

The statistical guide to Europe

Data 1991-2001







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A great deal of additional information on Eurostat is available on the Internet: http://www.europa.eu.int/comm/eurostat/

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One way of better understanding our neighbours is simply by comparing them with us. Adding to this understanding is what international statistics are all about: they are a direct and down-to-earth way of comparing how we live and work.

That is why Eurostat, the Statistical Office of the European Communities, produces this yearbook on Europe and Europeans. It compares significant features of each country of the European Union and of other European countries, as well as of Canada, Japan and the United States of America. As Europe evolves, the yearbook evolves too: we have made a special effort to present data on candidate countries.

Moreover, the yearbook presents the relevant statistics on the situation of the national economies, thus giving a unique means of analysis of economic capacities of the countries that make up the European Union.

For ease of comparison, all statistics in this publication are compiled in the same way, or harmonised by Eurostat, or accepted by Eurostat as offering sensible comparisons.

We invite you to read the Eurostat yearbook, to compare for yourself, and to get to know your European neighbours better.

Eurostat

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VEARBOOK 2003







## The Eurostat yearbook as a combined product

The Eurostat yearbook 2003 is a combined product consisting of a book and a CD-ROM. The CD-ROM contains more than 1 000 statistical tables and graphs, a selection of which is presented in the book. All data can be easily extracted from the CD-ROM.

On the CD-ROM, the references for further reading are linked electronically to the Internet presentation of the respective publication, or, if the publication can be downloaded free of charge, to the publication itself. The [7] for the structural indicators is linked to the Internet pages presenting these indicators (see section 'Eurostat's structural indicators').

### The Eurostat yearbook is easy to use

- Introductory texts for each section explain the main features and the relevance of the information presented and give an idea of what other data on the subject Eurostat has on offer.
- A glossary clarifies the statistical terms and concepts used.
- References indicate how to get more
   Eurostat data and analysis on the subject.

— The abbreviations used are spelled out on the bookmark to the yearbook.

#### **Data extraction**

The statistical data presented in this yearbook were extracted at the end of 2002 and represent the data availability at that time.

### **Symbols**

- Nil
- 0 Less than half the final digit shown
- Not applicable
- .. Confidential data. Data not conclusive or withheld owing to non-disclosure practice
- : Data not available
- \* Provisional or estimated figures
- # Rebased, adjusted or recalculated by Eurostat
- Break in series, because data on each side of the bar are not fully comparable

€ zone Euro zone. '€ zone', which is not an official symbol, is being used for practical reasons.





Eurostat's service

The European Union in the global context

In the spolight: the candidate countries

### **Eurostat, your key to European statistics**

### Comparable information about Europe has a name: Eurostat

'Eurostat' is the synonym for a high-quality information service providing statistical data about, and for, the European Union. Using our data means having a finger on the pulse of current developments in Europe: we report the background figures and facts needed to understand these developments.

### The Eurostat yearbook: compiled for everyone with an interest in Europe

The Eurostat yearbook opens the door to Eurostat's information service by providing an overview of the spectrum of data we offer. It shows how benchmark figures have developed during the last 10 years in the European Union, the euro zone and the EU Member States. To facilitate international comparison, some tables include the comparable data for other countries, for example Canada, Japan or the United States of America.

Introductory texts for each section give an idea of what data Eurostat has on the subject and what the relevance of this information is. We understand the yearbook not to be a mere collection of tables, but a 'portal' to European statistics. We hope it will make you curious about the data Eurostat has on offer. Our information service will provide more detailed data and advice.

### How to get the data you want

### **Something for everyone**

Eurostat's information service assists and adapts according to your requirements.

We publish our most relevant data for everybody free of charge, for example through our daily press releases which are available on our up-to-date web site.

More detailed information can be found in our compendium publications whose 'flagship' is the Eurostat yearbook. The backgrounds to specific topics are provided in our *Panorama* publications which contain thoroughly elaborated analyses, tables, graphs and maps. Briefing the public on specific topics is the objective of our *Statistics in Focus* publications.

The wide spectrum of our publications and databases on indicators is oriented to different uses.

- The 'free selection' is a selection of the tables presented in the Eurostat yearbook and aimed at providing a general overview. It is available free of charge on Eurostat's web site.
- The 'structural indicators' help to assess the longer-term progress in the policy domains of employment, innovation, economic reform, social cohesion and the environment. They are recognised to be most relevant for political discussion. Consequently, all structural indicators are presented in the Eurostat yearbook and identified here with a specific icon. For more information, please read the text 'Eurostat's structural indicators: high-quality statistics for competent governance in Europe'. All structural indicators are updated and are available free of charge on the Eurostat web site (http://www.europa.eu.int/comm/eurostat).
- The 'Euroindicators' provide a collection of the latest data which are helpful for a short-term evaluation of the economic situation in the euro zone and in the European Union as a whole. The Euroindicators are updated daily on a special web site (http://www.europa.eu.int/comm/euroindicators/).





### Eurostat, your key to European statistics

The collections 'Methods and nomenclatures', 'Detailed tables' and 'Studies and research' suit the needs of specialists who are prepared to spend more time on analysing and using very detailed tables.

Eurostat's database NewCronos contains a large spectrum of data and time series that allow analysts and decision-makers to extract the information they need and in the required format.

Evidently, it is impossible to publish all data available at Eurostat in all imaginable combinations. Therefore, experts are invited to contact one of our Eurostat Data Shops if they wish to have tailor-made extractions from our databases (see below). As always, Eurostat ensures that for these extractions the confidentiality of the data is strictly guaranteed.

### An address for your list of favourites: http://www.europa.eu.int/comm/eurostat

Eurostat's web site offers an up-to-date overview of its latest news and products. It contains all of Eurostat's news releases and many indicators that are available online as soon as they are released. Other reasons to visit the site are the demonstration of Eurostat's publications and services, the online catalogue and the description of the dissemination network for European statistics.

### **Contact your Eurostat Data Shop!**

If you have any questions about the content of the yearbook, if you need more data, if you want advice about what additional data are available, or if you require more information on Eurostat's offers, please contact your Eurostat Data Shop.

The addresses of the Data Shops can be found at the end of the yearbook and on our web site. The Eurostat Data Shops are at the core of Eurostat's dissemination network and have been established in most Member States as well as in the United States.

### **Eurostat's service for journalists**

Statistics make news. They are essential background to many news stories, features and in-depth analyses. The printed press as well as radio and TV programmes use our data intensively. Eurostat's Press Office puts out user-friendly news releases on a key selection of data covering the EU, the euro zone, the Member States and their partners, and particularly the candidate countries. About 150 press releases are published each year, of which nearly 100 are about the monthly or quarterly Euroindicators. The Press Office also coordinates interviews and press conferences on important statistical results and events. Eurostat's Media Support helps professional journalists to find data on all kinds of topics.

All Eurostat news releases are available free of charge on the web as soon as they are released.

Please contact Eurostat Media Support if you need further information on our news releases or other data (tel. (352) 43 01-33408, fax (352) 43 01-35349, e-mail: eurostat-mediasupport@cec.eu.int).

### Why Eurostat data?

### Equal information for a democratic society

Being informed is the first step to actively participating in a democratic Europe. Europeans demand a high-quality information service providing impartial, reliable and comparable statistical data. They want to access them easily and without exemption: no key information must be withheld; all citizens and enterprises must have equal and complete access to it. Eurostat and its partners in the European statistical system open the door and guarantee this equal and comprehensive information on social, economic and environmental developments in Europe. It is up to you to use it!





### Impartiality and objectivity: two pillars of trust

Access to reliable and high-quality statistics becomes ever-more important in the information society in which we live, and trust in the source an immeasurable value. Eurostat's trustworthiness is enshrined by law. Article 285(2) of the EC Treaty says: 'The production of Community statistics shall conform to impartiality, reliability, objectivity, scientific independence, cost-effectiveness and statistical confidentiality; it shall not entail excessive burdens on economic operators.' These are not abstract words for us: they are the leading principle for our day-to-day work.

### Comparability through harmonisation

It is easier to understand each other if one knows about the other's conditions of life and work. What is true for the relationship between individuals is also true for society as a whole. Comparisons, however, require comparable statistics that, in turn, demand the use of a common 'statistical language'.

The common language has to embrace concepts, methods and definitions, as well as technical standards and infrastructures. This is what statisticians call harmonisation. It is what the European statistical system is all about. And it is Eurostat's primary *raison d'être*.

### The European statistical system

The European statistical system comprises Eurostat and the statistical offices, ministries, agencies and central banks that collect official statistics in the EU Member States, Iceland, Liechtenstein and Norway. The statistical authorities in the Member States collect, verify and analyse national data and send them to Eurostat. Eurostat consolidates the data and ensures their comparability. The European statistical system concentrates on EU policy areas. But, with the extension of EU policies, harmonisation has extended to nearly all statistical fields.

The European statistical system is a network in which Eurostat's role is to lead the way in the harmonisation of statistics in close cooperation with the national statistical authorities. At the heart of the European statistical system is the Statistical Programme Committee, which brings together the heads of Member States' national statistical offices and is chaired by Eurostat. The Statistical Programme Committee discusses joint actions and programmes to be carried out to meet EU information requirements. It agreed a five-year programme, which is implemented by the national authorities and monitored by Eurostat.

### A matter of disposition: an attractive and relevant data assortment

Data become information when they become interesting. As a matter of disposition, Eurostat has an open ear for what people are interested in.

The statistical programme of the European statistical system does not 'fall out of the blue'. What we report on has been decided through a well-defined political process at the European level in which the EU Member States are deeply involved. Most surveys and data collections are based on European regulations that are legally binding on the national level. A central question during the political and legal discussions that lead to European statistical regulations is: 'To whom and why are the data of interest?' Every statistical regulation has to pass a critical test.





### Eurostat, your key to European statistics

On the other hand, the European statistical programme is constantly revised. In view of the principle of cost-efficiency, the production of data that have been rendered less relevant by new developments will be modified or even discontinued. As a result, the statistical programme is kept lean and modern.

Our data are worth looking at.





### **Eurostat's structural indicators**

### Eurostat's structural indicators: high-quality statistics for competent governance in Europe

At the Lisbon European Council in spring 2000, the European Union set itself the following strategic goal for the next decade: to become the most competitive and dynamic knowledge-based economy in the world capable of sustainable economic growth with more and better jobs and greater social cohesion.

The Council acknowledged the need to regularly discuss and assess progress made in achieving this goal on the basis of commonly agreed structural indicators. To this end, it invited the European Commission to draw up an annual spring report on progress on the basis of structural indicators relating to employment, innovation and research, economic reform, social cohesion and the general economic background, as well as, since 2002, the environment.

Structural indicators are also set up for use in the annual communication from the Commission on structural indicators. In this communication, a new list of structural indicators is presented every autumn. Once agreed with the Council, this list is used for the report that is presented to the European Council the following spring. Thus, the structural indicators will be at the heart of political and economic discussions for many years to come.

Eurostat disseminates the full set of structural indicators on its structural indicators web site (http://www.europa.eu.int/comm/eurostat). Time series are presented for EU-15, EU Member States and, as far as possible, the EFTA countries, Japan and the United States. As accompanying information on the economic background, indicators for EU-12 are also provided. Starting from 2003, candidate countries will also be covered wherever data are available.

The 2002 set of structural indicators is listed below. All structural indicators are presented in the Eurostat yearbook. They are marked with the following icon which appears next to the title of the respective tables.

### List of the 42 structural indicators

General economic background

- a. GDP per capita and real GDP growth rate
- b. Labour productivity (per person and per hour)
- c. Employment growth (total and by gender)
- d. Inflation rate
- e. Unit labour cost growth
- f. Public balance
- g. General government debt
- I Employment
- 1. Employment rate (total and by gender)
- 2. Employment rate of older workers (total and by gender)
- 3. Gender pay gap
- 4. Tax rate on low-wage earners
- 5. Lifelong learning
- 6. Accidents at work (serious and fatal)
- 7. Unemployment rate (total and by gender)





### Eurostat's structural indicators

- II Innovation and research
- 1. Spending on human resources (public expenditure on education)
- 2. R & D expenditure (BERD and GERD)
- 3. Level of Internet access (household and enterprise)
- 4. Science and technology graduates
- 5. Patents
- 6. Venture capital (early stage and expansion and replacement)
- 7. ICT expenditure
- III Economic reform
- 1. Relative price levels and price convergence
- 2. Prices in the network industries (telecommunications and energy)
- 3. Market structure in the network industries (telecommunications and electricity)
- 4. Public procurement
- 5. Sectoral and ad hoc State aid
- 6. Capital raised on stock markets
- 7. Business investment
- *IV* Social cohesion
- 1. Distribution of income (S80/S20)
- 2. Risk of poverty (before and after social transfers)
- 3. Persistent risk of poverty
- 4. Regional cohesion (unemployment)
- 5. Early school-leavers
- 6. Long-term unemployment
- 7. Population in jobless households
- V Environment
- 1. Greenhouse gas emissions
- 2. Energy intensity of the economy
- 3. Volume of transport (freight and passengers)
- 4. Modal split of transport
- 5. Urban air quality
- 6. Municipal waste (collected, landfilled, incinerated)
- 7. Share of renewables





### The European Union in the global context

### Get an idea of the EU's position in the world

Eurostat's data allow comparison between the EU and other parts of the world. They help in analysing its relation to other countries and economic zones. To demonstrate the EU's position in the world, the Eurostat yearbook presents a small statistical selection about the following.

- The EU population and its development relative to the world population.
- Some economic indicators such as gross domestic product per capita, labour productivity, unemployment rate and foreign direct investment, as well as imports, exports and the EU's current transactions broken down by partner zones.
- Information on the EU's official development assistance and official aid to other countries, to which special attention has been paid.
- Comparisons of expenditure on information technology and telecommunications as well as on the percentage of citizens who have Internet access at home provide a view of the future.
- How much energy is being used to produce the GDP in different countries? The indicator 'energy intensity of the economy' gives the answer.

The European Union wants to improve its position as a competitive and dynamic knowledge-based economy, ensuring sustainable economic growth with more and better jobs and greater social cohesion. It is up to you to consult Eurostat's data to assess the progress we Europeans make.





### The European Union in the global context

- Mid-year population. 1960-2001. Millions
- Mid-year population. 1960-2001. %
- Total population change. World and EU-15. %
- World population. 1950, 2001 and 2050. %
- Development of the share in the world population
- $\mathcal{I}$  Gross domestic product per capita in purchasing power standards (PPS). EU-15 = 100
- Labour productivity. GDP in purchasing power standards (PPS) per hour worked relative to EU-15 = 100
- **I** Total unemployment rate. Unemployed persons as a share of the total active population
- Tax rate on low-wage earners. Income tax plus employee and employer contributions less cash benefits as % of labour costs for a low-wage earner
  - Extra-EU foreign direct investment flows: inward, outward and net as % of GDP
- General government consolidated gross debt as % of GDP
  - Direct investment flows for the EU. Million ECU/EUR
  - Direct investment flows for the United States. Million ECU/EUR
  - Share of the EU, United States, Japan and the rest of the world in world total current account transactions (credits and debits). 2001. %
  - Evolution of EU current transactions with the extra-EU: credits and debits. 1 000 million ECU/EUR
  - EU current international credits by partner zones: comparison 1991 and 2001. % of EU total credits
  - EU current international debits by partner zones: comparison 1991 and 2001. % of EU total debits
  - Official development assistance and official aid. Million EUR
  - Official development assistance and official aid. Million EUR
  - National imports and exports as % of world exports
  - Exports/imports ratio
  - Extra-EU exports by main partners as % of total extra-EU exports
  - Extra-EU imports by main partners as % of total extra-EU imports
- Expenditure on information technology as % of GDP
- Level of Internet access: households. Percentage of households which have Internet access at home
- Energy intensity of the economy. Gross inland consumption of energy divided by GDP at constant prices. Base year 1995, kgoe per EUR 1 000
- **I** Total greenhouse gas emissions. Index 1990 = 100, based on CO₂ equivalents





### In the spotlight: the candidate countries

### The European statistical system: in the vanguard of European integration

Thirteen countries have applied for EU membership: Bulgaria, Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Romania, Slovakia, Slovenia and Turkey. The majority of them will join the Union in the near future as new Member States. In order to prepare for this unprecedented step in European integration, Eurostat has long been engaged in intensive technical cooperation with their statistical offices, in some countries for over 12 years. In addition, many Member States have supplied valuable technical assistance since the very beginning of this process.

Statistical offices have existed in all candidate countries for many years, although in most of them under conditions which were very different from those prevailing in EU Member States. Where the economic and legal system was that of a State trading country, many key areas of statistics did not exist at all, for example national accounts, price or labour market statistics. Statistical classifications, methods and definitions were quite different from those used in the EU. Moreover, five of the candidate countries have recently become independent nations (Estonia, Latvia, Lithuania, Slovakia and Slovenia). Their statistical offices hitherto had only been in charge of regional data collection, but after independence had to take over all the central tasks of a national statistical office.

Almost all the candidate countries have achieved impressive progress over the last 10 years. At the beginning of this process, new statistical laws were adopted, which laid the foundations for efficient statistical systems of democratic market economies, based, in particular, on the principles of independence, transparency, technical competence, accessibility of data for the public and protection of individual information. At the same time, a set of fundamental classifications had to be introduced in order to achieve a certain degree of international comparability. In parallel, the candidate countries created statistical registers, in particular for business and agricultural statistics, and began with the implementation of all the sectoral statistics that have to be operational until accession.

The candidate countries', Member States' and Eurostat's common endeavours have resulted in a continuously improving availability, comparability and timeliness of statistics on candidate countries. Most candidate countries now have an appropriate legal basis as well as administrative structure. Their data have achieved a very high degree of comparability with those of the current EU Member States.

The Eurostat yearbook presents an overview of key indicators, mostly covering 1997–2001. For those who need more detailed information, Eurostat publishes a statistical yearbook on candidate countries annually and many other publications (see 'Further reading' box below).





### Population and labour market

### The population of the 12 candidate countries: evolution and comparisons

On 1 January 2002, the 12 candidate countries with which negotiations have started had a combined population of 105.1 million people.

At the same time, EU-15 had 379.6 million inhabitants. This means that the enlargement of the EU to include these countries would increase its population by 28 %, to a total of about 485 million inhabitants. At the same time, its share of world population would increase from 6.1 % to about 8 %.

The 12 countries included in this study on population are Bulgaria, Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Romania, Slovakia and Slovenia. Given the unavailability of data, the country's large population (69.2 million on 1 January 2002) and a demographic situation markedly different from the other candidate countries, Turkey is not included in this study.

### Dramatic population decline of the candidate countries over the last 10 years

During the 1990s, most of the 12 candidate countries experienced dramatic demographic events. Fertility levels dropped drastically, life expectancies went down and significant net outflows were reported. Therefore, population growth has rapidly become negative in this region of Europe: since 1990, these countries have lost 1.9 million people, which is a decline of 1.8 % of their population

Currently, the total population of these 12 countries is at the same level as in 1984; and there is still a downward trend in the population growth. Before this very eventful decade, however, population growth was quite high (about + 0.6 % per year during the 20 previous years), due to relatively high fertility levels, almost continuously increasing life expectancies and barely any (outward) migration.

### No sign of recovery in most of the 12 countries in 2001

During 2001, the candidate countries as a whole continued to lose people: their combined population at the end of the year was nearly 190 000 less than at the beginning of the year. In relative terms, population decline amounted to 1.8 per 1 000.

However, not all the candidate countries were confronted with an ongoing population decline in 2001. Cyprus and Malta reported fairly strong population increases (+ 0.8 %), twice the EU-15 average, whereas Slovenia is the only central European country whose population is still growing, albeit modestly. By contrast, fairly big population decreases are still being registered in Bulgaria, Estonia, Hungary and Latvia. In all the latter countries, the number of deaths exceeds the number of live births.

### Very low fertility rates in most of the 12 countries

In all the central European candidate countries, the total fertility rate remains well below the EU-15 average (1.47 children per woman). Despite the recovery in most EU countries, this indicator is falling or remaining at its low level in most central European countries.

The lowest rates are found in the Czech Republic (1.14), Bulgaria (1.20), Slovakia (1.21) and Slovenia (1.22). Cyprus (1.79) and Malta (1.51) are quite different in their reproductive behaviour. Despite a more or less continuous decline during the 1990s, total fertility rates in both countries are still well above the EU average.





### Life expectancy at birth

The life expectancies of Malta and Cyprus differ considerably from those in other candidate countries. In 2000, the life expectancies of women in Cyprus (80.4 years) and Malta (79.3) were below the EU average (81.3), whereas the life expectancies of men were about the same as in the EU (75.1) in both Cyprus (75.3) and Malta (75.1).

The life expectancies in the other candidate countries are noticeably lower than the EU averages. The lowest level for females is recorded in Romania (74.2 years) and for men in Latvia (65.0).

The widest gaps between males and females are found in the Baltic States, Lithuania (10.2 years), Latvia (11.2) and Estonia (10.9) and the narrowest in Malta (4.2), where it is below the EU level of 6.1.

### **Further reading:**

Statistics in Focus — Theme 3

- No 2 First survey of continuing vocational training in enterprises in candidate countries (-CVTS2-)
- No 12 Demographic consequences for the EU of the accession of 12 candidate countries

Do you need more information?

- Ask your Data Shop
- http://www.europa.eu.int/comm/eurostat

### **Educational attainment**

In the central and east European candidate countries, there is less disparity in the educational attainment levels between generations than in the EU. In the vast majority of these candidate countries, the proportion of those with tertiary education qualifications is fairly stable across at least three different age groups.

In just over half of the central and east European candidate countries, the proportion of people with tertiary education qualifications in the 30–34 year age group is lower than that in the 35–39 age group. That is a phenomenon that appears rarely in EU Member States.

### **Unemployment rates**

Concerning the link between low education and unemployment, patterns similar to those in the EU can be observed in the candidate countries. Differences in the unemployment rates by level of education are particularly marked in Bulgaria, the Czech Republic, Estonia, Hungary, Poland and Slovakia. In Estonia and Lithuania, unemployment affects approximately one quarter of the youth labour force that has left school.

### Expenditure on education as a share of GDP

In 1999, the share of expenditure for primary and secondary education in GDP was generally not much lower among the candidate countries than among the EU Member States. The difference from





the EU average is more marked for tertiary education. For this level, the total percentages are more homogeneous between the accession countries, but all but two (Bulgaria and Estonia) are below the EU average of 1.1 %. Cyprus and Romania report the lowest percentage at just over 0.4 % while the others range between 0.5 and 0.9 %.

### Public expenditure per pupil or student

Generally, costs per pupil/student increase with level of education, but there is a wide variation across the countries: in 1999, the candidate countries reported, at all educational levels, less than half the EU average per student.

### School expectancy

In general, school expectancy (i.e. the number of years of education that a five-year-old child can expect to receive over his or her lifetime) is lower in the candidate countries than in EU countries.

### Early childhood education

In the candidate countries, on average the proportions of 4 year olds enrolled in education are lower than those in the EU.

### Language learning

Between 58 and 100 % of students in general upper secondary education are taught English.

In the candidate countries, pupils are more inclined to study German at secondary level than in EU countries.

### **Tertiary education**

For most fields of education and training, the general trends in the candidate countries are similar to those in EU Member States. However, in the fields of 'education', 'humanities and arts', 'social sciences, business and law', 'mathematics, science and computing' and 'engineering, manufacturing and construction', most candidate countries have a proportion of female graduates that is above the EU average. In Bulgaria, Latvia, Poland and Romania, more women than men obtained a qualification in 'mathematics, science and computing' (this was the case in only two EU or EEA countries). Indeed, in Bulgaria, Poland and Romania, approximately two thirds of these qualifications were gained by women compared with an EU average of 41 %. In 'engineering, manufacturing and construction', the proportion of tertiary qualifications awarded to women was between 30 and 40 % in Bulgaria, Estonia, Lithuania and Slovakia (this was the case for only one EU country). This compares to an EU average of 20 %.

### Labour costs

The candidate countries have made rapid progress in setting up statistical systems that deliver data on labour costs and earnings, similar to that provided by the EU Member States. For comparison, several of the tables and graphs featured here for the Candidate Countries correspond to those presented for the EU Member States in the chapter 'Economy and ecology, Prices, wages and finance', section 'Wages and labour costs'.

### The labour costs survey 2000

The term 'labour costs' refers to the expenditure necessarily incurred by employers in order to employ workers. The recent results of the four-yearly European labour costs survey (LCS) for the year 2000 are featured here. An analysis of total labour costs is presented broken down into three broad groups: 'industry', 'services' plus 'industry and services'. These aggregated labour cost figures for 2000 are presented in euro.





### Population and labour market

### Gross annual earnings account for the largest share of total labour costs

As in the EU Member States, by far the largest component of total labour costs is accounted for by the gross annual earnings of employees (employees' remuneration before any deductions for income tax and social security contributions). As for labour costs, the aggregate gross earnings in each country are given in euro.

### Tax rates on low-wage earners

In connection with low pay, one of the Commission's structural indicators is the 'tax rate on low-wage earners'. Tax rates differ markedly between the countries, but the trend across Europe in recent years is downward. A detailed description of this indicator is given in the glossary.

### **Further reading:**

Statistics in Focus — Theme 3

- No 23 Labour Costs Survey 2000 Candidate Countries

Do you need more information?

- Ask your Data Shop
- http://www.europa.eu.int/comm/eurostat





# Business in candidate countries

# Facts and figures

The first comprehensive publication on structural business statistics in the candidate countries which provides standardised data on a wide range of economic activities within these countries.

Like its counterpart dealing with the EU countries, European business - Facts and figures, this publication provides a wealth of information on the economies, the development patterns and the state of the different economic sectors of the countries covered. These are Bulgaria, Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, the Slovak Republic and Slovenia.

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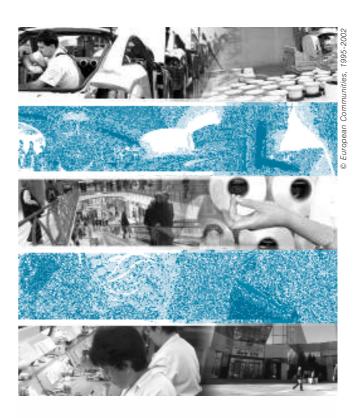
### THIS PUBLICATION PROVIDES:

- ★ a solid basis for analysis of business in the EU candidate countries,
- $\star$  detailed coverage of the main features of business in these countries using clear graphs, tables and explanatory text.

### DATA 1995-1999

### CONTENTS

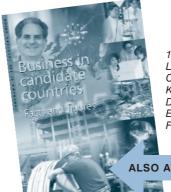
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### Population and labour market

- Total population at 1 January. 1960–2001. 1 000
- Total area in km<sup>2</sup>. 2000
- Density of the population. Persons per 1 km<sup>2</sup>. 1999
- Crude rate of natural increase
- Crude rate of net migration
- Crude rate of increase
- Crude rate of population increase and its components. 2000
- Total fertility rate
- Total fertility rate. 2000
- Life expectancy at birth: males
- Life expectancy at birth: females
- Life expectancy at birth for males and females. 2000
- Infant mortality rate
- Infant mortality rates. 2000
- School expectancy. 1999/2000
- Participation rate of four-year-olds in education. 1998-2001
- Duration of compulsory schooling (age). 2000
- Percentage of pupils in upper secondary education enrolled in vocational stream. By gender. 1999/2000
- Average number of foreign languages learnt per pupil in secondary general education. 2000
- Percentage of pupils in upper secondary general education learning English
- Percentage of pupils in upper secondary general education learning German
- Percentage of pupils in upper secondary general education learning Russian
- Participation rates in education for 18-year-olds, all levels. 1998-2001. %
- Women among tertiary students in mathematics, science and computing. 2000
- Women among tertiary students in engineering, manufacturing and construction. 2000
- Percentage of the total population aged 25 to 64 having completed at least upper secondary education
- Unemployment rates for total population aged 25 to 59 having completed no more than lower secondary education
- Unemployment rates for total population aged 25 to 59 having completed upper secondary education
- Unemployment rates for total population aged 25 to 59 having completed tertiary education
- Public expenditure on education by level of education as % of GDP. 1999
- Average hourly labour cost in industry and services. Enterprises with 10 or more employees. 2000. EUR
- Average annual labour cost in industry and services. Enterprises with 10 or more employees. 2000. EUR
- **21** Tax rate on low-wage earners. %. Single person without children on 67 % of the average earnings of a production worker in manufacturing. 1996-2001
- Tax rate on low-wage earners. %. Single person without children on 67 % of the average earnings of a production worker in manufacturing
  - Unemployment rate. % of labour force (labour force survey). Spring
  - Unemployment rate. % of labour force (labour force survey). Spring
  - Unemployment rate by sex. % of labour force (labour force survey). Spring 2001
  - Unemployment rate by age group. % of labour force (labour force survey). Spring 2001
  - Structure of labour costs as % of total costs. Industry and services. Enterprises with 10 or more employees. 2000. %





### **Continuing vocational training in enterprises**

### Continuing vocational training in the candidate countries

The European Commission launched a new survey on continuing vocational training after an initial survey was carried out in 1994 in the then 12 EU Member States. The second survey was implemented in 2000–01 not only in all Member States and Norway, but also in the candidate countries Bulgaria, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania and Slovenia. The results for Poland apply only to the Pomorskie region.

A total of some 26 000 enterprises in these nine candidate countries took part in the survey. They provided for the first time comparable statistical data on continuing vocational training, on skills supply and demand, on training needs, on the one hand, and the forms, content and volume of continuing training, on the other. Other information is available about the enterprises' own training resources and the use of external training providers. Last but not least, the survey provides information on the costs of continuing training.

### The Czech Republic: the candidate country with the highest share of training enterprises

In the nine candidate countries surveyed, the average percentage of enterprises providing continuing vocational training was 40 % in 1999. Percentages ranged from 11 % in Romania to 69 % in the Czech Republic. The average percentage of training enterprises is thus smaller than that observed in the first European continuing vocational training survey in 1993 when the average for the then 12 EU Member States was 57 %.

### Great disparities between countries

In the Czech Republic and in Slovenia, the participation of employees in continuing vocational training courses was three times higher than in Lithuania or in Romania. There are only slight disparities in various countries concerning participation rate by gender. Analysis by the enterprises' size class reveals higher rates in big enterprises than in small ones. In all candidate countries, enterprises providing continuing vocational training courses organised more external than internal courses in 1999. In most of the countries, participants spent the longest time on courses in small enterprises.

### High training costs in some countries despite low participation

Hungary, Bulgaria and Estonia have relatively high costs compared with their low participation rates. Only in the Czech Republic and in Slovenia are costs of courses in accordance with participation rates.

### **Further reading:**

- First survey on continuing vocational training in enterprises in candidate countries

Statistics in Focus — Theme 3

- No 1 Working time spent on continuing vocational training in enterprises in Europe

Do you need more information?

- Ask your Data Shop
- http://www.europa.eu.int/comm/eurostat





### Continuing vocational training in enterprises

- Training enterprises as % of all enterprises. 1999
- Percentage of employees (all enterprises) participating in CVT courses. 1999
- Percentage of employees (all enterprises) participating in CVT courses by sex. 1999
- Hours in CVT courses per participant in small and large enterprises. 1999
- Percentage of enterprises providing CVT courses by type of course. 1999
- Total costs of CVT courses per employee in enterprises with CVT courses. PPS. 1999
- Percentage of employees in small and large enterprises participating in CVT courses. 1999
- Total costs of CVT courses as % of total labour cost (all enterprises). 1999
- Hours in CVT courses per employee (all enterprises). 1999
- Hours in CVT courses per employee (all enterprises) by sex. 1999





### **Economic position**

### The candidate countries' economies are very diverse in size

The combined size of the economies of the 13 candidate countries in terms of GDP in current prices was EUR 627 700 million in 2001. Even with the inclusion of relatively large countries such as Poland and Turkey, the candidate countries still have a relatively light economic weight compared with the European Union: in 2001, their GDP was 7.1 % of the EU's.

Furthermore, candidate countries' economies are very diverse in size, ranging from EUR 4 000 million in Malta to EUR 196 700 million in Poland in 2001. The Maltese economy, in euro terms, is five times smaller than that of Luxembourg, the smallest EU Member State. Adding together the GDPs of the six smallest candidate countries gives a total of EUR 57 500 million, less than 0.7 % of the EU-15 total.

### 2001 — a year of diverging growth rates

In 2001, the economic performance of the candidate countries was rather varied. The growth of GDP in current prices ranged from -7.4 to +7.7% in comparison with the previous year. This is in stark contrast to the figures in 2000 when no country recorded negative growth. However, the growth was higher than the EU-15 average in 10 of the 13 countries, ranging from +3.0% in Slovenia to +7.7% in Latvia.

The government deficit and debt statistics of the candidate countries do not yet fully comply with EU methodological requirements. Nevertheless, the data are roughly comparable across countries.

For the time being, candidate countries notify their government deficit and debt statistics to the European Commission only once a year on 1 April as a trial exercise. Once they are members of the EU, candidate countries will have to notify their government deficit and debt statistics to the European Commission on 1 March and 1 September of each year under the 'excessive deficit procedure'.

With some exceptions, the public finance position of candidate countries does not compare unfavourably with that of EU countries, particularly in terms of debt. However, the large structural changes taking place in these economies have resulted, at least for some countries, in sharp swings in the deficit/surplus.

### Exchange and day-to-day money rates are more stable

The evolution of nominal exchange rates against the ecu/euro over the years shows that for most of the candidate countries exchange rates have tended to become more stable.

The same is true for the day-to-day money rate which is a good indicator of the level of short-term market interest rates. It gives an idea of the stance of monetary policy each year.

### **Further reading:**

Statistics in Focus — Theme 2

- No 8 Quarterly accounts Third quarter 2002 The GDP of the Candidate Countries
- No 17 Candidate Countries' National Accounts by Industry

Do you need more information?

- Ask your Data Shop
- http://www.europa.eu.int/comm/eurostat





### **Economic position**

- Gross domestic product at constant prices. Change over the previous year. %
- Gross domestic product at constant prices. Change over the previous year. %
- Gross domestic product at current prices. 1 000 million ECU/EUR
- Gross domestic product per capita at current prices in PPS. EU-15 = 100
- Gross domestic product at current prices. 1 000 million PPS
- Gross domestic product per capita at current prices in PPS. EU-15 = 100
- Short-term interest rates: day-to-day money rates. %
- Ecu/euro exchange rates: annual averages. ECU/EUR 1 = ...
- Deficit (-) or surplus (+) of general government. Million ECU/EUR
- Deficit (-) or surplus (+) of general government as % of GDP
- Gross debt of general government. Million ECU/EUR
- Gross debt of general government as % of GDP
- Consumer price index. Annual average rate of change. %
- Consumer price index. Annual average rate of change. %
- Food and non-alcoholic beverages at current prices. % of total household consumption expenditure
- Housing, water, electricity, gas and other fuels at current prices. % of total household consumption expenditure
- Transport at current prices. % of total household consumption expenditure
- Recreation and culture at current prices. % of total household consumption expenditure
- Health, at current prices. % of total household consumption expenditure
- Gross value added at current basic prices and current exchange rates. Agriculture, hunting and forestry. % of all branches
- Gross value added at current basic prices and current exchange rates. Manufacturing. % of all branches
- Gross value added at current basic prices and current exchange rates. Wholesale and retail trade; repair of motor vehicles, motorcycles and personal and household goods. % of all branches
- Gross value added at current basic prices and current exchange rates. Construction. % of all branches
- Gross value added at current basic prices and current exchange rates. Real estate, renting and business activities.

  % of all branches
- Imports of goods. Cif valuation in million ECU/EUR
- Trade balance for 2001. Million EUR
- Balance of the current account at current prices. % of GDP
- Balance of international trade in goods and services at current prices. % of GDP
- International trade in goods and services, cover rates. %
- Exports of transport services as % of services total exports
- Imports of transport services as % of services total imports
- Exports of travel services as % of services total exports
- Imports of travel services as % of services total imports
- International trade in services other than transport and travel, cover rates. %





### **Business structure**

### Working on comparability

The EU's future enlargement raised the need for the extension of the SBS data coverage to the candidate countries. The collection process for SBS data from the candidate countries has started recently.

Inevitably, there are still a few methodological divergences between the various candidate countries' data that need to be smoothed out over the coming years.

All the candidate countries' data are expressed in current ecu/euro, which does not reflect the actual purchasing power of the candidate countries' currencies. Nevertheless, the available data present useful gauges for an analysis of the candidate countries' economic sectors.

