



STATISTICS IN FOCUS

External trade

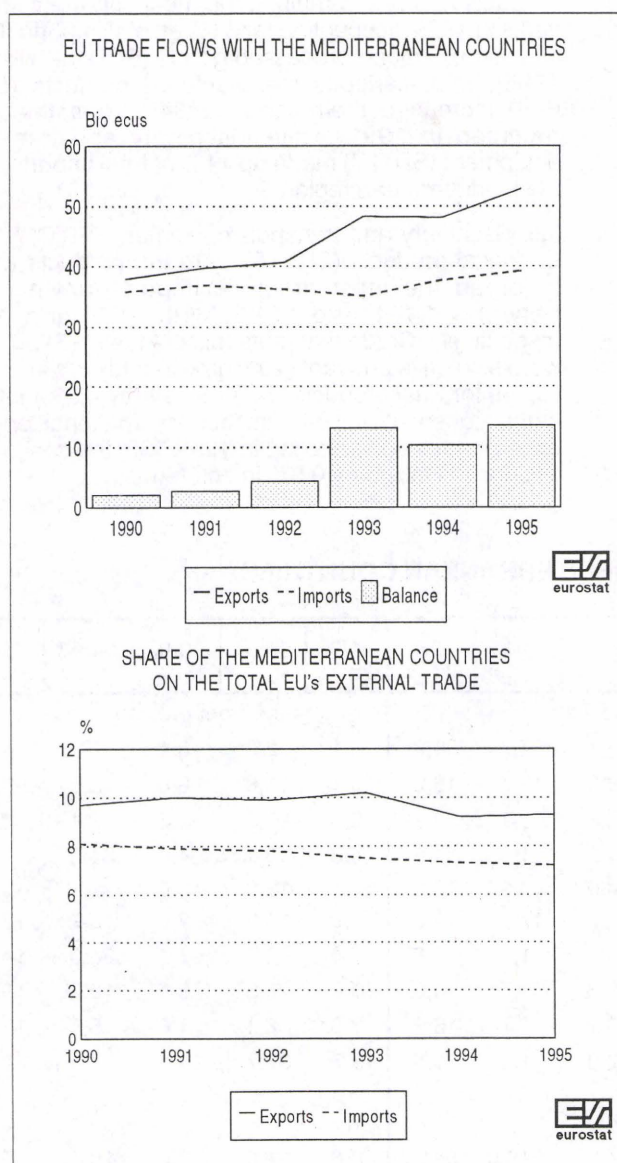
1996 ☐ 13

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ISSN 1024-6878

EUROPEAN UNION (EUR15)⁽¹⁾ TRADE WITH THE MEDITERRANEAN COUNTRIES⁽²⁾ -Results for 1995-

Part I: Summary



I.1 Trade relations with the Mediterranean countries are of major importance for the European Union. Nevertheless, the Mediterranean countries' share in total EU external trade flows has shrunk somewhat over the last two years, their 1995 share in EU exports and imports amounting to 9.3% and 7.2% respectively.

I.2 In 1995, the EU's imports from the Mediterranean countries increased by 4% over 1994, whereas its exports rose sharply (+10%) after having fallen slightly (-0.5%) the previous year. As a consequence, the EU's trade surplus with these countries rose to a remarkable ECU 13.7 billion in 1995 (ECU 10.4 billion in 1994).

I.3 Petroleum products, clothing, textile yarns and fabrics, and fruit and vegetables were the most important imported products in 1995, together making up 60% of all EU imports from the Mediterranean countries. In the same year, EU sales to this area were concentrated mainly on machinery and transport equipment (38% of the total) and on miscellaneous manufactured goods (32%).

I.4 In 1995, three EU Member States (Germany, France and Italy) accounted for more than 60% of both EU export and import flows to and from the Mediterranean Basin. The three most important Mediterranean partners, Israel, Turkey and Algeria, together accounted for more than half of the EU's total trade flows with the region. Libya stood out as an important supplier for the Union, with EU imports from this country (mainly petrol) accounting for 15% of the EU's imports from the region (about ECU 6 billion) in 1995. However, mainly as a consequence of the partial UN embargo, the EU's exports to Libya have been declining sharply in recent years, stabilising at ECU 2.3 billion in 1995.

I.5 Malta, Lebanon and Israel recorded the highest levels of intra-industry trade with the EU in 1995, while trade with Syria, Libya and Algeria was largely restricted to a pattern of inter-sectoral exchanges.

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

Manuscript completed on = 9.12.1996

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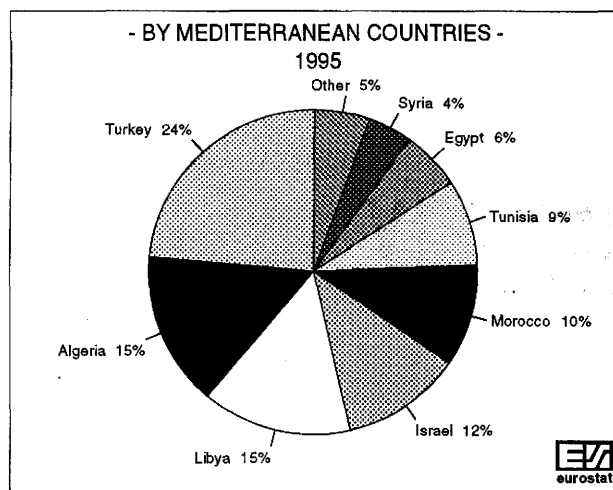
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Price (excl. VAT) in Luxembourg: Subscription ECU 240,
single copy ECU 6

Catalogue number: CA-NO-96-013-EN-C

Part II: EU imports from the Mediterranean Countries.

