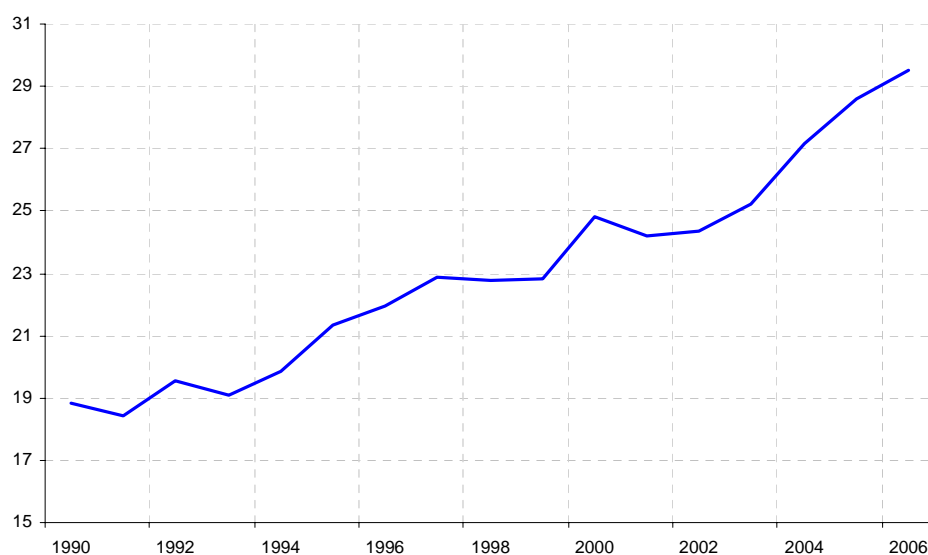


APPENDIX: Tables and Charts

Chart 1 International trade

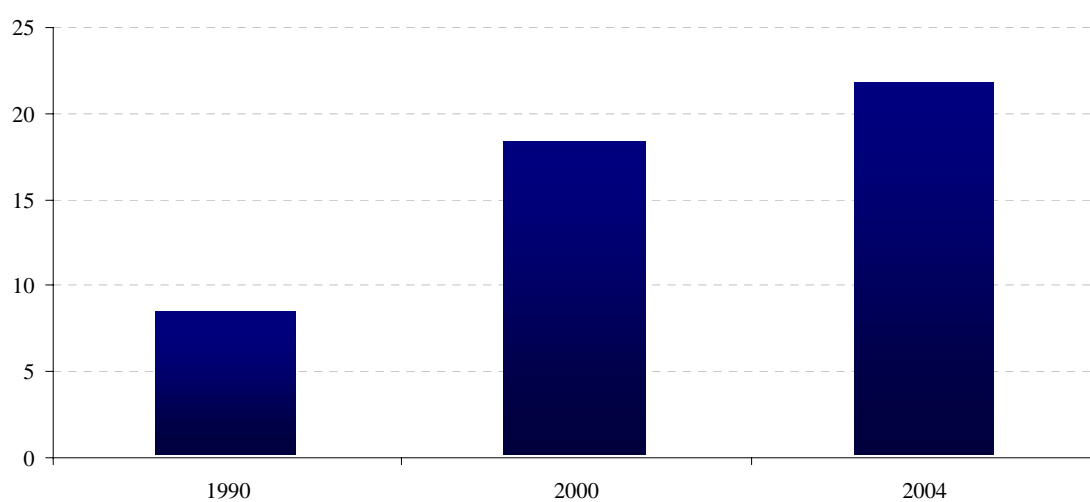
(average world imports and exports of goods and services as a percentage of gross world product)



Source: IMF.

