

# Influence of the EU enlargement on the agrarian foreign trade development in member states

## *Vliv rozšiřování EU na vývoj agrárního zahraničního obchodu členských zemí*

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**Abstract:** The paper analyses the development of agrarian foreign trade of the EC/EU states in the period 1961–2006. The aim of the analysis is to evaluate the influence of the EC/EU member base enlargement on the development of the value and territorial structure of the Community agrarian trade. Additionally, the paper analyses the impacts of the accession of the particular countries on their own and the total agrarian trade of the Community with the aim to clarify the development trends which preceded the accession to the EC/EU and which subsequently appear after the accession of the given state to the Community. Development trends recorded in the case of all joined countries in the period 1973–2006 are compared and in the final part of the paper, the impacts of the enlargement of the EC/EU on the development of internal (intra) and external (extra) trade are summarised.

**Key words:** European Union, agrarian trade, intrastat, extrastat, enlargement, impacts, development, trend

**Abstrakt:** Článek analyzuje vývoj agrárního zahraničního obchodu zemí ES/EU v období let 1961–2006. Smyslem analýzy je zhodnotit vliv rozšiřování členské základny ES/EU na vývoj hodnoty a teritoriální struktury agrárního obchodu ES. Článek dále analyzuje dopady přistoupení jednotlivých zemí na jejich vlastní i celkový agrární obchod ES s cílem objasnit vývojové trendy, které předcházejí vstupu do ES/EU a které se naopak objevují po přistoupení dané země do ES. Vývojové trendy zaznamenané v případě všech přistoupivších zemí v období let 1973–2006 jsou komparovány a v závěrečné části příspěvku jsou shrnuty dopady rozšiřování ES/EU na vývoj vnitřního (intra) a vnějšího (extra) obchodu.

**Klíčová slova:** Evropská unie, agrární obchod, intrastat, extrastat, rozšíření, dopady, vývoj, trend

Foreign trade in the world still intensifies. Its importance has been continuously increasing since the middle of the 20<sup>th</sup> century. In recent years, the following factors have especially contributed to the increase of the international foreign trade exchange intensity. It was the development of international cooperation established after the Second World War, and built on three basic pillars whose roots can be looked for in the Breton Woods system. First of these pillars is the World Bank, another is the International Monetary Fund and the last one is the General Agreement on Tariffs and Trade. The influence of these institutions

very significantly influenced the cooperation among the particular world states. An outstanding element, which very significantly influenced the development of foreign trade exchange, was the disintegration of the colonial system in the period after the Second World War accompanied by a gradual integration of the particular countries (for particular information about the world trade commodity structure – see Jeníček 2007). The whole system was disrupted during the years 1945–1990 when the world was divided into two blocks the economic-political cooperation of which was very limited and whose foreign-trade

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Supported by the Ministry of Education, Youth and Sports of the Czech Republic (Project No. VZ 6046070906).

flows were narrowed to a trickle. The authors' main intention in the case of this paper is to concentrate on the development of agrarian foreign-trade links among the EC/EU countries, to analyse the influence of the integration processes which still take place in Europe, on the agrarian foreign trade of the EC/EU countries, and further to determine the position of these countries in the context of the world trade. The idea is to analyse the influence of integration processes on the resulting volumes of the foreign trade exchange, not only inside the EC/EU, but also between the EU member states and the world. The main intention and the aim of the paper is then to analyse the influence of the EC/EU enlargement during the period 1973–2006 on the development of the agrarian foreign trade exchange of the European Union (previously known as the European Community, and henceforth in this paper abbreviated to EC/EU).

## AIM AND METHODOLOGY

The aim of the paper is to evaluate the values of agrarian foreign trade of the EC/EU countries in the context of the process of enlargement of the member base. A secondary task is an analysis of the influence of the accession of the individual "new" member states in order to evaluate the influence of the accession to the EC/EU on the development of agrarian trade of the particular countries. In this sense, the paper analyses the influence of the accession to the EC/EU, especially on the territorial structure of agrarian trade, further on the intensity of trade among member states, and, last but not least, the development trend of agrarian foreign trade is compared in the case of the particular countries which joined the EC/EU on the purpose to find out the common characteristics typical for the preparation period for membership in the EC/EU; further in the period immediately after the accession to the EC/EU, and subsequently in a longer offset from the moment of the accession to the EC/EU. From the view-point of methodology, the paper is structured as follows: the introduction to the problems of the foreign trade development in enlarging the EC/EU from the view-point of the historical and political-economic development; further a part of the text is devoted to the problems of development of agrarian production and trade in the world and in the EU. Also the development of agrarian trade of the EC/EU countries is analysed. Problems of the impacts of the EC/EU member base enlargement on the development of agrarian trade value are mentioned both in relation to the EC/EU and also to third countries. Another topic which the paper deals with is the

development of agrarian export, import and balance of the particular countries with the aim to prove by evidence the influence of the accession to the EC/EU on the development of the mentioned volumes and values of agrarian trade. The final part of the paper is the analysis of the influence of the accession to the EC/EU on development trends of export and import in the case of the particular joined countries. For the analysis of basic development trends, the authors used the principles of comparative analysis and the elementary statistical methods as chain and basic indexes; and further regression functions - generally of the linear character.

The paper analyses the influence of all particular accessions on the development of the EC/EU countries and at the same time, it analyses how the trade of the concrete countries developed after their accession to the EC/EU. The analysis covers the data period 1962–2006. The data source for the analysis is the UN databases, the Comtrade and the Faostat. The analysis includes all EC/EU enlargement waves which occurred during 1973–2006. Romania and Bulgaria are also included in the analysis; with regard to that, the paper analyses not only the development in the period after the accession of the particular countries in the EC/EU, but also the preparation period of the particular countries for the membership in the EC/EU. Concerning the analysis of trade development before and after the accession to the EC/EU, it is necessary to acquaint the reader with the fact that the trade between the given country and the Community always includes both the countries which at the moment of accession of the specific given country already had been the EC/EU members, or they joined the EC/EU together on a specific date with the given country – this method solves the asymmetry between the different number of the EC/EU members before and after the enlargement.

## DEVELOPMENT OF AGRICULTURAL PRODUCTION AND TRADE IN THE WORLD AND THE EU

The world and the European agrarian production grow in the long term (particular aspects of integration are mentioned in research conducted by Tvrdón 2007). During 1950–2006, the volume of the world agrarian production increased approximately four times. While in 1961–2006 the world production grew at the average rate of about 2.2% annually, the agrarian production in the EC/EU countries increased in average by about 1% annually. If we concentrate on the agrarian production trade development, it is

Table 1. Inter-annual growth rates development of the World and EC/EU countries' agricultural production and trade (%)

		1961	1962	1968	1974	1980	1986	1992	1998	2004	2005	2006	Average inter-annual growth rate
European Union	production (tonnes)	-	2.8	1.1	0.5	-1.8	0.7	-1.1	-0.6	11.8	-5.7	-6.1	0.9
	import value (1000 \$)	-	7.6	-0.3	16.8	8.0	19.5	8.9	1.2	16.2	4.6	8.7	7.2
	export value (1000 \$)	-	5.2	5.2	17.8	12.9	21.7	10.9	-1.9	17.1	6.1	8.6	9.1
World	production (tonnes)	-	2.2	2.3	-0.2	-1.2	1.4	3.1	1.0	4.5	0.7	0.6	2.2
	export value (1000 \$)	-	4.1	1.9	23.6	14.4	9.8	8.7	-4.3	15.7	7.7	10.3	7.5

Source: FAO, own processing

necessary to state that the value of agrarian goods traded on agrarian markets increases constantly. During 1950–2006, the value and volume of world agrarian trade increased approximately sevenfold and thirty-fourfold respectively. The growth rate of the world agrarian trade in 1961–2006 reached a size of about 7.5% annually; in the case of EC/EU countries an average value of year-on-year growth rate of agrarian exports with respect to imports reached the level of about 9.1% in exports and 7.2% in imports. From these data, it follows that the growth rate of world and European trade very significantly exceeds the production volume growth rate. A still growing production volume is recognised by the foreign-trade exchange, however, and it is important to emphasize that, although the values of the agrarian production and trade are increasing, their shares in the world GDP and trade are constantly decreasing. While in the period shortly after the Second World War the share of agrarian trade value in the total agri-trade value moved at the level about 25%, today, the share fluctuates between 5% and 7%.