### **Further reading: Eurostat publications** — R & D and innovation statistics in candidate countries and the Russian Federation Statistics in Focus — Theme 1 - No 6 Regional population change in candidate and EU countries — No 8 Regional unemployment rates in the central European candidate countries 2000 - No 2 Regional gross domestic product in candidate countries 1999 Statistics in Focus — Theme 4 No 6 Information society statistics — Data for central European candidate countries (CEC) - No 37 Information society statistics - Rapid growth of Internet and mobile phone usage in candidate countries in 2000 Statistics in Focus — Theme 6 - No 8 The 13 candidate countries' trade with the EU in 2000 — No 6 Specialisation of candidate countries in relation to the EU Statistics in Focus — Theme 7 — No 4 Transport in central European countries 1993–1998 Do you need more information? - Ask your Data Shop - http://www.europa.eu.int/comm/eurostat





- Industrial production volume index. Previous year = 100
- Turnover of mining and quarrying. Million EUR
- Turnover of manufacturing. Million EUR
- Turnover of electricity, gas and water supply. Million EUR
- Turnover of construction. Million EUR
- Turnover of wholesale and retail trade; repair of motor vehicles, motorcycles and personal and household goods. Million EUR
- Turnover of hotels and restaurants. Million EUR
- Turnover of transport, storage and communication. Million EUR
- Turnover of real estate, renting and business activities. Million EUR
- Value added at factor cost of mining and quarrying. Million EUR
- Value added at factor cost of manufacturing. Million EUR
- Value added at factor cost of electricity, gas and water supply. Million EUR
- Value added at factor cost of construction. Million EUR
- Value added at factor cost of wholesale and retail trade; repair of motor vehicles, motorcycles and personal and household goods. Million EUR
- Value added at factor cost of hotels and restaurants. Million EUR
- Value added at factor cost of transport, storage and communication. Million EUR
- Value added at factor cost of real estate, renting and business activities. Million EUR
- Personnel costs of mining and quarrying. Million EUR
- Personnel costs of manufacturing. Million EUR
- Personnel costs of electricity, gas and water supply. Million EUR
- Personnel costs of construction. Million EUR
- Personnel costs of wholesale and retail trade; repair of motor vehicles, motorcycles and personal and household goods. Million EUR
- Personnel costs of hotels and restaurants. Million EUR
- Personnel costs of transport, storage and communication. Million EUR
- Personnel costs of real estate, renting and business activities. Million EUR
- Number of persons employed in mining and quarrying
- Number of persons employed in manufacturing
- Number of persons employed in electricity, gas and water supply
- Number of persons employed in construction
- Number of persons employed in wholesale and retail trade; repair of motor vehicles, motorcycles and personal and household goods
- Number of persons employed in hotels and restaurants
- Number of persons employed in transport, storage and communication
- Number of persons employed in real estate, renting and business activities
- Total length of motorways in km
- Total length of railway lines in km
- Passenger cars. 1 000s
- Passenger cars per 1 000 inhabitants





- Goods transport by road. Million tonne-km
- Persons killed in road accidents
- Tourist accommodation: hotels and similar establishments
- Nights spent by non-residents in hotels and similar establishments
- Nights spent by non-residents in hotels and similar establishments
- Nights spent by residents in other collective accommodation establishments
- Nights spent by non-residents in other collective accommodation establishments
- Total production of primary energy. 1 000 toe
- Total gross electricity generation. GWh
- Final energy consumption. 1 000 toe
- Total research and development expenditure as % of GDP. All sectors (GERD)
- Business research and development expenditure as % of GDP. Business enterprise sector (BERD)
- Total research and development personnel as % of the total active population
  - Number of personal computers. 1 000s
  - Personal computers per 100 inhabitants
  - Personal computers per 100 inhabitants. 2001
  - Number of Internet hosts. 1 000s
  - Internet hosts per 100 inhabitants
  - Internet hosts and Internet users per 100 inhabitants
  - Number of Internet users. 1 000s
  - Internet users per 100 inhabitants
  - Number of mobile phone subscribers. 1 000s
  - Number of main telephone lines. 1 000s
  - Main telephone lines per 100 inhabitants
  - Mobile phone subscribers per 100 inhabitants
  - Mobile phone subscribers and main telephone lines per 100 inhabitants. 2001



### Agriculture, forestry and fisheries

### Agriculture is socially important

Compared with the European Union, the agricultural population in the candidate countries accounts for a larger proportion of the total population and the agricultural workforce for a larger proportion of the total workforce. Furthermore, agricultural production accounts for a greater proportion of the output of the whole economy.

### Utilised agricultural area (UAA)

Arable land made up more than 60 % of the UAA in almost all candidate countries. Indeed, it exceeded 80 % in Lithuania and Estonia and reached 90 % in Malta. Slovenia was an exception, as arable land was only 35 % of UAA. Permanent grassland was 60 % of UAA in Slovenia, and between 30 and 40 % in Bulgaria, Romania, Slovakia and Turkey. There was little permanent grassland in Cyprus and Malta. However, these two countries had notable areas under permanent crops (30 and 10 % respectively).

### **Production**

Cereals are the most important group of crop products. The harvested production of cereals including rice in 2001 (or 2000) was 12 000 and 127 000 tonnes in Malta and Cyprus respectively. Production was about 0.5 million tonnes (mt) in Slovenia and Estonia. It reached nearly 1 mt in Latvia, 2.3 mt in Lithuania, 3.1 mt in Slovakia, 7.3 mt in the Czech Republic, 10.0 mt in Hungary, 18.9 mt in Romania and 27.1 mt in Poland. For comparison, in the European Union, production ranged from 144 000 tonnes in Luxembourg, through 4.8 mt in Greece (the median production volume), to 60.3 mt in France.

As regards animal production, Poland has the largest cattle herd with 5.5 million head which would make it the seventh largest Community beef producer after France (20.3 million), Germany (14.1 million), the United Kingdom (10.2 million), Italy (7.4 million), Ireland (6.5 million) and Spain (6.3 million). Romania has 2.9 million head of cattle, which is roughly equivalent to the Belgian figure. Poland is also the most important candidate country with regard to pig stocks (17.5 million head) and would become the EU's third largest pigmeat producer after Germany (25.8 million) and Spain (24.7 million). Romania has the largest sheep flock (7.7 million head) and Bulgaria the greatest number of goats (675 000).

Data on the production of crop and animal products in the candidate countries may be found in the theme 5 Zpa1\_cc domain of the NewCronos database.

### **Prices**

From the provisional data available to Eurostat, most candidate countries had a series of years with negative price trends, which were halted or reversed in 2000. The trend became more positive in 2001 for both output and input price indices in real terms (i.e. corrected for inflation, often quite high). The real output price index rose slightly (< 1 %) in Slovenia, Slovakia and Bulgaria. It increased moderately (3–6 %) in Latvia, Romania, Malta and Lithuania, and strongly (+ 10 %) in the Czech Republic and Estonia. In contrast, the real output price index declined in Poland (- 1.1 %) and Hungary (- 3.8 %). By comparison, the real output price index in the EU rose 1.9 % in 2001, with changes ranging from - 1.9 % in Finland to + 6.6 % in the United Kingdom.

Prices and price indices for many products are stored in the theme 5 Prag domain of the NewCronos database.





### Agricultural income

The so-called 'Indicator A' measures the change in real agricultural factor income (corresponding to the net value added at factor cost) related to the change in total agricultural labour input (in annual work units). Indicator A was available from eight candidate countries. For 2001 relative to 2000, there was a steep fall in agricultural income in Slovenia (– 14.4 %) and Poland (– 10.3 %), and a moderate decline in Malta (– 1.6 %). In contrast, agricultural income rose strongly in Lithuania (+ 13.6 %), Slovakia (+ 14.1 %), Estonia (+ 17.2 %), the Czech Republic (+ 20.5 %) and Hungary (+ 26.8 %). By comparison, agricultural income rose 3.3 % in the European Union with changes ranging up to + 12.3 % for Denmark.

Detailed data on agricultural accounts in candidate countries may be found in the theme 5 Cosa\_cc domain of the NewCronos database.

### **Forests**

Forests and wooded land cover around 30 % of the candidate countries' territory and represent the equivalent of approximately 40 % of the EU's forest and wooded land area. The main areas are in Turkey, Poland, Romania and Bulgaria.

In 2000, the roundwood production of the candidate countries represented approximately the equivalent of 41 % of the EU's production. The main production is in Poland, Turkey, the Czech Republic, Latvia and Romania.

### Data on forestry come from different sources

- The data on forests (e.g. structure, areas) are provided by the forest resources assessment (FRA) managed by the Food and Agriculture Organisation (FAO). To meet the requirements at the European level, the United Nations Economic Commission for Europe (UNECE) in Geneva manages a temperate and boreal forest resources assessment (TBFRA) which covers all the members of the UNECE, including all candidate countries. The Commission is involved in the preparation of this TBFRA.
- The data on wood and wood-based products come from the joint questionnaire managed by the Intersecretariat Working Group on the Forestry Sector including the FAO, UNECE, ITTO (International Tropical Timber Organisation) and Eurostat. Each organisation is fully responsible for the management of data of a group of countries (Eurostat for the data for EU and EFTA countries).

### **Further reading:**

### **Eurostat publications**

— Income from agricultural activity in 2001 (2002 edition), European Union and Candidate Countries

### Statistics in Focus — Theme 5

- No 19/2002 Agricultural price trends of eleven Candidate Countries
- No 9/2002 EU-15 agricultural income up by 3.3% in 2001 (contains also results for a number of Candidate Countries)

### Do you need more information?

- Ask your Data Shop
- http://www.europa.eu.int/comm/eurostat





### Agriculture, forestry and fisheries

- Gross agricultural production volume index. Previous year = 100
- Utilised agricultural area. 1 000 ha
- Arable land, 1 000 ha
- Wheat production. 1 000 t
- Production of barley. 1 000 t
- Production of potatoes. 1 000 t
- Production of tomatoes. 1 000 t
- Production of apples, including cider apples. 1 000 t
- Collection of cow's milk. 1 000 t
- Production of cow's milk in farms. 1 000 t
- Production of butter. 1 000 t
- Production of cheese, 1 000 t
- Producer price indices, deflated; total agricultural production. 1995 = 100
- Purchase price indices of goods and services currently consumed in agriculture. 1995 = 100
- Gross value added at basic prices of the agricultural industry. Million ECU/EUR
- Forest categories (TBFRA 2000)
- Total roundwood production. 1 000 m<sup>3</sup>
- Total sawnwood production. 1 000 m<sup>3</sup>
- Total paper and paperboard production. 1 000 t
- Total catches of fishery products. 1 000 t live weight
- Total aquaculture production. 1 000 t live weight





### **Environment**

### The environment in the candidate countries

The European Commission has systematically monitored transposition and implementation of the environmental *acquis communautaire* since 1998. It has supported the candidate countries' progress towards compliance and assisted them in their efforts.

Progress remained slow in 1999 and 2000. In 2001, however, it developed considerably as a result of major efforts by the candidate countries and the 'road map' for enlargement. Nevertheless, transposition still needs to be completed regarding the management of wastewater, waste and industrial pollution (air emissions).

The data on water, waste, environmental protection expenditure and air emissions for candidate countries are compiled by the same methods and bodies as for the EU Member States. Water, waste and environmental protection statistics are compiled through the joint Eurostat/OECD questionnaire. For air emissions, the responsible body is the European Environment Agency (EEA) and data are reported through the obligatory reporting mechanisms related to air emissions.





### **Environment**

- Total freshwater abstractions (surface- and groundwater). Million m<sup>3</sup>
- Total freshwater abstractions (surface- and groundwater). m³/capita
- Water abstracted by public water supply. Million m³/year
- Water abstracted by sector. m³/capita
- Population connected to public sewerage system in % of total population
- Population connected to public sewerage system with treatment in % of total population
- Population connected to public sewerage system by type of treatment. %
- Waste generated by economic sector. 2001. 1 000 t
- Treatment of municipal waste. 1999. 1 000 t
- Total expenditure by public sector. Million ECU
- Total environmental expenditure by public sector by domain. %. 2000
- Total expenditure by industry by domain. %. 2000
- Emissions of greenhouse gases. Index 1990=100
- Emissions of acidifying pollutants. 1 000 t
- Emissions of tropospheric ozone precursors. 1 000 t





A changing population

Life and its risks

Education and work

Households

### The EU population

### The population of the European Union: changes, comparisons, projections

### On 1 January 2002, the EU had 379.6 million inhabitants

One year earlier, the total population of the European Union had been just over 378 million. The EU thus has the world's third largest population, way behind China (1 279 million) and India (1 038 million), but ahead of the United States (279.3 million), Brazil (175 million) and Japan (126.9 million).

### In 2001, the EU's population increased by over 1.5 million

The increase was much the same in 2000 (1 554 900 as against 1 564 000 in 2001). The crude rate of increase in the EU's population thus remained stable at 4.1 ‰. In 2000 to 2001, however, there was a fairly sharp rise in the growth rate compared with the years immediately before then (4.1 ‰ in 2000 and 2001 as against 2.7 ‰ on average for the period 1995 to 1999).

This change was due partly to a more rapid natural increase (387 000 in 2000 and 404 000 in 2001 compared with 298 000 on average for the period 1995 to 1999), but more particularly to a substantial increase in net migration compared with the previous period (1 168 000 in 2000 and 1 160 000 in 2001 as against an average of 710 000 for 1995 to 1999).

More than ever, **net migration** is a vital component of population increase. It has been responsible for some three quarters of the increase in the EU since 1999, equalling or even overtaking the record post-war levels of 1993 and 1995. The sharp rise over the past three years is due mainly to the upward revision of population data (new estimates and census results) which Eurostat received recently from some countries (from Spain, in particular, but also from Germany, Portugal and the United Kingdom) which chiefly affected the balance of migration.

Owing to the general fall in the number of deaths over the past two years, the rate of **natural increase** has risen in virtually all EU countries, with the number of births remaining fairly stable at a little over 4 million. The natural increase was still negative, however, in three EU countries (Germany, Sweden and Greece). The figure of 404 000 recorded in 2001 should be compared with the 2.5 million which was the average for the early 1960s. At that time, natural increase was almost 8 ‰, as against only 1.1 ‰ in 2001.

### The EU accounts for only around 2 % of the increase in the world's population

In 2001, the total population of the world rose by almost 78 million. China accounted for almost 14 % of that increase and India for over 20 %. At the same time, the United States (+9.0 %) had a rate of increase over twice as high as the EU's. However, in most of the other developed regions, the population increase was lower than in the EU (for example, Japan: +1.7 %; Russia: -5.1 % in 2000).

### In the near future, the total population of the EU is expected to stagnate or even decline

If present trends in fertility, mortality and international migration continue (Eurostat's basic scenario; see population graphs), the population is likely to peak in 2023 and then return in 2050 to a level close to the present figure.

### More Eurostat data on population

If you are interested in data that are more detailed than those presented in the Eurostat yearbook, please contact your Data Shop. The addresses can be found at the end of the yearbook.

The publication *European social statistics* — *Demography* is also available from your Data Shop. This is a more complete yearbook exclusively about population statistics. The data presented in the 2002 edition cover the period 1960 to 2001 (2002 for population) and refer to the EU Member States





### The EU population

and the EFTA countries, as well as to many central European countries, Cyprus and Malta. The information includes a large range of demographic indicators, especially on:

- the European Union in the world;
- the population change;
- the structure of the population;
- the EU and its regions;
- fertility;
- marriages;
- mortality;
- international migration flows;
- population projections.

### **Further reading:**

### **Eurostat publications**

- Key indicators Population and social conditions
- European social statistics Demography

### Other publications

— World population prospects: the 1998 revision. United Nations

### Statistics in Focus — Theme 3

- No 19 First results of the demographic data collection for 2001 in Europe
- No 17 First demographic estimates for 2001
- No 7(1997) Beyond the predictable: demographic changes in the EU up to 2050

### Do you need more information?

- Ask your Data Shop
- http://www.europa.eu.int/comm/eurostat
- Eurostat's data serves the political discussion in Europe. Have a look at the website of the "DG Justice and Home Affairs": http://europa.eu.int/comm/justice\_home/index\_en.htm





# The EU population

- Total population at 1 January. 1 000s
- Total population. EU-15. Millions
- Population projections
- World population
- Population density. Inhabitants per km<sup>2</sup>
- National population as % of EU-15 population
- Population increase. 1991 = 100
- Population increase per 1 000 people
- Natural population increase per 1 000 inhabitants
- Net migration, including corrections, per 1 000 people
- Total population increase and net migration, including corrections, per 1 000 inhabitants. EU-15
- People aged under 15 as % of total population
- People aged under 15. EU-15. Millions
- People aged 15 to 24 as % of total population
- People aged 15 to 24. EU-15. Millions
- People aged 25 to 49 as % of total population
- People aged 25 to 49. EU-15. Millions
- People aged 50 to 64 as % of total population
- People aged 50 to 64. EU-15. Millions
- People aged 65 to 79 as % of total population
- People aged 65 to 79. EU-15. Millions
- People aged 80 or over as % of total population
- People aged 80 or over. EU-15. Millions
- Women per 100 men





## Families and births

#### Just over 4 million babies were born in the EU in 2001

In 2001, the number of live births in the European Union was provisionally estimated at around 4.01 million, i.e. approximately 45 000 fewer than in 2000.

The year 1999 was the only year in which the number of births fell to (just) below 4 million. In the mid-1960s, there were over 2 million more births, i.e. an average of 6 million a year. There was a sharp fall in fertility over the next decade, and in, the immediate future, the number of births is expected to continue to fall, with women born during the baby boom of the mid-1960s reaching the end of the reproductive period, to be replaced by the smaller number of women born between 1965 and 1975.

## After a sharp fall, fertility in the EU has been stable since 1995

The average fertility indicator in the EU hit a post-war high in the mid-1960s (around 2.75 children per woman between 1963 and 1966) before falling sharply up to the end of the 1970s and then more gradually until the middle of the 1990s. This indicator reached a record low of 1.42 children per woman in 1995 before climbing back slightly and stabilising at between 1.45 and 1.50 children per woman over the past six years or so. In 2001, the figure was virtually the same as in the previous year, at 1.47 children per woman (as against 1.48 in 2000).

Those Member States which had the highest fertility rates at the beginning of the 1980s (Ireland and the countries of southern Europe) are those which have since recorded the steepest falls (by over 30 %), and thus the lowest levels in the fertility indicator are currently in Italy (1.24), Spain (1.25) and Greece (1.29), with the last now on a par with Germany and Austria. The highest figures are in Ireland (1.98) and France (1.90), with Denmark, Finland, Luxembourg and the Netherlands some way behind (between 1.69 and 1.74).

### Completed fertility below the replacement level

The lifetime fertility of the post-war generations in the EU has been falling steadily, stabilising at around 1.70 children per woman, which is much lower than the generation replacement level (2.10 children per woman). However, the most recent data seem to indicate that fertility has reached its lowest level after decades of almost continuous decline and that the two indicators (annual birth rate and completed fertility of the generations) should move closer together in the future.

The Member States have recorded varying completed fertility figures. Women in Austria, Germany and Italy born in 1960 are expected to have under 1.70 children on average, whereas their contemporaries in France and Sweden are likely to have more than two children. Fertility will probably be highest in Ireland, with around 2.40 children per woman.

These differences are mainly due to the percentages of women with no children and families with one child. In countries where completed fertility is lowest, over 40 % of women will have only one child or no children at all, whilst in countries with the highest completed fertility rates, this figure is under 30 %.

# More births outside marriage throughout the EU

Whereas 40 years ago most children born outside marriage lived with single mothers, nowadays most of them live with couples who are not married, this being a reflection of modern patterns of living together.

Although all EU Member States have recorded an increase in births outside marriage since the middle of the 1970s, there are some striking differences. At 4.1 %, Greece has the lowest rate, followed





#### Families and births

by Italy (9.6 %) and Spain (17 %). At the other end of the scale, the highest percentages are in France (42.6 %), Denmark (44.6 %) and, even more strikingly, Sweden, where over half (55.5 %) of all children are born outside marriage.

## More Eurostat data on population

If you are interested in data that are more detailed than those presented in the Eurostat yearbook, please contact your Data Shop. The addresses can be found at the end of the yearbook.

The publication *European social statistics* — *Demography* is also available from your Data Shop. This is a more complete yearbook exclusively about population statistics.

## Further reading:

**Eurostat publications** 

— European social statistics — Demography

Statistics in Focus — Theme 3

— No 17 First results of the demographic data collection for 2001 in Europe

- Ask your Data Shop
- http://www.europa.eu.int/comm/eurostat





#### Families and births

- Marriages per 1 000 people
- Divorces per 1 000 people
- Marriages and divorces per 1 000 people. EU-15
- Mean age at first marriage: women
- Mean age at first marriage: men
- Total fertility
- Completed fertility by generation
- Total fertility and completed fertility. EU-15
- Mean age of women at childbearing
- Live births outside marriage as % of all live births





# **International migration**

## Comprehensive information on migration, asylum and citizenship

Eurostat compiles statistics on:

- international migration flows;
- asylum-seekers;
- resident foreign population;
- acquisition of citizenship;
- migrant workers.

If you would like more information on these topics than is provided in the Eurostat yearbook, please contact one of the Data Shops the addresses of which can be found at the end of the yearbook. The migration statistics yearbook *European social statistics* — *Migration* is also available from your Data Shop.

## The EU remains attractive to migrants

Migration is influenced by a combination of economic, political and social factors. These factors may act in a migrant's country of origin ('push' factors) or in the country of destination ('pull' factors).

The relative economic prosperity and political stability of the EU exert a considerable pull effect. Various push factors in many parts of the world have also continued to have a strong effect on migrant flows.

Net migration has been the largest component of population change in the EU since 1989. It is estimated that net migration added approximately 1.16 million to the EU population in 2001, contributing three quarters of the total population increase. Net migration is calculated as the difference in the population at the beginning and end of the year, minus the difference between births and deaths in that year.

For many Member States, non-EU nationals form the largest group in the immigration flows. The second largest immigration group is generally national citizens. Except for Belgium, Ireland and Luxembourg, the smallest immigration group consists of citizens of other EU Member States.

## The number of applications for asylum remains well below the 1992 peak

There were around 360 000 applications for asylum in the EU in 2000. The figures for the last few years have been higher than those seen in the mid-1990s, but remain well below the levels recorded in the early 1990s when the annual total was above half a million for several years.

## Measuring migration

Statistics on migration, asylum, the resident foreign population, and the acquisition of citizenship are supplied to Eurostat by national statistical institutes and by the Ministries of Justice and the Interior. Most of these statistics are sent to Eurostat as part of a joint migration data collection organised by Eurostat in cooperation with the United Nations Statistical Division, the United Nations Economic Commission for Europe, the Council of Europe and the International Labour Office.

Countries differ in the way they produce migration statistics and who they consider to be a migrant. In some countries, migration statistics are based on administrative data taken, for example, from systems for issuing residence permits or from a population register. Some other countries use survey-based data. These variations in data sources and definitions result in problems when comparing the migrant counts for different countries.





#### International migration

Not all EU Member States produce statistics on immigration and emigration. Although an estimation can be made of net migration for the EU, it is not possible to provide a complete picture of immigration and emigration flows for all Member States or for the EU as a whole. For more information, refer to the glossary entries 'Immigrants' and 'Emigrants'.

## Citizenship

Around 1 in 20 people in the EU are not citizens of their country of residence: 1.6 % are citizens of another EU Member State and 3.4 % are non-EU citizens. There are, however, large differences between the Member States. Luxembourg has by far the largest proportion of non-nationals: in 2001, 36.9 % of the population were not Luxembourg citizens.

Acquisition of citizenship is sometimes viewed as an indicator of the formal integration of migrants into their destination country, often requiring a period of legal residence together with other factors such as language proficiency. In the past decade, the annual number of people acquiring citizenship of an EU Member State has more than doubled.

#### **Further reading:**

### **Eurostat publications**

- Patterns and trends in international migration in western Europe
- European social statistics Migration

#### Statistics in Focus — Theme 3

- No 1 Why do people migrate?
- No 15 First results of the demographic data collection for 2000 in Europe
- No 7 Migration keeps the EU population growing

#### DG Employment and Social Affairs and Eurostat

— The social situation in the European Union 2002

- Ask your Data Shop
- http://www.europa.eu.int/comm/eurostat
- Eurostat's data serves the political discussion in Europe. Have a look at the website of the "DG Justice and Home Affairs": http://europa.eu.int/comm/justice\_home/index\_en.htm





# International migration

- Total immigration
- Immigration of nationals
- Immigration of other EU nationals
- Immigration of non-EU nationals
- Total emigration
- Emigration of nationals
- Emigration of other EU nationals
- Emigration of non-EU nationals
- Asylum applications
- Grants of refugee status
- Population by citizenship. Nationals
- Population by citizenship. Other EU nationals
- Population by citizenship. Non-EU nationals
- Acquisition of citizenship





# Life expectancy and mortality

### Mortality rates are down ...

In 1976, the number of deaths in the EU reached a post-war high of nearly 3.8 million. Since then, the annual figures have fluctuated. They were slightly down at 3.6 million in 2001, the lowest for almost 35 years. Thus, the impact on the mortality figures of the increasing number of elderly persons and of the rise in the population (up 14 % since 1967) has been fully offset by the fall in mortality rates.

The decline in infant mortality (deaths of live-born children before the age of one year) is one of the most striking demographic changes. In just under 40 years, this rate has dropped by a factor of almost seven in the European Union, from 34.5 ‰ in 1960 to 4.8 ‰ in 2001.

Although the risk of death is already very low for young children, it is likely that infant mortality will continue to fall, since the biological minimum for this indicator is between 2 and 3 ‰. Given that Sweden, Finland and Iceland are already close to or have reached these values, and that the rest of the EU is likely to follow the same trend, the infant mortality rate is expected to lose its value as a demographic and social indicator in the near future.

The countries which have made the greatest progress in this respect are the southern Member States of the European Union, where rates were over 40 ‰ in 1960 and as high as 77.5 ‰ in Portugal. In 2001, they fell to below 6.0 ‰ in these countries. Spain, at 3.9 ‰, now has one of the lowest levels in the Union. The differences between Member States are now very much less pronounced, with rates varying from 3.2 ‰ for Sweden and Finland to 5.9 ‰ for Greece.

## ... and life expectancy up

Since 1945, life expectancy at birth has, with very few exceptions, increased steadily in every EU country. Despite a slowing-down in the rate of increase at the start of the 1960s, the overall pattern has continued, albeit with a less rapid rise since that time. For the Union as a whole, the figures are now at an all-time high, with life expectancy at birth being around 81.4 years for women and 75.3 years for men as against 72.9 and 67.4 years respectively in 1960.

Over the past four decades, the life expectancy of men aged 65 years has risen by over 20 % in the EU, from 12.7 years in 1960 to 15.8 years in 1999. Thanks to improvements in health services and social conditions, it is now well over 15 years in several countries. The life expectancy of women aged 65 years has risen by almost 30 % over the past 40 years, from 15.1 to 19.7 years.

# **Further reading:**

#### **Eurostat publications**

— European social statistics — Demography

- Ask your Data Shop
- http://www.europa.eu.int/comm/eurostat
- Eurostat's data serves the political discussion in Europe. Have a look at the website of the "Health and Consumer Protection DG": http://europa.eu.int/comm/dgs/health\_consumer/index\_en.htm





#### Life expectancy and mortality

- Life expectancy at birth: females
- Life expectancy at birth: males
- Life expectancy at birth: difference between females and males. 2000
- Life expectancy at 60: difference between females and males. 1999
- Life expectancy at 60: females
- Life expectancy at 60: males
- Infant mortality per 1 000 live births
- Proportion of population aged 65 and over. 1960-2001. %





# Health and safety

## Reporting on health: a complex and sensitive task

Reporting on health and safety requires Eurostat to have a clear concept of where the collection, harmonisation and presentation of data add value to the overall statistical picture. Eurostat evaluates the wide range of statistical sources on health-related issues and chooses the appropriate ones from which to extract a rich assortment of data. To optimise the flow and analysis of the information, Eurostat cooperates closely with expert institutions and organisations in that field.

#### Do you feel well?

One of the ways used by governments to assess health aspects is through population surveys of self-rated health status. Subjective or self-reported health status is not a substitute for more objective indicators but rather complements these. The European Community household panel (ECHP) is a longitudinal, multi-subject survey covering many aspects of daily life, particularly employment and income, but also demographic characteristics, environment, education and health. According to 1998 results, 60.2 % of Europeans perceive their own health as very good or good, 12.3 % report a bad or very bad health status, and the rest perceive their own health as fair. Almost 9.7 % of the European population report 'being severely hampered in their daily activities by any chronic physical or mental health problem'.

#### **Smokers**

According to *Eurobarometer* estimates, 33.8 % of the EU's population aged 15 years and over smoked in 1999. Percentages were highest in the youngest age groups (15 to 24 years and 25 to 34 years).

#### Do Europeans eat well?

The recommended dietary allowances (RDAs) for most EU countries are about 2 900 kcal for males (25 to 50 years, about 176 cm and 79 kg) and 2 200 kcal for women (25 to 50 years, about 163 cm and 63 kg). The average consumption per person is above 3 000 kcal/day in all EU countries (except Finland); trends are not decreasing. A similar trend of unhealthy overconsumption can be observed in fat intake.

## Severe diseases

AIDS is surveyed by the European Centre for the Epidemiological Monitoring of AIDS (EuroHIV — supported by the European Commission). Cases are recorded according to the AIDS case definition of 1993 and later revisions. Due to reporting delays (time between diagnosis on an AIDS case and report to national level), the incidence trends are best assessed by examining data by year of diagnosis (with adjustment for reporting delays) rather than by year of report. The annual number of cases reported continues to decrease. The last increase was in 1995. Annual AIDS incidence per million (adjusted for reporting delays) is estimated at 21.4 in 2001 with a cumulative total of cases in the EU of 232 407.

Cases of cancer are collected by the European Network of Cancer Registries and the International Agency for Research on Cancer (IARC)/WHO, with the support of the 'Europe against cancer' programme of the European Union. Both incidence and mortality rates were higher in males than in females in all countries. Even if fewer men have been dying of lung cancer since the 1980s, in 1997 it was this type of cancer which was the most common amongst men. Amongst women, it was breast cancer, which occurred most frequently in 1997.





Some of the communicable diseases preventable by immunisation can be considered practically eradicated in the EU (tetanus, poliomyelitis and diphtheria). Mumps, rubella, pertussis and measles remain a health problem in some Member States. Food diseases (salmonellosis), airborne diseases (tuberculosis, legionellosis, meningococcal disease), viral hepatitis (notably hepatitis C) and others emerge (or re-emerge) as important problematic infectious diseases.

#### Causes of death

Analysis of causes of death is based on the underlying cause as indicated in Section B of the death certificate. For more details, please refer to the glossary.

## Total health expenditure

Data on total health expenditure can be retrieved from the OECD Ecosanté database. For more information, please refer to the glossary.

## How many health professionals work in the EU?

The figures on manpower in healthcare cannot be fully compared because the EU Member States base their statistics on different concepts (e.g. only 'active' practitioners or practitioners 'entitled to practise' including practitioners who are unemployed or work without directly practising medicine).

#### Fewer hospital beds

A reduction in the number of hospital beds per capita could be observed virtually everywhere. This reduction is more marked for beds in psychiatric hospitals. The reduction in beds can be explained by developments in medical technologies, which have made it possible to reduce the average length of hospitalisation. Another reason is the financial constraints of the 1980s, which led to rationalisation of the health services. The average length of stay is defined as the number of bed-days in hospitals divided by the number of admissions or discharges.

#### Solid organ transplantation

The Council of Europe has developed the ethical principles governing organ transplantation. Eurostat collects information on this issue on the basis of results disseminated from different specialised national and international organisations. Kidney transplants remain the most frequent type of transplant.

## **Further reading:**

## **Eurostat publications**

- Key data on health 2000 - Data 1985-1995

#### Statistics in Focus — Theme 3

- No 11 Causes of death among young people aged 15 to 24 1994/1997
- No 16 Accidents at work in the EU 1998–1999
- No 17 Work-related health problems in the EU 1998-1999

- Ask your Data Shop
- http://www.europa.eu.int/comm/eurostat
- Eurostat's data serves the political discussion in Europe. Have a look at the website of the "Health and Consumer Protection DG": http://europa.eu.int/comm/dgs/health\_consumer/index\_en.htm





- Self-perception of a person's own health (15+ years). % (non-standardised). 1998
- Hampered in daily activities because of chronic conditions (15+ years). % (non-standardised). 1998
- Average number of calories per person/day. kcal
- Average amount of pure alcohol available on the market per person (older than 15) per year. Litres
- Average number of cigarettes available on the market per person per year
- Percentage of population (aged over 15) who are cigarette smokers. 1999
- AIDS incidence rates per million population by year of diagnosis, with adjustments for reporting delays
- Standard death rates. All causes of death per 100 000 women. EU-15
- Standard death rates. All causes of death per 100 000 men. EU-15
- Death (SDR) from cancer: women per 100 000 women
- Death (SDR) from cancer: men per 100 000 men
- Incidence of all types of cancer by age and sex in 1997. Age standardised rate using a standard world population
- Incidence of breast cancer by age in 1997. Age standardised rate per 100 000 females using a standard world population
- Incidence of prostate cancer by age in 1997. Age standardised rate per 100 000 males using a standard world population
- Death (SDR) from ischaemic heart diseases: women per 100 000 women
- Death (SDR) from ischaemic heart diseases: men per 100 000 men
- Death (SDR) by suicide: women per 100 000 women
- Death (SDR) by suicide: men per 100 000 men
- Deaths (SDR) in motor-vehicle traffic accidents: women per 100 000 women
- Deaths (SDR) in motor-vehicle traffic accidents: men per 100 000 men
- Incidence of malaria per 100 000 persons
- Incidence of legionellosis per 100 000 persons
- Incidence of pertussis per 100 000 persons
- Incidence of tuberculosis per 100 000 persons
- Incidence of salmonellosis per 100 000 persons
- Estimated number of people with Alzheimer's disease and other dementias in 2000 per 100 000 inhabitants
- Accidents at work: serious. Index of the number of serious accidents at work per 100 000 persons in employment. 1998 = 100
- Accidents at work: fatal. Index of the number of fatal accidents at work per 100 000 persons in employment.

  1998 = 100
  - Standardised incidence rate of accidents at work with more than three days' absence per 100 000 persons employed
  - Standardised incidence rate of accidents at work with more than three days' absence per 100 000 persons employed. 18 to 24 years
  - Incidence rate of accidents at work with more than three days' absence per 100 000 persons employed. Agriculture, hunting and forestry
  - Incidence rate of accidents at work with more than three days' absence per 100 000 persons employed. Manufacturing
  - Incidence rate of accidents at work with more than three days' absence per 100 000 persons employed. Construction





## Health and safety

- Incidence rate of accidents at work with more than three days' absence per 100 000 persons employed. Transport, storage and communication
- Standardised incidence rate of fatal accidents at work per 100 000 persons employed
- Number of fatal accidents at work. Manufacturing
- Number of fatal accidents at work. Construction
- Number of fatal accidents at work. Transport, storage and communication
- Total health expenditure per head of population in PPS
- Total health expenditure as a proportion of GDP
- Total number of physicians (practising or licensed) per 100 000 inhabitants
- Total number of dentists (practising or licensed) per 100 000 inhabitants
- Hospital beds per 100 000 inhabitants
- Beds in psychiatric hospitals per 100 000 inhabitants
- Discharges from hospitals by main group of diagnosis per 100 000 inhabitants. EU-15. 2000
- Percentage of persons hospitalised during the last 12 months (15+ years). 2000 (% non-standardised)
- Solid organ transplants in Europe per million population: heart
- Solid organ transplants in Europe per million population: kidney
- Solid organ transplants in Europe per million population: liver
- Solid organ transplants in Europe per million population: lungs





## Education

### **Education opens opportunities**

Eurostat provides a wide range of data on general and vocational education in Europe, for example on:

- the educational attainment of the population. These data come from the European Community labour force survey;
- entrants, enrolment and graduates. The data cover full- and part-time students at all levels of education, general and vocational, in public and private institutions. The data are broken down by age and gender;
- level and type of education;
- fields of study;
- non-national students;
- study of foreign languages;
- education staff;
- expenditure on education.

## Eurostat's data on education: a basis for evaluating progress

Eurostat's statistical information on education is the basis for expert analysis, for example of:

- the participation of girls and women in education programmes;
- the age of entry to education programmes and their duration;
- the relationship between education and employment;
- the differences between States and regions.

#### **Indicators facilitate comparisons**

Eurostat calculates indicators that give a general and valid picture, for example:

- the participation rate in education (defined as the number of pupils/students enrolled as a percentage of the total population of a given age group);
- the pupil/teacher ratio which shows the number of pupils per teacher (both expressed in full-time equivalents) at a given level of education;
- the average number of foreign languages learnt by pupils at a given level of education. This figure is obtained by dividing the number of pupils studying modern languages, in a given year, by the total number of pupils enrolled in that year. All foreign languages studied in a country are taken into account.

If you would like more information, ask your Data Shop for the publication *Education across Europe*— *Statistics and indicators*. The addresses of the Data Shops can be found at the end of the yearbook.

## International comparability through cooperation

The main source of data presented in this section is the joint Unesco/OECD/Eurostat (UOE) annual questionnaire that constitutes the core database on education. Additional Eurostat tables provide regional data and information on the study of foreign languages. As a result, the data from all EU Member States as well as the EEA and candidate countries are internationally comparable.





#### Some interesting findings

- During the past 10 years, there has been a very large increase in the number of students in tertiary education in EU-15 (above 50 %). For some countries, the increase has been even bigger: in Ireland, Finland and the United Kingdom, it was above 70 %. Numbers have doubled in Greece and almost trebled in Portugal.
- Germany and the United Kingdom attract most of the foreign students studying in the EU-15 area. In Belgium, Luxembourg, Austria and the United Kingdom, foreign students from other EU countries, EEA countries and candidate countries make up more than 6 % of all tertiary students.
- Luxembourg, Liechtenstein, Iceland, Greece and Ireland have a very large proportion of students studying abroad (10 % or more).