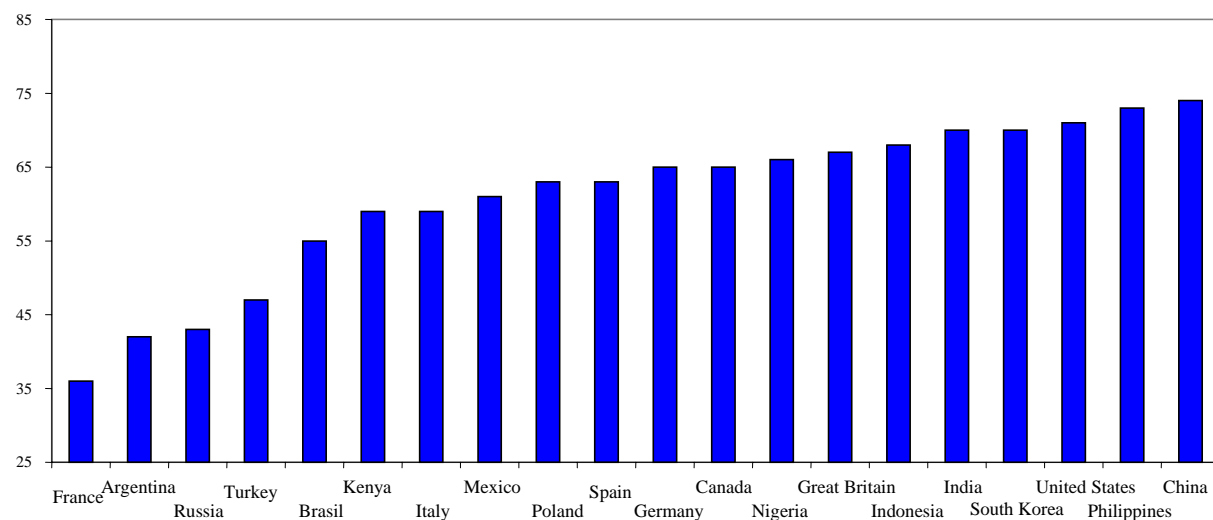
Chart 2 Outward direct investment

(percentages of gross world product)



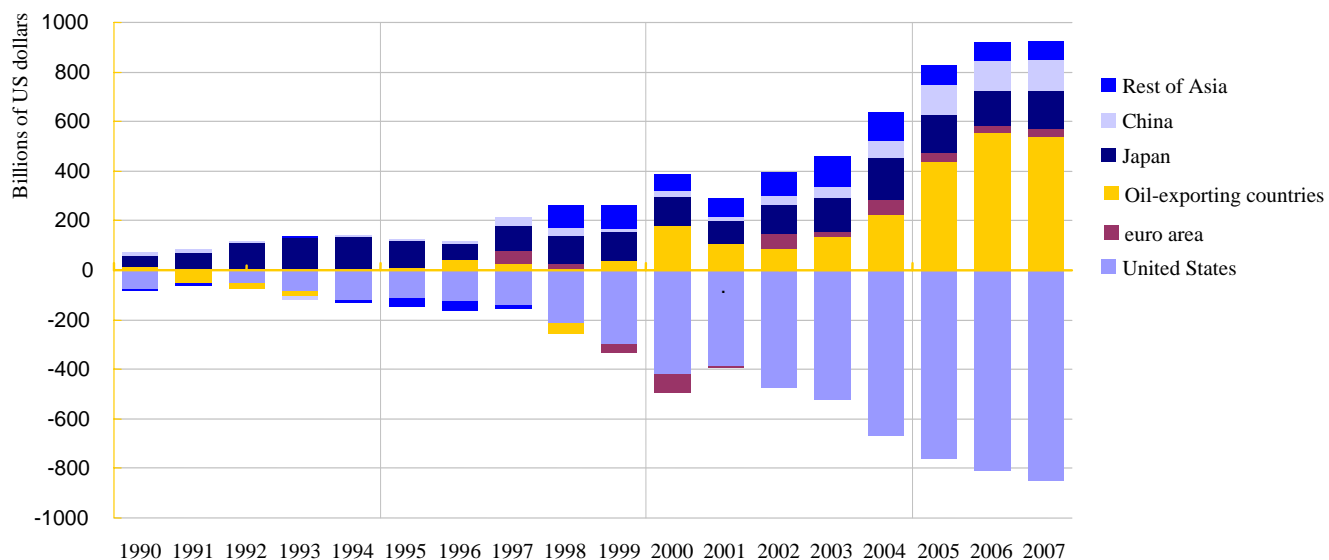
Source: UNCTAD.

Chart 3 Acceptance of the market system



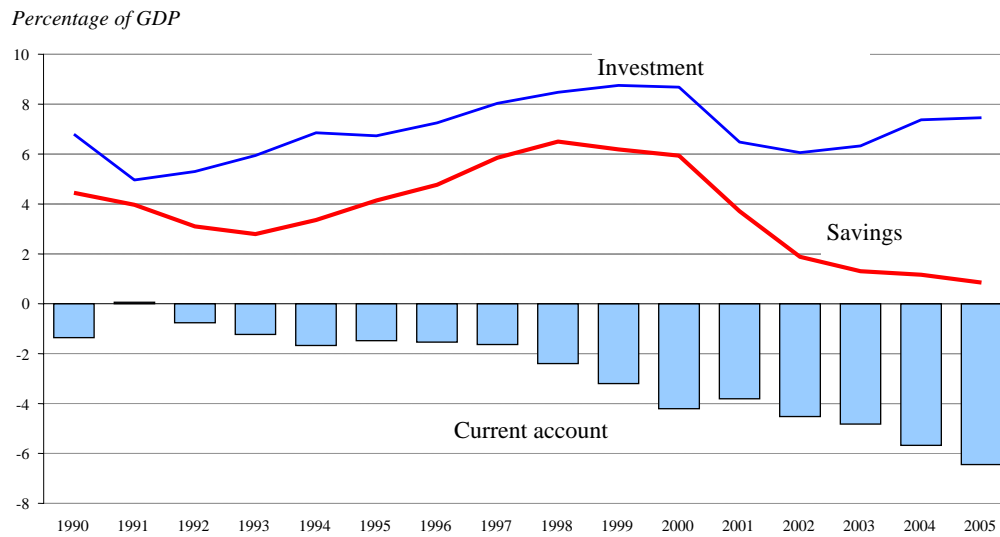
Sources: ECB and IMF.