In the case of the EC/EU countries, it is obvious that in agrarian trade the growth rate of agrarian exports exceeds the growth rate of agrarian imports in the long term. The consequence of this development was also the fact that the EC/EU countries moved over the last half century from the position of net agrarian importer to the position of net agrarian production exporter – respectively, the balance of agri-trade of the EC/EU countries is balanced in the recent years, and in the long term it has a tendency to generate surpluses. Detailed data summarising the development of agrarian production and trade in the world and in the EC/EU countries are enclosed in Table 1.

### AGRARIAN TRADE

Agrarian foreign trade represents a significant part of the world economy even if its share in world trade is consistently decreasing and currently it moves at the level of about 5% to 7%. For the EU countries, agrarian trade in both forms of intra-trade and ex-

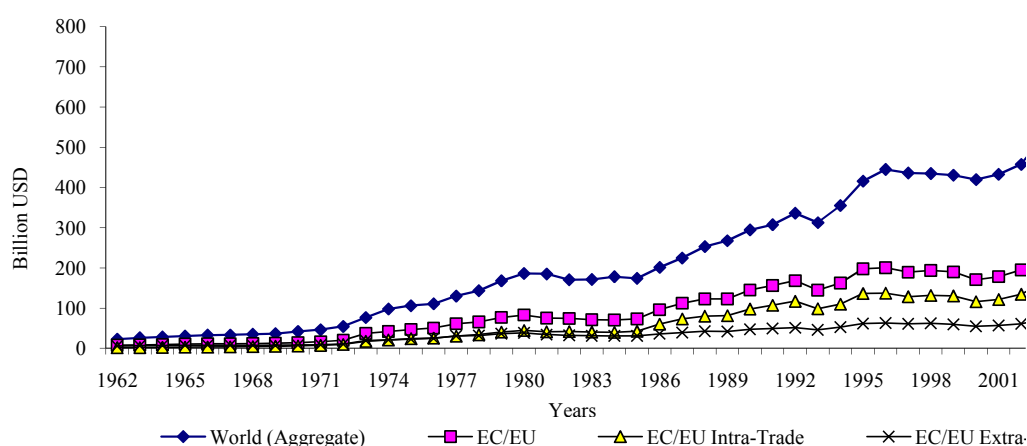


Figure 1. Development of world and EC/EU agrarian imports in 1962–2006

Source: FAO, own processing

tra-trade represents a very important part of the Common Trade Policy and the Common Agrarian Policy. Presently, agrarian trade of the EU countries has become a very significant proportion of the world trade with agrarian production. The share of the EU in the world agrarian export and import value is very high. Considering how the European Union consistently increased in the last five decades, and considering how the agricultural policy of the EU countries went through a gradual restructuring, in the 1962 to 2006 the share of the EU countries in the global trade with agrarian production significantly increased. Their share in the world export (including intra-trade) increased from about 24% in 1962 to approximately 46.2% in 2006, whereas the peak of the EU share in the world agrarian export value was achieved in the early part of the 1990s when the EU share exceeded the value of about 48%. The Figure 1 and 2 illustrate the development of value of the realized agrarian exports and imports of the EC/EU countries.

It is apparent that the export value increased manifold during the monitored period, from about 4.67 bill. USD in 1962 to about 330 bill. USD in 2006. Figure 1 clearly shows that the development trend of the EC/EU countries exports tends to copy the development trend of the world agrarian export value. While the world trade grew from about 20 bill. in 1962 to about 700 bill. in 2006 and reached the average value of the year-on-year growth rate about 8.8% (if the intra trade of the EU countries is subtracted, then only 8%), in the case of the EU countries, a high growth rate of export value may be observed, at approximately the level of about 12.2% in the case of growth of the intra trade value, and approximately 9.1% in the case of growth of the value of exports conducted with the territories

outside the EC/EU (if we omit from the calculation some specific variations owing to the development of export value owing to the EC/EU enlargement, then in average, in the monitored period, the intra-export value grew at the rate of about 9.4% and the extra-export at the rate of about 7.2%). From the data, it then results that the intra trade growth rate exceeds the world trade growth rate, and in the case of the extra trade, it is obvious that the export growth rate is slightly under the world growth level. Figure 1 shows the long-term development of the value of the EC/EU countries agrarian exports in the context of the extra and intra trade. Generally, it is obvious that the intra trade growth rate very significantly exceeds the growth rate values of exports in the context of the extra trade what then logically leads to a decrease of the extra trade share in the total agrarian trade, and on the other hand, the share of the intra trade in the total value of the EC/EU agrarian trade is constantly increasing (for details see Table 2).

In the case of agrarian imports, the situation is very similar to the development in the area of agrarian exports. The EC/EU member states always belonged among the most important destinations of agrarian imports in the world. Their share in the world imports (including the intra-trade) reached about 34% in 1962, during the following years with the enlargement of the EC/EU and with the growth of the intra-trade level of the EC/EU countries, the share of EC/EU countries increased in the world imports to about 50% at the beginning of the 1990s. Currently, the share of the EU countries in the world imports moves at the level of about 47%. The following Figure 2 shows the development trends of agrarian imports.

The Figure 2 illustrates the development of the value of the EC/EU agrarian imports and enables a

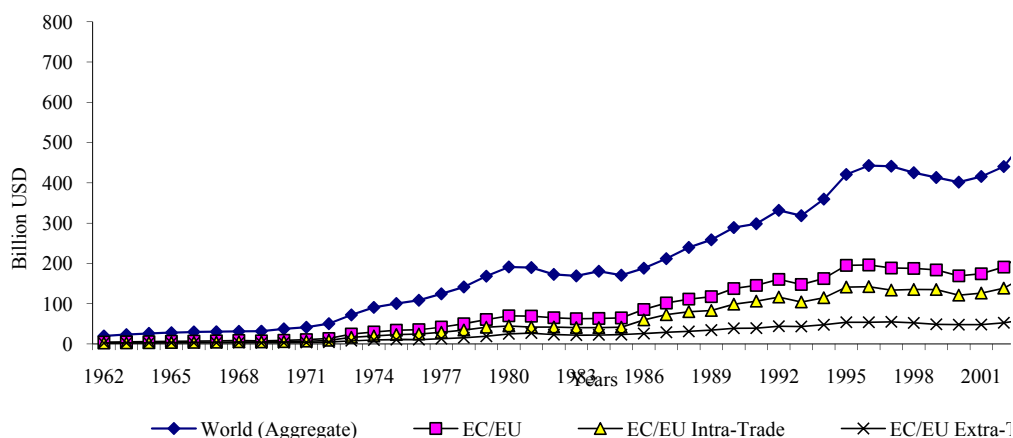


Figure 2. Development of world and EC/EU agrarian exports in 1962–2006

Source: Comtrade, own processing

comparison with the development of the world trade value. From the graph, it can be seen that during the monitored years, the value of the EC/EU imports increased from about 8 bill. USD in 1962 to almost 340 bill. USD in 2006. The average year-on-year trade growth rate moved then at the level of 12.7% in the case of the intra imports and 7.4% in the case of the extra imports (if extreme values are again excluded from the calculations of average growth rate, then we will discover that the intra imports value grows in average annually by 10% and the extra imports value grows by about 5% annually). Table 3 shows detailed information on the growth rate development of agrarian imports of the EC/EU countries.

