

# CURRENT ACCOUNT TRANSACTIONS OF CANDIDATE COUNTRIES: ANNUAL DATA 1996-1999

Statistics  
in focus

ECONOMY AND  
FINANCE

THEME 2 – 42/2000

BALANCE OF PAYMENTS

## Contents

Current account developments: all candidate countries experienced current account deficits due to goods and income accounts.....1

Current account deficit in percent of GDP<sup>2</sup>: large disparities in the current account to GDP ratio of candidate countries .....2

Patterns of openness of candidate country economies: most of the candidate countries exhibit marked outward orientation.....2

Trade in services with the rest of the world in 1999: positive balances mainly due to travel services.....3

Structure of services: breakdown into transport services, travel services and other services .....3

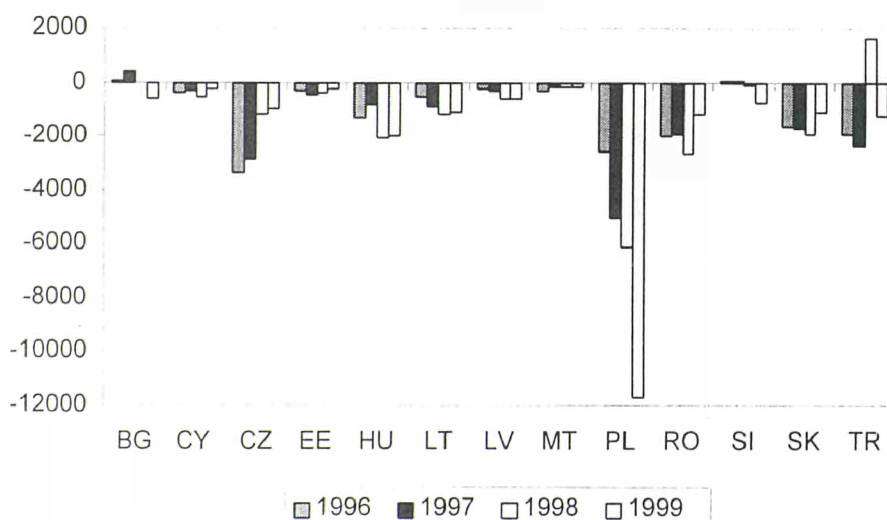
Stelios PANTAZIDIS

*The candidate countries<sup>1</sup> on the whole experienced deficits in their current account balances notwithstanding the surpluses in the services accounts and current transfers. The majority of the economies of the group showed a moderate to strong outward orientation. Travel services were the main component of exported services whereas nearly all of the candidate countries were net importers of "other services".*

### Current account developments: all candidate countries experienced current account deficits due to goods and income accounts

Candidate countries registered deficits in their current account transactions throughout the period 1996-99. The positive current account balances of Bulgaria in 1997 and Turkey in 1998 were the exceptions to the rule, whereas Slovenia's current account was almost balanced in 1996 and 1997. In 1999 current account deficits of all countries stayed below ECU 2 billion, the exception being Poland whose deficit increased further to ECU 11.7 billion compared to ECU 6.2 billion in 1998. Turkey's current account transactions turned into a deficit of ECU 1.3 billion in 1999, after a surplus of ECU 1.7 billion in 1998.

Figure 1: Current account balance of candidate countries  
(in Ecu Mio)



<sup>1</sup> Candidate Countries: BG=Bulgaria, CY=Cyprus, CZ=Czech Republic, EE=Estonia, HU=Hungary, LT=Lithuania, LV=Latvia, MT=Malta, PL=Poland, RO=Romania, SL=Slovenia, SK=Slovakia, TR=Turkey.

