



# The euro: voices from the Commonwealth

**Studying the structure and dynamics of flows of goods and services between Commonwealth countries and European Union member states**

*Rationale and outline for a long-term research project*

**Brian Camilleri  
Malta Enterprise**

**Dr Kalina Koleva  
Central Bank of Malta**

**Joint Research Initiative of the  
Central Bank of Malta and Malta Enterprise**



# Merchandise trade between the Commonwealth and the European Union

**-Brief-**



# Introduction

- **Our main aim is to provide a number of high level insights on trade between countries in the EU and the CW.**
- **Goods data (merchandise trade) at a 2 digit level classified under SITC, REV. 4 was sourced from UN Comtrade.**
- **Goods data is in USD, 2016.**
- **Three trade dimensions are presented**
  - **Dimension 1: trade between CW countries (including UK) and the EU27.**
  - **Dimension 2: trade between CW countries (excluding UK) and the EU28.**
  - **Dimension 3: a ‘what if’ analysis where the data pertaining to the UK is actually removed from both groups of countries.**
- **The role of the euro as an invoicing currency in extra-EU trade.**



## Dimension 1

**CW (including UK) and EU27**



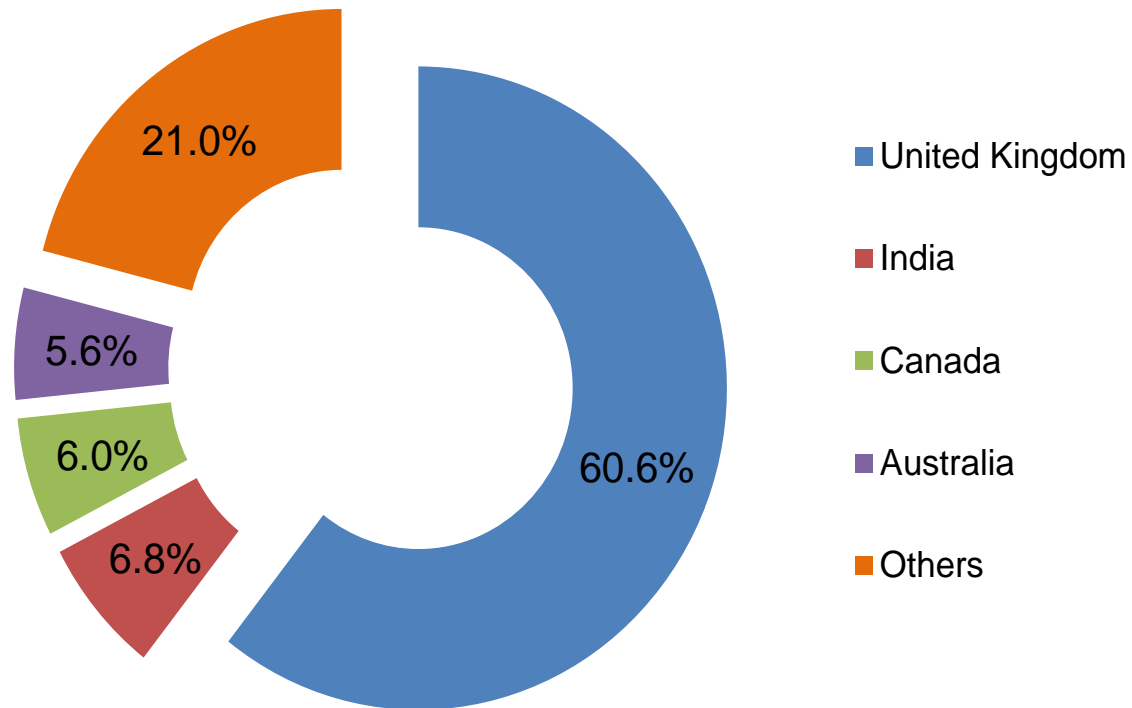
# Main CW importers from the EU27

(CW including UK, EU27)

USD \$ 2016

## CW imports (by country) from the EU27

(by importer share in total CW imports from the EU27)



