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In the Spotlight

GERMANY IN THE EU 2006

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Dear reader,

A university gap year in France, a holiday trip to Lithuania, a work placement in Sweden or a retirement home in Spain – crossing national borders has almost become routine in the European Union. But it is not just people that are increasingly mobile: Our local supermarkets are offering asparagus from Poland and milk from Denmark. Teenagers in Italy are listening to the same music as their contemporaries in Finland and thanks to modern technology we are in touch with even the most remote parts of the continent. The EU is no doubt becoming an ever closer union of states.

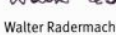
Now that all European societies and economies are facing the effects of globalisation, it is more and more important to analyse trends on a broader scale. To mark the beginning of Germany's EU Council Presidency in the first half of 2007, the Federal Statistical Office has therefore decided to take a closer look at Germany's current position in the European Union.

This report offers answers to a number of questions: Which European economies are growing despite international competition? Which country has invested most in its educational system? Is demographic ageing advancing at the same rate across the EU? How do female employment rates compare from one country to the next? Which Member State spends most on its health system? Which governments are balancing their budgets and keeping an eye on public spending?

This publication illustrates Germany's position in relation to its European neighbours. If you are interested in more detailed harmonised data on the EU, please contact the EDS European Data Service at the i-Punkt Berlin – an information service that is run by the Federal Statistical Office in conjunction with the Statistical Office of the European Communities (*www.eds-destatis.de*).

I hope that this report reaches a wide audience and would like to thank everyone that has contributed to this publication.

Yours



Walter Radermacher
President of the Federal Statistical Office of Germany

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Preliminary notes

Territory

All EU-25 data relates to the 25 countries that were EU Member States in 2006: Austria, Belgium, Cyprus, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Poland, Portugal, Slovakia, Slovenia, Spain, Sweden and the United Kingdom.

Data

This report is based on data published by the Statistical Office of the European Communities (Eurostat), unless otherwise stated. All data are harmonised thus ensuring that all national results are fully comparable at EU level. Due to the harmonisation process, some figures may differ from results published by the national statistical offices, for example, the Federal Statistical Office of Germany. Additionally many harmonised Eurostat figures are published with a certain time lag compared to national data.

This report contains the most recently available data from Eurostat's database as of September 2006. At this stage some values were still provisional. A frequent reason for ex post changes are data revisions.

Generally speaking, it is only possible to publish a final EU result once data is available for all Member States. In cases where an EU-25 value was not available from Eurostat, this aggregate was not calculated or estimated for the purpose of this publication. In some cases the EU value of the preceding year is presented for reference purposes.

When this report was compiled, the EU included 25 states. Now that Bulgaria and Romania have joined the EU, the Union comprises a total of 27 countries. As however no data were available for the EU-27 prior to the editorial deadline, statistical indicators for the two new EU Member States are listed in a separate annex.

All statistical data for the EU-25 were calculated on the basis of the values for all 25 EU Member States – even if the data relates to years prior to the accession of the ten new Member States in May 2004.

Please note that this publication only offers a small section of the data published by Eurostat. All Eurostat data and electronic publications can be accessed free of charge via the EDS European Data Service website offered by the Federal Statistical Office at *www.eds-destatis.de*.

1 Introduction

1 Introduction

The European Union (EU) is a confederation of independent states with nearly half a billion inhabitants and the world's largest gross domestic product. What began as the Coal and Steel Community of six European countries more than 50 years ago has developed into a highly integrated union of 27 states. Germany is the largest EU country and one of the founder members.

Many steps have already been taken on the road towards a more united Europe and the EU has been confronted with a number of challenges since the start of the new millennium: From unemployment, changing demographic patterns, strained social security systems, more intense international competition to the challenge of securing an efficient energy supply – the problems facing all EU Member States at present are quite similar.

At the Lisbon Summit in 2000 the European Council decided upon a set of strategic goals to be met by the year 2010. These goals were revised at the halfway stage in 2005 and published in a new up-dated version of the so-called "Lisbon Strategy". This relaunched strategy focuses on growth and employment highlighting four priority objectives: increasing investment in education and research, maximising entrepreneurial potential, particularly of small and medium-sized businesses, promoting employment and securing a sustainable energy supply. In order to achieve these aims, Germany and the other Member States outlined reform programmes for the years 2005 – 2008, that are based on the European targets but also take into account the specific circumstances in each country.

What progress have the EU Member States made towards meeting the Lisbon targets? What have they achieved in social, economic and ecological terms?

This report published by the Federal Statistical Office at the start of the German EU Council Presidency in the first half of 2007 offers a general overview of Germany's position in relation to the other EU Member States. Using selected data released by the Statistical Office of the European Communities (Eurostat), this report provides information on topics such as population, living conditions, education, research, information society, labour market, economy and finance, energy and economic sustainability. A particular focus is placed on the key statistical indicators policy-makers use to measure annual progress towards meeting the Lisbon goals – the so-called structural indicators. Bar charts, tables and lists ranking all Member States help identify the areas in which Germany is ahead of the field and those where increased efforts are still needed in order to improve Germany's position within the EU. The appendix contains an overview of the most important structural indicators and lists all statistical data featured in this report.

