



23rd Expert meeting of the GTMO 5+5
Barcelona, 18 July 2017

Trade Between the European and Maghreb Countries of the GTMO 5+5 and Its Relationship with Maritime Traffic (2008-2015)



Trade Flow Database (CETMO-FLUX)



The CETMO-FLUX database contains information on the complete foreign trade flows of the GTMO 5+5 countries and other non-European Mediterranean countries, and takes data from the UN Comtrade database as its original source.



The CETMO-FLUX database is processed and updated through standardized and automated procedures that allow new information to be added quickly.



CETMO-FLUX contained data from alternate years (2008, 2010, 2012). As part of a broader desire to improve the content and usefulness of CETMO's databases, data has been collected annually since 2013.



In addition to including the data for 2013, 2014 and 2015, it was considered appropriate to include the data for 2009 and 2011 during the last update process.

Trade Flow Database (CETMO-FLUX)



At the moment, the CETMO-FLUX database contains complete time series data for the 2008-2015 period for foreign trade in the Mediterranean. This makes it possible to study the development of foreign trade in a more comprehensive manner and to compare it to the data in other databases.



This information was used to carry out a study on the evolution of the trade flows between the European and Maghreb countries of the GTMO 5+5 between 2008 and 2015, and to analyse their relationship with maritime flows (based on data from the Eurostat database).

This study is presented below.

Analysis of foreign trade 2008-2015

Comparison of foreign trade with total maritime flows

Comparison of foreign trade with general cargo maritime flows

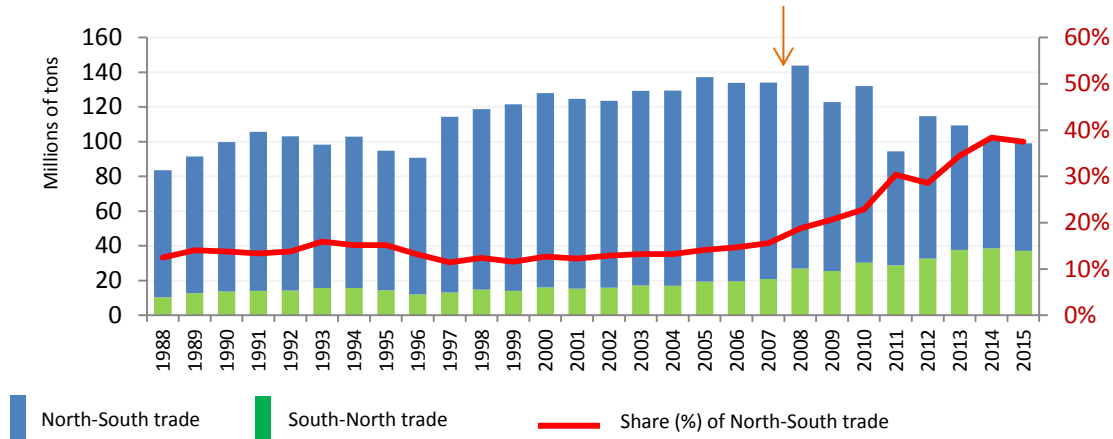
Evolution of general cargo maritime flows by handling type

Quantitative
observation
of the main
trends

Conclusions, possible explanatory hypotheses and future lines of work

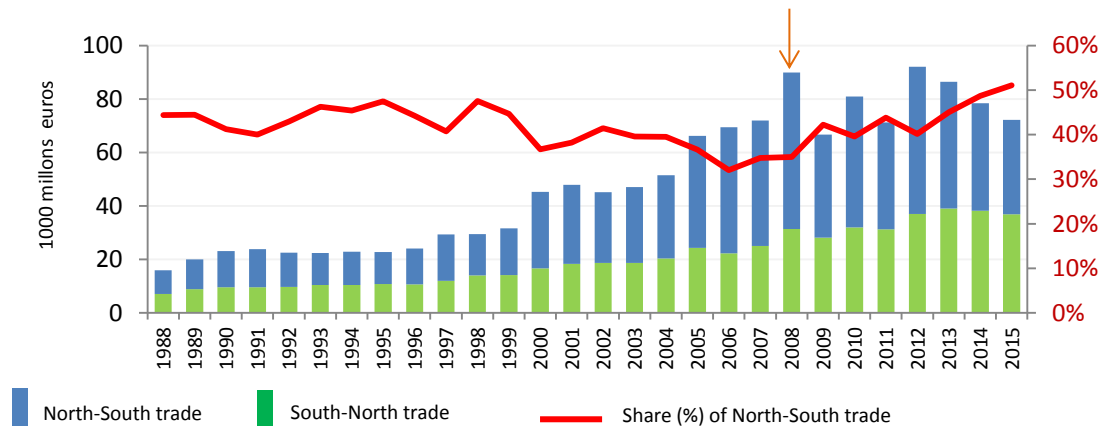
Long-term trends in trade between the European and Maghreb countries of the GTMO 5+5

Evolution of trade flows in the GTMO 5+5 (volume)



Source: Eurostat

Evolution of trade flows in the GTMO 5+5 (euros)