#### **Further reading:**

#### **Eurostat publications**

- Education across Europe Statistics and indicators 1999
- Key data on education in Europe 1999/2000, 2002, European Commission, DG Education and Culture and Eurostat
- The social situation in the European Union, 2002
- The transition from education to working life: Key data on vocational training in the European Union
- Living conditions in Europe, statistical pocketbook, 2000 edition

#### Statistics in Focus — Theme 3 (Population and social conditions)

- No 4 Foreign language teaching in schools in Europe, 2001
- No 6 Education in the regions of the European Union, 2001
- No 7 Educational attainment levels in Europe in the 1990s some key figures, 2001
- No 8 Public expenditure on education in the EU in 1997
- No 13 Employment in the EU regions 2000: Job creation is driven by the service sector education is essential
- No 14 Educating young Europeans Similarities and differences between the EU Member States and the PHARE countries, 2000
- No 18 Women and men in tertiary education, 2001

- Ask your Data Shop
- http://www.europa.eu.int/comm/eurostat
- Eurostat's data serves the political discussion in Europe. Have a look at the website of the "Directorate General for Education and Culture": http://europa.eu.int/comm/dgs/education\_culture/index\_en.htm





- Pupils and students (excluding pre-primary). 1 000s
- School expectancy. 1999/2000
- Participation rate of four-year-olds in education
- Duration of compulsory schooling (age). 2000/01
- Pupil/teacher ratio in primary education. 1999/2000
- Percentage of pupils in upper secondary education enrolled in vocational stream, by gender. 1999/2000
- Average number of foreign languages learnt per pupil in secondary general education. 1999/2000
- Percentage of pupils in upper secondary general education learning English
- Percentage of pupils in upper secondary general education learning French
- Percentage of pupils in upper secondary general education learning German
- Participation rates in education for 18-year-olds, all levels. 1993-2001. %
- Median age in tertiary education. 1999/2000
- Students in tertiary education. 1991-2001. 1 000s
- Women among students in tertiary education. 1988/89 and 1999/2000. %
- Women among tertiary students in mathematics, science and computing. 2000. %
- Women among students in engineering, manufacturing and construction. 2000. %
- Flow of EU/EEA students in EU/EEA countries. Tertiary education. 1999/2000. 1 000s
- Science and technology graduates. Tertiary graduates in science and technology per 1 000 population aged 20 to 29
- Science and technology graduates. Females. Tertiary graduates in science and technology per 1 000 female population aged 20 to 29
- Science and technology graduates. Males. Tertiary graduates in science and technology per 1 000 male population aged 20 to 29
- **21** Early school-leavers not in further education or training. Share of the population aged 18 to 24 with only lower secondary education and not in education or training. %
- 21 Early school-leavers not in further education or training. Females. Share of the population aged 18 to 24 with only lower secondary education and not in education or training
- Early school-leavers not in further education or training. Males. Share of the population aged 18 to 24 with only lower secondary education and not in education or training
- Lifelong learning (adult participation in education and training). Percentage of population aged 25 to 64 participating in education and training over the four weeks prior to the LFS
- Lifelong learning (adult participation in education and training). Females. Percentage of the female population aged 25 to 64 participating in education and training over the four weeks prior to the LFS
- Lifelong learning (adult participation in education and training). Males. Percentage of the male population aged 25 to 64 participating in education and training over the four weeks prior to the LFS
  - Percentage of the total population aged 25 to 64 having completed at least upper secondary education
  - Unemployment rates for total population aged 25 to 59 having completed no more than lower secondary education
  - Unemployment rates for total population aged 25 to 59 having completed upper secondary education
  - Unemployment rates for total population aged 25 to 59 having completed tertiary education
  - Expenditure per pupil/student in public institutions by level of education in PPS. 1999
  - Public expenditure on education by level of education as % of GDP. 1999
- $\mathcal{I}$  Spending on human resources (public expenditure on education) as % of GDP





# People in the labour market

### Labour market statistics are at the heart of EU policies

Employment is having an ever-important political profile for the European Union. Labour market statistics are now at the heart of many EU policies.

An employment chapter was introduced into the Amsterdam Treaty in 1997. The extraordinary European Council of Luxembourg in November 1997 endorsed an ambitious European employment strategy aiming at the reduction of unemployment and the sustainable increase of employment rates, as well as the reduction of gender gaps.

The Lisbon Summit (spring 2000) put full employment with more and better jobs on the European agenda. For the year 2010, it set targets for the total and female employment rate:

- 70 % for the total employment rate;
- 60 % for the female employment rate.

The Stockholm Council (spring 2001) subsequently added the employment target for persons aged between 55 and 64 years to reach 50 % by 2010. It also fixed the intermediate objectives (for 2005) of 67 % for the total employment rate and 57 % for the female employment rate.

### The labour force survey: an indispensable tool for observing the labour market

In this context, the role of the Community labour force survey (LFS) has gained steadily in importance. It is now universally recognised as an indispensable tool for observing labour market developments and for taking the appropriate policy measures. The LFS is the only source of information in these areas to provide data that are truly comparable. The definitions and methods are harmonised for all Member States. The LFS is the main source of data for this section.

### Comparable data on Europe's labour market

An objective of the LFS is to report on the EU's population of working age (15 to 64 years) which is composed of persons in employment, unemployed persons and economically inactive persons.

The LFS provides comprehensive information on these three categories. It describes the employment situation of employees by reporting, for example, on their education, the branches in which they work, and their occupation, as well as on part-time work, the duration of the work contract and the search for a new job. The data presented in the Eurostat yearbook refer to the situation in spring.

The yearly publication *European social statistics* — *Labour force results* and numerous *Statistics in Focus* show the wide range of information that the LFS provides. The complete list of LFS variables (more than 100) can be consulted in the 1998 edition of *Labour force survey* — *Methods and definitions*. Users with specific requirements that are not met by the existing publications and databases may ask for customised tables. For more information, please contact your Data Shop. The addresses of the Data Shops can be found at the end of the yearbook.

### Approaching the Lisbon Council targets slowly but steadily

The EU continued to make progress towards reaching the Lisbon Council targets. In 2001, the total employment rate in the EU reached 64.1 %, 3.4 percentage points more than in 1997 when the employment strategy was launched. The increase was more pronounced for women (4.2 percentage points); the female employment rate is now 55.0 %.

## **Unemployment still decreasing**

The overall increase in the employment rate has led to a decrease in the unemployment rate, though not all new jobs have been filled by those previously unemployed. The EU unemployment rate for 2001 was 7.3 %, still above the rate in the United States and Japan (4.8 and 5 %, respectively).





In most of the countries, the unemployment rates for men are lower than those for women. In Greece, the gap reaches more than 8 percentage points.

Youth unemployment (15 to 24 years old) is twice the overall unemployment rate, ranging from 28.1 % in Italy and Greece to 5.5 % in the Netherlands.

Long-term unemployment affects 3.2 % of the EU labour force and represents 44 % of the unemployed. However, since 1996, the proportion of the long-term unemployed has been decreasing.

## Part-time work remains a predominant feature for working women

The percentage of persons working part-time increased persistently in the last decade. In 2001, women had slightly more than 1 in 3 jobs, but close to 8 in every 10 part-time jobs. The Netherlands is the country showing the highest percentage of part-time employment with 42 % of employment (71 % of female employment). The distinction between full-time and part-time work is made on the basis of a spontaneous answer given by the respondents to the LFS.

## Fixed-term contracts are more frequent for women and young people

Fixed-term contracts are prevalent in many EU labour markets with just over 13 % of all employees working in temporary jobs. These contracts are more frequent for women and young people.

#### **Further reading:**

#### **Eurostat publications**

- European social statistics Labour force survey results 2000
- Regions: Statistical yearbook 2001

#### Statistics in Focus — Theme 3

- No 8 Employment rates in Europe 2000
- No 10 Labour force survey Principal results 2000
- No 13 Employment in the EU regions 2000

- Ask your Data Shop
- http://www.europa.eu.int/comm/eurostat
- Eurostat's data serves the political discussion in
  - Europe. Have a look at the website of the "DG Employment and Social Affairs":
  - http://europa.eu.int/comm/dgs/employment\_social/index\_en.htm





## People in the labour market

- **1** Total employment growth. Annual percentage change in total employed population
  - Persons in employment: men and women. Annual average. 1 000s
- 21 Employment growth: females. Annual percentage change in female employed population
- - Persons in employment: women. Annual average. 1 000s
  - Persons in employment: men. Annual average. 1 000s
- Total employment rate. Employed persons aged 15 to 64 as a share of the total population aged 15 to 64. %
  - Employment rate of men and women (15 to 64). Annual average. 2001
- Total employment rate of older workers. Employed persons aged 55 to 64 as a share of the total population aged 55 to 64
  - Employment rate of men and women aged 25 to 54 years. Annual average
  - Employment rate of men and women aged 15 to 24 years. Annual average
- Fig. Employment rate: females. Employed persons aged 15 to 64 as a share of the females aged 15 to 64. %
- Employment rate: males. Employed persons aged 15 to 64 as a share of the males aged 15 to 64. %
- Employment rate of older workers: females. Employed persons aged 55 to 64 as a share of the females aged 55 to 64
- Employment rate of older workers: males. Employed persons aged 55 to 64 as a share of the males aged 55 to 64
  - Employment rate of women aged 15 to 24 years. Annual average
  - Employment rate of men aged 15 to 24 years. Annual average
  - Employment rate of women aged 25 to 54 years. Annual average
  - Employment rate of men aged 25 to 54 years. Annual average
  - Persons employed in agriculture as % of total employment: men and women. Annual average
  - Persons employed in industry as % of total employment: men and women. Annual average
  - Persons employed in services as % of total employment: men and women. Annual average
  - Average hours usually worked per week of part-time employed. Spring
  - Average hours usually worked per week of full-time employed. Spring
  - Men and women employed part-time as % of total employment. Spring
  - Percentage of involuntary part-time employed. Spring
  - Women employed part-time as % of all employed women. Spring
  - Men employed part-time as % of all employed men. Spring
  - Percentage of employees with contract of limited duration. Spring 2001
  - Percentage of employed population with a second job. Spring 2001
  - Percentage of persons usually working on Saturdays. Spring
  - Percentage of persons usually working on Sundays. Spring
  - Percentage of persons usually doing shift work. Spring
  - Percentage of persons usually working at night. Spring
- **I** Total unemployment rate. Unemployed persons as a share of the total active population. %. Annual average
  - Unemployment: men and women. Annual average. 1 000s
- ✓ Unemployment rate: females. Unemployed persons as a share of the female active population
- Unemployment rate: males. Unemployed persons as a share of the male active population
  - Unemployment: women. Annual average. 1 000s
  - Unemployment: men. Annual average. 1 000s





## People in the labour market

- Unemployment rate of population aged less than 25 years. Annual average
- Unemployment: persons aged less than 25 years. Annual average. 1 000s
- **I** Long-term unemployment rate. Long-term unemployed (over 12 months) as % of the total active population
  - Long-term unemployed as % of the active population. Annual average. 2001
- Long-term unemployment rate: females. Long-term unemployed (over 12 months) as % of the female active population
- 21 Long-term unemployment rate: males. Long-term unemployed (over 12 months) as % of the male active population
- Dispersion of regional unemployment rates. Coefficient of variation of unemployment rates across regions (NUTS 2 level) within countries
- Population in jobless households. Persons aged 0 to 65 living in households with no member in employment as % of all persons living in those households where members are neither in education nor in retirement
- Population in jobless households. Persons aged 0 to 60 living in households with no member in employment as % of all persons living in those households where members are neither in education nor in retirement
  - Percentage of population not in the labour force by age and sex. Spring 2001. EU-15
  - Percentage of population not in the labour force: men and women aged 15 years and over. Spring
  - Percentage of women aged 15 years and over not in the labour force. Spring
  - Percentage of men aged 15 years and over not in the labour force. Spring





# **Continuing vocational training in enterprises**

## Keeping oneself up-to-date: continuing vocational training in enterprises

Comparable statistical data on enterprise training are a key tool in analysing, among other things, the discrepancies between skills supply and demand, between training needs on the one hand, and the forms, fields and volume of training offered on the other hand, between the enterprises own resources and the use of external providers. Last but not least, one has to reflect on the training costs that originate both for the enterprises and the State, as well as on new methods of funding.

The European Commission launched a new survey on continuing vocational training after an initial survey was carried out in 1994 in the then 12 EU Member States. The second survey was conducted in 2000–01. It was not only implemented in all Member States and Norway but also in nine candidate countries (Bulgaria, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland — region Pomorovski —, Romania and Slovenia).

## Enterprises in northern Europe provide more continuing vocational training

The percentage of enterprises in the EU Member States and Norway that provided continuing vocational training in 1999 ranged from 22 % in Portugal to 96 % in Denmark. In the Nordic countries, the Netherlands and the United Kingdom, the proportion was over 80 %. In contrast, in Greece, only 18 % of all enterprises provided continuing vocational training.

#### Preference given to external courses

In the EU Member States and Norway, enterprises providing continuing vocational training courses organised considerably more external than internal courses in 1999. In the Netherlands, nearly all of these enterprises (97 %) organised external courses, but only about one in three provided internal courses.

## Different training habits in 'small' and 'big' enterprises?

No uniform relationship can be found between training intensity and the size of enterprise. In six countries, the training intensity (measured by hours in continuing vocational training courses per participant) was highest in large enterprises, while in four it was highest in small enterprises. The lowest number of course hours per participant was found mostly in medium-sized enterprises.

#### **Training costs**

Total expenditure per employee on continuing vocational training courses in 1999 ranged from 410 PPS in Austria to 1 169 PPS in Denmark. While enterprises in Norway, the Netherlands and Sweden also had high expenditure per employee, Germany, Portugal and Spain were at the bottom of the scale.

#### **Further reading:**

Statistics in Focus — Theme 3

— No 3 Continuing vocational training in enterprises in the European Union and Norway

- Ask your Data Shop
- http://www.europa.eu.int/comm/eurostat
- Eurostat's data serves the political discussion in
  Europe. Have a look at the website of the "DG Employment and Social Affairs":
  http://europa.eu.int/comm/dgs/employment\_social/index\_en.htm





# Continuing vocational training in enterprises

- Training enterprises as % of all enterprises. 1999
- Percentage of employees (all enterprises) participating in CVT courses. 1999
- Percentage of employees (all enterprises) participating in CVT courses by sex. 1999
- Hours in CVT courses per participant in small and large enterprises. 1999
- Percentage of enterprises providing CVT courses by type of course. 1999
- Total costs of CVT courses per employee in enterprises with CVT courses. PPS
- Percentage of employees in small and large enterprises participating in CVT courses. 1999
- Total costs of CVT courses as % of total labour cost (all enterprises). 1999
- Hours in CVT courses per employee (all enterprises). 1999
- Hours in CVT courses per employee (all enterprises) by sex. 1999





# Labour market policy data

## Targeting problems in the labour market

The labour market policy (LMP) database is based on a comprehensive methodology that has been developed over the past few years by Eurostat, in close cooperation with the Directorate-General for Employment and Social Affairs, all EU Member States and Norway, as well as the OECD. The LMP database is an instrument for the follow-up of the targeted employment policies developed and implemented by EU countries. These policies are a result of the agreement reached in November 1997 to launch the European employment strategy, to provide more jobs and to combat and reduce unemployment (Employment Summit in Luxembourg).

The EU LMP database has two main advances compared with previously existing sources of information: firstly, a detailed and comparable description of each labour market policy measure is collected, stored and published, and, secondly, detailed information on participants, stocks and flows are collected and published at the European level.

#### The scope of the LMP database

The LMP database refers to public interventions in the labour market aimed at reaching its efficient functioning and to correct disequilibria. These interventions can be distinguished from other general employment policy measures in that they act selectively to favour particular groups in the labour market.

The **classification by type of action** includes one base category of general public employment services and nine categories of LMP measures, most with two or more sub-categories.

- **0. General public employment services (PES):** services of the public employment services which facilitate the job-search process and which are generally available to all jobseekers.
- 1. Intensive counselling and job-search assistance: programmes which assist the job-search process through intensive, individualised counselling and which are targeted at persons registered as unemployed jobseekers experiencing special difficulties in getting a job, or at other groups with difficult access to the labour market.
- **2. Training:** programmes which aim to improve the employability of the unemployed and other target groups through training, and which are financed by public bodies. Measures here should include some evidence of classroom teaching, or, if in the workplace, supervision specifically for the purpose of instruction.
- **3. Job rotation and job sharing:** programmes which facilitate the insertion of an unemployed person or a person from another target group into a work placement by substituting hours worked by an existing employee.
- **4. Employment incentives:** programmes which facilitate the recruitment of unemployed persons and other target groups, or help to ensure the continued employment of persons at risk of involuntary job loss. The majority of the labour cost is normally covered by the employer.
- **5. Integration of the disabled:** programmes which aim to promote integration of disabled persons into the labour market.
- **6. Direct job creation:** programmes which create additional jobs, usually of community benefit or socially useful, in order to find employment for the long-term unemployed or persons otherwise difficult to place. The majority of the labour cost is normally covered by public finance.
- **7. Start-up incentives:** programmes which promote entrepreneurship by encouraging the unemployed and target groups to start their own businesses or to become self-employed.





- **8. Out-of-work income maintenance:** programmes which aim to compensate individuals for loss of wage or salary through the provision of cash benefits when:
- a person is capable of working and available for work but is unable to find suitable employment;
- a person is on lay-off or on enforced short-time work or is otherwise temporarily idle for economic or other reasons (including seasonal effects);
- a person has lost his/her job due to restructuring or similar (redundancy compensation).
- **9. Early retirement:** programmes which facilitate the full or partial early retirement of older workers who are assumed to have little chance of finding a job or whose retirement facilitates the placement of an unemployed person or a person from another target group.

The **classification by type of expenditure** refers firstly to the direct recipient (individuals, employers or service providers) and secondly to the type of expenditure involved (either cash payments or through a reduction in obligatory levies).

Three variables are requested in order to evaluate the **numbers of participants** in these measures: stock, entrants and exits. 'Stock' refers to the number of participants in a measure at a given moment. 'Entrants' refers to the number of participants joining the measure during the year (inflow). 'Exits' refers to the number of participants leaving the measure during the year (outflow). As with entrants, the observation refers to participations and not individuals so that any given individual may be counted more than once in a year.

The LMP database includes data on participants broken down by sex, age, duration of unemployment, previous employment status of entrants, completions and drop-outs, and destination of exits.

### **Further reading:**

#### **Eurostat publications**

- Labour Market Policy Database Methodology, April 2000
- European Social Statistics Labour Market Policy Expenditure and Participants Data 2000 — Detailed Tables

## Statistics in Focus — Theme 3

— N° 12/2002 Public expenditure on Labour Market Policies in 1999 varied greatly among Member States

- Ask your Data Shop
- http://www.europa.eu.int/comm/eurostat
- Eurostat's data serves the political discussion in Europe. Have a look at the website of the "DG Employment and Social Affairs": http://europa.eu.int/comm/dgs/employment\_social/index\_en.htm





# Labour market policy data

- Public expenditure on labour market policy measures in % of GDP. 2000
- Public expenditure on labour market policy measures for training, job rotation and job sharing, employment incentives, integration of the disabled, direct job creation and start-up incentives in % of GDP
- Public expenditure on labour market policy measures for out-of-work income maintenance and support and for early retirement in % of GDP
- Labour market policy expenditure in active measures by type. EU-15. 2000
- Labour market policy expenditure in passive measures by type. EU-15. 2000





# Household consumption expenditure

### Making consumer markets transparent

For everyone who wants to know more about consumer markets in the EU, this is a fundamental question: How do the volumes and the proportions of the markets develop?

The Eurostat yearbook answers this question. It presents data on household consumption expenditure for so-called 'consumption purposes' (markets). The yearbook presents data on the two-digit level of the 'classification of individual consumption by purpose' (Coicop), i.e. it provides a breakdown of consumption by 12 consumption purposes. Additionally, some subaggregates from the Coicop's three-digit level are presented.

Data on all consumption purposes are available in NewCronos, Theme 2, Domain breakdowns, collections coicop2 and coicop3. If you would like to benefit from the NewCronos database, please contact your Eurostat Data Shop. The addresses of the Data Shops can be found at the end of the year-book.

#### Reliable source, harmonised definitions

Statistics on final consumption expenditure of households come from Eurostat's national accounts statistics.

Consumption is the value of goods and services used for directly meeting human requirements. It covers the purchases of goods and services, the consumption of own production (such as garden produce) and the imputed rents of owner-occupied dwellings.

The word 'expenditure' added in ESA 95 explicitly relates to direct spending by households; it excludes the proportion of consumption financed by general government or by NPISHs (non-profit-making institutions serving households). When this proportion is included, the sum is said to be, in the context of national accounts, 'actual' final consumption.

The nomenclature for consumption, as well as others, are accessible on the web site http://europa.eu.int/comm/eurostat/ramon/ (option 'classifications'), line 17 'Coicop'. It offers a two-digit and a more detailed three-digit level.

## Some results

— Food, drinks and tobacco traditionally used to account for the biggest share of consumption almost everywhere. With few exceptions, they have gradually been overtaken by 'housing' and 'transport and communications' in the Member States, but not yet in the candidate countries. Their share of consumption is greater in the Mediterranean countries than in northern ones.

In the Member States, food and non-alcoholic beverages make up between 9.8 % (United Kingdom, 2000) and 18.5 % (Portugal, 2000) of the total consumption expenditure. In the candidate countries, they make up between 18.9 % (Slovenia, 1999) and 31.5 % (Lithuania, 1999).

More data on food and non-alcoholic beverages are available on the Eurostat dissemination database NewCronos, Theme 2, Domain brkdowns, collection coicop3, where 'food and non-alcoholic beverages' bear the code cp01 and subdivisions.

The consumption purpose 'food, drinks and tobacco' includes all purchases for consumption at home of: (a) food excluding specific pet foods; (b) non-alcoholic beverages (coffee, tea and cocoa, mineral waters, soft drinks, fruit and vegetable juices, etc.). It excludes: (a) all catering services in (or from) hotels, restaurants, cafes, catering contractors, etc., whether collected by the customer or delivered to the customer's home; (b) alcoholic beverages, tobacco, narcotics and medical products.

— The share of housing, varying greatly from one country to another, has increased in almost all candidate countries. With few exceptions, housing has the current biggest share in the Member States (with the Scandinavian countries on top) but not in the candidate countries.





#### Household consumption expenditure

In the Member States, housing makes up between 10.6 % (Portugal, 2000) and 30.6 % (Sweden, 1999) of the total consumption expenditure. In the candidate countries, it makes up between 15.0 % (Lithuania, 1999) and 23.9 % (Poland, 2000).

More data on housing are available on NewCronos, Theme 2, Domain brkdowns, collection coicop3, where 'housing' bears the code cp04 and subdivisions.

— The development of transport and communications went along with price decreases in this field (cheaper air fares, cheaper hardware, etc.). With few exceptions, the share of transport and communications in consumption is bigger than that of food and beverages in the Member States, but not in the candidate countries.

In the Member States, transport makes up between 8.6 % (Greece, 2000) and 17.4 % (Portugal, 2000) of the total consumption expenditure. In the candidate countries, it makes up between 9.2 % (Latvia, 1999) and 17.3 % (Slovenia, 1999).

More data on transport are available on NewCronos, Theme 2, Domain brkdowns, collection coicop3, where 'transport' bears the code cp07 and subdivisions.

- The share of **health** expenses has been globally stable in the Member States but has risen slightly in the candidate countries. The national health services' share of consumption varies greatly. Denmark, Ireland, Sweden and the United Kingdom have low shares (below 3 %) due to their public health services not included here.
- Expenditure on **recreation and culture** varies considerably from one country to another, due partly to public spending patterns. Its share in consumption has risen in a majority of countries.

#### **Further reading:**

### **Eurostat publications**

- Household final consumption expenditure in the European Union, 1995–1999
- Consumption expenditures of private households in the European Union (CD-ROM)
- Income and living conditions
- Living conditions in Europe Statistical pocketbook

- Ask your Data Shop
- http://www.europa.eu.int/comm/eurostat





## Household consumption expenditure

- Food (without beverages), at current prices. % of total household consumption expenditure
- Food and non-alcoholic beverages, at current prices. % of total household consumption expenditure
- Alcoholic beverages, tobacco and narcotics, at current prices. % of total household consumption expenditure
- Alcoholic beverages, at current prices. % of total household consumption expenditure
- Tobacco, at current prices. % of total household consumption expenditure
- Education, at current prices. % of total household consumption expenditure
- Clothing and footwear, at current prices. % of total household consumption expenditure
- Housing, water, electricity, gas and other fuels, at current prices. % of total household consumption expenditure
- Actual rents, at current prices. % of total household consumption expenditure
- Imputed rentals for housing, at current prices. % of total household consumption expenditure
- Electricity, gas and other fuels, at current prices. % of total household consumption expenditure
- Furnishings, household equipment and routine maintenance of the house, at current prices. % of total household consumption expenditure
- Communications, at current prices. % of total household consumption expenditure
- Transport, at current prices. % of total household consumption expenditure
- Recreation and culture, at current prices. % of total household consumption expenditure
- Restaurants and hotels, at current prices. % of total household consumption expenditure
- Health, at current prices. % of total household consumption expenditure
- Insurance, at current prices. % of total household consumption expenditure
- Miscellaneous goods and services, at current prices. % of total household consumption expenditure





# **Income and living conditions**

#### Income, poverty and social exclusion: statistics answer many questions

What is the average income level? Are some components more important than others? Is there a divide between the 'haves' and the 'have-nots', and, if so, how big is it? Are certain groups more at risk of poverty than others? Are they less involved in society? Do they have lower education attainment levels? Or worse health? Or larger families? Are their incomes less secure? Do they have access to a full range of goods and services? Is the situation stable over time? Are there differences between countries?

The demand for such information has received a new impetus in recent years following the social chapter in the Amsterdam Treaty (1997) which became the driving force for EU social statistics generally. This impetus was reinforced by the European Councils at Lisbon (March 2000), Nice (December 2000), Stockholm (March 2001) and Laeken (December 2001), keeping the social dimension high on the political agenda. Effective monitoring is an essential element in making operational the strategies agreed under the open method of coordination.

#### The statistical indicators

Income, poverty and social exclusion are multidimensional problems. To monitor them effectively at European level, a subset of so-called 'social cohesion indicators' has been developed within the structural indicators which are produced for the Commission's annual synthesis report to the Council. After a lengthy process of consultation and negotiation, the list of indicators for the 2002 annual synthesis report was finalised and adopted at Laeken in December 2001, and data were supplied for publication at Barcelona in March 2002.

Also presented at Laeken was the work by the Social Protection Committee subgroup on indicators, in which Eurostat and the Directorate-General for Employment and Social Affairs have played a leading role. A list of detailed indicators was established that sets a reference framework for reporting on income, poverty and social exclusion. It includes all the social cohesion indicators in the current set of structural indicators, and provides additional analytical information.

A hierarchy was agreed: 'primary' indicators (the most important elements identified as leading to social exclusion), 'secondary' indicators (other dimensions), and supplementary 'tertiary' indicators (specific national circumstances, which help to interpret the primary and secondary indicators; tertiary indicators are not necessarily harmonised at EU level).

Some key Laeken indicators on income, poverty and social exclusion are presented in tables of the Eurostat yearbook. To find out about other social indicators or additional breakdowns, please contact your Data Shop the address of which can be found at the end of the yearbook.

#### Where do the data come from?

To calculate indicators for EU Member States in recent years, Eurostat has principally used microdata from the European Community household panel (ECHP). However, after eight years of using this data source, it will be replaced with effect from 2003 by a new instrument, the EU statistics on income and living conditions (EU-SILC). One of the main reasons for this change is the need to adapt the content and timeliness of data production to reflect current political needs.

EU-SILC aspires to become the EU reference source for comparative income distribution and social exclusion statistics, with the two main goals of high quality, especially regarding comparability and timeliness, and flexibility. It will comprise both a cross-sectional dimension — the first priority — and a longitudinal dimension. Greater reliance will be placed on existing national data sources in an attempt to harmonise outcomes rather than inputs and improve timeliness.





The ECHP is a pioneering data collection instrument, which is currently the sole source of reliable harmonised information on income and related social issues. This 'longitudinal' survey involves annual interviews with participant households (around 80 000 across the EU: samples are designed to be nationally representative). This makes it possible to follow up the same individuals over consecutive years and to provide information on social dynamics (for example, transition from education to working life; from working life to retirement) which are not possible from more typical cross-sectional surveys (separate sample each year).

The ECHP is a cooperative exercise between Eurostat and the Member States. The end product is a user database (UDB) which is produced after a lengthy process of bilateral and multilateral validation. After final approval, the UDB is made available for publication (under strict confidentiality conditions), and is used by Eurostat for the calculation and publication of statistical indicators. The UDB for ECHP, wave 5, includes data for the years 1994 to 1998. It was issued in December 2001.

Due to an ongoing data collection the results presented in this Yearbook should be treated as provisional and interpreted with some caution.

## **Brief methodological details**

In the ECHP, household income is established by summing all monetary income received from any source by each member of the household (including income from work, investment and social benefits) net of taxes and social contributions paid. In order to reflect differences in household size and composition, this total is divided by the number of 'equivalent adults' using a standard scale (the so-called 'modified OECD' scale), and the resulting figure is attributed to each member of the household. EU-15 estimates are calculated as population weighted averages of available national values.

### Including the candidate countries

Eurostat has begun collaboration with the candidate countries to include a first subset of indicators relating to income and social exclusion in the Commission's synthesis report which will be presented at Thessaloniki in spring 2003.

#### **Further reading:**

#### **Eurostat publications**

- European Community household panel (ECHP) Selected indicators from the 1995 wave (PDF)
- European social statistics Income, poverty and social exclusion
- Income, Poverty and Social Exclusion in the European Union
- The Social Situation in the European Union
- Social cohesion indicators adopted at the Laeken European Council

#### Statistics in Focus — Theme 3

- No 14 The EC household panel 'Newsletter'

- Ask your Data Shop
- http://www.europa.eu.int/comm/eurostat
- Eurostat's data serves the political discussion in Europe. Have a look at the website of the "DG Employment and Social Affairs":
  - http://europa.eu.int/comm/dgs/employment\_social/index\_en.htm





## Income and living conditions

- Average number of persons per private household
- Percentage of persons living in private households by type of household. One adult living alone
- Percentage of persons living in private households by type of household. Lone parent with dependent children
- Percentage of persons living in private households by type of household. Two adults without dependent children
- Percentage of persons living in private households by type of household. Two adults with dependent children
- Percentage of persons living in private households by type of household. Three or more adults without dependent children
- Percentage of persons living in private households by type of household. Three or more adults with dependent children
- **₽**1 Inequality of income distribution (S80/S20 quintile share ratio)
- Risk-of-poverty rate: after social transfers. Share (%) of persons with an equivalised disposable income below the risk-of-poverty threshold, which is set at 60 % of the national median equivalised disposable income
- **Pl** Risk-of-poverty rate: before social transfers. Share (%) of persons with an equivalised disposable income below the risk-of-poverty threshold, which is set at 60 % of the national median equivalised disposable income
- Persistent-risk-of-poverty rate. Share of persons with an equivalised disposable income below the risk-of-poverty threshold in the current year and in at least two of the preceding three years. The threshold is set at 60 % of the national median equivalised disposable income





# **Housing**

## Is the type of accommodation or the tenure status an indicator for the welfare of households?

Two different trends concerning the type of housing of European households are revealed. In southern countries, low-income households (household income less than 60 % compared with median actual current income) seem to live predominantly in houses, compared with higher-income households (household income greater than 140 % compared with median actual current income) that live predominantly in flats. An opposite trend is observed for northern countries.

It is very difficult to pinpoint the reasons for such differences. The distribution of households in individual houses or flats is related to the degree of urbanisation in each country and to the quality of accommodation. In Greece, Spain and Portugal, most low-income households live in a single house, while the opposite is observed in Denmark, Germany, Italy and Finland.

#### Within one's own four walls

Ownership of accommodation is higher in southern than in northern countries where income level determines the tenure status of the households. However, many southern low-income households live in poor housing conditions. In Greece, Spain and particularly in Portugal, more than 60 % of these households declare a lack of one of the basic amenities (bath or shower in the dwelling, toilet in the dwelling or central heating).

#### Does having children influence the ownership behaviour of the households?

When it comes to the ownership of accommodation, there is generally no significant gap between households with and without children; exceptions are Belgium, Denmark, Germany, the Netherlands and Austria where having children does influence the tenure status of the households.

## Overcrowding: southern households seem to be more vulnerable

Nearly one in three low-income households and one in five high-income households in Greece seem to be overcrowded (more than one person per room). Considering the fact that ownership of accommodation is more important in southern countries, most owners there can be expected to have small accommodation.

The disparity between income groups is great in Italy, Portugal, Ireland and Spain. In all countries, low-income households are more vulnerable to overcrowding.

## **Further reading:**

Statistics in Focus — Theme 3

- Living conditions in Europe
- Key indicators
- Statistical pocketbook
- Housing conditions of the elderly in the EU

- Ask your Data Shop
- http://www.europa.eu.int/comm/eurostat





#### Housing

- Percentage of households living in a house by median income group. 1998
- Percentage of households owning their accommodation by median income group. 1998
- Percentage of persons living in overcrowded houses by median income group. 1998
- Rooms per person by tenure status of the household. 1998
- Percentage of households that cannot afford a car. 1998
- Percentage of households with/without financial burden due to housing costs. 1998





National accounts

Prices, wages and finance

International trade

The environment

## **National accounts**

### National accounts: a high-quality standard environment

Eurostat's national accounts data are measured with accuracy and exhaustiveness. They are a high-quality basis for economic and social analysis. Their main component is the gross domestic product (GDP), which principally covers all goods and services produced by a country in a given period.

The national accounts are grouped into three domains: economy (including employment), money and finance.

They are established based on a common official methodology, the European system of national and regional accounts (ESA 95). The data collected under ESA 95 are accurate and widely exhaustive and comparable, and hence suitable for economic analysis.

ESA 95 is the european version of the United Nations' SNA 93 (system of national accounts) with which it is compatible.

ESA 95 is available on the following free web sites:

- in English (http://www.cc.cec/home/eurostat/esa/en/een00sum.htm);
- in French (http://www.cc.cec/home/eurostat/esa/fr/efr00sum.htm);
- in German (http://www.cc.cec/home/eurostat/esa/de/esa95de.htm).

# Breakdown of the economy: sectors and branches

The economy is usually divided in two ways for the purpose of analysis.

- By institutional sector, i.e. legal entities such as households, government, companies, etc.
  - The sectors follow the nomenclature shown in ESA 95, Attachment IV.
- By branch of activity, i.e. homogeneous units of production like agriculture, fishing, chemicals, etc.

The branches follow NACE Rev. 1, the new version of the NACE classification, the statistical classification of economic activities in the European Community (the European Union since 1994). The acronym NACE comes from the French 'nomenclature des activités économiques dans la Communauté européenne'.

NACE breaks down the economy by branch of activity into various levels (= number of branches): A3, A6, A17, A31, A60. NACE Rev. 1 is accessible in English, French and German on the free web site http://europa.eu.int/comm/eurostat/ramon/, option 'Classifications', line 89. On this web site, you can also consult Coicop (classification of individual consumption by purpose) for final consumption expenditure of households and COFOG for consumption functions of government.

## Better quality through increased accuracy and exhaustiveness

In the year 2000, the national accounts were improved concerning the following updated features.

(a) The new national accounts system ESA 95, which has been gradually introduced since 1999 as an expanded and fuller version of the earlier ESA 79.

Compared with ESA 79, ESA 95 provides:

 greater exhaustiveness: new activities (leasing, stock options, etc.) and inclusion or official acceptance of certain concepts (purchasing power parity and purchasing power standard, active population, unemployment, balance sheets, etc.);





## National accounts

- new concepts (actual final consumption, real disposable national income, holding gains, house-hold subsectors, basic price evaluation, more detailed treatment of trade and transport margins, etc.);
- new statistical tools (recording methods and thresholds);
- characteristics relating to the European institutions.

As a result of the changeover from ESA 79 to ESA 95, the figures for gross domestic product have increased slightly. Generally, the data for final consumption in 1995 have equally increased.

In this issue of the yearbook, the national accounts' time series are completely based on ESA 95. Therefore, the series do not have a break in 2000.

(b) The new (versions of) related nomenclatures: NACE Rev. 1 for economic activities, Coicop for final consumption expenditure of households and COFOG for consumption functions of government. They improve the breakdowns of the economy to provide a better response to the changing needs of statistical users.





# **Economic output**

## GDP: the result of all production activity

Gross domestic product (GDP) at market prices is the final result of the production activity of resident producer units. It can be defined in three ways.

- GDP is the sum of gross value added of the various institutional sectors or the various industries, plus taxes and less subsidies on products (which are not allocated to sectors and industries). It is also the balancing item in the total economy production account (production approach).
- GDP is the sum of final uses of goods and services by resident institutional units (actual final consumption and gross capital formation), plus exports and minus imports of goods and services (expenditure approach).
- GDP is the sum of uses in the total economy generation of income account (compensation of employees, taxes on production and imports less subsidies, gross operating surplus and mixed income of the total economy) (income approach) (ESA 95, 8.89).

In these tables, GDP corresponds to the economy's output of goods and services less intermediate consumption, plus VAT on products and net taxes (i.e. taxes less subsidies) linked to imports. Valuation at constant prices means valuing the flows and stocks in an accounting period at the prices of the reference period (ESA 95, 1.56).

## GDP per person: comparing economies' relative strengths

GDP, and in particular GDP per capita, is one of the main indicators for economic analysis as well as spatial and/or temporal international comparisons.

In order to facilitate these international comparisons, the GDP in national currency of each Member State is converted into a common currency (ecu until 1998, euro from the beginning of 1999) by means of its official exchange rate. However, this does not necessarily reflect the actual purchasing power of each national currency on its economic territory, because the converted GDP is a function not only of the level of goods and services produced on the economic territory, but also of the general price level. Therefore, the simple use of the GDP converted into a common currency does not provide, in most cases, a correct indication of the volume of goods and services.

In order to remove the distortions due to price-level differences, transitive purchasing power parities (PPPs) are calculated and used as a factor of conversion (exchange rate from national currency to PPS). These parities are obtained as a weighted average of relative price ratios regarding a homogeneous basket of goods and services, comparable and representative for each Member State.

The 'comparable volume' values of GDP obtained in this way are hence expressed in terms of purchasing power standards (PPS), a unit that is independent of any national currency.

#### Gross value added: 'producing' the GDP

The GDP is overwhelmingly composed of gross value added at basic prices, usually around 85–90 %.

Gross value added is recorded at basic prices. It is the net result of output valued at basic prices less intermediate consumption valued at purchasers' prices (ESA 95, 9.23). The basic price is the price receivable by the producers from the purchaser for a unit of a good or service produced as output minus any tax payable on that unit as a consequence of its production or sale (i.e. taxes on products), plus any subsidy receivable on that unit as a consequence of its production or sale (i.e. subsidies on products). It excludes any transport charges invoiced separately by the producer. It includes any transport margins charged by the producer on the same invoice, even when they are included as a separate item on the invoice (ESA 95, 3.48).





