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# TRADE OF CENTRAL EUROPEAN COUNTRIES

*Tim Allen*

After the break-up of the Council for Mutual Economic Assistance (CMEA) in 1991, the countries of Central Europe started to liberalise their trade. There was a tremendous expansion in trade, which virtually doubled between 1993 and 1997. Because of the restructuring of their economies, the Central European Countries generally experienced a growing deficit, which in fact increased by a factor of 2½ over the period.

The increasing openness of the CECs economies was accompanied by a dual trend in the pattern of their trade: geographical, with an expansion of trade with the European Union, and in terms of products, with increased trade in manufactured goods.

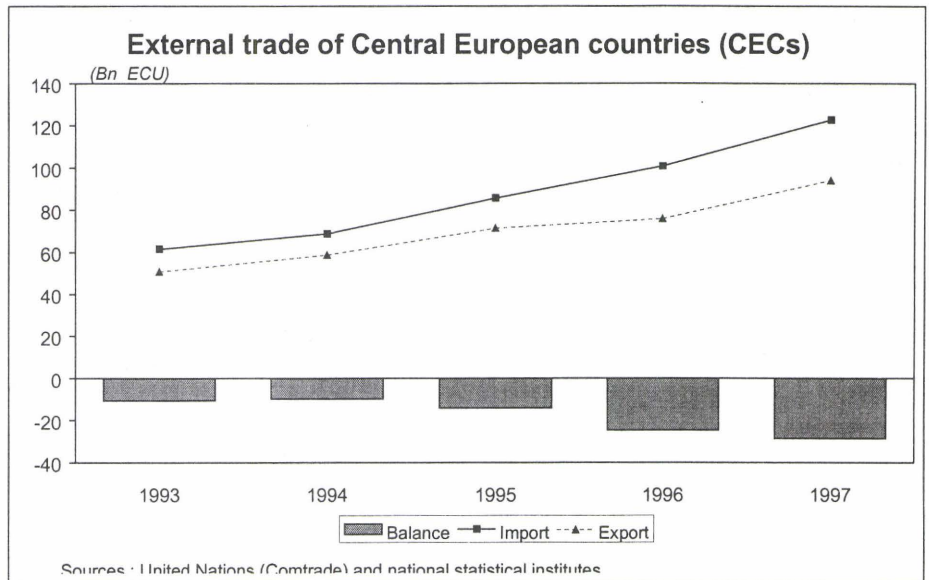
Statistics  
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EXTERNAL TRADE

THEME 6 – 2/1999

## Contents

- 1. CECs trade with the rest of the world .....1
- 1.1. Trade by country .....2
- 1.2. Trade by products .....3
- 2. EU trade with the Central European Countries .....4
- 2.1. Trade balance .....4
- 2.2. EU imports from CECs .....5
- 2.3. EU exports to CECs .....6



## 1. CECs trade with the rest of the world

The integration of the Central European Countries in world trade was helped by the agreements they signed with the European Union (cooperation agreements, Europe agreements) and within the region (Central Europe Free Trade Agreement, Baltic States Free Trade Agreement) and membership of the World Trade Organisation (WTO).

Transactions for the CECs in general more than doubled between 1993 and 1997, with imports growing at an annual rate of +18.9% and exports at a rate of +16.6%. In the latter year, these two flows accounted for about 2.5% of all world imports and 1.9% of all exports (including intra-Community trade). Comparable figures for the New Independent States (NIS\*) were 1.8% for imports and 2.2% for exports. The European Union accounted for 35.3% of world imports and 38.9% of exports (including intra-Community trade).

With imports expanding faster than exports, the trade of the CECs is marked by a growing deficit. The deficit of ECU 10.6 billion in 1993 was followed by a rapid rise in 1996, with the figure reaching ECU 28.7 billion in 1997.

The CECs referred to in this report are: Bulgaria, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia and Slovenia

\* See definition in methodological notes on page 7.



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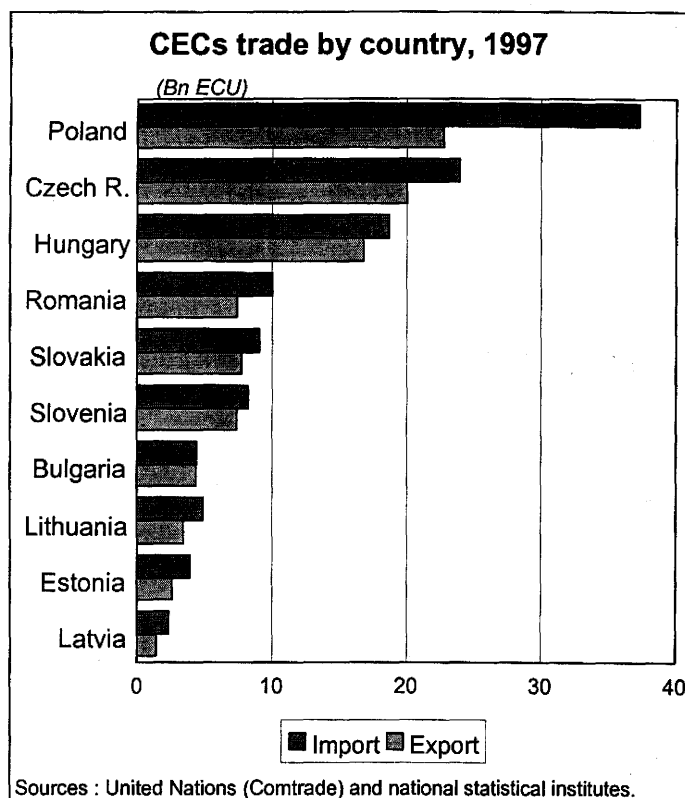
The openness of the CECs' economies, measured as the ratio of transactions to GDP, is relatively high. In 1997 it was 41.5% for imports and 31.8% for exports. As a comparison, the corresponding figures for the EU economy were 24.8% and 26.3% respectively (including intra-European trade).