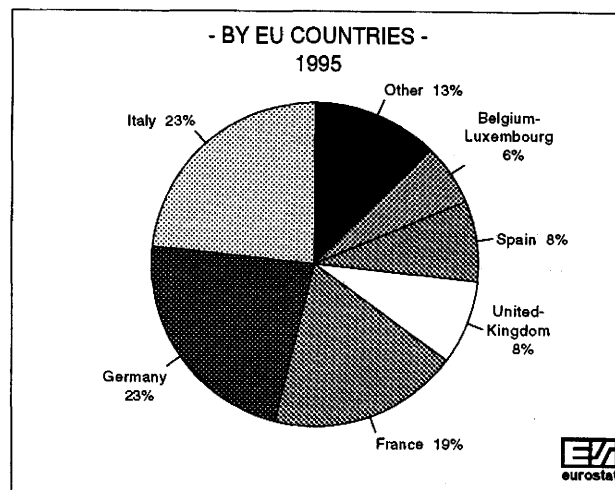


II.1 EU imports from the Mediterranean countries increased by 4% in 1995 compared with the previous year. This was slightly below the average growth rate of EU imports as a whole (+5.1%).

II.2 Turkey was the most important Mediterranean supplier, with ECU 9.2 billion (24% of total EU imports from these countries), followed by Algeria and Libya with 15% each. Israel and the four Mashreq countries (Egypt, Jordan, Syria and Lebanon) accounted for another 24% of European Union imports from the region, while Malta and Cyprus, together represented almost 5% (ECU 1.8 billion).

II.3 Germany and Italy were the main outlets for Mediterranean exports to the Union, each accounting for 23% of the EU's total imports (ECU 9 billion each) in 1995. France followed with 7.4 billion ecu (19%).

II.4 Between 1991 and 1995, the values of EU purchases from this region increased slowly (barely 6% over 5 years compared with 16% growth for imports from non-Member States as a whole). This was mainly due



to the significant reduction in imports of raw materials (-19% since 1991), which was only partially offset by the substantial increase in manufactured products (+49% growth rate in the same period). Despite this trend, Fuel products (SITC 3) remained the most important import items in 1995, accounting for 34% of total imports (ECU 13 billion). Among processed goods (ECU 19 billion in 1995), Miscellaneous manufactured products (SITC 6+8) increased their share to 34% from the 25% recorded in 1991, while Machinery and transport equipment (SITC 7) made up 11% of total imports from the Mediterranean region.

II.5 Machinery and transport equipment (SITC 7) and Chemical products (SITC 5) were the products which recorded the most dramatic import growth rates between 1994 and 1995, with 19% and 15% respectively. Crude materials (except fuels) (SITC 2+4) were also quite buoyant (+9% growth rate), while import values for Fuel products (SITC 3) fell (by 4.8%) for the fourth consecutive year. In fact, international energy prices continued to decline in 1995, with the cost of EU oil supplies falling by 0.5% in ecu terms.

EU IMPORTS FROM THE MEDITERRANEAN COUNTRIES

TRADE BY PRODUCTS (SITC-Rev3)	91	92	93	94	95	91/90	92/91	93/92	94/93	95/94
	(Bio ecus)					% change from previous year				
TOTAL TRADE (0-9)	36,9	36,2	35,1	37,7	39,2	3,1	-2,0	-3,1	7,3	4,0
Raw materials (0-4)	22,4	19,8	18,0	18,7	18,2	2,1	-11,8	-8,8	3,5	-2,5
Food, beverage and tobacco (0+1)	3,1	2,9	2,8	3,1	3,2	6,8	-7,5	-4,4	13,4	1,2
Crude materials except fuels (2+4)	1,6	1,3	1,2	1,7	1,8	4,8	-18,1	-4,4	34,0	9,2
Mineral fuels (3)	17,7	15,6	14,0	13,9	13,2	1,1	-12,0	-10,0	-1,1	-4,8
Manufactured products (5-8)	13,1	14,4	14,8	17,2	19,5	3,9	10,3	2,8	15,7	13,9
Chemicals (5)	1,4	1,4	1,4	1,8	2,0	-7,4	-2,7	-1,1	30,0	14,8
Mach. & transport equipment (7)	2,4	3,1	3,3	3,7	4,3	13,8	26,3	8,5	10,2	18,5
Misc. manufactured goods (6+8)	9,2	10,0	10,1	11,7	13,2	3,5	8,1	1,6	15,6	12,3
Other not classified goods (9)	1,5	2,0	2,2	1,9	1,5	13,7	37,7	11,1	-17,1	-21,3
MEMORANDUM ITEMS										
EU total imports (Extra-EU)	468,8	461,4	470,5	518,0	544,7	6,6	-1,6	2,0	10,1	5,1
Mediterranean Countries total imports*	69,2	73,5	92,8	87,2	104,0	-0,5	6,1	26,2	-6,1	19,3

* Source IMF-DOTS

Part III: EU imports by main product categories (SITC divisions⁽³⁾).