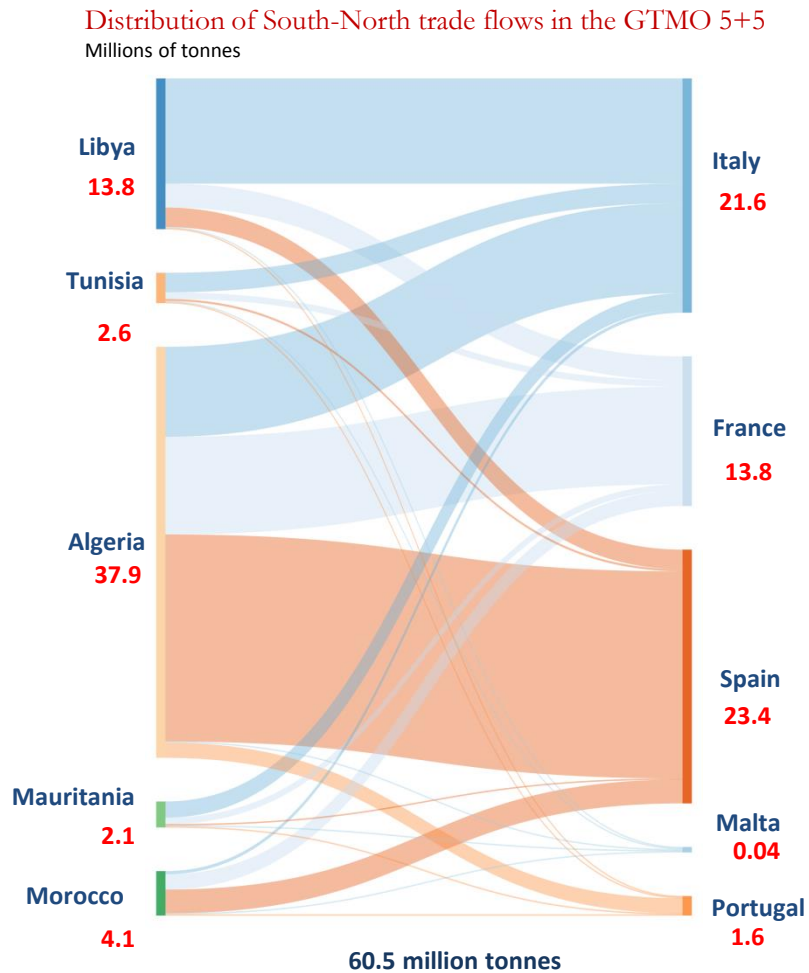
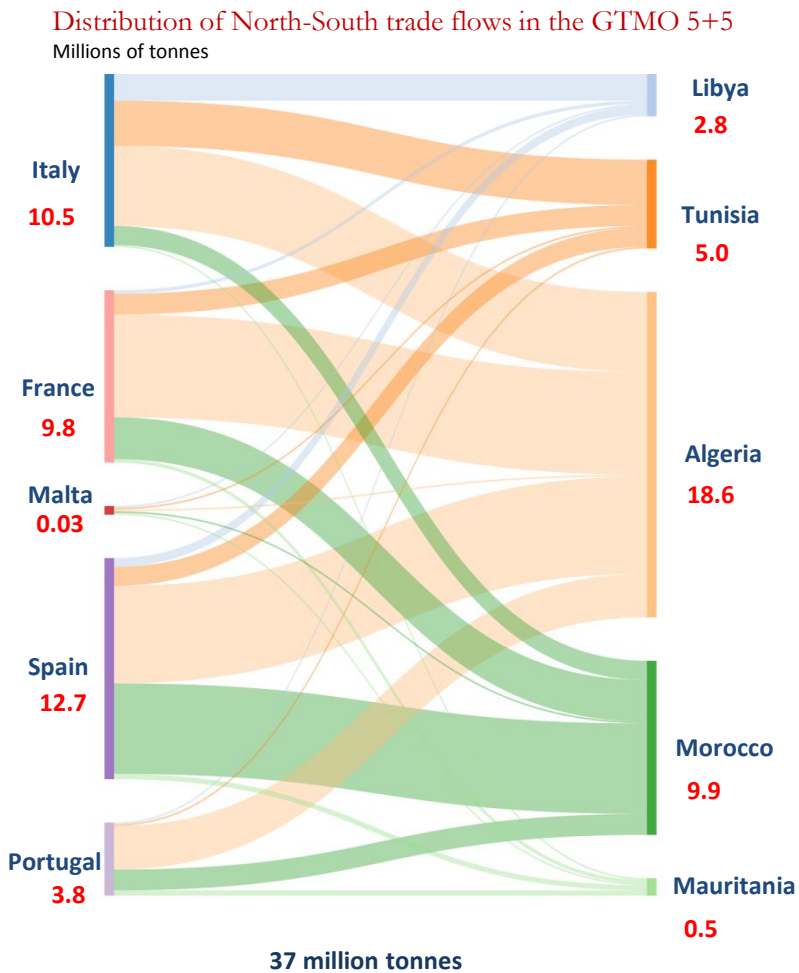
Source: Eurostat

Change in trend since 2008: a reduction in trade and a larger percentage share of North-South flows.

- The reduction in total flows since 2008 occurred due to the significant decline in exports from the Maghreb. By contrast, there was a slight increase in exports from the European countries of the GTMO 5+5, but this was not enough to offset the decline in South-North flows.
- This evolution resulted in a trade structure in which the percentage share of North-South flows is steadily increasing. It is worth noting that, in 2015, the value of North-South flows was greater than that of South-North flows.
- This shift can be explained by the global economic crisis, the political instability in some Maghreb countries, the debt crisis in Southern Europe and the price of raw materials.



Trade between the European and Maghreb countries of the GTMO 5+5 in 2015

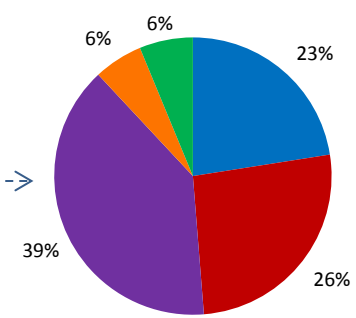
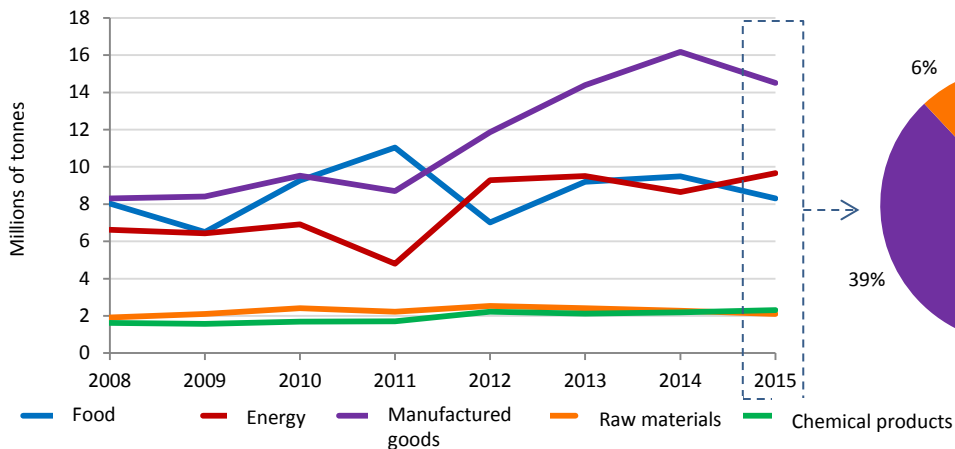


Algeria in the Maghreb and Spain in the European Union are the main contributors to foreign trade flows in the GTMO 5+5

Distribution of foreign trade between the European and Maghreb countries of the GTMO 5+5 by product