## **Economic output**

## Who adds value to the GDP?

The contribution to gross value added of the nine main branches of industry, with manufacturing as a single branch, can be seen in the tables of this section.

The contribution of each branch is presented as a percentage in the total gross value added.

### **Further reading:**

## **Eurostat publications**

- Economic Portrait of the European Union 2002
- Regions: Statistical yearbook 2002

#### Statistics in Focus — Theme 2

- Quarterly national accounts ESA

### Do you need more information?

- Ask your Data Shop
- http://www.europa.eu.int/comm/eurostat
- Eurostat's data serves the political discussion in Europe. Have a look at the website of the "Economic and Financial Affairs DG":

http://europa.eu.int/comm/dgs/economy\_finance/index\_en.htm





- Gross domestic product at market prices. Current series in PPS per head
- Gross domestic product at market prices. Current series in Million PPS
- Gross domestic product at market prices. Current series in million ECU/EUR
- Gross value added at basic prices. Yearly growth as % of previous year (real growth in volume)
- Gross value added at basic prices. Current series in million ECU/EUR
- $\mathcal{I}$  Gross domestic product per capita in purchasing power standards (PPS). EU-15 = 100
- Growth rate of GDP at constant prices (base year 1995). Percentage change on previous year
- Labour productivity. Gross domestic product in purchasing power standards (PPS) per person employed. EU-15 = 100
- Labour productivity. Gross domestic product in purchasing power standards (PPS) per hour worked relative to EU-15. EU-15 = 100
- Unit labour cost growth. Growth rate of the ratio compensation per employee in current prices divided by GDP (in current prices) per total employment
  - Gross value added at current basic prices and current exchange rates. Agriculture, hunting and forestry.
    % of all branches
  - Gross value added at current basic prices and current exchange rates. Fishing. % of all branches
  - Gross value added at current basic prices and current exchange rates. Mining and quarrying. % of all branches
  - Gross value added at current basic prices and current exchange rates. Mining and quarrying of energy-producing materials. % of all branches
  - Gross value added at current basic prices and current exchange rates. Mining and quarrying, except of energy-producing materials. % of all branches
  - Gross value added at current basic prices and current exchange rates. Manufacturing. % of all branches
  - Gross value added at current basic prices and current exchange rates. Manufacture of food products, beverages and tobacco. % of all branches
  - Gross value added at current basic prices and current exchange rates. Manufacture of textiles and textile products. % of all branches
  - Gross value added at current basic prices and current exchange rates. Manufacture of leather and leather products. % of all branches
  - Gross value added at current basic prices and current exchange rates. Manufacture of wood and wood products. % of all branches
  - Gross value added at current basic prices and current exchange rates. Manufacture of pulp, paper and paper products; publishing and printing. % of all branches
  - Gross value added at current basic prices and current exchange rates. Manufacture of coke, refined petroleum products and nuclear fuel. % of all branches
  - Gross value added at current basic prices and current exchange rates. Manufacture of chemicals, chemical products and man-made fibres. % of all branches
  - Gross value added at current basic prices and current exchange rates. Manufacture of rubber and plastic products. % of all branches
  - Gross value added at current basic prices and current exchange rates. Manufacture of other non-metallic mineral products. % of all branches
  - Gross value added at current basic prices and current exchange rates. Manufacture of basic metals and fabricated metal products. % of all branches





#### **Economic output**

- Gross value added at current basic prices and current exchange rates. Manufacture of machinery and equipment n.e.c. % of all branches
- Gross value added at current basic prices and current exchange rates. Manufacture of electrical and optical equipment. % of all branches
- Gross value added at current basic prices and current exchange rates. Manufacture of transport equipment. % of all branches
- Gross value added at current basic prices and current exchange rates. Manufacturing n.e.c. % of all branches
- Gross value added at current basic prices and current exchange rates. Electricity, gas and water supply. % of all branches
- Gross value added at current basic prices and current exchange rates. Construction. % of all branches
- Gross value added at current basic prices and current exchange rates. Wholesale and retail trade; repair of motor vehicles, motorcycles and personal and household goods. % of all branches
- Gross value added at current basic prices and current exchange rates. Wholesale and retail trade including repairs. % of all branches
- Gross value added at current basic prices and current exchange rates. Hotels and restaurants. % of all branches
- Gross value added at current basic prices and current exchange rates. Transport, storage and communication. % of all branches
- Gross value added at current basic prices and current exchange rates. Financial intermediation. % of all branches
- Gross value added at current basic prices and current exchange rates. Real estate, renting and business activities. % of all branches
- Gross value added at current basic prices and current exchange rates. Public administration and defence; compulsory social security. % of all branches
- Gross value added at current basic prices and current exchange rates. Education. % of all branches
- Gross value added at current basic prices and current exchange rates. Health and social work. % of all branches
- Gross value added at current basic prices and current exchange rates. Other community, social and personal services. % of all branches
- Gross value added at current basic prices and current exchange rates. Private households with employed persons. % of all branches





# Consumption and spending

# Final consumption: 'spending' the GDP

Following the 'expenditure approach', the GDP is the sum of final uses of goods and services. In simpler words: the tables in this section on 'final consumption expenditure' show for what purpose the goods and services (whose production has been recorded in the section 'Economic output') have been used.

According to the ESA regulation, final consumption expenditure consists of expenditure incurred by resident institutional units on goods or services that are used for the direct satisfaction of individual needs or wants or the collective needs of members of the community (ESA 95, 3.75). The acquisition of these goods and services is financed from the disposable income of households.

- The private final consumption expenditure includes households' and NPISHs' final consumption expenditure. Households consist of employers, employees, recipients of property incomes, recipients of pensions and recipients of other transfer incomes. NPISHs consist of non-profit-making institutions which are separate legal entities, which serve households and which are private non-market producers. Their principal resources, apart from those derived from occasional sales, are derived from voluntary contributions in cash or in kind from households in their capacity as consumers, from payments made by general governments and from property income.
- **Government final consumption expenditure** (ESA 95, 3.79) includes two categories of expenditure: the value of goods and services produced by general government itself other than own-account capital formation, and sales and purchases by general government of goods and services produced by market producers that are supplied to households without any transformation as social transfers in kind.
- Gross fixed capital formation (ESA 95, 3.102) consists of resident producers' acquisitions, less disposals, of fixed assets during a given period plus certain additions to the value of non-produced assets realised by the productive activity of producers or institutional units. Fixed assets are tangible or intangible assets produced as outputs from processes of production that are themselves used repeatedly, or continuously, in processes of production for more than one year.
- **Changes in inventories** (ESA 95, 3.117) are measured by the value of the entries into inventories less the value of withdrawals and the value of any recurrent losses of goods held in inventories.
- External balance (ESA 95, 8.68): imports of goods and services are recorded on the resources side of the account and exports of goods and services on the uses side. The difference between resources and uses is the balancing item in the account, called 'external balance of goods and services'. If it is positive, there is a surplus for the rest of the world and a deficit for the total economy, and vice versa if it is negative.





## Consumption and spending

- Final consumption expenditure of households and non-profit institutions serving households. Current series in million ECU/EUR
- Final consumption expenditure of households and non-profit institutions serving households. Current series in % of GDP
- Final consumption expenditure of general government. Current series in million ECU/EUR
- Final consumption expenditure of general government. Current series in % of GDP
- Gross fixed capital formation (investments). Current series in million ECU/EUR
- Gross fixed capital formation (investments). Current series in % of GDP
- External balance of goods and services. Current series in million ECU/EUR
- External balance of goods and services. Current series in % of GDP
- Business investment. Gross fixed capital formation by the private sector as % of GDP





# **Income of the input factors**

# Factor income: 'earning' the GDP

Producing the GDP requires 'input factors' like the work of employees and capital. These income factors have to be paid for. The income side approach shows GDP as it is distributed among different participants in the production process. It is therefore represented as the sum of:

- the compensation of employees: this is defined as the total remuneration, in cash or in kind, payable by an employer to an employee in return for work done by the latter during the accounting period (ESA 95, 4.02). The compensation of employees is broken down into: (i) wages and salaries (wages and salaries in cash, wages and salaries in kind); (ii) employers' social contributions (employers' actual social contributions, employers' imputed social contributions);
- the gross operating surplus of the total economy: this is the surplus (or deficit) on production activities before account has been taken of the interest, rents or charges paid or received for the use of assets
- the **mixed income of the total economy:** this is the remuneration for the work carried out by the owner (or by members of his/her family) of an unincorporated enterprise. This is referred to as 'mixed income' since it cannot be distinguished from the entrepreneurial profit of the owner.
- taxes on production and imports less subsidies: this consists of compulsory, unrequited payments to general government or institutions of the European Union, in respect of the production or import of goods and services, the employment of labour, and the ownership or use of land, buildings or other assets used in production.





# Income of the input factors

- Compensation of employees: total economy. Current series in million ECU/EUR
- Compensation of employees. Current series in % of GDP
- Gross wages and salaries: total economy. Current series in million ECU/EUR
- Gross wages and salaries: total economy. Current series in % of GDP
- Gross operating surplus and mixed income: total economy. Current series in million ECU/EUR
- Gross operating surplus and mixed income: total economy. Current series in % of GDP





## **Government finances**

# Measuring government finances in the EU and the euro zone ...

The EU Member States that participate in the euro zone acknowledge the need for solid and sustainable government finances. Member States are to avoid situations of 'excessive government deficits': their ratio of planned or actual government deficit to gross domestic product (GDP) should be no more than 3 %, and their ratio of government debt to GDP should be no more than 60 % (unless the excess over the reference value is only exceptional or temporary, or unless the ratios have declined substantially and continuously). The rules on budgetary discipline were clarified and tightened under the Stability and Growth Pact (Amsterdam, 1997).

In the framework of the European statistical system, the criterion 'excessive deficit' is measured comparably for all EU Member States. The EU Member States notify their government deficit and debt statistics to the European Commission on 1 March and 1 September of each year under the 'excessive deficit procedure'.

Eurostat collects the data and ensures that the data from all Member States are in accordance with the relevant regulations.

# ... more than just about the surplus or deficit

Government finance statistics offer much more information on the general government sector, for example on:

- general government output;
- current taxes on income and wealth;
- social contributions;
- total general government revenue;
- gross fixed capital formation;
- total general government expenditure;
- final consumption expenditure;
- taxes on production and imports;
- subsidies;
- social benefits (other than social transfers in kind).

#### **Further reading:**

- ESA 95 manual on government deficit and debt
- Money, finance and the euro: statistics

Do you need more information?

- Ask your Data Shop
- http://www.europa.eu.int/comm/eurostat
- Eurostat's data serves the political discussion in Europe. Have a look at the website of the
  - "Economic and Financial Affairs DG":
  - http://europa.eu.int/comm/dgs/economy finance/index en.htm





## Government finances

- General government output as % of GDP
- General government output as % of GDP. 2001
- Current taxes on income, wealth, etc. as % of GDP
- Current taxes on income, wealth, etc. as % of GDP. 2001
- Social contributions as % of GDP
- Social contributions as % of GDP. 2001
- Taxes on production and imports as % of GDP
- Taxes on production and imports as % of GDP. 2001
- Total general government revenue as % of GDP
- Total general government revenue as % of GDP. 2001
- General government gross fixed capital formation as % of GDP
- General government gross fixed capital formation as % of GDP. 2001
- Total general government expenditure as % of GDP
- Total general government expenditure as % of GDP. 2001
- General government final consumption expenditure as % of GDP
- General government final consumption expenditure as % of GDP. 2001
- Subsidies paid by general government as % of GDP
- Subsidies paid by general government as % of GDP. 2001
- Social benefits (other than social transfers in kind) paid by general government as % of GDP
- Social benefits (other than social transfers in kind) paid by general government as % of GDP. 2001
- Public balance. Net borrowing/lending of consolidated general government sector as % of GDP
- General government consolidated gross debt as % of GDP
- Public procurement. Value of public procurement which is openly advertised as % of GDP
- Sectoral and ad hoc State aid as % of GDP





# **Social protection**

## Social protection: relieving the burden

Social protection encompasses all action by public or private bodies to relieve households and individuals of the burden of a defined set of risks or needs associated with old age, sickness, childbearing and family, disability, unemployment, etc.

The data on social protection expenditure and receipts are harmonised according to the European system of integrated social protection statistics (Esspros).

Eurostat provides more detailed information on social protection in the NewCronos domain 'sespros'. If you wish to benefit from this, please contact your Data Shop. The addresses of the Data Shops can be found at the end of the yearbook.

### The eight 'functions' to classify social protection benefits

Social protection expenditure includes provision of social benefits, administration costs and other expenditure (for example, interest paid to banks). Benefits provision represents the core of social protection expenditure. Expenditure on education is excluded.

Social benefits are direct transfers in cash or kind by social protection schemes to households and individuals to relieve them of the burden of distinct risks or needs. Benefits via the fiscal system are excluded

Benefits are classified according to eight social protection 'functions':

- 1. sickness and healthcare;
- 2. disability;
- 3. old age;
- 4. survivors:
- 5. family and children;
- 6. unemployment;
- 7. housing;
- 8. social exclusion not elsewhere classified.

The following are brief explanations of the above functions.

- Sickness/healthcare benefits include mainly paid sick leave, medical care and provision of pharmaceutical products.
- **Disability benefits** include mainly disability pensions and the provision of goods and services (other than medical care) to the disabled.
- **Old-age benefits** include mainly old-age pensions and the provision of goods and services (other than medical care) to the elderly.
- **Survivors' benefits** include income maintenance and support in connection with the death of a family member, such as survivors' pensions.
- **Family/children benefits** include support (except healthcare) in connection with the costs of pregnancy, childberth, childbearing and caring for other family members.
- **Unemployment benefits** also include vocational training financed by public agencies.
- Housing benefits include interventions by public authorities to help households meet the cost of housing.





— **Social exclusion benefits** include income support, rehabilitation of alcohol and drug abusers and other miscellaneous benefits (except healthcare).

### Financing social protection

Units responsible for providing social protection are financed in different ways. Their receipts comprise social contributions paid by employers and by protected persons, contributions by general government and other receipts. Other receipts come from a variety of sources, for example interest, dividends, rent and claims against third parties.

Social contributions are paid by employers and by the protected persons.

Social contributions by employers are all costs incurred by employers to secure employees' entitlement to social benefits. These include all payments by employers to social protection institutions (actual contributions) and social benefits paid directly by employers to employees (imputed contributions). Social contributions by protected persons comprise contributions paid by employees, by the self-employed and by pensioners and other persons.

Social benefits are recorded without any deduction of taxes or other compulsory levies payable on them by beneficiaries. 'Tax benefits' (tax reductions granted to households for social protection purposes) are generally excluded.

#### **Further reading:**

## **Eurostat publications**

- The social situation in the European Union
- European social statistics Social protection Expenditure and receipts

Statistics in Focus — Theme 3

- No 1 Social protection in Europe

Do you need more information?

- Ask your Data Shop
- http://www.europa.eu.int/comm/eurostat— Eurostat's data serves the political discussion in Europe. Have a look at the website of the "DG Employment and Social Affairs": http://europa.eu.int/comm/dgs/employment social/index en.htm





### Social protection

- Total expenditure on social protection at current prices as % of GDP. 1999
- Total expenditure on social protection at current prices as % of GDP
- Total expenditure on social protection per head of population in ECU/EUR. 1999
- Total expenditure on social protection per head of population in ECU/EUR
- Total expenditure on social protection per head of population in PPS. 1999
- Total expenditure on social protection per head of population at constant prices. 1990 = 100
- Total expenditure on social protection by type as % of total expenditure. 1999. EU-15
- Social benefits as % of total expenditure
- Administration costs as % of total expenditure
- Other expenditure as % of total expenditure
- Social benefits by functions as % of total benefits. 1999. EU-15
- Social benefits by functions at constant prices. 1990 = 100. EU-15
- Social benefits for the function 'sickness/healthcare' as % of total benefits
- Social benefits for the function 'disability' as % of total benefits
- Social benefits for the function 'old age' as % of total benefits
- Social benefits for the function 'survivors' as % of total benefits
- Social benefits for the function 'family/children' as % of total benefits
- Social benefits for the function 'unemployment' as % of total benefits
- Social benefits for the function 'housing' as % of total benefits
- Social benefits for the function 'social exclusion n.e.c.' as % of total benefits
- Social benefits per head of population in PPS. 1999
- Social benefits for the function 'sickness/healthcare' in PPS per head of population
- Social benefits for the function 'disability' in PPS per head of population
- Social benefits for the function 'old age' in PPS per head of population
- Social benefits for the function 'survivors' in PPS per head of population
- Social benefits for the function 'family/children' in PPS per head of population
- Social benefits for the function 'unemployment' in PPS per head of population
- Social benefits for the function 'housing' in PPS per head of population
- Social benefits for the function 'social exclusion n.e.c.' in PPS per head of population
- Social benefits for the function 'sickness/healthcare' at constant prices. 1990 = 100
- Social benefits for the function 'disability' at constant prices. 1990 = 100
- Social benefits for the function 'old age' at constant prices. 1990 = 100
- Social benefits for the function 'survivors' at constant prices. 1990 = 100
- Social benefits for the function 'family/children' at constant prices. 1990 = 100
- Social benefits for the function 'unemployment' at constant prices. 1990 = 100
- Social benefits for the function 'housing' at constant prices. 1990 = 100
- Social benefits for the function 'social exclusion n.e.c.' at constant prices. 1990 = 100
- Social protection receipts by type as % of total receipts. 1999. EU-15
- Social protection receipts by type as % of total receipts. 1999
- Social protection receipts for the type 'employers' social contributions' as % of total receipts
- Social protection receipts for the type 'social contributions paid by protected persons' as % of total receipts





## Social protection

- Social protection receipts for the type 'general government contributions' as % of total receipts
- Social protection receipts for the type 'other receipts' as % of total receipts
- Social protection receipts by type at constant prices. 1990 = 100, EU-15
- Social protection receipts at constant prices. 1990 = 100
- Social protection receipts for the type 'employers' social contributions' at constant prices. 1990 = 100
- Social protection receipts for the type 'social contributions paid by protected persons' at constant prices. 1990 = 100
- Social protection receipts for the type 'general government contributions' at constant prices. 1990 = 100
- Social protection receipts for the type 'other receipts' at constant prices. 1990 = 100





# **Consumer prices**

#### HICPs: a comparable measure of inflation in the EU

The harmonised indices of consumer prices (HICPs) provide the best statistical basis for comparisons of consumer price inflation within the EU. The methodology ensures comparability between Member States. Eurostat publishes the HICPs monthly, about 18 days after the end of the reporting month. The HICP series starts with the index for January 1995. For ease of comparison, they are presented with a common base year, 1996 = 100.

## **HICP** coverage

HICPs cover virtually all forms of household expenditure on goods and services (household final monetary consumption expenditure — HFMCE). HICP coverage follows the international classification Coicop (classification of individual consumption by purpose), adapted to the needs of HICPs.

## **HICP** aggregate indices

There are three aggregate indices of the HICPs: the monetary union index of consumer prices (MUICP) for the euro zone; the European index of consumer prices (EICP) for EU-15; the European Economic Area index of consumer prices (EEAICP), which additionally covers Iceland and Norway.

The HICP methodology allows country weights to change each year: for the MUICP, a Member State's weight is its share of HFMCE in the EMU total; for the EICP and the EEAICP, a Member State's weight is its share of HFMCE expressed in euro in the EU and EEA totals. For the latter two indices, expenditure in national currencies is converted using purchasing power parities. The HICP is computed as an annual chain index. Starting in 1999, the MUICP is treated as a single entity within the EICP.

# Price stability in the euro zone

With the launch of the euro in January 1999, the MUICP is used for the monitoring of inflation in the EMU and for assessment of inflation convergence. As price stability is the primary objective of the European System of Central Banks, the MUICP is used by the European Central Bank (ECB) as a prime indicator for monetary policy management for the euro zone. The ECB has defined price stability as a year-on-year increase in the HICP for the euro zone of below 2 %.

#### General inflation trends

The annual rate of change as measured by the harmonised index of consumer prices for EU-15 (EICP) shows a downward trend from the beginning of 1996 to the end of 1998, followed by a general upward trend. This upward trend can broadly be attributed to rising energy prices. The EICP then increased, peaking in mid-2001 and at the beginning of 2002, before falling back to an annual rate of 1.8 % by June 2002. The harmonised index for the euro zone (MUICP) shows a similar pattern.





# Consumer prices

- Harmonised annual average consumer price indices. Index 1996 = 100
- **Inflation** rate. Annual average rate of change in harmonised indices of consumer prices (HICPs)
  - Cost-of-living comparisons in the European Union. 2002. B = 100
  - Cost-of-living comparisons in the European Union. B = 100
- **Pl** Relative price levels. Relative price levels of private final consumption including indirect taxes. EU-15 = 100
- **1** Price convergence between EU Member States





# Wages and labour costs

#### Results of the labour costs survey 2000

Information on labour costs is of major importance for employers' associations, trade unions, political parties, economists and other users who are interested in the level and structure of labour costs. The term 'labour costs' refers to the expenditure necessarily incurred by employers in order to employ workers. The results of the four-yearly European labour costs survey (LCS) for the year 2000 have recently become available. The results permit the comparison of total labour costs between different countries and between different industries within a country. Aggregate labour cost figures for 2000 are presented here in euro.

The 2000 LCS provides different breakdowns of total labour costs. Detailed descriptions are given in the glossary.

By far the largest component of total labour costs is accounted for by the gross annual earnings of employees. Data is presented for full-time employees for 'industry and services', broken down by gender; the ratio of female to male earnings is also portrayed. As for labour costs, the aggregate gross earnings are given in euro.

## Tax rates on low-wage earners

In connection with low pay, one of the Commission's structural indicators is the 'tax rate on low-wage earners' which relates to a single person without children on 67 % of the average earning of a production worker in manufacturing. Tax rates differ markedly between the countries, but the trend across Europe in recent years is downwards. For information and for comparison, tax rates are also presented for a married couple with two children and with one spouse on 100 % of the average earning of a production worker in manufacturing.

#### **Further reading:**

Statistics in Focus — Theme 3

- No 3 Minimum wages in the European Union

Do you need more information?

- Ask your Data Shop
- http://www.europa.eu.int/comm/eurostat
- Eurostat's data serves the political discussion in Europe. Have a look at the website of the "DG Employment and Social Affairs":

 $http://europa.eu.int/comm/dgs/employment\_social/index\_en.htm$ 





### Wages and labour costs

- Average hourly labour cost in industry and services. Enterprises with 10 or more employees. 2000. EUR
- Average annual labour cost in industry and services. Enterprises with 10 or more employees. 2000. EUR
- Structure of labour costs as % of total costs. Industry and services. Enterprises with 10 or more employees. 2000. %
- Structure of labour costs as % of total costs. Industry. Enterprises with 10 or more employees. 2000. %
- Structure of labour costs as % of total costs. Services. Enterprises with 10 or more employees. 2000. %
- Average gross annual earnings in industry and services. Total. Full-time employees. Enterprises with 10 or more employees. 2000. EUR
- Average gross annual earnings for men in industry and services. Full-time employees. Enterprises with 10 or more employees. 2000. EUR
- Average gross annual earnings for women in industry and services. Full-time employees. Enterprises with 10 or more employees. 2000. EUR
- Earnings of women as % of men's in industry and services. Full-time employees. Enterprises with 10 or more employees. 2000
- Gender pay gap. Average gross hourly earnings of females as % of average gross hourly earnings of males
- Tax rate on low-wage earners. %. Single person without children on 67 % of the average earnings of a production worker in manufacturing. 1996-2001
- **T** Tax rate on low wage earners. %. Single person without children on 67 % of the average earnings of a production worker in manufacturing
- Tax rate on low-wage earners. %. Married couple with two children with one working spouse on 100 % of the average earnings of a full-time production worker in manufacturing





## Financial market indicators

#### A wide range of financial market indicators

The NewCronos database contains a wide range of financial market data: Exchange rates, interest rates, stock and bond market information, data on banking transactions and money supply and other financial data are available.

For more information, please contact your Data Shop. The addresses of the Data Shops can be found at the end of the yearbook.

### Financial market indicators in the Eurostat yearbook

The following financial market indicators are presented in this edition of the Eurostat yearbook.

- Nominal exchange rates of various currencies against the euro/ecu as well as the evolution of five leading currencies against the US dollar on an index basis (1995 = 100).
- Two short-term interest rates: the day-to-day money rate is the rate at which banks lend and borrow among themselves overnight on the interbank market. This rate averaged over a year is a good indicator of the state of monetary policy in that year. Since January 1999, the EONIA rate has replaced the national day-to-day money market rates for the 11 countries of the euro zone (since 2001 also for Greece).
  - Additionally, the three-month interbank rate for four leading economies is shown in a graph. Since the beginning of monetary union, Euribor has been the interbank offer rate for the Member States of the euro zone.
- Yields on 10-year government bonds are used as a measure for the long-term interest rates, one of the four convergence criteria which decide if a Member State is eligible for monetary union. The four convergence criteria are explained in detail in the glossary.
- Share price indices, which show the trend in share values on various stock exchanges. These indices have been re-based for the graph to 1995 = 100. For the European aggregates, Dow Jones Stoxx share price indices are used.

# **Further reading:**

# **Eurostat publications**

- Money, finance and the euro: statistics (Monthly)

## Do you need more information?

- Ask your Data Shop
- http://www.europa.eu.int/comm/eurostat
- Eurostat's data serves the political discussion in Europe. Have a look at the website of the "Economic and Financial Affairs DG":
  - http://europa.eu.int/comm/dgs/economy finance/index en.htm





## Financial market indicators

- Exchange rates. Annual average. One unit of national currency = USD. 1995 = 100
- Ecu/euro exchange rates. Annual average. ECU/EUR 1 = ...
- Short-term interest rates: day-to-day money rates. Annual average. %
- Short-term interest rates: three-month interbank rates. Annual average. %
- Long-term interest rates: 10-year government bond yields, secondary market. Annual average. %
- Index of share prices. 1995 = 100. Annual average. %
- Share price indices. Annual average
- 21 Capital raised on stock markets. Amount of new capital raised as % of GDP
- √1 Venture capital: early stage. Venture capital investments as % of GDP. Breakdown by investment stages
- I Venture capital: expansion. Venture capital investments as % of GDP. Breakdown by investment stages





# **Balance of payments**

#### Gauging a country's economic position in the world

Like any company or household, a country needs to keep track of its credit and debit transactions. The balance of payments records all economic transactions between a country (i.e. its residents) and foreign countries or international organisations (i.e. the non-residents of that country) during a given period.

More specifically, the EU balance of payments is compiled by aggregating cross-border transactions of EU residents vis-à-vis non-EU residents as reported by the 15 Member States. The balance of payments of the EU institutions is added to the EU aggregate.

The balance of payments is divided into two sub-balances:

- the **current account** which takes care of real resources;
- the capital and financial account which covers financial items.

Eurostat calculates the balance of payments not only for the EU, but also for the euro-zone. The European Central Bank (ECB) is responsible for the compilation and dissemination of the euro-zone balance of payments. The data which Eurostat publishes for the euro-zone are validated by the ECB. However, these data do not match up exactly with those released by the ECB because Eurostat and the ECB have different cut-off dates for receiving the data from the Member States. Revisions can take place between the different cut-off dates. Another reason is that some minor methodological differences remain between the data transmitted to Eurostat and the ECB by some Member States.

Until 1991, the data are following the methodological framework of the fourth IMF balance-of-payments manual, and, from 1992 onwards, that of the fifth IMF balance-of-payments manual. This switch appears as a break in the data series.

#### The current account: dealing with real resources ...

Since the current international transactions implicate a large variety of real resources, the current account is subdivided into a number of accounts. The broadest categorisation differentiates:

- the **trade in goods:** it generally forms the biggest category of the current account.
  - Please refer to the section 'Trade in goods' to learn more about it;
- the **trade in services:** it forms the second major category of the current account.
  - For more information, please consult the section 'Trade in services';
- **income:** it covers the compensation of employees for work performed for economic units whose place of residence is different from their own, and investment income;
- current transfers: these consist of all transfers that are not transfers of capital. With the use of the fifth IMF balance-of-payments manual, capital transfers are included in the capital and financial account.

### ... and with money: the financial account

The financial account records financial transactions. It includes foreign direct investment, portfolio investment, and other investment and reserve assets flows.

The annual European Union **foreign direct investment** statistics give a detailed presentation of foreign direct investment (FDI) flows and stocks, showing which Member State invests in which countries and in which sectors.





A firm wishing to sell overseas can choose between a variety of methods: exporting, licensing and using agents are some examples, with straightforward exporting up to now being the most common. FDI (producing and selling directly in the chosen country) is being increasingly adopted. There are two kinds of FDI:

- the creation of productive assets by foreigners (greenfield investment);
- the purchase of existing assets by foreigners (acquisitions, mergers, takeovers, etc.).

FDI differs from portfolio investments because it is made with the purpose of having control or an effective voice in management and a lasting interest in the enterprise. Direct investment does not only include the initial acquisition of equity capital, but also subsequent capital transactions between the foreign investor and domestic and affiliated enterprises.

Eurostat collects FDI statistics for quarterly and annual flows as well as for stocks at the end of the year. The FDI stocks (assets and liabilities) are a part of the international investment position of an economy at the end of the year.

In the Eurostat yearbook, the sign convention adopted for the different sets of data (flows and stocks) is as follows: an investment is always recorded with a positive sign and a disinvestment with a negative sign.

### **Further reading:**

### **Eurostat publications**

- European Union foreign direct investment yearbook 2001
- EU international transactions Data 1991–2001
- International trade in services

## Statistics in Focus — Theme 2

- No 15/2002 EU current transactions in 2000, detailed results
- No 34/2002 EU current account preliminary annual results: deficit with extra-EU contracted to

EUR -14.6 bn in 2001

— No 30/2002 EU FDI with extra-EU down by nearly 40% in 2001 - First results FDI 2001

#### Do you need more information?

- Ask your Data Shop
- http://www.europa.eu.int/comm/eurostat
- Eurostat's data serves the political discussion in Europe. Have a look at the website of the "DG Trade": http://trade-info.cec.eu.int/europa/index\_en.php





- Evolution of EU current transactions with the extra-EU: credits and debits. 1 000 million ECU/EUR
- EU current account, goods, services, income and current transfers balances with the extra-EU.

  1 000 million ECU/EUR
- International current transactions, cover rates. %
- Balance of the current account at current prices. % of GDP
- Balance of international trade in goods at current prices. % of GDP
- Balance of international trade in services at current prices. % of GDP
- Total trade in goods (exports-fob + imports-fob) as % of current account total flows
- International trade in goods, cover rates. %
- Balance in trade in goods of the EU, United States and Japan with the rest of the world. 1 000 million ECU/EUR
- Share of the EU, United States, Japan and the rest of the world in world total transactions in goods (exports and imports). 2001. %
- Total trade in services (exports and imports) as % of current account total flows
- International trade in services, cover rates. %
- Services balances of the EU, United States and Japan with the rest of the world. 1 000 million ECU/EUR
- Share of the EU, United States, Japan and the rest of the world in world total transactions in services (exports and imports). 2001. %
- EU foreign direct investment flows: extra-EU, intra-EU and net as % of GDP
- EU foreign direct investment stocks. 1996-2000. Million ECU/EUR
- Direct investment inflows: the EU, United States and Japan. Million ECU/EUR
- EU direct investment inflows from the extra-EU. Suppliers of direct investment to the EU. Million ECU/EUR
- EU direct investment inflows. Suppliers of direct investment to the EU. Million ECU/EUR
- EU direct investment inflows. Recipients of direct investment from the extra-EU. Million ECU/EUR
- EU direct investment inflows from the extra-EU. Million ECU/EUR
- Direct investment outflows: the EU, United States and Japan. Million ECU/EUR
- EU direct investment outflows to the extra-EU. Recipients of direct investment. Million ECU/EUR
- EU direct investment outflows. Recipients of direct investment. Million ECU/EUR
- EU direct investment outflows. Suppliers of direct investment to the extra-EU. Million ECU/EUR
- EU direct investment outflows to the extra-EU. Million ECU/EUR
- Suppliers of EU direct investment intra-flows. Million ECU/EUR
- Recipients of EU direct investment intra-flows. Million ECU/EUR





# Trade in goods

#### Essential information in a more and more open world economy

The need for statistics on the trading of goods is self-evident. International trade forms an increasing part of the world economy and, as such, must be measured reliably. The relevant data must be widely available and understood.

International trade statistics are an important primary source for most public and private sector decision-makers. For example, they help European companies carry out market research and define their commercial strategy. They enable Community authorities to prepare for multilateral and bilateral negotiations within the framework of the common commercial policy and to evaluate the progress of the single market or the integration of the European economies. Moreover, they constitute an essential source for balance-of-payments statistics, national accounts and studies of economic cycles.

### Harmonised statistics on international trade in goods ...

The compilation of trade figures is founded on a legal basis which is set out in a series of Council and Commission regulations. The concrete work is based on a cooperative effort between Eurostat and the appropriate bodies in the Member States which are responsible for collecting and processing the basic information.

Eurostat is responsible for harmonising Community legislation in the field of statistics on the trading of goods and for ensuring that the legislation is applied correctly. The statistics provided to Eurostat are therefore based on precise legal texts directly applicable in the Member States and on definitions and procedures which have to a large extent been harmonised.

## ... which cover all physical movements of goods across frontiers

In broad terms, the aim of international trade statistics is to record all goods that add to or subtract from the stock of material resources of a country by entering or leaving its territory. By their nature, international trade statistics are concerned with transportable goods.

The most important component of the international trade statistics is related to transactions involving actual or intended transfer of ownership against compensation. Nevertheless, trade statistics also cover movements of goods without a transfer of ownership such as operations following, or with a view of, processing under contract or repair.

#### Some methodological notes

#### — Export and import valuation

In external trade statistics, exports are recorded at their fob value (fob — free on board) and imports at their cif value (cif — cost, insurance, freight). Therefore, and contrary to the balance-of-payments statistics, import value includes charges, such as transport and insurance, relating to that part of the journey which takes place outside the statistical territory of the importing country. Export value corresponds to the value of goods at the time and place where they leave the statistical territory of the exporting country.

# — Trade of country groups

EU-15, the euro zone and the European Economic Area (EEA) are calculated as total trade less intra-EU-15, intra-euro zone and intra-EEA trade respectively.

#### — Indices

The indices, which are linked from year to year, relate to EU-12 up to 1995 and to EU-15 thereafter.





## — Trade by product

Agrifood products are food products obtained from agriculture. They are determined according to Sections 0 and 1 of the standard international trade classification (SITC), Revision 3. Trade in fuel products refers to products determined according to Section 3 of the SITC. Trade in chemicals refers to products determined according to Section 5 of the SITC. Machinery and transport equipment refers to products determined according to Section 7 of the SITC.

### Would you like to know more about international trade concepts and definitions?

Please refer to the publications *Statistics on the trading of goods* — *User guide or Geonomenclature* which can be downloaded from the Eurostat web site (theme 'External trade', collection 'Methods and nomenclatures').

#### Are you interested in more statistics on trading in goods?

You can consult our paper publications — the monthly bulletin or the statistical yearbook — or our CD-ROM. Please contact your Data Shop to have a complete overview of our supply. The addresses of the Data Shops can be found at the end of the yearbook.

Free publications can also be downloaded from our web site. *Statistics in Focus* (SIF) publications analyse EU trading in specific goods such as high-technology or agricultural products, or exchanges of goods of the EU with particular trading partners such as China, the ACP or candidate countries.