III.1 As far as imports from the Mediterranean countries are concerned, by far the most important SITC division in 1995 was Petroleum products and related materials (SITC 33), with ECU 12.2 billion. These products, together with Natural and manufactured gas (SITC 34) accounted for one-third of total EU imports from the region.

The second-ranked item was Articles of apparel and clothing accessories (SITC 84), which accounted for 24% of total imports (ECU 7.5 billion). Vegetables and fruit (SITC 05) followed, with a value of ECU 2.4 billion, accounting for almost 6% of EU imports from the Mediterranean countries.

III.2 The Union is strongly dependent on Mediterranean supplies in the fertilizer and energy sectors. In 1995, 30% of Manufactured fertilizers (SITC 56), around 23% of total imports of petroleum (SITC 33) and 17% of imports of gas (SITC 34) came from these countries. Other Mediterranean products with a substantial

product share in EU imports were Articles of apparel (SITC 84) at 25% and Vegetables and fruit (SITC 05) at 19%.

III.3 In 1995, the imported item recording the most dramatic rate of growth over the previous year was Iron and steel (SITC 67), at +100%. Other very dynamic products were Road vehicles (SITC 78), Fixed vegetables fats & oils (SITC 42), Manufactures of metals (SITC 69) and Other transport equipment (SITC 79), with rates of increase of 87, 37, 26 and 20% respectively. The values for both petroleum (SITC 33) and gas products (SITC 34) fell by -3.7% and -16.5% respectively.

III.4 Articles of apparel and clothing accessories (SITC 84) was the main contributor to the total growth of EU imports from the Mediterranean, with 1.9 growth points. Other high-impact products were Iron and steel (SITC 67) and Electrical machinery and apparatus (SITC 77), which accounted for 0.6 growth points each.

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

EU IMPORTS FROM THE MEDITERRANEAN COUNTRIES BY MAIN PRODUCTS, 1995

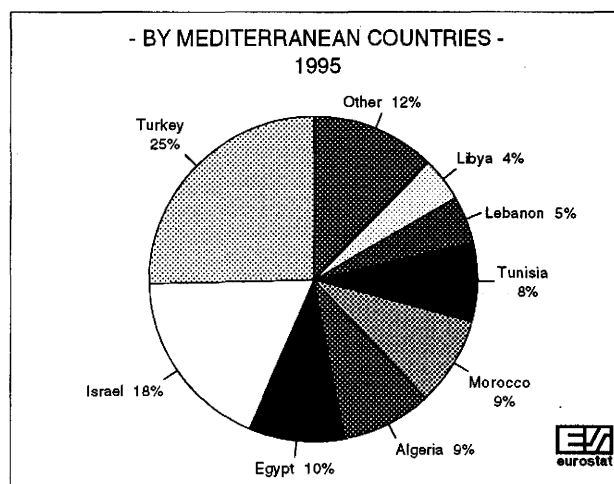
		level	annual variation	contribution to growth* of total imports	share in		
SITC Rev.3	PRODUCTS	Bio ecus	%	in percentage growth points	Extra-EU imports by products* *	Imports from Med13 Countries	
						%	% cum.
33	Petroleum, petroleum prod. & related mat.	12,18	-3,7	-1,3	23,3	31,1	31,1
84	Articles of apparel. & clothing accessories	7,53	10,3	1,9	24,2	19,2	50,3
05	Vegetables and fruit	2,36	2,0	0,1	19,4	6,0	56,3
65	Textile yarn, fabrics, made-up articles, n.e.s.	1,74	3,6	0,2	13,3	4,4	60,7
77	Electr. mach., app. & appliances, n.e.s.	1,61	15,7	0,6	3,9	4,1	64,9
66	Non-metallic mineral manufact., n.e.s.	1,11	14,6	0,4	8,2	2,8	67,7
34	Gas, natural and manufact.	1,00	-16,5	-0,5	17,2	2,5	70,2
79	Other transport equip.	0,99	20,3	0,4	6,4	2,5	72,8
56	Fertilizers, manufact. (other than group 272)	0,59	12,3	0,2	29,7	1,5	74,3
76	Telecommunic., sound recording & equip.	0,49	17,1	0,2	2,8	1,3	75,5
52	Inorganic chemicals	0,46	11,2	0,1	11,2	1,2	76,7
67	Iron and steel	0,46	99,9	0,6	4,6	1,2	77,9
51	Organic chemicals	0,45	10,6	0,1	3,7	1,1	79,0
89	Miscellaneous manufact. articles, n.e.s.	0,42	9,8	0,1	1,9	1,1	80,1
03	Fish, Crustaceans, molluscs & prep. thereof	0,42	-1,0	0,0	5,4	1,1	81,2
27	Crude fertilizers & minerals	0,40	3,0	0,0	15,9	1,0	82,2
42	Fixed vegetable fats and oils, crude, refined	0,34	37,3	0,2	17,4	0,9	83,1
69	Manufact. of metals, n.e.s.	0,34	26,0	0,2	3,3	0,9	83,9
29	Crude anim. and vegetable materials, n.e.s.	0,33	4,8	0,0	13,9	0,8	84,8
78	Road vehicles (including air-cushion vehicles)	0,33	86,7	0,4	1,5	0,8	85,6

* 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 Mediterranean countries related to total extra-EU imports of this product.