Evolution of foreign trade in the GTMO 5+5 by product (2008-2015)

North-South

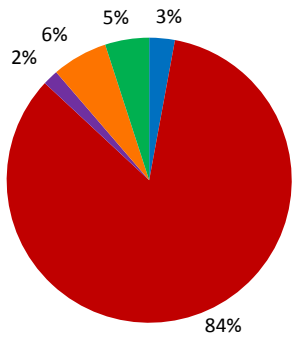
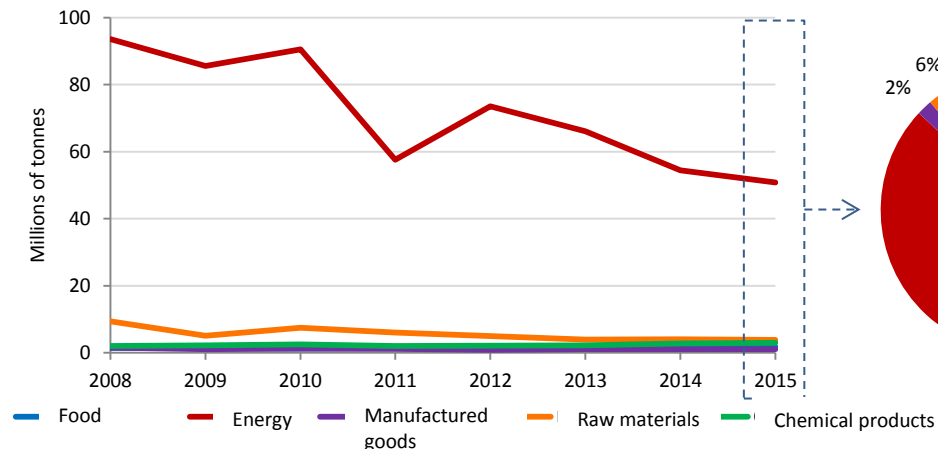


The increase in manufactured goods in North-South flows and the sharp decrease in energy products in South-North flows explain the overall evolution of trade between the European and Maghreb countries of the GTMO 5+5.

- The most striking trend in the evolution of North-South trade is the growth of manufactured goods, whose volume almost doubled between 2008 and 2015. Consequently, manufactured goods have become the most important group of products in the export structure of the European countries of the GTMO 5+5.

Source: Comtrade

South-North



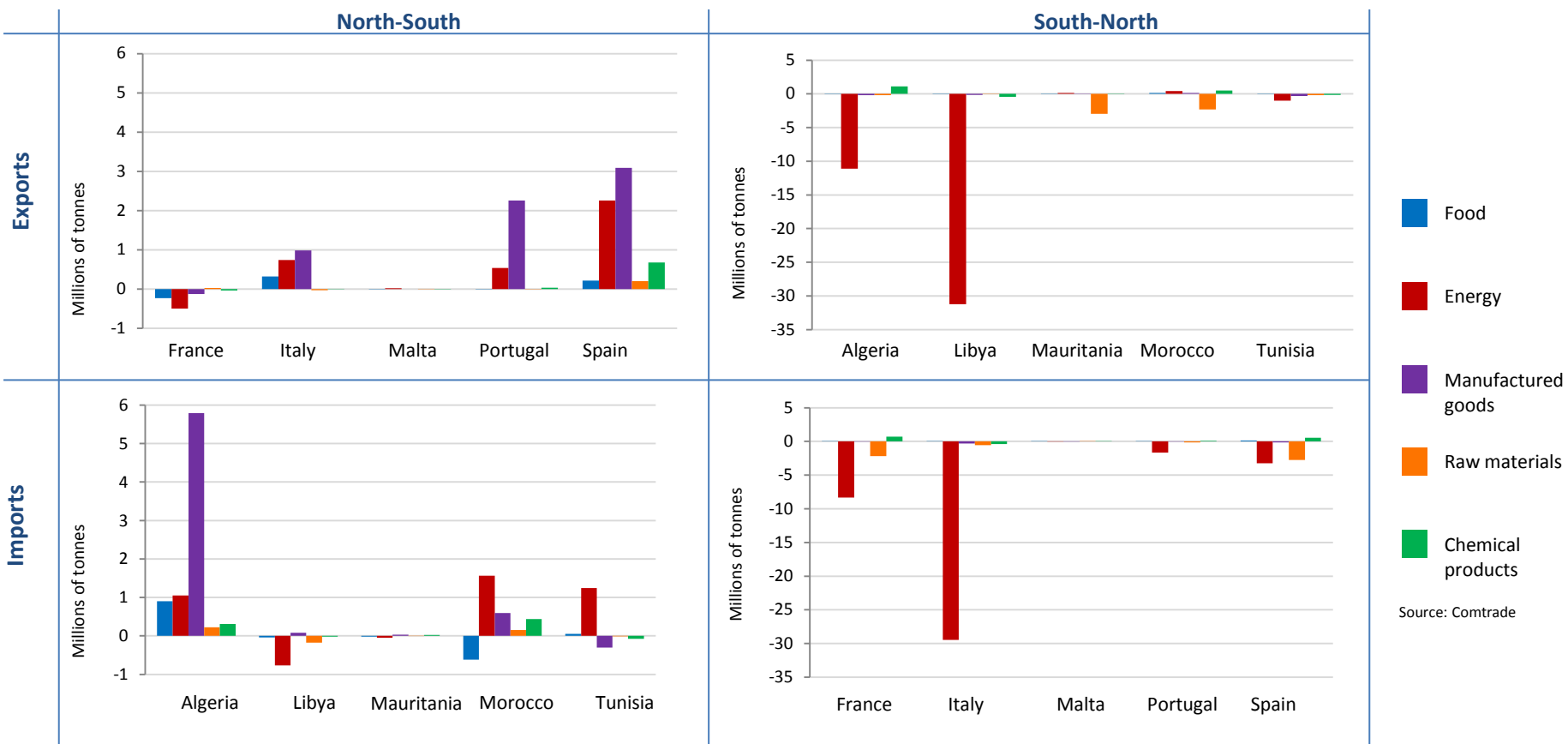
- In South-North flows, there was a decline in energy products, which accounts for almost the entire reduction in total Maghreb exports. In spite of this decline, the Maghreb export structure is still virtually monopolized by energy products.