#### **Further reading:**

#### **Eurostat publications**

- Statistics on the trading of goods User guide
- Geonomenclature
- External and intra-European Union trade Monthly statistics
- External and intra-European Union trade Statistical yearbook
- Intra- and extra-EU trade Monthly data 11 CD-ROMs and 2 supplements on CD-ROM

## Statistics in Focus — Theme 6

- No 5/2001 An enlarged EU A trade heavyweight
- No 7/2001 EU-15 and the 12 Mediterranean partners: solid trade links
- No 8/2001 The 13 candidate countries' trade with the EU in 2000
- No 2/2002 EU trade with OPEC
- No 3/2002 EU trade with ACP countries
- No 4/2002 EU trade with China and Russia

#### Do you need more information?

- Ask your Data Shop
- http://www.europa.eu.int/comm/eurostat
- Eurostat's data serves the political discussion in Europe. Have a look at the website of the "DG Trade": http://trade-info.cec.eu.int/europa/index\_en.php





- Exports (fob) at current prices. 1 000 million ECU/EUR
- Imports (cif) at current prices. 1 000 million ECU/EUR
- Trade balance at current prices. 1 000 million ECU/EU
- Exports (fob) volume indices. 2000 = 100
- Imports (cif) volume indices. 2000 = 100
- Volume ratio. 2000 = 100

- Exports of agrifood products at current prices. 1 000 million ECU/EUR
- Imports of agrifood products at current prices. 1 000 million ECU/EUR
- Trade balance in agrifood products at current prices. 1 000 million ECU/EUR
- Exports of mineral fuels, lubricants and related products at current prices. 1 000 million ECU/EUR
- Imports of mineral fuels, lubricants and related products at current prices. 1 000 million ECU/EUR
- Trade balance in mineral fuels, lubricants and related products at current prices. 1 000 million ECU/EUR
- Exports of chemicals and related products at current prices. 1 000 million ECU/EUR
- Imports of chemicals and related products at current prices. 1 000 million ECU/EUR
- Trade balance in chemicals and related products at current prices. 1 000 million ECU/EUR
- Exports of machinery and transport equipment at current prices. 1 000 million ECU/EUR
- Imports of machinery and transport equipment at current prices. 1 000 million ECU/EUR
- Trade balance in machinery and transport equipment at current prices. 1 000 million ECU/EUR
- Exports of manufactured products at current prices. 1 000 million ECU/EUR
- Imports of manufactured products at current prices. 1 000 million ECU/EUR
- Trade balance in manufactured products at current prices. 1 000 million ECU/EUR
- Extra-EU exports by main trading partners. 1 000 million ECU/EUR
- Extra-EU imports by main trading partners. 1 000 million ECU/EUR
- Extra-EU trade balance by main trading partners. 1 000 million ECU/EUR
- Extra-EU exports of agrifood products by main trading partners. 1 000 million ECU/EUR
- Extra-EU imports of agrifood products by main trading partners. 1 000 million ECU/EUR
- Extra-EU trade balance in agrifood products by main trading partners. 1 000 million ECU/EUR
- Extra-EU exports of mineral fuels, lubricants and related products by main trading partners. 1 000 million ECU/EUR
- Extra-EU imports of mineral fuels, lubricants and related products by main trading partners. 1 000 million ECU/EUR
- Extra-EU trade balance in mineral fuels, lubricants and related products by main trading partners. 1 000 million ECU/EUR
- Extra-EU exports of chemicals and related products by main trading partners. 1 000 million ECU/EUR
- Extra-EU imports of chemicals and related products by main trading partners. 1 000 million ECU/EUR
- Extra-EU trade balance in chemicals and related products by main trading partners. 1 000 million ECU/EUR
- Extra-EU exports of machinery and transport equipment by main trading partners. 1 000 million ECU/EUR
- Extra-EU imports of machinery and transport equipment by main trading partners. 1 000 million ECU/EUR
- Extra-EU trade balance in machinery and transport equipment by main trading partners. 1 000 million ECU/EUR
- Extra-EU exports of manufactured products by main trading partners. 1 000 million ECU/EUR





# Trade in goods

- Extra-EU imports of manufactured products by main trading partners. 1 000 million ECU/EUR
- Extra-EU trade balance in manufactured products by main trading partners. 1 000 million ECU/EUR
- Exports to EU countries as % of total national exports (fob)
- Imports from EU countries as % of total national imports (cif)
- Exports to EU countries at current prices. 1 000 million ECU/EUR
- Imports from EU countries at current prices. 1 000 million ECU/EUR
- Intra-EU exports of agrifood products at current prices. 1 000 million ECU/EUR
- Intra-EU exports of mineral fuels, lubricants and related products at current prices. 1 000 million ECU/EUR
- Intra-EU exports of chemicals and related products at current prices. 1 000 million ECU/EUR
- Intra-EU exports of machinery and transport equipment at current prices. 1 000 million ECU/EUR
- Intra-EU exports of manufactured products at current prices. 1 000 million ECU/EUR





## Trade in services

#### The services traded

What are the services exported and imported by the EU and its Member States, and in what quantity?

In the balance-of-payments statistics, the balance of trade in services is divided into three major components: transport, tourism, and other services. The categories transport services and other services are broken down into detailed sub-items such as passenger air transport or construction services.

- Transport services cover all transportation services that are performed by residents of one country for those of another. They comprise the transport of passengers, goods (freight), rentals (charters) of carriers with crew, or related supporting and auxiliary services. In the Eurostat classification, transport services are further broken down by mode of transportation (sea, air and other transport) and by kind of services (transport of passengers, transport of freight and auxiliary services).
- Tourism refers to all goods and services acquired by travellers for their own use from residents of the countries in which they are travelling. A traveller is an individual staying in a country of which he/she is not a resident for less than one year. The international carriage of travellers, which is covered in transport services, is excluded.
- Other services comprise all international service transactions other than tourism and transport. They cover highly varied services such as communications services, construction services, insurance services, financial services, computer and information services, royalties and licence fees, trade earnings, miscellaneous business services, audiovisual and recreational services, and government services.

# Grasping the intangible

Due to its intangible nature, international trade in services is much more difficult to record than trade in goods. Three types of problems may arise: difficulty in defining the service; the value of the services is not specified separately; and practical difficulties for identifying gross flows (as many services can be paid for by means of an international offsetting mechanism). Such problems could lead to an underestimation of the service flows.

#### **Further reading:**

#### **Eurostat publications**

— International trade in services, Geographical breakdown of the current account — EU — CD-ROM (2003 Edition)

#### Statistics in Focus — Theme 2

- Trade in transportation services
- Postal and courier services remained a significant mean of EU external communications in 1998
- EU remains world's top destination for tourists but external travel balance shows a deficit of ECU –1.3 bn in 1998
- The EU's external transactions in telecommunication services: a mirror of the dawning information society
- EU computer and information services surplus up to EUR 2.5 bn in 1999
- Miscellaneous business, professional and technical services: the European Union was the largest international trader over the period 1994–2000





- Breakdown of total EU external transactions in services (exports and imports) between transportation, travel and other services. 1 000 million ECU/EUR
- Share of transportation, travel and other services in Member States' world total services transactions (exports and imports). 2001. %
- International transactions in transportation, cover rates. %
- Total EU transactions in transportation (exports and imports). 2001. Breakdown by type of transport
- International transactions in sea transport services, cover rates. %
- International transactions in air transport services, cover rates. %
- International transactions in travel, cover rates. %
- Geographical breakdown of EU travel transactions in 2001. 1 000 million EUR
- International transactions in other services in 2001, cover rates. %
- Breakdown of international transactions in other services in 2001. % of other services total transactions (exports and imports)
- EU external balances of other services items. Comparison 2000 and 2001. 1 000 million ECU/EUR
- EU external balances of other services items. Comparison 2000 and 2001. 1 000 million ECU/EUR





# **Trading partners**

#### Europe's trading partners in the world

Eurostat provides detailed information on the geographical breakdown of the current account of the European Union. The geographical breakdown distinguishes between:

- **intra-EU** transactions, corresponding to the sum of the transactions declared by EU Member States with other EU Member States; and
- **extra-EU** transactions, corresponding to the transactions declared by EU Member States with countries outside the European Union. Extra-EU transactions are further broken down into detailed partner zones: individual countries (e.g. Hungary, the United States, Japan), economic zones (e.g. OECD countries, ACP countries), and geographical zones (e.g. America, Asia).

World transactions are equal to the sum of intra-EU transactions and extra-EU transactions, plus a remainder that cannot be allocated.

### Finding the residence

In the balance-of-payments statistics, the EU current account is geographically allocated according to the **residence** of the trading partner. However, precise information on residence is not always available. In this case, the currency in which transactions are recorded might be used to determine the origin or destination of the flows. The concept of residence thus corresponds to the concept of 'country of origin' (for imports) and 'country of destination' (for exports).

However, from 1997 onwards, the geographical allocation of imports of goods has changed. All goods imported by an EU Member State from outside the EU that transit through another EU Member State should be geographically allocated to the transit country and not the origin country.

#### **Further reading:**

#### **Eurostat publications**

- Geographical breakdown of the EU current account & International trade in services EU (CD-ROM)
- Geonomenclature (PDF)

#### Statistics in Focus — Theme 2

- No 19/2000 EU trade and investment with Mexico before the new trade agreement
- EU trade and investment with Mediterranean Partner Countries1: towards a better partnership? (MED)

### Do you need more information?

- Ask your Data Shop
- http://www.europa.eu.int/comm/eurostat
- Eurostat's data serves the political discussion in Europe. Have a look at the website of the "DG Trade": http://trade-info.cec.eu.int/europa/index\_en.php





### Trading partners

- EU current international credits: breakdown by partner zones. % of EU total credits
- EU current international debits: breakdown by partner zones. % of EU total debits
- EU current transactions by partner zone, cover rates. %
- EU current account balances with the United States, Japan and EFTA. 1 000 million ECU/EUR
- EU international exports of goods: breakdown by partner zones. % of EU total exports
- EU international imports of goods: breakdown by partner zones. % of EU total imports
- EU goods balance by partner zone: comparison 1995, 1998 and 2001. 1 000 million ECU/EUR
- EU goods balance by economic zone: comparison 1995, 1998 and 2001. 1 000 million ECU/EUR
- EU international exports of services: breakdown by partner zones. % of EU total exports
- EU international imports of services: breakdown by partner zones. % of EU total imports
- EU services balance by partner: comparison 1995, 1998 and 2001. 1 000 million ECU/EUR
- EU services balance by economic zone: comparison 1995, 1998 and 2001. 1 000 million ECU/EUR
- EU international receipts of income: breakdown by partner zones. % of EU total receipts
- EU international payments of income: breakdown by partner zones. % of EU total payments
- EU income balance by partner: comparison 1995, 1998 and 2001. 1 000 million ECU/EUR
- EU income balance by economic zone: comparison 1995, 1998 and 2001. 1 000 million ECU/EUR
- EU international credits of current transfers: breakdown by partner zones. % of EU total credits
- EU international debits of current transfers: breakdown by partner zones. % of EU total debits
- EU current transfers balance by partner: comparison 1995, 1998 and 2001. 1 000 million ECU/EUR
- EU current transfers balance by economic zone: comparison 1995, 1998 and 2001. 1 000 million ECU/EUR





### Water

#### Water: essential and under strain

Water is a natural resource that both in terms of quality and availability is a major concern in many regions. Water resources are limited and water quality is affected by human activities such as industrial production, household discharges, animal husbandry, arable farming, etc.

At the same time, water is essential for human life and activities. Economic development and growing populations put increasing pressure on water quantity and quality. In many places on earth, freshwater resources are being consumed faster than nature can replenish them. The pollution of rivers, lakes and groundwater remains a concern all over the world.

#### A directive to protect water

Because the quality of the water available is deteriorating and its quantity is limited, there is a need to reconsider the use of different sources of water as well as the demand on water. This has been set out in the Water Framework Directive 2000/60/EC. It states that sustainable water resource management has to be based on the principle of integrated river basin management. The directive also promotes a 'combined approach' of emission limit values and quality standards, getting the prices right and getting citizens more closely involved in water problems.

### Keeping a close eye on water

Water statistics are collected from all European countries through the 'Inland waters' section of the joint Eurostat/OECD questionnaire which has recently been revised to be adapted to the EU policy framework. It reports on the following.

- Water abstraction (in particular from groundwater) which is a major pressure on freshwater resources. A large part of the water abstracted for domestic, energy production, industrial or agricultural use is returned to the environment (to rivers, lakes or directly to the sea) as wastewater with impaired quality. The pollution of water bodies by wastewater through direct discharges or inadequate treatment increases the concentration of pollutants and undesirable changes in the composition of aquatic biota (bacterial concentration, oxygen deficiencies, etc.), but not all the uses described above cause the same pressure on the environment or require the same type of treatment.
- Public sewerage that collects domestic effluent, together with industrial wastewater and/or run-off water. Sewage treatment systems, when efficient, preserve the purity of water resources, the soil and human health.





- Total freshwater abstractions (surface- and groundwater). Million m<sup>3</sup>
- Total freshwater abstractions (surface- and groundwater). m³/capita
- Water abstracted by public water supply. Million m<sup>3</sup>
- Water abstracted by main sectors. m³/capita
- Population connected to public sewerage system . % of total population
- Population connected to public sewerage system with treatment. % of total population
- Population connected to public sewerage treatment by type of treatment. %





### Waste

#### Decoupling waste generation from economic growth

The generation of waste represents, on the one hand, a loss of materials and energy. On the other hand, its deposition contributes to major environmental problems such as climate change and an impaired quality of surface and groundwater bodies as well as landscapes. Waste generation might also lead to the deterioration of human health (through the release into the environment of hazardous substances that some types of waste contain).

The sixth environment action programme states the objective of decoupling the generation of waste from economic growth. A significant overall reduction in the volumes of waste generated shall be achieved through improved waste-prevention initiatives, better resource efficiency and a shift to more sustainable consumption patterns.

### Who generates waste ...

Municipal waste constitutes approximately 15 % of total waste produced and is the most reliable indicator to make comparisons among countries.

The economic activities that are large contributors to the waste mountain are construction, agriculture, mining and manufacturing industry. Waste streams such as construction and demolition waste, sewage sludge (a residual product of the treatment of municipal and industrial wastewater) pose various types of management problems and environmental impacts.

#### ... and what to do with it?

Landfilling, waste incineration (with or without energy recovery) and recycling are the most important treatment methods applied to municipal waste. Recycling is considered to be one of the most beneficial for the environment and is supported by several directives and policy measures in the EU.

#### Continuous improvement of statistics on waste

Waste statistics are collected from all European countries through the 'Waste' section of the joint Eurostat/OECD questionnaire.

It is generally recognised that differences in methods of data production among countries plus the variances in interpretation of definitions and/or waste categories make comparison of data among countries rather difficult.

The major piece of EU legislation for waste statistics is the regulation on waste statistics, which is about to be adopted (presently stands as the 'Amended proposal for a regulation of the European Parliament and of the Council on waste statistics'). It is expected that, once adopted and implemented, statistical data on waste will improve markedly.





- Waste generated by economic sector. 1999. 1 000 t
- Municipal waste collected. kg per person per year
- $\mathcal{I}$  Municipal waste landfilled. kg per person per year
- Municipal waste incinerated. kg per person per year
  - Treatment of municipal waste. 2000. 1 000 t





# **Environmental protection expenditure**

## About encouragement, regulations and 'the polluter shall pay'

The public has become increasingly aware of the need to protect the environment against pollution. Environmental protection is now being integrated into all policy fields with the general aim of ensuring sustainable development.

To encourage firms and private households to protect the environment, governments can use regulatory measures or levy taxes directly linked to pollution. The 'polluter pays' principle is another weapon in the fight against pollution. The data on environmental protection expenditure are an indicator of the response of society to reduce pollution.

### Protecting the environment benefits the economy

Environmental protection measures cost money but can also generate revenues. Measures to protect the environment are increasingly being taken on a voluntary basis, for example, to meet the expectations of consumers or stakeholders, to increase market shares, or to improve company image. By the same token, environmental protection creates new markets for environmental goods and services, with benefits for exports and employment.

Spending on environmental protection occurs in all sectors of the economy. The public sector and industry are the sectors for which data are available for most Member States.

# Statistical data on environmental protection expenditure

The legal framework for the statistical data on environmental protection expenditure by industry is Council Regulation (EC, Euratom) No 58/97 on structural business statistics which was adopted in December 1996. The regulation provides a tool for the development in the coming years of regular data collection on the variables and economic activities of the highest policy interest.

Total expenditure is the sum of investments and current expenditure. Effective interpretations need to take into account that:

- high levels of spending in one country could, for example, be the result of new stricter policies or the result of long periods of no spending;
- the proportion of public sector expenditure versus industry expenditure could vary between countries depending on the degree of privatisation of the basic environmental protection activities, i.e. waste collection, waste treatment and sewage treatment.

Environmental protection expenditure statistics are collected through the joint Eurostat/OECD questionnaire.





# Environmental protection expenditure

- Total expenditure by public sector. Million ECU
- Total environmental expenditure by public sector by domain. %.
- Total expenditure by industry. Million ECU
- Total expenditure by industry by domain. %





# Air emissions and air quality

### Air pollution: complex but severe effects

The air we breathe is affected by emissions of substances to the atmosphere caused by fuel combustion, industrial processes and other activities. Atmospheric pollution contributes to various environmental problems such as climate change, acidification and eutrophication and to the formation of tropospheric ozone.

## The greenhouse gas effect

There is a broad consensus in the scientific community that climate change is happening.

High concentrations of carbon dioxide  $(CO_2)$ , methane  $(CH_4)$ , nitrous oxide  $(N_2O)$  and halocarbons (hydrofluorocarbon (HFC), perfluorocarbon (PFC) and sulphur hexafluoride (SF<sub>6</sub>)) change the composition of the air in the atmosphere. This leads to the known greenhouse gas effect that impacts on the earth's climate.

In the Kyoto Protocol (1997), under the UN Framework Convention on Climate Change (UNFCCC), the European Union agreed to reduce its greenhouse gas emissions by 8 % below 1990 levels by 2008 to 2012. The European climate change programme (ECCP) has been developed to identify common and coordinated policies and measures at Community level to meet the EU's Kyoto target.

Data on greenhouse gas emissions are submitted annually to the UNFCCC and to the European Commission under the monitoring mechanism (Council Decision 1999/296/EC). To estimate the emissions, countries apply common guidelines and a common reporting format. On behalf of the Commission, the European Environment Agency's European Topic Centre on Air and Climate Change (EEA/ETC-ACC) compiles data for the EU and regularly produces data and trend reports.

#### Acidification and eutrophication

The emissions of mainly sulphur dioxide  $(SO_2)$ , nitrogen oxides  $(NO_X)$  and ammonia  $(NH_3)$  contribute to the acidification and eutrophication of the soil and water bodies and may damage materials. They affect air quality and pose threats to human health and ecosystems.

The EU has set a reduction target with the 2010 national emission ceilings directive (NECD) that is stricter than the corresponding 1999 Gothenburg Protocol under the UN/ECE Convention on Longrange Transboundary Air Pollution (CLRTAP).

## Tropospheric ozone

The emissions of substances such as carbon monoxide (CO), non-methane volatile organic compounds (NMVOCs), methane (CH<sub>4</sub>) and nitrogen oxides (NO<sub>X</sub>), the so-called tropospheric ozone precursors, contribute to the formation of ground-level ozone, which has adverse effects on human health and ecosystems.

The data source for these groups of substances is the official national data, which are regularly reported according to the several protocols under the CLRTAP, and the corresponding EU directives and decisions. The EEA/ETC-ACC also compiles these data.

To estimate the emissions of these pollutants, countries apply methods and guidelines agreed upon by the parties to both conventions.

#### Special attention: urban areas

The air quality framework directive takes care of the fact that around 80 % of Europe's population live in urban areas. Human exposure to high concentrations of hazardous substances, fine particles





and elevated ozone concentration levels can give rise to inflammatory responses and decreases in lung function. The observed symptoms are a cough, chest pain and difficulties in breathing, headache and eye irritation.

### Data on air emissions and air quality

The European Environment Agency is the body that compiles data on air emissions and air quality for the EU and candidate countries. It receives the same data that are officially submitted by Member States and other countries in line with their commitments under the conventions and various EU directives and regulations. The EEA uses the data to produce reports and assessments.

The data is regularly published on its web site (http://www.eea.eu.int).

## **Further reading:**

### **Eurostat publications**

- Environment statistics Yearbook
- Regional environmental statistics Initial data collection results
- Environmental protection expenditure in Europe
- Environmental pressure indicators for the EU
- Measuring Progress Towards a more sustainable Europe
- Environment Statistics Pocketbook
- Waste Generated in Europe

## Statistics in Focus — Theme 8

- No 5 Organic farming
- No 6 Water resources, abstraction and use in European countries
- No 7 Environmental protection expenditure in Europe
- No 13 Water management in the regions of the European Union
- No 14 Waste water in European countries

- Ask your Data Shop
- http://www.europa.eu.int/comm/eurostat
- Eurostat's data serves the political discussion in Europe. Have a look at the website of the
  - $\hbox{``Environment Directorate-General'': http://europa.eu.int/comm/dgs/environment/index\_en.htm}$





# Air emissions and air quality

- Emissions of acidifying pollutants. 1 000 t
- Emissions of tropospheric ozone precursors. 1 000 t
- Urban air quality Population exposure to air pollution by ozone Percentage of urban population exposed to concentration levels exceeding target values
- Urban air quality Population exposure to air pollution by particulate matter (PM10) Percentage of urban population exposed to concentration levels exceeding limit values





### **Ensuring sustainable transport**

Transport plays an essential role in modern societies, providing supply and distribution chains for industry, facilitating trade and tourism, and providing mobility to individuals in their everyday lives. It is therefore not surprising to observe a strong relationship between the development of transport and GDP.

Transport also has social and environmental consequences. Most notable are pollutant emissions (responsible for health problems and premature death), greenhouse gas emissions (responsible for global warming and climate change), noise (responsible for annoyance and health problems), traffic accidents (responsible for injuries and deaths), and congestion (responsible for inconvenience and delays).

These impacts are fundamentally linked to how people travel and how goods are transported, as well as to measures taken to increase safety (e.g. safety belts, airbags, speed limits) and to reduce environmental impacts (e.g. catalytic converters, cleaner fuels). They are therefore amenable to improvement.

This is why the EU sustainable development strategy includes transport as one of its four priority areas. It aims to tackle rising volumes of traffic and levels of congestion, noise and pollution and encourage the use of environment-friendly forms of transport as well as to ensure that prices better reflect the real costs to society. It also aims to weaken (or 'decouple') the link between economic development and transport growth. This can be achieved through increased use of teleservices, shifting production away from heavy industry towards high-tech products, and moving towards a more service-oriented economy.

The structural indicators include indicators intended to follow the linkage between transport and economic growth, as well as dependence on road transport and the car. These indicators show that over the last decade:

- freight transport in the EU as a whole has grown slightly faster than GDP, and few Member States show signs of decoupling. In Norway, freight transport has grown at a substantially higher rate than GDP. On the other hand, there are some signs of decoupling in the United States and Japan;
- in the case of passenger transport, the progress of some EU countries in decoupling has been counterbalanced by the opposite tendency in others. Norway and the United States show some signs of decoupling, while Japan shows no real change;
- freight transport has slowly become more dependent on road in most countries, with few exceptions;
- in many countries, there has been no significant change in car dependency. The exceptions are Greece, Portugal and Japan, where car dependency has increased slowly.

### About the indicators

The freight transport data upon which these indicators are based include road, rail and inland waterways. The unit is tonne-kilometres.





#### **Sources**

EU

- EU-wide surveys on goods transport by road, rail and inland waterways
- National statistical offices
- Eurostat/ECMT/UNECE common questionnaire for transport statistics
- Energy and Transport DG

Non EU

- National statistical offices
- Eurostat/ECMT/UNECE common questionnaire for transport statistics

# Concepts

Transport is inherently difficult to quantify consistently across modes and geographical regions. Unlike other sectors, such as agriculture or industry, transport involves movement from place to place, often across borders. We are therefore faced with fundamental questions about the most appropriate concept to use. Whereas movements on national territory may be appropriate for rail and inland waterways, they would not be appropriate for air and sea. Transport by these modes takes place largely outside national territory, especially in the case of the small countries in Europe, and origin-destination is the preferred concept. In the case of road transport, surveys are usually carried out at the enterprise level, introducing yet another concept.

In the interests of comparability between the EU and the United States and Japan, the traditional concepts of transport are used for all modes. It should be borne in mind, however, that this decision introduces certain distortions. For example, Luxembourg road hauliers carry out much of their work outside Luxembourg, thus inflating the real road transport activity relative to other countries.





- Volume of freight transport relative to GDP. Index of inland freight transport volume relative to GDP.

  Measured in tonne-km/GDP and indexed on 1995
- Volume of passenger transport relative to GDP. Index of inland passenger transport volume relative to GDP.

  Measured in passenger-km/GDP and indexed on 1995
- Modal split of passenger transport. Percentage share of car transport in total inland passenger transport, passenger-km





Business structures

Business sectors

Science and technology

Agriculture, forestry and fisheries

**Entrepreneurial activities** 

4

# Business structures at a glance

## The background for doing business

Eurostat draws a comprehensive picture of the structure of the European business world and thus of the framework for entrepreneurial activity. Its data on business structures show developments in specific activities as well as structural changes of the economy as a whole. Without this information, short-term data on the economic cycle would lack background and be hard to interpret. Enterprises that want to determine their opportunities in a new market or put their performance into perspective use these data, as do business associations, trade unions, market researchers, administrators and politicians.

If you would like more detailed information on the topics presented below, please contact your Eurostat Data Shop. The addresses of the Data Shops can be found at the end of the yearbook.

#### Production and labour

Structural business statistics describe the economy by observing the activity of units engaged in an economic activity. They answer questions like: How much wealth is created in an activity? How many workforces are needed to create this wealth? How is this activity developing? Is this activity participating in the growth of the economy? Are investments made in this activity?

Principally, the structural information presented in the Eurostat yearbook relates to production or to employment. Among a number of variables describing the input and output sides of business activity, a selection of basic indicators is presented.

- **Turnover** corresponds to the total of all sales (excluding VAT) of goods and services carried out by the enterprises of a sector during the reference year.
- Gross value added at factor cost corresponds to the difference between the value of what is produced and intermediate consumption entering the production, corrected for subsidies on production and costs, and assimilated taxes and levies. It can be interpreted as the wealth created by the enterprises of a sector and which is used to remunerate the production factors (capital in the form of the gross operating surplus, and labour in the form of the personnel costs).
- **Personnel costs** are defined as the total amounts paid by the enterprises of a sector to remunerate the work of the enterprises' employees during the reference year. They cover wages and salaries and the social contributions paid by the employers.
- The number of **persons employed** is defined as the total number of persons who work for the enterprises of the sector, whether or not they are paid. This total, however, excludes borrowed staff and agency workers.

#### The SBS database

The data are taken from the SBS database, Eurostat's reference database on structural business statistics (SBS). It presents the data in absolute values and in the form of some basic ratios that make it possible, for example, to compare levels between countries or to calculate the share of an industry in a total.

## A harmonised legal framework

The Council regulation on structural business statistics provides a harmonised legal framework for the annual collection of structural data from businesses in the European Union. It defines the nomenclatures (NACE Rev. 1, NUTS) and the statistical units to be used, the coverage (without size threshold), the common deadlines and the quality criteria to be fulfilled.





#### Business structures at a glance

The regulation covers all market activities (excluding agriculture) normally included in the industry, construction, distributive trades and service sectors (Sections C to K of NACE Rev. 1). In the SBS domain of NewCronos, a much higher level of detail is available than in the Eurostat yearbook.

Data collection is carried out by the national statistical institutes, and the aggregated data are transmitted to Eurostat, which calculates the European totals. EU totals (levels) are only calculated when all countries' data are available and their comparability assessed.

For the reference year 1998, EU totals cannot be calculated for all enterprises because, depending on the activity, the data from two or more countries are missing. This is due to the fact that the SBS regulation is still in a transition period during which Member States are granted derogations that make it easier for them to adapt their system to the harmonised requirements. The year 1999 is the first reference year for which all countries have to comply with the regulation, and thus for which a consistent EU data set is available.

#### **Further reading:**

## **Eurostat publications**

— Monthly panorama of European business — Annual subscription

## Statistics in Focus — Theme 4

- No 17 SME Regio High density of SMEs in southern Europe
- No 20 Foreign-owned enterprises

- Ask your Data Shop
- http://www.europa.eu.int/comm/eurostat
- Eurostat's data serves the political discussion in Europe. Have a look at the website of the "Enterprise Directorate-General": http://europa.eu.int/comm/dgs/enterprise/index\_en.htm





#### Business structures at a glance

- Turnover of mining and quarrying. Million EUR
- Turnover of manufacturing. Million EUR
- Turnover of electricity, gas and water supply. Million EUR
- Turnover of construction. Million EUR
- Turnover of wholesale and retail trade; repair of motor vehicles, motorcycles and personal and household goods. Million EUR
- Turnover of hotels and restaurants. Million EUR
- Turnover of transport, storage and communication. Million EUR
- Turnover of real estate, renting and business activities. Million EUR
- Value added at factor cost of mining and quarrying. Million EUR
- Value added at factor cost of manufacturing. Million EUR
- Value added at factor cost of electricity, gas and water supply. Million EUR
- Value added at factor cost of construction. Million EUR
- Value added at factor cost of wholesale and retail trade; repair of motor vehicles, motorcycles and personal and household goods. Million EUR
- Value added at factor cost of hotels and restaurants. Million EUR
- Value added at factor cost of transport, storage and communication. Million EUR
- Value added at factor cost of real estate, renting and business activities. Million EUR
- Personnel costs of mining and quarrying. Million EUR
- Personnel costs of manufacturing. Million EUR
- Personnel costs of electricity, gas and water supply. Million EUR
- Personnel costs of construction. Million EUR
- Personnel costs of wholesale and retail trade; repair of motor vehicles, motorcycles and personal and household goods. Million EUR
- Personnel costs of hotels and restaurants. Million EUR
- Personnel costs of transport, storage and communication. Million EUR
- Personnel costs of real estate, renting and business activities. Million EUR.
- Number of persons employed in mining and quarrying
- Number of persons employed in manufacturing
- Number of persons employed in electricity, gas and water supply
- Number of persons employed in construction
- Number of persons employed in wholesale and retail trade; repair of motor vehicles, motorcycles and personal and household goods
- Number of persons employed in hotels and restaurants
- Number of persons employed in transport, storage and communication
- Number of persons employed in real estate, renting and business activities





# **Industry and construction**

# Statistics on industry and construction: a long tradition of rich and high-quality data

In the Eurostat yearbook, several indicators are presented.

- Labour productivity: this aims at measuring the amount of wealth created within an industry by a given amount of labour. Apparent labour productivity relates value added at factor costs to the number of persons employed. It stands at rather different levels, depending on the activity: it is highest in the capital-intensive chemical industry and lowest in the labour-intensive textile industry.
- **Production index for industry:** after a general increase over the last seven years, culminating in an annual growth rate of 5.0 % in 2000, the production index for industry showed a slight slowdown for EU-15 in 2001, following the negative trend in the United States and Japan.
- Employment index in industry: in the European Union, the industrial sector (total industry without construction) shows a gradual decrease in employment and a consequent decrease in the number of hours worked.
- **Producer prices index:** the significant increase in the producer prices index recorded in 2000 (+ 4.9 %), mostly due to the impact of the drastic rise in energy prices, continued in 2001 (+ 1.9 %).
- The share of the gross operating surplus in value added: value added is used to remunerate the production factors: capital in the form of the gross operating surplus (GOS), and labour in the form of the personnel costs. The relative share of the GOS varies greatly from sector to sector. It is close to 45 % in the chemical industry, and less than 30 % in labour-intensive industries such as the textile industry. The more capital-intensive the industry, the higher the ratio share of gross operating surplus in value added.
- Value added in production: this relates the value added to the value of production. It is an indicator of the degree of integration of a sector's enterprises: a high ratio for one particular sector reflects a production process there that comprises an important share of total transformation of the products. This ratio is very stable over time but varies greatly from one activity to another.
- The share of research and development expenditures in total turnover: this indicates the efforts made by the industry towards innovation and technological progress. High-technology industries (by definition, those industries with significant research and development expenditures) grow much faster than other industries in Europe.
- **Recent developments in construction:** after having steadily increased since 1997, the production index in construction stagnated for EU-15 in 2001.





## Industry and construction

- Production, total industry (excluding construction). Growth rates. %. Working days adjusted
- EU-15 and euro-zone production indices, total industry (excluding construction)
- Industrial production index: main industrial groupings, trend series. 1995 = 100
- Industrial production index: main industrial groupings, trend series. 1995 = 100
- Industrial production index: main industrial groupings, trend series. 1995 = 100
- Industrial production index, main industrial groupings, trend series. 1995 = 100
- Industrial production index: main industrial groupings, trend series. 1995 = 100
- Industrial production index: main industrial groupings, trend series. 1995 = 100
- Industrial production index: main industrial groupings, trend series. 1995 = 100
- Industrial production index: main industrial groupings, trend series. 1995 = 100
- Industrial production index: main industrial groupings, trend series. 1995 = 100
- Industrial production index: main industrial groupings, trend series. 1995 = 100
- Industrial production index: main industrial groupings, trend series. 1995 = 100
- Industrial production index: main industrial groupings, trend series. 1995 = 100
- Industrial production index: main industrial groupings, trend series. 1995 = 100
- Industrial production index: main industrial groupings, trend series. 1995 = 100
- Industrial production index: main industrial groupings, trend series. 1995 = 100
- Industrial production index: main industrial groupings, trend series. 1995 = 100
- Share of value added in production. %. EU-15 estimates 1999
- Share of gross operating surplus in value added. %. EU-15 estimates 1999
- Employment, total industry (excluding construction). Year on year growth rates. Gross. %
- Employment index in EU-15, seasonally adjusted. 1995 = 100
- Hours worked index for total industry (excluding construction). Year on year growth rates. Gross
- Wages and salaries index for total industry (excluding construction). Year on year growth rates. Gross
- Industrial producer prices for the main industrial groupings in EU-15. Gross. 1995 = 100
- Producer prices, total industry (excluding construction). Year on year growth rates. Gross
- EU-15 production indices for construction, seasonally adjusted. 1995 = 100
- Employment index for construction. Growth rates. %. Gross
- Building permits: dwellings authorised by 1 000 inhabitants
- Evolution of labour productivity. 1 000 ECU/EUR. EU-15 estimates 1992-2001





# Distributive trades

#### Volume of sales in retail trade

Showing a positive economic climate, the volume of sales in retail trade has accelerated constantly from 1996 onwards; the annual growth for EU-15 attained a 2.2 % increase in 2001. At the individual level and since 1998, practically all Member States for which data are available, with the exception of Italy and Austria, have recorded a positive growth.

In 2001, growth was particularly strong in household goods.

#### Structural as well as short-term data

Since 1995, structural business statistics have been collected in the area of distributive trades according to the SBS regulation's harmonised framework. Short-term indicators have been collected at EU level in this area since reference year 1998.

One of the basic sets of information provided by structural business statistics is on the relative size of industries. This size is measured here in terms of both turnover and employment. The share of employment indicates which industries provide the most jobs.

While retail trade provides more than half of the jobs in distributive trades, it accounts for slightly less than one third of turnover. This shows that the turnover per capita is lower in retail trade than in distributive trades in general. The opposite situation is found in the highly concentrated productive activity of wholesale trade.

In all EU countries, the retail sale of food products constitutes a large share of total retail trade activities both in terms of total sales (turnover) and in terms of number of persons employed. This share ranges from approximately one third in Denmark, Austria and Portugal to close to one half in France and Ireland.

The retail sale of food is carried out either in specialised or non-specialised stores. In the EU as a whole, more than 80 % of food products are sold in non-specialised stores such as supermarkets. This turnover share is lowest in Spain (around 60 %) and highest in Finland (more than 90 %).

#### **Further reading:**

## **Eurostat publications**

- Monthly panorama of European business
- Business in Europe Statistical pocketbook
- Economic portrait of the European Union 2002

## Statistics in Focus — Theme 4

- No 19 Latest developments for the production index of total industry (excluding construction)
- No 20 Developments for construction in the fourth quarter of 2001
- No 22 Developments for output prices during the first quarter of 2002
- No 23 Developments for retail trade during the first quarter of 2002
- No 27 Developments for labour input indicators during the first quarter of 2002 Industrial employment down by 0.9% in the EU & euro-zone

- Ask your Data Shop
- http://www.europa.eu.int/comm/eurostat





## Distributive trades

- Retail trade, volume of sales in EU-15, seasonally adjusted. 1995 = 100
- Retail trade, volume of sales. Year on year growth rate, working days adjusted
- Breakdown of turnover in retail sale of food between specialised and non-specialised stores. %. 1999
- Share of motor, wholesale and retail trades in EU-15 total distributive trades in terms of turnover. %.
   2000 estimates
- Share of motor, wholesale and retail trades in EU-15 total distributive trades in terms of employment. %. 2000 estimates





# Services, including financial services

Structural business statistics cover market services activities in hotels and restaurants (NACE Rev. 1, Section H), transport, storage and communication (Section I), financial intermediation (Section J), and real estate, renting and business activities (Section K).

- The ratio of turnover to employment varies greatly from activity to activity. The EU-15 estimated average is lower than EUR 50 000 in labour-intensive activities such as industrial cleaning, labour recruitment, and hotels and restaurants, and reaches more than EUR 150 000 in renting activities and advertising.
- Unit labour costs relate personnel costs (including social charges) to the number of employees. They are lowest in activities employing less qualified personnel (such as industrial cleaning) and highest in activities employing highly qualified personnel (such as computer-related activities).

**Transport services** (covered by Divisions 60 to 63 of NACE Rev. 1) include activities related to providing passenger or freight transport, whether scheduled or not, by rail, pipeline, road, water or air as well as supporting activities and renting of transport equipment with driver or operator.

In EU-15 as a whole, freight transport by road is the largest transport activity with close to 45 % of the turnover in the sector, ahead of air transport (around 20 %) and water, railways and other land passenger transport (slightly more than 10 % each). However, the situation varies greatly from country to country.

In the EU, unit personnel costs are highest in air and rail transport (that employ highly qualified personnel) and lowest in road and other land transport.

**Financial services:** in the framework of structural business statistics, Eurostat also collects data on credit institutions, insurance services and pension funds. Detailed data on profit and loss accounts, balance-sheet items, geographical breakdowns and insurance products are available. The tables containing figures for the balance-sheet total of credit institutions and insurance services as well as the table on the total investments of pension funds give an idea of the relative importance of these institutions.





## Services, including financial services

- Turnover per persons employed in services. 1 000 ECU. EU-15 estimates. 1999
- Personnel cost per person employed in services. 1 000 ECU. EU-15 estimates. 1999
- Personnel cost per person employed in transport activities. 1 000 ECU. EU-15 estimates. 1999
- Breakdown of turnover in rail, road, water and air transport. %. EU-15 estimates. 1999
- Credit institutions: balance-sheet total. Million EUR
- Credit institutions: Number of enterprises. Units
- Credit institutions: number of persons employed. Units
- Credit institutions: interest receivable and similar income. Million EUR
- Credit institutions: interest payable and similar charges. Million EUR
- Insurance: balance-sheet total for all insurance enterprises. Million EUR
- Insurance: number of life insurance enterprises. Units
- Insurance: Number of non-life insurance enterprises. Units
- Insurance: number of composite insurance enterprises. Units
- Insurance: number of specialist reinsurance enterprises. Units
- Insurance: number of persons employed in life insurance enterprises. Units
- Insurance: number of persons employed in non-life insurance enterprises. Units
- Insurance: number of persons employed in composite insurance enterprises. Units
- Insurance: number of persons employed in specialist reinsurance enterprises. Units
- Insurance: gross premiums written by life insurance enterprises. Million EUR
- Insurance: gross premiums written by non-life insurance enterprises. Million EUR
- Insurance: gross premiums written by composite insurance enterprises. Million EUR
- Insurance: gross premiums written by specialist reinsurance enterprises. Million EUR
- Insurance: gross claims payments by life insurance enterprises. Million EUR
- Insurance: gross claims payments by non-life insurance enterprises. Million EUR
- Insurance: gross claims payments by composite insurance enterprises. Million EUR
- Insurance: gross claims payments by specialist reinsurance enterprises. Million EUR
- Pension funds: total investments. Million EUR
- Pension funds: number of members. Units
- Pension funds: total pension contributions. Million EUR
- Pension funds: total expenditure on pensions. Million EUR





## A short trip from the past to the future

'Victory is the beautiful bright coloured flower. Transport is the stem without which it could never have blossomed' (Sir Winston Churchill).