### 1.1. Trade by country

More than two-thirds of the CECs' trade in 1997 was accounted for by Poland (27.7%), the Czech Republic (20.3%) and Hungary (16.4%). The Baltic countries have recorded the greatest increases in imports since 1993, with an average annual rate of +50.5% in Estonia, +30.7% in Latvia and +25.7% in Lithuania. In the case of exports, the countries with the best average annual figures were Estonia (+39.6%), Hungary (+22%) and Poland (+17.8%).

In 1997 nearly every country in Central Europe ran a deficit. The sole exception was Bulgaria, which managed to balance its external trade. Poland (ECU 14.6 billion) accounted for half of the region's deficit. During the reference period only two countries improved their external trade position: Bulgaria managed to balance its trade figures in 1997 after recording a deficit of ECU 880 million in 1993, while Hungary reduced its deficit from ECU 3.1 billion to 1.9 billion.

Between 1993 and 1997 there was a change in the pattern of CECs trade which benefited the European Union, whose share of trade with the region climbed from 44.3% to 58.7%. In contrast, the significance of the NIS and intra-CECs trade diminished, declining from 15.8% to 11.2% in the case of the former, and from 13.6% to 11.9% for the latter. The Czech Republic



and Slovakia accounted for about half of all intra-CECs trade.

The bulk of the CECs' trade deficit is with the European Union: ECU 16.3 billion in 1997, compared with ECU 4.1 billion for the NIS. Their deficit with Russia alone amounted to ECU 5.7 billion. Intra-CECs trade figures are fairly balanced for all the countries in the region.

### CECs trade by main partners <sup>(1)</sup>

Partners	(Bn ECU)										
	Imports				Exports				Balance		
	1993	1997		97/96	1993	1997		97/96	1993	1997	97/96
	Value	Share (%)	Var. (%)		Value	Share (%)	Var. (%)			Value	
<b>World</b>	<b>61.50</b>	<b>122.72</b>	<b>100.0</b>	<b>21.9</b>	<b>50.86</b>	<b>93.98</b>	<b>100.0</b>	<b>23.8</b>	<b>-10.64</b>	<b>-28.73</b>	<b>-3.98</b>
EU	32.19	71.81	58.5	25.6	26.52	55.52	59.1	27.2	-5.67	-16.29	-2.77
Germany	13.28	28.54	23.3	26.2	12.53	27.11	28.8	26.5	-0.75	-1.42	-0.24
Italy	4.24	10.46	8.5	18.2	3.17	6.66	7.1	26.8	-1.06	-3.79	-0.20
NIS	11.43	14.18	11.6	7.6	6.38	10.09	10.7	27.3	-5.04	-4.09	1.16
Russia	8.73	11.70	9.5	6.5	3.88	6.00	6.4	30.6	-4.85	-5.70	0.69
CECs	7.14	12.57	10.2	16.0	8.10	13.16	14.0	14.5	0.96	0.59	-0.06
Czech Rep.	2.70	4.13	3.4	9.1	2.52	3.29	3.5	2.9	-0.17	-0.83	-0.25
Slovakia	2.18	3.02	2.5	4.7	2.57	3.16	3.4	7.1	0.39	0.14	0.07
US	2.34	4.71	3.8	34.8	1.29	2.26	2.4	44.2	-1.04	-2.45	-0.52
Switzerland	1.23	1.89	1.5	11.7	0.63	0.83	0.9	16.6	-0.60	-1.06	-0.08
Others	7.17	17.57	14.3	22.7	7.93	12.13	12.9	14.5	-0.76	-5.44	-1.71
<b>For comparison</b>											
Share (%) in											
GDP	31.7	41.5	-	9.2	26.6	31.8	-	10.9	-5.6	-9.7	-
world trade <sup>(1)</sup>	1.9	2.5	-	6.0	1.6	1.9	-	4.8	-	-	-