Source: Comtrade



Transformation of trade relations between the European and Maghreb countries of the GTMO 5+5

Balance of trade flows between the GTMO 5+5 countries by product between 2008 and 2015

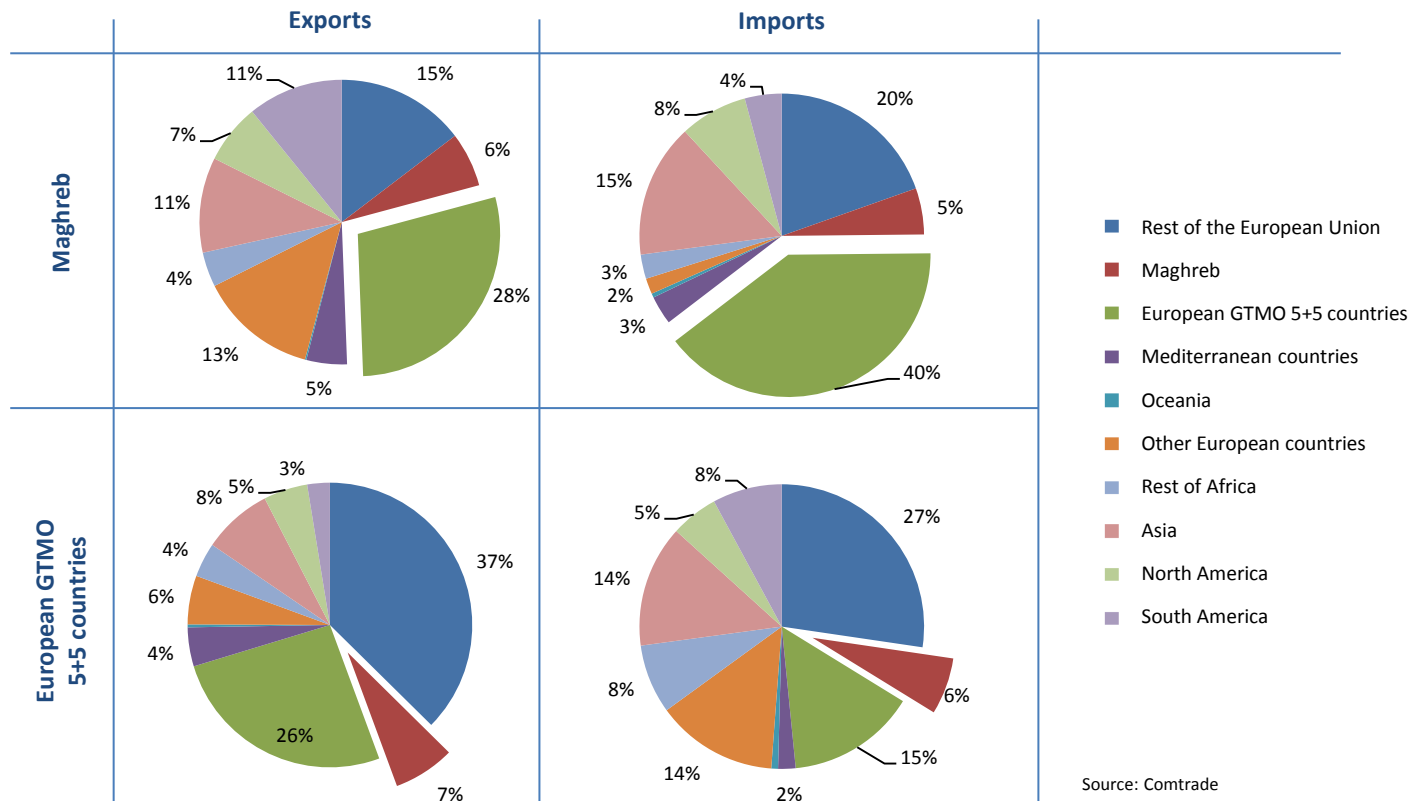


The transformation of the flow structure occurred due to the dynamics of specific products and countries.

- The changes that affected the trade flows of the European and Maghreb countries of the GTMO 5+5 did not affect all countries equally. Exports of manufactured goods from Portugal and Spain to Algeria accounted for the growth of such products in total North-South flows.
- With respect to the reduction in South-North trade, this was due to the decline in energy product exports from Algeria and Libya to France and Italy.

The value of intra-GTMO 5+5 trade with respect to total foreign trade in the GTMO 5+5 in 2015

Distribution of foreign trade in the GTMO 5+5 by geographic region (2015)- tons



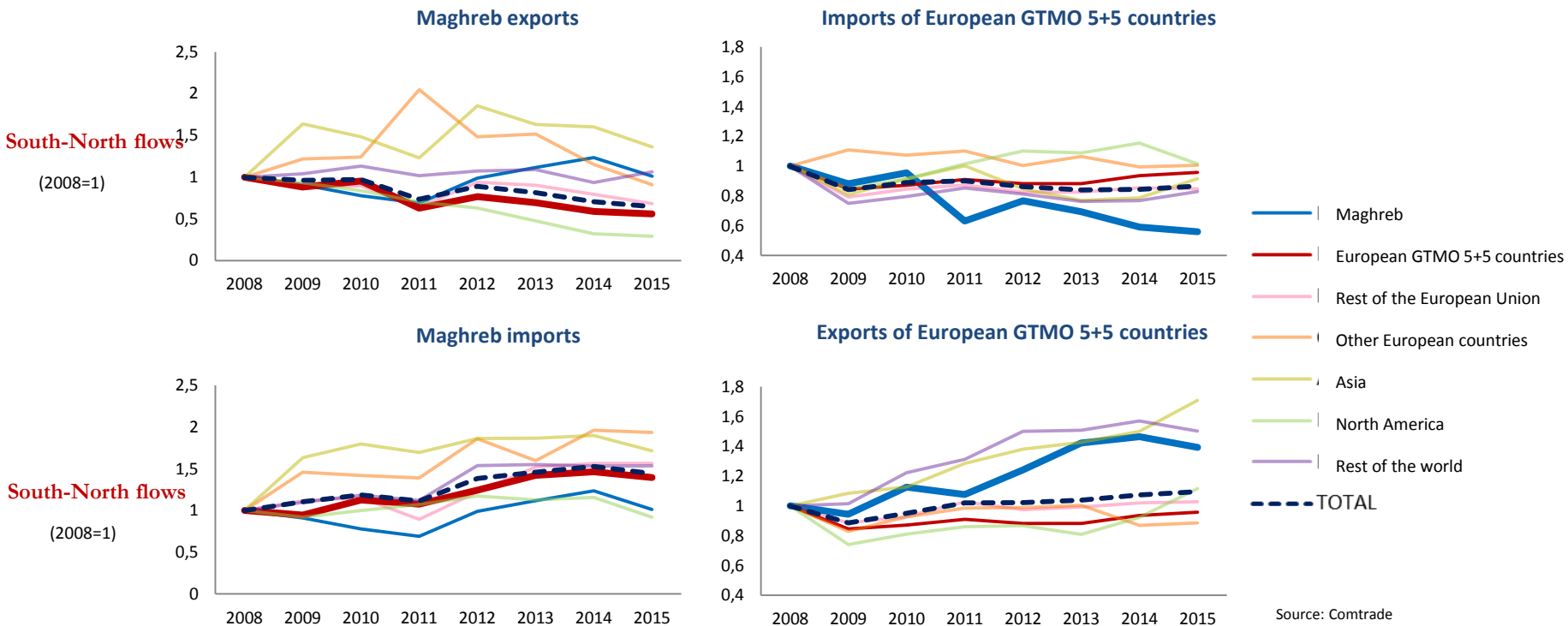
Trade with the European countries of the GTMO 5+5 comprised the most important trade for the Maghreb as a whole. On the European side of the GTMO 5+5, the volume of exports to the Maghreb was comparable to that of other major geographic regions.