The quotation equally characterises the success achieved in increasing the standard of living in Europe and one of the major reasons behind this success: transport.

At the beginning of the 20th century, goods transport in Europe was dominated by waterways and railways. The railway network was larger then than it is today — which is impressive considering that the first railway was not opened until 1822. For passenger transport, water and rail were also predominant for long journeys, whereas, for short journeys, walking and horse transport were predominant.

During the last 100 years, the shares between the modes of transport have changed and the volumes have increased tremendously. Waterways and railways still play an important role, accounting for roughly 15 % of all tonnage transported, but the dominating mode of transport today is definitely road transport with its flexibility and individualism. There has been nearly a threefold increase since 1970 in road transport, while rail transport has declined by a quarter.

Today, about 80 % of all tonnage transported (about 45 % of all tonne-kilometres) and of all passenger-kilometres are by road. A passenger-kilometre represents the movement of a passenger over 1 kilometre, and a tonne-kilometre represents the movement of 1 tonne of goods over 1 kilometre. These indicators give a concept of the actual performance of transport.

In addition, the number of passenger cars has increased to more than 170 million. The disadvantage of this is there are more road accidents: even though fatalities are decreasing, around 40 000 people are still killed each year in the EU. Air transport is also increasing fast, and today more passenger-kilometres are by air than by rail.

It remains to be seen how environmental and safety issues will change the transport market in the future. The European Commission objectives for transport in the coming years can be found in the Directorate-General for Energy and Transport's White Paper 'European transport policy for 2010: Time to decide' (available online at http://europa.eu.int/comm/energy\_transport/en/lb\_en.html).

# Transport statistics: spotting the movement

Eurostat's transport statistics describe the most important features of transport in the European Union not only in terms of the quantities of freight and passengers moved and the vehicles and infrastructure used, but also as part of the economy. Transport is not only a necessary support to personal life and economic activity, but also a major service industry: almost 5 million people are directly employed in the transport sector, which represents 4 % of the total EU workforce.

The data collection for this publication as well as for the other Eurostat publications on transport is supported by several legal acts obliging the Member States to report statistical data. In addition to this, there are voluntary agreements to supply additional data. In some cases, outside sources are used.

Eurostat provides information on:

- transport infrastructure;
- transport equipment;
- enterprises and employment in transport;
- passenger transport;





- transport of goods;
- energy consumption and emissions by transport;
- transport safety.

For more information on transport than is presented in the Eurostat yearbook, please contact your Eurostat Data Shop. The addresses of the Data Shops can be found at the end of the yearbook.

You might also have a look at the publications *Panorama of transport* and *EU energy and transport in figures*, available online (http://europa.eu.int/comm/energy\_transport/etif/index.html), or the CARE, Community road accident database, available online (http://europa.eu.int/comm/transport/home/care/index\_en.htm).

# **Further reading:**

#### **Eurostat publications**

- Panorama of transport
- International transport by air (intra- and extra-EU): 1999 data
- Road freight transport at regional level in the European Union
- Glossary for transport statistics Second edition

#### Statistics in Focus — Theme 7

- No 1 Air transport: Passenger traffic 1993–1998
- No 2 EEA passenger transport by rail 1990–1998 Some countries: huge increase Some countries: large decrease
- No 4 Road freight cabotage 1991-1999
- No 5 Maritime goods transport 1990–1997
- No 6 International air transport Passenger traffic 1998–1999
- No 1 Maritime transport of goods and passengers 1997–1999
- No 2 Trends in road freight transport 1990-1999

- Ask your Data Shop
- http://www.europa.eu.int/comm/eurostat
- Eurostat's data serves the political discussion in Europe. Have a look at the website of the "DG Energy and Transport": http://europa.eu.int/comm/dgs/energy\_transport/index\_en.html





- Transport growth. EU-15. 1990 = 100
- Total inland transport per mode: EEA and Switzerland
- Total length of motorways in km
- Total length of railway lines in km
- Passenger cars per 1 000 inhabitants
- Goods transport by road. Million tonne-km
- Goods transport by rail. Million tonne-km
- Goods transport by inland waterways. Million tonne-km
- Goods transport by oil pipelines. Million tonne-km
- Sea transport of goods. Million t
- Inland goods transport. 1 000 million tonne-km. EEA and Switzerland. 2000
- Worldwide commercial space launches
- Air transport of goods. 1 000 t
- Air transport of passengers. Millions
- Passenger transport. 1 000 million passenger-km. EEA and Switzerland. 2000
- Passenger car transport. Million passenger-km
- Bus transport of passengers. Million passenger-km
- Rail transport of passengers. Million passenger-km





# **Tourism**

### Up and away

The definition of tourism is 'the activities of persons travelling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business and other purposes'. Tourism can be measured following a demand-side or a supply-side approach.

#### **Demand for tourism services**

Tourism demand can be measured from different aspects.

- The number of tourists signifies visitors who stay at least one night in a collective or private accommodation in the place/country visited.
- The number of tourism trips means overnight trips made by tourists.
- There are two main reasons to travel: business or professional reasons on the one hand, holidays, recreation or leisure on the other. The latter also include visits to friends and relatives.
- The principal mode of transport used is the means of transport used for the longest part of the trip.
- Tourism expenditure for tourist trips is the total consumption expenditure made by a visitor or on behalf of a visitor for and during his/her trip and stay at his/her destination. Tourism expenditure encompasses a wide variety of items, ranging from the purchase of consumer goods and services inherent in travel and stays to the purchase of small durable goods for personal use.

# Supply of tourism services

Tourist accommodation, i.e. the supply of tourism services, is measured by:

- the number of establishments that offer tourist accommodation; and
- the number of bed places in the establishments. This represents the number of people who can stay overnight in permanent beds, discounting any extra beds set up at the customers' request. The term 'bed place' applies to a single bed; a double bed is counted as two bed places.

Demand for accommodation by tourists includes all types of accommodation: hotels and similar establishments; camping sites; holiday dwellings; youth hostels and other collective accommodation.

Data from 1996 onwards are harmonised and comparable in the frame of Council Directive 95/57/EC on tourism statistics. Data before 1996 are not fully comparable between countries because the statistical unit (local unit or enterprise) and coverage vary. Trends, however, can be compared.

#### **Further reading:**

#### **Eurostat publications**

- Methodological manual on the design and implementation of surveys on inbound tourism
- Tourism Europe, central European countries, Mediterranean countries (MED)
- Yearbook on tourism statistics

## Statistics in Focus — Theme 4

- No 14 Dynamic regional tourism
- No 15 How Europeans go on holiday

- -Ask your Data Shop
- http://www.europa.eu.int/comm/eurostat





## **Tourism**

- Tourist accommodation: hotels and similar establishments
- Tourist accommodation: other collective accommodation establishments
- Tourist accommodation: number of bed places in hotels and similar establishments
- Number of bed places in other collective accommodation establishments
- Nights spent by residents in hotels and similar establishments
- Nights spent by non-residents in hotels and similar establishments
- Nights spent by residents in other collective accommodation establishments
- Nights spent by non-residents in other collective accommodation establishments
- Number of tourists
- Number of trips
- Arrivals of residents in hotels and similar establishments
- Arrivals of non-residents in hotels and similar establishments
- Arrivals of residents in other collective accommodation establishments
- Arrivals of non-residents in other collective accommodation establishments





# **Energy**

#### Powering everyday life

Energy is the 'force' behind industry, transport and heating. There is hardly an aspect of daily life which is not in one way or another accompanied by the use of energy. Energy shortages and fluctuations of its price have repercussions in the whole economy. How we use energy has a significant impact on the state of the environment. For these reasons, energy policy is one of the priorities of the European Union.

The major challenges with which the EU is confronted in the energy field are:

- the significant dependence on outside supplies, as the European Union is producing only about half of the energy it consumes (security of supplies);
- the growing need to ensure competitive energy prices in the context of the globalisation of economies, notably by means of liberalisation of the electricity and gas markets and the development of the trans-European energy networks (liberalisation of network industries);
- the pressing need to make the energy sector more compatible with environmental objectives, particularly in the light of the commitments made by the European Union under the Kyoto Protocol (climate change).

## **Energy monitoring**

In order to meet the increasing requirements of energy monitoring and to quantify the components that are influencing energy policies, Eurostat has developed a coherent and harmonised system of energy statistics.

The Eurostat yearbook presents a representative selection of tables and graphs that give an insight into the broad spectrum of energy statistics.

Some of the basic items presented are as follows.

— Production of primary energy which comprises energy extracted from natural sources: coal, lignite, crude oil and natural gas. Renewable energies (hydro, biomass, geothermal, wind and solar energy) as well as nuclear energy are also considered primary energy sources. Nuclear energy is accounted for as the heat released during fission of uranium in a nuclear reactor.

Nuclear energy and natural gas represent the main energy sources in Europe, followed by crude oil. Solid fuels, despite the continued decline in their production, still account for about one sixth of EU primary energy production. The increase of the share of renewable energy sources in the EU energy balance is one of the main objectives of Community energy policy.

— Gross inland consumption is defined as primary production plus imports, recovered products and change in stocks, less exports and fuel supply to maritime bunkers (for seagoing ships of all flags). It therefore reflects the energy necessary to satisfy inland consumption within the limits of national territory.

The biggest share by far in total gross inland consumption is that of oil, followed by natural gas and nuclear energy.

- Energy intensity is defined as the ratio between gross inland consumption and GDP in kgoe/EUR
   1 000.
- **Final energy consumption** includes all energy delivered to final consumers (in the transport, industry and other sectors), net of transformation and network losses. It also excludes consumption for non-energy purposes such as feedstocks in the petrochemical industry. Final use of petroleum products involves only refined products (e.g. motor spirit, gas oil, domestic fuel, kerosene and jet fuels). Final use of gas is mainly in the form of natural gas.





— Gas and electricity prices have been collected since 1991 on the basis of standard consumers and locations defined by Council Directive 90/377/EEC on Community procedure to improve the transparency of gas and electricity prices charged to industrial end-users.

Gas and electricity prices paid by domestic consumers are collected on the basis of a definition of standard consumers and locations. Final consumption of households varies greatly from country to country according to climatic conditions and standard of living.

## **Further reading:**

#### **Eurostat publications**

- Energy prices Data 1990-2001
- Electricity prices Data 1990-2001
- Gas prices Data 1990–2001
- Energy balance sheets 1998–1999

#### Statistics in Focus — Theme 8

- No 1 Statistical aspects of the energy economy in 2000
- No 18 Unavailability of nuclear power stations, 1996–2000
- No 19 The European Union coal industry in 2000
- No 20 Statistical aspects of the oil economy in 2000
- No 21 Hard coal and coke imports 1998-2000
- No 22 Gas prices for EU households on 1 July 2001
- No 23 Gas prices for EU industry on 1 July 2001
- No 24 Electricity prices for EU households on 1 July 2001
- No 25 Electricity prices for EU industry on 1 July 2001

- Ask your Data Shop
- http://www.europa.eu.int/comm/eurostat
- Eurostat's data serves the political discussion in Europe. Have a look at the website of the "DG Energy and Transport": http://europa.eu.int/comm/dgs/energy\_transport/index\_en.html





- Total production of primary energy. 1 000 toe
- Production of coal and lignite. 1 000 toe
- Production of crude oil. 1 000 toe
- Production of natural gas. 1 000 toe
- Primary production of nuclear energy. 1 000 toe
- Production of renewable energy. 1 000 toe
- Renewable energy primary production: biomass, hydro, geothermal, wind and solar energy. 1 000 toe. EU-15
- Net imports of primary energy. 1 000 toe
- Net imports of crude oil and petroleum products. 1 000 toe
- Net imports of natural gas. 1 000 toe
- Gross inland consumption of primary energy. 1 000 toe
- **I** Energy intensity: gross inland consumption per unit of GDP in 1995 prices. kgoe per EUR 1 000
  - Total gross electricity generation. GWh. EU-15. Euro zone
- ✓I Market share of the largest generator in the electricity market as % of total generation
  - Electricity generation by origin: hard coal. GWh
  - Electricity generation by origin: petroleum products. GWh
  - Electricity generation by origin: natural gas. GWh
  - Electricity generation by origin: nuclear. GWh
  - Electricity generation by origin: hydroelectricity. GWh
  - Electricity generation by origin: wind. GWh
  - Consumption of electricity by industry, transport activities and households. GWh. EU-15  $\,$
- Share of renewables. Contribution of electricity from renewables to total electricity consumption
  - Final energy consumption. 1 000 toe
  - Final energy consumption of petroleum products. 1 000 toe
  - Final energy consumption of electricity. 1 000 toe
  - Final energy consumption of natural gas. 1 000 toe
  - Final energy consumption by industry. 1 000 toe
  - Final energy consumption by transport. 1 000 toe
  - Final energy consumption by households, trades, services, etc. 1 000 toe
  - Prices of premium unleaded gasoline 95 RON. EUR per 1 000 litres. January 2002
  - Prices of diesel oil. EUR per 1 000 litres. January 2002
  - Natural gas prices for large industrial standard consumers (418 600 GJ per year). EUR per GJ. 1 January 2002
  - Electricity prices for large industrial standard consumers (24 GWh per year). EUR per kWh. 1 January 2002
- Natural gas prices for industrial standard consumers: (41 860 GJ per year). EUR per GJ. 1 January 2002
- Electricity prices for industrial standard consumers: (2 GWh per year). EUR per KWh. 1 January 2002
- ✓ I Natural gas prices for domestic standard consumers: (83.70 GJ per year). EUR per GJ. 1 January 2002
- Z
   I Electricity prices for domestic standard consumers: (3 500 kWH per year). EUR per 100 kWh. 1 January 2002





## **Steel**

### A modern reporting system with a long tradition

Monitoring the production of iron, steel and steel products has a long tradition. In fact, it was there at the start of the European integration that began, in 1951, with the foundation of the European Coal and Steel Community. The ECSC Treaty was the first European Community Treaty ever ratified. Instigated for a period of 50 years, the Treaty expired on 23 July 2002.

Over that time, the production of steel as well as the steel products themselves have evolved considerably, and with it the statistical reporting system. This industry continues to be an important one, with a modern statistical reporting system.

#### Production of iron and steel

The steel industry encompasses all stages of production from raw material processing to finished steel products. There are two main ways of making steel: via pig iron made in blast furnaces from iron ore and other raw materials (57 % of EU-15 crude steel production in 2001); and by recycling steel scrap in electric furnaces.

Most finished products are made by hot rolling. The two main primary product classes are long products, such as rod and wire (39 % of EU-15 hot-rolled production in 2001), and flat products, such as sheet and plate (61 % of EU-15 hot-rolled production in 2001). There are various qualities of steel (ordinary, special and alloy) and nowadays a growing proportion of finished products is coated.

#### Trends ...

Between the mid-1970s and 1987, the steel industry in industrialised countries suffered serious set-backs. Restructuring after 1980 led to significant productivity gains by reducing capacity and cutting the labour force. Cyclical changes during the next decade resulted in a major recovery culminating in the record year 2000 with EU crude steel production of over 163 million tonnes; this figure went down slightly to 158 million tonnes in 2001. Hot-rolled production was 141 million tonnes in 2001.

### ... and trade

The EU is the world's largest steel producer, followed by China, Japan and the United States. It is also the largest steel exporter. Major markets for EU steel are North America, Asia (including Japan) and the EFTA countries. The collapse of domestic demand in eastern Europe in the early 1990s led to falling exports and rising imports. There was also intense competition from the region in third markets. The downturn in the Asian economies starting in the second half of 1997 directly and indirectly affected the EU trade balance in steel products, with the result that, for the first time, the EU became a net importer of steel products in 1998. This deficit continued in 1999, 2000 and 2001.

#### **Further reading:**

#### **Eurostat publications**

- Iron and steel Monthly statistics Annual subscription 2002
- 50 years of the ECSC Treaty Coal and Steel Statistics

- Ask your Data Shop
- http://www.europa.eu.int/comm/eurostat
- Eurostat's data serves the political discussion in Europe. Have a look at the website of the "DG Energy and Transport": http://europa.eu.int/comm/dgs/energy\_transport/index\_en.html





- Production of crude steel. 1 000 t
- Production of hot-rolled steel products. 1 000 t
- World production of pig iron. Million t. 1996 and 2001
- World production of crude steel. Million t. 1996 and 2001
- Imports of ECSC steel by country of origin as % of EU total imports
- Exports of ECSC steel by country of destination as % of EU total exports
- Exports of ECSC steel to third countries, of which plate and sheet and coils. Million t
- Imports of ECSC steel from third countries, of which plate and sheet and coils. Million t





# Research and development

### Research and development: an engine of growth

Research and development (R & D) is a driving force behind economic growth, job creation, innovation of new products and increasing quality of products in general, as well as improvements in healthcare and environmental protection. At the Lisbon Summit in March 2000, the European Council set a clear strategic objective for Europe in the next decade: to make the EU the most competitive and dynamic knowledge-based economy in the world.

Eurostat supports this ambitious goal with its reliable and relevant statistical information on R & D and innovation as well as on science and technology. Eurostat calculates a number of indicators and provides data for deeper analytical studies. Most indicators are calculated annually and are available at national and regional level (for most of the countries at NUTS 2 level). Depending on the indicator, data are available not only for the Member States of the European Union but also for other members of the European Economic Area, candidate countries, Japan or the United States. For more information, ask your Data Shop for the publications *Statistics on science and technology in Europe* and *Statistics on innovation in Europe*. The addresses of the Data Shops can be found at the end of the yearbook.

## Inputs into R & D

Data on R & D expenditure and personnel as well as on government budget appropriations or outlays for research and development (GBAORD) are mainly collected every year from the national statistical offices.

R & D expenditure is a 'priority indicator' for the effort devoted to R & D. The basic measure is 'intramural expenditures', i.e. all expenditures for R & D performed within a statistical unit or sector of the economy, whatever the source of funds. Among the several indicators available, R & D intensity (i.e. R & D expenditure as a percentage of GDP) is the most recommended for international comparisons and is very significant for comparing the countries' R & D efforts.

R & D intensity for EU-15 showed a decreasing trend during the 1990s, but it stabilised towards the end of the decade at about 1.9 %. When compared with the United States (2.6 %) and Japan (3 %), the EU lags behind, but this is mainly due to the differences observed in the business enterprise sector. Within the EU, R & D intensity is highest in Finland and Sweden, which outperform countries with the highest R & D expenditure in terms of volume (Germany, France and the United Kingdom).

In terms of human resources, data on scientific and technical R & D personnel provide indicators for useful international comparisons of resources devoted to R & D. For statistical purposes, indicators on R & D personnel are compiled in terms of persons, i.e. head count (HC), in full-time equivalent (FTE) or person-years and by gender. At the EU level, R & D personnel in HC as a proportion of the labour force has seen a modest increase over the last decade, with the Nordic countries taking the lead.

GBAORD are the amount governments allocate towards R & D activities. Comparisons of GBAORD across countries give an impression of the relative importance attached to State-funded R & D. GBAORD statistics complement the ex post figures on 'government-financed' gross expenditure on research and development (GERD) and, when broken down by socioeconomic objective, underline the domains governments believe to be important for current and future policy action. When measured as a proportion of GDP, Japan has caught up with both the EU and the United States to a significant degree since the end of the 1980s. Data show that the efforts made by governments in R & D activities are clearly converging.





# Outputs of R & D

Patents reflect part of a country's inventive activity and show the country's capacity to exploit know-ledge and translate it into potential economic gains. In this context, indicators based on patent statistics are widely used as a measure of R & D output and serve to assess the inventive performance of the countries, regions or industries. Patent data published in the Eurostat yearbook are provided by the European Patent Office (EPO) and the United States Patent and Trademark Office (USPTO). The data from the EPO refer to patent applications filed under the European Patent Convention or under the Patent Cooperation Treaty and designating the EPO for protection. Although not all applications are granted, each one still represents technical effort by the inventor and so is regarded as an appropriate indicator of innovative potential. German regions have the highest patenting activities when measured relative to their labour force. Some regions of the Netherlands, Finland, Sweden Belgium and the United Kingdom are present in the top 15 leading regions. Finland and Sweden are leading in high-technology patenting and show a high specialisation in the communication technology field.

#### **Human resources**

The importance of high-technology sectors has increased considerably over the last few years and this has had a significant impact on the structure and organisation of employment in Europe. In order to permit analysis of knowledge- and technology-intensive sectors, Eurostat collects data on employment in high-technology and medium-high-technology manufacturing sectors, knowledge-intensive services (KIS), high-technology service sectors, other subsectors and reference sectors (for definitions, see glossary entry 'High-technology sectors'). Data on employment in high-technology and derived indicators are extracted and built up using data from the Community labour force survey (LFS). Data are available both at the national and regional levels. Within Europe, Germany's manufacturing sector shows high employment in high- and medium-high technology. In the service sector, UK regions appear to be the most dynamic regarding employment in KIS.

# **Further reading:**

### **Eurostat publications**

- Statistics on science and technology in Europe
- Statistics on innovation in Europe

#### Statistics in Focus — Theme 4

- No 3 R & D expenditure and personnel in Europe and its reg
- No 4 Patent activities in the EU: international, national and regional perspect
- No 5 How much do governments budget for R & D activities? Benchmarking Europe, the US and Japan





## Research and development

- Research and development expenditure as % of GDP, by institutional sectors. 2001
- **II** Total research and development expenditure as % of GDP. All sectors (GERD)
  - Total research and development expenditure. Million current PPS. All sectors
- **I** Business research and development expenditure as % of GDP. Business enterprise sector (BERD)
  - Research and development personnel (head count) as % of the labour force. All sectors
  - Research and development personnel (head count), by sectors of the economy as % of the labour force. 1999
  - Total researchers (head count)
  - Researchers in the business enterprise sector (head count)
  - Researchers in the government sector (head count)
  - Researchers in the higher education sector (head count)
  - Total researchers in full-time equivalent
  - Researchers in the business enterprise sector in full-time equivalent
  - Researchers in the government sector in full-time equivalent
  - Researchers in the higher education sector in full-time equivalent
  - Total women researchers (head count) as % of total researchers
  - Women researchers in the business enterprise sector (head count) as % of total researchers
  - Women researchers in the government sector (head count) as % of total researchers
  - Women researchers in the higher education sector (head count) as % of total researchers
  - Total women researchers in full-time equivalent as % of total researchers
  - Women researchers in the business enterprise sector in full-time equivalent as % of total researchers
  - Women researchers in the government sector in full-time equivalent as % of total researchers
  - Women researchers in the higher education sector in full-time equivalent as % of total researchers
  - Government research and development appropriations as % of GDP
  - Total government research and development appropriations (GBAORD) as % of GDP. Comparison of the EEA with the United States and Japan
  - Civil research and development and defence as % of total government research and development appropriations. 2000
  - Total European patent applications per country
- **21** Patents (EPO): number of European patent applications at the European Patent Organisation per million inhabitants
- Pl Patents (USPTO): number of US patents granted by the United States Patent and Trademark Office (USPTO) per million inhabitants
  - European high-technology patents per million inhabitants
  - Employment in high- and medium-high-technology manufacturing sectors as a share of total employment
  - Employment in knowledge-intensive service sectors as a share of total employment





# **Information society**

## The information society: an opportunity for Europe ...

Information technology is developing vigorously day by day. However, the information society, a society whose wealth and growth is based on its ability to handle information efficiently, is not only a technical phenomenon: it is transforming the way we communicate, the way we do business, and the way we live. The information society holds enormous potential and opportunities for Europe and all of its citizens.

## ... and a challenge for statisticians

Monitoring the rapid change powered by the Internet and other new means of information and communication is a challenge statisticians are well aware of. They rethink their statistical tools and how best to use them to satisfy the new demands for data concerning all aspects of the information society. They cooperate with the different kinds of data users to identify and mediate the new demands.

## The information society in the Eurostat yearbook

The Eurostat yearbook introduced a new section on the information society in its 2000 edition to present basic variables about the phenomenon, especially personal computers, Internet hosts, Internet users and mobile phones. If you would like more detailed information, please contact one of the Data Shops the addresses of which can be found at the end of the yearbook.

— Data on the number of personal computers (PCs) include PCs at home and PCs used at work. In spring 2000, 35 % of the EU population (15 years and older) had a desktop computer at home, while 29 % used such a computer at home. In all, 5 % of the population had a laptop computer and 3 % a palm computer at home.

In 2001, 26 million computers (of which 23 % portable and 77 % desktop) were sold in the EU. The number of personal computers in the EU, however, was estimated to have increased by only 8 million in the same year. The large number of old computers being dismantled reflects the technical progress and the growth of processing power of new computers.

 Internet hosts are computers connected to the Internet and providing data and services to other computers.

Automated host counts are in many statistics on a country level restricted to country code top-level domains (domain names like '.de', '.uk' or '.fr'). This is also the case for the figures which are shown in this section. Based on registrations, some statistics also attribute generic domain codes (examples are '.com' and '.org') to countries. This results in higher figures than the counting of the country code top-level domains only.

At the end of 2001, the number of Internet subscribers in the EU was about five times as high, and the number of users nine times as high, as the number of Internet hosts.

— Internet users: according to a *Eurobarometer* survey carried out in November 2001, 38 % of the EU population (15 years and older) or 120 million persons used the Internet. According to this survey, 69 % of users access the Internet at home (of which 98 % through a PC; 72 % accessed it via a normal telephone line, 16 % via an ISDN line, and about 15 % via a broadband connection) and 40 % access it at work.

In all, 41 % of Internet users go online every day, 83 % at least once a week and 92 % at least once a month. In many surveys carried out at a national level, using the Internet at least once a month is applied as a threshold for considering someone an Internet user.





## Information society

— Mobile phones were first introduced in Europe in the early 1980s. Constrained by weight and power requirements, they were at the beginning mainly confined to cars. As mobile phones became lighter, cheaper and technically more advanced, the market started to take off, especially in the second half of the 1990s.

However mobile phone penetration is now approaching saturation. While in the year 2000 the number of mobile phone subscribers in the EU increased by 59 %, growth slowed down to 15 % in 2001. As with main telephone lines, there has been a switch from analogue to digital technology: in 2001, the share of digital mobile phones approached 100 % of the EU market.

The statistics available refer to the number of cellular mobile telephone subscriptions; the number of mobile phone sets in use roughly corresponds to the number of subscriptions.

## **Further reading:**

### **Eurostat publications**

- Information society statistics - Pocketbook

### Statistics in Focus — Theme 4

- No 23 Information society statistics Rapid expansion of Internet and mobile phone usage in the European Union in 2000
- No 34 Information society statistics 4 million persons employed in the information and communication technology sector in the  ${\rm EU}$

- Ask your Data Shop
- http://www.europa.eu.int/comm/eurostat
- Eurostat's data serves the political discussion in Europe. Have a look at the website of the
  - $\hbox{``DG Information Society'': $http://europa.eu.int/comm/dgs/information\_society/index\_en.htm}\\$





# Information society

- Number of personal computers. 1 000s
- Personal computers per 100 inhabitants
- Personal computers per 100 inhabitants. 2001
- Number of Internet hosts. 1 000s
- Internet hosts per 100 inhabitants
- Internet hosts per 100 inhabitants
- Internet users per 100 inhabitants
- Number of Internet users. 1 000s
- Internet users per 100 inhabitants
- Number of mobile phone subscribers. 1 000s
- Mobile phone subscribers per 100 inhabitants
- Mobile phone subscribers per 100 inhabitants
- **I** Level of Internet access: households. Percentage of households who have Internet access at home
- **I** Level of Internet access: enterprises. Percentage of enterprises who have Internet access. 2001
- ✓I ICT expenditure: IT expenditure. Expenditure on information technology as % of GDP
- ICT expenditure: telecommunications expenditure. Expenditure on telecommunications technology as % of GDP
- Pl Price of telecommunications: local calls. Price level and evolution in the telecommunications market. EUR per 10 min call
- Price of telecommunications: national calls. Price level and evolution in the telecommunications market. EUR per 10 min call
- Price of telecommunications: calls to the United States. Price level and evolution in the telecommunications market. EUR per 10 min call
- I Market share of the incumbent in fixed telecommunications local calls as % of total market. 2001
- All Market share of the incumbent in fixed telecommunications long-distance calls as % of total market. 2000
- All Market share of the incumbent in fixed telecommunications international calls as % of total market. 2000
- Market share of the incumbent in mobile telecommunications as % of total market. 2001





# **Agriculture**

### Agricultural statistics have a long tradition

The common agricultural policy (CAP) has been one of the major policies of the European Union over the decades since the founding of the European Economic Community. Indeed, in 2002, the CAP absorbed about 47 % of the EU budget. An efficient use of these resources requires a rich system of EU agricultural statistics including those on farm structure and agricultural production as well as economic statistics.

Eurostat offers more detailed data on agriculture than are presented in the Eurostat yearbook. These can be taken from the respective domains of the NewCronos database: 'Eurofarm' for the farm structure survey, 'Zpa1' for the production of crop and animal products, 'Prag' for prices and price indices, and 'Cosa' for agricultural accounts. If you wish to benefit from these NewCronos domains, please ask one of the Eurostat Data Shops the addresses of which can be found at the end of the yearbook.

#### Farm structure survey

The farm structure survey, carried out about every two years throughout the EU, is devoted to measuring the size (both physical and economic) of holdings. The latest survey from which all figures are available was conducted in 2000. Between 1997 and 2000, the number of agricultural holdings in the EU decreased (-3.1 %) while the average size of holdings in utilised agricultural area (UAA) increased (+1.7 %).

The survey also yields information which allows farms to be classified on their type of production. The standard gross margin (SGM) allows different agricultural products to be measured on a common basis. It is basically the difference between the production value and certain costs of production. It is measured for each type of crop and animal production. Specialised farms generate more than two thirds of their SGM from the main categories of field crops, horticulture, permanent crops, grazing livestock or granivores (pigs and poultry). Non-specialised farms or mixed farms generate less than two thirds of their SGM from one of the main categories.

Farm labour is measured in two ways. According to the survey of the structure of agriculture, the labour force includes total employment in agricultural holdings, including work by the farmer and his family. According to the European system of integrated economic accounts (ESA), farm labour is employment in agricultural activities. Between 1997 and 2000, the volume of agricultural labour in annual work units (AWUs) for the EU declined (–9.8 %).

#### **Production**

Cereals are the main Community agricultural production in volume. Having achieved self-sufficiency, the EU exports a large part of its cereal harvest. From 1993, the reformed common agricultural policy has been bringing supply into line with demand, combining direct aids to cereal farmers with a compulsory set-aside scheme. The EU is the world's largest wine producer with more than one half of total world production. The main part of the production is consumed in Europe, although exchanges with other continents (particularly America and Asia) are increasing. In 2001, milk collection within the EU was nearly stable. In contrast, cheese production rose by 4.6 % from 1997 to 2001 confirming the change in consumer eating habits which are turning more to this type of product.

Since 1996, the overall trends in the meat markets in the European Union have been characterised by instability. In 1996, the first BSE crisis depressed the bovine sector. Gradually, consumer confidence returned and cattle production recovered. A second BSE crisis occurred in November 2000, followed





by a further recovery in 2002. Overall meat production in the EU in 1999 was 38 million tonnes, comprising pigmeat (46 %), poultry (24 %), beef and veal (19 %), sheepmeat and goatmeat (3 %), as well as other meat (8 %).

#### **Prices**

Producer price indices cover sales of crop and animal products (output) from agriculture to the rest of the economy. The share of crop and animal products in total agricultural sales differs between Member States. Purchase price indices cover purchases of means of agricultural production (input). Indices are calculated from farm-gate prices excluding VAT. The agricultural price indices may be deflated using the consumer price index. In 2001 relative to 2000, there was an increase ( $\pm$  2.2 %) in the deflated index of the prices of agricultural products; the deflated index of the prices of the means of agricultural production also rose ( $\pm$  1.1 %).

#### Economic accounts for agriculture

Under the new methodology of the economic accounts for agriculture (EAA 97), agricultural output comprises all (agricultural) output sold by agricultural units, held in stock on the farms, or used for further processing by agricultural producers. Furthermore, it includes the intra-unit consumption of crop products used in animal feed, as well as output accounted for by own-account production of fixed capital goods and own final consumption of agricultural units.

Gross value added at basic prices is calculated by deducting intermediate consumption from the output of the agricultural industry (which includes, besides agricultural output, the output of non-agricultural secondary activities which are inseparable from the principal agricultural activity). The agricultural income indicator A is defined as the index of the real income of factors in agriculture, per annual work unit. This indicator corresponds to the real net value added at factor cost of agriculture, per total annual work unit. Net value added at factor cost is calculated by subtracting from gross value added at basic prices the consumption of fixed capital, and adding the value of the (other) subsidies less taxes on production. Income from agricultural activity in the EU is estimated to have increased (+ 6.5 %) in 2001 relative to 2000.

### **Further reading:**

## **Eurostat publications**

- Agricultural prices Price indices and absolute prices
- Agriculture Statistical yearbook 2001

#### Statistics in Focus — Theme 5

- No 1 Agricultural price trends in the EU
- No 7 Agriculture in Europe: the spotlight on women
- No 8 Increase in EU-15 agricultural income in 2000 confirmed: +1.9 % in real terms
- No 10 Survey of bovine animals, November/December 2000

- Ask your Data Shop
- http://www.europa.eu.int/comm/eurostat
- Eurostat's data serves the political discussion in Europe. Have a look at the website of the "Agriculture Directorate-General": http://europa.eu.int/comm/dgs/agriculture/index en.htm





- Number of holdings. 1 000s

- Share of holdings with organic farming. 2000. %
- Number of holdings, agricultural area < 5 ha. 1 000s
- Number of holdings, agricultural area 5-<20 ha. 1 000s
- Number of holdings, agricultural area 20-<50 ha. 1 000s
- Number of holdings, agricultural area > = 50 ha. 1 000s
- Area under cereals. 1 000 ha
- Holdings with cereals. 1 000s
- Area under sugar beet. 1 000 ha
- Area under sunflower. 1 000 ha
- Area under glass. 1 000 ha
- Fallow land, 1 000 ha
- Vineyards. 1 000 ha
- Grassland. 1 000 ha
- Number of dairy cows. 1 000s
- Number of holdings with dairy cows. 1 000s
- Number of cattle. 1 000s
- Number of sheep. 1 000s
- Number of pigs. 1 000s
- Number of poultry. Millions
- Total labour force. 1 000 AWU
- Family labour force. 1 000 persons
- Full-time regular labour force. 1 000 persons
- Part-time regular labour force. 1 000 persons
- Holding managers. 1 000 persons
- Female managers. 1 000 persons
- Regular labour force. 1 000 persons
- Female regular labour force. 1 000 persons
- Holders being a natural person. 1 000 persons
- Holders < 35 years old. 1 000 persons
- Holders > = 65 years old. 1 000 persons
- Production of cereals. 1 000 t
- Cereal yields. 100 kg per ha. EU-15
- Production of wheat. 1 000 t
- Production of wine. 1 000 hl
- Production of tomatoes. 1 000 t
- Production of apples. 1 000 t
- Collection of cow's milk. 1 000 t
- Production of butter. 1 000 t
- Production of milk powder. 1 000 t
- Production of cheese. 1 000 t
- Production and utilisation of milk on the farm. Annual data. 1 000 t milk





- Meat production: gross indigenous production. 1 000 t
- Production of meat: pigs. 1 000 t

- Production of meat: poultry. 1 000 t
- Production of meat: cattle. 1 000 t
- Production of meat: sheep and goats. 1 000 t
- Producer price indices, nominal; total agricultural production. 1995 = 100
- Producer price indices, deflated; total agricultural production. 1995 = 100
- Producer price indices, nominal; crop products. 1995 = 100
- Producer price indices, deflated; crop products. 1995 = 100
- Producer price indices, nominal; animals and animal products. 1995 = 100
- Producer price indices, deflated; animals and animal products. 1995 = 100
- Purchase price indices, nominal; total means of agricultural production. 1995 = 100
- Purchase price indices, deflated; total means of agricultural production. 1995 = 100
- Crop output. Million ECU/EUR
- Animal output. Million ECU/EUR
- Gross value added at basic prices of the agricultural industry. Million ECU/EUR
- Indicator A of the income from agricultural activity. 1995 = 100
- Gross value added at basic prices of the forestry industry. Million ECU/EUR





## **Forestry**

## Different (statistical) views on forests

Forests have many benefits, two of them being their economic use and their worth to the environment.

Forests and wooded land cover more than 40 % of the EU's territory. This is approximately equal to the EU's agricultural area. However, the share of the gross value added contributed by forestry in the gross domestic product was just 0.17 % in 1997 (calculated for the Member States for which data were available). About 2 % of the EU's total value added was produced by the wood-based products and paper industries (excluding the furniture industry). Around 300 000 persons work in silviculture and approximately 1.7 million in the wood-based products and paper industries.

Not all the wooded area is used for wood production: some of it might serve for land protection; other parts might simply not be accessible for wood harvesting. Furthermore, wooded land cannot be harvested regularly every year: according to the forest's age class and density, it is only possible to harvest a certain amount of wood in a particular year. The cutting age for trees varies for different species and regions; the average is around 100 years.

## Global data on forests need further local analysis

Even though forests in the European Union vary widely (different structures of their biological and economic resources), the figures available are suitable especially for overall descriptions of the production and environmental aspects of forests. They might show problems that do not play a role at the local level. On the other hand, they might hide problems that could be essential from a regional viewpoint. An example is the evaluation of the potential (natural or man-made) damage to forests. Although the economic consequences of the damage may, for the moment, be of minor importance at the global level, the environmental consequences may be serious in the affected regions.