Chart 4 Current account balance of the balance of payments



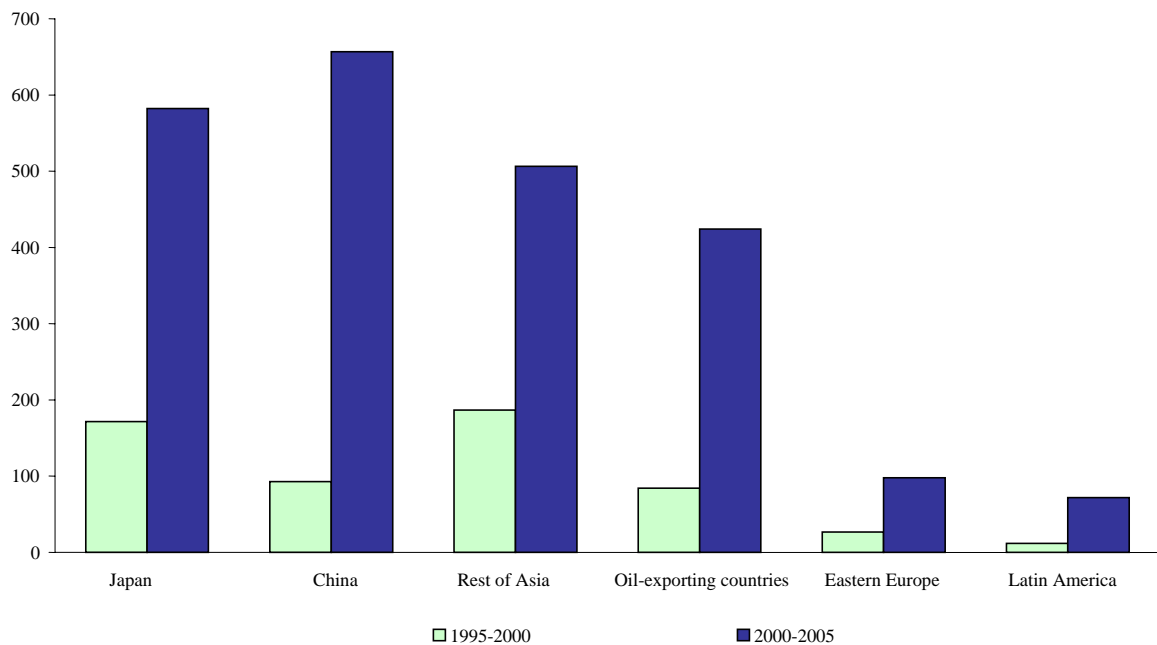
Sources: ECB and IMF.

Chart 5 Balance of payments, savings and investment in the United States



Sources: ECB and IMF.

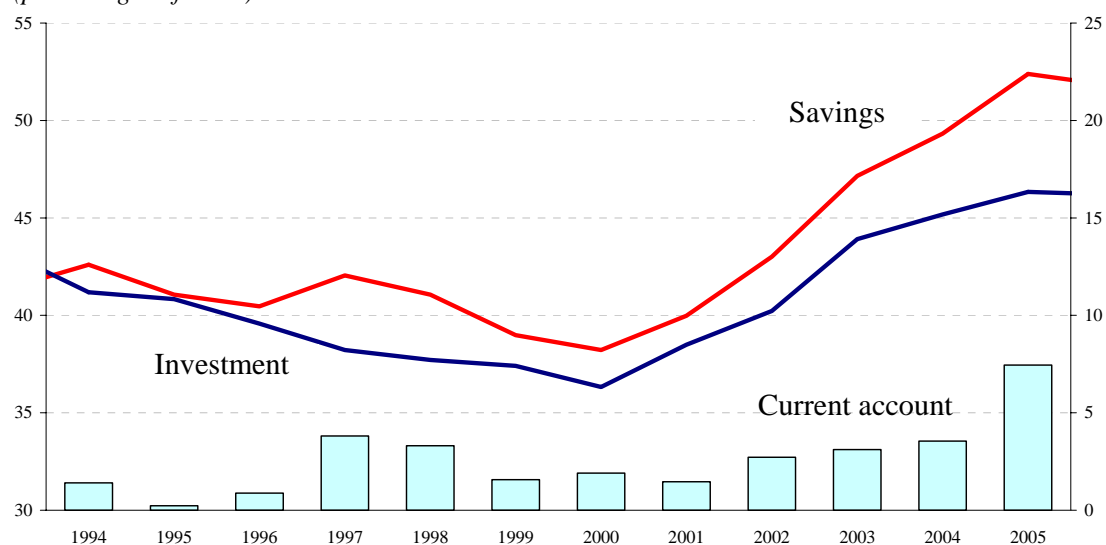
Chart 6 Changes in currency reserves
(billions of US dollars)