- The European countries of the GTMO 5+5 represented the Maghreb's main trading partners, in terms of both imports and exports, with very high shares in both cases (much higher than other geographical regions).
- Trade volumes between the European and Maghreb countries of the GTMO 5+5 were comparable to those of other major geographic regions such as Asia, North America and South America.



Trade integration between the European and Maghreb countries of the GTMO 5+5 in 2015

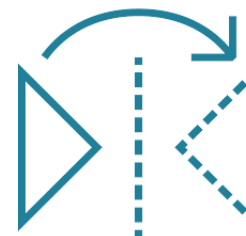
Evolution of foreign trade in the GTMO 5+5 by geographic region (2008-2015)



Between 2008 and 2015, no progress was made towards greater trade integration between the European and Maghreb countries of the GTMO 5+5.

- Trade relations between the Maghreb and European countries of the GTMO 5+5 evolved at a slower pace than those with other trading blocs.
- Only exports from the European countries of the GTMO 5+5 to the Maghreb experienced higher growth than total exports.

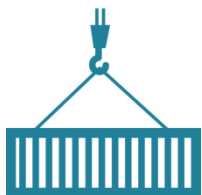
Study of maritime flows between EU and Maghreb countries



Foreign trade flows in the GTMO 5+5 were compared to the evolution of maritime flows, which were obtained from Eurostat data.



It was important to consider maritime flows between the European countries of the GTMO 5+5 and the Maghreb against the flows between the rest of the European Union and the Maghreb, as a point of reference.

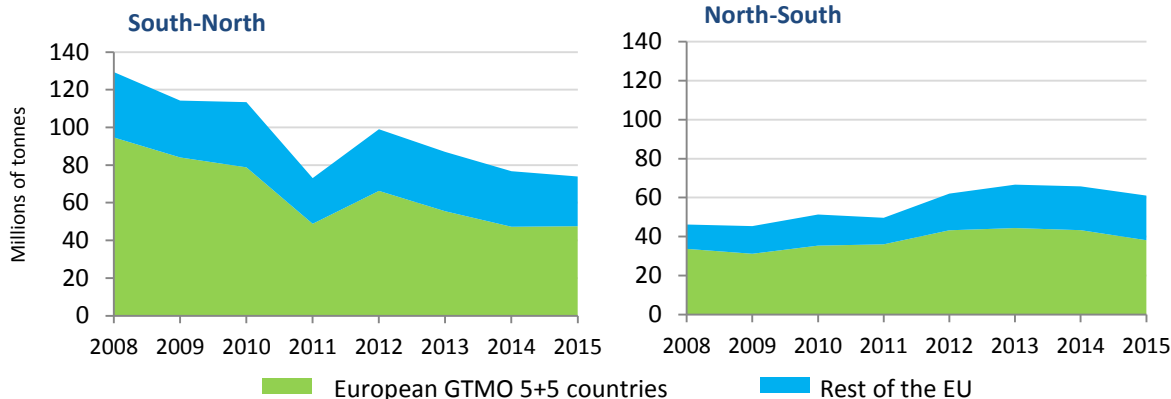


Particular emphasis was placed on general cargo maritime flows: Container and Other general cargo.



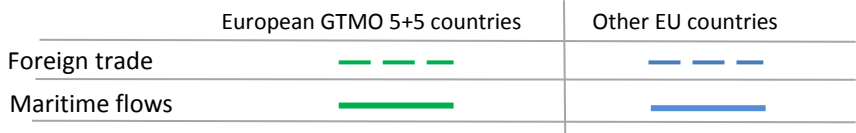
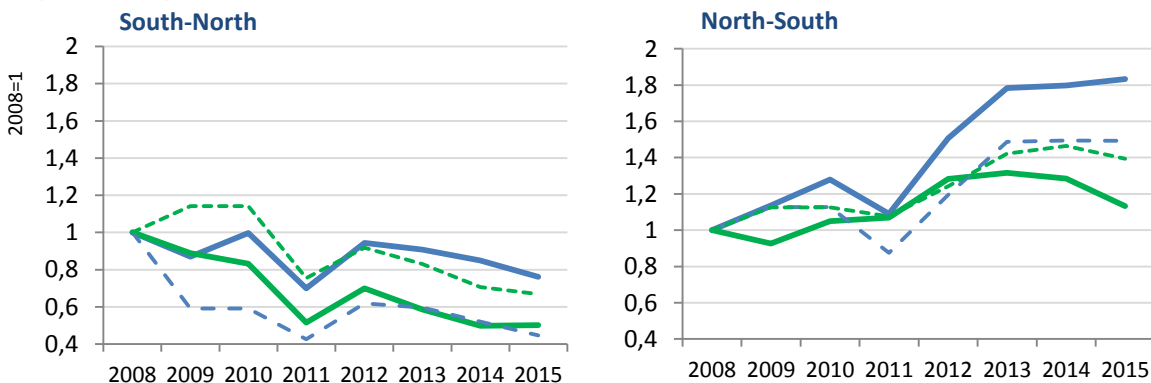
Foreign trade and maritime transport of the EU-28 with the Maghreb

Evolution of maritime flows between EU countries and Maghreb countries (2008–2015)



