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TRÉSOR-ECONOMICS

# Has France adjusted to recent trends in world trade?

This study was prepared under the authority of the Treasury and Economic Policy General Directorate and does not necessarily reflect the position of the Ministry of the Economy, Finance and Employment.

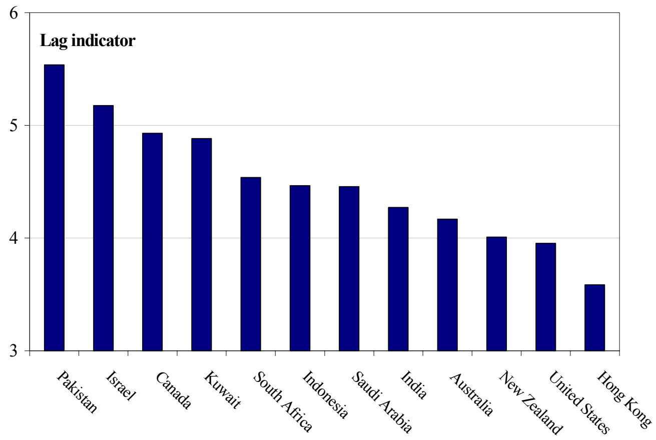
- The rise of the emerging countries has transformed the geography of global trade. The major developed countries, France included, are seeking to win market share in these countries. By comparison with its main European partners, France needs to focus its efforts on certain regions where it lacks presence, e.g. emerging Asia, the oil producing countries, and Eastern Europe.

- As far as market shares are concerned, France is performing poorly in comparison with its European partners (Germany, Italy and the United Kingdom) in distant markets: in the Near and Middle East, in major OECD countries excluding the European Union, and especially in emerging Asia. Conversely, France is relatively well placed in Western Europe, and in particular in the major markets represented by our neighbouring countries, our core export markets. However, its privileged position in these markets has been weakening since 2000. Outside Europe, France remains distinctly better placed than its partners in Africa, in North Africa especially.

- The fast-growing economies are mainly located in emerging Asia, in the Near and Middle East, and in Eastern Europe. The only fast-growing countries in which France is well placed are the North African countries. France therefore needs to strengthen its position in the other high-growth regions.

- The identification of lists of "target countries" (2003) and "pilot countries" (2005), as part of the government's trade promotion plans, seeks precisely to steer French exports towards these faster-growing regions by concentrating export subsidies on these countries.

**The 12 non-European countries where France lags behind its major European neighbours in market share terms**




*Source: IMF, DGTPE calculations.*

DGTPE
DIRECTION GÉNÉRALE DU TRÉSOR
ET DE LA POLITIQUE ÉCONOMIQUE

**The rise of emerging countries over the past 15 years has brought considerable upheavals in the geography of global trade, with a geographical rebalancing of trade flows**. Has France adjusted to these new conditions? Have our main European competitors adjusted more effectively, or less?

Focusing our analysis on the most significant export markets, we begin by considering whether the geographical structure of our exports has adjusted in keeping with the changing structure of world trade. In particular, have French exports kept pace with the surge in certain countries' imports in recent years? We then compare France's performance with that of our main European neighbours by reviewing our respective positions in the various export markets and comparative changes in these market shares.

The choice of countries selected and indicators used is discussed in a box on the following page.

## 1. Due to the geographical structure of its exports, France has not yet benefited fully from the vigour of emerging countries in world trade since 2000

### 1.1 French firms need to sell more to distant countries...

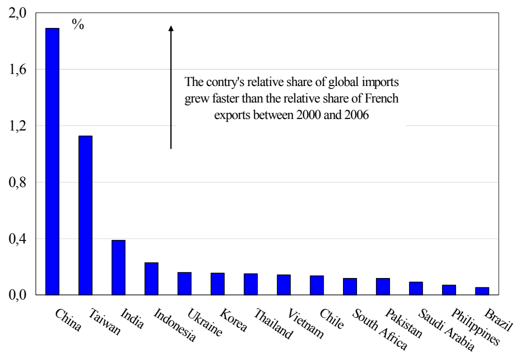
**In 2006 too few French exports went to the global trade heavyweights**. The chief explanation given for this is that these markets are geographically too distant: according to the "gravity model"[1] distance is a major impediment to trade between countries. This model sets up an empirical relationship positively linking the volume of trade between two countries and the size (i.e. their GDP) of the two countries, and negatively linking the volume of trade and the distance between them. This would explain why French exports to distant countries might be considered inadequate in the light of these countries' share of global trade.