Source: IMF.

Chart 7 Balance of payments, savings and investment in China

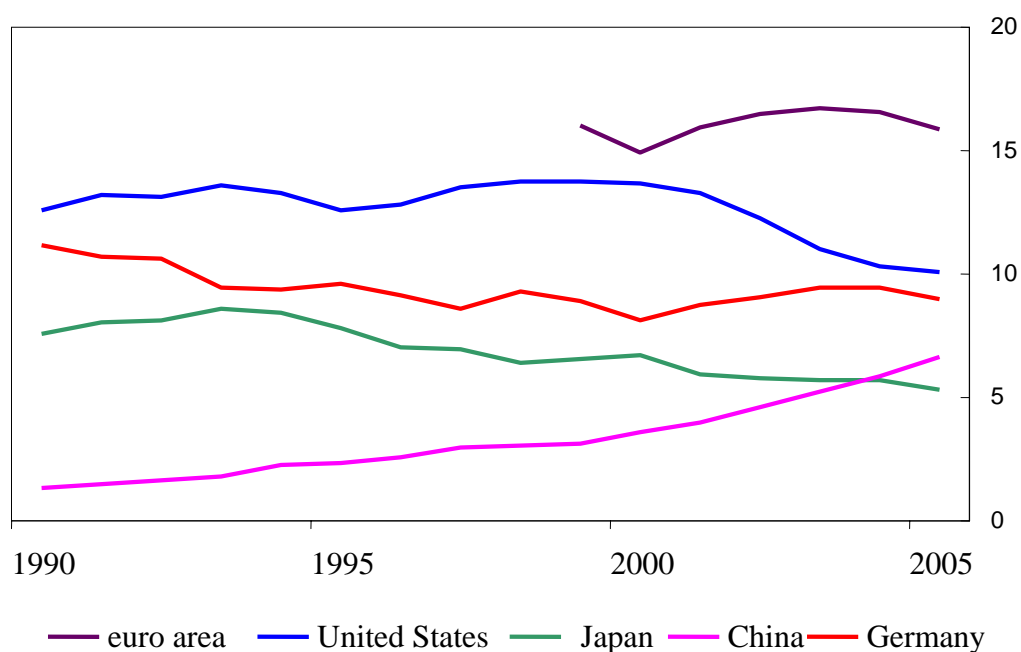
(percentages of GDP)



Source: IMF.

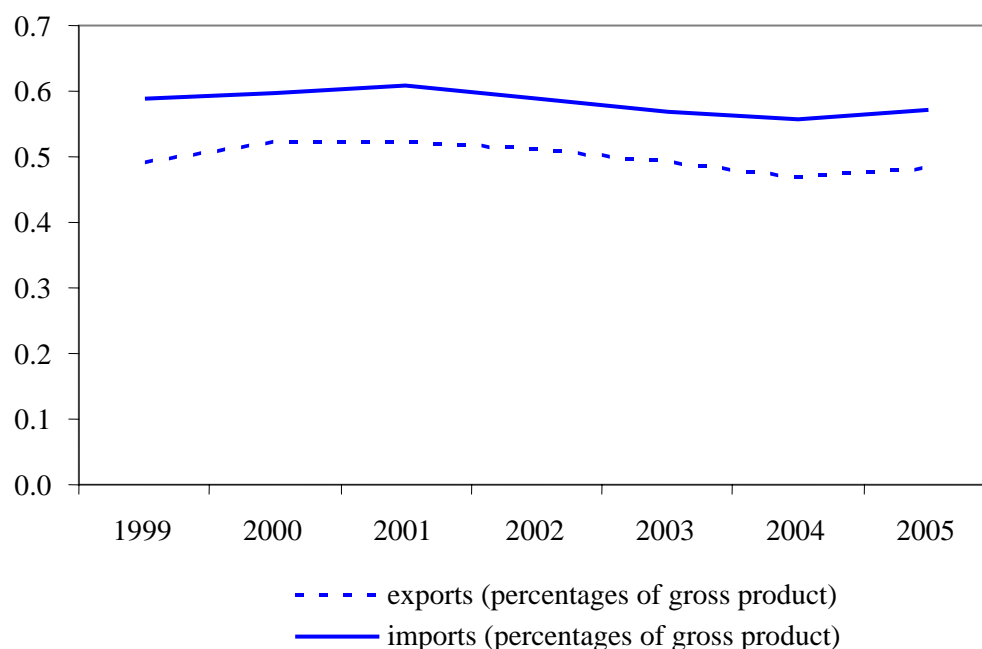
Savings and investment refer to the left-hand axis and the current account refers to the right-hand axis.

