

## EUROPEAN UNION (EU)<sup>(1)</sup> TRADE WITH THE COMMONWEALTH OF INDEPENDENT STATES (CIS)<sup>(2)</sup>

-Results for 1995-

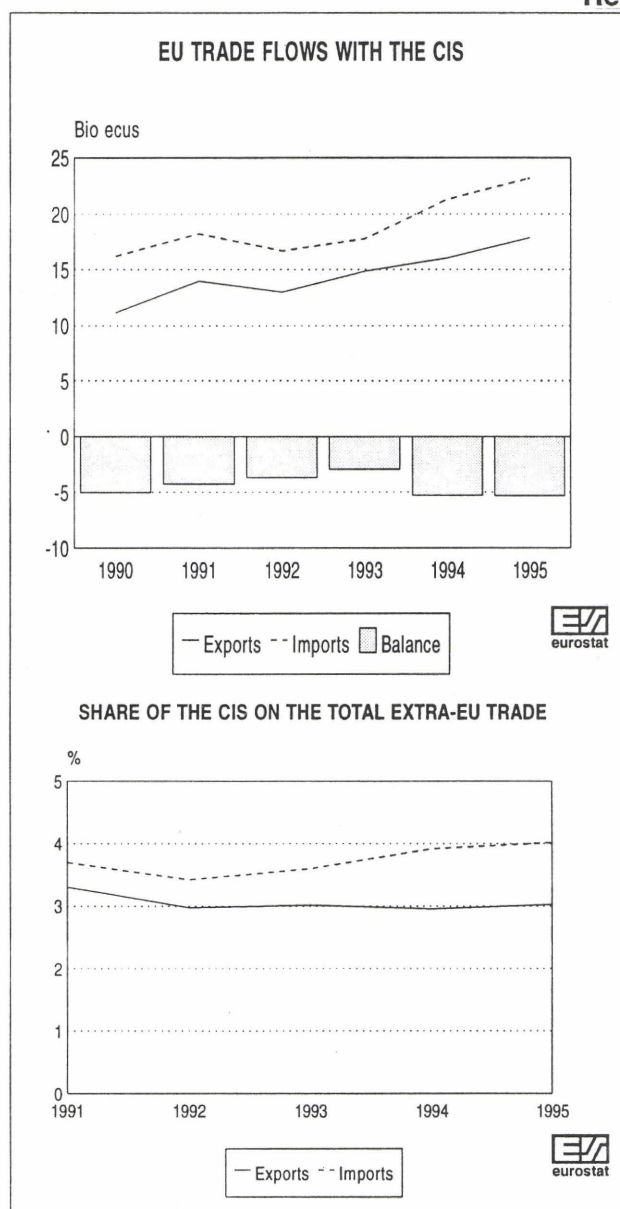
### Part I: Summary

**I.1** In 1995, compared to the previous year, EU imports from the CIS increased 8.8% amounting to 23.2 bio ecu while EU exports to these countries increased 11.5% to 17.8 bio ecu. The trade deficit remained stable at 5.3 bio ecu. From 1991, the yearly average growth rate reached 6.2% in imports and 6.3% in exports. As a consequence, in 1995, the share of CIS countries accounted for 4% of extra-EU imports (slightly up compared to 1991) and 3% for extra-EU exports (slightly down compared to 1991). This development is a sharp contrast to EU trade with the Central and Eastern European Countries as their trade share with EU roughly doubled during the same period.

**I.2** EU imports from the CIS, in 1995 were evenly divided between primary and manufactured goods (40% each) while the remaining 20% was covered by Other not classified goods. However, since 1991, imports of Primary goods declined from a share of 56%, in particular Mineral fuels, while imports of Manufactured products rose from a share of 21%, especially Non-ferrous metals and Iron and steel products. In contrast to imports, the share of Manufactured products in EU exports fell from 80% in 1991 to 73% in 1995; whereas that of Primary products increased from 15% in 1991 to 24% in 1995, mainly due to sharp increases in exports of Food and beverages.

**I.3** In 1995, the largest EU deficits were registered by Petroleum and related products (-6 bio ecu), Non-ferrous metals (-3.7 bio ecu) and Iron and steel (-1.2). The highest surpluses were registered by different types of Machinery (3.1 bio ecu), Road vehicles (0.8 bio ecu) and Meat and Beverages (together 1.5 bio ecu).

**I.4** Russia accounted for almost 80% of the EU trade with the CIS in 1995. It also had the highest deficit with the EU (-6.4 bio ecu). Ukraine and Belarus followed with a trade share of 9% and 3.5%, respectively. On the EU side, Germany (39%), Italy (19%) and France (12%) were the predominant trading partners with the CIS.



Source EUROSTAT: COMEXT database.  
External Trade Statistics (Imports CIF, Exports FOB).  
For the footnotes 1) and 2), see page 8.