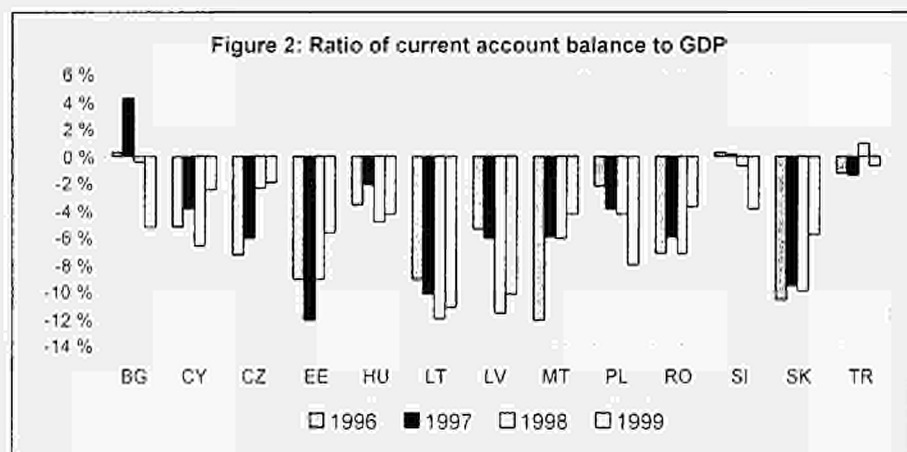


Summary table of the current account and its main components for the candidate countries (ECU mio)

1999 data		BG	CY	CZ	EE	HU	LT	LV	MT	PL	RO	SI	SK	TR
Current account	Credit	5 955	4 418	34 224	3 976	27 130	4 241	2 922	4 301	40 587	10 158	10 571	12 078	50 074
	Debit	6 578	4 637	35 217	4 253	29 100	5 362	3 508	4 450	52 303	11 374	11 305	13 165	51 354
	Net	-624	-219	-993	-277	-1 969	-1 120	-587	-150	-11 716	-1 216	-734	-1 088	-1 280
Goods	Credit	3 722	938	25 182	2 303	20 533	2 952	1 735	1 890	28 205	7 978	8 091	9 572	27 516
	Debit	4 721	3 104	27 114	3 130	22 592	4 270	2 671	2 429	42 346	9 003	9 259	10 608	37 318
	Net	-999	-2 166	-1 932	-827	-2 059	-1 318	-936	-539	-14 142	-1 025	-1 168	-1 035	-9 802
Services	Credit	1 674	2 987	6 496	1 403	5 317	1 024	938	1 141	7 940	1 283	1 782	1 818	15 386
	Debit	1 376	1 085	5 343	863	4 000	738	630	783	6 644	1 676	1 440	1 771	8 400
	Net	298	1 902	1 153	540	1 317	287	308	358	1 296	-393	342	47	6 985
Transport	Credit	487	282	1 449	658	537	375	652	312	2 270	503	488	649	2 722
	Debit	604	514	747	347	423	200	175	387	1 430	536	355	355	2 168
	Net	-116	-232	701	310	114	175	478	-75	840	-33	133	294	554
Travel	Credit	873	1 785	2 847	518	3 198	516	108	637	2 977	236	895	472	4 882
	Debit	492	404	1 383	202	1 118	320	246	188	806	377	506	358	1 380
	Net	381	1 381	1 464	316	2 080	197	-138	449	2 171	-141	389	114	3 502
Other services	Credit	314	921	2 201	227	1 582	133	178	192	2 693	543	399	697	7 782
	Debit	280	168	3 213	313	2 459	218	210	208	4 408	763	580	1 058	4 852
	Net	34	753	-1 012	-86	-877	-85	-32	-16	-1 715	-220	-181	-361	2 930
Income	Credit	249	388	1 549	126	724	108	145	1 165	1 724	143	385	250	2 205
	Debit	454	423	2 242	222	2 280	350	188	1 162	2 671	528	408	533	5 524
	Net	-205	-35	-693	-96	-1 556	-242	-43	3	-948	-386	-23	-283	-3 319
Current transfers	Credit	308	105	997	144	556	157	104	105	2 719	754	314	437	4 967
	Debit	27	25	518	39	227	4	19	76	642	167	198	253	112
	Net	281	80	479	106	329	153	85	28	2 077	587	115	184	4 856

### Current account deficit in percent of GDP<sup>2</sup>: large disparities in the current account to GDP ratio of candidate countries

In the period 1996-99 the average current account to GDP ratio ranged from -0.4% (Bulgaria) to -10.7% (Lithuania). The average ratio for the group of the candidate countries stayed at 5% throughout the period. In 1999 Lithuania and Latvia showed the highest deficits in percent of GDP (11.2% and 10.2% respectively). Estonia, Romania and Slovakia managed to improve considerably their current account to GDP ratio. Turkey's ratio of current account to GDP stayed close to 1% whereas the current account of Bulgaria which accounted for 4% of GDP in 1997,



reversed in the following years and stood at -5.4% of GDP in 1999. In the case of Poland the upward

trend of the current account deficit to GDP became stronger in 1999.

