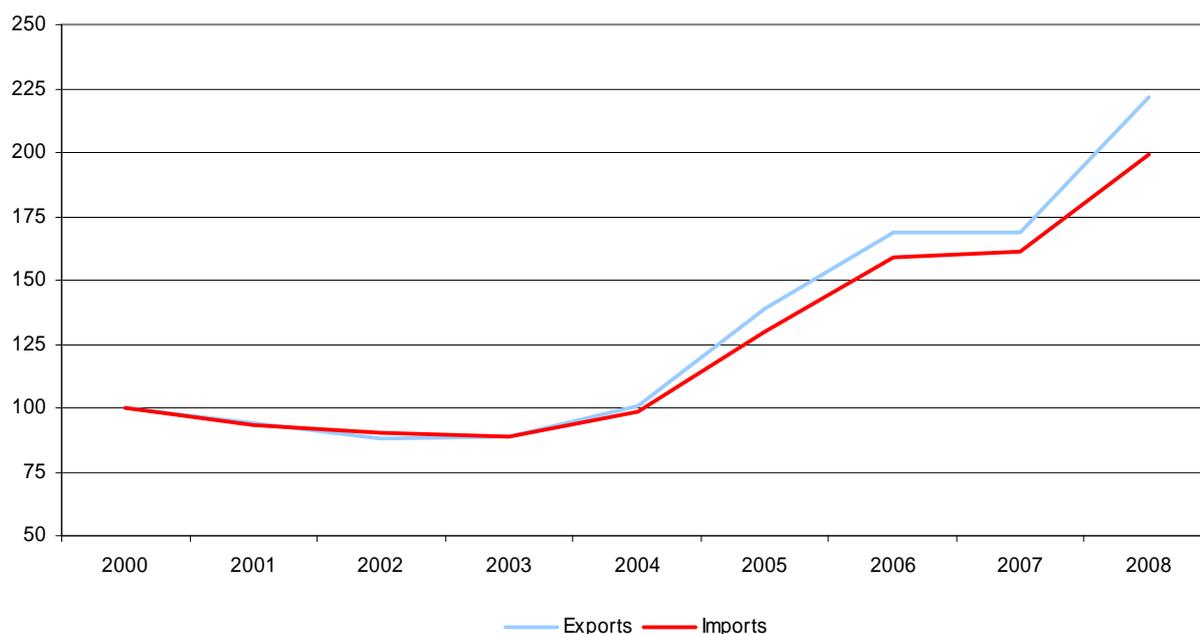
The big rise in the value of energy imports during the most recent years was to a large extent determined by rising prices. The unit value index for EU imports of energy products, which can be used as an indicator for changes in price, more than doubled between 2004 and 2008.

**Graph 4: Extra EU-27 imports by main partners, 2008 - % of total value**



Source: Eurostat ([tet00040](#))

**Graph 5: Extra EU-27 trade in Energy products (SITC 3) – Unit value index (2000 = 100)**



Source: Eurostat (COMEXT database)

## Growth in exports of food and drinks, fall in imports of manufactured products

**Table 2: Extra EU-27 trade by SITC product groups, 2008 - value in billion euro**

	EXPORTS					IMPORTS					TRADE BALANCE		
	2000	2007	2008	Grow th 2007-2008	Share in total exports, 2008 (%)	2000	2007	2008	Grow th 2007-2008	Share in total imports, 2008 (%)	2000	2007	2008
Extra EU-27	850	1 242	1309	5.4%	100.0%	993	1 434	1 551	8.1%	100.0%	-143	-192	-242
Food and drinks	48	62	68	10.2%	5.2%	55	76	80	5.9%	5.2%	-7	-14	-12
Raw materials	18	30	32	6.8%	2.5%	49	70	76	7.3%	4.9%	-31	-40	-43
Energy products	29	64	81	27.0%	6.2%	161	335	444	32.5%	28.6%	-132	-272	-363
Chemicals	119	198	205	3.7%	15.7%	70	121	127	5.1%	8.2%	48	77	78
Machinery and vehicles	393	543	569	4.7%	43.5%	372	419	414	-1.1%	26.7%	22	125	155
Other manufactured products	224	310	317	2.1%	24.2%	251	382	374	-2.0%	24.1%	-26	-72	-58
Other	19	35	37	5.5%	2.8%	35	32	36	14.6%	2.3%	-16	3	0