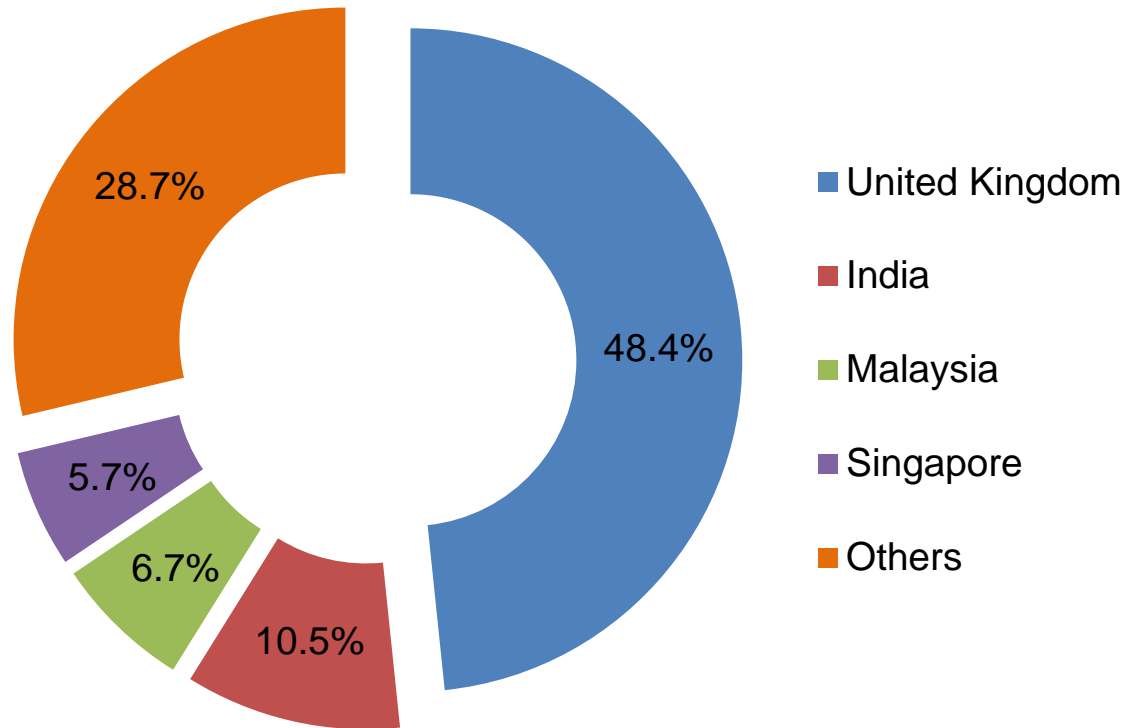
Source: UN Comtrade

# Main CW exporters to the EU27

(CW including UK, EU27)