### Patterns of openness of candidate country economies: most of the candidate countries exhibit marked outward orientation

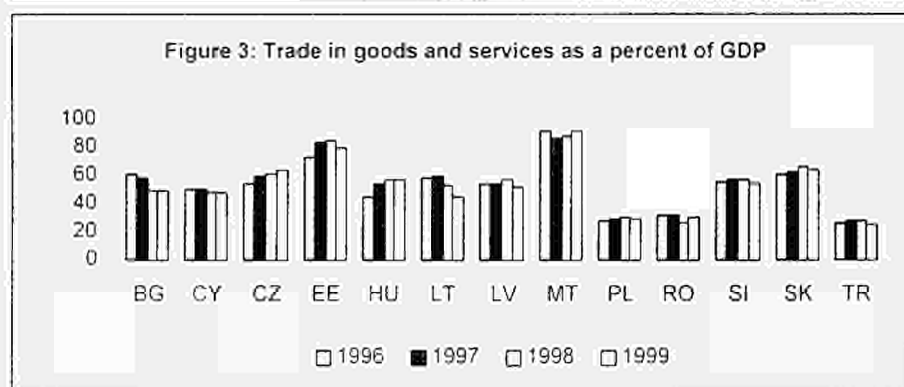


Figure 3 illustrates the openness of the economies of candidate countries measured as half the sum of exports and imports of goods and

services in percent of GDP. Estonia and Malta are the countries with the strongest outward orientation. Poland, Romania and Turkey are

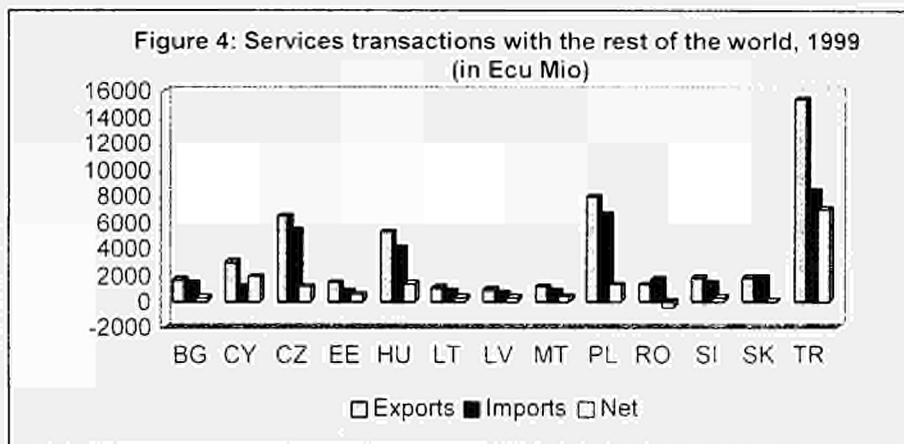
rather inward oriented economies as the value of their international transactions in goods and services accounted for a relatively low percentage of GDP in 1996-99 period. Czech Republic and Slovakia appear to be increasingly engaged in international transactions with a ratio higher than 60% in 1999. The rest of the Candidate Countries exhibited ratios, which stayed at around 50% of GDP implying that their economies are characterised by a relatively high outward orientation.

<sup>2</sup> GDP at current prices

## Trade in services with the rest of the world in 1999: positive balances mainly due to travel services

In 1999 all candidate countries except Romania were net exporters of services. The biggest surplus in services account was recorded by Turkey (ECU 7.0 billion) which enjoyed sizeable surpluses in both travel and other services accounts. Cyprus, Czech Republic, Hungary and Poland registered surpluses higher than ECU 1 billion in 1999 mainly due to the surplus in their travel accounts.

All countries except Romania and Latvia experienced positive balances in their travel accounts. Bulgaria, Cyprus, Malta and