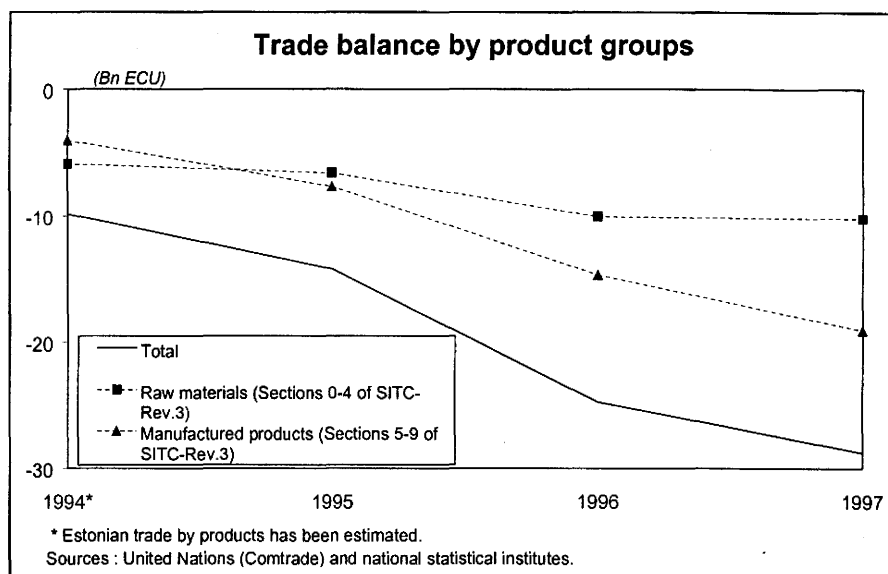
<sup>(1)</sup> See definitions of EU, NIS and CECs aggregates on page 7 <sup>(2)</sup> Including intra-Community trade.

Sources: United Nations (Comtrade) and national statistical institutes; IMF.

## 1.2. Trade by products

Manufactured products (SITC 5-8) accounted for 76.4% of CECs imports and 80.2% of exports in 1997. The trade balance slipped at a much faster rate for manufactured goods (-ECU 4.14 billion in 1994 and -18.4 billion in 1997) than for raw materials (-ECU 5.84 billion in 1994 and -10.2 billion in 1997).

At a more detailed level, machinery and transport equipment (SITC 7) alone recorded a deficit of ECU 15.2 billion in 1997. CECs transactions concerned primarily machinery and transport equipment (34.9% of all



### CECs trade by product group

(Bn ECU)

Product groups (SITC Rev. 3)	Imports				Exports				Balance	
	1994*		1997		1994*		1997		1994*	1997
	Value	Share (%)	Value	Share (%)	Value	Share (%)	Value	Share (%)	Value	
<b>Total</b>	<b>68.63</b>	<b>100.0</b>	<b>122.72</b>	<b>100.0</b>	<b>58.81</b>	<b>100.0</b>	<b>93.98</b>	<b>100.0</b>	<b>-9.82</b>	<b>-28.73</b>
<b>0-4 Raw materials</b>	19.13	27.9	27.35	22.3	13.29	22.4	17.14	18.2	-5.84	-10.21
0+1 Food	5.80	8.4	8.64	7.0	6.21	10.5	8.57	9.1	0.41	-0.07
2+4 Crude materials except fuels	3.68	5.4	5.37	4.4	3.36	5.6	4.36	4.6	-0.33	-1.01
3 Fuels	9.65	14.1	13.35	10.9	3.73	6.3	4.21	4.5	-5.92	-9.13
<b>5-8 Manufactured products</b>	<b>48.49</b>	<b>70.6</b>	<b>93.80</b>	<b>76.4</b>	<b>44.35</b>	<b>75.6</b>	<b>75.40</b>	<b>80.2</b>	<b>-4.14</b>	<b>-18.40</b>
5 Chemicals	8.73	12.8	15.01	12.2	5.72	9.7	8.43	9.0	-3.01	-6.58
6+8 Misc. manufactured articles	19.54	28.4	36.00	29.3	26.22	44.7	39.36	41.9	6.68	3.36
7 Machinery, transport equipment	20.22	29.5	42.79	34.9	12.41	21.1	27.61	29.4	-7.81	-15.18
<b>9 Articles, transactions n.e.c.</b>	<b>1.01</b>	<b>1.5</b>	<b>1.47</b>	<b>1.2</b>	<b>1.17</b>	<b>2.0</b>	<b>0.80</b>	<b>0.9</b>	<b>0.16</b>	<b>-0.66</b>

\* Estonian trade by products has been estimated.

Sources : United Nations (Comtrade) and national statistical institutes.

imports and 29.4% of total exports) and miscellaneous manufactured articles (SITC 6+8), for which the figures were 29.3% and 41.9% respectively. Because of their restructuring requirements, CECs purchases of machinery and transport equipment more than doubled between 1994 and 1997, with their share of total imports increasing from 29.5% to 34.9% over the period in question.