USD \$ 2016

**CW exports to the EU27**  
(by exporter share in total CW exports to the EU27)



Source: UN Comtrade



## Dimension 2

**CW (excluding UK) and EU28**



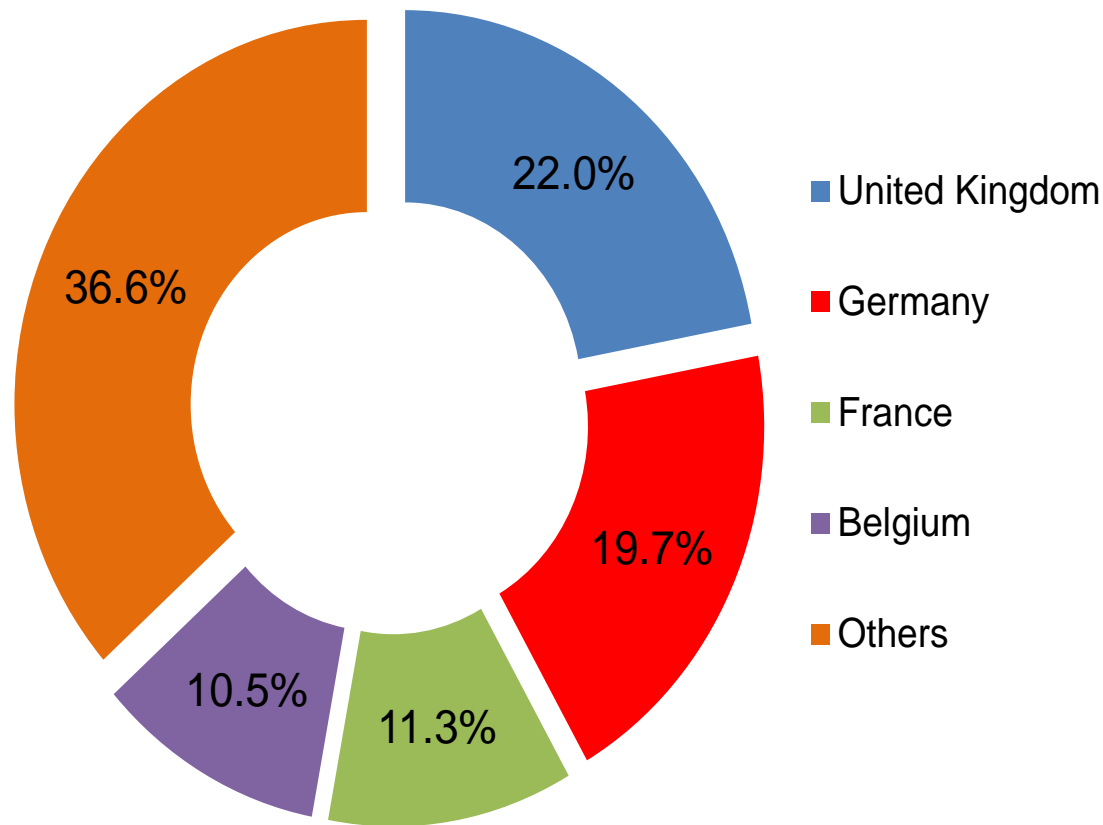
# Main EU28 importers from the CW

(CW excluding UK, EU28)

USD \$ 2016

## Main EU28 importers of CW goods

(by share of importer)



Source: UN Comtrade



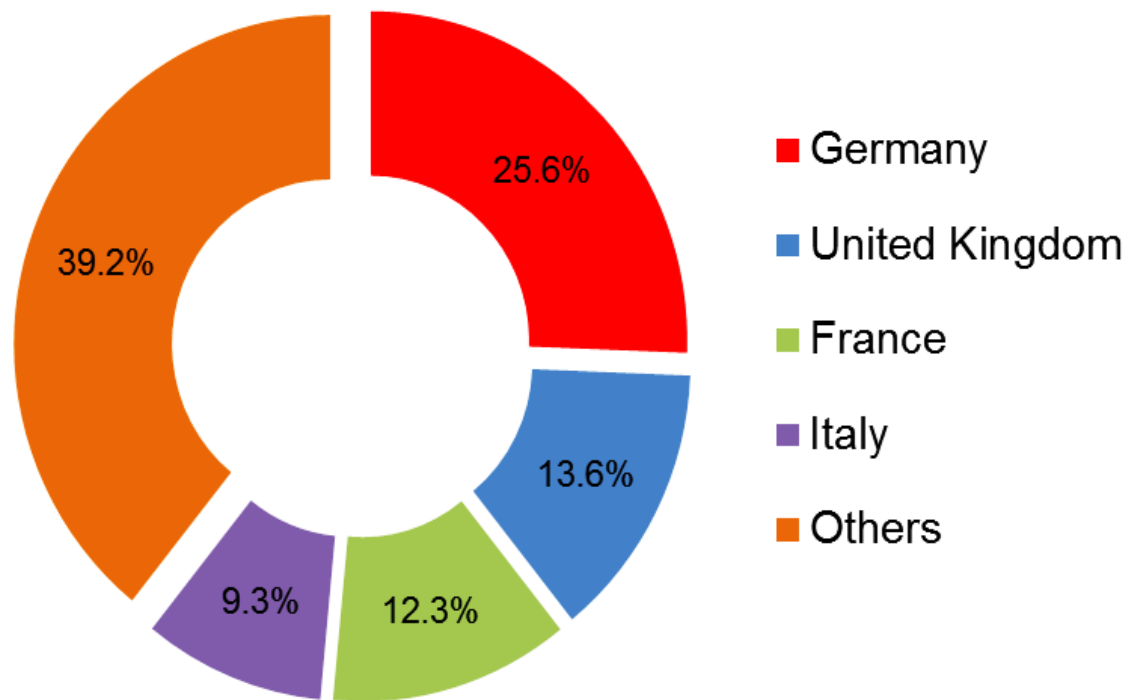
# Main EU28 exporters to the CW

(CW excluding UK, EU28)

