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EFTA exports to EC rose by 17.1 per cent a year in 1972-1981

Exports from the EFTA countries to the ten countries now in the EC increased by an average of 17.1 per cent a year in dollar value between 1972 and 1981. The increase was greater than that achieved in total exports (16.6 per cent) and in intra-EFTA trade (13.4 per cent). It was also greater than the rise (14.8 per cent) in imports from the EC. The comparison is made with the 1972 figures because that was the last year before the coming into force of the free trade agreements between the EFTA countries and the EC. The profound changes that have occurred in international trade in these years make it impossible to identify the impact of the agreements without a much more detailed analysis.

A comparison with the development of EFTA's trade in 1959-72, when the two trading groups were not linked by free trade agreements, shows that intra-EFTA trade grew much more rapidly (15.8 per cent) in those years than either total EFTA exports (11.1 per cent) or its exports to the EC (10.8 per cent). These figures also relate to the membership of EFTA and the EC as it is now.

The tables below suggest that the EFTA countries have retained a large part of the market shares they had gained within the EFTA area in 1959-72. Intra-EFTA trade grew substantially as a proportion of the total trade of the present EFTA countries in that period, rising from 11.1 per cent in terms of exports in 1959 to 19.0 per cent in 1972. It then fell back to some extent but the percentage remained much higher (14.8 per cent in 1981) than at the start of the process of economic integration in Western Europe. A similar trend is indicated by the statistics for trade in manufactured goods only.

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As for EFTA's exports to the present EC countries, their share of EFTA's total exports was 51.2 per cent in 1959 and 49.0 per cent in 1970 but has since risen again above the 50 per cent mark. A large part of the increase is attributable to the deliveries of oil and gas from the Norwegian sector of the North Sea which now account for some 5 per cent of all EFTA's exports. The statistics for trade in manufactured goods - the trade directly affected by the removal of tariffs and quotas - show that the EC received a larger share of EFTA's exports of manufactures in 1972 (45.2 per cent) than in 1959 and that the percentage was higher in the two most recent years in the table. (Figures are not yet available for 1981.)

The proportion of EFTA's total imports coming from the EC declined throughout the period. The figures on trade in manufactured goods show, however, that the percentage remained relatively stable in the 1970s : the EC was the source of 64 to 65 per cent of EFTA's imports of manufactures. Among the factors that limited the growth in the EC's share of EFTA imports were the continuing rise in imports from Japan, which rose from 0.8 per cent of EFTA's imports in 1959 to 3.9 per cent last year, and the abrupt increase in the bill for imports from OPEC, which grew from 2.5 per cent of the value of imports in 1972 to 7.5 per cent of the greatly increased value of imports in 1980. (In 1981 the percentage went down to 6.8 per cent.)

In 1981 EFTA's exports totalled 108 billion dollars, of which 54.8 billion were sent to the EC while intra-EFTA trade amounted to 16 billion dollars. Imports totalled 121 billion dollars, of which the EC supplied 62.5 billions' worth. Thus EFTA's exports to the EC covered 88 per cent of its imports from the EC in that year. In 1972 the share had been 73 per cent.

EFTA TRADE BY AREAShares in total EFTA imports and exports

(in per cent)

TABLE 1

	<u>1959</u>	<u>1967</u>	<u>1972</u>	<u>1978</u>	<u>1980</u>	<u>1981</u>
<u>Imports into EFTA</u>						
from: Intra-EFTA	9.3	13.9	16.1	13.8	12.8	13.0
EC*	59.2	57.3	57.1	56.0	53.7	51.6
USA	8.7	7.3	6.2	6.6	6.6	7.7
Japan	0.8	2.4	2.8	3.2	3.0	3.9
Other OECD	3.1	2.6	2.7	2.3	2.5	2.6
OPEC	2.5	2.6	2.5	4.5	7.5	6.8
Eastern Europe	6.9	5.6	5.2	6.6	7.2	7.9
Rest of world	9.6	8.3	7.3	6.9	6.6	6.4
Total	100.0	100.0	100.0	100.0	100.0	100.0
<u>Exports from EFTA</u>						
to: Intra-EFTA	11.1	16.6	19.0	15.1	15.3	14.8
EC*	51.2	49.0	49.0	49.4	53.0	50.6
USA	8.7	7.9	7.3	5.9	4.9	5.4
Japan	0.6	1.2	1.4	1.7	1.3	1.4
Other OECD	3.8	4.4	4.3	3.2	3.0	3.3
OPEC	2.5	1.9	2.1	5.4	5.1	6.0
Eastern Europe	7.7	7.2	6.0	7.5	6.6	7.2
Rest of world	14.5	11.8	11.0	11.9	10.9	11.3
Total	100.0	100.0	100.0	100.0	100.0	100.0

