

EU - Russia Summit

EU27 deficit in trade in goods with Russia of 70 bn euro in 2008

Russia third trading partner of EU27

Between 2000 and 2008, **EU27** trade in goods with **Russia** more than tripled in value, with **EU27** exports to **Russia** rising to 105 bn euro in 2008 from 23 bn in 2000, and imports rising to 173 bn from 64 bn. As a result, the **EU27** trade deficit with **Russia** increased significantly, reaching 68 bn in 2008, compared with 41 bn in 2000.

The share of **Russia** in the **EU27**'s total external trade in goods doubled between 2000 and 2008. In 2008, **Russia** was the **EU27**'s third most important trading partner after the **USA** and **China**, accounting for 8% of **EU27** exports and 11% of **EU27** imports.

On the occasion of the 23rd **European Union - Russia** summit, which will take place on 22 May in **Khabarovsk** in **Russia**, **Eurostat**, the **Statistical Office of the European Communities**, issues data on trade and investments between **Russia** and the **EU**.

Germany, the Netherlands and Italy: largest trading partners of Russia

Among the **EU27** Member States, **Germany** (32 bn euro or 31% of EU exports) was by far the largest exporter to **Russia** in 2008, followed by **Italy** (10 bn or 10%) and **Finland** (8 bn or 7%). **Germany** (35 bn or 20%) was also the largest importer, followed by the **Netherlands**¹ (20 bn or 11%) and **Italy** (16 bn or 9%).

Most Member States recorded deficits in trade with **Russia** in 2008, the largest being observed in the **Netherlands**¹

(-13 bn euro), **Poland** (-8 bn), **France** and **Italy** (both -6 bn). The highest surpluses were recorded in **Austria** and **Slovenia** (both 1 bn).

Half of **EU27** exports to **Russia** in 2008 were machinery and vehicles² and another quarter were other manufactured articles², while energy accounted for two thirds of imports. At the detailed level, the main **EU27** exports to **Russia** included motor cars, medicine, mobile phones and aircraft, while the main imports included oil, gas and coal.

EU27 trade in goods with Russia
million euro

	2000	2001	2002	2003	2004	2005	2006	2007	2008
Russia									
Exports	22 738	31 602	34 420	37 206	45 985	56 696	72 307	89 107	105 174
Imports	63 777	65 875	64 493	70 663	83 711	112 591	140 887	144 526	173 445
Balance	-41 039	-34 272	-30 073	-33 457	-37 726	-55 895	-68 580	-55 419	-68 271
Total Extra-EU27									
Exports	849 739	884 707	891 899	869 236	952 723	1 052 720	1 159 295	1 240 913	1 308 707
Imports	992 698	979 145	936 972	935 270	1 026 709	1 179 569	1 351 730	1 433 513	1 551 632
Balance	-142 959	-94 438	-45 073	-66 034	-73 986	-126 849	-192 435	-192 601	-242 925
Russia / Total									
Exports	2.7%	3.6%	3.9%	4.3%	4.8%	5.4%	6.2%	7.2%	8.0%
Imports	6.4%	6.7%	6.9%	7.6%	8.2%	9.5%	10.4%	10.1%	11.2%

EU27 Member States' trade in goods with Russia
million euro

	Exports		Imports		Balance	
	2000	2008	2000	2008	2000	2008
EU27	22 738	105 174	63 777	173 445	-41 039	-68 271
Belgium ¹	944	3 717	1 614	5 489	-670	-1 771
Bulgaria	129	451	1 641	3 684	-1 512	-3 233
Czech Republic	420	2 895	2 260	5 922	-1 840	-3 026
Denmark	542	1 386	419	1 113	123	273
Germany	6 660	32 298	14 263	34 787	-7 603	-2 488
Estonia	82	881	391	815	-310	66
Ireland	179	308	11	115	168	192
Greece	269	416	1 185	2 509	-916	-2 093
Spain	578	2 800	2 412	7 389	-1 834	-4 589
France	1 838	7 009	4 501	13 007	-2 662	-5 998
Italy	2 521	10 470	8 336	16 085	-5 815	-5 616
Cyprus	7	19	160	29	-153	-11
Latvia	85	1 011	402	1 184	-317	-173
Lithuania	238	2 582	1 544	6 330	-1 306	-3 747
Luxembourg	21	139	18	17	3	122
Hungary	496	2 670	2 809	6 651	-2 313	-3 981
Malta	0	2	12	1	-12	1
Netherlands ¹	1 796	7 166	3 901	19 787	-2 105	-12 621
Austria	711	3 420	1 132	2 251	-421	1 169
Poland	943	6 052	5 019	13 708	-4 077	-7 656
Portugal	17	191	248	404	-231	-212
Romania	97	610	1 218	3 329	-1 121	-2 719
Slovenia	210	1 118	251	396	-41	722
Slovakia	115	1 813	2 346	5 267	-2 231	-3 454
Finland	2 174	7 610	3 471	10 099	-1 296	-2 490
Sweden	601	3 023	958	4 998	-357	-1 975
United Kingdom	1 066	5 117	3 256	8 081	-2 190	-2 964
Total Extra-EU27	849 739	1 308 707	992 698	1 551 632	-142 959	-242 925
Russia / Total	2.7%	8.0%	6.4%	11.2%		