USD \$ 2016

## Main EU28 exporters to the CW

(by share of exporter)



Source: UN Comtrade



## Dimension 3

**CW (excluding UK) and EU27**

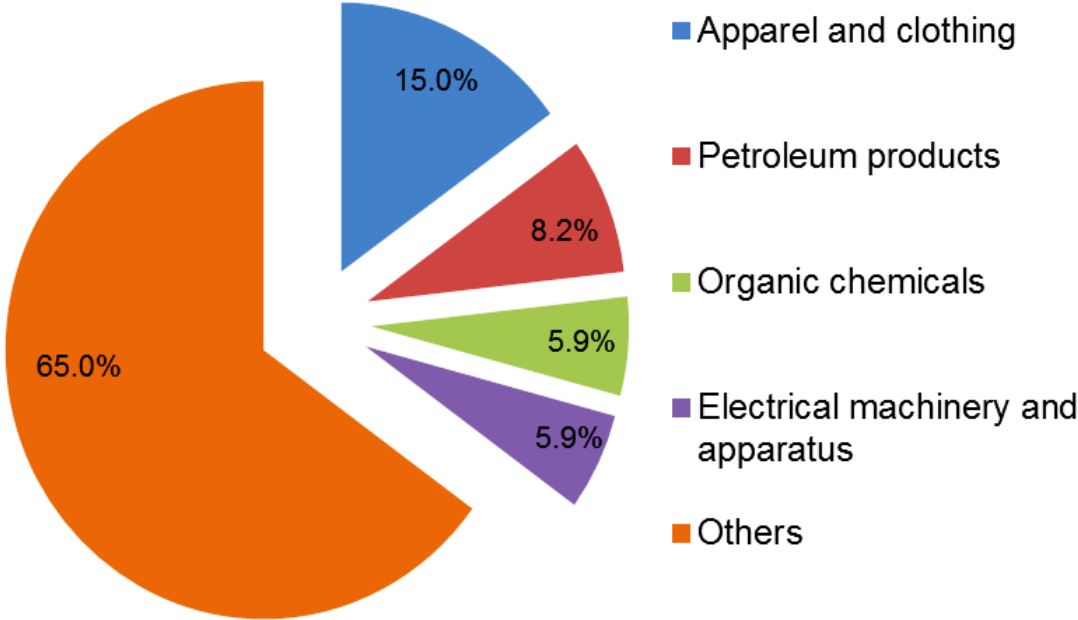


# Main products exported to the EU27

(CW excluding UK, EU27)