A very significant parameter influencing the position of the EU countries in the world agrarian production trade is the share of the intra and extra trade in the total world trade. Generally, it can be stated that the share of the intra and extra trade in world trade constantly changes. At the beginning of the 1960s, the share of intra trade of the EC/EU countries moved at the level of about 12% in the case of exports and 8% in the case of imports. However, during the following years very significant changes occurred. The share of intra trade in world trade increased to about 35%

in the case of export and about 34% in the case of agrarian imports. This happened especially because of factors such as increase of the number of member states and with it connected enlargement of intra trade of the EC/EU countries; further an application of common policies of the EC/EU countries in the area of the agrarian foreign trade exchange where the principle of community preference is held, and further the growing specialization of particular countries in the sale of their production only in the EU intra trade owing to the application of the Common Trade Policy towards "third countries". If we subtract the values of the EC/EU intra-trade from the total world trade, then the share of the analysed countries in the world agrarian trade will significantly decrease, nevertheless, with regard to the fact that the EU represents a market with "only" 500 million inhabitants, whose share in the world population is about 7%, the EC/EU share in the world trade after the subtraction of the intra trade is very significant. The share of the member states in the world agrarian exports (after the subtraction of the intra trade) increased during years from about 14% in 1962 to the present value of about 17%, whereas it reached its peak at the turn of 1980s and 1990s, when it moved at the level of over

Table 2. Inter-annual growth rate of EC/EU export (%)

	1971	1972	1973	1974	1975	1979	1980	1981	1982	1983	1984	1985	1986	1987
EC/EU intra-trade	21.6	30.4	83.0	18.7	18.4	20.1	7.9	-6.0	-0.3	-3.1	-0.1	2.5	43.4	21.8
EC/EU extra-trade	16.1	21.9	76.9	24.4	7.5	23.6	30.6	7.9	-14.1	-5.4	3.2	1.3	12.7	11.8
	1988	1992	1993	1994	1995	1996	2002	2003	2004	2005	2006	I-A 1	I-A 2	
EC/EU intra-trade	10.1	9.6	-10.4	10.1	23.1	0.7	9.8	22.3	24.2	7.5	9.3	12.2	9.4	
EC/EU extra-trade	7.9	12.1	-1.4	9.9	13.1	0.0	9.1	16.1	6.4	6.9	11.0	9.1	7.2	

Note: I-A1 – the simple average value of inter annual growth rate, I-A2 – the corrected average value of inter annual growth rate (extreme values are excluded from the analysis)

Source: Comtrade, own processing

Table 3. Inter annual growth rate of EC/EU intra and extra-trade agrarian imports (%)

	1971	1972	1973	1974	1975	1979	1980	1981	1982	1983	1984	1985	1986	1987
EC/EU intra-trade	28.2	29.5	79.9	18.8	16.7	18.6	9.9	-7.1	1.2	-3.2	-1.9	6.9	41.9	21.5
EC/EU extra-trade	9.2	16.2	89.2	7.8	7.3	14.8	6.0	-11.9	-4.6	-4.7	0.2	-0.2	16.2	9.1
	1988	1992	1993	1994	1995	1996	2002	2003	2004	2005	2006	I-A 1	I-A 2	
EC/EU intra-trade	9.8	9.5	-15.8	11.4	24.1	0.7	10.6	21.7	24.8	7.4	9.3	12.7	10.1	
EC/EU extra-trade	8.3	3.8	-10.0	14.3	17.0	2.4	6.9	19.2	12.1	8.5	9.7	7.4	5.2	

Note: I-A1 – the simple average value of inter annual growth rate, I-A2 – the corrected average value of inter annual growth rate (extreme values are excluded from the analysis)

Source: Comtrade, own processing

20%. In the case of agrarian exports (with the exclusion of intra-trade), the share of the EU countries in the world trade is then even more significant. In 1962, the share of member states moved to the level of about 28% and reached its top in the 1970s when it exceeded the value of about 30%. Presently, the share of the EU countries in the world agrarian import moves after the subtraction of the intra trades to the level of about 20 to 21%. If we concentrate on the development of the structure of the actual agrarian foreign-trade exchange, we can see that during the period 1960–2006, the share of the intra and extra trade changed gradually in the frame of the total agrarian trade of the EC/EU countries. In 1962, the share of the intra trade in the total export was about 50%; in 2006 it already reached the respectable 76%. In the case of imports, also the effect of specialization in the Community is reflected in the long term. The share of imports among the member states increased from about 24% in 1962 to about 71% in 2006. From this development, it is quite obvious how the significance

of other territories in the area of agrarian imports decreases (in the area of imports, the significance of other territories decreases even more significantly than in the case of agrarian exports where the share of other territories at the beginning of the analysed period (1962) was not so significant – about 50%). In the 1960s, the non-member EC states dominated the agrarian imports, presently the share of “third countries” is a minority with the tendency to further reduction). From these data, it can be deduced that with the enlargement of the number of the EC/EU members and with the increase in self-sufficiency of the EC/EU as a whole in last years, a significant orientation of both the “new” and the “old” member EC/EU states only on trade in the context of the EC/EU intra trade territory occurred, while the importance of other territories, at least from the viewpoint of their shares in the total EU agrarian trade turnover, decreases (although the value of the actual change constantly grows). The following Tables 4 and 5 show the detailed information on these problems.

Table 4. EC/EU agrarian export development in 1962–2006

	1962	1967	1972	1977	1982	1987	1992	1997	2002	2006
Shares of EC/EU agrarian exports in total world agrarian exports (%)										
EC/EU – total trade	23.7	25.0	27.1	33.8	37.7	48.0	48.4	42.7	43.4	46.2
EC/EU – intra trade	11.7	14.4	18.0	23.3	24.3	34.3	35.1	30.3	31.4	35.2
EC/EU – extra trade	12.0	10.6	9.0	10.5	13.5	13.7	13.3	12.5	11.9	11.0
Share of extra trade in world trade (EU intra trade is excluded)	13.5	12.4	11.0	13.7	17.8	20.9	20.5	17.9	17.4	16.9
Shares of extra and intra trade export in EC/EU total agrarian trade (%)										
EU extra trade/total EU	50.5	42.4	33.3	31.2	35.7	28.5	27.5	29.1	27.5	23.8
EU intra trade/total EU	49.5	57.6	66.7	68.8	64.3	71.5	72.5	70.9	72.5	76.2

Source: Comtrade, own processing

Table 5. EC/EU agrarian import development in 1962–2006

	1962	1967	1972	1977	1982	1987	1992	1997	2002	2006
Shares of EC/EU agrarian imports in total world agrarian imports (%)										
EC/EU – total trade	33.9	33.5	36.8	47.0	43.5	49.9	50.0	43.4	42.7	47.4
EC/EU – intra trade	8.0	10.6	17.8	23.2	24.5	32.5	34.8	29.5	29.4	33.8
EC/EU – extra trade	25.9	22.9	18.9	23.8	19.1	17.5	15.2	14.0	13.3	13.6
Share of extra trade in world trade (EU intra trade is excluded)	28.2	25.6	23.0	31.0	25.2	25.9	23.3	19.8	18.8	20.6
Shares of extra and intra trade imports in EC/EU total agrarian imports (%)										
EU extra trade/total EU	76.4	68.3	51.5	50.6	43.8	35.0	30.4	32.1	31.1	28.8
EU intra trade/total EU	23.6	31.7	48.5	49.4	56.2	65.0	69.6	67.9	68.9	71.2

Source: Comtrade, own processing

## **Impacts of the EC/EU enlargement on the development of the agrarian trade value**

The impacts of the EC/EU enlargement on the agrarian foreign trade can be felt on several levels. For the purpose of this paper, the analysis deals with the impacts the EC/EU enlargement brought on the value development of the agrarian foreign trade of the EC/EU as a whole, and furthermore it deals with the analysis of the impacts of the EC/EU enlargement on the development of the agri-business value of the particular member states which accessed the EC/EU during the period 1973–2006. As mentioned above, the value of agrarian trade of the EC/EU countries increased very significantly during the period 1962–2006. It must be emphasized that the growth of the EC/EU countries' agrarian foreign trade value is significantly influenced by the permanent process of the EC/EU enlargement (in the period 1962–2006, 19 countries became the EC/EU members). On the other hand, it has to be underlined that not all member states share in the volume of the actual foreign-trade exchange in the equal way. As already mentioned, in 1962–2006 the value of agrarian exports and imports by the EC/EU member states increased from about 5 bill. USD to about 330 bill. USD in the case of exports, and from about 8 bill. USD to about 340 bill. USD in the case of imports. However, the share of the particular enlargements in this growth was very different. The Table 6 provides the information on the development of the shares of the particular enlargement waves (groups of countries which enlarged the member base) in the resulting values of the total agrarian exports and imports of the EC/EU countries and the Table 7 then provides the same information, but related only to the intra trade.