This publication offers an insight into the diversity of European statistics. A user guide at the end of this report explains how to access the more than 300 million statistical figures Eurostat has published so far.

2 Population

2 Population

"Germany is ageing and slowly becoming a nation of pensioners." This is just one example of the headlines used by the media to describe a phenomenon that demographers have been observing for quite some time: Low birth rates and a rise in life expectancy mean that the number of elderly people is rising as the number of children continues to decline. This imbalance can have far-reaching repercussions for our economic and social system. However, an ageing and shrinking population is a challenge that not all of our neighbouring countries are confronted with to the same extent. The situation in the EU differs from one country to the next and even the trends in population figures are divergent.

Panorama: 460 million from Portugal to Poland

In early 2005, the 25 countries of the EU had a total population of 461.3 million. The EU population has in fact increased during the last ten years: Since 1995 the total population has risen by more than 15.4 million due to natural growth and immigration.

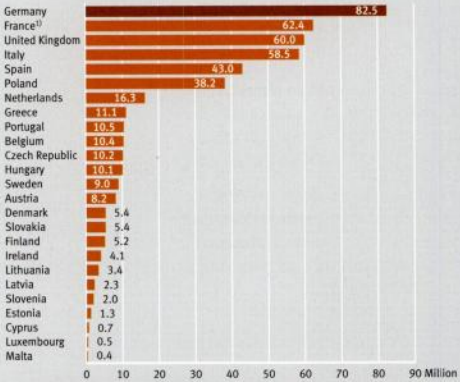
With approximately 82.5 million inhabitants Germany was the country with the highest population and accounted for 18% of all EU citizens. The second largest nation was France with 62.4 million inhabitants followed by the United Kingdom with 60.0 million. By comparison, the ten new Member States that joined the EU in 2004 had a total of just 74.1 million inhabitants.

With 231 inhabitants per square kilometre, Germany was also one of the Union's most densely populated countries. In terms of population density, it was only exceeded by Malta (1 272 inh./km²), the Netherlands (482 inh./km²), Belgium (344 inh./km²) and the United Kingdom (244 inh./km²). The most sparsely populated countries were Finland (17 inh./km²) and Sweden (22 inh./km²).

Birth rates: Less and less adolescents

According to demographers highly developed nations with low infant mortality need an average rate of 2.1 children per woman to sustain current population levels. None of the EU Member States however achieve this level nowadays.

Fig. 2.1: Population of the EU Member States
As of January 1st 2005



1) Including dependent territories (French Guiana, Guadeloupe, Martinique, St. Pierre and Miquelon, Mayotte, Réunion, French Polynesia, New Caledonia, Wallis and Futuna), excluding dependent territories: 60.6 million.

Tab. 2.1: Population density of the EU Member States 2004

Member State	Inhabitants/km²
Malta	1272
Netherlands	482
Belgium	344
United Kingdom[1]	244
Germany	**231**
Italy	197
Luxembourg	175
Czech Republic	132
Cyprus	130
Denmark	125
Poland	122
EU-25[1]	**118**
Portugal	114
Slovakia	110
Hungary	109
Slovenia	99
Austria	99
France[2]	98
Greece	85
Spain[1]	83
Ireland	60
Lithuania	55
Latvia	37
Estonia	31
Sweden	22
Finland	17

1) 2003.
2) 2003, including dependent territories.

In Ireland, the country with the highest 2004 birth rate, each woman gave birth to an average 1.99 children (see fig. 2.2 on p. 14). France comes second with a birth rate of 1.90 followed by Finland with 1.80 children per woman. The lowest birth rates were recorded in many of the new Member States, including Hungary (1.28), Lithuania (1.26), Slovakia (1.25), Latvia (1.24), the Czech Republic and Poland (1.23 each) and Slovenia (1.22).

In Germany, the average birth rate was 1.37. Rates as low as this mean that any given generation comprises only two thirds as many people as the respective parent generation.

Ageing society: Generational balance in jeopardy

A low birth rate has an impact on a population's age structure: While the number of children continues to fall, the proportion of elderly people is on the increase. Moreover, average life expectancy is rising: In Germany, newborn girls had a life expectancy of 81.4, newborn boys of 75.7 years in 2004. As recently as 1994, their life expectancy amounted to just 79.6 and 73.1 years respectively.

In Germany, the proportion of the total population aged 65 and over amounted to some 18 % (fig. 2.3 on p. 14). With a share of 19.2 %, Italy was the only country to register an even higher value. The lowest proportion of people aged 65 and over was reported in Ireland (11.1 %) followed closely by Slovakia (11.5 %) and Cyprus (11.9 %).

Population trend: Births, deaths and migration

Despite low birth rates, many of the EU Member States witnessed a natural increase in population in 2004: The number of births exceeded the number of deaths due to a rise in life expectancy, which is mainly attributable to medical progress, and due to sufficiently large parental cohorts. The population of France for example recorded a natural growth of 283 800 people in 2004 (see table 2.2 on p. 15).