If the figures are broken down further, they show that the main areas of CECs trade were road vehicles (SITC 78) and electrical machinery, apparatus and appliances (SITC 77). In 1997 these two headings accounted for 14.6% of purchases and 14.5% of sales. Petroleum and petroleum products (SITC 33) accounted for 7% of imports in 1997,

### CECs trade by main products, 1997

SITC Rev. 3	Description	Value	Share	Cumul
		(Bn ECU)	(%)	
<b>Imports</b>				
78	Road vehicles	9.30	7.6	7.6
77	Electrical machinery, apparatus, appliances	8.61	7.0	14.6
33	Petroleum and petroleum products	8.59	7.0	21.6
74	General industrial machinery and equipment	6.50	5.3	26.9
65	Textile yarn, fabrics, made-up articles	6.29	5.1	32.0
<b>Exports</b>				
78	Road vehicles	7.08	7.5	7.5
84	Clothing and accessories	6.75	7.2	14.7
77	Electrical machinery, apparatus, appliances	6.53	7.0	21.7
67	Iron and steel	5.41	5.8	27.4
69	Manufactures of metals	3.69	3.9	31.3

Sources : United Nations (Comtrade) and national statistical institutes

while clothing (SITC 84) provided 7.2% of exports. The following pages in this report will show that a significant proportion of purchases of yarn, fabric and made-up articles is transformed into clothing for export.

## 2. EU trade with the Central European Countries

The analysis of bilateral trade between the European Union and the countries of Central Europe in this part of the report is presented from the EU side, since it is based on data reported by the EU Member States.

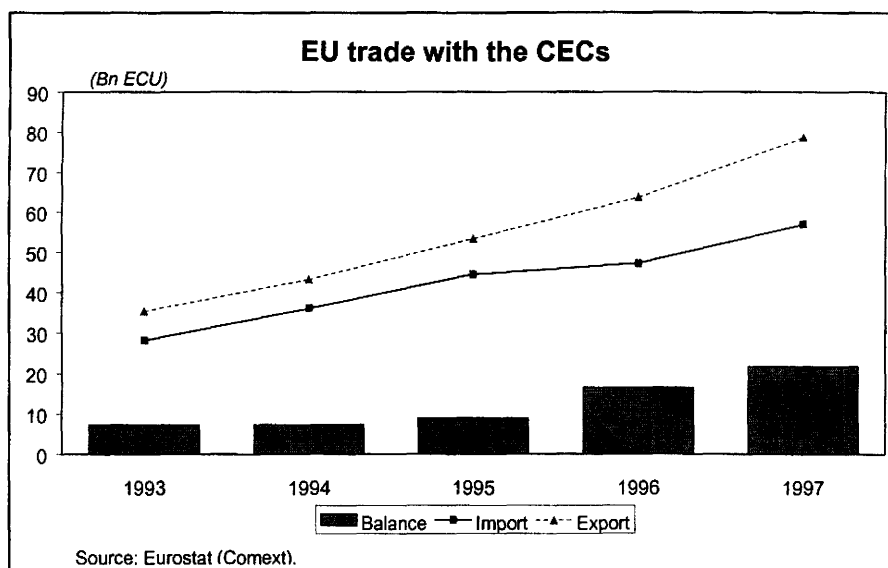
### 2.1. Trade balance

Trade with the ten countries of Central Europe accounted for about 9.7% of extra-Community trade in 1997. This geographic region thus turns out to be the Union's second most important trading partner, preceded only by the United States (20.0%). The NIS, for example, account for only 4.7% of EU trade. More than two-thirds of EU trade with the CECs is with Poland (29.0% in 1997), the Czech Republic (20.4%) and Hungary (18.6%).

Since 1993 the Union has seen a steady rise in its trade surplus with the CECs. It doubled in 1996 and then reached ECU 21.7 billion in 1997. Half of the Community surplus in the latter year was with Poland (ECU 10.8 billion).

Trade with the CECs in manufactured products (SITC 5-8) earned the European Union a trade surplus of ECU 21.3 billion in 1997, while trade in raw materials (SITC 0-4) resulted in a deficit of ECU 790 million. Machinery and transport equipment (SITC 7) alone brought a trade surplus of ECU 15.3 billion, while chemicals (SITC 5) accounted for a surplus of ECU 6.1 billion.

At the SITC two-digit level, the Union achieved its biggest surpluses for trade in road vehicles (SITC 78; ECU 3.9 billion), general industrial machinery and equipment (SITC 74; ECU 3.6 billion), textile yarn and fabric (SITC 65; ECU 3.6 billion) and specialised machinery for particular industries (SITC 72; ECU 3.0 billion). At the same two-digit level, it was in trade in products that are not very capital-intensive that the Union had a deficit, especially clothing (SITC 84; ECU 4.6 billion).