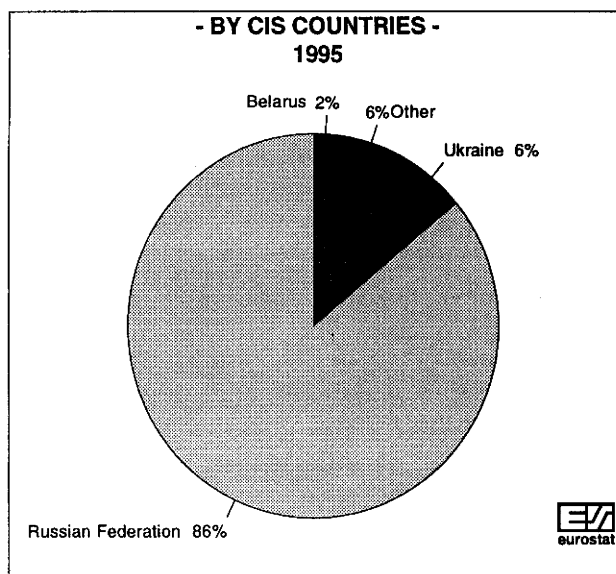
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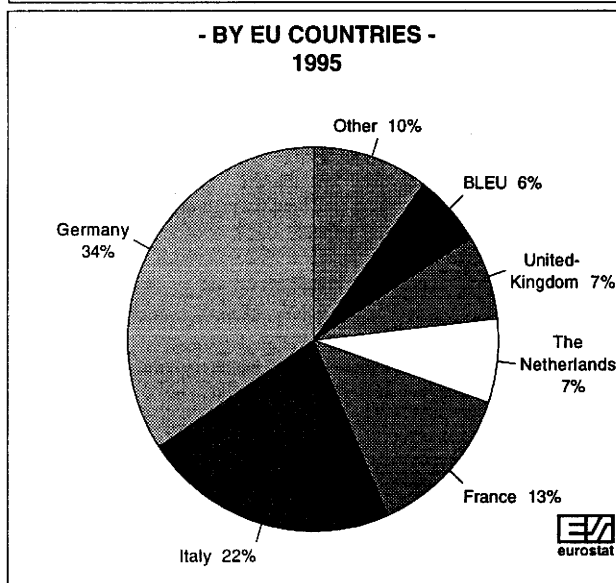
## Part II: EU imports from the CIS by product groups (SITC sections)



**II.1** EU imports from CIS went from 21.3 bio ecu to 23.2 bio ecu. This increase of 8.8% from 1994 to 1995 was above the growth rate of 6% of extra-EU imports. The share of the CIS in the total extra-EU imports, which was 4% in 1995, showed some increases over the last four years. EU imports from this region registered a growth average of 6.2%, while an increase of 4% was registered with the rest of the world.

**II.2** EU imports from the CIS were evenly divided between Primary (SITC 0-4) and Manufactured goods (SITC 5-8), each covered a share of 40% of the total EU imports with more than 9 bio ecu. Manufactured goods showed an increase of 32% compared to 1994 while Primary goods decreased 6%. Within the Manufactured goods, the size of Miscellaneous manufactured goods (SITC 6+8) was the most important, accounting for 29% of all EU imports from these countries (7 bio ecu), with an increase of 38% compared to the previous year. Other not classified goods (SITC 9) followed with a share of 20% of EU imports (5 bio ecu). Within the Raw materials, Mineral fuels (SITC 3) covered a share of 29% of EU imports from these countries but showed a significant fall of 12.6% between 1994 and 1995 (6.3 bio ecu).

**II.3** In 1995, the EU imported 86% from Russia (20 bio ecu). The Ukraine followed with a share of 6% accounting for 1.5 bio ecu. Belarus, Uzbekistan and Kazakhstan accounted from 2.3%, 2.1% and 1.4% of EU imports from this region in 1995. On the other side, Germany was the main importer from the CIS, accounting for 34% (8 bio ecu). Italy followed with a share of 22% (5 bio ecu) and France with 13% (3 bio ecu).



### EU IMPORTS FROM THE CIS

TRADE BY PRODUCTS (SITC Rev.3) <sup>3)</sup>	91	92	93	94	95	92/91	93/92	94/93	95/94	95/91
		*				**				
	Bio ecus					% variation p.a.				
<b>TOTAL (0-9)</b>	18.2	16.6	17.8	21.3	23.2	-8.6	6.7	19.9	8.8	6.2
Raw materials (0-4)	10.2	8.8	8.8	9.9	9.3	-13.6	-0.8	13.3	-6.2	-2.3
Food, beverage and tobacco (0+1)	0.3	0.3	0.3	0.4	0.5	12.5	5.7	20.4	30.3	16.9
Crude materials except fuels (2+4)	1.3	1.4	1.6	2.4	2.6	6.8	17.4	49.7	7.1	19.1
Mineral fuels (3)	8.7	7.2	6.8	7.2	6.2	-17.4	-4.5	4.5	-12.7	-7.9
Manufactured products (5-8)	3.9	4.1	4.7	7.0	9.2	5.5	14.3	46.9	31.8	23.6
Chemicals (5)	0.8	0.9	1.0	1.5	1.7	14.1	17.0	46.7	13.2	22.0
Machinery and transport equipment (7)	0.7	0.7	0.4	0.6	0.7	-10.3	-33.5	24.4	26.0	-1.7
Miscellaneous manufactured goods (6+8)	2.4	2.6	3.3	4.9	6.8	7.8	25.7	50.0	38.0	29.4
Other not classified goods (9)	4.1	3.7	4.3	4.4	4.7	-9.6	16.1	3.6	6.2	3.6
<b>MEMORANDUM ITEM</b>										
EU total imports (EXTRA-EU)	492.6	487.1	493.2	543.2	575.6	-1.1	1.3	10.1	6.0	4.0
EU total imports from CEEC***	16.2	22.5	26.8	33.9	41.7	38.8	19.1	26.6	23.0	26.7

3) The Standard International Trade Classification is an analytical nomenclature introduced by the United Nations for economic analysis. In this document, the third revision of the nomenclature (SITC Rev.3); introduced in 1988, is used.