The difference between the relative share in world trade of the United States, China, Japan, Canada, Hong Kong and South Korea and their relative share of French exports chiefly reflects the obstacle posed by geographical distance: whereas these countries alone account for more than 35% of global imports, they account for only 12% of French exports. Yet distance appears to present less of an obstacle for UK exporters (these countries account for 21% of British exports); this may be due to cultural factors where North America is concerned. France lags behind Germany too (15% of whose exports go to these countries), though to a lesser extent.

Comparison between 2000 and 2006 of the ratio between the relative share of each country in world trade and its share in our exports (indicator 1 in the box) gives an indication of our capacity to benefit from demand in the world's major export markets.

**Since 2000, and for a given distance, we find that France has benefited more from demand in the major OECD markets such as the United States, Japan and Canada**, whose share of global imports has contracted between 2000 and 2006, despite fairly buoyant demand (except in the case of Japan), **than from demand in the major emerging markets**, which have been extremely dynamic in recent years. Chart 1 lists the 14 countries for which the gap between their share of world trade and their share of our exports has widened most between 2000 and 2006. These countries are big enough for this difference in relative share to be large in absolute terms (in percentage points).

**Chart 1: difference in countries' relative share of our exports and of global imports between 2000 and 2006 (indicator 1)**




*Source: IMF, DGTPE calculations*

*Interpretation: China's relative share of global imports grew by nearly 2 percentage points more than its share of French exports between 2000 and 2006.*

The share of a large number of emerging Asian countries (9 countries) in French exports has not kept pace with their increasing share of global trade. In particular, French exports have not profited sufficiently from the growing importance of China, Taiwan and India in global imports. The sample also features 3 countries from the other major emerging regions, namely Ukraine, whose share of world trade doubled between 2000 and 2006 (although still very small), South Africa and Saudi Arabia.

Finally, for 2 Latin American countries (Brazil and Chile), their share of world trade has varied little (Brazil's has actually fallen slightly), but their share of French exports has fallen substantially, which explains why the indicator used here shows that France has performed poorly in exporting to these countries.

(1) The theoretical foundations of this equation are described in Helpman E., Krugman P. (1985): "Market Structure and Foreign Trade", *the MIT Press, Cambridge Mass.*

## Box: **Choice of countries and definition of indicators used in the analysis**

**An analysis focused on the most significant export markets**

This analysis is confined to those countries whose share of world trade[a] is not marginal and represent a market in which a sufficient number of French exporters already have experience. More precisely, the countries included in the sample satisfy the following two criteria:

- their share of world trade in 2006 was greater than 0.1%;

- at least 500 independent French SMEs exported to these markets in 2005[b].

These two criteria resulted in a list of 66 countries representing 91% of world imports, namely:

Algeria, Argentina, Australia, Austria, Belgium, Brazil, Bulgaria, Canada, Chile, China, Colombia, Croatia, Czech Republic, Denmark, Egypt, Estonia, Finland, Germany, Greece, Hong Kong, Hungary, India, Indonesia, Iran, Ireland, Israel, Italy, Japan, Jordan, South Korea, Kuwait, Lithuania, Luxemburg, Malaysia, Mexico, Morocco, Netherlands, New Zealand, Nigeria, Norway, Pakistan, Philippines, Poland, Portugal, Qatar, Romania, Russia, Saudi Arabia, Singapore, Slovakia, Slovenia, South Africa, Spain, Sweden, Switzerland, Syria, Taiwan, Thailand, Tunisia, Turkey, Ukraine, United Arab Emirates, United Kingdom, United States, Venezuela and Vietnam.

Emerging Asia is especially well represented, with 12 countries in the list. The other continents are present in comparable proportions, with a "premium" for the Gulf countries, reflecting the recent growth in oil revenues. There are 8 Near and Middle Eastern countries, 6 African countries (4 North African, plus Nigeria and South Africa), and 6 Latin American countries. The list contains very few sub-Saharian African countries, due to their very small share of world trade, even though French exporting SMEs[c] do a considerable amount of business with them.