From the above data, it can be seen that the countries, which have the highest shares in both the agrarian export value and the agrarian import value, are the original EU founders. Although their shares in the foreign trade operations of the EC/EU countries are constantly decreasing, it is apparent that their share is nevertheless dominant. The present share of the six original founders of the current EU moves to the level of 63% in the case of exports and 56% in the case of imports (intra and extra trade together). We can see that although from 1957 the number of the EC/EU countries increased from six to twenty seven (although our analysis uses only twenty five, excluding Bulgaria and Romania), these countries managed to keep the sovereign position of the shares of particular countries in agrarian trade of the Community. Nevertheless, their shares are not so high as in 1973, for example, when the Community enlarged for the first time (78%

of export and 76% of import), however, regarding the fact that the number of the Community countries has increased very significantly since that time, also by some countries with a significantly strong agrarian sector (Spain, Portugal, Poland, Hungary, Greece), it can be seen that the original founders of the CAP still maintain the "control" over the agrarian sector and the agrarian foreign-trade operations. From the tables, it is obvious that the share of other groups of countries which joined the Community does not reach the share of the original founders (the share of countries which joined the EC in 1973 moves around the level of about 15% in the case of exports and 19% in the case of imports; the share of Greece which accessed the Union in 1981 is at the level of about 3% in the case of both the exports and the imports; the share of Spain and Portugal reaches about 16% (exports) and 17% (imports); the share of countries which accessed in 1995 is in the case of exports and imports respectively about 9%, and finally the share of ten countries which accessed the EU in 2004 reaches presently the level of 7% in the case of exports and 12% in the case of imports. In the case of the realized foreign-trade operations only in the frame of the inter-trade, then the hegemony of the original founders is not as significant as in the case of the total trade. The share of the "founder states" of the EC/EU in the inter trade with agrarian product gradually decreases as the EC/EU enlarges by new members and the decrease in their shares is in this case more significant than in the case of the total trade (extra + intra trade). From the Table 7, it is clear that the shares of founder countries both in import and in exports decrease, from 73% to 39% in the case of exports and from 73% to 38% in the case of imports. In the case of the inter trade, it is then obvious that the share of the founder countries in the EU intra trade reduces mainly in favour of the countries which accessed in 1973, and further Spain and Portugal. Of a very interesting character in the foreign-trade exchange of the EC/EU countries is also the fact that the shares of the countries in exports and imports realized both in the total (intra + extra) trade and only in the frame of internal market are relatively the same (balanced), the only significant imbalances among the shares of export and import are in the case of the EC/EU founder countries and those countries which accessed the EC in 1973.

## **Development of agrarian export, import and balance of the particular EC/EU member states**

A brief review of the development of agrarian export and import of the particular EU member states

Table 6. Shares of the individual groups of countries in the total EC/EU agrarian exports and import (%)

Export – world	1973	1975	1977	1979	1980	1981	1983	1985	1986	1988	1990	1992	1994	1995	1997	1998	2000	2001	2003	2004	2005	2006	
EC 6 1957	78	77	78	77	77	76	76	76	71	72	72	71	70	69	66	67	67	67	67	63	63	63	63
EC 9 1973	22	23	22	23	23	22	22	22	21	20	20	20	20	19	19	18	18	17	17	15	15	15	15
EC 10 1981				2	2	2	2	2	2	1	2	2	2	2	2	2	1	1	1	1	1	1	1
EC 12 1986								6	7	7	7	7	8	8	10	10	10	11	11	11	10	10	10
EC 15 1995														2	3	3	3	4	4	4	4	4	4
EU 25 2004																				6	7	7	7
Import – world																							
EC 6 1957	76	76	79	77	78	76	77	77	73	71	71	71	70	67	64	63	62	62	61	57	56	56	56
EC 9 1973	24	24	21	23	22	23	22	22	20	20	20	19	18	17	19	19	20	20	20	19	19	19	19
EC 10 1981				1	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
EC 12 1986								5	7	8	9	9	10	9	9	10	10	11	11	10	10	10	10
EC 15 1995														5	6	6	6	6	6	6	6	6	6
EC 25 2004																				6	7	7	7

Source: Comtrade, own processing

Table 7. Shares of individual groups of countries in internal EC/EU agrarian exports and import (%)

Export	1973	1975	1977	1979	1980	1981	1983	1985	1986	1988	1990	1992	1994	1995	1997	1998	2000	2001	2003	2004	2005	2006	
EC 6 1957	73	67	71	69	69	66	66	65	59	59	58	56	55	52	49	48	48	47	46	42	40	39	
EC 9 1973	27	33	29	31	31	30	30	30	28	27	26	27	26	24	24	24	24	23	23	21	20	21	
EC 10 1981						3	4	5	4	4	4	4	4	3	3	3	3	3	3	3	3	3	
EC 12 1986								8	10	10	12	13	15	15	17	17	17	18	19	17	17	16	
EC 15 1995														6	7	8	8	8	9	9	9	9	
EU 25 2004																				9	11	12	
Import																							
EC 6 1957	73	68	71	68	68	65	65	65	59	57	56	55	54	50	46	46	45	45	44	40	38	38	
EC 9 1973	27	32	29	32	32	32	31	30	28	28	27	27	26	24	25	25	24	24	24	22	21	21	
EC 10 1981						3	4	5	5	4	4	4	4	4	4	4	3	3	3	3	3	3	
EC 12 1986								9	11	11	13	14	16	16	17	18	18	19	20	18	18	17	
EC 15 1995														6	8	8	9	9	9	9	9	9	
EU 25 2004																				9	11	12	

Source: Comtrade, own processing



is provided in the Tables 8 and 9 which contain a summary of data on the development of the agrarian trade values of the particular countries in the period 1997–2006, whereas Table 8 is devoted to the analysis of the development trend in the case of the total trade, and Table 9 deals with then analysis of trade development realized only in the frame of the EU 27.