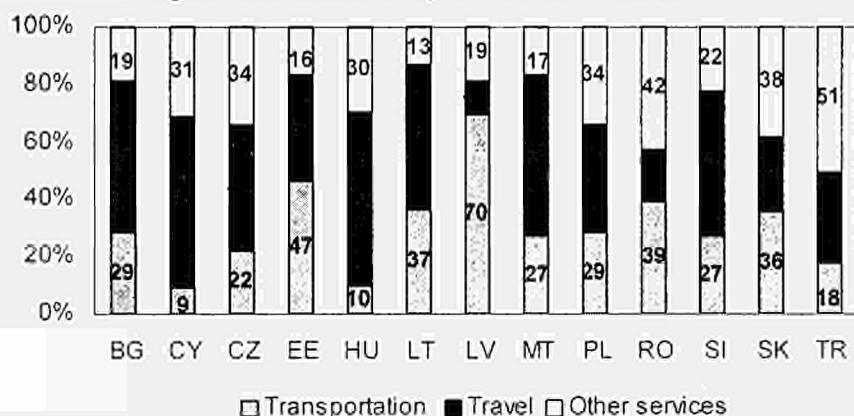


Romania are net importers of transportation services. In the case of "other services" Turkey's exports

outweighed by far its imports while Bulgaria and Cyprus also showed positive balances.

## Structure of services: breakdown into transport services, travel services and other services

Figure 5: Structure of exports of services in 1999



represented a high percentage of total exports of services in Hungary (60%), Bulgaria (52%), Lithuania (50%) and Slovenia (50%).

Transportation services are the main component of Latvia's exports of services, accounting for the 70% of its total exports. The share of transportation services in the total exports of services is also significantly high in Estonia (47%), Romania (39%), Lithuania (37%) and Slovakia (36%).

The structure of **export of services** of candidate countries in 1999 is shown in Figure 5. Travel services are in several cases the biggest component of total exports of services. In Cyprus and Malta, where exports of travel services

accounted for the 21% and 19% of GDP respectively, the share of travel in total exports of services is as high as 60% for Cyprus and 56% for Malta, indicating that both countries are specialising in tourism. However, travel services

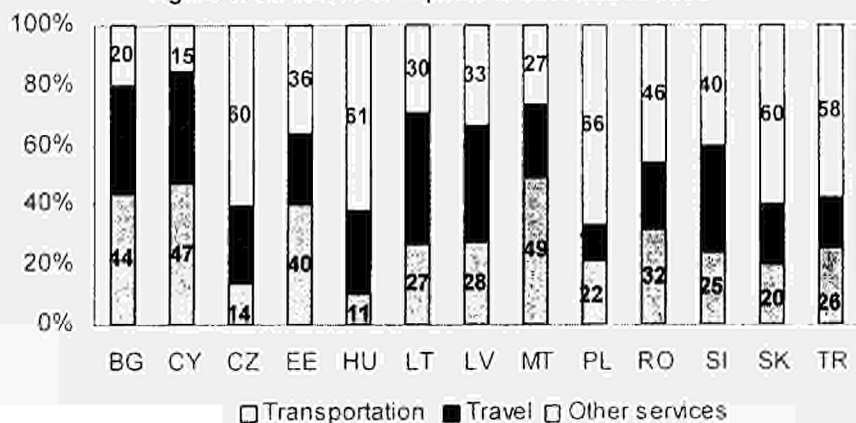
Exports of other services appear to be the most important part of exports of services in the case of Turkey and Romania representing the 51% and 42% of their total exports respectively.

Transportation services are the biggest component of **imported services** for Malta, Cyprus, Bulgaria and Estonia.

In several candidate countries travel services represented a relatively high percentage of total imports of services ranging from 35% (Slovenia) to 43% (Lithuania).

"Other services" are the main component of imports of services in Poland (66%), Hungary (61%), the Czech Republic (60%), Slovakia (60%) and Turkey (58%).

Figure 6: Structure of imports of services in 1999





# Further information:

## Databases

New Cronos

Domain Theme2/bop/bopcc

To obtain information or to order publications, databases and special sets of data, please contact the **Data Shop** network:

