



**FOOD AND
AGRICULTURE
ORGANIZATION OF
THE UNITED
NATIONS**

**WORLD
HEALTH
ORGANIZATION**



PEC/CRD 05
ORIGINAL LANGUAGE

**FAO/WHO PAN-EUROPEAN CONFERENCE
ON FOOD SAFETY AND QUALITY**

BUDAPEST, HUNGARY, 25 - 28 FEBRUARY 2002

**CONFERENCE ROOM DOCUMENT
BY FAO**

Developments of international agricultural trade in the European Region

Summary

In the period from 1990 until 1999 the value of international agricultural trade in the world increased from 680 to 858 billion US\$. European international trade of agricultural products in that period increased from 346 to 428 billion US\$. Within the region the European Union has the lead in international trade of agricultural products. Countries of the European Union perform roughly 86 percent of imports and almost 89 percent of exports of agricultural products of the European region.

Most countries in the region are net-importers of agricultural products. Only 12 out of 45 European countries have an agricultural trade surplus. Net-exporters are found all over the region, but main exporters are located in the European Union.

Adequate food safety and quality control is an important condition for successful food trade. Large differences in economical development across the region lead to a diverse picture of trade performance and food supply.

1. Introduction

This Conference Room Document has been prepared by FAO for the Pan-European Conference on Food Safety and Quality, to be convened in Budapest from 25 - 28 February 2002. As members from the European regions of both FAO and WHO have been invited, the international trade of almost all 45 countries of that region has been taken into consideration from available data.

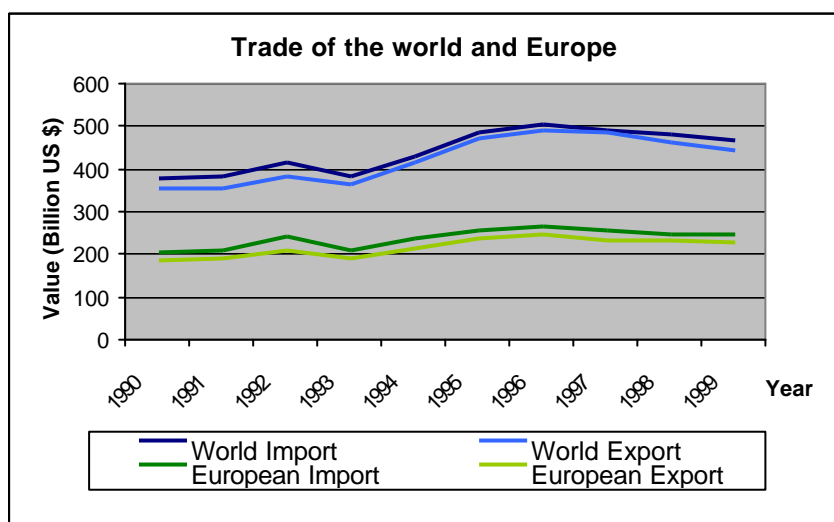
This document is intended to inform the participants of this Conference about the state of affairs of international trade of agricultural products, performed by the countries of the European region. No distinction has been made between food and non-food products, raw materials or processed products. Food and animal feed products form the most important part of these figures. Wood and wood products are not included.

The countries of the European region of FAO and WHO cover almost 50 percent of all international food trade both import and export. Food safety and quality issues strongly influence international food trade and market possibilities of food products. Therefore measures to strengthen and harmonize food safety and quality may also improve marketing potentials and stimulate trade. On the other hand harmonization may also cause higher costs requiring external technical assistance. If product requirements are beyond legitimate concerns, such as human health, it may become difficult for certain countries to participate in international trade. If performed in a proper way higher safety and quality levels of food will enhance protection of consumers and improve standards of living. These may be important objectives for development of the FAO/WHO Member countries.

2. Development of international agricultural trade between 1990 and 1999

In the past decade the world international agricultural exports increased from 326 to 417 billion US\$. In the same period imports rose from 353 to 441 billion US\$ (see figure 1).

Figure 1. Developments of international agricultural trade 1990 - 1999



In the first 6 years of the nineties international agricultural trade increased by 6 percent per year until agricultural export value reached its highest level of 466 billion US\$ in 1996 and import of 479 billion US\$. After 1996 both im- and exports dropped gradually with 2 percent per year to the trade levels of 1999.

The European region as a whole followed more or less the same pattern whereas intra-EU trade covers 70 percent of all international trade of the region. Agricultural exports rose from 163 billion US\$ in 1990 to 225 billion in 1996. After that it dropped to 206 billion dollars in 1999. Imports grew from 182 billion US\$ to 244 in 1996 and then fell to the 1999 level of 222 billion dollars. The differences in international agricultural trade performance between the European Union and the countries in Central and Eastern Europe are substantial and strongly influenced by the socio-economic changes in the past decade.