Chart 8 Percentage shares of world trade



Sources: ECB and IMF (World Economic Outlook).

Chart 9 EU-25: Imports and exports of food products, beverages and tobacco



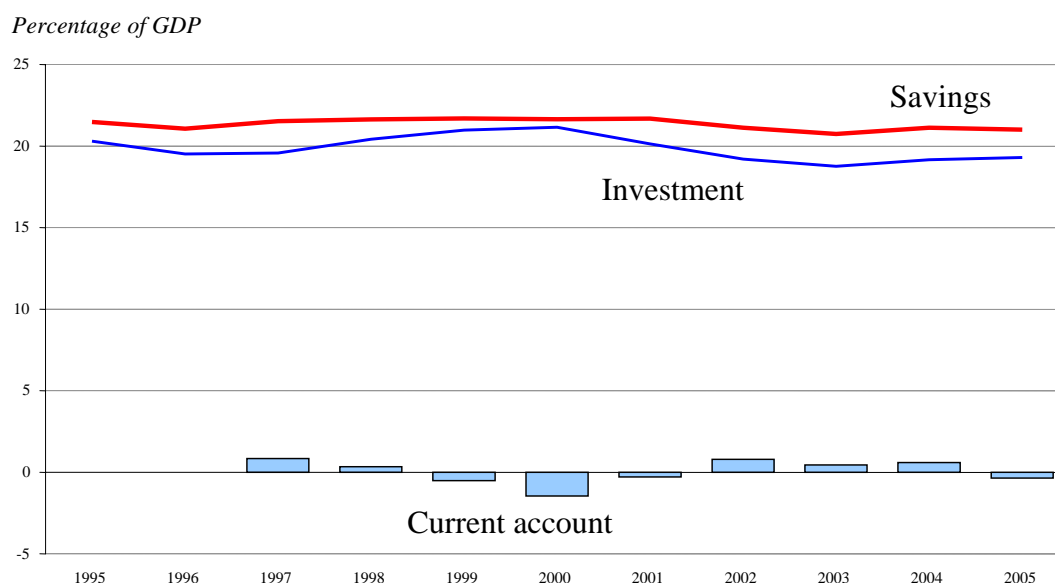
Source: Eurostat.

Table 1. International trade in agricultural products

	1990-92	2000-02	Changes %		1990-92	2002-02	Changes %
<u>World imports</u>				<u>EU exports</u>			
Total products	1,997.4	6,191.7	210	Total products	640.0	2,224.0	248
Agricultural products	205.6	487.0	137	Agricultural products	76.9	206.4	168
by OECD	135.9	329.1	142	by OECD	54.8	160.4	193
of which EU	70.1	188.0	168	of which EU	48.3	136.0	182
of LDC (1)	2.6	5.9	126	of LDC (1)	0.9	2.4	155
<u>Imports of OECD</u>				<u>Imports of LDC (1)</u>			
Total products	1,612.0	4,732.3	194	Total products	4.42	18.10	309
Agricultural products	172.1	372.1	116	Agricultural products	0.84	3.35	300
by OECD	117.7	270.4	130	by OECD	0.41	1.46	262
of which EU	64.4	167.1	160	of which EU	0.15	0.84	450
of LDC (1)	1.8	3.6	101	of LDC (1)	0.02	0.14	500
Sources: World Trade Organisation (WTO) and the United Nations. In billions of US dollars unless otherwise indicated.							
1) Least developed countries according to the definition of the WTO							