BELGIQUE/BELGIË	DANMARK	DEUTSCHLAND	ESPAÑA	FRANCE	ITALIA – Roma
Eurostat Data Shop Bruxelles/Brussel Planistat Belgique 124 Rue du Commerce Handelsstraat 124 B-1000 BRUXELLES / BRUSSEL Tel. (32-2) 234 67 50 Fax (32-2) 234 67 51 E-Mail: datashop@planistat.be	DANMARKS STATISTIK Bibliotek og Information Eurostat Data Shop Sejrogade 11 DK-2100 KØBENHAVN Ø Tel. (45-39) 17 30 30 Fax (45-39) 17 30 03 E-Mail: bib@dst.dk	STATISTISCHES BUNDESAMT Eurostat Data Shop Berlin Otto-Braun-Straße 70-72 (Eingang: Karl-Marx-Allee) D-10178 BERLIN Tel. (49)-18 88 6 44 94 27/28 Fax (49)-18 88-6 44 94 30 E-Mail: datashop@statistik-bund.de	INE Eurostat Data Shop Paseo de la Castellana, 183 Oficina 009 Entrada por Estebanez Calderón E-28046 MADRID Tel. (34-91) 583 91 67 Fax (34-91) 579 71 20 E-Mail: datashop.eurostat@ine.es	INSEE Info Service Eurostat Data Shop 195, rue de Bercy Tour Gamma A F-75582 PARIS CEDEX 12 Tel. (33-1) 53 17 88 44 Fax (33-1) 53 17 88 22 E-Mail: datashop@insee.fr	ISTAT Centro di Informazione Statistica Sede di Roma, Eurostat Data Shop Via Cesare Balbo, 11a I-00184 ROMA Tel. (39-06) 46 73 31 02/06 Fax (39-06) 46 73 31 01/07 E-Mail: dipdiff@istat.it
ITALIA – Milano	LUXEMBOURG	NEDERLAND	NORGE	PORTUGAL	SCHWEIZ/SUISSE/SVIZZERA
ISTAT Ufficio Regionale per la Lombardia Eurostat Data Shop Via Fieno 3 I-20123 MILANO Tel. (39-02) 8061 32460 Fax (39-02) 8061 32304 E-mail: mileuro@tin.it	Eurostat Data Shop Luxembourg BP 453 L-2014 LUXEMBOURG 4, rue A. Weicker L-2721 LUXEMBOURG Tel. (352) 43 35 22 51 Fax (352) 43 35 22 21 E-Mail: dslux@eurostat.datashop.lu	STATISTICS NETHERLANDS Eurostat Data Shop-Voorburg po box 4000 2270 JM VOORBURG Nederland Tel. (31-70) 337 49 00 Fax (31-70) 337 59 84 E-Mail: datashop@cbs.nl	Statistics Norway Library and Information Centre Eurostat Data Shop Kongens gate 6 P. b. 8131, dep. N-0033 OSLO Tel. (47-22) 86 46 43 Fax (47-22) 86 45 04 E-Mail: datashop@ssb.no	Eurostat Data Shop Lisboa INE/Serviço de Difusão Av. António José de Almeida, 2 P-1000-043 LISBOA Tel. (351-21) 842 61 00 Fax (351-21) 842 63 64 E-Mail: data.shop@ine.pt	Statistisches Amt des Kantons Zürich, Eurostat Data Shop Bleicherweg 5 CH-8090 Zürich Tel. (41-1) 225 12 12 Fax (41-1) 225 12 99 E-Mail: datashop@zh.ch Internetadresse: http://www.zh.ch/statistik
SUOMI/FINLAND	SVERIGE	UNITED KINGDOM	UNITED KINGDOM	UNITED STATES OF AMERICA	
Eurostat Data Shop Helsinki Tilastokirjasto Postiosoite: PL 2B Käyntiosoite: Työpajakatu 13 B, 2 krs FIN-00022 Tilastokeskus Tel. (358-9) 17 34 22 21 Fax (358-9) 17 34 22 79 E-mail: datashop@tilastokeskus.fi Internetadresse: http://www.tilastokeskus.fi/tk/vtk/datashop.html	STATISTICS SWEDEN Information service Eurostat Data Shop Karlavägen 100 - Box 24 300 S-104 51 STOCKHOLM Tel. (46-8) 50 69 48 01 Fax (46-8) 50 69 48 99 E-Mail: infoservice@scb.se URL: http://www.scb.se/info/datashop/ eudatashop.asp	Eurostat Data Shop Enquiries & advice and publications Office for National Statistics Customers & Electronic Services Unit 1 Drummond Gate - B1/05 UK-LONDON SW1V 2QQ Tel. (44-207) 533 56 76 Fax (44-1633) 812 762 E-Mail: eurostat.datashop@ons.gov.uk	Eurostat Data Shop Electronic Data Extractions, Enquiries & advice - R.CADE Unit 1L Mountjoy Research Centre University of Durham UK - DURHAM DH1 3SW Tel. (44-191) 374 7350 Fax: (44-191) 384 4971 E-Mail: r-cade@dur.ac.uk URL: http://www.rcade.dur.ac.uk	HAVER ANALYTICS Eurostat Data Shop 60 East 42nd Street Suite 3310 USA-NEW YORK, NY 10165 Tel. (1-212) 986 93 00 Fax (1-212) 986 69 81 E-Mail: eurodata@haver.com	

Media Support Eurostat (for professional journalists only).