However, in all Central and Eastern European Member States – except Slovakia – low birth rates and a below-EU-average life expectancy led to a surplus of deaths.

In Germany, 112 700 more people died than were born in 2004. This is the effect of a persistently low birth rate over the last 30 years: The cohorts born in the era of low birth rates during the 1970s have

Fig. 2.2: Total fertility rate 2004
Children per woman

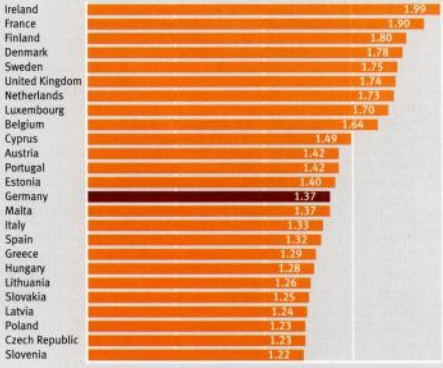
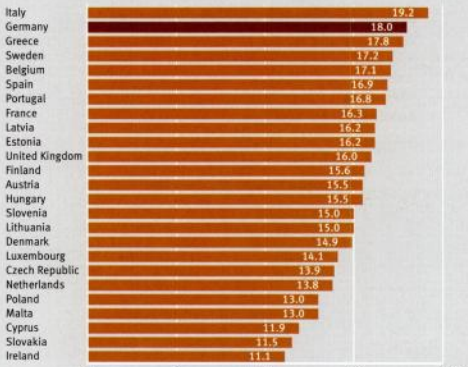


Fig. 2.3: Percentage of population aged 65 and over 2004



reached parental age and as they in turn give birth to less children, subsequent generations continue to decrease in size, again leading to a reduction in the number of potential parents.

The way a country's total population develops not only depends on the natural growth rate, but also on the degree of migration. All in all, between 1994 and 2004 the total population living in the territory that is now known as the EU-25 increased by 11 million in net terms due to legal migration. The migrants' main destinations were Southern European countries such as Spain and Italy, followed at some distance by the United Kingdom. In 2004, a migration surplus of 610 100 persons was recorded by Spain alone, whereas the total surplus for the EU-25 amounted to 1.85 million.

International migration has become an important component of the population trend in Germany as well. In 2004, 81 800 more people came to live in Germany than emigrat-

ed. The migration balance, though positive, however failed to offset the birth deficit of 112 700 people: Germany's total population dropped by 30 900 persons or 0.04 %. A greater population decrease was only registered in some Central and Eastern European Member States, which were also characterised by low birth rates and additionally hit by emigration. For example, the total population of Lithuania decreased by 0.60 and that of Latvia by 0.55 percent during the same period.

7.3 million people without German citizenship lived in Germany in 2005. In absolute terms this was the EU country with the largest number of foreigners: The percentage of population with foreign citizenship amounted to 8.8 %. The five largest groups of foreigners were people from Turkey, the former Yugoslav republics, Italy, Poland and Greece. The EU Member State with the largest percentage of foreign citizens was Luxembourg with 39 %.

Tab. 2.2: Population change 2004

Member State	Natural change (difference between live births and deaths)	Net migration (difference between inflow and outflow)	Overall net change
	Thousands		
EU-25	**475.4**	**1 849.5**	**2 324.9**
Spain	82.6	610.1	692.7
Italy	15.9	558.3	574.2
France[1]	283.8	103.0	386.8
United Kingdom	132.9	201.8	334.7
Ireland	33.5	48.0	81.5
Austria	4.7	61.7	66.4
Portugal	7.3	47.3	54.6
Belgium	14.1	35.4	49.5
Netherlands	57.4	– 9.9	47.5
Sweden	10.4	25.3	35.7
Greece	0.0	35.0	35.0
Cyprus	3.1	15.7	18.8
Finland	10.2	6.7	16.9
Denmark	8.8	5.0	13.8
Czech Republic	– 9.5	18.6	9.1
Slovakia	1.8	2.9	4.7
Luxembourg	1.9	1.5	3.4
Malta	1.0	1.8	2.8
Slovenia	– 0.6	1.8	1.2
Estonia	– 3.8	– 0.3	– 4.1
Latvia	– 11.7	– 1.1	– 12.8
Poland	– 7.4	– 9.4	– 16.8
Hungary	– 37.4	18.2	– 19.2
Lithuania	– 10.9	– 9.7	– 20.6
Germany	**– 112.7**	**81.8**	**– 30.9**

1) Including dependent territories.

Prospects: Population projection for 2050

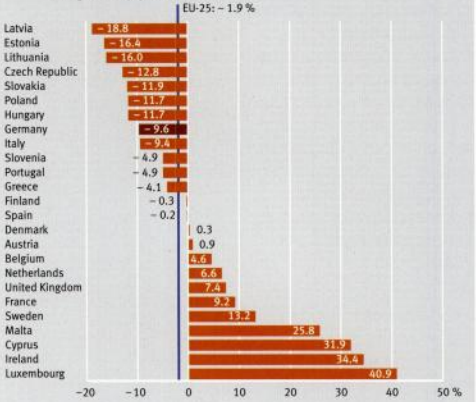
How will EU-25 population figures evolve by the year 2050? According to Eurostat's population projection the total number of EU citizens will decrease, reaching 449.8 million people by 2050. In the Member States however, the trends will diverge. The states which have the highest birth rates of all EU countries at present and also have a positive migration balance will continue to grow in the next few decades or at least maintain a constant level.