**Indicator 1 (cf. 1.1): Change in French presence in the different markets between 2000 and 2006**

This indicator measures the change, between 2000 and 2006, in the differential between the share in global imports of country i in the sample and that country's share in French exports. A positive sign for the following differential signals a deterioration in France's presence:

$$(ShareCM_i^{2000} - ShareXF_i^{2000}) - (ShareCM_i^{2006} - ShareXF_i^{2006})$$

Where "Share$CM_i^{2000}$" *corresponds to the share of country i in world trade in 2000 and "Share* $XF_i^{2000}$" is the share of country i in French exports in 2000 (respectively in 2006).

**Indicator 2 (cf. 1.2): Changes in French exports relative to changes in the different markets' imports between 2000 and 2006**

This indicator measures whether French exporters have benefited from the vigorous growth in imports into the countries in the sample, between 2000 and 2006. French exports can be seen to have been insufficiently vigorous wherever the sign for the following differential is positive:

$$av \cdot\ growthinimports_i^{00-06} - av \cdot\ growthinimports_{FR-1}^{00-06}$$

**Indicator 3 (cf. 2.1): The lag in France's market shares in 2006 relative to its European neighbours**

This indicator establishes a link between our competitors' market shares and that of France in a given country. More precisely, this ratio itself is linked to the relative market shares in the world of France and its European competitors. For example, if Germany exports twice as much as France worldwide, it should come as no surprise that it leads France nearly everywhere. On the other hand, one can eliminate this bias by taking the ratio of Germany's market share in country i to that of France in the same country, and by viewing that in the light of Germany's and France's respective shares of the global market.

$$\frac{marketshare(Contry_j)_i / \ marcketshare(Contry)_i}{marketshare(Contry_j)_{world} / \ marketshare(Contry)_{world}}$$

Where *Pdm (Pays* $_j$*)* $_i$ is the market share of country j (Germany, Italy or the United Kingdom) in market i. To identify those countries in which France "lags" most, only those countries in which France's market share lags behind those of at least two of its three major European neighbours have been selected.

**Indicator 4 (cf. 2.2): Decline in French market shares relative to our European neighbours between 2000 and 2006**

This indicator compares the ratio of France's market share between 2000 and 2006 to its neighbours' market shares:

$$\frac{Pdm\ France_i^{2000}}{Pdm\ France_i^{2006}} \geq \leq \frac{Pdm\ (Pays_j)_i^{2000}}{Pdm\ (Pays_j)_i^{2006}}$$

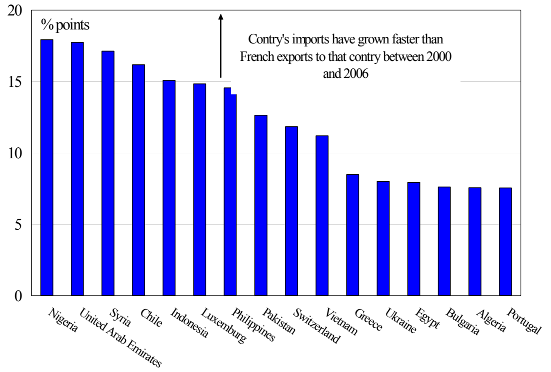
a. Measured as the ratio between each country's imports and all imports worldwide. Source: IMF.
b. Last available year for definitive data at time of publication. Source: French Customs.
c. In particular: Senegal, Gabon, Cameroon, Congo, Benin, Togo, Mali, Burkina Faso, Guinea, Niger and Mauritania.

### 1.2 ... as well as on the fast-growing small emerging countries

As we have just seen, French exporters have not sufficiently directed their offering towards those markets that significantly increased their relative importance, in absolute terms, between 2000 and 2006. These markets are the "heavyweights" of world trade, for the most part (China, India, South Korea, etc.).

It is also interesting to identify those markets that have been very dynamic over the period, regardless of size. Consequently, we take a more systematic look at those markets in which the growth in French exports has not kept pace with the growth in their total imports.

**Chart 2: the difference in countries' share in our exports and in global imports between 2000 and 2006 (indicator 2)**




*Source: IMF, DGTPE calculations*

*Interpretation: Imports from Nigeria have grown by an average of 20 percentage points more than French exports to Nigeria each year between 2000 and 2006.*

This detailed analysis shows that, over the period 2000-2006, 53 countries have increased their imports faster than French exports to those countries (see Box 1 for details of the indicator). These 53 countries include those featuring in Chart 1. However, these are not the countries displaying the widest differences. Chart 2 shows those countries for which the gaps are most pronounced.