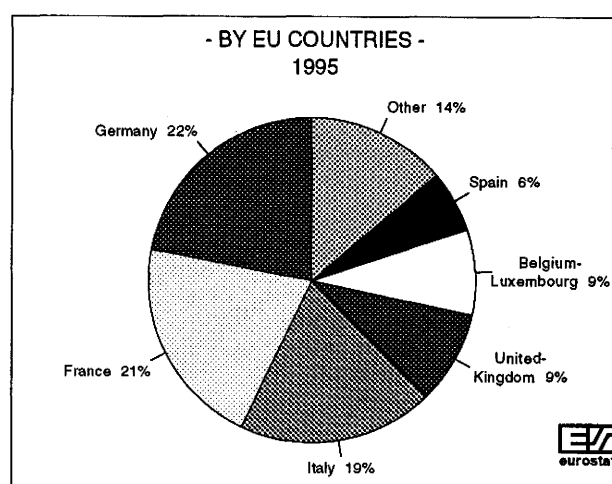
Part IV: EU exports to the Mediterranean Countries.



IV.1 In 1995 the value of EU exports to the Mediterranean countries rose by 10% compared to the previous year. This was above the average growth rate of total extra-EU exports (9.2%).

IV.2 Turkey was the main destination for European products, with around ECU 13 billion (corresponding to almost 25% of total EU exports to the Mediterranean). EU exports to this country increased dramatically compared to 1994 (+45% growth rate), mainly due to the liberalization process carried out during 1995. The Maghreb countries (Morocco, Algeria and Tunisia) and Libya together absorbed one-third of EU sales in the Mediterranean region (ECU 15.9 billion), while Malta and Cyprus took about 4% of EU exports each.

IV.3 The breakdown of EU exports to the Mediterranean Basin by EU Member State, like that of imports, is highly concentrated. Almost 22% of the 1995 value of EU exports to the Mediterranean countries came from Germany (ECU 11.6 billion), while France and Italy followed with 21% and 19% respectively.



IV.4 During the first part of the 1990s, the rate of growth of EU exports to the Mediterranean countries was just below the corresponding rate for total EU exports to the rest of the world, with a total increase between 1991 and 1995 of 33.4% and 42.7% respectively. The good performance in both the primary and manufactured products sectors (35% and 36% respectively) was only partially offset by the slowdown recorded for "Not classified goods" (SITC 9): -25% over the five-year period. In 1995, around 82% of total EU exports to the Mediterranean were manufactured products, mainly concentrated in the Machinery and transport equipment section (SITC 7) (38% of the total), while the share of Raw materials (SITC 0-4) remained stable at around 15.1% in 1995.

IV.5 In 1995, Crude materials (except fuels) (SITC 2+4) and Chemicals (SITC 5) were the products which recorded the highest growth rates over 1994: 30.2% and 17% respectively. In the same year, Food, beverage and tobacco (SITC 0+1) and was also quite buoyant, with 14.7%.

EU EXPORTS TO THE MEDITERRANEAN COUNTRIES

TRADE BY PRODUCTS (SITC-Rev3)	91	92	93	94	95	91/90	92/91	93/92	94/93	95/94
	(Bio ecus)					% change from previous year				
TOTAL TRADE (0-9)	39,7	40,6	48,3	48,1	52,9	4,6	2,2	19,0	- 0,5	10,1
Raw materials (0-4)	5,9	5,5	6,9	7,0	8,0	- 3,8	- 7,1	24,6	1,9	14,7
Food, beverage and tobacco (0+1)	3,3	3,2	3,9	3,9	4,4	- 15,5	- 2,5	19,6	1,1	11,4
Crude materials except fuels (2+4)	1,4	1,4	1,8	1,9	2,5	- 0,8	1,6	24,8	7,1	30,2
Mineral fuels (3)	1,2	0,9	1,2	1,2	1,2	45,6	- 29,4	43,2	- 3,1	0,9
Manufactured products (5-8)	31,9	33,9	40,2	39,8	43,5	4,9	6,2	18,7	- 1,0	9,3
Chemicals (5)	4,3	4,6	5,4	5,7	6,6	4,4	7,6	17,1	3,9	17,4
Machinery & transport equipment (7)	15,5	16,3	19,7	19,1	20,1	4,1	5,3	20,7	- 2,8	5,3
Misc. manufactured goods (6+8)	12,1	13,0	15,1	15,1	16,7	6,3	6,9	16,8	- 0,5	11,2
Other not classified goods (9)	1,8	1,1	1,2	1,2	1,4	34,5	- 37,5	1,7	4,2	13,1
MEMORANDUM ITEMS										
EU total exports (Extra-EU)	398,8	410,6	471,7	521,2	569,0	2,0	2,9	14,9	10,5	9,2
Mediterranean Countries total exports*	55,0	52,2	57,6	59,6	64,3	1,8	- 5,2	10,5	3,4	8,0

* Source: IMF-DOTS

Part V: EU exports by main product categories (SITC divisions).