### Trade balance by product group

Product groups (SITC-Rev. 3)	1993	1996	1997	1993	1997
	(Bn ECU)			CR <sup>(1)</sup>	
<b>Total</b>	<b>7.23</b>	<b>16.49</b>	<b>21.71</b>	<b>125.7</b>	<b>138.2</b>
<b>0-4 Raw materials</b>	-1.50	-0.78	-0.79	76.9	90.7
0+1 Food	0.90	1.40	1.38	140.4	150.4
2+4 Crude materials except fuels	-1.09	-1.12	-1.49	45.9	54.8
3 Fuels	-1.32	-1.06	-0.68	41.7	72.7
<b>5-8 Manufactured products</b>	<b>8.35</b>	<b>16.35</b>	<b>21.34</b>	<b>139.5</b>	<b>144.9</b>
5 Chemicals	2.34	4.53	6.11	235.4	288.0
6+8 Miscellaneous manufactured articles	-2.07	-1.13	-0.09	85.1	99.64
7 Machinery, transport equipment	8.08	12.95	15.32	248.5	184.6
<b>9 Articles and transactions n.e.c.</b>	<b>0.30</b>	<b>0.35</b>	<b>-0.21</b>	<b>165.4</b>	<b>60.0</b>
<b>For comparison</b>					
EU trade balance	3.41	43.60	49.60	100.7	107.4

<sup>(1)</sup> CR (coverage rate in %) = 100\*(Exp/Imp).

Source: Eurostat (Comext).

### Trade balance by main products

SITC-Rev. 3	Description	1993	1996	1997
		(Bn ECU)		
<b>Largest surpluses</b>				
78	Road vehicles	2.05	3.19	3.91
74	General industrial machinery, equipment	1.91	3.07	3.63
65	Yarn, fabrics and related products	1.99	3.10	3.57
72	Machinery for particular industries	1.75	2.62	3.02
77	Electrical machinery, apparatus, appliances	0.76	1.53	1.95
<b>Largest deficits</b>				
84	Clothing and accessories	-3.19	-4.17	-4.64
82	Furniture, bedding	-0.92	-1.57	-1.72
24	Cork and wood	-0.61	-1.14	-1.49
32	Coal, coke and briquettes	-0.97	-1.10	-1.12
68	Non-ferrous metals	-0.53	-0.81	-0.95

Source: Eurostat (Comext).

## 2.2. EU imports from CECs

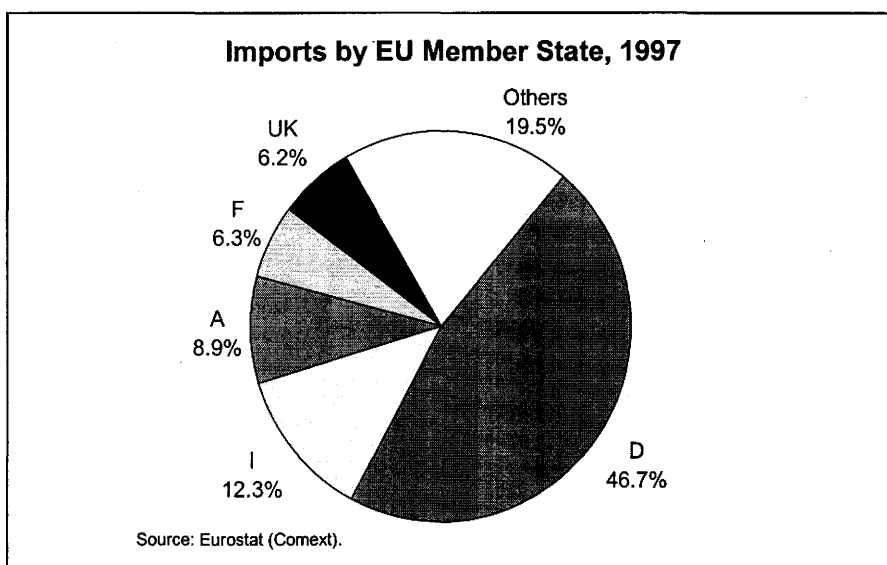
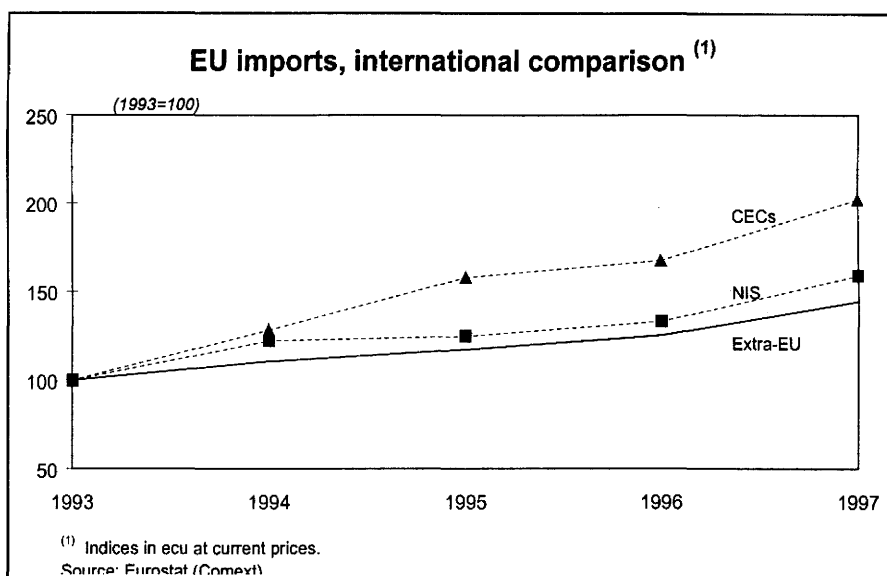
EU imports from the CECs increased at an annual rate of 19.2% between 1993 and 1997. By comparison, the figures for imports from non-Community countries was 9.5%, and from the NIS 12.3%. Exports from the Union to the CECs over the same period grew only slightly faster (+22.1%) than imports. After slowing down in 1996 (+6.3%), EU purchases picked up again and in 1997 the rate of increase (+20.2%) was close to the figures for 1993 and 1994. The figures for EU imports from the NIS were similar (+6.4% in 1996 and +19.5% in 1997).