EU27 trade in goods with Russia by product
million euro

	Exports		Imports		Balance	
	2000	2008	2000	2008	2000	2008
Total	22 738	105 174	63 777	173 445	-41 039	-68 271
Primary products:	3 652	9 732	40 172	124 117	-36 519	-114 385
<i>Food & drink</i>	2 823	7 561	727	853	2 096	6 708
<i>Crude materials</i>	708	1 566	3 652	5 028	-2 944	-3 463
<i>Energy</i>	121	605	35 793	118 235	-35 671	-117 630
Manufactured goods:	18 483	93 211	13 487	21 472	4 996	71 738
<i>Chemicals</i>	3 280	14 058	2 519	5 314	761	8 744
<i>Machinery & vehicles²</i>	8 381	53 362	1 074	1 402	7 308	51 960
<i>Other manuf'd articles²</i>	6 822	25 790	9 895	14 757	-3 072	11 034
Other	602	2 231	10 118	27 856	-9 516	-25 625

EU27 surplus of 8 bn in trade in services with Russia

In 2008, the **EU27** exported 22 bn euro of services to **Russia**, while imports amounted to 14 bn, meaning that the **EU27** had a surplus of 8 bn in trade in services with **Russia**, compared with +4 bn in 2006 and +7 bn in 2007. The surplus in 2008 was mainly due to travel (+3.0 bn), other business services³ (+2.2 bn), financial services and computer services (+1.4 bn each), partially offset by a deficit in transportation (-1.5 bn). **Russia** accounted for around 3.5% of total extra-**EU27** trade in services.

EU27 trade in services with Russia

million euro

	Credit			Debit			Net		
	2006	2007	2008*	2006	2007	2008*	2006	2007	2008*
Total	14 699	19 238	21 581	10 986	12 030	13 984	3 713	7 208	7 597
of which:									
Transportation	3 459	3 998	4 829	5 395	5 624	6 326	-1 936	-1 626	-1 498
Travel	3 392	3 975	4 950	1 967	1 762	1 974	1 425	2 213	2 976
Other services	7 848	11 260	11 762	3 621	4 636	5 342	4 227	6 624	6 420
of which:									
Communications services	252	296	353	233	245	275	19	51	78
Construction services	748	899	1 514	414	503	824	334	396	691
Insurance services	142	136	155	179	179	179	-36	-43	-24
Financial services	1 115	1 616	1 815	275	266	388	840	1 350	1 428
Computer and information services	716	1 274	1 467	75	114	96	641	1 160	1 371
Royalties and license fees	252	502	539	27	84	61	225	418	478
Other business services ³	4 335	6 221	5 592	2 264	3 058	3 360	2 072	3 163	2 232
Personal cultural and recreational services	82	101	100	50	64	41	32	37	59
Government services other	206	217	226	105	123	119	101	94	107
Total extra-EU27	447 080	498 523	520 479	378 555	414 399	445 044	68 525	84 124	75 435
Russia / total extra-EU27	3.3%	3.9%	4.1%	2.9%	2.9%	3.1%			

* Provisional data

Steady increase in EU27 FDI in Russia

EU27 Foreign Direct Investment (FDI) in **Russia** has grown in recent years, rising from 10.8 bn euro in 2006 to 16.7 bn in 2007 and 21.6 bn in 2008, while **Russian** direct investment into the **EU27** increased from 1.4 bn in 2006 to 9.2 bn in 2007, then turned to disinvestment of 0.4 bn in 2008.

EU27 FDI flows with Russia

(million euro)

	2006	2007	2008*
EU27 FDI in Russia (outward)	10 779	16 682	21 586
Russian FDI in the EU27 (inward)	1 412	9 175	-444
Net EU27 FDI flows (outward minus inward)	9 367	7 507	22 030

* Provisional data

1. Dutch imports, and therefore the trade deficit, are over-estimated because of the "Rotterdam effect", where goods destined for the rest of the EU arrive and are recorded in harmonised EU external trade statistics in Dutch ports. This then has a positive effect on the external trade balances with Russia of those Member States to which the goods are re-exported, as these shipments would be recorded as intra-EU trade with the Netherlands, rather than extra-EU trade with Russia. To a lesser extent, Belgian trade figures are similarly over-estimated.

2. **Machinery and vehicles** includes power generating and industrial machinery, computers, electric and electronic parts and equipment, road vehicles and parts, ships, airplanes and railway equipment.
Other manufactured articles include leather, rubber, wood, paper, textiles, metals, building fixtures and fittings, furniture, clothes, shoes and accessories, scientific instruments, clocks, watches and cameras.
3. **Other business services** comprise merchanting and other trade-related services, operational leasing services and miscellaneous business, professional and technical services.

Published by:
Eurostat Press Office

Tim ALLEN
Tel: **+352-4301-33 444**
eurostat-pressoffice@ec.europa.eu

Eurostat News Releases on the Internet:
<http://ec.europa.eu/eurostat>

For further information on trade in goods data:

Gilberto GAMBINI
Tel: **+352-4301-35 806**
estat-etfree@ec.europa.eu

For further information on trade in services data:

Mushtaq HUSSAIN
Tel: **+352-4301-35 811**
mushtaq.hussain@ec.europa.eu

For further information on FDI data:

Merja HULT
Tel: **+352-4301-35 362**
merja.hult@ec.europa.eu