Luxembourg's population is set to increase most sharply. A rise of 40.9 % is expected by 2050, raising the number of inhabitants from 456 000 to 642 600. The predicted population increase of approximately 34 % for Ireland will boost the country's population from 4.1 to 5.5 million.

However, more than half of the EU countries will be faced with the phenomenon of a shrinking and ageing society. In these countries a persistently low birth rate will cause the number of potential parents to fall continuously. The resulting birth deficit cannot be offset by a constant or even rising fertility rate. Moreover, since, owing to the progress of medical science, life expectancy is likely to grow further, the ageing process of society cannot be reversed. Migration will, at best, curb the pace of this process. The shrinkage rates predicted for the populations of the Central and Eastern European Member States range between 4.9 % for Slovenia and 18.8 % for Latvia. Germany's population is set to drop in spite of immigration and will be below the 75 million mark by 2050. This is almost 10 % less than in 2005.

Fig. 2.4: Population projection for 2050 compared to 2005

Change in total population



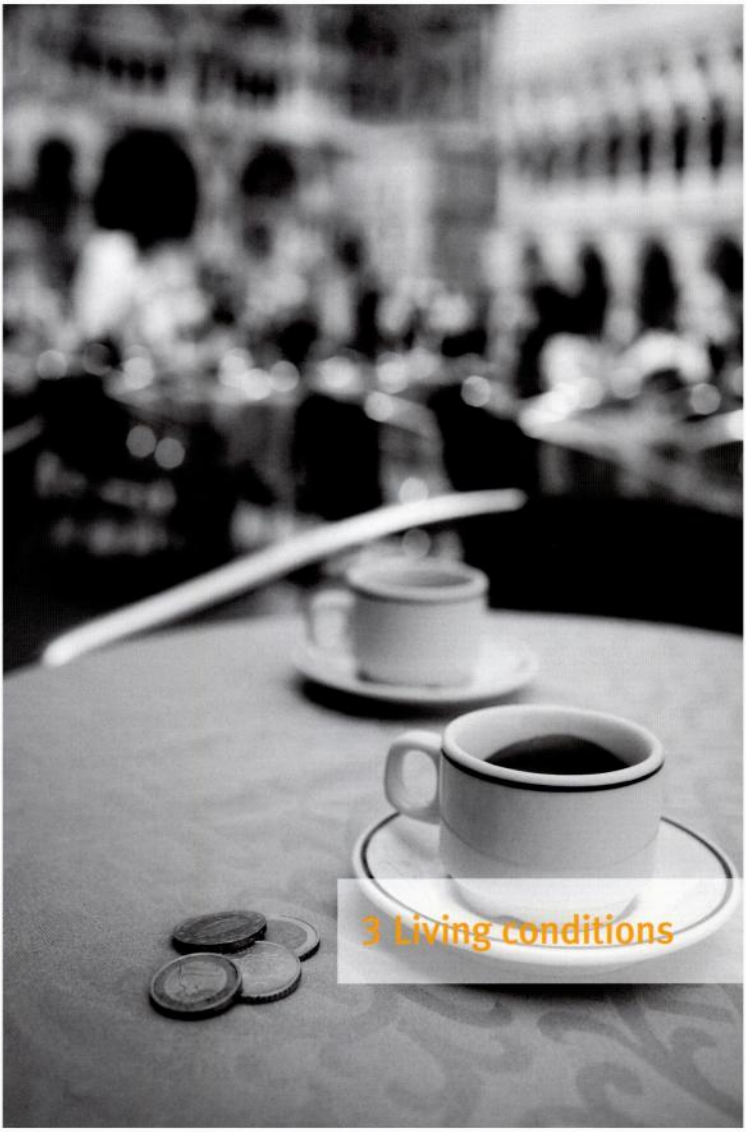
Population statistics

Demographic data on births, deaths and migration enable us to identify past population trends and their components and to compile projections for the decades to come.

Information on fertility behaviour, the rise in life expectancy and future population trends provides us with important criteria for economic, family and social planning. It provides, for example, vital data needed to design future pension schemes and health systems and helps to identify infrastructural requirements. Current population figures are also used for the calculation of per-capita data which have an impact on decisions regarding matters such as public funding.

In order to obtain even more precise data on future population trends, the EU Member States aim to conduct a new population census round in 2010/2011 thus continuing the decade cycle of surveys. The most recent census in Germany was carried out almost 20 years ago (1987: Federal Republic of Germany, 1981: German Democratic Republic). In August 2006 the Federal Government decided that Germany would participate in the forthcoming EU-wide 2010/2011 census round using a register-based census system.