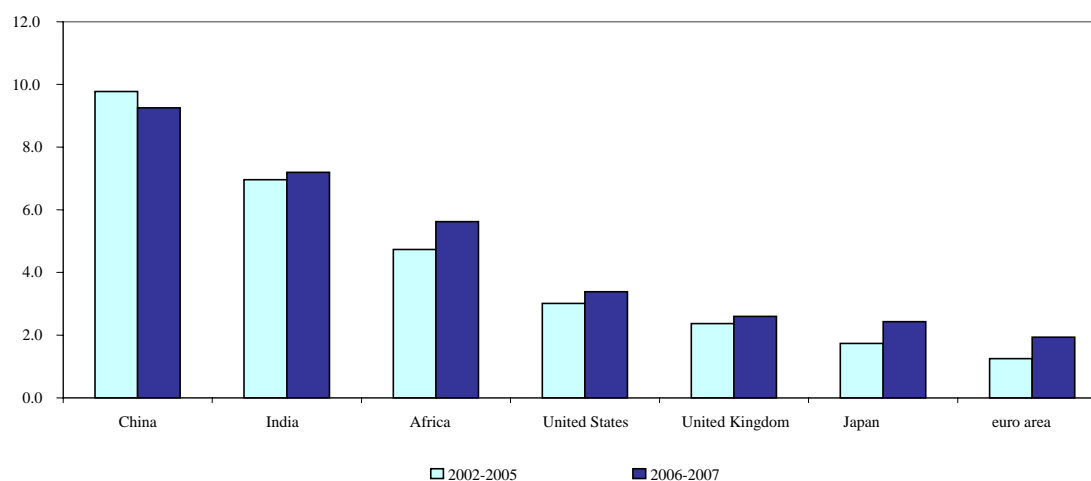
Table reproduced by Paiva C. (2005): "Assessing protectionism and subsidies in agriculture: a gravity approach", IMF Working Paper 05/21.

Figure 10 Balance of payments, savings and investment in the euro area



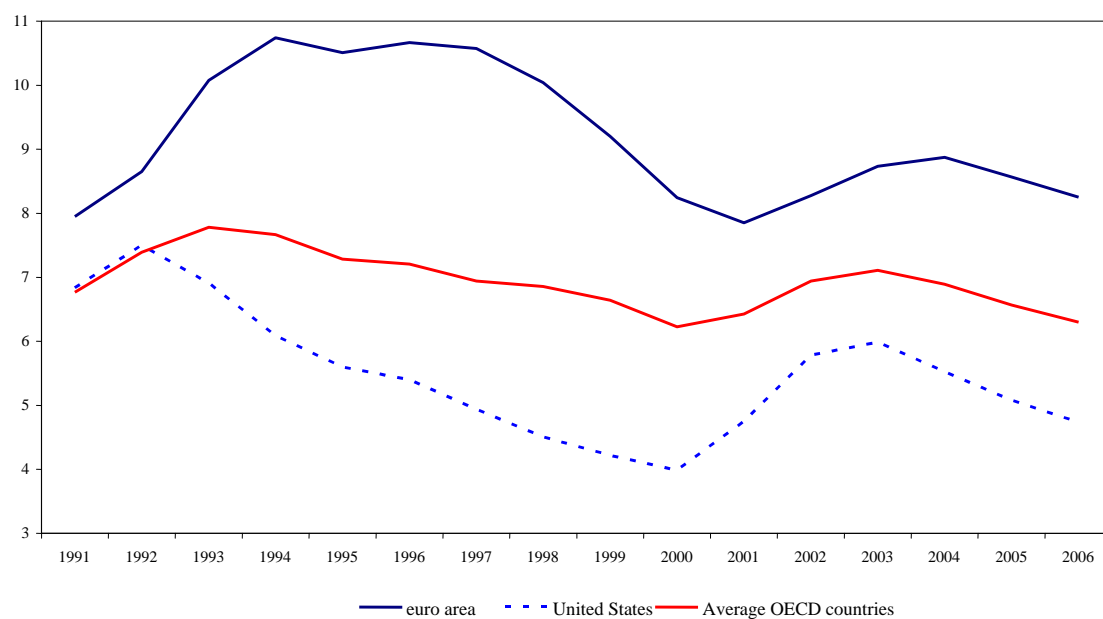
Source: Eurostat and ECB calculations.

Figure 11 GDP growth
(yearly average in the period 2002-2005 and forecasts for 2006-2007)



Source: ECB and IMF (World Economic Outlook).

Figure 12 Unemployment rate



Source: OECD

Note: Yearly averages of monthly data.

Table 2 Impact of the global economy on real GDP growth in the euro area (contributions in percentage points)

	2000	2001	2002	2003	2004	2005	Average 2000-05
Actual GDP growth in the euro area	4.0	1.9	1.0	0.7	1.8	1.4	1.8
Growth in external demand	1.3	0.4	0.2	0.3	0.8	0.8	0.6
Oil prices in US dollars	-0.2	-0.2	-0.1	-0.2	-0.2	-0.3	-0.2
Fluctuations in the nominal effective exchange rate of the euro	0.6	0.5	0.0	-0.6	-0.7	-0.4	-0.1
Fluctuations in prices in foreign currency of competing exporters	-0.2	-0.2	-0.2	0.0	0.2	0.4	0.0
TOTAL	1.5	0.6	0.0	-0.6	0.2	0.4	0.3

Note: Calculations are based on the econometric model known as the Area Wide Model.