USD \$ 2016

## TOP 4 products exported by the CW to the EU27



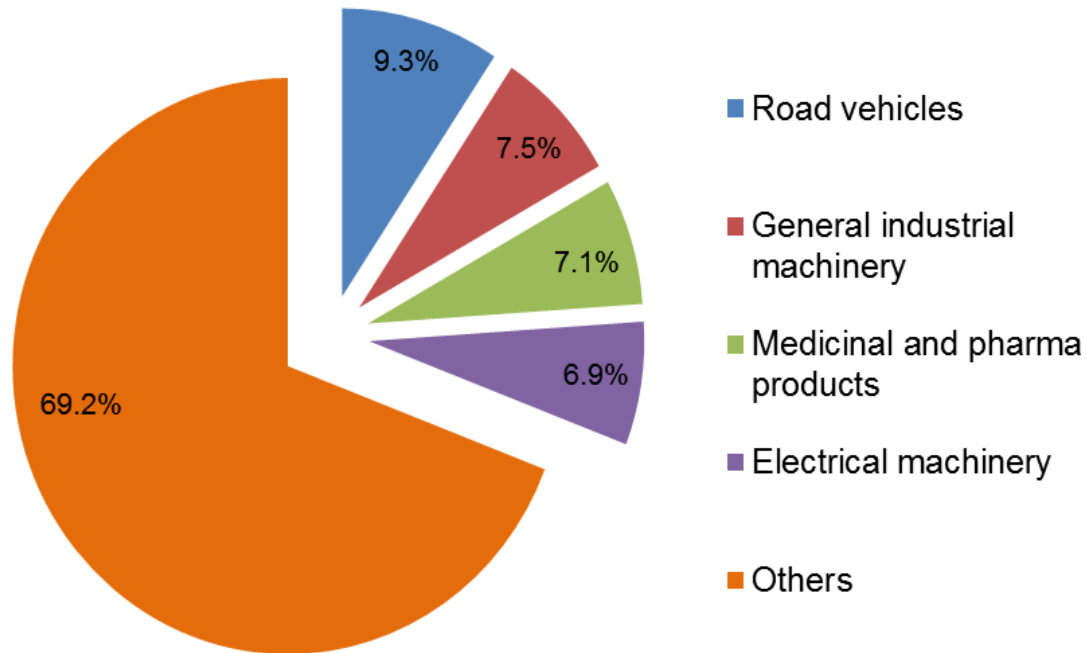
Source: UN Comtrade

# Main products imported from the EU27

(CW excluding UK, EU27)