Source: Eurostat ([tet00061](#))

All main product groups showed increased exports outside the EU-27 in 2008. The biggest rise was recorded for exports of energy products. Within this group, exports of petroleum products in particular showed a strong increase.

The second largest increase in exports, although much more moderate, was registered for food and drinks. In particular, exports of cereals rose by 48.5% in 2008.

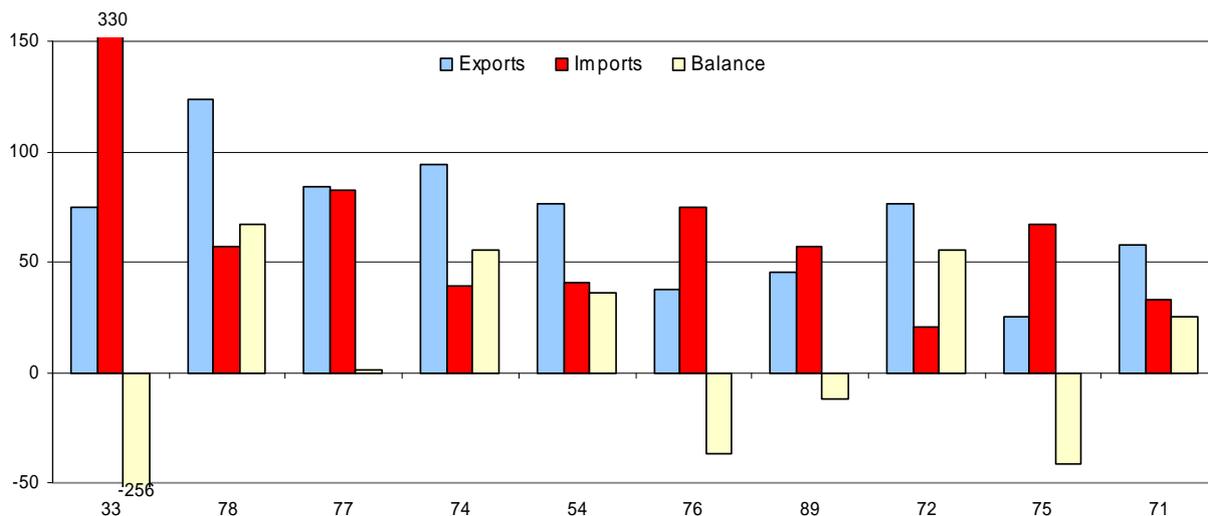
Imports of energy products rose by almost a third in 2008, driven by increasing prices. On the other hand, imports from outside the EU of machinery and vehicles, as well as of other manufactured products, decreased in 2008. Still, together these

product groups account for half of the imports into EU-27.

Within the group of machinery and vehicles, the most important fall was seen in imports of telecommunications and sound apparatus, which fell by 6.4%. This was followed by imports of cars and of office machinery, which fell by 5.2% and 4.6%, respectively.

Among the other manufactured products, it is noticeable that EU-27 imports of non-ferrous metals fell by a remarkable 19.9%; non-metallic mineral manufactures fell by 5.9% and textile yarn by 5%.