The situation in Germany today already differs significantly from the classic population pyramid – children and adolescents aged under 15 have long since ceased to be the numerically strongest cohort. The future will bring a further shift in the ratio of young and old and lead to a more top-heavy pyramid. In Germany, the share of people aged 60 or over will rise from a quarter to a third by 2050, while the percentage of those aged under 20 will drop from 21 to 16%.



3 Living conditions

3 Living conditions

Consumption: How we spend what we earn

It has always been one of the EU's primary objectives to improve general living conditions and to minimise differences in living standards between the various regions of the EU. But despite large financial transfers, there is still a considerable economic gap between some Member States. A comparison of 2004 gross annual earnings in the industry and services sector reveals large differences between northern and southern and old and new EU Member States. For 2004, a comparison of EU countries shows that the highest wages were paid in Denmark: Here a full-time employee received a gross annual average income of 44 692 euro (2003). The two other leading countries in terms of wages were the United Kingdom (41 253 euro) and Germany (40 954 euro). Gross annual wages in Luxembourg also exceeded the 40 000 euro threshold (40 575 euro). By contrast, Southern European countries such as Spain, Cyprus, Greece (2003), Portugal and Malta recorded annual wages of between 10 000 and 20 000 euro, whilst employees in the new Central and Eastern European Member States receive an average of less than 10 000 euro. Last in the country ranking was Latvia, where an industrial worker's gross wage averaged 3 806 euro per year – approximately one-twelfth of the average wage in Denmark.

However, the wage in euro does not allow us to conclude exactly how much consumers with these incomes can actually afford in the various EU countries. For that purpose we need to adjust the income values by allowing for existing price differences. This is done by determining the prices for a comparable and representative basket of goods and services in the various EU countries. These prices are then expressed in a common artificial currency, which is referred to as "Purchasing Power Standard" (PPS). Taking existing price levels into account, gross wages were highest in the United Kingdom (39 051 PPS), followed by Germany (38 432 PPS), Luxembourg (38 248 PPS) and the Netherlands (36 022 PPS). Owing to the comparatively high cost of living, Danish gross wages (34 929 PPS) ranked just fifth when comparing all EU countries. The Member States with the lowest incomes were Latvia (6 752 PPS), Slovakia (10 395 PPS) and Hungary (11 466 PPS).

Tab. 3.1: Average gross annual earnings in industry and services[1] 2004

Selected EU Member States	In EUR	In PPS
United Kingdom	41 253	39 051
Germany	**40 954**	**38 432**
Luxembourg	40 575	38 248
Netherlands	37 900	36 022
Denmark[2]	44 692	34 929
Belgium	35 704	34 259
France[2]	28 847	28 770
Sweden	33 620	27 756
Finland	31 988	26 038
Spain	19 828	22 691
Greece[2]	16 739	21 423
Cyprus	19 290	20 684
Portugal	15 196	17 727
Malta	11 926	15 923
Poland	6 230	11 886
Hungary	7 100	11 466
Slovakia	5 706	10 395
Latvia	3 806	6 752

1) Excluding public administration, defence and social security.
2) 2003.

How far does the euro stretch?

The largest EU household expenditure item in 2004 was accommodation: The amount spent on housing, water, electricity, gas and heating averaged 21.3 % of total expenditure across the EU. The country, in which households spent most on accommodation, was Sweden (28.6 %). In Germany spending for this item totalled 23.8 %. The proportion of expenditure for food, beverages and tobacco in 2004 averaged 16.3 % in the EU as a whole. It was above average in

Purchasing Power Standard (PPS)

The Purchasing Power Standard (PPS) is a fictitious monetary unit, which eliminates purchasing power differences, i. e. different price levels between countries. Accordingly large purchasing power differences can exist in two countries due to the fact that price levels for the same goods and services differ from one country to the next.

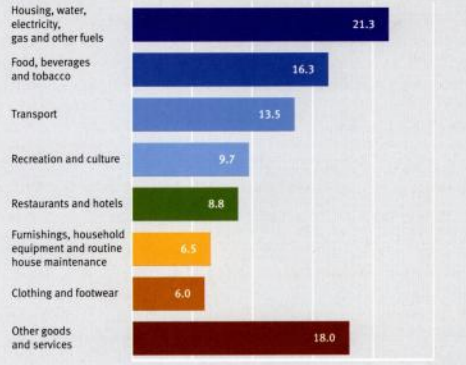
The PPS is derived from national currency data, using so-called Purchasing Power Parities (PPP) as conversion factors. These parities are obtained from the weighted averages of price relations for a basket of goods and services, which is comparable and representative for all Member States. The parities are determined by setting the average purchasing power of one euro in the EU equal to one PPS.

In countries such as Germany or the Netherlands, where due to higher prices for goods and services the purchasing power per euro is below the European average, the PPS is larger than one per euro, whereas in Southern European countries such as Portugal and Spain, due to price relations below the EU average, the PPS will be less than one per euro. For example, a PPS of 1.041 for Germany in 2005 means that approximately 1.04 euro is required to buy the same amount of goods and services in Germany as can be bought for 1 euro on average in the EU as a whole. A value of 0.900 for Spain means that there just 90 cents are needed to buy the same goods and services.

countries with a relatively low per-capita GDP: For instance, expenditure for food, beverages and tobacco amounted to 35.4 % of total consumption in Lithuania, 26.7 % in Estonia and 25.8 % in both Poland and Hungary. By contrast, the corresponding percentage was as low as 15.3 % in Germany and 12.0 % in Ireland.