USD \$ 2016

## TOP 4 products imported by the CW from the EU27



Source: UN Comtrade



## Dimension 3.1

### *Exports and Imports*

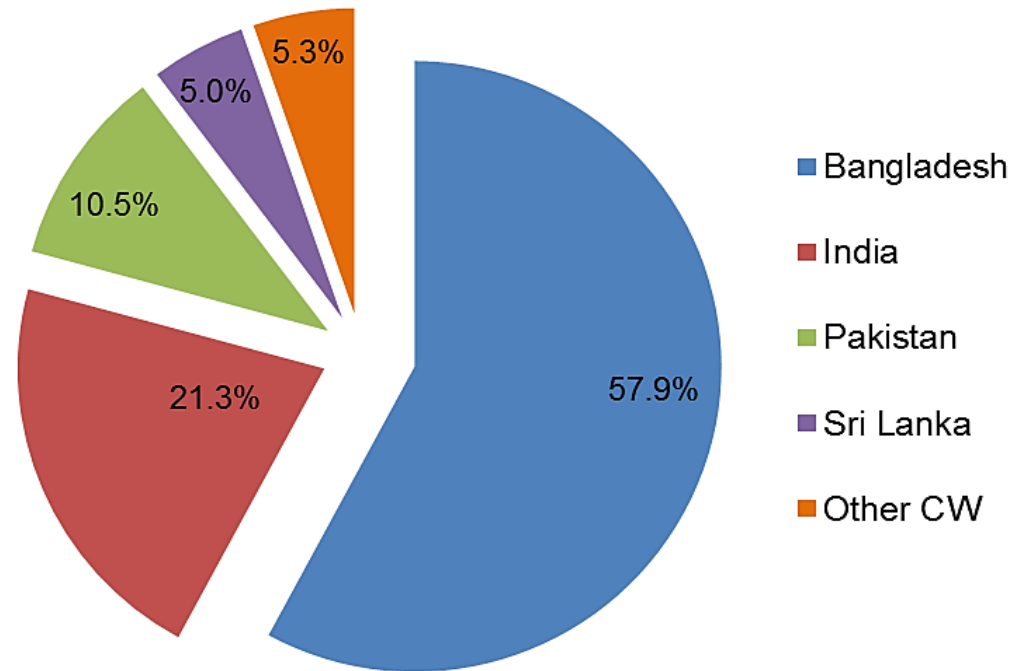
**CW (excluding UK) and EU27**



# Main CW exporting countries of clothing to the EU27

USD \$ 2016

**Main CW exporters of clothing and apparel to the EU 27**  
*(share in total CW exports of clothing to the EU27)*

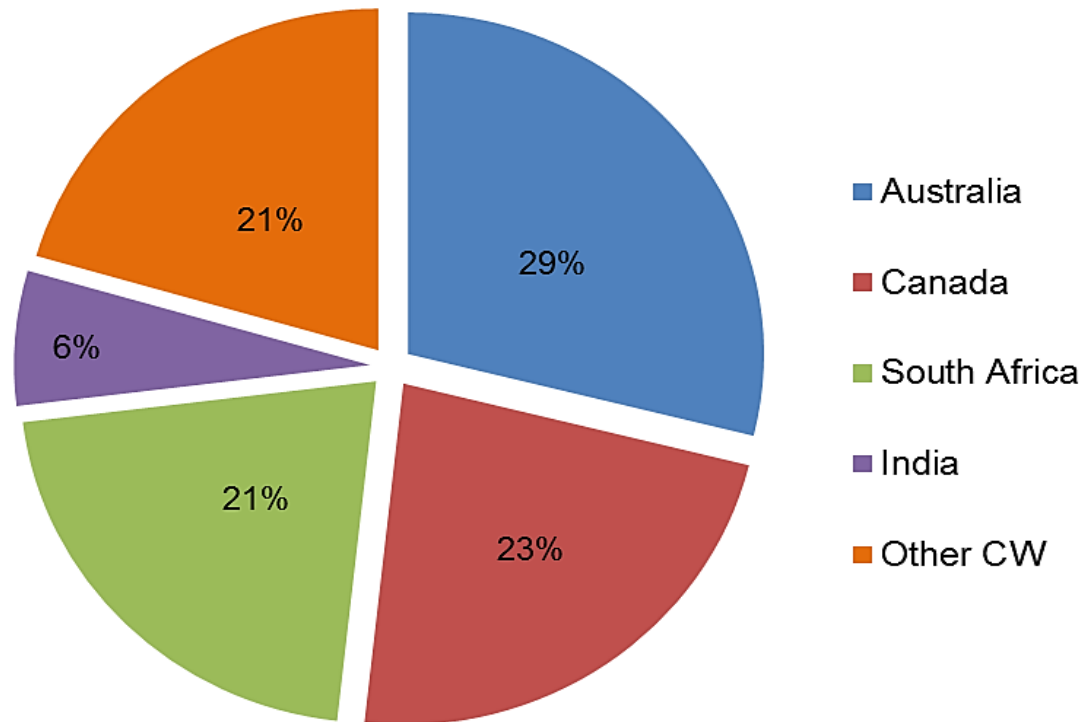


Source: UN Comtrade

# Main CW importers of road vehicles from the EU27

USD \$ 2016