Among countries displaying the widest gap, as in Chart 1 we find the countries of emerging Asia, with Indonesia, Philippines, Pakistan, Vietnam and South Korea. Yet it is French exports to the oil producing countries that have least kept pace with the growth in those countries' imports, i.e. Nigeria, the Gulf countries (the United Arab Emirates, Saudi Arabia), Indonesia and Algeria. Note also the presence in Latin America of Chile, whose total imports have grown by an average of 16 percentage points faster than its imports from France.

The gap between exports and imports is also significant in the direction of certain European countries: in 5 Western European countries, Switzerland and Luxemburg notably, as well as Greece, Portugal and Spain, imports have grown by more than 6 percentage points faster than French exports. This has also been the case for the countries of Eastern Europe and the Balkans (Ukraine, Bulgaria, Croatia and Slovenia).

### 1.3 The shift in the geographical structure of French exports needs to be backed up by a stronger commercial presence of French small and medium-sized exporting firms

In parallel with our analysis based on export volumes, we also need to investigate the degree of involvement of our export organisation in our different export markets by considering the place of independent SMEs.

**Why pay particular attention to independent SMEs?**

- Several studies[2] have shown that, **while the export capacity of France's large firms poses no particular problem**, regardless of whether they are majority French or foreign-owned, the results are rather more mixed when one turns one's attention to French independent SMEs: **the number of exporting SMEs has declined since 2002, and their "experience" of exporting remains rather limited**[3]. In the recent period, these developments appear to be specific to France: among France's European partners there has been no fall in the number of SMEs exporting, and SMEs play a more prominent role (they represent a higher proportion of exporting firms and the turnover among exporters is lower).
- **Most public export aid mechanisms benefit SMEs more, and some measures are reserved for them exclusively**. Questions relating to the geographical structure of exports by SMEs are consequently highly important.

Which are the countries to which French SMEs ought to boost their exports, given the relative importance of these countries in global trade, for example?

Chart 3 shows the most important export markets in world trade (i.e. accounting for at least 2%) and/ or the most "important" export markets for French SMEs (i.e. those already supplied by at least 5,000 SMEs). We thus find 3 emerging Asian countries (due to their share of global trade) and the 3 North African countries (due to the role French SMEs play in these countries).

(2) Artus, Fontagné (2006): "Évolution récente du commerce extérieur français", (Recent trends in French foreign trade) *rapport du CAE* (*Report by the Council for economic analysis*); see also Céci, Valerteinas (2006): "Structure et comportement des entreprises exportatrices françaises" (Structure and behaviour of French exporting firms), *DPAE no. 102*.

(3) The average number of export countries is limited (and many SMEs export to only one or two countries). The emerging countries represent only a small proportion of these countries. The turnover of exporting companies is considerable, in the sense that many SMEs export only occasionally.

**Chart 3: the presence of French exporting SMEs in the world**


*Source: French Customs, DGTPE calculations. .*

This chart serves to identify those countries whose relative share of world trade would justify a greater French SME presence. The world's top 5 importers, the United States, Germany, China, Japan and, to a lesser extent, the United Kingdom, are clearly visible here. While distance may account for the smaller presence of French SMEs in the United States, China and Japan, this is not the case for Germany or the United Kingdom. **Six countries appear to be well served by French exporting SMEs, namely Mexico, South Korea, Hong Kong, Canada, the Netherlands and Italy**.

On the other hand, **nine countries are particularly well served by French SMEs given their relative share of world trade**. This is the case for certain neighbouring countries, particularly the French speaking ones, such as Switzerland, Belgium and Luxemburg, but also Spain, Portugal, Denmark and the three North African countries-the latter three due to their strong cultural ties with France.

It is fairly natural that French SMEs should initially turn to markets close at hand, and in particular to the French speaking ones, namely in Western Europe with Belgium and Switzerland, and to Spain, where demand is especially buoyant. It is similarly logical that the countries of North Africa, being French speaking, should be particularly well served. Making the move to more distant countries is more complicated, when the time comes for a company to broaden its horizons beyond the circle of its first client countries.