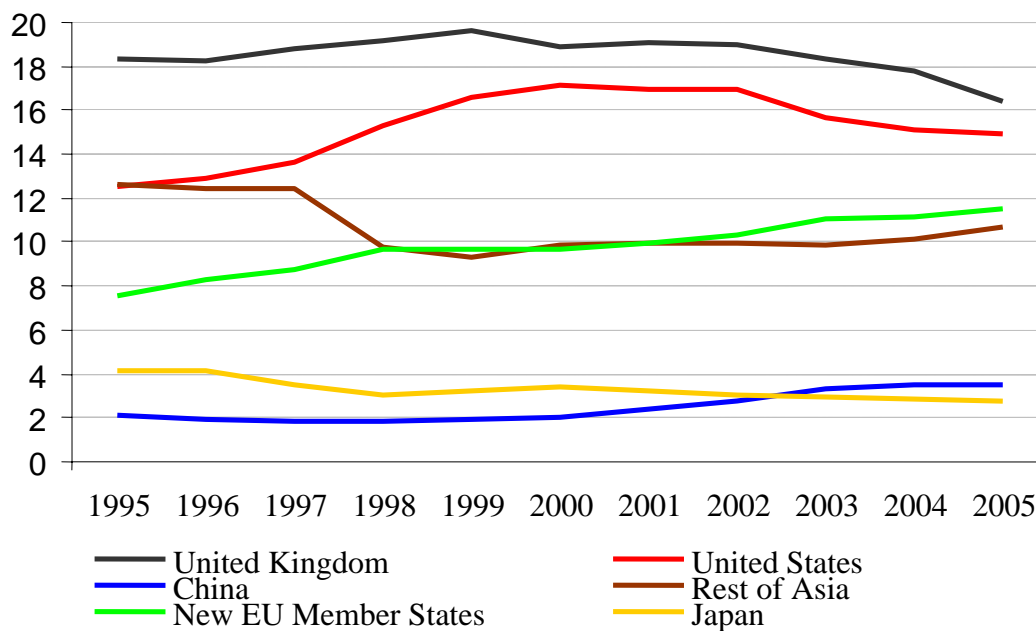
Explanatory note

This analysis is based on the elasticities of the Area Wide Model, which measure the impact of a change in the exogenous variables of the model on the endogenous variables over a horizon up to three years. In this analysis, the contributions of the four exogenous variables (growth in external demand, changes in oil prices in USD, changes in the nominal effective exchange rates, changes in prices of competitors in foreign currency) are computed by multiplying their values by the model elasticities pertaining to euro area real GDP, in the current and subsequent years.

These results should be interpreted with caution for a number of reasons. First, this is a partial equilibrium analysis, for example the interactions between the external variables are not modelled and the four variables under consideration are treated as being independent from one another. Moreover, the monetary policy and exchange rate of the euro are exogenous to the simulation exercise. Finally, potentially significant external variables such as movements in the financial markets and the breakdown of world growth (for example, the key role played by China) are omitted.

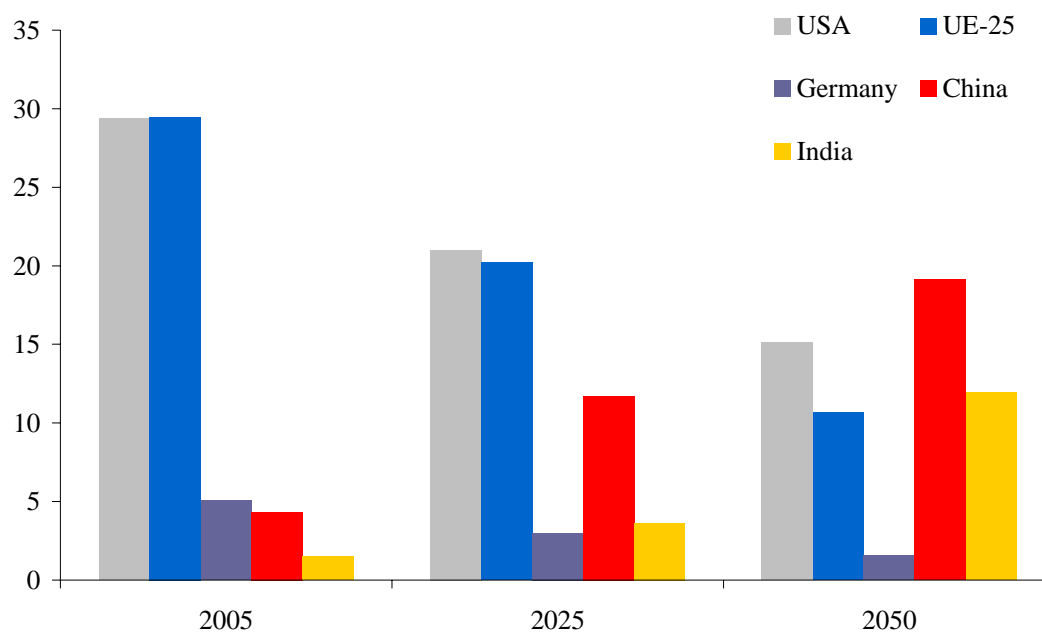
The information content of the simulation depends on the empirical plausability of the elasticities of the Area Wide Model. For a detailed description of the model, see Fagan, G., J. Henry and R. Mestre (2001), “An area-wide model (AWM) for the euro area”, ECB Working Paper 42 and Economic Modelling, 2005, 22(1).