**Graph 6: Extra EU-27 trade: 10 most traded products at SITC-2 level, 2008 - value in billion euro**



- |  |   |
|--|---|
| 33 - Petroleum products  | 76 - Telecommunications and sound-recording and reproducing apparatus and equipment |
| 78 - Road vehicles   | 89 - Miscellaneous manufactured articles  |
| 77 - Electrical machinery, apparatus and appliances                | 72 - Machinery specialized for particular industries                                |
| 74 - General industrial machinery and equipment, and machine parts | 75 - Office machines and automatic data-processing machines                         |
| 54 - Medicinal and pharmaceutical products                         | 71 - Power-generating machinery and equipment                                       |

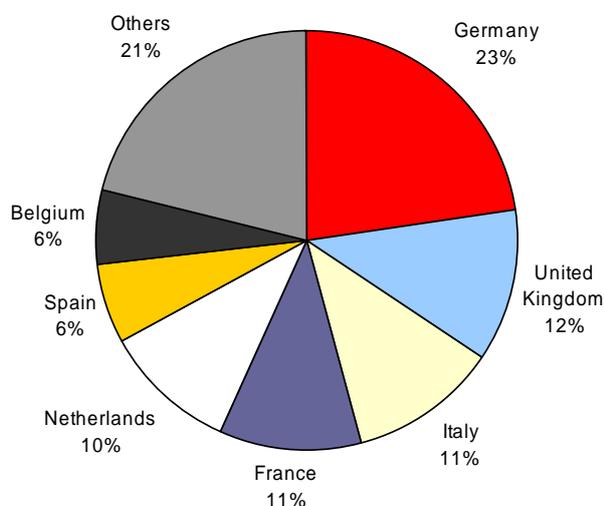
Source: Eurostat ([DS\\_018995](#))

On the whole, petroleum products were by far the biggest product group traded by EU-27 during 2008, with a total value of EUR 405 billion for imports and exports, with imports accounting for the main share. Far behind in total trade, cars were the second most traded product group. However, they accounted for the highest export value,

followed by electrical machinery, apparatus and appliances. Whereas the trade balance for cars was the highest of individual groups (65 billion euro), extra EU-27 exports of electrical machinery, apparatus and appliances were a bit bigger than imports.

### Strong growth in trade for most of the new Member States

**Graph 7: Extra EU-27 trade by main declaring Member State - % of total value**



Source: Eurostat ([tet0038](#))

Germany was by far the largest contributor to extra EU-27 trade in both 2007 and 2008, with 23% of all trade in both years. For both years, the United Kingdom, Italy and France followed, although with less than half the trade levels of Germany.

Most of the main declaring Member States increased their trade between 2007 and 2008; the exception was the United Kingdom, whose trade fell by 1.2% in the period.

Two Member States, Ireland and Malta, experienced a fall in both exports and imports in 2008.

Ireland's exports of chemicals, which accounted for more than half of its exports, fell in 2008. This was mainly due to a decrease in its exports of organic chemicals to the United States.

Imports to Ireland from outside EU-27 also fell over the period. There were substantial decreases in imports from the United States, especially of office

machines and of transport equipment other than cars.

Malta was an exception amongst the Member States who joined in 2004 and 2007, in that both its imports and its exports decreased in 2008.

Aside from Ireland and Malta, Belgium was the only Member State showing a fall in exports in 2008. Its most important export product, chemicals, representing close to a third of its exports, fell by 10% in 2008. Within the chemicals category, there was a significant fall in exports of medicinal products. In addition, the exports of manufactured goods, representing almost a quarter of Belgium's exports, fell by 11% in 2008.

Greece, the United Kingdom and Estonia also recorded reduced imports from outside EU-27 in 2008, resulting in improved extra EU-27 trade balances.

Greece experienced a remarkable fall of 55.7% in the value of petroleum product imports, with sharply decreasing imports of energy products from both Iran and Russia.

United Kingdom imports of machinery and vehicles, which accounted for 24% of its extra EU-27 imports in 2008, fell by 11.1%.

The group of other manufactured goods also recorded a significant fall in imports.

Due to increased trade with the United States and increased exports to Russia, Estonia's extra EU-27 exports rose by 5.1% in 2008. Its imports decreased by 9.9%, due to falls in several product groups.

All other Member States recorded increased trade during 2007-2008. The biggest growth rates were experienced by the Member States who joined the EU in 2004 and 2007.