Germany is by far the biggest EU importer of goods from the CECs region (46.7% of EU purchases in 1997), followed by Italy (12.3%), Austria (8.9%), France (6.3%) and the United Kingdom (6.2%). In 1997 it was the United Kingdom that recorded the strongest rise in imports (+30.9%), followed by Sweden (+26.9%), Italy (+25.1%) and Finland (+24.3%).

In the last year of the reference period 83.6% of the imports from the CECs consisted of manufactured products (SITC 5-8), compared with a figure of 15% for raw materials (SITC 0-4). Miscellaneous manufactured articles (SITC 6+8) alone accounted for 46%, and machinery and transport equipment (SITC 7) for 31.9%. It was the latter item that showed the biggest rise in 1997 (+37.2%).

At a more detailed level, clothing and accessories (SITC 84) accounted for 11.2% of EU purchases. Among capital goods, electrical machinery, apparatus and appliances (SITC 77; 8.2%) and road vehicles (SITC 78; 8.6%) comprised the bulk of Community imports. There was in fact a surge in purchases of road vehicles in 1997 (+34.5%).

More than 42% of EU purchases of clothing (SITC 84) from Central Europe in 1997 were imports after outward processing.



### EU imports from CECs by product

Product groups and products SITC-Rev. 3	1993	(Bn ECU)			
		1997		97/96	97/93
		Value	Share (%)	Annual change (%)	
<b>Total</b>	<b>28.13</b>	<b>56.85</b>	<b>100.0</b>	<b>20.6</b>	<b>19.2</b>
<b>0-4 Raw materials</b>	6.51	8.53	15.0	10.6	7.0
0+1 Food	2.24	2.74	4.8	8.7	5.2
2+4 Crude materials except fuels	2.01	3.29	5.8	19.0	13.1
3 Fuels	2.27	2.50	4.4	3.0	2.5
<b>5-8 Manufactured products</b>	<b>21.14</b>	<b>47.50</b>	<b>83.6</b>	<b>22.5</b>	<b>22.4</b>
5 Chemicals	1.73	3.25	5.7	7.8	17.1
6+8 Miscellan. manufactured articles	13.97	26.14	46.0	15.8	17.0
67 Iron and steel	1.07	2.55	4.5	14.7	24.2
82 Furniture, bedding	1.32	2.65	4.7	14.9	19.1
84 Clothing and accessories	4.07	6.37	11.2	12.9	11.9
7 Machinery, transport equipment	5.44	18.11	31.9	37.2	35.1
77 Electrical machinery, apparatus, etc.	1.43	4.67	8.2	31.3	34.4
78 Road vehicles	1.52	4.90	8.6	34.5	34.0
<b>9 Commodities, transactions n.e.c.</b>	<b>0.46</b>	<b>0.54</b>	<b>0.9</b>	<b>-3.1</b>	<b>3.8</b>

Source: Eurostat (Comext).

### 2.3. EU exports to CECs

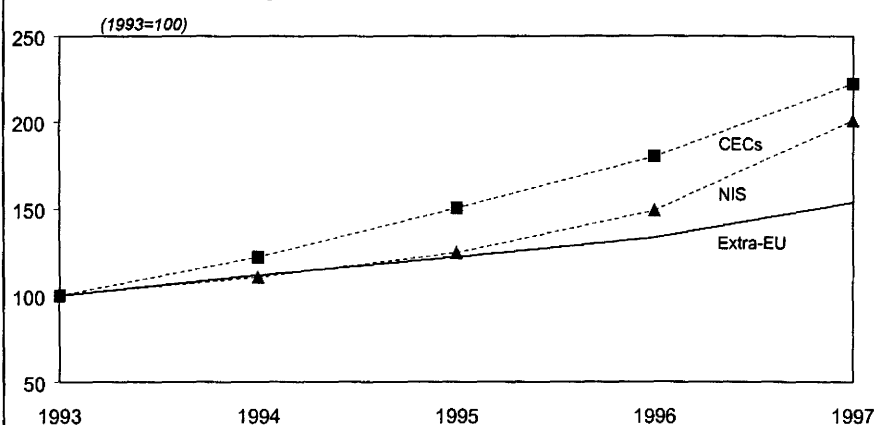
Exports from the European Union to the CECs grew at a slightly faster rate (+22.1% per year) than imports (+19.2%) between 1993 and 1997. This rate of increase was also higher than for EU exports to the NIS (+19.1%) and to all non-Community countries in general (+11.4%). Unlike imports, exports from the EU to the CECs recorded steady rates of growth over the reference period, with the figures ranging from 19.2% in 1996 to 23.8% in 1995.