\* For 1991: USSR, from 1992: CIS (Commonwealth of Independent States)

\*\* The % variation was calculated by using only the group of countries from the previous year

\*\*\* CEEC: Central and Eastern European Countries

## Part III: EU imports from the CIS by main product (SITC divisions)

**III.1** Petroleum, and related products (SITC 33) were the most imported goods by the EU from the CIS in 1995. They covered a share of 27% and accounted for 6.2 bio ecu. Non-ferrous metals (SITC 68) was also important with almost 4 bio ecu, representing 16% of EU imports from the region. Iron and steel (SITC 67) followed with a share of 6.2% of the total EU purchases from the CIS (1.4 bio ecu). These three products made up nearly half of the total imports from these countries; the other half was composed by more diversified product divisions.

**III.2** In 1995, Vegetables and fruits (SITC 05) registered the most important increase of 161% in imports compared to 1994. Other transport equipment (SITC 79) and Pulp and waste paper (SITC 25) also registered dynamic growths, 111% and 99% respectively. Plastics in primary forms (SITC 57) followed with an increase of 81% while Iron and steel (SITC 67) showed an increase of 62%. In contrast, imports of Cork and wood (SITC 24), Petroleum, and related products (SITC 33) and Leather and its manufactures (SITC 61) went down by

22%, 12% and 11% respectively. Textile fibres (SITC 26) and inorganic chemicals (SITC 52) showed smaller reductions.

**III.3** More than 20% of Hides, skins, and furskins (SITC 21), Non-ferrous metals (SITC 68) and Fertilizers (SITC 56) imported by the EU in 1995 came from the CIS countries. Other products with an important share in the total extra-EU imports that came from CIS were: Textile fibres (other than wool) (SITC 26) with 18%, Inorganic chemicals (SITC 52) with 15%, Petroleum, and related products (SITC 33) with 12% and Iron and steel (SITC 67) with 10%.

**III.4** The items which contributed the most to the growth of EU imports from the CIS were Non-ferrous metals (SITC 68) with 5.4 growth points, Iron and steel (SITC 67) with 2.6 growth points, and Metalliferous ores and metal scrap (SITC 28) with 1 point. In contrast, the fall of Petroleum, and petroleum products (SITC 76) effected negatively the contribution to growth in 1995 by decreasing it 4 points.

### EU IMPORTS FROM THE CIS BY MAIN PRODUCTS, 1995

		Value	annual variation	contribution to growth* of total imports	share in		
SITC Rev.3	PRODUCTS	Bio ecus	%	in percentage growth points	Extra-EU imports by products **	EU imports from the CIS	
						%	% cumul.
33	Petroleum, petroleum prod. and related materials	6.15	-12.1	-4.0	12.4	26.6	26.6
68	Non-ferrous metals	3.76	43.7	5.4	22.3	16.2	42.8
67	Iron and steel	1.43	61.9	2.6	10.3	6.2	49.0
26	Textile fibres (other than wool), wastes; not manuf.	0.74	-5.2	-0.2	17.7	3.2	52.2
28	Metalliferous ores and metal scrap	0.67	49.4	1.0	7.2	2.9	55.1
52	Inorganic chemicals	0.57	-2.6	-0.1	14.5	2.5	57.6
66	Non-metallic mineral manufact., n.e.s.	0.51	-1.2	0.0	3.7	2.2	59.7
56	Fertilizers, manufact. (other than group 272)	0.42	21.1	0.3	20.8	1.8	61.6
51	Organic chemicals	0.39	22.0	0.3	3.2	1.7	63.2
79	Other transport equip.	0.34	111.0	0.8	1.9	1.5	64.7
84	Articles of apparel. and clothing accessories	0.34	30.5	0.4	1.1	1.5	66.2
25	Pulp and waste paper	0.33	98.8	0.8	4.8	1.4	67.6
24	Cork and wood	0.31	-21.8	-0.4	4.0	1.3	68.9
21	Hides, skins and furskins, raw	0.26	3.0	0.0	22.9	1.1	70.0
03	Fish, Crustaceans and molluscs and prep. thereof	0.26	-0.8	0.0	3.4	1.1	71.1
05	Vegetables and fruit	0.16	161.2	0.5	1.4	0.7	71.8
65	Textile yarn, fabrics, made-up articles, n.e.s.	0.14	17.9	0.1	1.0	0.6	72.4
57	Plastics in primary forms	0.13	80.5	0.3	2.2	0.6	73.0
61	Leather, leather manufact., n.e.s.	0.13	-10.7	-0.1	5.5	0.6	73.6
63	Cork and wood manufact. (excluding furniture)	0.13	26.1	0.1	2.7	0.6	74.1