From Table 8, it can be seen that the following countries have the dominant position in the European Union agri-trade activities: France, the Netherlands,

Germany, Belgium, Spain, Italy, Great Britain and Denmark. The share of these countries in the exports and imports of the EU countries in 1997–2006 moved at the level of about 86%, and 82%, respectively. The share of the other 19 EU members in the total value of the agrarian foreign-trade operations achieved by the analysed countries is lower than 20%. However, the comparison of countries with the biggest relative year-on-year accruals of agri-business is very interesting, as they occurred in the analysed 10 years. Among

Table 8. Individual EU countries agrarian export and import development (in billions USD)

	Export				Import					
	Partner	Sum 1997–2006	Average value	Inter-annual growth rate (%)	Partner	Sum 1997–2006	Average value	Inter-annual growth rate (%)		
France	world	387.42	38.74	Slovakia	17.47	GER	421.83	42.18	Romania	15.90
Netherlands	world	340.16	34.02	Latvia	17.06	UK	332.73	33.27	Latvia	15.30
Germany	world	312.51	31.25	Malta	16.98	France	294.74	29.47	Hungary	14.71
Bel.-Lux.	world	214.67	21.47	Poland	16.36	Italy	254.52	25.45	Bulgaria	12.55
Spain	world	206.80	20.68	Lithuania	15.97	Netherlands	200.78	20.08	Lithuania	12.46
Italy	world	186.76	18.68	Austria	12.45	Bel.-Lux.	196.49	19.65	Slovakia	11.40
UK	world	174.42	17.44	CZE	12.30	Spain	182.26	18.23	CZE	10.40
Denmark	world	114.96	11.50	Estonia	10.55	Denmark	64.11	6.41	Estonia	8.50
Ireland	world	74.57	7.46	Sweden	10.11	Sweden	58.98	5.90	Poland	8.33
Austria	world	45.62	4.56	Portugal	7.71	Portugal	52.16	5.22	Ireland	8.25
Poland	world	45.13	4.51	Slovenia	6.71	Austria	51.26	5.13	Sweden	7.91
Sweden	world	30.54	3.05	Spain	6.62	Greece	45.54	4.55	Slovenia	7.29
Greece	world	29.88	2.99	Germany	6.54	Ireland	41.24	4.12	Austria	7.15
Hungary	world	27.59	2.76	Bel.-Lux.	6.02	Poland	40.90	4.09	Spain	7.00
Portugal	world	21.86	2.19	Hungary	5.94	CZE	24.64	2.46	Denmark	6.41
CZE	world	16.85	1.68	Italy	5.11	Finland	22.68	2.27	Greece	5.68
Finland	world	10.09	1.01	Netherlands	4.47	Hungary	15.43	1.54	Bel.-Lux.	5.66
Lithuania	world	8.13	0.81	Bulgaria	4.47	Romania	14.27	1.43	Portugal	5.59
Bulgaria	world	7.04	0.70	Romania	4.41	Slovakia	10.96	1.10	UK	5.54
Slovakia	world	7.03	0.70	Denmark	4.02	Slovenia	8.37	0.84	Finland	5.52
Romania	world	4.99	0.50	Ireland	3.98	Lithuania	8.06	0.81	Malta	4.82
Estonia	world	4.59	0.46	Greece	2.88	Cyprus	7.18	0.72	Netherlands	4.53
Slovenia	world	4.04	0.40	Finland	2.85	Estonia	6.92	0.69	Italy	4.51
Cyprus	world	3.85	0.39	France	2.77	Latvia	5.95	0.59	France	3.69
Latvia	world	2.92	0.29	UK	1.88	Bulgaria	5.48	0.55	GER	3.67
Malta	world	0.93	0.09	Cyprus	-8.48	Malta	3.54	0.35	Cyprus	0.29

Source: Comtrade, own processing

the first 10 countries with the biggest year-on-year growth rates of export and import, there are, except for Austria, no other countries which represent the top in the area of the realized foreign trade value and volume. On the contrary, among the biggest “jumpers”, we can find countries whose share in the volumes of the actual agrarian trades only with a minimal rate (exceptions are Poland and Sweden). Among the countries with the biggest annual accruals, we can generally find countries which accessed the EU

recently and whose territorial and also commodity trade structure came through intense changes. In the case of exports, the highest annual accruals are recorded in countries such as Slovakia, Latvia, Malta, Poland, Lithuania, the CR and Estonia; from the “old” countries, it is Austria, Sweden, Portugal and Spain. In the case of the new countries, it regards the countries which more or less profited from the accession process in the more or less liberal market of the EU countries, and further also from the mutual trade

Table 9. Development of individual EU countries' agrarian export and import activities within EU 27 (in billions USD)

		Export				Import				
	Partner	Sum 1997–2006	Average value		Inter-annual growth rate (%)		Sum 1997–2006	Average value		Inter-annual growth rate (%)
France	ES27 2007	281.87	28.19	Latvia	29.31	Germany	296.32	29.63	Hungary	23.95
Netherlands	ES27 2007	273.09	27.31	Lithuania	24.26	UK	220.30	22.03	Latvia	18.43
Germany	ES27 2007	254.34	25.43	Poland	20.64	France	212.80	21.28	Romania	18.27
Bel.-Lux.	ES27 2007	189.11	18.91	Slovakia	20.47	Italy	195.35	19.54	Bulgaria	18.00
Spain	ES27 2007	169.41	16.94	Slovenia	18.30	Bel.-Lux.	152.75	15.27	Lithuania	16.17
Italy	ES27 2007	129.84	12.98	Estonia	14.46	Netherlands	129.33	12.93	CZE	12.61
UK	ES27 2007	109.56	10.96	CZE	14.37	Spain	110.59	11.06	Slovakia	12.49
Denmark	ES27 2007	80.36	8.04	Bulgaria	11.82	Denmark	42.73	4.27	Poland	10.24
Ireland	ES27 2007	57.14	5.71	Austria	11.48	Austria	42.54	4.25	Slovenia	10.13
Austria	ES27 2007	35.74	3.57	Sweden	10.95	Sweden	41.59	4.16	Cyprus	9.34
Poland	ES27 2007	31.65	3.17	Romania	10.56	Portugal	39.39	3.94	Estonia	8.91
Greece	ES27 2007	21.33	2.13	Portugal	8.12	Greece	37.12	3.71	Ireland	8.69
Sweden	ES27 2007	19.99	2.00	Hungary	7.70	Ireland	34.14	3.41	Denmark	8.28
Hungary	ES27 2007	19.20	1.92	GER	7.30	Poland	25.27	2.53	Austria	7.43
Portugal	ES27 2007	16.24	1.62	Spain	6.79	CZE	19.06	1.91	Portugal	7.36
CZE	ES27 2007	13.93	1.39	Bel.-Lux.	6.27	Finland	16.42	1.64	Spain	7.35
Slovakia	ES27 2007	6.19	0.62	Denmark	4.86	Hungary	11.67	1.17	Sweden	7.34
Finland	ES27 2007	5.43	0.54	Italy	4.81	Slovakia	9.11	0.91	Malta	7.02
Lithuania	ES27 2007	4.88	0.49	Malta	4.71	Romania	8.10	0.81	Finland	6.96
Bulgaria	ES27 2007	3.42	0.34	Finland	4.42	Slovenia	6.25	0.63	UK	6.38
Romania	ES27 2007	3.07	0.31	Ireland	4.37	Lithuania	5.88	0.59	Greece	5.29
Estonia	ES27 2007	2.31	0.23	Netherlands	4.29	Latvia	5.01	0.50	Bel.-Lux.	5.11
Latvia	ES27 2007	1.72	0.17	Greece	3.91	Estonia	4.68	0.47	Netherlands	4.52
Cyprus	ES27 2007	1.57	0.16	France	2.56	Cyprus	3.87	0.39	Italy	4.17
Slovenia	ES27 2007	1.41	0.14	UK	2.27	Malta	2.85	0.28	France	3.90
Malta	ES27 2007	0.16	0.02	Cyprus	-7.03	Bulgaria	2.79	0.28	Germany	3.78

Source: Comtrade, own processing

Table 10. Individual EU members aggregated agrarian trade balance in 1997–2006 (billion USD)

	NLDs	France	Denmark	Spain	Ireland	Bel.-Lux.	Hungary	Poland	Bulgaria	Lithuania	Cyprus	Estonia	Slovakia
Intrastat	348	187	117	98	69	37	22	6	1	-1	-2	-3	-4
Total trade	311	218	147	91	36	29	3	3	2	0	-3	-3	-4
	Latvia	Malta	Slovenia	CZE	Romania	Finland	Greece	Austria	Portugal	Sweden	Italy	Germany	UK
Intrastat	-4	-5	-6	-6	-7	-17	-19	-21	-31	-44	-202	-211	-236
Total trade	-4	-5	-6	-9	-12	-17	-26	-29	-54	-72	-249	-380	-419
	Slovenia	Slovakia	Malta	CZE	Romania	Greece	Finland	Austria	Portugal	Sweden	Italy	UK	Germany

Source: Comtrade, own processing

liberalization which in the period before the accession of the particular new countries in the EU took place slowly just in these new members, and thereby as these countries became the EU in one moment, most obstructions of the mutual trade disappeared. Table 9 deals with the problems of development in the context of the intra trade.