Source: Eurostat

Comparison of the foreign trade and maritime flows of the European Union with the Maghreb (2008–2015)



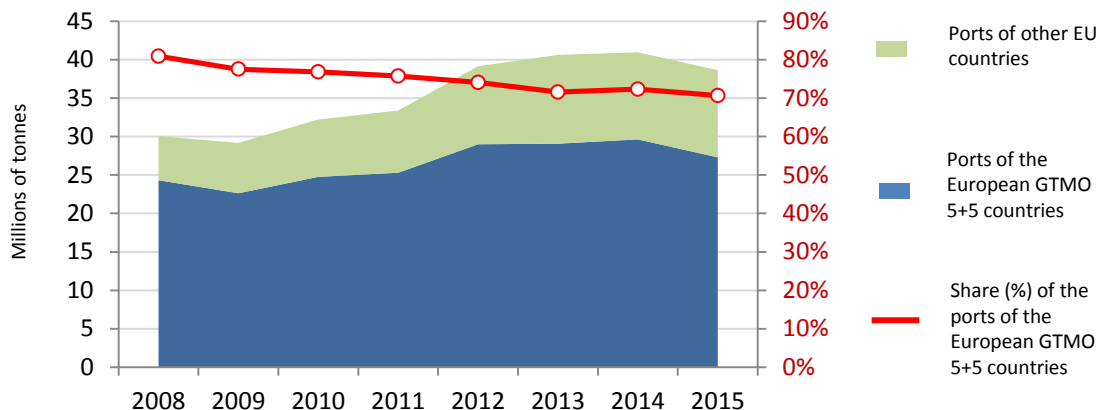
Source: Comtrade and Eurostat

Maritime flows with the Maghreb evolved in line with trends reported for foreign trade, albeit at a different pace.

- Maritime flows between the Maghreb and European countries of the GTMO 5+5 evolved in line with the trends reported for foreign trade, i.e. South-North flows decreased and North-South flows increased.
- However, maritime flows evolved at a different rate to foreign trade flows. The decline in South-North maritime flows was more intense and the growth of North-South flows more modest.
- The growth rates reported for maritime flows in the European countries of the GTMO 5+5 with the Maghreb were below those registered in other EU ports.
- Furthermore, other EU countries reported much higher growth rates for port flows than those reported for foreign trade with the Maghreb.

Study of general cargo maritime flows between the European Union and the Maghreb

Evolution of the distribution of general cargo traffic between the European Union and the Maghreb (2008-2015)

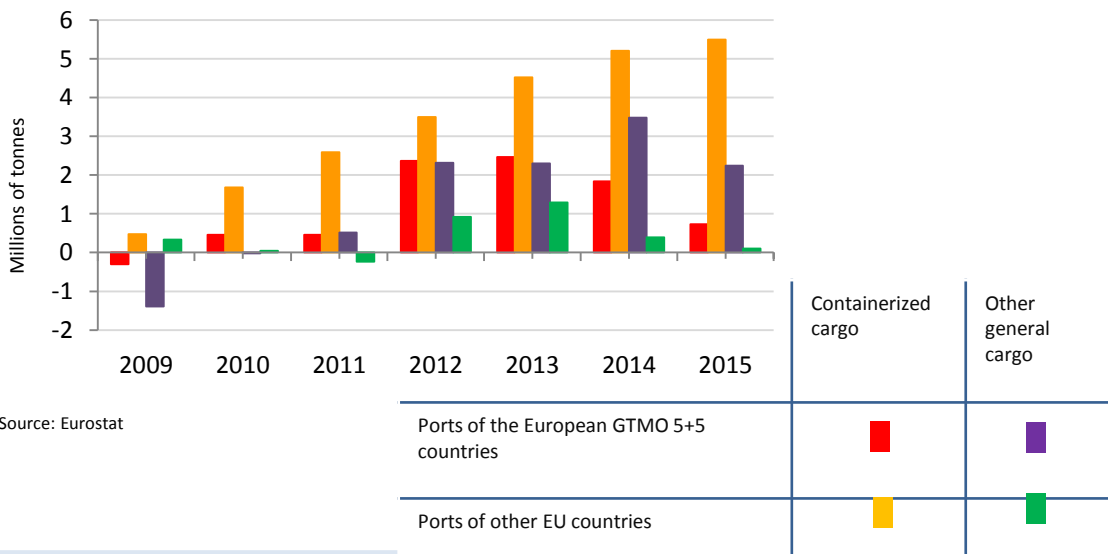


Source: Eurostat

Decline in the share of the ports of the European GTMO 5+5 countries in the general cargo traded between the Maghreb and the European Union as a whole.

- The European countries of the GTMO 5+5 handle the vast majority of general cargo maritime flows between Europe and the Maghreb, and volumes have risen slightly since 2008.
- However, their share of the total fell due to the higher growth reported in the ports of other EU countries.
- The rise in general cargo flows from the rest of the European Union is due almost exclusively to container flows, which increased steadily between 2008 and 2015.

Net increases in general cargo flows since 2008 according to handling type and geographic region