V.1 The top four places in terms of exports in 1995 were taken by products in the SITC (7) Machinery and transport equipment section. The products in question were Road vehicles (SITC 78), Machinery specialised for particular industries (SITC 72), Electrical machinery apparatus (SITC 77), and General industry machinery (SITC 74), which together represented more than 27% of the total value of EU exports to the Mediterranean.

V.2 Around one-fifth of the Cereals (SITC 04) exported outside the Union in 1995 were destined for Mediterranean markets (ECU 1.1 billion). These countries were also important outlets for Textile yarn, fabrics, made-up articles (SITC 65) (19% of total EU exports), with a value of around ECU 3.2 billion. The remarkable level of EU exports in this sector, together with the value of imports of Articles of apparel and clothing accessories, has to be seen in the context of the growing importance of the "outward processing" phenomenon in the textiles sector.

Over 15% of Non-metallic mineral manufactured articles (SITC 66) and of Plastics (SITC 57) exported by the EU to third countries were sold to the Mediterranean region.

V.3 Paper & paperboard (SITC 64) was the most dynamic item on the export side, showing year-on-year growth of 31%. Plastics (SITC 57) and Organic chemicals (SITC 51) followed with growth rates of 26.5% and 25% respectively. Some important products showed negative growth compared with 1994, particularly EU exports of Other transport equipment (SITC 79) (-15.5%) and Power generating machines (SITC 71) (-10.7%).

V.4 The four top-selling products, mentioned in the first paragraph, also contributed most to the growth of EU exports to the Mediterranean in 1995, together notching up almost 3 growth points.

EU EXPORTS TO THE MEDITERRANEAN COUNTRIES BY MAIN PRODUCTS, 1995

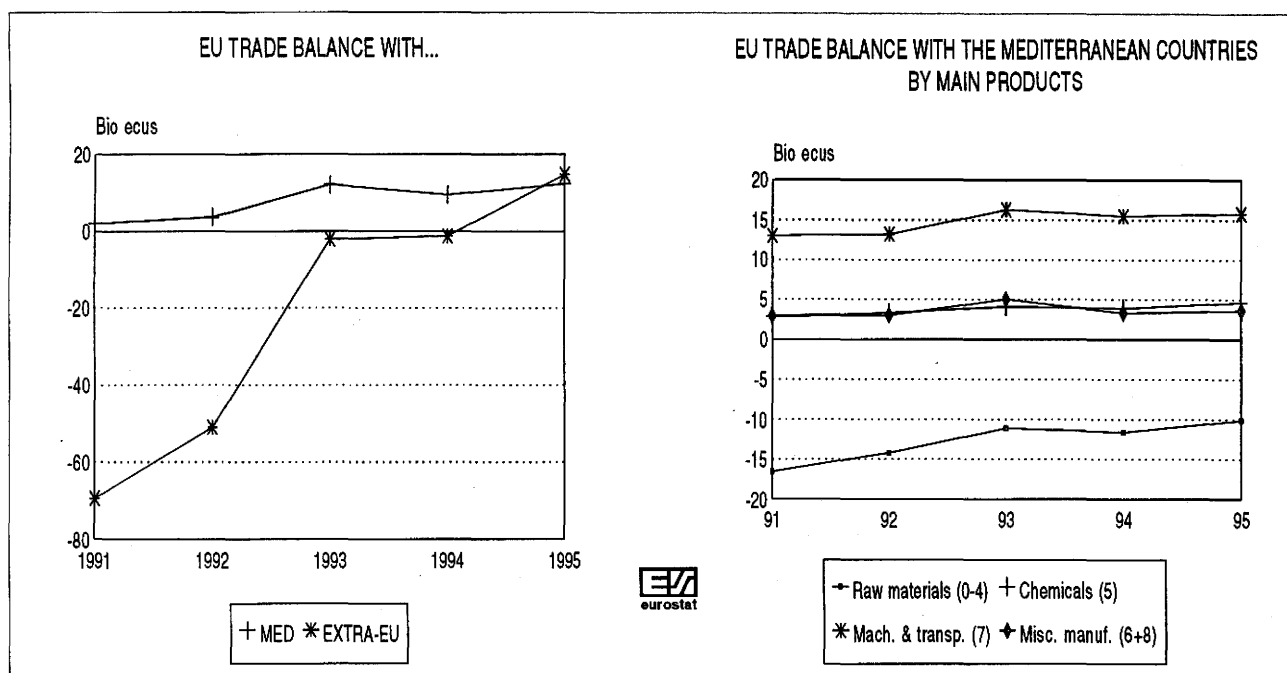
		value	annual variation	contribution to growth* of total exports	share in		
SITC Rev.3	PRODUCTS	Bio ecus	%	in percentage growth points	Extra-EU exports by products ** %	Exports to the Med13 Countries	
						%	% cum.
78	Road vehicles (incl. air-cushion vehicles)	4,06	15,2	1,1	7,8	7,7	7,7
72	Mach. specialized for particular industries	3,53	12,1	0,8	9,2	6,7	14,3
77	Electr. mach., app. & appliances, n.e.s.	3,44	1,2	0,1	9,0	6,5	20,9
74	General industr. mach. & equip., n.e.s.	3,44	9,1	0,6	9,4	6,5	27,3
65	Textile yarn, fabrics, made-up articles	3,18	11,4	0,7	18,9	6,0	33,3
66	Non-metallic mineral manufact., n.e.s.	3,01	1,4	0,1	15,4	5,7	39,0
67	Iron and steel	1,95	0,6	0,0	11,7	3,7	42,7
79	Other transport equip.	1,86	-15,5	-0,7	6,4	3,5	46,2
54	Medical and pharmaceutical prod.	1,45	6,8	0,2	8,6	2,7	49,0
89	Miscellaneous manufact. articles, n.e.s.	1,40	18,4	0,5	5,7	2,6	51,6
69	Manufact. of metals, n.e.s.	1,35	12,5	0,3	9,1	2,5	54,1
57	Plastics in primary forms	1,28	26,5	0,6	15,5	2,4	56,6
76	Telecommunic., sound recording & equip.	1,27	12,4	0,3	7,3	2,4	59,0
71	Power generating mach. and equip.	1,18	-10,7	-0,3	6,4	2,2	61,2
64	Paper, paperboard & art. of paper	1,18	31,1	0,6	9,7	2,2	63,4
33	Petroleum, petroleum prod. & related mat.	1,12	-1,7	0,0	13,2	2,1	65,5
04	Cereals and cereal prep.	1,08	-2,2	-0,1	22,3	2,0	67,6
59	Chemical materials and prod. n.e.s.	0,94	13,4	0,2	9,7	1,8	69,4
51	Organic chemicals	0,93	25,0	0,4	5,7	1,8	71,1
87	Prof., scientific & controlling instrum., n.e.s.	0,93	3,3	0,1	7,0	1,8	72,9