The table contains data on the development of the inter trade development achieved in the context of the EU-27, whereas the fact that some countries were not members of the EU in the analysed period or they just became the members during the period is neglected here. The simplification of the analysis stems from the fact that in the analysed period, all now accessed countries already had the candidate status. From the data, it results that in the long term, the same as in the case of the total trade, the inter trade is dominated by the countries such as France, the Netherlands, Germany, Belgium, Spain, Italy, Great Britain and Denmark. As regards the development of year-on-year growth rates of both the export and import values in the context of inter trade, the situation is similar to that in the case of the total trade. The growth rate in the case of the biggest players is significantly lower in comparison with others and especially in comparison with the newly joined member states which, thanks to the trade liberalisation which took place between them and the old EU countries last year, significantly increased the volumes of trade achieved in the internal EU market. Table 9 provides information about those countries which have the highest growth rates: Lithuania, Latvia, Poland, Slovakia, Slovenia, Estonia and the Czech Republic. From the old members, only Austria and Sweden appear in the first ten. In the case of imports, the situation is very similar. The countries with the highest growth rate are Hungary, Latvia, Romania, Bulgaria, Lithuania, the Czech Republic, Slovakia, Slovenia and Poland. So, it regards the new member states which by their accession to the EU opened their markets not only to the old EU member states but also to all new members which started to trade mutually and very significantly. Concerning the resulting trade balance of the particular EU countries, in the long term a positive balance is kept of the total agrarian trade mainly by the following countries: the Netherlands, France, Denmark, Spain, Ireland, Belgium, Hungary, Poland and Bulgaria. In the case of the intra trade, the situation is as follows: the Netherlands, France, Denmark, Ireland, Hungary, Spain, Belgium, Poland, Latvia and Bulgaria. The Table 10 provides information on agri-trade balance of the particular current EU member states over the period 1997–2006.

Table 11. Shares of EC/EU in individual countries agrarian export and import development (%)

Intrastat/total	5 years before EC/EU accession					5 years after EC/EU accession				
	1	2	3	4	5	1	2	3	4	5
<b>Export</b>										
Austria	53.0	51.6	51.0	50.0	47.5	61.2	63.4	64.9	68.9	71.7
Bulgaria	54.9	58.4	52.8	53.3	56.0					
Cyprus	32.2	25.6	26.2	42.7	53.9	56.1	52.1	53.6		
CZE	77.3	77.2	78.2	81.8	81.1	84.5	84.8	86.8		
Denmark	62.2	60.7	58.7	56.2	55.4	62.1	61.1	65.2	64.4	62.0
Estonia	41.0	49.2	44.4	44.9	47.5	74.4	71.2	63.1		
Finland	31.2	35.9	37.3	31.6	27.5	39.1	35.2	33.7	36.1	41.5
Greece	46.0	47.5	47.8	44.7	40.9	46.5	50.0	58.4	60.1	59.2
Hungary	65.3	60.1	60.2	61.8	61.8	67.2	66.0	67.0		
Ireland	85.0	82.5	82.0	82.3	87.6	82.2	79.8	87.8	81.4	82.4
Latvia	59.1	63.8	53.0	50.6	58.2	64.2	66.9	66.1		
Lithuania	49.8	56.3	54.6	60.5	55.5	71.0	71.4	64.3		
Malta	27.4	24.0	20.2	11.4	13.5	13.7	17.4	13.1		
Poland	63.2	64.2	64.4	65.2	66.1	72.5	74.2	76.9		
Portugal	48.6	52.5	48.4	45.8	49.7	57.6	61.6	63.8	58.9	67.1
Romania	63.6	72.3	67.8	70.0	66.3					
Slovakia	81.9	84.0	85.8	86.3	84.1	88.4	89.1	88.9		
Slovenia	31.5	24.0	18.7	22.8	28.7	33.3	47.1	56.1		
Spain	50.2	55.9	55.2	54.5	56.5	64.1	68.7	68.6	68.5	71.7
Sweden	46.9	48.7	50.3	47.9	43.8	57.3	58.8	57.9	60.0	67.9
UK	25.0	26.5	27.5	26.6	32.5	37.2	33.5	40.0	42.4	45.8
<b>Import</b>										
Austria	56.04	55.56	57.54	58.98	56.82	72.26	74.48	74.77	75.42	76.89
Bulgaria	52.57	53.22	50.33	54.44	54.21					
Cyprus	47.78	48.12	41.24	52.47	58.60	70.25	71.42	72.42		
CZE	70.92	72.25	73.30	75.93	76.02	78.84	81.51	84.01		
Denmark	23.93	22.41	23.30	24.59	24.38	28.30	31.06	32.82	32.86	30.63
Estonia	58.71	64.48	66.45	63.62	63.65	79.57	82.41	82.34		
Finland	49.66	50.31	49.80	49.05	45.32	64.56	62.94	62.49	64.91	67.52
Greece	32.65	29.75	32.94	34.50	41.25	72.57	74.27	77.60	78.03	79.66
Hungary	50.68	57.09	60.43	63.60	67.27	84.26	88.94	89.60		
Ireland	42.50	45.63	47.93	44.77	46.84	52.91	59.26	54.81	57.56	58.75
Latvia	81.16	81.75	82.54	81.18	82.89	85.01	86.18	86.99		
Lithuania	80.34	60.76	59.85	64.13	62.29	77.25	75.89	78.11		
Malta	76.70	76.23	75.29	74.93	73.70	85.94	86.69	88.43		
Poland	56.04	62.21	61.78	62.53	62.09	63.18	62.93	62.31		
Portugal	15.45	15.81	11.37	13.25	19.74	29.40	39.01	41.26	46.68	49.98
Romania	60.91	59.45	54.01	55.23	55.81					
Slovakia	82.00	83.10	82.64	82.19	81.06	81.10	84.15	85.79		
Slovenia	69.59	70.51	70.51	70.10	69.32	79.33	82.06	80.60		
Spain	21.49	20.38	24.87	22.97	25.87	42.65	48.45	45.76	50.41	54.31
Sweden	52.20	54.09	55.70	57.17	54.30	66.50	68.98	66.40	67.24	67.42
UK	29.34	28.37	28.50	30.85	31.80	35.79	42.70	47.73	43.54	41.62

Source: Comtrade, own processing

Table 11 provides data on the development of the EC/EU share in the agrarian foreign trade of the particular member states five years before their accession to the Community and again at five years after. The data mentioned in the table contain the trade which the given state achieved not only with the real member base but also with the countries with which the given state accessed together into the EC/EU at the same date (which means that for example in the case of Ireland, the calculation of the share development is not focused only on the relation Ireland vs. “six fathers-founders”, but regards the calculation built on the following principle: Ireland vs. “six fathers-founders” + Great Britain + Denmark (because the last two countries accessed the EC together with Ireland at the same moment)).