In 2005, prices in the EU rose slightly compared with 2004. The Harmonised Index of Consumer Prices (HICP), which provides a comparable measure of EU price development, increased by 2.2 % in the EU-25. This increase is also known as the inflation rate. The main reason for the increase was a rise in energy resource prices. The amount of money EU households spent on electricity, gas and other fuels was significantly higher in 2005 than in 2004 (+ 9.1 %). Car drivers were faced with fuel price increases averaging 10.3 %. Another item that witnessed a significant increase in price was tobacco: prices for cigarettes and other tobacco products were up 6.8 % in the EU-25.

Fig. 3.1: Private consumption in the EU-25, 2004



By contrast, some items saw a drop in prices, such as clothing and footwear (– 0.9 %) and telecommunication services (– 2.1 %).

The country that recorded the highest inflation rate in the EU-25 in 2005 was Latvia (+ 6.9 %). Here the increase in health, transport, and hotel and restaurant prices reached a two-digit figure. Estonia recorded the second highest overall increase in prices (+ 4.1 %), which was mainly caused by higher energy and transport costs. The most modest price increases were measured in Finland and Sweden (both

Harmonised Index of Consumer Prices (HICP)

The national statistical offices in the EU calculate the Harmonised Index of Consumer Prices (HICP) in addition to a country-specific consumer price index (CPI). The HICP is primarily calculated for European purposes and its main function is to enable a comparison of price changes between the EU Member States. The HICP is used to measure the convergence criterion "price stability" of the Maastricht Stability Pact.

The calculation of the HICP is necessary, because national consumer price indices are not fully comparable. National CPI values are not just used to measure inflation, but also serve to guarantee the value of recurrent payments in escalator clauses and act as a "deflator" for other calculations (e. g. when determining growth in real terms). That is why, unlike the HICP, Germany's CPI, for example, also includes owner-occupied residential property.

In order to ensure a comparable basis for measuring inflation on an EU scale, Eurostat has adopted common methods, concepts and techniques for HICP calculation. Eurostat also determines the HICP for the total EU as a weighted average of the national HICPs.

Fig. 3.2: Inflation rate 2005
Change of Harmonised Index of Consumer Prices (HICP) in %

+0.8 %). With an inflation rate of 1.9 % in 2005, Germany was one of the countries with the most stable prices. Some goods, however, were affected by significant increases. For example, a tax increase sent tobacco prices soaring by 14.0 % in 2005, having already risen by 11.2 % in 2004. German households had to spend 11.8 % more on electricity and heating than in the preceding year, whereas food and soft drink prices remained practically unchanged (+0.4 %).

Poverty: When ends don't meet

Poverty and social exclusion are key problems that affect even the relatively wealthy countries of the EU. In an effort to help people who are confronted with poverty, and to promote the concept of social justice and solidarity, the EU has set itself the objective of fighting poverty and social exclusion. At the 2001 Council Summit in Laeken the Member States agreed on a set of statistical indicators, also known as the Laeken indicators, which enable the EU to track its progress in this field.

However, contrary to the intended EU policy, the income inequality gap has continued to widen over the past few years: Whereas in 2000, the total income of the "richest" 20 % of the EU's population was 4.5 times as high as that of the "poorest" 20 %, this imbalance had already increased to a factor of 4.8 by 2004. Income inequality was above average in Portugal (7.2), Latvia (2003: 6.1) and Greece (6.0) and lowest in Slovenia (2003: 3.1), Hungary (2003: 3.3) and Sweden (3.3). In Germany, the richest fifth of the population earned 4.4 times as much as the poorest (see fig. 3.3 on p. 24).

Poverty is a relative concept, which is difficult to define and which can only be interpreted when taking into account a large variety of aspects. That is why Eurostat uses the term poverty risk in its statements rather than referring to poverty. According to official European statistics, a person is rendered to be at risk of poverty, if they have less than 60 % of the respective national median income at their disposal.

In 2004, 16 % of the EU-25 population or roughly 73 million people were at risk of poverty. The situation was most difficult in Slovakia, Portugal and Ireland where 21 % of the population were below the 60 % poverty line. In Germany 16 % or approximately 13 million people were threatened by poverty. The countries with the lowest "at risk of poverty" rates