3. The European region

Agricultural im- and exports of the European countries represent roughly 50 percent of the worlds' international agricultural trade (see figure 2). This figure is based on external trade of individual countries. When the European Union as a whole is considered, the figures are different. Exports in 1999 of the individual EU countries had a total value of 185 billion US\$ whereas export value of products from the Union as a whole to countries outside the Union was US\$ 51 billion. Almost 70 percent of agricultural export value of the EU-countries are covered by internal EU-trade. For imports in 1999 the figures are US\$ 188 billion accumulated by the member countries and US\$ 55 billion by the EU as a whole. Of those imports roughly 70 percent is based on internal EU trade.

Figure 2. International agricultural trade in 1996 and 1999 in US\$ x 1 mln.

Region	Export 1996	Export 1999	Import 1996	Import 1999
World	465,699	417,310	478,923	441,443
Europe, including internal trade	224,812	205,520	243,874	222,375
European Union including internal trade	199,093	184,707	202,013	187,901
European Union excluding internal trade	56,928	51,217	64,179	55,236
Europe, Non-European Union	25,719	21,014	41,859	34,474
Transition markets (27 countries)	19,556	15,161	30,737	24,536

Source: FAOStat, November 2001

Outside the European Union and especially in the transition markets, both exports and imports dropped considerably between 1996 and 1999. High import rates of some countries at the beginning of the nineties decreased by higher domestic agricultural production or economical decline by the end of the decade. A limited number of Central and Eastern European countries developed exports in that period.

The total agricultural trade deficit of the European Region as a whole is 9 percent, mainly due to a negative trade balance in many Central and East European countries. The agricultural trade balance of the European Union is just slightly negative. Increase of agricultural exports might be an important tool for the socio-economic development of some transition countries, where a large part of the active population is working in agriculture.

On the level of individual countries, most of the 45 countries are net importers. Only 12 European countries are net exporters. Germany is the most significant importer of agricultural products in Europe, followed by the United Kingdom. The most important exporting countries in the European Union are France, the Netherlands and Germany. Outside the European Union the main exporting countries in the region are Turkey, Poland and Hungary.

More information about trade statistics can be found at the FAO web site:

<http://apps.fao.org/page/collections>

Annex 1 International agricultural trade statistics 1996 and 1999, FAO/WHO European region.

Annex: International trade in millions of US\$ of individual countries of the FAO/WHO European regions
Source: FAOStat, 2001

EU countries	Import 96	Import 99	Export 96	Export 99	non-EU countries	Import 96	Import 99	Export 96	Export 99
Austria	4316	4690	2631	3429	Albania	318	207	34	20
Belgium-Luxemburg	17032	16238	18817	17717	Armenia	312	205	13	18
Denmark	4427	4534	10411	9073	Azerbaijan	384	200	92	87
Finland	2149	2060	1546	969	Belarus	945	843	367	444
France	27619	25239	40402	36812	Bosnia Herzegovina	536	463	12	24
Germany	44763	37224	26457	23777	Bulgaria	428	319	889	618
Greece	3867	3605	3657	3015	Croatia	898	667	475	395
Ireland	3016	3416	7323	6577	Cyprus	993	682	831	473
Italy	25569	22013	16889	15921	Czech	2202	1838	1228	1163
Portugal	4315	4177	1487	1451	Estonia	697	567	333	261
Spain	13159	11857	14964	14032	Georgia	251	147	49	55
Sweden	4312	4279	1822	1810	Hungary	966	985	2679	2256
The Netherlands	20786	20118	37285	34387	Iceland	181	181	30	25
United Kingdom	26680	28445	15398	15730	Israel	2028	1843	1339	1202
					Kazachstan	484	361	810	508
					Kyrgyzstan	183	108	213	188
					Latvia	299	671	115	148
					Lithuania	595	559	529	382
					Malta	287	289	30	55
					Macedonia	277	312	252	362
					Moldova	116	44	587	302
					Norway	2010	1973	523	443
					Poland	4056	3285	2595	2514
					Romania	940	835	711	488
					Russian Fed.	10935	7914	1698	611
					Slovakia	844	806	417	424
					Slovenia	831	753	365	277
					Switzerland	5461	4993	2511	2099
					Tajikistan	169	219	187	117
					Turkey	4008	2654	4700	4209
					Turkmenistan	266	168	358	147
					Ukraine	1342	895	2745	1906
					Uzbekistan	169	672	187	117
					Yugoslavia	570	492	531	366