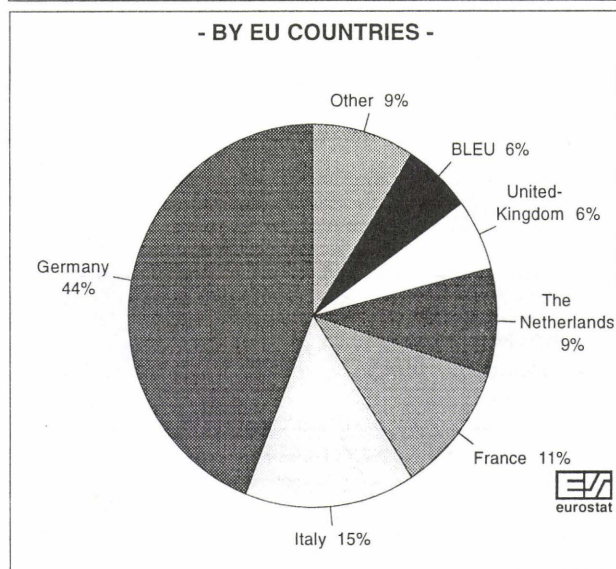
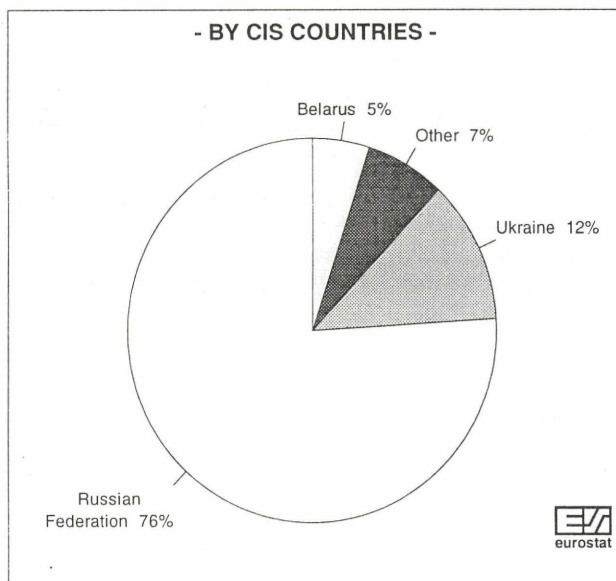
\* The contribution to the growth is the ratio between the 1995/1994 increase of each product flow and the total imports of 1994 in %

\*\* i.e. EU imports of a product from the CIS related to total extra-EU imports of this product.





## Part IV: EU exports to the CIS by product groups (SITC sections)



**IV.1** The value of EU exports to the CIS increased by 11.5% between 1994 and 1995. It went from 16 bio ecu to 17.9 bio ecu. This increase was higher than the growth of 8.8% registered by the EU total exports as a whole for this period. The share of the EU exports to these countries in 1995 was of 3% of the total extra-EU exports. From 1991 to 1995, the average growth of EU exports to the CIS increased 6.3%, while EU total exports raised 7.9% during the same period.

**IV.2** In 1995 compared to 1994, Manufactured products (SITC 5-8) increased by 9.4% while Primary products grew by 16.9%. From 1991 to 1995, the yearly average growth rate of Manufactured products was a modest 3.8% compared to 19.2% in Primary products. As a consequence, the share of Manufactured exports went down from 80% to 73% whereas Primary goods increased from 15% to 24%. Machinery and transport equipment (SITC 7) remained the most important section in 1995, with 6.8 bio ecu, in spite of a sluggish growth of 3.8% compared to 1994 (+0.3% on average since 1991). Miscellaneous manufactured products (SITC 6+8) have shown increases of about 18% from 1994 (+14% on average since 1991), reaching 4.6 bio ecu in 1995. The relative strength of exports in Primary products was due to the increase in Food and beverages (SITC 0+1) of 15.7 % from the 1994 to 1995 (+19.3 % on average since 1991).

**IV.3** As in the case of imports, Russia was the main outlet with a share of 76% (13 bio ecu). The Ukraine was the second most important buyer as it covered 11.5% (2 bio ecu). Belarus, Uzbekistan and Kazakhstan recorded shares of 4.6%, 2.3% and 2.1% respectively of EU exports to this region. From the European Union's side, Germany was by far the main exporter to the CIS with 43% (7.8 bio ecu). Italy came next with a share of 14.8% (2.6 bio ecu) and France with 11% (1.9 bio ecu).

### EU EXPORTS TO THE CIS

TRADE BY PRODUCTS (SITC Rev.3)	91	92 *	93	94	95	92/91 **	93/92	94/93	95/94	95/91
	Bio ecus					% variation p.a.				
<b>TOTAL (0-9)</b>	14.0	13.0	14.8	16.0	17.9	-7.1	14.3	8.0	11.5	6.3
Raw materials (0-4)	2.1	3.4	3.6	3.7	4.3	60.2	5.8	1.7	16.9	19.2
Food, beverage and tobacco (0+1)	1.9	3.1	3.4	3.3	3.9	64.8	8.1	-1.8	15.7	19.3
Crude materials except fuels (2+4)	0.2	0.3	0.2	0.2	0.4	40.7	-35.2	41.7	50.7	18.1
Mineral fuels (3)	0.1	0.0	0.1	0.1	0.1	-31.0	101.9	66.0	-13.5	19.0
Manufactured products (5-8)	11.2	9.1	10.7	11.9	13.0	-19.1	17.7	11.2	9.4	3.8
Chemicals (5)	1.8	1.2	1.3	1.4	1.6	-29.2	6.5	7.9	12.4	-2.2
Machinery and transport equipment (7)	6.8	5.3	6.5	6.6	6.8	-22.1	22.4	2.1	3.8	0.3
Miscellaneous manufactured goods (6+8)	2.7	2.6	2.9	3.9	4.6	-5.1	13.3	33.0	17.9	13.9
Other not classified goods (9)	0.6	0.4	0.5	0.4	0.5	-23.3	11.7	-16.6	21.3	-3.5
<b>MEMORANDUM ITEM</b>										
EU total exports (EXTRA-EU)	423.2	436.1	491.1	541.8	589.7	3.0	12.6	10.3	8.8	7.9
EU total exports to the CEEC***	17.7	24.6	33.2	40.3	49.3	38.9	34.9	21.4	22.4	32.0

\* For 1991: USSR, from 1992: CIS (Commonwealth of Independent States)

\*\* The % variation was calculated by using only the group of countries from the previous year

\*\*\* CEEC: Central and Eastern European Countries

## Part V: EU exports to the CIS by main product (SITC divisions)

**V.1** The top four ranked exports came from the Machinery and Transport equipment section. These were: Machinery specialized for particular industries (SITC 72) with 1.3 bio ecu, General industry machinery & equipment (SITC 74), Electrical machinery & appliances (SITC 77) and Road vehicles (SITC 78) with 1 bio ecu each. These divisions globally represented around 24% of the total value of EU exports to these group of countries. Together with the next eight products they constituted half of the total exports to the CIS. This indicates a much lower product concentration than on the EU import side where only 3 products represented about half of the imports from the CIS.