Chart 3 highlights the need for French SMEs to penetrate the markets of North Asia more. Beyond that, the same observation might apply to all of the emerging countries in Asia and Latin America, as well as to the distant developed countries and, to a lesser extent, the countries of Central and Eastern Europe.

The fact that France's independent SMEs are relatively small is clearly hindering their international development, especially when it comes to prospecting distant countries. Earlier studies[4] have indeed shown that, below certain thresholds, the propensity to export was limited: below 10 or 20 employees, SMEs view exporting as a complicated affair regardless of the country of destination, and below a hundred or so employees, exporting to distant, and especially the emerging countries, is also seen as complicated. Moreover, the number of "large" SMEs in France capable of exporting with relative ease to these distant countries, is still limited, notably compared with Germany[5].

## 2. A comparative market share analysis helps to identify those countries where France needs a stronger presence

### 2.1 France needs to gain market share mainly in emerging Asia, and in the Near and Middle East

By comparing France's market share in 2006 with that of its main European neighbours (Germany, Italy and the United Kingdom), we can identify the markets in which France is less well placed. Simplifying somewhat, the criterion used (indicator 3) shows our competitors' market shares in relation to those of France, by comparison with the same relationship across all markets (see box). The indicator serves to measure how far France lags behind its major European competitors in third markets. This selection reveals 39 countries in which France's market shares relative to those of its neighbours are smaller than for the world as a whole.

Ireland, Austria, Switzerland, the Netherlands, the Nordic countries and the whole of Eastern Europe figure among the markets in which France lags furthest behind its main competitors. However, this is partially accounted for by the strong geographical links between Germany, above all, and to a lesser degree Italy (and the United Kingdom in the case of Ireland), and the countries that are geographically and culturally close to them, particularly Austria, Switzerland and Eastern Europe. The gaps in market shares with Germany are far greater than with Italy and the United Kingdom, and that goes for the European Union as a whole; geographical or cultural "bias" can scarcely justify the scale of Germany's lead, which in fact reflects the latter's better developed export capacity.

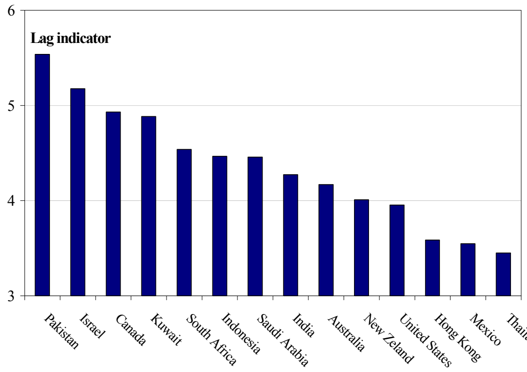
(4) See DPAE no. 102 "Structure et comportement des entreprises exportatrices françaises" (Structure and behaviour of French exporting firms).

(5) More than 3 French exporting SMEs out of 4 have fewer than 20 employees, and only 3% of them have more than 100. Within a given field of exporting firms, the situation is better balanced among the different size categories in Germany. The smaller size of French exporting SMEs directly reflects the size structure of French SMEs: in manufacturing industry: 16% of French SMEs have more than 10 employees, versus 34% in Germany.

To eliminate geographical bias, it is worth considering the relative position of France in non-European markets (see chart 4). The results show that France needs to do more to conquer certain distant major markets.

Three series of countries stand out in particular among the 14 countries in which France lags far behind its main neighbours (with a "lag" indicator greater than 3). These concern in the first place 5 countries in emerging Asia (Pakistan, Indonesia, India, Hong Kong and Thailand). France also has only a relatively small presence in a handful of major developed countries, in North America (Canada, United States, and also Mexico) and in Oceania (Australia and New Zealand). The final group contains some interesting individual cases, namely Israel, South Africa, together with Kuwait and Saudi Arabia.

**Chart 4: how far France lags behind its main European competitors in non-European markets ?**




*Source: IMF, DGTPE calculations.*

*Interpretation: in Pakistan, France's market share in relation to its market shares worldwide is 5.5 times smaller than that of its main neighbours in relation to their worldwide market shares.*

On the other hand, **France performs favourably, and very distinctly so, in North Africa, where its market shares are well above those of its neighbours**[6]. France also does better than Italy and the United Kingdom in its direct European neighbours. This situation is logical enough given its geographical "proximity" to these countries, some of which are in addition French speaking (Belgium and Switzerland). France's lead over Italy and the United Kingdom is clearly pronounced, however, although this favourable position has been eroded in recent years. Compared with its competitors, France is very well placed, geographically, at the centre of Western Europe.