* Including Greece

EFTA TRADE IN MANUFACTURED GOODS (SITC 5-8) BY AREAShares in EFTA imports and exports of SITC 5-8

(in per cent)

TABLE 2

	<u>1959</u>	<u>1972</u>	<u>1978</u>	<u>1980</u>
<u>Imports into EFTA</u>				
from: Intra-EFTA	11.9	18.5	16.3	15.5
EC*	71.3	64.2	65.1	64.2
USA	8.0	6.1	6.6	7.2
Japan	1.1	3.7	4.4	4.4
Other OECD	1.7	1.2	1.3	1.6
OPEC	0.1	0.1	0.2	0.3
Eastern Europe	3.4	2.7	2.5	2.5
Rest of world	2.5	3.4	3.7	4.4
Total (SITC 5-8)	100.0	100.0	100.0	100.0
<u>Exports from EFTA</u>				
to: Intra-EFTA	13.7	20.5	15.7	16.0
EC*	41.9	45.2	46.3	45.9
USA	9.6	7.8	6.2	5.4
Japan	0.7	1.5	1.7	1.5
Other OECD	4.7	4.4	3.3	3.2
OPEC	2.8	2.3	5.8	5.6
Eastern Europe	8.0	6.2	7.9	7.2
Rest of world	18.5	12.1	13.0	15.1
Total (SITC 5-8)	100.0	100.0	100.0	100.0

* Including Greece

EFTA TRADE BY AREA

Value in million US dollars

TABLE 3

	1959	1967	1972	1978	1980	1981
<u>Imports into EFTA</u>						
from: Intra-EFTA	758.1	2,325.2	5,087.1	11,770.5	17,533.2	15,770.4
EC*	4,839.2	9,615.7	18,064.7	47,736.0	73,546.8	62,487.6
USA	713.6	1,218.1	1,953.2	5,594.8	9,090.0	9,282.0
Japan	64.0	408.6	900.8	2,751.2	4,160.4	4,713.6
Other OECD	251.3	444.4	864.9	1,971.9	3,405.6	3,200.4
OPEC	209.7	431.6	795.6	3,872.4	10,261.2	8,277.6
Eastern Europe	560.9	946.1	1,629.6	5,634.1	9,907.2	9,535.2
Rest of world	783.6	1,388.5	2,322.0	5,909.9	8,978.4	7,776.0
Total	8,180.4	16,778.2	31,617.9	85,240.8	136,882.8	121,042.8
<u>Exports from EFTA</u>						
to: Intra-EFTA	759.0	2,298.0	5,130.6	11,927.4	17,712.0	15,966.0
EC*	3,505.9	6,797.2	13,277.2	38,994.0	61,593.6	54,800.4
USA	593.1	1,089.8	1,963.9	4,653.1	5,653.2	5,875.2
Japan	38.6	173.2	371.3	1,310.4	1,550.4	1,502.4
Other OECD	258.9	604.1	1,153.4	2,515.1	3,519.6	3,552.0
OPEC	174.4	269.4	578.5	4,232.4	5,864.4	6,505.2
Eastern Europe	530.2	1,001.9	1,634.1	5,902.1	7,606.8	7,800.0
Rest of world	992.4	1,643.4	2,965.0	9,364.4	12,621.6	12,193.2
Total	6,852.5	13,877.0	27,074.0	78,898.9	116,121.6	108,194.4

* Including Greece

EFTA TRADE IN MANUFACTURED GOODS (SITC 5-8) BY AREA

Value in million US dollars

TABLE 4

	1959	1972	1978	1980
<u>Imports (c.i.f.)</u>				
Intra-EFTA	626.5	4,400.0	10,054.0	14,397.0
EC*	3,754.7	15,261.9	40,267.1	59,707.0
USA	422.6	1,457.4	4,081.5	6,658.0
Japan	56.9	873.4	2,721.9	4,104.0
Other OECD	87.7	295.3	797.5	1,452.0
OPEC	6.8	34.8	107.0	268.0
Eastern Europe	177.2	647.0	1,526.7	2,331.0
Rest of world	131.6	803.7	2,312.0	4,104.0
Total (SITC 5-8)	5,264.0	23,773.7	61,867.7	92,935.0
<u>Exports (f.o.b.)</u>				
Intra-EFTA	639.7	4,480.4	10,289.9	14,220.0
EC*	1,958.0	9,874.5	30,338.1	40,755.0
USA	450.5	1,694.0	4,070.3	4,819.0
Japan	34.8	328.9	1,142.6	1,329.0
Other OECD	220.9	958.2	2,160.1	2,838.0
OPEC	130.1	498.6	3,803.0	4,948.0
Eastern Europe	376.1	1,350.0	5,190.6	6,415.0
Rest of world	866.0	2,638.3	8,482.8	13,445.0
Total (SITC 5-8)	4,676.1	21,822.9	65,477.4	88,769.0

* Including Greece