Bech Building Office A3/48 • L-2920 Luxembourg • Tel. (352) 4301 33408 • Fax (352) 4301 32649 • e-mail: eurostat-mediasupport@cec.eu.int

## For information on methodology

Stelios PANTAZIDIS, Eurostat B/5, L-2920 Luxembourg, Tel. (352) 4301 33505, Fax (352) 4301 33859, E-mail: stelios.pantazidis@cec.eu.int

ORIGINAL: English

Please visit our web site at [www.europa.eu.int/comm/eurostat/](http://www.europa.eu.int/comm/eurostat/) for further information!

A list of worldwide sales outlets is available at the **Office for Official Publications of the European Communities**.

2 rue Mercier – L-2985 Luxembourg  
Tel. (352) 2929 42118 Fax (352) 2929 42709  
Internet Address <http://eur-op.eu.int/fr/generalis-ad.htm>  
e-mail: info.info@cec.eu.int

BELGIQUE/BELGIË – DANMARK – DEUTSCHLAND – GREECE/ELLADA – ESPAÑA – FRANCE – IRELAND – ITALIA – LUXEMBOURG – NEDERLAND – ÖSTERREICH  
PORTUGAL – SUOMI/FINLAND – SVERIGE – UNITED KINGDOM – ISLAND – NORGE – SCHWEIZ/SUISSE/SVIZZERA – BALGARIJA – CESHÁ REPUBLIKA – CYPRUS  
EESTI – HRVATSKA – MAGYARORSZÁG – MALTA – POLSKA – ROMÂNIA – RUSSIA – SLOVAKIA – SLOVENIA – TÜRKIYE – AUSTRALIA – CANADA – EGYPT – INDIA  
ISRAËL – JAPAN – MALAYSIA – PHILIPPINES – SOUTH KOREA – THAILAND – UNITED STATES OF AMERICA

## Order form

I would like to subscribe to Statistics in focus (from 1.1.2000 to 31.12.2000):  
(for the Data Shop and sales office addresses see above)

☐ **Formula 1:** All 9 themes (approximately 140 issues)

☐ Paper: EUR 360

☐ PDF: EUR 264

☐ Paper + PDF: EUR 432

Language required: ☐ DE ☐ EN ☐ FR

☐ **Formula 2:** One or more of the following seven themes:

☐ Theme 1 'General statistics'

☐ Paper: EUR 42 ☐ PDF: EUR 30 ☐ Combined: EUR 54

☐ Theme 2 'Economy and finance'

☐ Theme 3 'Population and social conditions'

☐ Theme 4 'Industry, trade and services'

☐ Theme 5 'Agriculture and fisheries'

☐ Theme 6 'External trade'

☐ Theme 8 'Environment and energy'

☐ Paper: EUR 84 ☐ PDF: EUR 60 ☐ Combined: EUR 114

Language required: ☐ DE ☐ EN ☐ FR

☐ Please send me a free copy of 'Eurostat Mini-Guide' (catalogue containing a selection of Eurostat products and services)  
Language required: ☐ DE ☐ EN ☐ FR

☐ I would like a free subscription to 'Statistical References', the information letter on Eurostat products and services  
Language required: ☐ DE ☐ EN ☐ FR

☐ Mr ☐ Mrs ☐ Ms

(Please use block capitals)

Surname: \_\_\_\_\_ Forename: \_\_\_\_\_

Company: \_\_\_\_\_ Department: \_\_\_\_\_

Function: \_\_\_\_\_

Address: \_\_\_\_\_

Post code: \_\_\_\_\_ Town: \_\_\_\_\_

Country: \_\_\_\_\_

Tel.: \_\_\_\_\_ Fax: \_\_\_\_\_

E-mail: \_\_\_\_\_

**Payment on receipt of invoice, preferably by:**

☐ Bank transfer

☐ Visa ☐ Eurocard

Card No: \_\_\_\_\_ Expires on: \_\_\_\_/\_\_\_\_/\_\_\_\_

**Please confirm your intra-Community VAT number:**

If no number is entered, VAT will be automatically applied. Subsequent reimbursement will not be possible.