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

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



Part VI: EU Trade Balance with the Mediterranean countries.



VI.1 In 1995, the EU's trade surplus with the Mediterranean countries rose by ECU 3.3 billion compared with 1994, reaching a level higher than that registered in 1993 (ECU 13.7 billion). The EU's trade with the rest of the world turned finally into a remarkable surplus of almost ECU 24.3 billion.

VI.2 The analysis by main product groups shows that in Euro-Mediterranean trade relations during the early 1990s, the big deficits in Fuel products (SITC 3) (around ECU 16.5 billion in 1995) were always more than offset by surpluses in the manufactured products sections (SITC 5-8). In fact, the surplus in manufactured

products, mainly concentrated in Machinery and transport equipment (SITC 7), rose from ECU 13 billion in 1991 to ECU 15.8 billion in 1995.

VI.3 Due to the gap between the export and import growth rates, the EU-Mediterranean export cover ratio showed an improvement in value terms between 1994 and 1995. Over the five-year period, only Machinery and transport equipment (SITC 7), and Other not classified goods (SITC 9) recorded clear decreases in this indicator, a fact which highlights the emerging role of the Mediterranean countries as manufacturing exporters to the European Union.

EU TRADE BALANCE AND COVER RATIO WITH THE MEDITERRANEAN COUNTRIES

TRADE BY PRODUCTS (SITC-Rev3)	91	92	93	94	95	91	92	93	94	95
	(Bio ecus)					cover ratio (export/import)*100				
TOTAL TRADE (0-9)	2,7	4,4	13,2	10,4	13,7	107	112	138	128	135
Raw materials (0-4)	-16,5	-14,2	-11,1	-11,6	-10,1	27	28	38	38	44
Food, beverage and tobacco (0+1)	0,2	0,3	1,1	0,8	1,2	106	112	140	125	137
Crude materials except fuels (2+4)	-0,2	0,1	0,5	0,3	0,7	89	111	145	116	138
Mineral fuels (3)	-16,5	-14,7	-12,8	-12,7	-12,0	7	6	9	9	9
Manufactured products (5-8)	18,8	19,5	25,4	22,7	24,0	244	235	271	232	223
Chemicals (5)	2,9	3,3	4,1	3,9	4,6	307	339	402	321	329
Machinery and transport equipment (7)	13,0	13,2	16,3	15,5	15,8	637	531	591	521	463
Misc. manufactured goods (6+8)	2,9	3,0	5,0	3,3	3,6	131	130	149	128	127
Other not classified goods (9)	0,4	-0,9	-1,1	-0,7	-0,1	125	57	52	65	94
MEMORANDUM ITEMS										
EU total balance (Extra-EU)	-70,0	-50,8	1,2	3,2	24,3	85	89	100	101	104
Mediterranean Countries total balance*	-14,2	-21,4	-35,2	-27,6	-39,7	80	71	62	68	62

* Source: IMF-DOTS

Part VII: EU trade balance by main product category (SITC divisions) and intra-industry trade index by country.