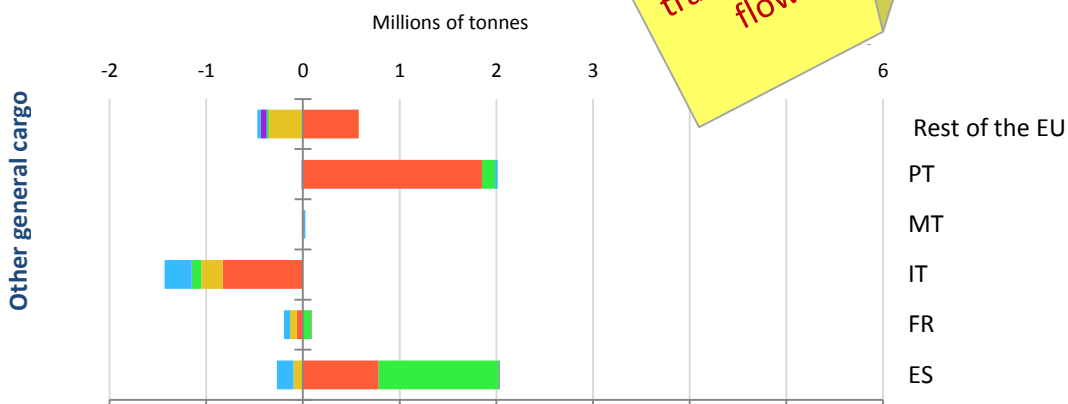
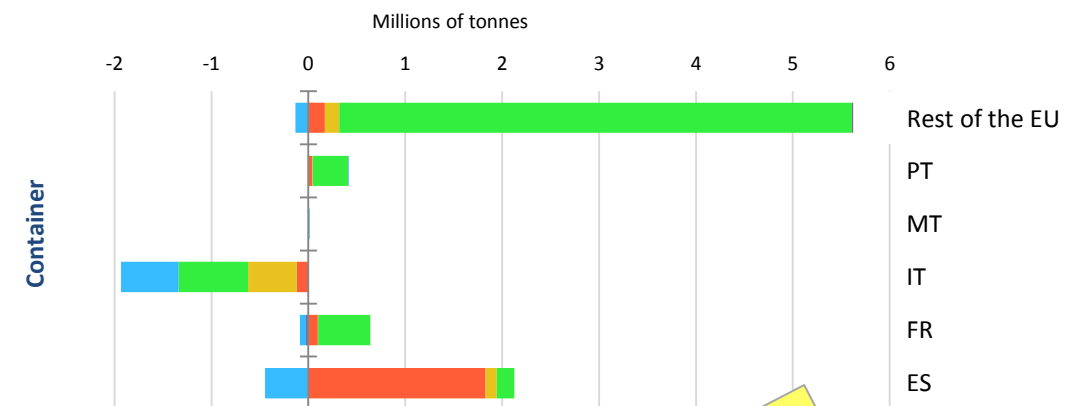


Source: Eurostat



Transformation of relations between the European Union and the Maghreb due to maritime flows

Net increase in general cargo flows according to handling type and country (2008-2015)



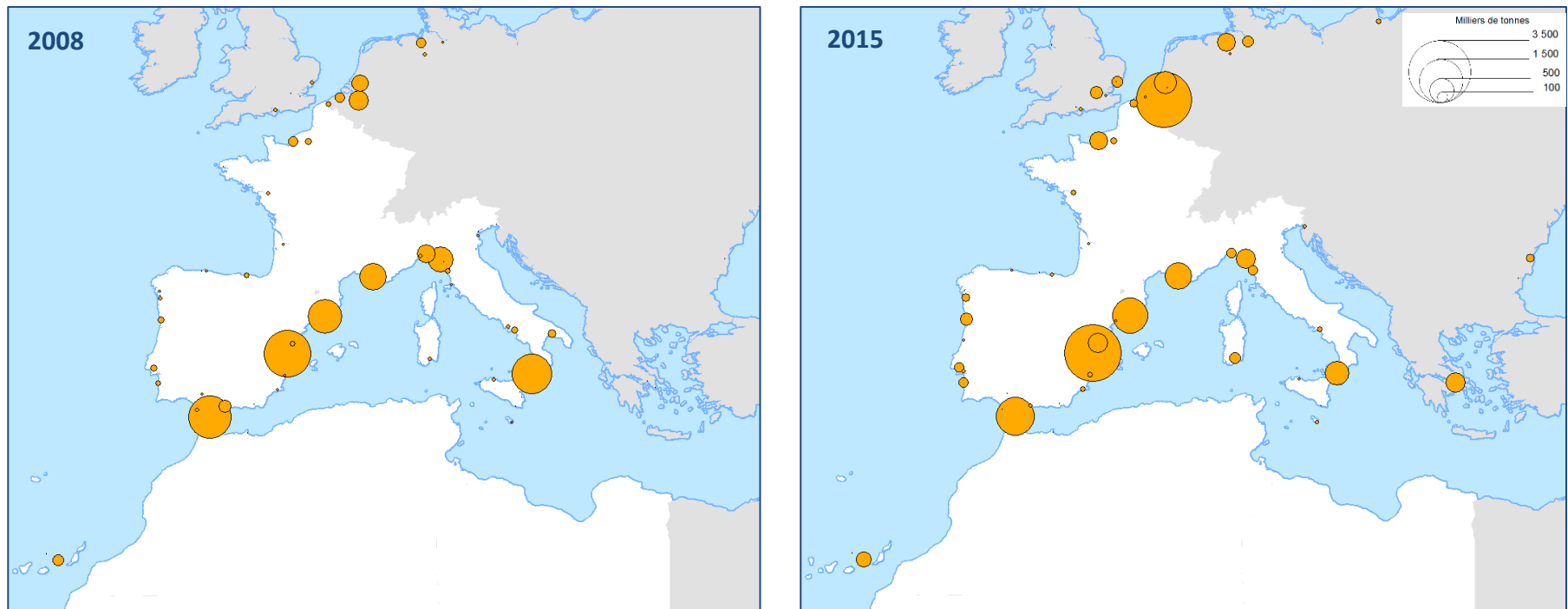
Importance of transshipment flows

DZ LY MA MR TN

There was a redistribution of maritime flows between the GTMO 5+5 countries, which boosted Spain and Portugal's relations with Algeria and Morocco.

- The increase in trade of containerized cargo between the European Union as a whole and the Maghreb countries was undoubtedly the result of flows from other EU countries to Morocco.
- With respect to the European countries of the GTMO 5+5, container flows between Spain and Algeria saw the highest absolute increase. Conversely, the decline in flows from Italy, Tunisia and Libya is worth highlighting.
- The ports of Spain and Portugal are the key beneficiaries of the increase in traffic flows of Other general cargo. The origins or destinations of these net increases are Algeria and Morocco.
- Within the GTMO 5+5, the increase in the flows of Other general cargo was higher than those of Containerized cargo.