**V.2** Compared to the previous year, in 1995, the most dynamic exports were Electrical machinery & appliances (SITC 77) (+35%), and Manufacture of metals (SITC 69) (+31%), Furniture & parts, bedding and mattresses (SITC 82) and Essential oils & perfume materials (SITC 55) (+28% each). The most important falls were recorded by Machinery specialized for

particular industries (SITC 72), with a decrease of 16%; Road vehicles (SITC 78) with 13% and Medical and pharmaceutical products (SITC 54) with 12%.

**V.3** The highest shares of CIS purchases in the total extra-EU exports were reached by the following products: 20 % of EU exports of Coffee, tea, cocoa, etc (SITC 07), 17% of Meat and meat preparations (SITC 01) and about 8% of Beverages (SITC 11), Furniture and parts thereof (SITC 82) and Footwear (SITC 85).

**V.4** Electrical machinery & appliances (SITC 77) was the division which contributed the most to EU export growth by 1.6 points. Coffee, tea, cocoa and spices (SITC 07) and Furniture & parts, etc (SITC 82) together amounted to 1.4 growth points. By contrast, the fall of Machinery specialized for particular industries (SITC 72) and Road vehicles (SITC 78) effected negatively by decreasing the contribution to growth by 1.5 and 0.9 points.

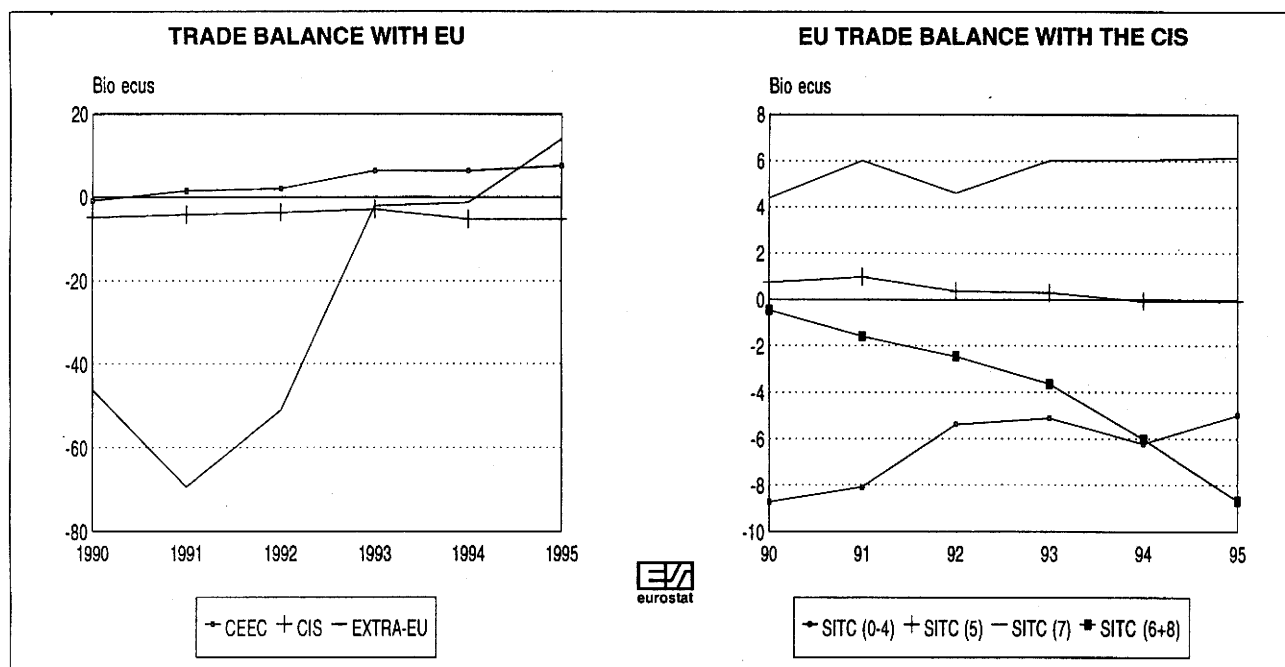
### EU EXPORTS TO THE CIS BY MAIN PRODUCTS, 1995