## Data on forestry come from different sources

The data on forests (e.g. structure, areas) are provided by the forest resources assessment (FRA) managed by the Food and Agriculture Organisation (FAO). To meet the requirements at the European level, the United Nations Economic Commission for Europe (UN/ECE) in Geneva manages a temperate and boreal forest resources assessment (TBFRA) which covers all the members of the UN/ECE, including all candidate countries. The Commission is involved in the preparation of this TBFRA

The data on wood and wood-based products come from the joint questionnaire managed by the Intersecretariat Working Group on the Forestry Sector including the FAO, UN/ECE, ITTO (International Tropical Timber Organisation) and Eurostat. Each organisation is fully responsible for the management of data of a group of countries (Eurostat for the data for EU and EFTA countries).

## **Further reading:**

#### **Eurostat publications**

— Economic accounts for agriculture and forestry and agricultural labour input statistics — 1973–2001 data

### Statistics in Focus — Theme 5

- No 9 Forestry: wood and wood-based products
- No 17 Forest and environment
- N° 01/2003 Agricultural statistics Quarterly bulletin





## Forestry

- Forest categories (TBFRA 2000)
- Total roundwood production. 1 000 m<sup>3</sup>
- Total sawnwood production. 1 000 m³
- Total paper and paperboard production. 1 000 t





## **Fisheries**

## Fisheries: a common policy for resources, production and markets

The common fisheries policy (CFP) is one of the major EU policies and comprises a number of elements including structural policy, market management policy and resource management policy.

Although in global economic terms fisheries are relatively unimportant (contributing less than 1 % to the GDP of EU Member States), regionally they can be of significant social and economic importance.

Furthermore, very few fishery resources can be managed on a local basis. The EU thus has a major role to play internationally both in the deliberations within international organisations and in negotiations with third countries.

#### A statistical telescope on fisheries

Eurostat's database on fishery statistics is designed to give statistical support to the various aspects of the common fisheries policy and includes data on the following topics:

- catches by fishing regions for all countries in the world;
- aquaculture production of all countries in the world;
- summary foreign trade in fishery products for all countries;
- supply balance sheets for fishery products;
- landings of fishery products in EEA countries;
- fishing fleet statistics for EEA countries;
- employment in the fisheries sector.

#### Standard concepts, definitions and formats

The data are derived from official national sources either directly by Eurostat for the EEA member countries or indirectly through other international organisations for other countries.

The data use internationally agreed concepts and definitions developed by the Coordinating Working Party on Fishery Statistics, comprising Eurostat and 12 other international organisations with responsibilities in fishery statistics.

## Profit from the advantages of Eurostat's fisheries database

With the use of the standard concepts, definitions and formats covering a wide range of fishery topics, Eurostat's fisheries database is among the most comprehensive and user-friendly available.

Your Eurostat Data Shop will help you to obtain more information from the fisheries database. The addresses of the Data Shops can be found at the end of the yearbook.

#### Some results

- The EEA catch of fishery products has remained relatively stable at between 9 and 12 million tonnes per year in the last decade, a reflection of the state of the limited resources and the strict management regimes for most of the fisheries.
- The major EEA fishing countries are Norway, Iceland and Denmark, with 25, 18 and 14 % of the total EEA catch in 2000.
- The north-east Atlantic is the major fishing region for EEA countries, contributing 87 % to the total in 2000, followed by the Mediterranean (5 %), the eastern central Atlantic (4 %) and the north-west Atlantic (1 %).





- EEA aquaculture production increased from 1.1 million tonnes in 1990 to 1.8 million tonnes in 2000. The main producing countries are Norway (Atlantic salmon), Spain and France (molluscs).
- The size of the EEA fishing fleet has remained relatively stable during the last few years and amounted to a total gross tonnage of over 2.5 million tonnes in 2001.

## **Further reading:**

#### **Eurostat publications**

- Fisheries Yearbook 2002
- European fisheries in figures

## Statistics in Focus — Theme 5

- No 18 EEA fisheries in the north-west atlantic
- No 19 Fisheries production, 1999
- No 20 EEA fishing fleet in 2000
- No 21 Mediterranean fisheries
- No 22 European aquaculture, 1999
- No 24 Catches in the NE Atlantic

## Do you need more information?

- Ask your Data Shop
- http://www.europa.eu.int/comm/eurostat
- Eurostat's data serves the political discussion in Europe. Have a look at the website of the "Fisheries Directorate-General": http://europa.eu.int/comm/dgs/fisheries/index\_en.htm





- Total aquaculture production. 1 000 t live weight
- Annual catches in all regions. 1 000 t live weight
- Annual catches in all regions as % of total world catches
- Annual catches in the north-east Atlantic. 1 000 t live weight
- Annual catches in the north-west Atlantic. 1 000 t live weight
- Annual catches in the eastern central Atlantic. 1 000 t live weight
- Annual catches in the Mediterranean. 1 000 t live weight
- Fishing fleet. Total power. kW

- Fishing fleet. Total tonnage. GT





## Agriculture and environment

## Agriculture and the environment: a multifaceted relationship

The relationship between agriculture and the environment is twofold. On the one hand, agriculture contributes to the protection of biodiversity and to the preservation and enrichment of the landscape. On the other hand, it can affect the environment by intensive use of fertilisers or overuse of pesticides. Intensive animal husbandry produces emissions of methane and ammonia. Large-scale irrigation can lead to the lowering of groundwater and surface water levels with a negative impact on flora and fauna or the gradual salinisation of groundwater in coastal areas.

## Organic farming

Organic farming is one example of sustainable farming. It has developed worldwide due to increased consumer awareness of, and demand for, organically grown products. The first EU regulation on organic farming (Regulation (EEC) No 2092/91) was drawn up in 1991. Since its implementation in 1992, many farms across the EU have converted to organic production methods. This regulation has established procedures for the Member States to report data on organic farming to the European Commission.

#### Intensive use of fertilisers

The intensive use of fertilisers impacts negatively on the environment. Maintaining a healthy balance between nutrients added to the soil and nutrients removed, for example, in crops is essential to ensure optimal use of resources and to limit pollution problems, particularly those associated with nitrogen (and phosphate) surpluses. A surplus of nutrient to immediate crop needs can be a source of potential environmental damage to surface- and groundwater, and to air quality. It may equally contribute to the global warming of the planet.

The Food and Agriculture Organisation (FAO) of the United Nations compiles information on commercial fertilisers. Country-level data are collected through: annual tailored questionnaires; electronic files and access to country web sites; national/international publications; country visits made by FAO statisticians; and reports of FAO representatives in member countries.

## Overuse of pesticides

The overuse of pesticides, i.e. plant protection products, has a negative impact on biodiversity and increases the risk of them finding their way into drinking water and the food chain. Some agrienvironmental measures in the common agricultural policy (Council Regulation (EEC) No 2078/92) have been designed to promote a reduction in the use of pesticides by farmers by compensating them for any loss of income attributable to lower levels of inputs, particularly of pesticides. The European Crop Protection Association produces data on plant protection products for Eurostat.





## Agriculture and environment

- Organic land. ha
- Number of organic holdings
- Consumption of commercial fertilisers. Total. Tonnes of active ingredient
- Consumption of commercial fertilisers. Nitrogen. Tonnes of active ingredient
- Consumption of commercial fertilisers. Phosphate. Tonnes of active ingredient
- Consumption of commercial fertilisers. Potash. Tonnes of active ingredient
- Volume of plant protection products sold. Total. Tonnes of active ingredient
- Volume of plant protection products sold. Fungicides. Tonnes of active ingredient
- Volume of plant protection products sold. Herbicides. Tonnes of active ingredient
- Volume of plant protection products sold. Insecticides. Tonnes of active ingredient
- Total sales of pesticides in EU-15. t of active ingredients







#### Accident at work incidence rate

The incidence rate is defined as the number of accidents at work which occurred during the year per 100 000 persons in employment. The prevalence rate is the number of work-related health complaints suffered over the past 12 months per 100 000 persons in employment. The reference employment population in each country is based on the labour force survey of the corresponding year. Here, the incidence rate is measured in terms of full-time equivalent employment in order to allow for differences in hours worked both between men and women and between jobs in different sectors of activity.

# Agricultural area (AA) or utilised agricultural area (UAA)

Agricultural area (AA) or utilised agricultural area (UAA) is the area utilised for farming, i.e. Categories: arable land, permanent pasture, permanent crops and kitchen gardens.

#### **AIDS** case definition

Different case definitions are used in different countries, depending on population factors (number of children or adults, relative occurrence of opportunistic infections) and on the laboratory infrastructure and training available, but the countries participating in the surveillance of AIDS in Europe use a uniform AIDS case definition definitively adopted in 1993. The European definition for AIDS differs from the definition used in the United States in that it does not include CD4+ T-lymphocyte count criteria. The WHO clinical case definition for AIDS is used in countries having limited diagnostic resources.

#### Annual work unit (AWU)

One annual work unit corresponds to the work performed by one person who is occupied on an agricultural holding on a full-time basis. 'Full-time' means the minimum hours required by the national provisions governing contracts of employment. If these do not indicate the number of hours, then 1 800 hours is taken to be the minimum (225 working days of eight hours each).

## Aquaculture

The farming of aquatic organisms including fish, molluscs, crustaceans and aquatic plants. Farming implies some form of intervention in the rearing process to enhance production, such as regular stocking, feeding and

protection from predators. Farming also implies individual or corporate ownership of, or rights resulting from contractual arrangements to, the stock being cultivated.

## Asylum-seekers

People awaiting a decision on applications for refugee status.

## **Balance of payments**

In the balance-of-payments framework, the balances of the miscellaneous accounts (goods balance, services balance, etc.) are calculated as the difference between exports (credits) and imports (debits). The balance is in surplus when exports are greater than imports, and the balance is in deficit when exports are less than imports.

### — Capital transfers

In the balance-of-payments framework, capital transfers cover transfers of ownership of fixed assets, transfers of funds linked to, or conditional upon, acquisition or disposal of fixed assets or cancellation without any counterparts being received in return of liabilities by creditors.

## — Communications services

In the balance-of-payments framework, this item covers two main categories of international communications between residents and non-residents: telecommunications services and postal and courier services.

## — Computer and information services

In the balance-of-payments framework, this item covers computer data and news-related service transactions between residents and non-residents

## — Construction services

In the balance-of-payments framework, this item covers work performed on construction projects and installations by employees of an enterprise in locations outside the economic territory of the enterprise. The work is generally performed for a short time period. Goods imported by the enterprise for use in the projects are included in the value of these services rather than under goods.

## — Financial services

In the balance-of-payments framework, this item covers financial intermediary and auxiliary services conducted between residents and non-residents.





## — Government services, not included elsewhere

In the balance-of-payments framework, this item is a residual category covering all services associated with government sectors or international and regional organisations and not classified under other service sub-items (such as financial services, insurance services, communications services, etc.).

#### — Income

In the balance-of-payments framework, income contains two main items: compensation of employees that records wages, salaries and other benefits, in cash or in kind, earned by individuals for work performed for economic units whose place of residence is different from their own; investment income that covers income which a resident entity derives from the ownership of external financial assets and income non-residents derive from their financial assets invested in the compiling economy. This includes interest and dividends on direct, portfolio and other investments.

## — Insurance services

In the balance-of-payments framework, this item covers the provision of various types of insurance to non-residents by resident insurance enterprises and vice versa.

## — Merchanting and other trade-related services

In the balance-of-payments framework, this item covers commissions on goods and service transactions between: (i) resident merchants, commodity brokers, dealers and commissions' agents; and (ii) non-residents.

# Miscellaneous business, professional and technical services

In the balance-of-payments framework, this item covers a large variety of services such as legal, accounting, management, consulting and public relations services, advertising and market research services, research and development services, architectural, engineering and other technical services, agricultural, mining and on-site processing services, etc.

## — Operational leasing services

In the balance-of-payments framework, this item covers resident/non-resident leasing and charters of ships, aircraft and transportation equipment without crew.

#### — Other business services

In the balance-of-payments framework, this item includes merchanting and other trade-related services, operational leasing services, and miscellaneous business, professional and technical services.

## — Personal, cultural and recreational services

In the balance-of-payments framework, this item covers audiovisual and related services and other cultural services provided by residents to non-residents and vice versa.

## - Royalties and licence fees

In the balance-of-payments framework, this item covers the exchange of payments and receipts between residents and non-residents for the authorised use of intangible, non-produced, non-financial assets and proprietary rights and for the use, through licensing agreements, of produced original prototypes.

#### **Bonds**

Securities issued by governments, companies, banks and other institutions. They are normally interest bearing and have a fixed redemption value on a given date.

#### **Business services**

These include technical services such as engineering, architecture and technical studies; computer services such as software design and database management; and other professional services such as legal, accounting, consultancy and management.

#### Catch

Catches of fishery products (fish, molluses, crustaceans and other aquatic animals, residues and aquatic plants) taken for all purposes (commercial, industrial, recreational and subsistence) by all types and classes of fishing units (fishermen, vessels, gear, etc.) operating both in inland, fresh and brackish water areas, and in inshore, offshore and high-seas fishing areas. The production from aquaculture is excluded. Catch is normally expressed in live weight and derived by the application of conversion factors to the landed or product weight. As such, the catch statistics exclude quantities which are caught but which, for a variety of reasons, are not landed.

## Causes of death

Here, these are based on the underlying cause of death, as indicated in Section B of the death





certificate. Causes of death are defined on the basis of the World Health Organisation's international classification of diseases, adopted by most countries. Although definitions are harmonised, the statistics may not be fully comparable as classifications may vary when the cause of death is multiple or difficult to evaluate and because of different notification procedures.

## Central government

All administrative departments of the State and other central agencies whose responsibilities extend over the whole economic territory, except for the administration of the social security funds.

#### **Communicable diseases**

Diseases that cause, or have the potential to cause, significant morbidity and/or mortality across the EU and where the exchange of information may provide early warning of threats to public health. They could also be rare and serious diseases, which would not be recognised at national level and where the pooling of data would allow hypothesis generation from a wider knowledge base and for which effective preventive measures are available with a protective health gain.

## **Compensation of employees**

All payments in cash and kind by employers in remuneration for the work done by their employees during the relevant period. The payments cover gross wages and salaries, employers' actual social contributions and imputed social contributions (those directly supplied by the employers to their employees without involving a social security fund, an insurance enterprise or an autonomous pension fund).

#### Consumption of fixed capital

Value, at current replacement costs, of the reproducible fixed assets used up during an accounting period (usually one year) as a result of normal wear and tear, foreseeable obsolescence and a normal rate of accidental damage. Unforeseen obsolescence, major catastrophes and depletion of natural resources are not included.

## **Continuing vocational training (CVT)**

Training measures or activities financed wholly or partly by enterprises for employees with employment contracts. For the purposes of the European Commission survey, 'employees' means the total number of persons employed, excluding apprentices and trainees.

## **Continuing vocational training courses**

Events designed solely for the purpose of providing continuing vocational training that take place away from the place of work, for example in a classroom or training centre, at which a group of people receive instruction from teachers/tutors/lecturers for a period of time specified in advance by those organising the course.

## Convergence criteria

Convergence criteria for European monetary union are as follows:

- price stability;
- government budgetary position;
- exchange rates;
- long-term interest rates.

## — Price stability

Member States should have a price performance that is sustainable and an average rate of inflation, observed over the period of one year before the examination, that does not exceed by more than 1.5 percentage points that of, at most, the three best-performing Member States in terms of price stability.

## — Government budgetary position

Member States are to avoid situations of 'excessive government deficits', that is to say that their ratio of planned or actual government deficit to GDP should be no more than 3 %, and that their ratio of (general) government debt to GDP should be no more than 60 %, unless the excess over the reference value is only exceptional or temporary or the ratios have declined substantially and continuously.

#### — Exchange rates

Member States should have respected the normal fluctuation margins of the exchange rate mechanism (ERM) without severe tensions for at least the two years before the examination. In particular, the Member State shall not have devalued its currency's bilateral central rate against any other Member State's currency on its own initiative over the same period.

## — Long-term interest rates

Member States should have had an average nominal long-term interest rate over a period of one year before the examination that does not exceed by more than 2 percentage points that of, at most, the three





best-performing Member States in terms of price stability.

#### Cover rate

The cover rate is calculated by 'exports/imports' in per cent. It gives an indication of the weight of exports compared to imports. When the cover rate is greater than 100 with a selected partner, this indicates that the EU is a net exporter (exports are greater than imports) towards this country. On the contrary, a cover rate less than 100 indicates that the EU is a net importer from the country.

## Crude death rate (CDR)

The crude death rate (CDR) is a weighted average of the age-specific mortality rates. The weighting factor is the age distribution of the population whose mortality experience is being observed. Comparing the CDR from two or more populations is a comparison of a combination of different age-specific death rates and different population structures not reflecting the 'real' mortality differences but including also the effect of the population structure on the total number of deaths and on the crude death rates.

#### Current taxes on income, wealth, etc.

Current taxes on income and wealth cover all compulsory unrequited payments, in cash or in kind, levied periodically by general government and by the rest of the world on the income and wealth of institutional units, and some periodic taxes which are assessed neither on the income nor the wealth.

#### Day-to-day money rate

This usually denotes the rate at which banks lend and borrow among themselves overnight on the interbank market. This rate is a good indicator of the general level of short-term market interest rates. The day-to-day money rate is influenced, among other factors, by the level of central bank interest rates.

#### Death rate

Deaths per 100 000 inhabitants.

## Deaths in road accidents

People killed outright or who died within 30 days as a result of the accident; this is calculated as a standard death rate (SDR).

## **Direct cost of CVT courses**

Costs immediately associated with the provision of continuing vocational training

courses: fees and payments to external training providers and training staff; travel and other sundry expenses and subsistence allowances; labour costs for internal training staff wholly or partly engaged in planning, organising and providing the courses; and costs of premises (including training centres) and equipment, together with the costs of materials.

#### Disease incidence

Incidence is a measure of the number of new cases arising in a population in a given period. Incidence might be expressed as the number of new cases of a disease (or disorder) per 1 000 or 100 000 population in a year. Incidence might refer either to the first onset of a disease (i.e. new cases) or to all episodes.

## Disease prevalence

Prevalence is a measure of the number of cases of a given disease existing at a certain time. Prevalence might be expressed as the proportion of a population with a disease at any time in a year. For prevalence statistics from different studies to be comparable, the length of period under consideration must be the same

#### Distributive trades

Wholesale businesses, sales agents, retail trade and repair of consumer goods and vehicles.

#### **Dwelling**

A room or a suite of rooms and its accessories, lobbies and corridors in a permanent building or structurally separated part thereof which, by the way it has been built, rebuilt or converted, is designed for habitation by one private household all the year. A dwelling is either a one-family dwelling in a house or an apartment in a block of flats. Dwellings include garages for residential use, even when apart from the habitation or belonging to different owners.

## Earnings, gross

Remuneration (wages and salaries) in cash paid directly to the employee before any deductions for income tax and social security contributions paid by the employee.

#### Earnings, net

Gross earnings after the deduction of social security contributions and income taxes payable by employees and, where applicable, after the addition of family allowances.





## **ECHP** (European Community household panel)

An input-harmonised, longitudinal panel survey using a common set of definitions and directed to a representative sample of private households in each EU Member State, designed to obtain information on income and related social issues by means of personal interviews, which was launched in 1994 and expired in 2001.

## **Economic territory**

The economic territory of a country consists of the geographical territory administered by a government; within the territory, people, goods and capital circulate freely. It also includes the national air space, the territorial waters, the natural deposits in international waters if worked by resident units, the territorial enclaves abroad (own representations, own military bases, etc.) but excludes extraterritorial enclaves (representations of foreign countries or of the European Union's institutions, etc.).

#### Ecu

The former European currency unit may be considered as the cornerstone of the European Monetary System (EMS). It was composed of a basket of currencies (see below). In addition to its official use in the EMS, a private market for the ecu developed, allowing its use in monetary transactions and for denominating financial instruments including bonds. The ecu was replaced by the euro, the new European single currency, on 1 January 1999 at a ratio of 1:1.

## Ecu basket

It was defined by specific amounts of 12 currencies of the Member States of the EU. At its inception on 13 March 1979, the ecu was made up of a basket of fixed amounts of the then nine currencies, which was identical at the outset to the European unit of account (EUA). The currency composition of the ecu basket was frozen from November 1993 until the euro was introduced in January 1999. The currencies of Austria, Finland and Sweden did not take part in the composition of the ecu basket because they were only members of the EU from January 1995.

#### **EEA** countries

At the beginning of 2001, the European Economic Area (EEA) consisted of the EU Member States as well as Iceland, Norway and Liechtenstein. In 1989, Jacques Delors, then President of the Commission, proposed a new form of partnership, which was to become the EEA Agreement. The EFTA States, at that time Austria, Finland, Iceland, Liechtenstein, Norway, Sweden and Switzerland, welcomed the ideas; formal negotiations began in June 1990 and the agreement was signed on 2 May 1992 in Oporto. The agreement entered into force on 1 January 1994 and covered the EU and all EFTA countries except for Liechtenstein and Switzerland. Since 1 January 1995, Austria, Finland and Sweden have participated in the EEA as EU Member States. Liechtenstein became a full participant in the EEA on 1 May 1995.

## **Emigrants**

People leaving their country of usual residence and effectively taking up residence in another country. According to the 1997 United Nations recommendations on statistics of international migration (Revision 1), such a person is a long-term emigrant if they leave their country of previous usual residence for a period of 12 months or more. However, few countries are able to supply statistics based on these definitions. The statistics shown in this volume are generally based on national definitions that may differ greatly from the UN recommendations. Not all countries collect statistics on emigrants, and, in those that do, data sources and the scope of the collection vary.

#### **Employees**

Employees are defined as persons who work for a public or private employer and who receive compensation in the form of wages, salaries, fees, gratuities, payment by results or payment in kind; non-conscripted members of the armed forces are also included. An extensive concept of employment is used in international guidelines on labour statistics. Persons in employment as reported by the labour force survey are those who during the reference week did any work for pay or profit for at least one hour, or were not working but had jobs from which they were temporarily absent. Family workers are included.

## **Employment rate**

Persons in employment as a percentage of the population of the same age.

## **EMS (European Monetary System)**

Formally introduced on 13 March 1979, it was operational until 31 December 1998.





Its purpose was 'to create a zone of monetary stability in Europe through the implementation of certain exchange rate, credit and resource transfer policies'. The EMS had three components: the ecu, the exchange rate mechanism (ERM) and the credit mechanism. At the end of its existence, the currencies of all EU Member States except Sweden and the United Kingdom were members of the ERM.

## EMU (economic and monetary union)

Union of 12 EU Member States which have adopted the single currency, the euro. These countries are officially considered to have fulfilled the convergence criteria. The third stage of EMU began on 1 January 1999, when 11 member currencies were permanently fixed to the euro, joined by the Greek drachma on 1 January 2001. The coins and notes were introduced on 1 January 2002 and national currencies progressively withdrawn.

#### **ERM** (exchange rate mechanism)

Part of the European Monetary System aimed at achieving greater exchange rate stability. It had two elements: a parity grid of bilateral central rates and fluctuation bands, and the divergence indicator, which measured the extent to which each currency was deviating from its ecu central rate. It ceased to exist at the start of the third stage of monetary union.

## ERM 2

On 1 January 1999, the ERM was replaced by the new exchange rate mechanism, ERM 2. It is aimed at preparing 'pre-in' countries for participation in monetary union, while helping to ensure exchange rate discipline in the EU. The central currency in the system is the euro. At the end of 2000, the currencies of two countries were participating in ERM 2, with fluctuation margins of  $\pm$  2.25 % for Denmark and  $\pm$  15 % for Greece. Since Greece joined the euro zone on 1 January 2001, Denmark is currently the sole country in the system.

#### **ESA**

European system of (integrated economic) accounts, the methodology in national accounts. The new version, ESA 95 (the third one), has been gradually introduced since 1999 as an expanded and fuller version of the earlier ESA 79. In this way, national accounts data (including their main component, gross domestic product (GDP), which covers all goods and services produced by a country in a given period) are defined and will be measured with increasing accuracy and exhaustiveness. ESA 95 is compatible with SNA 93, the United Nations' system, like ESA 79 with SNA 68. The first version of ESA was ESA 70.

## EU-SILC (EU statistics on income and living conditions)

An output-harmonised data collection tool which replaces the ECHP and which is designed to be the reference source of information on income and related social issues, containing both cross-sectional and longitudinal elements, and placing greater reliance on existing national sources in an attempt to improve timeliness and flexibility.

#### Euro

The third stage of European monetary union began on 1 January 1999 with the introduction of the euro, the European single currency. It replaced the ecu on a 1:1 basis. Since that date, the national currencies of 11 EU Member States (Belgium, Germany, Spain, France, Ireland, Italy, Luxembourg, the Netherlands, Austria, Portugal and Finland) were fixed to the euro at irrevocable conversion rates (see table below). They were joined by Greece on 1 January 2001. The euro existed until the end of 2001 as book money only (cheque, transfer, payment by card) and its use was voluntary (no compulsion — no prohibition). The coins and notes were introduced on 1 January 2002, when use of the euro became compulsory, and national currencies progressively withdrawn. Fixed conversion rates (EUR 1 =)

13.7603 ATS 40.3399 BEF

1.95583 DEM

166.386 ESP

5.94573 FIM

6.55957 FRF 340.750 GRD

0.787564 IEP

1 936.27 ITL

40.3399 LUF 2.20371 NLG

200.482 PTE

The conversion rules of the national currencies to the euro and vice versa are very strict. The official conversion rate with six significant figures has to be used for each conversion without rounding or truncation. To convert into euro, the amount has to be divided by the conversion rate and for the opposite operation the amount has to be multiplied by the rate.





The conversion of a national currency of the euro zone to another currency of the euro zone has to be done via the euro using the conversion rates.

A conversion in another currency has to be done also via the euro but using the prevailing exchange rate of this currency to the euro.

## **Euro zone: EUR-12 (formerly EUR-11)**

Countries initially participating in monetary union in January 1999: Belgium, Germany, Spain, France, Ireland, Italy, Luxembourg, the Netherlands, Austria, Portugal and Finland. On 1 January 2001, Greece joined the euro zone. Hence, the three concepts: EUR-11 (the initial 11 countries), EUR-12 (EUR-11 plus Greece) and the euro zone, the variable concept (EUR-11 until 31 December 2000, EUR-12 from 1 January 2001). Note that the letter 'R' after 'EU' is used to distinguish the euro zone from the European Union (for which the code is just EU).

#### Eurobarometer

Eurobarometer public opinion surveys have been conducted on behalf of the Directorate-General for Education and Culture of the European Commission each spring and autumn since autumn 1973. Besides general public opinion surveys, the Survey Research Unit of the Directorate-General for Education and Culture organises specific target groups, as well as qualitative (group discussion, in-depth interview) surveys in all Member States of the EU and, occasionally, in non-member countries.

## **European Patent Office (EPO)**

The European Patent Office (EPO) is the executive arm of the European Patent Organisation, an intergovernmental body set up under the European Patent Convention (EPC), which was signed in Munich on 5 October 1973 and entered into force on 7 October 1977. Members of the European Patent Organisation are the EPC contracting States. The EPO grants European patents for the contracting States to the EPC. The activities of the EPO are supervised by the Organisation's Administrative Council, composed of delegates from the contracting States.

*Source*: EPO (http://www.european-patent-office.org).

#### **European Union (EU)**

Established on 1 November 1993 when the Maastricht Treaty entered into force. On 31 December 1994, the EU had 12 Member

States: Belgium, Denmark, Germany, Greece, Spain, France, Ireland, Italy, Luxembourg, the Netherlands, Portugal and the United Kingdom. From January 1995, the EU had three new Member States: Austria, Finland and Sweden.

### **Exchange** rate

The price at which one currency is exchanged for another.

See also 'Convergence criteria'.

#### **External courses**

Courses designed and managed by an organisation that is not part of the enterprise, even if they are held in the enterprise.

#### **Extra-EU flows**

All transactions between EU countries and countries outside the EU.

## Final consumption expenditure

Final consumption expenditure consists of expenditure incurred by resident institutional units on goods or services that are used for the direct satisfaction of individual needs or wants or the collective needs of members of the community.

## Foreign direct investment (FDI)

Foreign direct investment (FDI) is the category of international investment within the balanceof-payment accounts that reflects the objective of obtaining a lasting interest by a resident entity in one economy in an enterprise resident in another economy. The lasting interest implies the existence of a long-term relationship between the direct investor and the enterprise, and a significant degree of influence by the investor on the management of the enterprise. Formally defined, a direct investment enterprise is an unincorporated or incorporated enterprise in which a direct investor owns 10 % or more of the ordinary shares or voting power (for an incorporated enterprise) or the equivalent (for an unincorporated enterprise).

FDI flows and positions: through direct investment flows, an investor builds up a foreign direct investment position that features on the international investment position of the economy. This FDI position (or FDI stock) differs from the accumulated flows because of revaluation (changes in prices or exchange rates), and other adjustments like rescheduling or cancellation of loans, debt forgiveness or debt-equity swaps.





#### **Forest**

Forest is defined as land with tree crown cover (or equivalent stocking level) of more than 10 % and area of more than 0.5 ha. The trees should be able to reach a minimum height of 5 m at maturity.

#### **General government**

The general government sector includes all institutional units whose output is intended for individual and collective consumption, and mainly financed by compulsory payments made by units belonging to other sectors, and/or all institutional units principally engaged in the redistribution of national income and wealth. The general government sector is subdivided into four subsectors: central government, State government, local government, and social security funds.

## General government debt

Total gross debt at nominal value outstanding at the end of the year and consolidated between and within the subsectors of general government.

See also 'Convergence criteria'.

#### **Government bonds**

Official debt instruments issued by governments in order to fund budget deficits and to cover debt which is being redeemed. Government bond yields usually refer to secondary market yields, i.e. derived from the market where securities which are already in circulation are traded.

## Government budget appropriations or outlays for research and development

Government budget appropriations or outlays for research and development (GBAORD) are a way of measuring government support to R & D activities and include all appropriations allocated to R & D in central (or federal) government budgets. Provincial (or State) government is only included if the contribution is significant, whereas local government funds are excluded.

## Gross domestic product at market prices (GDPmp)

Final result of the production activity of resident producer units. It corresponds to the economy's total output of goods and services, less intermediate consumption. Measured at market prices, it includes VAT on production and net taxes on imports. The new methodology ESA 95 somewhat extends the underlying concepts to increase its accuracy

(moment of recording a transaction etc.) and exhaustiveness (new activities like leasing, stock options, etc.).

## Gross domestic product in purchasing power standards

Gross domestic product converted into PPS (purchasing power standards) through a special exchange rate called PPP (purchasing power parity, based on relative prices ratios) and used to make reliable volume comparisons.

## Gross fixed capital formation

Gross fixed capital formation (GFCF) consists of resident producers' acquisitions, less disposals, of fixed assets during a given period plus certain additions to the value of non-produced assets realised by the productive activity of producers or institutional units. Fixed assets are tangible or intangible assets produced as outputs from processes of production that are themselves used repeatedly, or continuously, in processes of production for more than one year.

## Gross national income (GNI)

Gross domestic product plus net (= received from abroad minus paid abroad) entrepreneurial and property and labour income.

Gross national disposable income, compiled as GNI plus net current distributive transactions with the rest of the world and net operating subsidies from EU institutions, shows the income available for national use.

Net income from abroad covers, for example, property and entrepreneurial income from the rest of the world, accident insurance transactions and unrequited current transfers. The concept of GNI (ESA 95) replaces the one of GNP (gross national product, ESA 79). Both are identical conceptually, but ESA 95 adds accuracy and exhaustiveness.

## **Gross national product (GNP)**

See 'Gross national income'.

#### Gross value added at market prices

Final output minus intermediate consumption, plus subsidies minus taxes linked to production.

Gross value added usually makes up more than 90 % of GDP.

## **High-technology patents**

High-technology patents are counted following the criteria established by the trilateral statistical report, where the subsequent





technical fields are defined as high technology: computer and automated business equipment; micro-organism and genetic engineering; aviation; communications technology; semiconductors; and lasers.

### **High-technology sectors**

The classification of high- and medium-hightechnology manufacturing sectors is based on the notion of R & D intensity (ratio of R & D expenditure to GDP). Following this criterion, high-tech manufacturing comprises manufacturing of office machinery and computers, manufacturing of radio, television and communication equipment and apparatus, and manufacturing of medical precision and optical instruments, watches and clocks. Medium-high-tech manufacturing includes the manufacture of chemicals and chemical products, manufacture of machinery and equipment n.e.c, manufacture of electrical machinery and apparatus n.e.c, manufacture of motor vehicles, trailers and semi-trailers, and manufacturing of other transport equipment.

Following a similar logic as for manufacturing, Eurostat defines the following sectors as knowledge-intensive services (KIS): water transport; air transport; post and telecommunications; financial intermediation; insurance and pension funding (except compulsory social security); activities auxiliary to financial intermediation; real estate activities; renting of machinery and equipment without operator and of personal and household goods; computer and related activities; research and development; other business activities; education; health and social work; and recreational, cultural and sporting activities.

Of these sectors, post and telecommunications, computer and related activities and research and development are considered high-tech services.

## Hospital discharges

Discharge is the formal release of an inpatient by an inpatient or acute care institution. The discharge rates are expressed by the number per 100 000 population. Diagnostic chapters (using principal diagnosis) have been defined according to the international classification of diseases, ninth revision, clinical modification (ICD-9-CM).

#### **Hours in CVT courses**

The number of hours in CVT courses relates to the paid working time that a participant in total spent in CVT courses in 1999.

#### Household

According to the household budget surveys, household should be defined in terms of having a shared residence and common arrangements. A household comprises either one person living alone or a group of people, not necessarily related, living at the same address with common housekeeping, i.e. sharing at least one meal a day or sharing a living or sitting room.

## **Household consumption**

The value of goods and services used for directly meeting household needs. It covers expenditure on purchases of goods and services, own consumption such as products from kitchen gardens, and the imputed rent of owner-occupied dwellings.

## ICD diagnosis

Diagnoses and procedures associated with hospitalisations are classified in accordance with the ninth revision of the international classification of diseases (ICD-9). This classification is the result of close collaboration among many nations and non-governmental organisations, under the auspices of the World Health Organisation (WHO). Its original use was to classify causes of mortality. Later, it was extended to include diagnoses on morbidity. For example, the clinical modification of the ICD is used in categorising hospital diagnoses. In practice, the ICD has become the international standard diagnostic classification for all general epidemiological, as well as health management, purposes. Most Member States will adopt or are adopting the 10th ICD classification. The diagnostic categories used are based on the principal diagnosis, which is submitted as the first of several possible diagnoses coded on the discharge record. The principal diagnosis represents the 'condition established after study to be chiefly responsible for occasioning the admission of the patient to the hospital for care'.

## **Immigrants**

Persons arriving or returning from abroad to take up residence in the country for a certain period, having previously been resident





elsewhere. According to the 1997 United Nations recommendations on statistics of international migration (Revision 1), such a person is a long-term immigrant if he/she stays in his/her country of destination for a period of 12 months or more, having previously been resident elsewhere for 12 months or more. However, few countries are able to supply statistics based on these definitions. The statistics shown in this volume are generally based on national definitions that may differ greatly from the UN recommendations. Not all countries collect immigration data, and, in those that do, data sources and the scope of the collection vary. A few countries (e.g. France) exclude national citizens from immigration statistics.

## Implicit price index, GDP

Indicator of price evolution of all goods and services that make up the GDP. The word 'implicit' relates to the fact that the price index is a combination of the individual price evolution of its components.

## Inpatient care beds

Beds accommodating patients who are formally admitted (or 'hospitalised') to an institution for treatment and/or care and who stay for a minimum of one night in the hospital or other institution providing inpatient care. Inpatient care is delivered in hospitals, other nursing and residential care facilities or in establishments which are classified according to their focus of care under the ambulatory care industry but perform inpatient care as a secondary activity.

## **Inactive**

People not in the labour force. They are neither employed nor unemployed. Apart from retired and disabled people, they include young people still in education and people working without earning an income, whether they do housework or charity work.

## **Income from patents**

Transactions involving trade in technical knowhow and trade marks protected by licences and patents.

## **Intermediate consumption**

Intermediate consumption consists of the value of the goods and services consumed as inputs by a process of production, excluding fixed assets whose consumption is recorded as consumption of fixed capital. The goods and

services may be either transformed or used up by the production process.

#### Internal courses

Courses designed and managed by the enterprise itself, even if held at a location away from the enterprise.

#### **Intra-EU flows**

All transactions declared by EU countries with other EU Member States.

#### **ISCED**

International standard classification of education, set up by Unesco in 1976.

#### ISCED 97

The international standard classification of education (ISCED) is an instrument suitable for compiling statistics on education internationally. It covers two crossclassification variables: levels and fields of education with the complementary dimensions of general/vocational/pre-vocational orientation and educational/labour market destination. The current version, ISCED 97 (see http://unescostat.unesco.org/en/pub/pub0.htm), was implemented in EU countries, for the first time, for the collection of data from the school year 1997/98.

The change in the ISCED classification has affected the comparability of chronological series, especially for level 3 (upper secondary education) and for level 5 (tertiary education). ISCED 97 introduced a new level, i.e. level 4: post-secondary non-tertiary education (previously included in ISCED levels 3 and 5). ISCED 97 level 6 only relates to Ph.D. or doctoral studies. ISCED 97 distinguishes seven levels of education.

#### **ISCED 97 fields**

The classification comprises 25 fields of education (at two-digit level) which can be further refined into three-digit level. The following nine broad groups (at one-digit level) can be distinguished.

- 0 General programmes
- 1 Education
- 2 Humanities and arts
- 3 Social sciences, business and law
- 4 Science, mathematics and computing
- 5 Engineering, manufacturing and construction
- 6 Agriculture and veterinary





7 — Health and welfare

8 — Services

#### **ISCED 97 levels**

Empirically, ISCED assumes that several criteria exist which can help allocate education programmes to levels of education. Depending on the level and type of education concerned, there is a need to establish a hierarchical ranking system between main and subsidiary criteria (typical entrance qualification, minimum entrance requirement, minimum age, staff qualification, etc.).