From the table, it is clear how the situation of many countries changed considerably after their accession. A clear decrease is seen in the share of the extra trades (trades with “third countries”) and at the same time, the intense increase in the share of the foreign trade operations achieved in the internal market. In the case of exports, it is obvious that in the period of five years after accession of a given country into the EC/EU, this territory became, with certain exceptions given by the specific, mainly geographical position of the given concrete country – e.g. Finland, the most significant trade partner of the particular countries. Further it can be read from the table that the particular countries planning the EC/EU membership already developed very lively trade contacts with the EC/EU countries in the preparation period for membership, and that the share of the intra trade increased very significantly at the expense of the extra trade. This is clear especially in the case of Cyprus, the CR, Estonia and for example Great Britain. In the case of most of the so-called newly accessed countries, a significant increase in the share of the Community can be seen mainly in the period after the accession. In the case of many countries, this increase is partially caused not only by the fact that the given country became the EC/EU member but also that some of its important partners also accessed the Community at the same time (it is obvious in the case of the following countries: Denmark, Estonia, Finland, Austria, Lithuania, Poland, Portugal). The Table 11 provides data on the development of the share of the EC/EU countries in the total imports of the individual accessing countries.

Concerning imports, a similar development trend as in exports is apparent, whereas generally it is seen that in the period before the accession of the particular countries into the EC/EU, the mutual trade liberalisation did not have a symmetric characteristic

and the particular newly accessed countries opened their markets of goods for the Community much more generously than it was in reverse. The Community share in imports grew in the period of preparations for the membership in the case of almost all the analysed countries (except for Austria, Denmark, Finland, Lithuania, Malta and Romania – in the case of these countries, the shares of the Community did not increase before their accession to the EC/EU, however, immediately after the accession to the EC/EU, they grew significantly), only the growth rate of the share was different depending on the importance of the EC/EU territory for the newly accessed member and depending on the fact in what group of other countries the given member accessed the EC/EU. In the case of most newly accessed countries, the Community became the dominant trade partner in the period within five years after their accession (an exception can be found only in the case of the very specific position of Great Britain, Denmark and Portugal). In the case of development of both the exports and imports, it is only the intra trade which in the case of all newly accessed countries intensifies and that regarding the fact that the newly accessed countries had to accept the obligations resulting from the CAP (Common Agricultural Policy) and the CTP (Common Trade Policy). The obligations resulting from the common policies are the main reason for the decrease in the shares of the non-member countries in the foreign-trade operations of the newly accessed countries, and vice versa for the increases in the shares of trades achieved throughout the Community. Deepening links among member states then lead to a closer cooperation which is built on the still increasing mutual dependence, which then leads to a very significant intensification of the internal foreign-trade links.

### **The influence of the EC/EU accession on the development trend of agrarian exports and imports**

The following part of the paper is devoted to the development of agrarian foreign trade of the particular countries with an emphasis on the trade development in the period before and after the accession of the countries to the EC/EU. Because the values of USD and the traded goods have been changing and because the whole analysis is calculated in USD, the following part of paper is devoted just to the impacts of the EC/EU accession on the agrarian trade development of the particular countries. The analysis is built on the mutual comparison of the growth rate development of

Table 12. Individual countries' average inter-annual growth rate of agrarian export and import (%)

Inter-annual growth	Total			Extrastat			Intrastat		
	5 years before EC/EU accession	5 years after EC/EU accession	3 years after EC/EU accession	5 years before EC/EU accession	5 years after EC/EU accession	3 years after EC/EU accession	5 years before EC/EU accession	5 years after EC/EU accession	3 years after EC/EU accession
<b>Export</b>									
Austria	7.8	14.3	17.7	11.5	0.9	2.8	4.5	25.4	32.4
Bulgaria	20.2			17.6			23.7		
Cyprus	-12.0		2.5	-17.5		2.8	-1.2		2.6
CZE	6.6		27.0	-1.4		13.2	9.8		29.9
Denmark	6.9	18.0	26.1	11.6	13.7	15.7	3.8	21.7	34.0
Estonia	6.7		6.2	3.6		11.9	13.0		12.3
Finland	17.8	-4.0	5.5	22.8	-6.9	3.9	9.4	4.3	13.3
Greece	12.6	-0.1	4.2	18.4	-7.5	-7.3	6.9	8.2	17.4
Hungary	3.7		12.1	2.2	4.0	6.7	5.5	9.3	15.5
Ireland	10.7	20.8	28.2	9.8	32.5	33.7	11.2	20.3	29.1
Latvia	12.7		41.1	15.7		31.1	13.6		48.0
Lithuania	13.0		34.2	9.6		29.7	18.5		42.0
Malta	25.2		13.6	32.4		13.9	3.3		14.4
Poland	9.0		34.9	3.7		18.6	12.9		42.1
Portugal	0.0	16.9	18.4	1.7	7.7	6.3	-1.2	24.9	28.8
Romania	17.6			21.6			16.9		
Slovakia	10.3		37.2	5.7		21.6	11.6		40.0
Slovenia	5.4		13.1	6.1		-4.2	7.2		42.3
Spain	-0.1	18.1	24.6	0.8	8.1	11.8	-0.3	24.4	33.2
Sweden	7.3	9.2	20.3	9.8	-2.0	9.2	4.7	20.7	34.2
UK	11.2	19.5	24.4	10.4	14.4	19.6	14.4	29.0	35.0
<b>Import</b>									
Austria	7.60	7.01	11.42	5.82	-5.61	-6.77	9.25	15.11	23.99
Bulgaria	22.74			21.66			23.95		
Cyprus	-5.95		18.12	-11.85		3.37	2.02		27.71
CZE	7.09		24.38	1.83		8.71	9.16		28.61
Denmark	7.15	26.69	24.65	6.63	24.46	19.59	8.99	33.49	38.77
Estonia	5.24		1.31	1.41		-14.98	8.66		9.01
Finland	6.26	4.13	8.25	6.66	-4.77	-2.05	6.21	13.99	22.11
Greece	13.13	7.86	11.52	9.59	-9.76	-14.60	20.62	26.34	41.40
Hungary	8.85		26.01	-1.22		-13.75	16.80	24.65	41.09
Ireland	9.13	21.33	23.30	6.22	15.11	16.29	13.41	27.86	31.55
Latvia	9.26		24.57	5.64		13.72	10.18		26.61
Lithuania	6.82		29.23	25.26		10.72	2.67		40.02
Malta	5.43		7.55	9.81		-16.83	4.10		14.97
Poland	0.88		27.04	-1.81		26.64	3.02		27.30
Portugal	-3.86	24.48	29.69	-4.14	13.32	16.97	0.94	51.47	67.05
Romania	21.29			23.32			20.16		
Slovakia	5.23		26.17	6.19		14.79	5.04		28.65
Slovenia	4.07		19.75	2.37		4.00	5.00		26.51
Spain	-3.60	26.30	31.99	-4.47	14.68	19.05	-0.06	51.53	67.08
Sweden	7.24	2.63	4.29	5.62	-3.40	-4.74	8.98	7.58	12.03
UK	4.32	12.82	18.08	3.51	9.17	8.19	6.28	20.48	35.30

Source: Comtrade, own processing

both the agrarian imports and the exports in the case of the particular countries – the EC/EU members in the period before their accession to the EC/EU and in the period after their accession. Agrarian foreign trade, with respect to its value, constantly increased during the EC/EU development. Both the value of the actual agrarian trade and the volume (weight) of the actual trades grew. During the years, the territorial and commodity structures of foreign trade of the particular EC/EU countries also changed very significantly. In the case of the territorial structure, during the years business relations among the particular European countries continuously intensified. Several important factors contributed to this intensification. Firstly, it was the fact that the EU-15 countries slowly and surely integrated throughout the whole period of the cold war, the integration in the area of agricultural policy was also achieved on the basis that the particular countries were able to agree on the common principles of trade and agricultural policy which at the same time led to strengthening of the position of the particular countries on the outside towards the rest of world, because in all negotiations, in this case especially negotiations on the GATT/WTO matters, this fact considerably strengthened the bargaining position of the integrating Europe. Another important factor, which contributes to the intensification of the mutual business relations among the present EU members, was the end of the cold war and the breakup of the Eastern bloc. Central European and East European countries in particular very quickly re-oriented their territorial structure and naturally became the most important business partners for these countries. The third important factor contributing to the growth mainly of the inter trade is that agrarian production is carried out primarily for the needs of the EU internal market and agrarian export, even if its share in the world export is high, represents only a marginal matter. The EC/EU enlargement permanently also brings an enlargement of the internal market and thereby also the production capacities are increased as well as the internal consumption level. The process of the accession to the EC/EU and the following membership influenced the agrarian trade development of the particular countries in a specific way. The period when the particular countries were preparing for their accession to the EU is for most countries characterised by the fact that the agrarian export and import growth rates changed their structures because of the preparation for the EC/EU accession.