		level	annual variation	contribution to growth* of total exports	share in		
SITC Rev.3	PRODUCTS	Bio ecus	%	in percentage growth points	Extra-EU exports by products **	EU exports to the CIS	
						%	% cumul.
72	Mach. specialized for particular industries	1.28	-16.0	-1.5	3.5	7.2	7.2
74	General industr. mach. & equip., n.e.s.	1.04	5.3	0.3	2.8	5.8	13.0
77	Electr. mach., app. & appliances, n.e.s.	0.96	34.9	1.6	2.4	5.4	18.4
78	Road vehicles (including air-cushion vehicles)	0.95	-13.3	-0.9	1.7	5.3	23.7
01	Meat and meat prep.	0.74	21.4	0.8	17.4	4.2	27.8
11	Beverages	0.70	-7.2	-0.3	8.4	3.9	31.8
76	Telecommunic., sound recording & equip.	0.68	16.6	0.6	4.6	3.8	35.6
65	Textile yarn, fabrics, made-up articles, n.e.s.	0.59	15.1	0.5	3.3	3.3	38.9
07	Coffee, tea, cocoa, spices and manufact. thereof	0.57	23.2	0.7	20.4	3.2	42.1
82	Furnit. & parts thereof; beddg., mattresses,....	0.53	28.3	0.7	7.9	3.0	45.1
75	Office mach. and automatic data-processing mach.	0.52	22.8	0.6	2.9	2.9	48.0
89	Miscellaneous manufact. articles, n.e.s.	0.48	14.2	0.4	1.8	2.7	50.7
79	Other transport equip.	0.46	10.5	0.3	1.6	2.6	53.3
85	Footwear	0.42	-10.3	-0.3	7.7	2.4	55.7
55	Essential oils & perfume materials	0.40	28.2	0.5	5.1	2.2	57.9
84	Articles of apparel. and clothing accessories	0.39	2.8	0.1	3.0	2.2	60.1
69	Manufact. of metals, n.e.s.	0.38	30.6	0.6	2.4	2.1	62.2
87	Professional, scientific & controlling instrum., n.e.s.	0.38	-2.8	-0.1	2.8	2.1	64.3
54	Medical and pharmaceutical prod.	0.36	-11.5	-0.3	2.1	2.0	66.4
05	Vegetables and fruit	0.35	-3.9	-0.1	7.3	2.0	68.3

\* The contribution to the growth is the ratio between the 1995/1994 increase of each product flow and the total imports of 1994 in %

\*\* i.e. EU exports of a product to the CIS related to total extra-EU exports of this product.

## Part VI: EU trade balance with the CIS by product groups (SITC sections)



**VI.1** In 1995, the EU balance with the CIS registered a deficit of 5.3 bio ecu. This deficit has remained unchanged compared to the last year, and has been present during the last four years. However, in 1995 the cover ratio slightly increased to 77. This was due to a stronger increase of 11.5 % in EU exports over a smaller increase of 8.8% in EU imports. This development is a sharp contrast with the consistent improvement of the EU trade surplus with Central and Eastern European Countries during the same period, as it went from a deficit of 70 bio ecu in 1991 to a surplus of 14.1 bio ecu in 1995.

**VI.2** As in the previous four years, in 1995 the analysis by main product groups showed that the trade deficit was mainly caused by the Primary goods (SITC 0-4) (-5 bio ecu) and Other not classified goods (SITC 9) (-4.2 bio ecu) which were partially counterbalanced by the surplus registered in the Manufactured goods (SITC 5-8) (3.9 bio ecu). Machinery and Transport equipment (SITC 7) recorded a surplus of around 6 bio ecu while deficits were registered by Miscellaneous manufactured goods (SITC 6+8) (-2.2 bio ecu) and Chemicals (SITC 5) (-0.1 bio ecu).

### EU TRADE BALANCE AND COVER RATIO IN VALUE WITH THE CIS

TRADE BY PRODUCTS (SITC Rev.3)	91	92*	93	94	95	91	92	93	94	95
	Bio ecus					cover ratio = [(exports/imports) * 100]				
<b>TOTAL (0-9)</b>	-4.2	-3.7	-2.9	-5.3	-5.3	77	78	84	75	77
Raw materials (0-4)	-8.1	-5.4	-5.1	-6.2	-5.0	21	39	42	37	47
Food, beverage and tobacco (0+1)	1.6	2.8	3.1	2.9	3.4	708	1036	1059	864	767
Crude materials except fuels (2+4)	-1.1	-1.1	-1.4	-2.1	-2.2	15	19	11	10	14
Mineral fuels (3)	-8.6	-7.1	-6.8	-7.0	-6.1	1	1	1	2	2
Manufactured products (5-8)	7.3	5.0	6.0	5.0	3.9	286	220	226	171	142
Chemicals (5)	1.0	0.4	0.3	-0.1	-0.1	232	144	131	96	96
Machinery and transport equipment (7)	6.0	4.6	6.0	6.0	6.1	906	787	1449	1189	980
Miscellaneous manufactured goods (6+8)	0.3	0.0	-0.4	-1.0	-2.2	112	99	89	79	68
Other not classified goods (9)	-3.5	-3.2	-3.8	-4.0	-4.2	14	12	12	9	11
<b>MEMORANDUM ITEM</b>										
EU trade balance (EXTRA-EU)	-69.4	-51.0	-2.1	-1.3	14.1	86	90	100	100	102
EU-CEEC 15 trade balance with CEEC**	1.5	2.1	6.4	6.4	7.6	109	109	124	119	118

\* For 1991: USSR, from 1992: CIS (Commonwealth of Independent States)