Germany was by far the Union's major supplier to the CECs, accounting for 41.7% of all EU sales in 1997. The ranking for exports was the same as for imports, with Germany again followed by Italy (13.5%), Austria (9.0%), France (7.8%) and the United Kingdom (6.0%). Dutch and Swedish exports achieved the biggest increase in 1997, with each country improving its performance by 33.9%.

The Union's main export categories to the CECs were manufactured products (SITC 5-8), which accounted for 87.6% of all sales, compared with only 9.9% for raw materials (SITC 0-4). Since 1993 sales of manufactured products have expanded faster (+23.6% per year) than sales of raw materials (+11.5%). Miscellaneous manufactured articles (SITC 6+8) and machinery and transport equipment (SITC 7) accounted for 33.2% and 42.6% respectively of total EU exports to the CECs region.

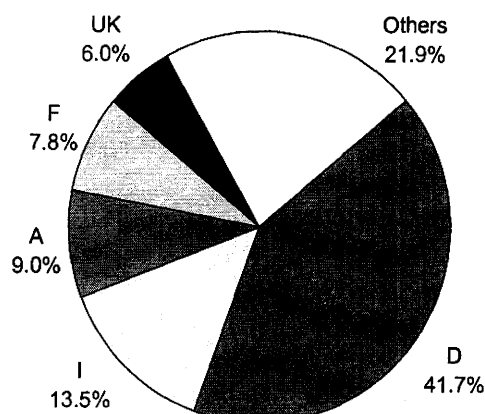
At the SITC two-digit level, the main items that the European Union supplies to Central Europe are road vehicles (SITC 78; 11.2% of all sales in 1997), electrical machinery (SITC 77; 8.4%), general industrial machinery (SITC 74; 6.9%), machinery for particular industries (SITC 72; 5.3%) and yarn, fabrics and related products (SITC 65; 6.7%). In 1997 at least 30.3% of this last item was exported for outward processing. This could partly explain the scale of Community imports of clothing (SITC 84) from the region.

### EU exports, international comparison <sup>(1)</sup>



(1) Indices in ecu at current prices.  
Source: Eurostat (Comext).

### Exports by EU Member States, 1997



Source: Eurostat (Comext).

### EU exports to CECs by product

Product groups and products SITC-Rev. 3	1993	1997		97/96	97/93
		Value	Share (%)	Annual change (%)	
<b>Total</b>	<b>35.36</b>	<b>78.56</b>	<b>100.0</b>	<b>23.5</b>	<b>22.1</b>
<b>0-4 Raw materials</b>	5.01	7.74	9.9	11.6	11.5
0+1 Food	3.14	4.12	5.2	5.2	7.0
2+4 Crude materials except fuels	0.92	1.80	2.3	9.3	18.2
3 Fuels	0.94	1.82	2.3	32.5	17.8
<b>5-8 Manufactured products</b>	<b>29.49</b>	<b>68.84</b>	<b>87.6</b>	<b>24.8</b>	<b>23.6</b>
5 Chemicals	4.07	9.37	11.9	24.2	23.1
6+8 Miscellan. manufactured articles	11.89	26.05	33.2	21.5	21.7
65 Yarn, fabrics and related products	2.86	5.30	6.7	16.7	16.7
7 Machinery, transport equipment	13.52	33.43	42.6	27.8	25.4
72 Machinery for particular industries	2.24	4.17	5.3	16.5	16.8
74 General industrial machinery	2.50	5.40	6.9	20.3	21.3
77 Electrical machinery, apparatus, etc.	2.19	6.63	8.4	30.1	31.9
78 Road vehicles	3.58	8.80	11.2	28.8	25.3
<b>9 Commodities, transactions n.e.c.</b>	<b>0.77</b>	<b>0.32</b>	<b>0.4</b>	<b>-64.3</b>	<b>-19.5</b>

Source: Eurostat (Comext).

**Imports and exports of EU Member States with CECs, 1997**

(Bn ECU)