EU TRADE BALANCE WITH THE MEDITERRANEAN COUNTRIES BY MAIN PRODUCTS



SITC Rev.3	1995 HIGHEST SURPLUSES	90	91	92	93	94	95
		Value in Bio ecus (10 ⁹ ecus)					
78	Road vehicles (including air-cushion vehicles)	2,89	2,92	3,07	3,79	3,35	3,73
72	Mach. specialized for particular industries	2,53	2,62	2,83	3,37	2,97	3,43
74	General industr. mach. & equip., n.e.s.	2,27	2,53	2,46	2,96	2,91	3,14
66	Non-metallic mineral manufact., n.e.s.	1,28	1,44	1,70	2,12	2,00	1,91
77	Electr. mach., app. & appliances, n.e.s.	1,41	1,48	1,45	1,96	2,01	1,83
67	Iron and steel	1,40	1,65	1,73	2,26	1,71	1,49
65	Textile yarn, fabrics, made-up articles, n.e.s.	0,63	0,86	1,06	1,47	1,18	1,44
54	Medical and pharmaceutical prod.	0,82	0,82	0,98	1,09	1,29	1,39
64	Paper, paperboard & art. of paper	0,68	0,78	0,77	0,89	0,85	1,14
57	Plastics in primary forms	0,64	0,75	0,70	0,86	0,92	1,12
1995 LARGEST DEFICITS							
33	Petroleum, petroleum prod. and related materials	-14,81	-14,22	-13,56	-11,65	-11,52	-11,07
84	Articles of apparel. and clothing accessories	-4,58	-5,03	-5,57	-5,83	-6,05	-6,61
05	Vegetables and fruit	-1,99	-2,18	-1,96	-1,85	-2,09	-2,04
34	Gas, natural and manufact.	-1,90	-2,28	-1,17	-1,15	-1,14	-0,92
56	Fertilizers, manufact. (other than group 272)	-0,45	-0,41	-0,39	-0,27	-0,48	-0,52
03	Fish, Crustaceans and molluscs and prep. thereof	-0,34	-0,36	-0,34	-0,31	-0,35	-0,33
27	Crude fertilizers & minerals (excl. coal, petrol, ..)	-0,43	-0,37	-0,30	-0,23	-0,26	-0,26
29	Crude anim. and vegetable materials, n.e.s.	-0,19	-0,21	-0,19	-0,20	-0,22	-0,23
99	Confidential	0,04	0,34	-0,89	-1,00	-0,69	-0,18
52	Inorganic chemicals	0,00	0,01	-0,05	-0,12	-0,16	-0,17

VII.1 In 1995, the EU's biggest surplus with the Mediterranean countries was in Road vehicles (SITC 78), at ECU 3.7 billion. Significant positive balances were also recorded in Machinery specialised for particular industries (SITC 72) and General industry machinery (SITC 74), at ECU 3.4 and 3.1 billion respectively.

VII.2 The largest deficit in 1995 was recorded by the Petroleum products division (SITC 33) (ECU 11 billion), followed by Articles of apparel (SITC 84) and Vegetables and fruit (SITC 05), at ECU 6.6 billion and ECU 2 billion respectively.

VII.3 The extent of intra-industry trade with the EU varies from one Mediterranean partner to another. In 1995, Malta, Israel and Cyprus showed the highest levels of intra-industry trade, while the other countries developed trade mainly on the basis of sectoral complementarity.

VII.4 Between 1991 and 1995 almost all the Mediterranean partners showed an increase in the intra-industry intensity with the EU. Only Lebanon and Libya showed a slight reduction in this indicator.

EU-MEDITERRANEAN INTRA-INDUSTRY TRADE INDEX (*) IN 1995

RANK	COUNTRY	INDEX			RANK	COUNTRY	INDEX		
		91	94	95			91	94	95
01	Malta	55,0	61,3	60,8	08	Jordan	11,2	10,3	11,1
02	Israel	44,9	45,9	49,2	09	Lebanon	10,2	5,9	7,0
03	Cyprus	34,4	34,6	40,7	10	Algeria	4,0	6,0	6,8
04	Turkey	27,5	31,3	34,5	11	Syria	5,2	3,8	6,1
05	Tunisia	29,8	31,1	32,0	12	Libya	5,9	4,0	5,5
06	Morocco	19,5	23,9	25,4	13	Gaza+Jericho	-	-	3,4
07	Egypt	14,8	17,3	17,8					

(*) Grubel-Lloyd Intra-industry Index =
$$\frac{\text{Sum (Xi+Mi)} - \text{Sum IXi-Mil}}{\text{Sum (Xi + Mi)}} \times 100$$



The Grubel-Lloyd intra-industry index measures the product structure of trade between two partners and is used for international comparison. It is calculated using the SITC divisions from 00 to 97, 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 an imbalance in the overall trade balance (surplus or deficit).

Part VIII: EU trade flows with the Mediterranean Region.