Lithuania had remarkable increases for both exports and imports (44.8% and 59.2%, respectively). In particular, imports of petroleum products from Russia grew by 121.4%. Also, exports of petroleum products increased (+129.4%).

Apart from Lithuania, the biggest growth rates for exports were shown by Latvia (+30%) and Slovakia (+25.9%); cars represented more than one third of all of Slovakia's exports.

Imports from outside the EU to the Czech Republic and Poland increased by 29.6% and 23.6%, respectively, largely due to growth in the value of imported energy products.

**Table 3: Extra EU-27 trade by declaring Member State, 2007-2008 - value in billion euro**

	EXPORTS				IMPORTS				TRADE BALANCE	
	2007	2008	Grow th 2007-2008	Share in total exports, 2008 (%)	2007	2008	Grow th 2007-2008	Share in total imports, 2008 (%)	2007	2008
Extra EU-27	1 242	1 309	5.4%	100.0%	1 434	1 551	8.1%	100.0%	-192	-242
Belgium	75	74	-1.2%	5.7%	88	95	8.0%	6.1%	-13	-21
Bulgaria	5	6	15.0%	0.5%	9	11	21.2%	0.7%	-4	-5
Czech Republic	13	15	14.0%	1.1%	17	22	29.6%	1.4%	-4	-7
Denmark	22	24	7.4%	1.8%	19	21	8.2%	1.4%	3	3
Germany	340	361	6.1%	27.6%	273	292	7.1%	18.8%	68	69
Estonia	2	3	5.1%	0.2%	2	2	-9.9%	0.1%	0	0
Ireland	32	31	-5.1%	2.4%	18	17	-8.5%	1.1%	14	14
Greece	6	6	2.9%	0.5%	23	20	-15.1%	1.3%	-17	-14
Spain	54	58	7.5%	4.4%	105	118	12.1%	7.6%	-51	-60
France	142	152	7.4%	11.6%	141	156	10.4%	10.0%	1	-3
Italy	143	152	6.0%	11.6%	158	173	9.4%	11.2%	-15	-21
Cyprus	0	0	20.0%	0.0%	2	2	19.1%	0.2%	-2	-2
Latvia	2	2	30.0%	0.2%	3	3	6.7%	0.2%	-1	-1
Lithuania	4	6	44.8%	0.5%	6	9	59.2%	0.6%	-1	-3
Luxembourg	2	2	1.5%	0.1%	5	5	2.4%	0.4%	-3	-4
Hungary	15	16	10.2%	1.2%	21	24	10.6%	1.5%	-7	-7
Malta	1	1	-9.0%	0.1%	1	1	-8.1%	0.1%	0	0
Netherlands	88	92	4.1%	7.0%	179	199	10.9%	12.8%	-91	-107
Austria	33	34	4.6%	2.6%	25	27	11.5%	1.8%	8	7
Poland	22	26	19.2%	2.0%	32	40	23.6%	2.6%	-11	-14
Portugal	9	10	13.5%	0.8%	14	16	15.3%	1.0%	-5	-6
Romania	8	10	19.8%	0.8%	15	17	17.6%	1.1%	-6	-7
Slovenia	7	7	9.9%	0.6%	6	7	19.7%	0.5%	1	0
Slovakia	6	7	25.9%	0.5%	11	14	19.5%	0.9%	-6	-6
Finland	28	29	1.9%	2.2%	21	24	10.3%	1.5%	7	5
Sweden	48	50	4.0%	3.8%	32	35	9.1%	2.3%	15	14
United Kingdom	134	134	0.3%	10.3%	206	201	-2.2%	13.0%	-72	-67

Source: Eurostat ([tet00002](http://tet00002))

## METHODOLOGICAL NOTES

### Data source

EU data: Eurostat's COMEXT database.

Non EU-data (Graph 1): United Nations' COMTRADE database.

Data were extracted on 19.03.2009.