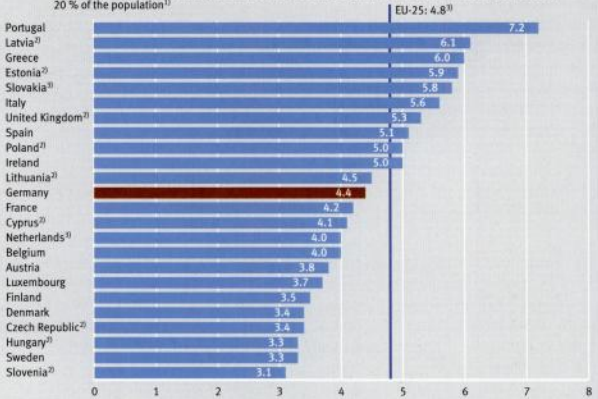
EU statistics on poverty risk

The fight against poverty and social exclusion is one of the EU's main political objectives. At its summits in Lisbon (2000), Laeken (2001) and Barcelona (2002), the European Council repeatedly urged the Member States to considerably reduce the number of people suffering from poverty and social exclusion. In order to measure the progress achieved in this field, the Laeken Summit adopted 18 statistical indicators (Laeken indicators). Some of them, such as the "at risk of poverty" rate, are also an integral part of the structural indicators used to measure the progress of the Lisbon Strategy (see table A.I.1 in the annex).

Up until recently Eurostat mainly used data from the European Community Household Panel (ECHP) – an annual survey covering some 65 000 EU households – to calculate the relevant indicators. However, this survey was discontinued in 2001. In the following years data on income distribution, poverty and social exclusion was collected from various EU Member State surveys, such as the Socio-Economic Panel (SOEP) for instance in Germany. In order to improve the comparability of results however, Eurostat launched the new "European Union Survey on Income and Living Conditions" (EU-SILC). Due to the fact that EU-SILC was not implemented in all EU countries until the year 2005, the figures published here are not fully comparable.

Fig. 3.3: Distribution of income 2004

Proportion of the total income of the "richest" 20 % of the population to the total income of the "poorest" 20 % of the population[1]



1) No data available for Malta. – 2) 2003. – 3) Provisional value.

were the Czech Republic (2003: 8 %) and Slovenia (2003: 10 %).

The extent to which people in the EU-25 were at risk of poverty depended on various social characteristics such as sex, age and household type. In 17 EU countries including Germany, women were at a greater risk of poverty than men. Analysis of the figures by age groups reveals that children and young people up to the age of 24 were at an above average risk of living below the poverty threshold: 20 % of the under-16s and 21 % of the 16 to 24-year-olds were at risk of poverty in the EU-25 as a whole. The age groups least affected included those aged 25 to 49 (14 %) and 50 to 64 (13 %). As age increased further, the poverty risk rose again to a level of 18 % for those aged 65 or over. These age-specific differences were also detectable in Germany.

Analysing the data by type of household shows that single women as well as single persons aged 65 and over were particularly at risk of poverty in the EU: In 2004, 28 % of these household types were below the 60 % median income poverty line. Families with more than two dependent children had

Median

In statistics, a median is the value of a sample that lies in the middle of a sorted series of observations ("ordered sample"). 50 % of all observations are smaller than or equal to the median and 50 % are greater than or equal to it.

Unlike averages or means, a median value has the advantage of remaining unaffected by extremely high or extremely low outliers.

Tab. 3.2: At risk of poverty rate 2004

Sex / Age / Household type	EU-25	Germany
Sex		
Total	16	16
Males	15	13
Females	17	18
Age		
Under 16	20	20
16 to 24	21	24
25 to 49	14	13
50 to 64	13	12
65 and over	18	15
Household type		
One adult aged under 65	22	23
Two adults aged under 65	10	8
One adult aged 65 or older	28	23
Single female	28	26
Single male	21	20
Single parent with dependent children	34	38
Two adults with one dependent child	13	14
Two adults with two dependent children	14	10
Two adults with three or more dependent children	26	24

a 26 % poverty risk, whilst single parents (in most cases women) with dependent children were the most affected group (34 %). In Germany the "at risk of poverty" rate for single parents was even higher (38 %). But this was by no means the highest rate in the EU: The Netherlands (39 %), Spain, the United Kingdom (both 40 %), Slovakia (41 %) and Ireland (56 %) reported even higher rates. The risk of poverty was comparatively low for single parents in Finland, Hungary and Denmark (16 %).

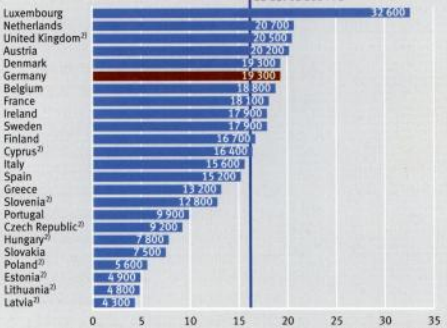
Poverty: A matter of relativity

The fact that the risk of poverty is quite similar for both old and new EU Member States does not allow conclusions about the level of wealth in individual countries. A comparison of the monetary "at risk of poverty" thresholds in terms of PPS in 2004 reveals the differences in living standards between the EU countries: For instance, in Latvia a household of two adults and two children was by definition threatened by poverty, if its total income amounted to 4 330 PPS or less (2003). In Luxembourg, however, the same type of household was at risk of poverty with an income of 32 600 PPS or less – almost 8 times the value registered in Latvia. On average, the "at risk of poverty" threshold in the EU was approximately 16 200 PPS. Eight of the ten new Member States had poverty lines that were below this threshold, whereas Germany, like most of the other EU-15 countries, had a relatively high "at risk of poverty" threshold of 19 270 PPS (see fig. 3.4 on p. 26).