### 2.2 Market shares are still modest in certain European countries

**In 2006, overall, France's worldwide market share (4.0%) clearly lags that of Germany (8.9%), but it leads Italy (3.3%) and the United Kingdom (3.2%).** However, whereas Germany has been gaining market share since 2000 (8.2% in 2000), France's market share (4.5% in 2000) has declined, and has done so more markedly than that of Italy (3.5%) though less so than that of the United Kingdom (4.3%).

Identifying those countries where France's market share has deteriorated sharply and more so than that of its neighbours between 2000 and 2006 sheds dynamic light on the previous analysis. The ratio of France's market share in 2000 to that of 2006[7] has been compared to the ratios obtained for its main European competitors.

**Table 1: Countries where the decline in France's market shares between 2000 and 2006 was more pronounced than for Italy and Germany[a]**

| Accompanied by a market share gain by the 2 neighbours | Accompanied by a market share gain by 1 of the 2 neighbours | Sharper decline than that of the 2 neighbours |
|---|---|---|
| | **Pays européens** | |
| Slovenia<br>Ireland | Luxemburg<br>Switzerland<br>Norway<br>United Kingdom<br>Denmark<br>Belgium | Croatia<br>Spain<br>Lithuania<br>Sweden<br>Bulagria<br>Italy |
| | **Pays émergents** | |
| Morocco<br>Pakistan<br>Saudi Arabia<br>Tunisia | Vietnam<br>Philippines<br>Kuwait | United Arab Emirates<br>Indonesia<br>South Africa |

a. Countries whose names are underlined are those whose share of world trade exceeds 0.5%.

*Source: IMF, DGTPE calculations.*

**In 57 of the 66 countries in the sample, Britain's market share deteriorated more than that of France between 2000 and 2006, in line** with what was observed for global market shares, notably in Asia (Indonesia, India, China, Taiwan and Hong Kong), in Europe (Romania, Slovenia, Lithuania, Sweden and Italy) and in Africa (Morocco, Nigeria and South Africa).

Table 1 refers solely to those countries where the deterioration in France's market share over the period was more pronounced than that of Germany and Italy (see box).

Table 1 indicates that the relative decline in French market shares was most pronounced in the European countries. This mainly concerns those countries where France's position is relatively good (indeed they do not appear in the previous point, 2.1), but where it is losing market share, more so than Germany and Italy. The deterioration in our position is far less worrying in certain smaller countries than in larger, culturally close countries, where our market share is shrinking perceptibly-in particular in Spain, Italy and the United Kingdom, as well

(6) Except in Tunisia, where Italy also is well placed, with a 22% market share. France has a 22% market share in Algeria in 2006, 17% in Morocco, and 25% in Tunisia.

(7) The ratio of the deterioration of France's market share has only been compared with that of its neighbours when it was greater than 1.1 and hence for a sharp drop in market share between 2000 and 2006.

as in Belgium and Switzerland. These, together with Germany, are the "core" of France's export markets, together accounting for 36% of French exports.

Outside Europe, France's position is deteriorating in a number of emerging Asian countries (Pakistan, Vietnam and the Philippines) and in the Near and Middle East (Saudi Arabia and Kuwait). While France's market share in the North African countries clearly exceeds that of its neighbours, it has nevertheless deteriorated between 2000 and 2006 in Morocco and Tunisia, whereas Germany and Italy have gained ground. On the other hand, although France lagged behind its neighbours in Canada, Australia and New Zealand in 2006 (see 2.1), it has improved its market share in these countries since 2000. Only in the United States is it less well placed, albeit no worse than its European neighbours.

**France therefore needs to bolster its positions in those regions where it is influential, namely in the major neighbouring markets and in North Africa**. It also needs to make an effort in Germany, our leading trading partner (16%), where we have lost market share, albeit to a lesser degree (from 9.6% in 2000 to 8.8% in 2006).

## 3. Looking ahead: what is the position of France in the most promising markets?

### 3.1 The geographical breakdown of France's main export regions ought to focus on the major growth regions

Observation of GDP growth rates in real terms of the countries making up our export markets yields an indication of the most promising markets, where we need to bolster our presence. To smooth cyclical effects while introducing a forward looking element, the growth rate considered is the average annual growth rate over the period 2004-2008, based on the IMF's Spring 2007 Outlook.