### Reporting countries

EU-27: Belgium, Bulgaria, the Czech Republic, Denmark, Germany, Estonia, Ireland, Greece, Spain, France, Italy, Cyprus, Latvia, Lithuania, Luxembourg, Hungary, Malta, the Netherlands, Austria, Poland, Portugal, Romania, Slovenia, Slovakia, Finland, Sweden and the United Kingdom.

### Concepts and definitions

EU data are compiled according to community guidelines and may therefore differ from national data published by Member States.

For further information, please refer to the following documents:

[External trade statistics - Metadata in SDDS format](#)

[Statistics on the trading of goods - User guide](#)

### Commodities classification

Fourth revision of the Standard International Trade Classification (SITC).

Food and drinks = sections 0+1

Raw materials = sections 2+4

Energy products = section 3

Chemicals = section 5

Machinery and vehicles = section 7

Other manufactured products = sections 6+8

Other = section 9

For detailed information on the SITC classification, please refer to '[Ramon](#)', Eurostat's Classification Server.

### Extra-European Union trade

Statistics on the European Union's trade with non-member countries are currently based on Council Regulation (EC) No. 1172/95 (consolidated version) of 22 May 1995, the implementing Commission Regulation (EC) No 1917/2000 of 07 September 2000 and three amending Commission Regulations ((EC) No 1669/2001 on the threshold; (EC) 179/2005 on the transmission delay; and (EC) 1949/2005 to exclude repair).

Two features of Regulation 1172/95 deserve special mention:

- The subject of extra-EU trade statistics and the information which they contain are defined with reference to the legislation and customs procedures;
- the collection of data is based mainly on the Single Administrative Document (SAD), which is filled in by customs and transferred to the statistical authority.

### COMEXT database

COMEXT is the Eurostat reference database for external trade. It provides access not only to both recent and historical data from the EU Member States but also to statistics of a significant number of third countries. Connection to COMEXT is granted to the internal users of the Commission and any other European institution or Community body. The database is also accessible to the administrations of Member States belonging to the European Statistical System and of Candidate Countries.

External trade aggregated and detailed statistics disseminated from Eurostat website are compiled from COMEXT data according to a monthly process. Because COMEXT is updated on a daily basis, data published on the website may differ from data stored in COMEXT in case of recent revisions.

## Further information

---

Data: [Eurostat Website: http://ec.europa.eu/eurostat](http://ec.europa.eu/eurostat)

Data on "External trade statistics":

[http://epp.eurostat.ec.europa.eu/portal/page/portal/external\\_trade/data/database](http://epp.eurostat.ec.europa.eu/portal/page/portal/external_trade/data/database)

More information about "External trade statistics":

[http://epp.eurostat.ec.europa.eu/portal/page/portal/external\\_trade/introduction](http://epp.eurostat.ec.europa.eu/portal/page/portal/external_trade/introduction)

---

### **Journalists can contact the media support service:**

Bech Building Office A4/125 L - 2920 Luxembourg

Tel. (352) 4301 33408 Fax (352) 4301 35349

E-mail: [eurostat-mediasupport@ec.europa.eu](mailto:eurostat-mediasupport@ec.europa.eu)

---

### **European Statistical Data Support:**

Eurostat set up with the members of the 'European statistical system' a network of support centres, which will exist in nearly all Member States as well as in some EFTA countries.

Their mission is to provide help and guidance to Internet users of European statistical data.

Contact details for this support network can be found on our Internet site:

<http://ec.europa.eu/eurostat>

---

A list of worldwide sales outlets is available at the:

### **Office for Official Publications of the European Communities.**

2, rue Mercier

L - 2985 Luxembourg

URL: <http://publications.europa.eu>

E-mail: [info@publications.europa.eu](mailto:info@publications.europa.eu)

---

Manuscript completed on: 21.08.2009

Data extracted on: 19.03.2009

ISSN 1977-0316

Catalogue number: KS-SF-09-064-EN-N

© European Communities, 2009