Figure 13 euro area exports by destination
(percentage of total euro area exports)



Source: Eurostat.

Figure 14 Percentage shares of gross world product



Source: Goldman Sachs projections.

Table 3 Representation of the euro area and the European Union in the international institutions

<i>Forum</i>	<i>Representation of the euro area</i>	<i>Representation of the European Union</i>
G7 (Ministers/Governors; only Ministers)	Representative(s) of France, Germany and Italy President of the ECB President ¹ of the Eurogroup	Representative(s) of the United Kingdom European Commission where relevant
G7 Deputies (Ministers/Governors; only Ministers)	Representative(s) of France, Germany and Italy Member of the Executive Board of the ECB President ² of the Economic and Financial Committee (EFC)	Representative(s) of the United Kingdom
Executive Board of the International Monetary Fund (IMF)	Executive Directors for Belgium, France, Germany, Italy, Finland and the Netherlands ECB observers	Executive Director for the United Kingdom Representative of the EU Presidency
Board of Governors of the International Monetary Fund (IMF)	Finance Ministers/Governors of the central banks of the member countries of the euro area	Finance Ministers/Governors of the central banks of the non-euro area Member States
International and Monetary Financial	Finance Ministers/Governors of the central banks of Belgium, France, Germany, Italy, Finland and the	Chancellor of the Exchequer of the United Kingdom (Gordon Brown) and Governor of the

¹ Attendance is optional at sessions that do not deal with supervision.

² Not for non-supervision.

Committee (IMFC)	Netherlands President of the ECB (observer status)	Bank of England Representative of the ECOFIN Council Presidency
Organisation for Economic Co-operation and Development (OECD)	Representative(s) of the member countries of the euro area ECB (where relevant) President of the Eurogroup	Representative(s) of the Czech Republic, Denmark, Hungary, Poland, Slovakia, Sweden and the United Kingdom Representative of the European Commission (in the delegation of the Eurogroup Presidency)
FSF (Financial Stability Forum)	Member of the Executive Board of the ECB Finance ministers, representatives of the central banks and representative of the supervisory authorities of France, Germany and Italy Representative of the central bank of the Netherlands	Chancellor of the Exchequer, representatives of the Bank of England and the supervisory authorities of the United Kingdom
G10 (Ministers/Governors and Deputies)	Finance Ministers and representatives of the central banks of Belgium, France, Germany, Italy and the Netherlands ECB (observer status)	Finance Ministers/representatives of the central banks of Sweden and the United Kingdom
G20 (Ministers/Governors and Deputies)	Finance Ministers and representatives of the central banks of Belgium, France, Germany and Italy President of the ECB (as a member of the European Union delegation)	Chancellor of the Exchequer, representatives of the Bank of England of the United Kingdom ECOFIN President (the EU is a member) (European Commission, as a member of the ECOFIN Presidency delegation but (not yet) at the table)
Board of Directors of the Bank for	Governors of the central banks of Belgium, France,	Governors of the central banks of Sweden and the

International Settlements (BIS) And meetings relating to the BIS (for example the G10 Governors)	Germany, Italy and the Netherlands (the ECB is a member of the BIS but not of the Board of Directors)	United Kingdom
World Trade Organisation	Representatives of the member countries of the euro area	European Commission (the European Community is a member and the European Commission speaks for the EU) Representatives of non-participating Member States
United Nations	Representatives of the member countries of the euro area	Representatives of non-participating Member States European Commission (where relevant)
Board of Directors of the European Bank for Reconstruction and Development (EBRD)	Directors of Austria, Belgium, Finland, France, Germany, Greece, Italy, Spain and the Netherlands	Directors of the Czech Republic, Denmark, Sweden and the United Kingdom Director of the European Community