## 0: Pre-primary education

Pre-primary education is defined as the initial stage of organised instruction. It is school- or centre-based and is designed for children aged at least three years.

## 1: Primary education

This level begins between four and seven years of age, is compulsory in all countries and generally lasts from five to six years.

2: Lower secondary education

It continues the basic programmes of the primary level, although teaching is typically more subject-focused. Usually, the end of this level coincides with the end of compulsory education.

## 3: Upper secondary education

This level generally begins at the end of compulsory education. The entrance age is typically 15 or 16 years. Entrance qualifications (end of compulsory education) and other minimum entry requirements are usually needed. Instruction is often more subject-oriented than at ISCED level 2. The typical duration of ISCED level 3 varies from two to five years.

4: Post-secondary non-tertiary education
These programmes straddle the boundary
between upper secondary and tertiary
education. They serve to broaden the
knowledge of ISCED level 3 graduates.
Typical examples are programmes designed to
prepare students for studies at level 5 or
programmes designed to prepare students for
direct labour market entry.

5: Tertiary education (first stage)

Entry to these programmes normally requires the successful completion of ISCED level 3 or 4. This level includes tertiary programmes with academic orientation (type A) which are largely theoretically based and tertiary programmes with occupation orientation (type B) which are typically shorter than type A programmes and geared for entry into the labour market.

6: Tertiary education (second stage)
This level is reserved for tertiary studies that lead to an advanced research qualification (Ph.D. or doctorate).

#### Labour costs, direct

See 'Total labour costs'.

#### Labour costs, indirect

See 'Total labour costs'.

#### Labour force

People in the labour market, i.e. employed and unemployed people.

## Labour force survey (LFS)

A labour force survey is an inquiry directed to households designed to obtain information on the labour market and related issues by means of personal interviews. The EU LFS covers the entire population living in private households and excludes those in collective households such as boarding houses, halls of residence and hospitals. The definitions used are common to all EU countries and are based on international recommendations by the International Labour Office (ILO).

## Life expectancy

Average number of years still to live for people of a given age under the prevailing conditions of mortality at successive ages of a given population.

## Live weight of fishery products

Live weight of fishery products is derived from the landed or product weight by the application factors and is designed to represent the weight of the fishery product as it was taken from the water and before being subjected to any processing or other operation.

## Local government

All types of public administration whose competence extends to only a local part of the economic territory apart from local agencies of social security funds.

## **Long-term interest rates**

Here measured as the yield to redemption on 10-year government bonds. See also 'Convergence criteria'.





#### **Manufacturing industry**

All activities included within Section D of NACE Rev. 1 (statistical classification of economic activities in the European Community). Both cottage industry (crafts) and large-scale activity are included. It should be noted that the use of heavy plant or machinery is not exclusive to Section D. It covers industries such as manufacture of non-metallic mineral products; chemicals; man-made fibres; manufacture of metal articles; food, drinks and tobacco; textiles; leather and leather goods; timber and wooden furniture; manufacture of paper and paper products, including printing and publishing; and processing of rubber and plastics. Not included are mining and extraction and building and civil engineering.

#### Market services

Recovery and repair, wholesale and retail trade, accommodation and catering, inland, maritime, air and auxiliary transport services, communications, and credit and insurance institutions and other market services. They are services produced for sale, normally with the aim of making a profit. In the nomenclature NACE Rev. 1, they include Sections G to P excluding Section L (public administration and defence; compulsory social security) which is non-market services. In ESA 79, recycling belonged to the services, while, in ESA 95, recycling belongs to manufacturing.

## Migration, net (including corrections)

The difference between immigration to and emigration from the area. Since most countries either do not have accurate figures on immigration and emigration or have no figures at all, net migration is generally estimated on the basis of the difference between (total) population increase and natural increase between two dates. The statistics on net migration are therefore affected by all the statistical inaccuracies in the two components of this equation, especially population increase.

## Mortality rate, crude

Deaths per 1 000 inhabitants.

#### Mortality, infant

Deaths per 1 000 live-born children aged less than one year.

## **NACE 70**

General industrial classification of economic activities within the European Communities (with regard to data from 1970 to 1990).

#### NACE Rev. 1

NACE Rev. 1 is a revision of the general industrial classification of economic activities (with regard to data from 1991 onwards, see annex 'Classification of economic activities' below).

#### National citizens

Persons who are citizens of the country in which they are currently resident.

## Net operating surplus

Gross domestic product at market prices minus compensation of employees paid by resident employers, taxes net of subsidies on production and imports levied by general government and by the rest of the world, including EU institutions, and consumption of fixed capital. Net operating surplus comprises total property and entrepreneurial income from production.

#### Non-market services

These are mainly general government services and are measured by their cost of production (as their 'market' value is not always representative). Other examples are private welfare institutions and outside domestic help. Non-market services do not include the production of goods and services by households using their unpaid labour for producing their own consumption. The value added generated by such activities is excluded from conventional macroeconomic aggregates because it does not enter the economic circuit. In the nomenclature NACE Rev. 1, non-market services are located in Section L (public administration and defence; compulsory social security).

#### Non-national citizens

Persons who are not citizens of the country in which they are currently resident.

#### **NUTS**

This nomenclature of territorial units for statistics was drawn up jointly by Eurostat and the other Commission departments in order to provide a single and coherent territorial breakdown for the compilation of EU regional statistics. The current NUTS nomenclature (version 2001) subdivides the territory of the European Union into 78 NUTS 1 regions, 211 NUTS 2 regions and 1 092 NUTS 3 regions.

## Official external reserves

These reserves are held by countries' monetary authorities for the purpose of financing balance-of-payments deficits or for influencing





their currency's external value. They are made up of monetary gold, foreign currencies, special drawing rights (SDRs) of the International Monetary Fund (IMF) and reserves held with the IMF.

## Paper and paperboard

This is the sum of graphic papers; newsprint; sanitary and household papers; packaging materials and other paper and paperboard. It excludes manufactured paper products such as boxes, cartons, books and magazines, etc.

## Participant in CVT course

This is a person who took part in one or more CVT courses at some time during 1999. Each person was counted once only, irrespective of the number of times he or she participated in a CVT course.

## Population density

Number of inhabitants per square kilometre.

### Population increase, natural

Births minus deaths.

## Psychiatric care beds

Beds accommodating inpatients for mental health (including substance abuse therapy), but excluding beds for patients who are mentally handicapped if the principal clinical intent is not of a medical nature.

## Purchasing power parities (PPPs)

Monetary exchange rates should not be used to compare the volumes of income or expenditure because they usually reflect more elements than just price differences (e.g. volumes of financial transactions between currencies, expectations in the foreign exchange markets). In contrast, purchasing power parities (PPPs) are exclusively determined by the differences between the price levels in different countries. Therefore, they truly reflect the differences in the purchasing power, for example, of households. Purchasing power parities are obtained by comparing the price levels for a basket of comparable goods and services that is selected to be representative for consumption patterns in the various countries. Purchasing power parities convert every national monetary unit into a common reference unit, the purchasing power standard (PPS), of which every unit can buy the same amount of goods and services across the countries (see 'Purchasing power standards').

## Purchasing power standards (PPS)

Purchasing power standards help to compare incomes (or other disposable amounts of money) as well as expenditure in different countries. Purchasing power standards indicate, for the various countries, the national currency units needed to purchase the same basket of goods and services. If currency values (e.g. an amount of received income) are converted into purchasing power standards, the resulting values will be directly comparable in terms of the purchasing power of households.

#### Real values

Calculated by deflating an economic variable at current prices by the implicit price index of another variable, often the GDP (e.g. deflating the compensation of employees by the price index of household consumption). This is typically the case for financial flows. If a variable is deflated by its own price index, the result is said to be 'at constant prices'. 'Real' is sometimes used as a synonym of 'constant' (constant prices).

## Refugee

Someone with a well-founded fear of being persecuted for reasons of race, religion, nationality, membership of a particular social group or political opinion (according to Article 1 of the 1951 United Nations Convention relating to the Status of Refugees). It should be noted that many countries allow applicants for asylum to remain on a temporary or permanent basis even if they are not deemed to be refugees under the 1951 convention definition. For example, asylum applicants may receive a positive response to their application on humanitarian grounds. Such persons are not included in the refugee figures in this edition.

## Research and development (R & D)

Research and development comprises creative work undertaken on a systematic basis in order to increase the stock of knowledge of man, culture and society, and the use of this stock of knowledge to devise new applications.

#### **Resident producer units**

Units engaged in production on the domestic territory of a country.

## **Roundwood production**

Roundwood production comprises all quantities of wood removed from the forest





and other wooded land, and trees outside the forest during a certain period of time.

#### Sawnwood

Sawnwood is wood that has been produced either by sawing lengthways or by a profile-chipping process and that, with a few exceptions, exceeds 5 mm in thickness.

#### **Services**

The terms 'service industry(ies)', 'service sector(s)' or simply 'service(s)' are generally used to refer to economic activities covered by Sections G to K and M to O of NACE Rev. 1 and the units that carry out those activities.

#### **SMEs**

Small and medium-sized enterprises employing less than 250 people. (According to the definition of the Directorate-General for Enterprise of the European Commission: very small enterprises: 1–9 employees; small enterprises: 10–40 employees; medium-sized enterprises: 50–249 employees; large enterprises: 250 or more employees.) SMEs form the backbone of the EU-15 enterprise culture where over 99 % of businesses employ fewer than 250 people.

# Social benefits (other than social transfers in kind)

Social benefits (other than social transfers in kind) are those paid to households by social security funds, other government units, NPISHs (non-profit-making institutions serving households), insurance enterprises, employers administering unfunded social insurance schemes and other institutional units administering privately funded insurance schemes.

## **Social contributions**

Social contributions are paid on a compulsory or voluntary basis by the employers, the employees and the self- and non-employed persons. They are of two types: actual and imputed.

#### Social security funds

Central, State and local institutional units whose principal activity is to provide social benefits, and which fulfil each of the two following criteria: (i) by law or regulation except regulations concerning government employees, certain groups of the population are obliged to participate in the scheme or to pay contributions; (ii) general government is

responsible for the management of the institution in respect of settlement or approval of the contributions and benefits independently of its role as a supervisory body or employer.

## **Stability and Growth Pact**

The Stability and Growth Pact has to be seen against the background of the third stage of economic and monetary union, which began on 1 January 1999. Its aim is to ensure that the Member States continue their budgetary discipline efforts once the single currency has been introduced.

In practical terms, the pact comprises a European Council resolution (adopted at Amsterdam on 17 June 1997) and two Council regulations of 7 July 1997 laying detailed technical arrangements (one on the surveillance of budgetary positions and coordination of economic policies and the other on implementing the excessive deficit procedure).

In the medium term, the Member States undertook to pursue the objective of a balanced or nearly balanced budget and to present the Council and the Commission with a stability programme by 1 March 1999 (the programme then being updated annually). Along the same lines, States not taking part in the third stage of EMU are required to submit a convergence programme.

The Stability and Growth Pact opens the way for the Council to penalise any participating Member State which fails to take appropriate measures to end an excessive deficit. Initially, the penalty would take the form of a non-interest-bearing deposit with the Community, but it could be converted into a fine if the excessive deficit is not corrected within two years.

#### Standard death rate (SDR)

Death rate of a population of a standard age distribution. As most causes of death vary significantly with people's age and sex, the use of standard death rates improves comparability over time and between countries, as they aim at measuring death rates independently of different age structures of populations. The standard death rates used here are calculated by the World Health Organisation on the basis of a standard European population.

### Standard gross margin (SGM)

The gross margin of an agricultural enterprise means the monetary value of gross production from which corresponding specific costs are deducted.





The standard gross margin (SGM) is the value of the gross margin corresponding to the average situation in a given region for each agricultural characteristic.

SGMs are determined on the basis of three-yearly averages. In the 1997 structure survey, the '1994' standard gross margins were calculated from the arithmetic mean for the years 1993, 1994 and 1995.

Gross production is the sum of the values of the principal product(s) and of the secondary product(s). These values are calculated by multiplying production per unit (less any losses) by the farm-gate price, without VAT. Gross production also includes subsidies linked to products, to area and/or livestock.

#### **State government**

Separate institutional units exercising some of the functions of government at a level below that of central government and above that of the governmental institutional units existing at local level, except for the administration of social security funds.

#### **Subsidies**

Current unrequited payments which general government or the institutions of the European Union make to resident producers, with the objective of influencing their levels of production, their prices or the remuneration of the factors of production.

## Tax rate on a married couple with two children

This tax rate has a similar basis to the tax rate on low-wage earners (structural indicator). The differences are as follows: (i) the tax rate applies to a married couple with two children (both between 5 and 12 years of age); (ii) there is only one working spouse; (iii) the total income of the family includes universal cash benefits (e.g. family allowances) as well as the employment income of the working spouse; (iv) the tax on earnings is equal to total income tax on gross wage earnings plus the employee's and employer's social security contributions less universal cash benefits; this tax on earnings is then expressed as a percentage of labour costs, precisely as defined for the tax rate on low-wage earners; (v) the working spouse is taken to be an adult full-time production worker in the manufacturing industry whose earnings are equal to 100 % of the average earnings of such workers in each country.

## Tax rate on low-wage earners

For this structural indicator, the tax rate applies to a single earner without children; it is assumed that the taxpayer has no income source other than employment income. The total tax is calculated as the sum of income tax on gross annual earnings plus the employee's and employer's social security contributions. This income tax is then expressed as a percentage of labour costs, which are defined as gross wage earnings plus the employer's social security contributions and payroll taxes (if applicable). The calculated tax rate is therefore an average rate of tax. The wage earner is taken to be an adult full-time production worker in the manufacturing industry whose earnings are equal to 67 % of the average earnings of such workers in each country. Gross annual earnings include all cash payments during the reference year. Apart from overtime, shift premiums, vacation payments, bonuses and other regular pay, irregular bonuses and payments are also included (for example, 13th or 14th month payments, holiday bonuses, profit-sharing, allowances for leave not taken, etc.). The following are not included: payments in kind, severance payments and profit-sharing schemes which take the form of dividend distributions.

#### Taxes on production and imports

Compulsory unrequited payments, in cash or in kind, levied by general government, or by the institutions of the EU, in respect of the production and importation of goods and services, the employment of labour, and the ownership or use of land, buildings or other assets used in production.

#### **Total cost of CVT courses**

Total expenditure on continuing vocational training courses. This is the sum of direct costs, the labour costs of participants and the balance of contributions to national or regional training funds and receipts from national or other funding arrangements.

## Total general government expenditure

According to Commission Regulation (EC) No 1500/2000 of 10 July 2000, total general government expenditure comprises the following ESA 95 categories: intermediate consumption; gross capital formation; compensation of employees; other taxes on production; subsidies payable; property income; current taxes on income, wealth, etc.;





social benefits other than social transfers in kind; social transfers in kind related to expenditure on products supplied to households via market producers; other current transfers; adjustment for the change in net equity of households in pension fund reserves; capital transfers payable; and acquisitions less disposals of non-financial non-produced assets.

#### Total general government revenue

According to Commission Regulation (EC) No 1500/2000 of 10 July 2000, total general government revenue comprises the following ESA 95 categories: market output; output for own final use; payments for the other nonmarket output; taxes on production and imports; other subsidies on production receivable; property income; current taxes on income, wealth, etc.; social contributions; other current transfers; and capital transfers.

## **Total health expenditure**

Total health expenditure includes: the medical care households receive (ranging from hospitals and physicians to ambulance services and pharmaceutical products), and their health expenses, including cost sharing and the medicines they buy on their own initiative; government-supplied health services (e.g. schools, vaccination campaigns), investment in clinics, laboratories, etc.; administration costs; research and development; industrial medicine, outlays of voluntary organisations, charitable institutions and non-governmental health plans.

#### **Total labour costs**

Total expenditure borne by employers in order to employ workers. For presentational purposes, total labour costs can be subdivided into 'direct costs' and 'indirect costs'. Direct costs include gross wages and salaries in cash (direct remuneration and bonuses) and wages and salaries in kind (company products, housing, company cars, meal vouchers, crèches, etc.). Direct costs are dominated by wages and salaries in cash. Indirect costs cover employers' actual social contributions (i.e. statutory, collectively agreed, contractual and voluntary social security contributions); employers' imputed social contributions (mostly guaranteed remuneration in the event of sickness or shorttime working, plus severance pay and compensation in lieu of notice); vocational training costs; recruitment costs and working clothes provided by the employer; taxes paid by the

employer (based on the wages and salaries bill or on employment); minus subsidies received by the employer (intended to refund part or all of the cost of direct remuneration). Indirect costs are dominated by employers' actual social contributions, in particular by employers' statutory social security contributions.

## Tourism and travel

On the debit side, there is expenditure by residents living abroad for less than a year for whatever reason: leisure, work, health or study. The credit side includes the same activities by foreign travellers on the national territory.

#### Tourist accommodation, demand for

This includes all types of accommodation: hotels and similar establishments, camping sites, holiday dwellings, youth hostels, etc.

## Tourist accommodation, supply of

This refers to the number of bed places in an establishment where people can stay overnight in permanent beds, discounting any extra beds set up at the customers' request.

#### **Transfers**

Transfers cover international transactions in which goods, services, or financial items are transferred between the residents of one economy and the residents of foreign economies without something of economic value being received in return.

#### **Turnover**

Turnover comprises the totals invoiced by the observation unit during the reference period, and this corresponds to market sales of goods or services supplied to third parties. Turnover includes all duties and taxes on the goods or services invoiced by the unit with the exception of the VAT invoiced by the unit vis-à-vis its customer and other similar deductible taxes directly linked to turnover. It also includes all other charges (transport, packaging, etc.) passed on to the customer, even if these charges are listed separately on the invoice. Reduction in prices, rebates and discounts as well as the value of returned packing must be deducted. Income classified as other operating income, financial income and extraordinary income in company accounts is excluded from turnover. Operating subsidies received from public authorities or the institutions of the European Union are also excluded. For NACE





Rev. 1 classes 66.01 and 66.03, the corresponding title of this characteristic is 'Gross premiums written'.

## **Unemployed person**

Persons are considered as unemployed if they fulfil three conditions: to be without employment during the reference week; to be available to start work within the next two weeks; and to have actively sought employment at some time during the previous four weeks. In addition, unemployed persons include those who had no employment and had already found a job to start later. The duration of unemployment is defined as the duration of search for a job or the length of the period since the last job was held (if this period is shorter than the duration of search for a job).

### **Unemployment rate**

The unemployed as a percentage of people in the labour force.

## **United Nations (UN)**

The United Nations (UN) was established on 24 October 1945 by 51 countries committed to preserving peace through international cooperation and collective security. Today, nearly every nation in the world belongs to the

UN: membership totals 189 countries. When States become members of the United Nations, they agree to accept the obligations of the UN Charter, an international treaty that sets out basic principles of international relations. According to the Charter, the UN has four purposes: to maintain international peace and security; to develop friendly relations among nations; to cooperate in solving international problems and in promoting respect for human rights; and to be a centre for harmonising the actions of nations.

## **United States Patent and Trademark Office** (USPTO)

The United States Patent and Trademark Office (USPTO) is a non-commercial federal entity and one of 14 bureaux in the Department of Commerce (DOC) of the United States. The mission of USPTO is to promote industrial and technological progress in the United States and strengthen the national economy by administering the laws relating to patents and trademarks, advising the Secretary of Commerce, the President of the United States, the administration on patent, trademark, and copyright protection and the administration on the traderelated aspects of intellectual property rights.





# ACP: African, Caribbean and Pacific countries, signatories to the Partnership Agreement (Cotonou Agreement)

Angola, Antigua and Barbuda, Barbados, Belize, Benin, Botswana, Burkina Faso, Burundi, Cameroon, Cape Verde, Central African Republic, Chad, Comoros, Congo, Congo (Democratic Republic of), Cook Islands, Côte d'Ivoire, Djibouti, Dominica, Dominican Republic, Equatorial Guinea, Eritrea, Ethiopia, Fiji, Gabon, Ghana, Grenada, Guinea, Guinea-Bissau, Guyana, Haiti, Jamaica, Kenya, Kiribati, Lesotho, Liberia, Madagascar, Malawi, Mali, Marshall Islands, Mauritania, Mauritius, Micronesia (Federated States of), Mozambique, Namibia, Nauru, Niger, Nigeria, Niue, Palau, Papua New Guinea, Rwanda, Saint Kitts and Nevis, Saint Lucia, Saint Vincent and the Grenadines, Samoa, São Tomé and Príncipe, Senegal, Seychelles, Sierra Leone, Solomon Islands, Somalia, South Africa, Sudan, Suriname, Swaziland, Tanzania (United Republic of), The Bahamas, The Gambia, Togo, Tonga, Trinidad and Tobago, Tuvalu, Uganda, Vanuatu, Zambia, Zimbabwe.

#### **APEC: Asia-Pacific Economic Cooperation**

Australia, Brunei, Canada, Chile, China, Hong Kong, Indonesia, Japan, Korea (Republic of), Malaysia, Mexico, New Zealand, Papua New Guinea, Peru, Philippines, Russian Federation, Singapore, Taiwan, Thailand, United States, Vietnam.

#### **ASEAN: Association of South-East Asian Nations**

Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, Philippines, Singapore, Thailand, Vietnam.

#### **Candidate countries**

Bulgaria, Cyprus, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Romania, Slovakia, Slovenia, Turkey.

#### **CEECs:** central and east European countries

Albania, Bosnia-Herzegovina, Bulgaria, Croatia, Czech Republic, Estonia, Former Yugoslav Republic of Macedonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia, Slovenia, Yugoslavia.

## **CIS: Commonwealth of Independent States**

Armenia, Azerbaijan, Belarus, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Russian Federation, Tajikistan, Turkmenistan, Ukraine, Uzbekistan.

## **DAEs: dynamic Asian economies**

Hong Kong, Korea (Republic of), Malaysia, Singapore, Taiwan, Thailand.

#### **EEA: European Economic Area**

EU, Iceland, Liechtenstein, Norway.

## **EFTA: European Free Trade Association**

Iceland, Liechtenstein, Norway, Switzerland.

## **European Union (EU-15)**

Belgium, Denmark, Germany, Greece, Spain, France, Ireland, Italy, Luxembourg, the Netherlands, Austria, Portugal, Finland, Sweden, United Kingdom.

#### Euro zone

Countries participating in economic and monetary union and having the euro as the single currency. In 2001, these were Belgium, Germany, Greece, Spain, France, Ireland, Italy, Luxembourg, the Netherlands, Austria, Portugal and Finland.





## Extra-euro-zone (12)

Africa, America, Asia, Denmark, Oceania and polar regions, Sweden, United Kingdom, other European countries, miscellaneous (countries not specified) extra.

#### Extra-EU-15

Other European countries, Africa, America, Asia, Oceania and polar regions, miscellaneous (countries not specified) extra.

## **Latin American countries**

Argentina, Bolivia, Brazil, Chile, Colombia, Costa Rica, Cuba, Dominican Republic, Ecuador, El Salvador, Guatemala, Haiti, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru, Uruguay, Venezuela.

## MEDA: Mediterranean countries in the Euro-Mediterranean partnership

Algeria, Cyprus, Egypt, Israel, Jordan, Lebanon, Malta, Morocco, Palestinian Territories, Syria, Tunisia, Turkey.

#### Mediterranean basin countries

Albania, Algeria, Bosnia-Herzegovina, Ceuta, Croatia, Cyprus, Egypt, Former Yugoslav Republic of Macedonia, Gibraltar, Israel, Jordan, Lebanon, Libya, Malta, Melilla, Morocco, Palestinian Territories, Slovenia, Syria, Tunisia, Turkey, Yugoslavia.

## **Mercosur: Southern Cone Common Market**

Argentina, Brazil, Paraguay, Uruguay.

### **NAFTA: North American Free Trade Agreement**

Canada, Mexico, United States.

#### NICs: newly industrialised Asian countries

Hong Kong, Korea (Republic of), Singapore, Taiwan.

## OECD, excluding the EU

Organisation for Economic Cooperation and Development, excluding the EU Australia, Canada, Christmas Island, Cocos Islands (or Keeling Islands), Czech Republic, Heard Island and McDonald Islands, Hungary, Iceland, Japan, Korea (Republic of), Mexico, New Zealand, Norfolk Island, Norway, Poland, Slovakia, Switzerland, Turkey, United States, Virgin Islands (US).

## **OPEC: Organisation of Petroleum Exporting Countries**

Algeria, Indonesia, Iran, Iraq, Kuwait, Libya, Nigeria, Qatar, Saudi Arabia, United Arab Emirates, Venezuela.

## SAARC: South Asian Association for Regional Cooperation

Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan, Sri Lanka.





A.	Agriculture, hunting and forestry	Н.	Hotels and restaurants
В.	Fishing	I.	Transport, storage and communication
	•	60.	Land transport; transport via pipelines
C.	Mining and quarrying	61.	Water transport
CA.	Mining and quarrying of energy-producing	62.	Air transport
	materials	63.	Supporting and auxiliary transport activities;
CB.	Mining and quarrying, except of energy-producing		activities of travel agencies
	materials	64.	Post and telecommunications
D.	Manufacturing	J.	Financial intermediation
DA.	Manufacture of food products, beverages and tobacco	65.	Financial intermediation, except insurance and pension funding
DB. DC.	Manufacture of textiles and textile products Manufacture of leather and leather products	66.	Insurance and pension funding, except compulsory social security
DD.	Manufacture of wood and wood products	67.	Activities auxiliary to financial intermediation
DE.	Manufacture of pulp, paper and paper products;		•
	publishing and printing	K.	Real estate, renting and business activities
DF.	Manufacture of coke, refined petroleum products	70.	Real estate activities
	and nuclear fuel	71.	Renting of machinery and equipment without
DG.	Manufacture of chemicals, chemical products and		operator and of personal and household goods
	man-made fibres	72.	Computer and related activities
DH.	Manufacture of rubber and plastic products	73.	Research and development
DI.	Manufacture of other non-metallic mineral products	74.	Other business activities
DJ.	Manufacture of basic metals and fabricated metal products	L.	Public administration and defence; compulsory social security
DK.	Manufacture of machinery and equipment n.e.c.		
DL.	Manufacture of electrical and optical equipment	Μ.	Education
DM.	Manufacture of transport equipment		
DN.	Manufacturing n.e.c.	N.	Health and social work
E.	Electricity, gas and water supply	О.	Other community, social and personal service activities
F.	Construction	90.	Sewage and refuse disposal, sanitation and similar activities
G.	Wholesale and retail trade; repair of motor	91.	Activities of membership organisations n.e.c.
	vehicles, motorcycles and personal and	92.	Recreational, cultural and sporting activities
	household goods	93.	Other service activities
50.	Sale, maintenance and repair of motor vehicles and		
	motorcycles; retail sale of automotive fuel	P.	Activities of households

Q.

Extra-territorial organisations and bodies

This nomenclature is accessible on the Eurostat web site: http://europa.eu.int/comm/eurostat/ramon/ (option 'classifications').

Wholesale trade and commission trade, except of

Retail trade, except of motor vehicles and motorcycles; repair of personal and household goods

motor vehicles and motorcycles



51.

52.



## Classification of commodities, SITC Rev. 3

0.	Food and live animals	6.	Manufactured goods classified chiefly by
00.	Live animals other than animals of Division 03		material
01.	Meat and meat preparations	60.	Complete industrial plant appropriate to Section 6
02.	Dairy products and birds' eggs	61.	Leather, leather manufacture, n.e.s., and dressed
03.	Fish (not marine mammals), crustaceans, molluses		fur skins
	and aquatic invertebrates and preparations thereof	62.	Rubber manufacture
04.	Cereals and cereal preparations	63.	Cork and wood manufacture (excluding furniture)
05.	Vegetables and fruit	64.	Paper, paperboard and articles of paper pulp, of
06.	Sugars, sugar preparations and honey		paper or of paperboard
07.	Coffee, tea, cocoa, spices and manufactures thereof	65.	Textile yarn, fabrics, made-up articles, n.e.s., and
08.	Feedingstuffs for animals (not including unmilled		related products
	cereals)	66.	Non-metallic mineral manufactures, n.e.s.
09.	Miscellaneous edible products and preparations	67.	Iron and steel
		68.	Non-ferrous metals
1.	Beverages and tobacco	69.	Manufacture of metals, n.e.s.
11.	Beverages		
12.	Tobacco and tobacco manufactures	7.	Machinery and transport equipment
		70.	Complete industrial plant appropriate to Section 7
2.	Crude materials, inedible, except fuels	71.	Power-generating machinery and equipment
21.	Hides, skins and fur skins, raw	72.	Machinery specialised for particular industries
22.	Oilseeds and oleaginous fruits	73.	Metalworking machinery
23.	Crude rubber (including synthetic and reclaimed)	74.	General industrial machinery and equipment,
24.	Cork and wood		n.e.s., and machine parts, n.e.s.
25.	Pulp and waste paper	75.	Office machines and automatic data-processing
26.	Textile fibres (other than wool tops and other	,	machines
	combed wool), and their wastes (not manufactured	76.	Telecommunications and sound-recording and
	into yarn or fabric)	, 0.	reproducing apparatus and equipment
27.	Crude fertilisers, other than those of Division 56,	77.	Electrical machinery, apparatus and appliances,
27.	and crude minerals (excluding coal, petroleum and	, , .	n.e.s., and electrical parts thereof (including
	precious stones)		non-electrical counterparts, n.e.s., of electrical
28.	Metalliferous ores and metal scrap		household-type equipment)
29.	Crude animal and vegetable materials, n.e.s.	78.	Road vehicles (including air-cushion vehicles)
29.	Crude animal and vegetable materials, in.e.s.	76. 79.	· ·
3.	Mineral fuels, lubricants and related materials	19.	Other transport equipment
32.	Coal, coke and briquettes	8.	Miscellaneous manufactured articles
33.	Petroleum, petroleum products and related materials	80.	Complete industrial plant appropriate to Section 8
34.	Gas, natural and manufactured	81.	Prefabricated buildings; sanitary plumbing,
35.	Electric current	0.2	heating and lighting fixtures and fittings, n.e.s.
		82.	Furniture and parts thereof; bedding, mattresses,
4.	Animal and vegetable oils, fats and waxes		mattress supports, cushions and similar stuffed
41.	Animal oils and fats		furnishings
42.	Fixed vegetable fats and oils, crude, refined or	83.	Travel goods, handbags and similar containers
	fractionated	84.	Articles of apparel and clothing accessories
43.	Animal or vegetable fats and oils, processed;	85.	Footwear
	waxes of animal or vegetable origin; inedible	87.	Professional, scientific and controlling
	mixtures or preparations of animal or vegetable		instruments and apparatus, n.e.s.
	fats and oils, n.e.s.	88.	Photographic apparatus, equipment and supplies and optical goods, n.e.s.; watches and clocks
5.	Chemicals and related products, n.e.s.	89.	Miscellaneous manufactured articles, n.e.s.
51.	Organic chemicals	09.	Miscenaneous manufactured articles, n.e.s.
		0	Commodition and tunnerations not
52.	Inorganic chemicals	9.	Commodities and transactions not
53.	Dyeing, tanning and colouring materials	0.1	classified elsewhere in the SITC
54.	Medical and pharmaceutical products	91.	Postal packages not classified according to kind
55.	Essential oils and resinoids and perfume materials;	93.	Special transactions and commodities not
	toilet, polishing and cleaning preparations		classified according to kind
56.	Fertilisers (other than those of Division 27)	94.	Complete industrial plant, n.e.s.
57.	Plastics in primary forms	96.	Coin (other than gold coin) not being legal tender
58.	Plastics in non-primary forms	97.	Gold, non-monetary (excluding gold, ores and
50	Chemical materials and products in e.s.		concentrates)





## **Member States**

EU-15 The 15 Member States of the European Union

**EU-12** The euro zone with 12 countries participating (B, D, EL, E, F, IRL, I, L, NL, A, P, FIN) **€-zone** / **Eurozone** EUR-11 (B, D, E, F, IRL, I, L, NL, A, P, FIN) up to 31.12.2000 / EU-12 from 1.1.2001

В Belgium DK Denmark D Germany EL Greece E Spain F France **IRL** Ireland I Italy

L Luxembourg
NL Netherlands
A Austria
P Portugal
FIN Finland
S Sweden

UK United Kingdom

## **Candidate countries**

BG Bulgaria CY Cyprus

**CZ** Czech Republic

EE Estonia HUHungary LT Lithuania LV Latvia MT Malta Poland PL Romania RO SI Slovenia SK Slovakia TR Turkey

## Other countries

AF Afghanistan
AM Armenia
AR Argentina
AZ Azerbaijan

**BA** Bosnia and Herzegovina

BR Brazil CA Canada

**CD** Democratic Republic of Congo

CH Switzerland
CN China
CO Colombia

**D-E** territory of the former East Germany **D-W** territory of the former West Germany





**DZ** Algeria

FRY Federal Republic of Yugoslavia

GB Great Britain
HR Croatia
IN India
IQ Iraq
IR Iran
IS Iceland
JP Japan
KR South Korea

KR South Korea
LI Liechtenstein
LK Sri Lanka
LY Libya
NG Nigeria
NO Norway

RU Russian Federation
SA Saudi Arabia
SG Singapore
SL Sierra Leone
SO Somalia
TW Taiwan
UA Ukraine

US United States of America

**ZA** South Africa

## **Currencies**

ECU European currency unit, data up to 31.12.1998

**EUR** euro, data from 1.1.1999 on

ATS Austrian schilling
BEF Belgian franc
DEM German mark

**DKK** Danish crown (krone)

ESP Spanish peseta
FIM Finnish markka
FRF French franc
GBP pound sterling
GRD Greek drachma
IEP Irish pound
ITL Italian lira

LUFLuxembourg francNLGDutch guilderPTEPortuguese escudoSEKSwedish crown (krona)

CAD Canadian dollar JPY Japanese yen USD US dollar





## Other abbreviations and acronyms

AA agricultural area

ACP African, Caribbean and Pacific States party to the Cotonou Agreement

AIDS acquired immuno-deficiency syndrome
ASEAN Association of South-East Asian Nations

**AWU** annual work unit

**BERD** business enterprise expenditure on R & D

**BMI** body mass index

BSE bovine spongiform encephalopathy
CAP common agricultural policy

CCs candidate countries
CDR crude death rate

**CEECs** central and east European countries

cif cost, insurance and freight

CIS Commonwealth of Independent States
CVTS2 continuing vocational training survey

**DAEs** dynamic Asian economies **DG** Directorate-General

DG INFSO Directorate General Information Society
DG PRESS Directorate General Press and Communication
EAGGF European agricultural guidance and guarantee fund

**ECB** European Central Bank

**ECHP** European Community household panel

**ECHP-UDB** European Community household panel — user's database

**ECMT** European Conference of Ministers of Transport

ECSC European Coal and Steel Community

**EEA** European Economic Area (EU + EFTA countries without Switzerland)

**EEAICP** European Economic Area index of consumer prices **EFTA** European Free Trade Association (CH, IS, LI, NO)

**EICP** European index of consumer prices

**EITO** European Information Technology Observatory

EMS European Monetary System
EPO European Patents Office

**ERDF** European Regional Development Fund

**ESA** 1. European system of national and regional accounts (ESA 95)

2. European Space Agency

**ESF** European Social Fund

**Esspros** European system of integrated social protection statistics

**EU** European Union

**Eurostat** Statistical Office of the European Communities

**Eurydice** information network on education in Europe (http://www.eurydice.org/)

**fob** free on board

**GBAORD** GBAORD government budget appropriation outlays for research and development

GCSE general certificate of secondary education

**GDP** GDP gross domestic product

**GERD** GERD gross domestic expenditure on R & D

**GJ** GJ gigajoule

GNI GNI gross national income GNP GNP gross national product

GT GT gross tonnage GVA GVA gross value added GWH GWh gigawatt hour (106 kWh)

ha ha hectare





HICP harmonised index of consumer prices

hl hl hectolitre

ICT ICT Institute of Computer Technology
ILO ILO International Labour Organisation

IMF International Monetary Fund IPI industrial production index

**ISCED** international standard classification of education

**ISPO** Information Society Promotion Office

**IT** information technology

kcal kilocaloriekg kilogram

kgoe kilogram of oil equivalent

kWh kilowatt hour
LFS labour force survey
LMP labour market policy

m<sup>3</sup> cubic metre

Mercosur Southern Cone Common Market

MSTI/OECD main science and technology indicators/Organisation for Economic Cooperation and

Development

MUICP monetary union index of consumer prices

n.e.c. not elsewhere classifiedn.e.s. not elsewhere specified

**NACE** general industrial classification of economic activities within the European

Communities

**NAFTA** North American Free Trade Agreement

**NHS** national health service

NIS new independent States (of the former Soviet Union)

**NUTS** nomenclature of territorial units for statistics (Eurostat) (NUTS 1, 2, etc.)

**ODs** overseas departments

**OECD** Organisation for Economic Cooperation and Development

**OECD-DAC** Organisation for Economic Cooperation and Development — Development Assistance

Committee

**OPEC** Organisation of Petroleum Exporting Countries

**PPP** purchasing power parity **PPS** purchasing power standard R & D research and development RON research octane number **SDR** standard death rate structural indicator SI **SGM** standard gross margin SIF Statistics in Focus

SITC REV.3 standard international trade classification, third revision

sq. km/km<sup>2</sup> square kilometre

**TBFRA** temperate and boreal forest resources assessment

t tonne (metric ton)

tkm tonne-km

toe tonne of oil equivalent VAT value added tax

WHO World Health Organisation

UN United Nations

Unesco United Nations Educational, Scientific and Cultural Organisation
UNHCR Office of the United Nations High Commissioner for Refugees

**USPTO** United States Patent and Trademark Office





## **European Commission**

#### Eurostat yearbook 2003

#### **Eighth edition**

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