Table 2 features the 43 countries out of the 66 in our sample where average annual GDP growth has exceeded 4%. This comprises 9 countries in the EU27, 11 in emerging Asia, 9 in the Near and Middle East, and 14 in the other emerging regions. As one would expect, practically all of these countries are emerging or catch-up countries. The EU15 and the major OECD countries are virtually absent from the list.

Emerging Asia occupies a notable position, closely followed by the Near and Middle East. The other three emerging areas are roughly evenly distributed between: 4 countries in Latin America (Brazil, Venezuela, Argentina and Chile), 3 in Eastern Europe (Russia, Ukraine and Croatia), and 5 in Africa (South Africa, Nigeria and the 3 North African countries). Emerging Asia's position is even more pronounced if one takes into account the different countries' shares of world trade (see countries underlined in the table): whereas only 3 of the EU27 countries account for more than 0.5% of world trade, 3 in the Near and Middle East, and 2 in the other regions, and 8 of the 11 emerging Asian countries identified each have a share of more than 0.5%, which is set to increase rapidly in the coming years.

France should therefore place greater emphasis on exporting to these major growth regions. With the notable exception of North Africa, all of these countries have featured in the course of this analysis. In particular, France ought to seek to gain market share in the very high growth potential countries (above 6% average annual growth), which means mainly in Eastern Europe (Slovakia, Romania, the Baltic countries, Russia and Ukraine), but also in emerging Asia (India,

Pakistan and Hong Kong), and in the Near and Middle East (United Arab Emirates and Kuwait). In addition, because France is better placed in North Africa than its major European neighbours, it needs to consolidate its performance there given the buoyant demand in that region.

### 3.2 Conclusion

**The rise of the emerging countries has prompted a redistribution of trade flows in goods around the world. France, like the other major developed countries, is seeking to reinforce its positions in these markets**.

For that, France needs to take greater advantage of the vigorous growth in demand in emerging Asia, the oil producing countries and Eastern Europe, and to strengthen its positions in the fastest-growing and most promising regions. **The identification of lists of "target countries"[8] (2003) and "pilot countries"[9] (2005) within the framework of trade promotion programmes put in place by the government is designed precisely to steer French exports in the direction of these more dynamic regions by concentrating export aids on these countries**. These lists may be revised in response to the most recent trends in French foreign trade performance.

**Nicole MADARIAGA**

(8) Germany, Italy, Netherlands, Poland, United Kingdom, Hungary, Czech Republic, Russia, Turkey, Canada, United States, Brazil, Mexico, Algeria, Morocco, Tunisia, South Africa, China, Taiwan, Thailand, Malaysia, Japan, India, South Korea and Israel.

(9) United States, Japan, China, India, Russia.

## Tableau 2 : The most dynamic growth performances in the world in the period 2004-2008[a]

| UE27 | | Emerging Asia | | Near and Middle East | | Other emerging countries | |
|---|---|---|---|---|---|---|---|
| >6% growth | between 4% and 6% | >6% growth | between 4% and 6% | >6% growth | between 4% and 6% | >6% growth | between 4% and 6% |
| Romania | <u>Poland</u> | <u>China-HK</u> | <u>Korea</u> | <u>Turkey</u> | <u>Saudi Arabia</u> | <u>Russia</u> | <u>Brazil</u> |
| Slovakia | <u>Czech Rep.</u> | <u>Singapore</u> | <u>Taiwan</u> | <u>United Arab Emirates</u> | Israel | Ukraine | <u>South Africa</u> |
| Lithuania | <u>Ireland</u> | <u>India</u> | <u>Malaysia</u> | <u>Kuwait</u> | Iran | Argentina | Chile |
| Estonia | Luxemburg | Vietnam | <u>Thailand</u> | Qatar | Egypt | Venezuela | Colombia |
| | Bulgaria | Pakistan | <u>Indonesia</u> | Jordan | | Nigeria | Morocco |
| | Slovenia | | Philippines | | | | Algeria |
| | | | | | | | Croatia |
| | | | | | | | Tunisia |

a. Countries are ranked according to their share of world trade. Those underlined account for at least 0.5% of world trade.

*Source: IMF World Economic Outlook (Spring).*

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