\*\* CEEC: Central and Eastern European Countries

**Part VII: EU trade balance and intra-industry trade intensity with the CIS by main product category (SITC divisions)**

**EU TRADE BALANCE WITH THE CIS BY MAIN PRODUCTS**



SITC Rev.3	1995 HIGHEST SURPLUSES	90	91	92	93	94	95
		(in Bio ecus)					
72	Mach. specialized for particular industries	1.87	2.09	1.27	1.71	1.48	1.23
74	General industr. mach. & equip., n.e.s.	0.82	0.97	0.76	1.00	0.95	0.98
77	Electr. mach., app. & appliances, n.e.s.	0.27	0.47	0.36	0.50	0.64	0.89
78	Road vehicles (including air-cushion vehicles)	-0.17	-0.14	0.08	0.80	0.90	0.83
01	Meat and meat prep.	0.35	0.59	0.65	0.54	0.61	0.74
11	Beverages	-0.01	0.03	0.13	0.47	0.73	0.68
76	Telecommunic., sound recording & equip.	0.05	0.14	0.19	0.40	0.58	0.68
07	Coffee, tea, cocoa, spices and manufact. thereof	0.02	0.01	0.12	0.35	0.46	0.57
75	Office mach. and automatic data-processing mach.	0.21	0.23	0.14	0.27	0.42	0.52
82	Furnit. & parts thereof; beddg., mattresses,....	0.01	0.04	0.03	0.16	0.37	0.49
	<b>1995 LARGEST DEFICITS</b>						
33	Petroleum, petroleum prod. and related materials	-7.61	-7.31	-6.91	-6.60	-6.87	-6.04
68	Non-ferrous metals	-0.95	-1.25	-1.28	-1.63	-2.57	-3.69
67	Iron and steel	0.45	0.31	-0.08	-0.27	-0.72	-1.22
26	Textile fibres (other than wool), wastes; not manufact.	-0.18	-0.25	-0.40	-0.49	-0.78	-0.73
28	Metalliferous ores and metal scrap	-0.15	-0.15	-0.19	-0.34	-0.36	-0.58
52	Inorganic chemicals	-0.12	-0.22	-0.30	-0.38	-0.56	-0.53
56	Fertilizers, manufact. (other than group 272)	-0.13	-0.17	-0.23	-0.27	-0.35	-0.42
25	Pulp and waste paper	-0.14	-0.08	-0.10	-0.13	-0.17	-0.33
24	Cork and wood	-0.73	-0.55	-0.38	-0.33	-0.39	-0.30
51	Organic chemicals	-0.06	-0.04	-0.01	-0.01	-0.19	-0.29

**VII.1** Along with the previous four years, in 1995 Machinery specialized for particular industries (SITC 72) (1.2 bio ecu) registered the largest surplus with the CIS. Other manufactured goods with big surpluses were General industry machinery & equipment (SITC 74) with 1 bio ecu, Electrical machinery & appliances (SITC 77) with 0.9 bio ecu and Road Vehicles (SITC 78) with 0.8 bio ecu. However, certain agricultural goods were also noted such as Meat and meat preparations (SITC 01) Beverages (SITC 11) with 0.7 bio ecu each, and Coffee, tea, cocoa, spices (SITC 07) with 0.6 bio ecu.

**VII.2** Except for the largest deficit displayed by Petroleum and related products (SITC 33) (-6 bio ecu),

other high deficits concerned mainly manufactured goods; such as: Non-ferrous metals (SITC 68) with 3.7 bio ecu; Iron and steel (SITC 67) with 1.2 bio ecu, Textile fibres (SITC 26) with 0.7 bio ecu, and Metalliferous ores and metal scrap (SITC 28) with 0.6 bio ecu.

**VII.3** In 1995, the degree of intra-industry trade intensity with the EU increased for all the CIS countries except for Moldova. Belarus, Ukraine and Armenia registered the highest intra-industry trade intensity of 34, 30 and 21 respectively. On the other hand, Turkmenistan, Tadjikistan, Uzbekistan continued to register the lowest degrees of intra-industry trade intensity with the EU.

**EU-CIS INTRA-INDUSTRY TRADE INTENSITIES BY COUNTRIES (\*) IN 1995**



RANK	COUNTRY	INDEX		RANK	COUNTRY	INDEX	
		1994	1995			1994	1995
1	Belarus	32	34	7	Kazakhstan	5	10
2	Ukraine	22	30	8	Azerbaijan	6	10
3	Armenia	14	21	9	Kyrgistan	2	6
4	Moldova	21	19	10	Turkmenistan	3	4
5	Georgia	12	14	11	Tadjikistan	1	2
6	Russia	11	14	12	Uzbekistan	1	2

(\*) The Grubel-Lloyd intra-industry index measures the product structure of the trade between two partners and is used for international comparison.

It is calculated using the SITC divisions from 00 to 99, and its value can vary between 0 (= the two countries are specialised in different product categories: inter-industry trade) and 100 (= the countries are specialised in the same product chapters: intra-industry trade).

It is important to note that in some cases the index can be downward biased due to the global trade balance dis-equilibrium (surplus or deficit)