In the case of many countries, the growth rate of trade with the non-member countries slowed down, while the growth rate of trade with the EC/EU

member states and other countries preparing for membership started to increase owing to the gradual trade liberalisation. In the case of the development of agrarian exports (see Table 12), this development was not so striking in the period before accession to the EC/EU, however, in the case of agrarian imports, where the non-symmetric actual trade liberalisation caused the markets of the newly accessed countries to open faster in the preparation period than in the case of the EC/EU market, it is seen clearly that the growth rate of the intra-imports very significantly exceeds the growth rate of the extra-imports in the case of almost all the analysed countries. In the case of the agrarian export development (see Table 12), this development in the period before the accession to the EC/EU is not so striking, however, in the case of the agrarian imports, where the non-symmetric actual trade liberalisation led to the markets of the newly accessed countries being opened faster in the preparation period than in the case of the EC/EU market, it is seen clearly that the growth rate of the intra-imports very significantly exceeds the growth rate of the extra-imports in the case of almost all the analysed countries. If we summarise the trade development of the particular gradually accessed members of the EC/EU, we find that the growth rate of agri-business had with some exceptions a growing characteristic. This growing character was even more significantly amplified in the period immediately after the accession of the particular countries in the EC/EU. From Table 12, it is obvious that in the case of most countries, owing to the complete market liberalisation among the member states and owing to the adoption of the principles resulting from the common policies of the EC/EU countries, the trade growth rate intensively increased in both cases of exports and imports. The actual growth rate, especially of the internal trade exchange, tended to increase mainly during the first three years after the accession of the particular country to the EC/EU, and then it slowly decreased and turned back to the “normal” level. For some countries, the limitation of the trade with the so-called third countries represented very significant problems which were apparent mainly in the area of the decrease in the growth rate of exports in these areas, and at the same time in most newly accessed countries, the imports from the third countries significantly decreased. The decrease of the growth rate of imports from the third countries reached higher values than in the case of exports. Many countries of the world continued with the consumption of products produced in the new EC/EU member states, however, the possibilities of these

countries reversely to import to the markets of the new members significantly decreased.

## CONCLUSION

*The Summary of the present development trends and their comparison with the preparation period of the particular countries for the EU membership and the period when the particular countries have already become the effectual members of the Community.*

From the above analysis of the agrarian foreign trade development of the EC/EU countries focussing on the agrarian trade development in the gradually accessed countries, it can be stated that the biggest increase in the actual businesses in the case of most accessed countries occurs in the period of the preparation for the accession and especially at the moment of the accession of the specific member to the EC/EU. The period after the accession is characterised by the above-average growth rates of both the agrarian export and the agrarian import, whereas

Table 13. Individual countries' average inter-annual growth rate of agrarian exports and imports in 1997–2006 (%)

Export				Import			
Intra trade 1997–2006		Total trade 1997–2006		Intra trade 1997–2006		Total trade 1997–2006	
	Inter-annual growth rate		Inter-annual growth rate		Inter-annual growth rate		Inter-annual growth rate
Latvia	29.31	Slovakia	17.47	Hungary	23.95	Romania	15.90
Lithuania	24.26	Latvia	17.06	Latvia	18.43	Latvia	15.30
Poland	20.64	Malta	16.98	Romania	18.27	Hungary	14.71
Slovakia	20.47	Poland	16.36	Bulgaria	18.00	Bulgaria	12.55
Slovenia	18.30	Lithuania	15.97	Lithuania	16.17	Lithuania	12.46
Estonia	14.46	Austria	12.45	CZE	12.61	Slovakia	11.40
CZE	14.37	CZE	12.30	Slovakia	12.49	CZE	10.40
Bulgaria	11.82	Estonia	10.55	Poland	10.24	Estonia	8.50
Austria	11.48	Sweden	10.11	Slovenia	10.13	Poland	8.33
Sweden	10.95	Portugal	7.71	Cyprus	9.34	Ireland	8.25
Romania	10.56	Slovenia	6.71	Estonia	8.91	Sweden	7.91
Portugal	8.12	Spain	6.62	Ireland	8.69	Slovenia	7.29
Hungary	7.70	Germany	6.54	Denmark	8.28	Austria	7.15
GER	7.30	Bel.-Lux.	6.02	Austria	7.43	Spain	7.00
Spain	6.79	Hungary	5.94	Portugal	7.36	Denmark	6.41
Bel.-Lux.	6.27	Italy	5.11	Spain	7.35	Greece	5.68
Denmark	4.86	Netherlands	4.47	Sweden	7.34	Bel.-Lux.	5.66
Italy	4.81	Bulgaria	4.47	Malta	7.02	Portugal	5.59
Malta	4.71	Romania	4.41	Finland	6.96	UK	5.54
Finland	4.42	Denmark	4.02	UK	6.38	Finland	5.52
Ireland	4.37	Ireland	3.98	Greece	5.29	Malta	4.82
Netherlands	4.29	Greece	2.88	Bel.-Lux.	5.11	Netherlands	4.53
Greece	3.91	Finsko	2.85	Netherlands	4.52	Italy	4.51
France	2.56	France	2.77	Italy	4.17	France	3.69
UK	2.27	UK	1.88	France	3.90	GER	3.67
Cyprus	-7.03	Cyprus	-8.48	GER	3.78	Cyprus	0.29

Source: Comtrade, own processing



in later years, there is a decrease and a stabilisation of the agrarian trade growth rate. Table 13 contains data on the development of the agrarian export and import growth rates of the particular countries of the EU-27 in 1997–2006. In the case of most old members, the growth rate of the trade volumes is driven mainly by the means of the stable process of the EU enlargement; in the case of new members, that growth rate increases its value mainly owing to gaining new opportunities which the EU market presently offers. If we look in more detail at the data in the next table, it can be seen that in the last ten years, the growth rate increased mainly in those countries which were preparing for membership or which accessed the EU, or in the case of the “old” members, whose economies are very close to the markets of the newly accessed countries. Internal trade conducted, respective its growth rate, in the long term exceeds the development trend of the extra trade and *de facto* it leads to the fact that the trade with third countries which represents mainly the source of raw materials for processing industry within the EU countries, and furthermore, the third countries represent a space for the realisation of the CAP surpluses. Otherwise, most actual agrarian production on the EC/EU market tends to end up in the internal market. The accession process is then connected with the intensive process of linking together the particular member economies and this process, developed in harmony with the concept of sustainable agriculture promoted in the EU, it leads to the fact that the EU in the agrarian area and agrarian trade represents a very specific phenomenon of the world economy. The EU membership means for the new members the growth of the share of the EC/EU member states in their foreign-trade operations and vice versa the decrease of the third countries’ shares in their foreign trade activities. Furthermore, the individual countries’ commodity structure generally changes, especially because of the

elimination of the customs escalation phenomenon among the EU member states. The share of products and raw materials with a minimal level of added value decreases in favour of intermediate products and finalised products with a higher rate of added value. It is usually accompanied by a higher growth rate of the value of traded goods in comparison with the growth rate of the exported and imported volumes of goods (kilogram prices are growing).

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Arrived on 14<sup>th</sup> April 2009

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