Reporters	Flow	CECs	Estonia	Latvia	Lithuania	Poland	Czech R.	Slovakia	Hungary	Roman.	Bulgaria	Slovenia
EU	Imp.	56 852	1 502	1 281	1 313	14 208	11 752	3 982	11 631	4 427	2 087	4 668
	Exp.	78 560	2 387	1 535	2 154	25 060	15 849	4 816	13 582	5 014	1 846	6 318
BLEU	Imp.	1 875	55	58	68	474	379	117	387	144	96	96
	Exp.	3 197	57	84	94	1 230	584	145	610	173	72	147
DK	Imp.	1 221	63	81	106	665	123	20	73	18	23	49
	Exp.	1 586	91	86	212	783	157	42	101	41	29	45
D	Imp.	26 572	226	332	447	7 208	6 993	2 116	5 407	1 342	447	2 055
	Exp.	32 785	335	452	843	10 519	8 398	2 323	5 935	1 601	561	1 819
EL	Imp.	849	1	1	2	77	88	32	79	180	369	21
	Exp.	666	1	5	17	82	44	12	50	156	283	17
E	Imp.	1 085	16	11	56	254	158	60	266	89	127	47
	Exp.	1 748	25	21	46	700	370	89	247	60	22	167
F	Imp.	3 595	29	36	123	1 029	558	170	676	420	144	410
	Exp.	6 127	59	78	128	2 065	1 066	337	821	543	146	883
IRL	Imp.	170	4	15	2	67	40	6	25	4	2	4
	Exp.	464	12	9	15	180	114	20	75	18	5	16
I	Imp.	6 988	20	18	69	1 350	755	521	1 151	1 500	536	1 068
	Exp.	10 618	88	91	171	3 289	1 333	591	1 469	1 507	330	1 749
NL	Imp.	3 080	199	266	120	873	368	133	725	189	95	112
	Exp.	3 866	88	103	136	1 565	670	222	600	193	89	200
A	Imp.	5 088	5	6	21	449	1 287	594	1 888	184	71	582
	Exp.	7 109	24	19	34	859	1 527	701	2 588	281	129	946
P	Imp.	140	4	2	10	29	34	9	11	13	17	11
	Exp.	157	3	2	5	41	20	9	58	5	10	5
FIN	Imp.	964	383	30	25	297	91	36	73	6	7	17
	Exp.	2 754	1 155	246	146	643	254	55	178	22	25	31
S	Imp.	1 684	352	152	78	565	207	45	165	47	19	56
	Exp.	2 773	360	219	156	1 170	315	82	234	113	35	89
UK	Imp.	3 543	146	274	185	870	673	122	705	293	135	140
	Exp.	4 711	90	121	150	1 932	997	188	615	303	110	205

Source: Eurostat (Comext).

**ESSENTIAL INFORMATION – METHODOLOGICAL NOTES**
**EU trade agreements with the CECs**

After the Council for Mutual Economic Assistance (CMEA) was dissolved in 1991, the countries of Central Europe began to redirect their trade thanks to the conclusion of a series of international trade agreements.

The CECs' trade agreements with the European Union involved a two-stage process, in which cooperation agreements were followed by Europe agreements<sup>1</sup>.

The trade aspect of the cooperation agreements marked the first step towards the liberalisation of trade between the two areas, primarily by reducing duties and curbing quota restrictions on imports.

With the aim of phasing in a free trade area, the European Union and the Central European Countries signed the Europe Agreements. As a result of these agreements, and with only a few exceptions, the signatories have already abolished quota restrictions, customs duties and other measures having an equivalent effect. As a prelude to the implementation of the Europe Agreements, interim agreements came into force as follows: 1992 (Czechoslovakia, Hungary and Poland), 1993 (Romania), 1994 (Bulgaria), 1995 (free trade agreements with Estonia, Lithuania and Latvia) and 1997 (Slovenia).

Apart from agreements with Europe, most of the Central European Countries have signed regional agreements and become members of the WTO.

<sup>1</sup> The Europe Agreements with the CECs were published in the following editions of the Official Journal of the European Communities: L347 of 31.12.1993 (Hungary), L348 of 31.12.1993 (Poland), L357 of 31.12.1994 (Romania), L358 of 31.12.1994 (Bulgaria), L359 of 31.12.1994 (Slovakia), L360 of 31.12.1994 (Czech Republic), L344 of

31.12.1997 (Slovenia), L26 of 02.02.1998 (Latvia), L51 of 20.02.1998 (Lithuania) and L68 of 09.03.1998 (Estonia).

**Methodological notes**

Country aggregates: EU: EU-15; NIS (New Independent States): Armenia, Azerbaijan, Belarus, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Russia, Tajikistan, Turkmenistan, Ukraine and Uzbekistan; CECs (Central European countries): Bulgaria, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia and Slovenia.

Data sources: For bilateral EU-CEC statistics: Eurostat COMEXT data base; for CECs "world" data: national statistical institute data taken mainly from the UN Comtrade data base. Because of differences in methodology, the "mirror statistics" derived from these two sources show some discrepancies.

Statistical systems: Special trade (EU, Czech Republic, Hungary, Latvia, Poland, Slovakia, Slovenia); general trade (Bulgaria, Estonia, Lithuania, Romania).

Statistical values: CIF/FOB (Bulgaria, Estonia, Hungary, Latvia, Lithuania, Romania, Slovenia); FOB/FOB: (Czech Republic, Poland and Slovakia).

Classification: Third edition of the Standard International Trade Classification (SITC), produced by the United Nations for the purposes of analysis.

Outward processing arrangements allow goods to be exported temporarily for processing and the compensating products to be imported with a full or partial exemption from duties and levies.

Warning: In contrast with the *Statistics in Focus* previously published for individual countries, the trade flows for world trade and for EU trade include intra-Community trade.



## Further information:

### ➤ Databases

Comext - Domains: EEC special trade ; Com-trade SITC-Rev-3.

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