**Main CW importers of road vehicles from the EU 27**  
*(share in total CW imports of road vehicles from the EU27)*



Source: UN Comtrade



## Dimension 3.2

### *Exports and Imports*

**CW (excluding UK) and World**

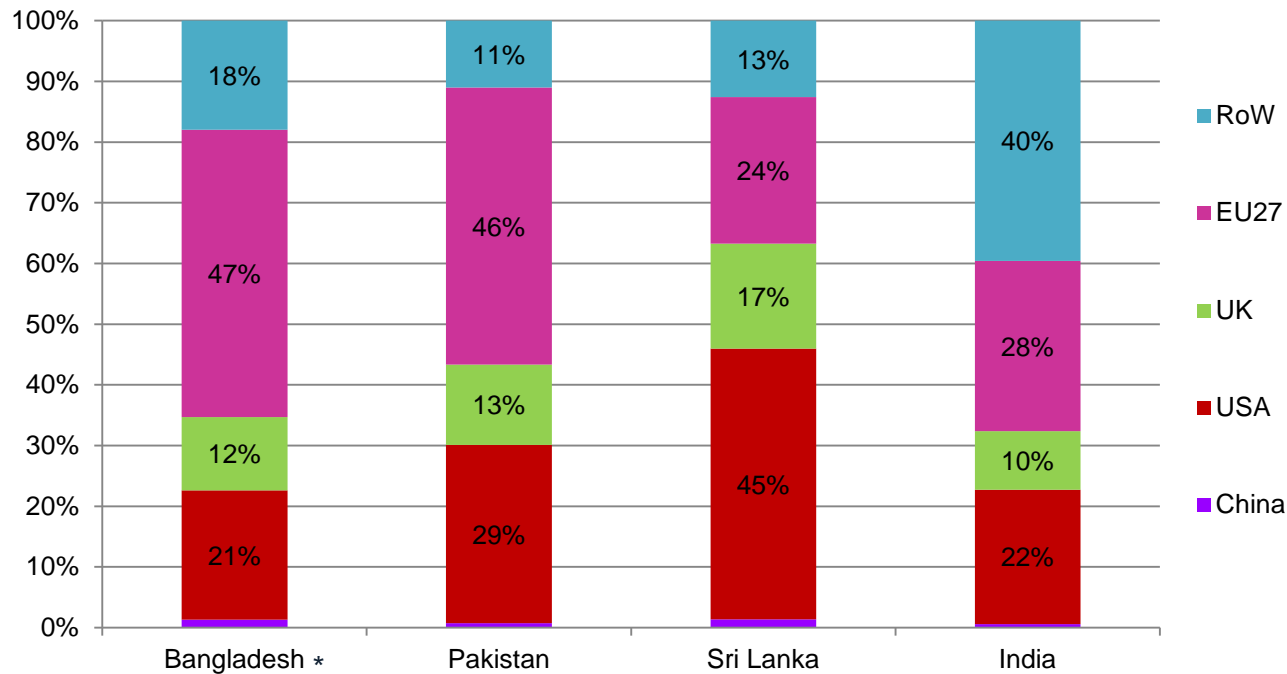


# Exports of clothing and apparel

(CW excluding UK, EU27)

USD \$ 2016

**Flows of exports of clothing and apparel to the world**  
(main CW exporters, by share and selected regions)



Source: UN Comtrade

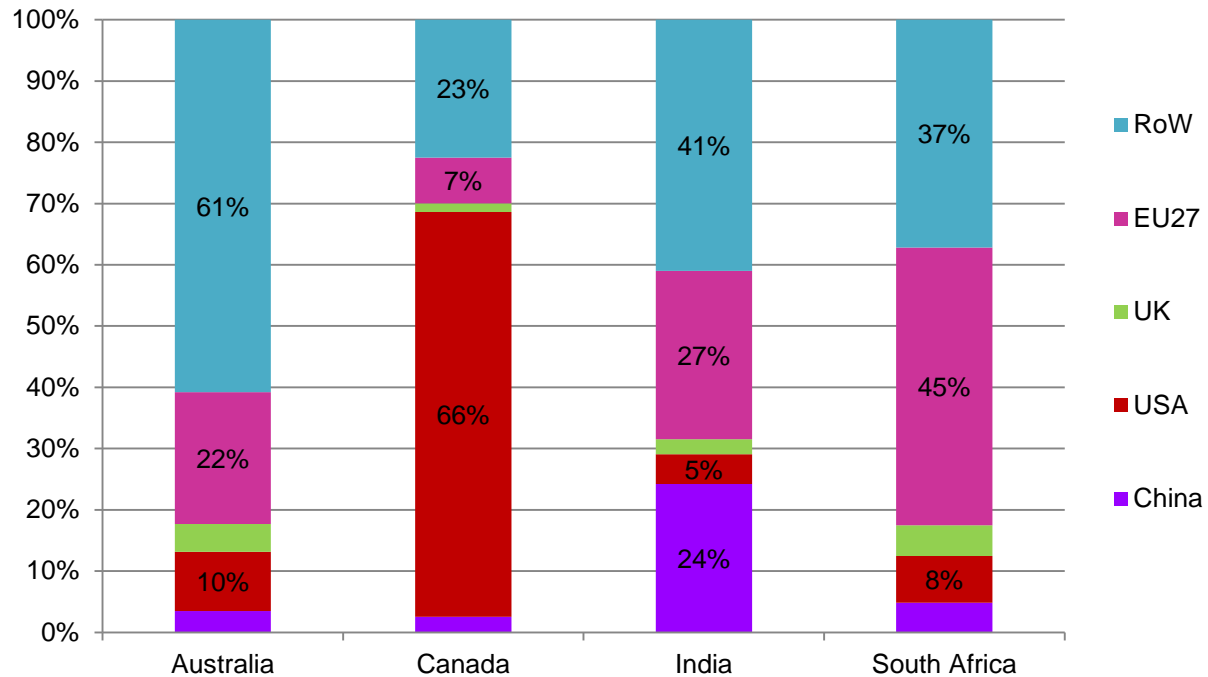
\* Bangladesh: 2015 data

# Imports of road vehicles

(CW excluding UK, EU27)