# Part VIII: EU trade flows with the CIS by Member States

## - EU trade with the CIS by CIS partners -



CIS-Partners	EU-EXPORTS				EU-IMPORTS				EU-TRADE BALANCE			
	95	94	95	95 / 94	95	94	95	95 / 94	94	95	94	95
	share	Bio ecus	%-var.		share	Bio ecus	%-var.		Bio ecus	% of the total trade		
Ukraine	11.5	1.67	2.06	23.6	6.3	1.25	1.45	15.9	0.41	0.61	14.2	17.3
Belarus	4.6	0.58	0.83	43.5	2.3	0.43	0.53	24.9	0.15	0.29	15.0	21.7
Moldova	0.8	0.08	0.14	84.8	0.4	0.05	0.09	76.9	0.03	0.05	21.0	23.0
Russia	75.7	12.17	13.52	11.1	86.0	18.40	19.92	8.3	-6.23	-6.40	-20.4	-19.1
Georgia	0.5	0.09	0.10	8.7	0.1	0.02	0.02	34.7	0.07	0.08	70.6	64.9
Armenia	0.7	0.06	0.13	118.1	0.1	0.04	0.03	-9.8	0.02	0.10	23.0	58.9
Azerbaijan	0.7	0.08	0.12	45.1	0.2	0.02	0.05	113.3	0.06	0.07	56.9	42.4
Kazakhstan	2.1	0.68	0.37	-44.9	1.4	0.27	0.32	17.9	0.41	0.06	43.0	8.0
Turkmenistan	0.4	0.15	0.08	-47.2	0.7	0.19	0.15	-20.0	-0.04	-0.07	-11.6	-31.4
Uzbekistan	2.3	0.39	0.41	5.3	2.1	0.52	0.49	-5.7	-0.13	-0.08	-14.3	-8.9
Tadjikistan	0.3	0.04	0.05	26.3	0.3	0.09	0.07	-20.0	-0.05	-0.02	-40.5	-19.9
Kyrgistan	0.3	0.05	0.05	12.5	0.1	0.02	0.03	49.6	0.02	0.02	33.6	20.3
CIS	100.0	16.02	17.86	11.5	100.0	21.30	23.16	8.8	-5.28	-5.30	-14.1	-12.9

VIII.1 As in the previous years, the trade between the EU and the CIS in 1995 was dominated by Russia which covered 80% of the flows. At a considerable distance, the Ukraine and Belarus ranked second and third, covering around 9% and 3.5% respectively of the trade. Considering the trade balances by individual CIS countries, the consistent EU deficit with Russia caused almost the overall EU deficit with the whole CIS during the analyzed period. In 1995, the EU trade surpluses with the Ukraine and Belarus were relatively small (0.6 and 0.3 bio ecu) whereas the trade with the other CIS countries was almost in balance.

VIII.2 The most dynamic growth rate in EU imports concerned the supplies from Azerbaijan (+113%). Moldova followed with an increase of 76% and Kyrgistan with a growth of 50%. Georgia and Belarus also reached growth rates of 35% and 25% respectively. As for EU exports, the most considerable growths were registered with Armenia (a rate of 118%) and

Moldova (+85%). By contrast, the most notable decreases in 1995 were shown by exports to Turkmenistan and Kazakhstan with rates of around 45% each.

VIII.3 Around 40% of the EU trade flows with the CIS were recorded by Germany. Italy was second with a share of 18.5%. France followed with 12%. Ireland, Denmark and France showed the most dynamic growth rates on the exports side with increases of 50%, 46% and 36% compared to 1994. Except for a small decrease of German exports (-0.3%), all the EU members registered increases in their exports. On the import side, Ireland registered the highest increase of 34%. Spain, Denmark and the Netherlands followed with around 20% each. The highest trade deficit was displayed by Italy (-2.5 bio ecu). France also showed a deficit of 1.2 bio ecu. Meanwhile, positive trade balances were recorded by Denmark and Ireland with around 0.25 bio ecu each.

## - EU trade with the CIS by EU- MEMBER STATES -



EU-Reporters	EXPORTS				IMPORTS				TRADE BALANCE			
	95	94	95	95 / 94	95	94	95	95 / 94	94	95	94	95
	share	Bio ecus	%-var.		share	Bio ecus	%-var.		Bio ecus	% of total trade		
BLEU	5.8	0.82	1.04	26.4	6.4	1.42	1.49	4.6	-0.60	-0.45	-26.8	-17.9
Denmark	3.5	0.43	0.63	45.9	1.7	0.33	0.39	18.7	0.11	0.24	13.9	23.8
Germany	43.6	7.80	7.78	-0.3	34.4	7.59	7.98	5.1	0.21	-0.20	1.4	-1.3
Greece	1.8	0.29	0.32	8.4	2.6	0.61	0.61	0.3	-0.32	-0.29	-35.2	-31.8
Spain	1.9	0.29	0.35	20.5	4.9	0.94	1.13	20.2	-0.65	-0.78	-53.1	-53.0
France	11.0	1.44	1.96	35.7	13.4	2.65	3.11	17.6	-1.20	-1.15	-29.4	-22.7
Ireland	1.6	0.20	0.29	49.8	0.1	0.02	0.03	33.9	0.17	0.26	77.9	80.0
Italy	14.8	2.28	2.65	16.6	22.2	4.90	5.15	4.9	-2.63	-2.49	-36.6	-32.0
Netherlands	9.2	1.34	1.64	21.6	6.6	1.28	1.53	18.8	0.06	0.11	2.3	3.4
Portugal	0.3	0.06	0.06	1.6	1.0	0.21	0.24	15.0	-0.15	-0.18	-57.0	-61.0
United Kingdom	6.5	1.08	1.16	7.6	6.6	1.35	1.52	12.8	-0.27	-0.36	-11.2	-13.6
EUR12	100.0	16.02	17.86	11.5	100.0	21.30	23.16	8.8	-5.28	-5.30	-14.1	-12.9

1) As of January 1st, 1995, the European Union (EU) has been enlarged to 15 Member States. However, this report analyses figures for only 12 EU countries as detailed data for 1995 could not be supplied by the three new member states (Sweden, Finland, Austria).  
(2) CIS Republics is defined as follows: Armenia, Azerbaijan, Belarus, Georgia, Kazakhstan, Kyrgistan, Moldova, Russia, Tajikistan, Turkmenistan, Ukraine, Uzbekistan.