Evolution of container flows at EU ports with the Maghreb (2008-2015)

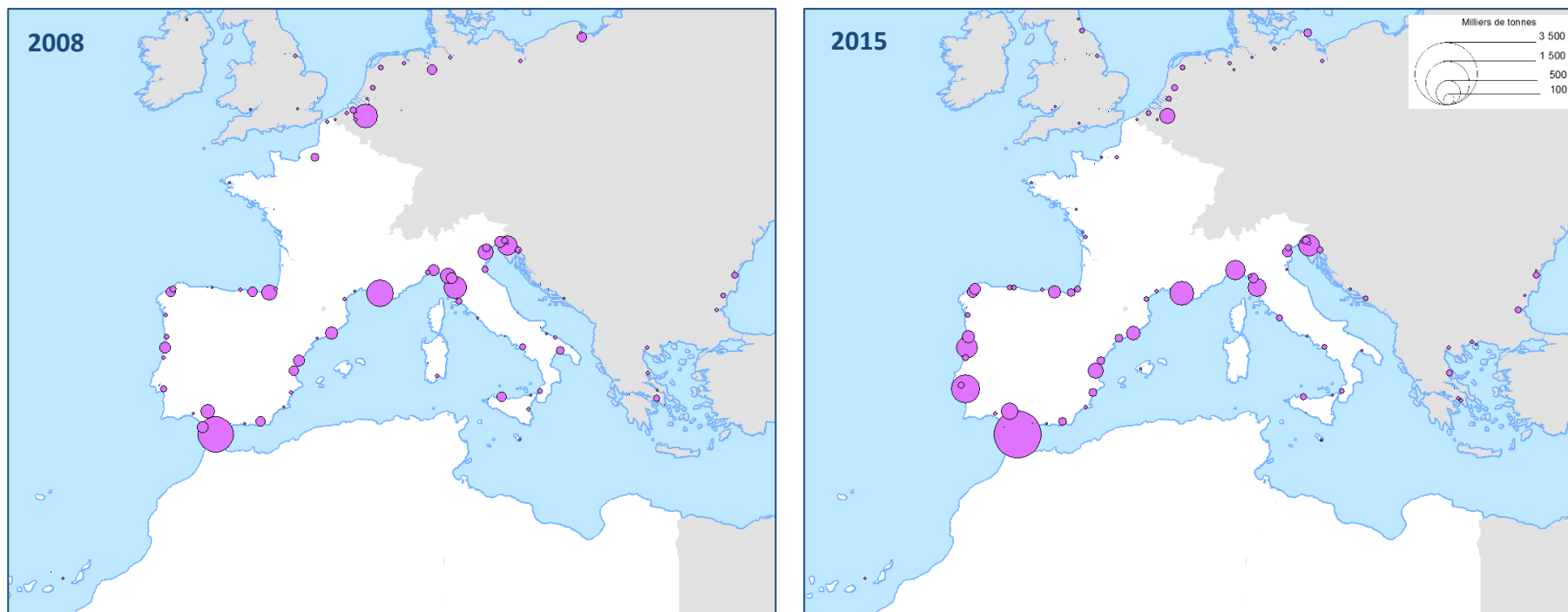


Source: Eurostat

Redistribution of container flows in favour of the ports of the Iberian Peninsula and Northern Europe.

- Between 2008 and 2015, there was a rise in flows at the ports of the Atlantic and the Iberian Peninsula, mainly to the detriment of Italian ports and the ports of the Strait of Gibraltar.
- This resulted in a more even distribution between the Atlantic and Mediterranean ports; however, the latter remain dominant. The concentration of flows at two ports in particular is worth noting: Antwerp and Valencia.

Evolution of flows of Other general cargo at EU ports with the Maghreb countries (2008-2015)



Source: Eurostat

Trend towards concentration of flows of Other general cargo at the ports of the Iberian Peninsula.

- In 2015, trade between the European Union and the Maghreb was concentrated at the ports of the Western Mediterranean to a greater extent than in 2008.
- Portuguese and Spanish ports, especially Algeciras, saw the highest rise in volumes, which helped boost the importance of the entire European side of the GTMO 5+5 in the flows of such cargo.

Conclusions:

Evolution of the trade flows of the GTMO 5+5

- Change in trend since 2008: a reduction in trade and a larger share of North-South flows.
- The increase in exports of manufactured goods from Spain and Portugal and the decrease in exports of energy products from Algeria and Libya are largely responsible for this evolution.



- Trade between the northern and southern countries of the GTMO 5+5 continues to be of great importance to the member countries and is comparable to that of other major trading geographical areas.
- However, the trade flows of the GTMO 5+5 countries with other major trading blocs experienced higher growth rates, and trade integration therefore did not increase.

Comparison between foreign trade and maritime flows

- Maritime flows between the European and Maghreb countries of the GTMO 5+5 evolved at a slower rate than foreign trade flows and are becoming less important with respect to overall maritime flows between the Maghreb and the European Union.

Loss of relative importance of trade and maritime relations between the GTMO 5+5 countries

Evolution of container flows and other general cargo flows

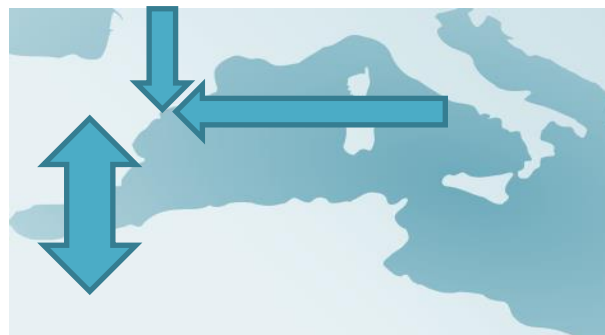


- The weight of the European GTMO 5+5 ports in general cargo trade with the Maghreb declined due to a sharp increase in container traffic in other EU countries.
- In the GTMO 5+5 as a whole, flows of Other general cargo saw a greater increase than container flows.
- At port level
 - Container: redistribution of flows from Italy to the Iberian Peninsula and Northern Europe. Trend towards concentration at two major ports (Valencia and Antwerp).
 - Other general cargo: redistribution of the flows concentrated in the Iberian Peninsula, especially Algeciras and Portuguese ports.

How can these changes be explained? A few hypotheses...

Political and economic evolution

- The economic crisis and subsequent recovery, which led to changes in the productive structures of countries.
- The Arab Spring and instability of Mediterranean countries.
- The price of raw materials.



Evolution in logistics and transport

Reconfiguration of shipping services caused by:

- The importance of transshipment in the structure of regular shipping services, especially in terms of containers, but also in relation to general cargo.
- The emergence of large shipping alliances and the creation of large economies of scale (gigantism) both at sea and on land.
 - Port terminals managed by a limited number of large operator groups.
- The Mediterranean as a sea for intercontinental flows.
- Expansion of short-sea shipping services, especially RoRo.



Possible lines of work

What opportunities and problems are associated with transport in the Western Mediterranean?

- In-depth knowledge of maritime flows, including transshipment.
- Knowledge of the impact that infrastructure, operators and equipment have on the establishment of trade flows.
- Knowledge of the way in which transport and logistics supply responds to the demands of foreign trade.



THANK YOU FOR YOUR ATTENTION

CETMO

cetmo@cetmo.org

www.cetmo.org