- by Mediterranean Countries -



	EU-EXPORTS				EU-IMPORTS				EU-TRADE BALANCE			
	1995	1994	1995	95/94	1995	1994	1995	95/94	1994	1995	1994	1995
	share	Bio ECUs	%-var		share	Bio ECUs	%-var		Bio ECUs		as % of total trade	
Malta	3,8	1,89	2,02	6,7	2,7	1,03	1,08	4,8	0,86	0,94	29,6	30,3
Turkey	25,4	9,29	13,44	44,7	23,6	7,90	9,24	17,0	1,39	4,20	8,1	18,5
Morocco	8,9	4,49	4,73	5,5	10,2	3,80	4,01	5,8	0,69	0,72	8,4	8,2
Algeria	8,9	4,83	4,71	-2,4	15,3	6,15	6,01	-2,3	-1,33	-1,30	-12,1	-12,1
Tunisia	7,9	3,89	4,16	7,0	8,6	3,08	3,36	9,3	0,82	0,80	11,7	10,7
Libya	4,3	2,16	2,28	5,4	14,8	6,11	5,79	-5,3	-3,95	-3,51	-47,7	-43,5
Egypt	9,5	4,90	5,02	2,5	5,9	2,85	2,33	-18,4	2,05	2,69	26,4	36,6
Cyprus	3,8	2,08	2,01	-3,3	1,9	0,63	0,74	16,8	1,45	1,28	53,5	46,4
Lebanon	4,7	2,29	2,47	7,7	0,3	0,09	0,11	20,9	2,20	2,36	92,3	91,4
Syria	2,6	1,69	1,38	-18,6	4,4	1,61	1,73	7,7	0,08	-0,36	2,5	-11,5
Israel	18,2	9,30	9,66	3,8	11,9	4,28	4,65	8,8	5,03	5,01	37,0	35,0
Gaza + Jericho	0,0	-	0,00	-	0,0	-	0,00	-	-	0,00	-	87,2
Jordan	2,0	1,10	1,05	-4,6	0,3	0,15	0,13	-11,4	0,94	0,91	75,7	77,3
MED13	100,0	47,91	52,93	10,5	100,0	37,67	39,18	4,0	10,24	13,74	12,0	14,9

* All figures have been rounded except for the % variance which was calculated using the full figures.

VIII.1 In 1995, the EU's biggest surplus in the Mediterranean Basin was with Israel (ECU 5 billion), and corresponded to almost 35% of total trade with this country. In relative terms, the most dramatic surpluses were recorded in trade with Lebanon and Gaza-Jericho: 91% and 87% respectively of the value of these countries' trade with the European Union. The EU recorded deficits with Libya (ECU 3.5 billion), Algeria (ECU 1.3 billion) and Syria (ECU 0.4 billion).

VIII.2 EU exports to Turkey rose dramatically between 1994 and 1995 (+45%) and more than offset the sluggish performances of almost all the other Mediterranean partners. Meanwhile, the most

dynamic import flows were those from Lebanon (+21%), followed by Turkey and Cyprus (both with +17%).

VIII.3 In 1995, France and Germany recorded the EU's largest surpluses with its Mediterranean partners: ECU 3.7 billion and ECU 2.7 billion respectively. Only Portugal showed a small deficit of around ECU 0.2 billion, while all the other Member States registered positive trade balances.

VIII.4 Sweden and Finland were the EU countries whose exports to the Mediterranean region showed the most dynamic growth rates (+24% and +27% respectively). On the imports side, the highest percentage change was registered by Ireland (+31%).

- by EU- member states -



	EU-EXPORTS				EU-IMPORTS				EU-TRADE BALANCE			
	1995	1994	1995	95/94	1995	1994	1995	95/94	1994	1995	1994	1995
	share	Bio ecus	% var.		share	Bio ecus	% var.		Bio ECUs		as % of total trade	
France	21,0	10,00	11,09	10,9	18,9	6,91	7,42	7,3	3,09	3,68	18,3	19,9
BLEU	8,5	4,36	4,48	2,8	6,1	2,28	2,40	5,2	2,08	2,08	31,3	30,3
The Netherlands	5,1	2,40	2,71	13,2	5,8	2,17	2,29	5,5	0,23	0,42	5,0	8,5
Germany	21,9	10,33	11,61	12,4	22,8	8,64	8,94	3,5	1,69	2,67	8,9	13,0
Italy	19,4	9,41	10,25	8,9	23,3	8,55	9,11	6,6	0,86	1,14	4,8	5,9
United Kingdom	9,3	4,44	4,95	11,4	8,3	2,99	3,23	8,1	1,45	1,71	19,5	20,9
Ireland	1,0	0,43	0,51	19,1	0,4	0,11	0,14	30,6	0,32	0,37	60,4	57,3
Denmark	1,1	0,55	0,58	5,8	0,6	0,26	0,22	-12,5	0,29	0,36	36,4	44,4
Greece	1,7	0,99	0,92	-6,5	2,0	1,00	0,79	-21,4	-0,01	0,14	-0,6	8,1
Portugal	0,6	0,30	0,34	11,0	1,4	0,59	0,56	-5,3	-0,29	-0,22	-32,2	-24,9
Spain	6,1	2,71	3,25	19,8	8,1	2,98	3,18	6,6	-0,26	0,08	-4,6	1,2
Sweden	2,0	0,86	1,06	24,3	0,6	0,28	0,25	-12,1	0,57	0,81	50,1	62,0
Finland	1,1	0,44	0,56	26,8	0,2	0,11	0,08	-27,2	0,33	0,48	59,1	74,3
Austria	1,1	0,68	0,60	-10,8	1,5	0,79	0,58	-26,7	-0,12	0,02	-8,0	1,8
EU(15)	100,0	47,91	52,93	10,5	100,0	37,67	39,18	4,0	10,24	13,74	12,0	14,9

(1) As of January 1st 1995, the EU has been enlarged to 15 Member States. This publication includes all 15 Member States. However, data before 1995 for the 3 New Member States (Sweden, Finland and Austria) does not follow the common methodology and therefore must be considered with attention.

(2) The Mediterranean region includes the following countries: Malta, Cyprus, Turkey, Morocco, Algeria, Tunisia, Libya, Egypt, Jordan, Syria, Lebanon, Israel, Gaza-Jericho.