USD \$ 2016

**Flows of CW imports of road vehicles from the world**  
(main CW importers, by share and selected regions)



Source: UN Comtrade

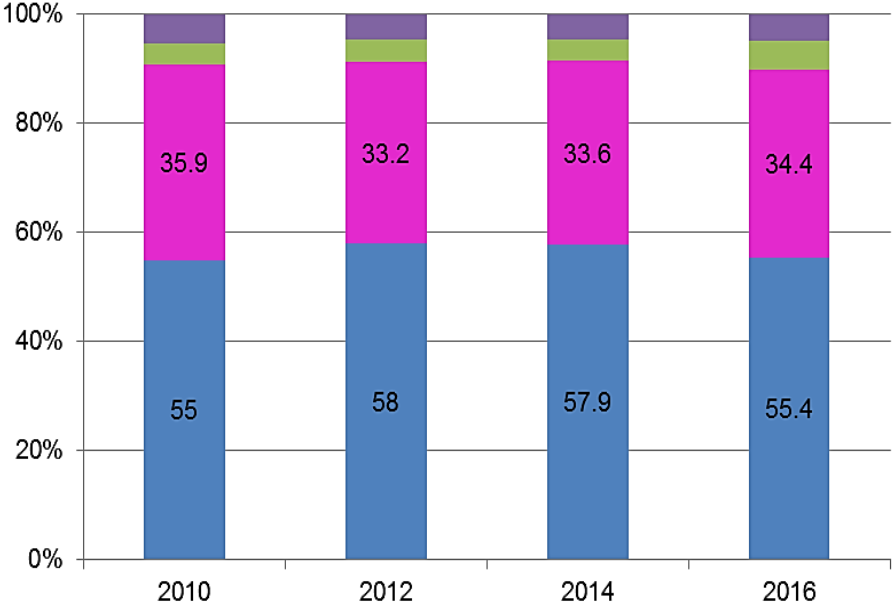


*The euro*  
**Some facts**

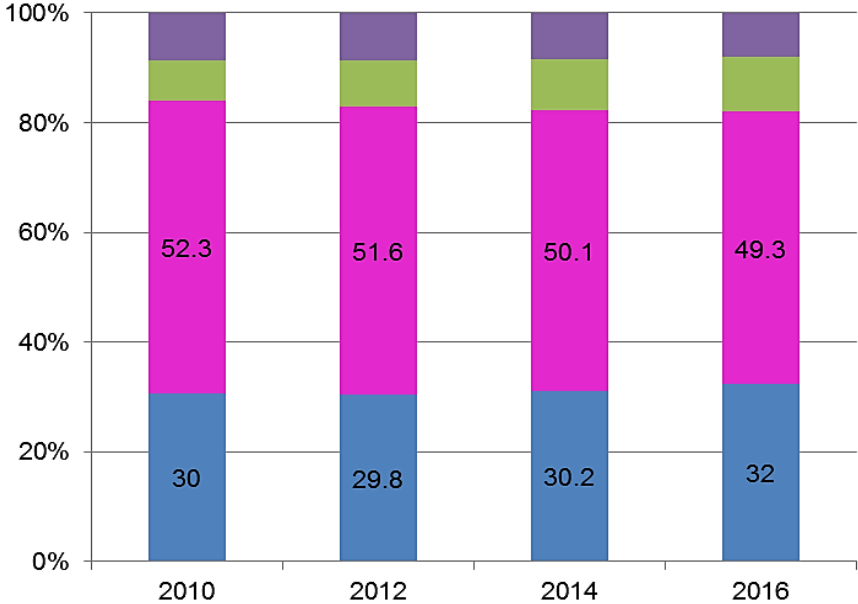


# Extra EU trade by invoicing currency

## Extra-EU imports by invoicing currency



## Extra-EU exports by invoicing currency



■ US dollar ■ Euro ■ Other currencies ■ National currency of non euro area Member States

Source: Eurostat

# Way forward

- **Additional research in the areas of merchandise trade:**
  - **at a disaggregated level**
  - **time series analysis, including developments in exports and imports markets for CW countries**
  - **individual country trade profiles**
- **Inclusion of the “services” dimension in the project**
- **Analysis of existing trade agreements and their impact on trade and on FDI**
- **Developments in terms of trade**
- **FDI perspective**
- **Role of currency in commercial transactions between CW and the EU**



**Thank you**



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