Different "at risk of poverty" figures?

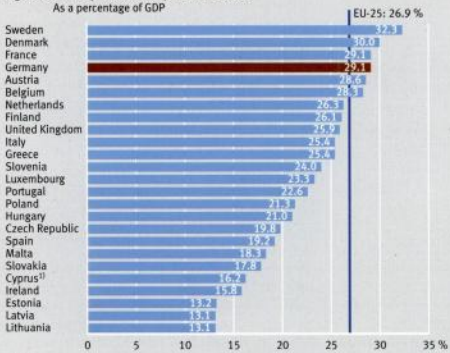
The new EU-SILC survey (EU Statistics on Income and Living Conditions), also known as the "Living in Europe" survey, was first conducted in Germany in 2005. In this survey the Federal Statistical Office identified Germany's overall "at risk of poverty" rate for the year 2004 as 13 %. However, Eurostat will publish this value as a 2005 figure in its database – because, unlike the German and other national statistical offices, Eurostat releases figures indicating the survey year (i. e. 2005), rather than the reference year (i. e. 2004). It should also be noted that "Living in Europe" was carried out for the first time in 2005. As its methodological and conceptual framework is different from that of preceding surveys, such as the Socioeconomic Panel SOEP, the results obtained for Germany are not comparable with results published for previous years.

Fig. 3.4: Monetary risk of poverty threshold 2004
For a household with two adults and two dependent children, in Purchasing Power Standards (PPS)[1]



1) No data available for Malta. – 2) 2003.

Fig. 3.5: Social protection expenditure 2003
As a percentage of GDP



1) 2002.

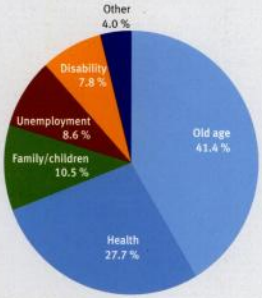
State support: Spending on social security

In 2003, EU countries spent an average 27 % of their gross domestic product (GDP) on social protection payments, such as pensions and public health. Expenditure varied considerably from one country to the next: Whereas the Baltic States each spent 13 % of GDP on social protection, these payments amounted to as much as 32 % of GDP in Sweden. With a figure of 29 % of GDP, Germany was also above EU average. This proportion of GDP was equal to a budget of approximately 629 billion euro. 41 % of this sum (260.7 billion euro) was spent on old-age pensions and 28 % (174.3 billion euro) was designated to public health. Other expenditure items included transfer payments due to disability and support for families and the unemployed.

Public health: Comparing costs and level of care

Health is a key issue in today's society. Health is not just relevant when it comes to individual well-

Fig. 3.6: Distribution of social protection expenditure in Germany 2003



being, but is also a factor that has an important effect on a country's economy. Health has an immediate influence on a person's physical ability and mental performance.

In the EU Member States, it is the national governments that determine the structure of the health system. When comparing and analysing health indicators on an EU scale, we need to make allowances for the differences that exist between the various national health systems.

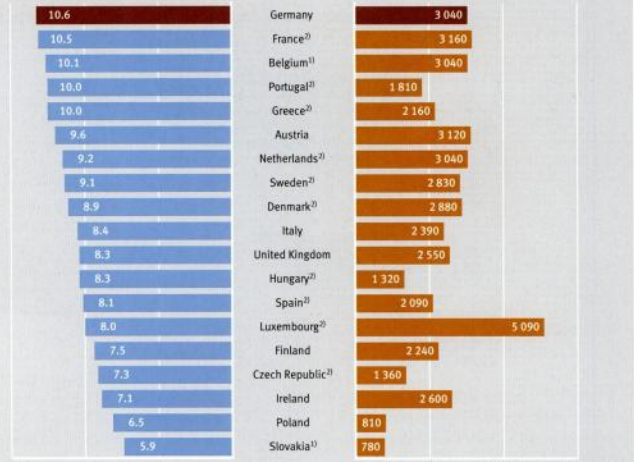
The percentage of the GDP spent on health care is a key indicator when comparing European health systems. In 2004, according to OECD data, Germany spent 10.6 % of GDP on health care. This was the highest percentage of all EU countries for which data was available (see fig. 3.7 on p. 28). Other high-expenditure countries included France (10.5 %), Belgium (2003: 10.1 %), Portugal and Greece (both 10.0 %). The proportion of GDP spent on health in Slovakia (2003: 5.9 %), Poland (6.5 %), Ireland (7.1 %) and the Czech Republic (7.3 %) was significantly lower.

A comparison of health expenditure data in US dollars per inhabitant on the basis of purchasing power parities (PPP) reveals that the country with the greatest health care expenditure by far was Luxembourg spending 5 090 US dollars per capita (for a definition of purchasing power standards or parities, please refer to the information box on p. 21). Next in line were France (3 160 US dollars) and Austria (3 120 US dollars). Germany, the Netherlands and Belgium (2003) all spent 3 040 US dollars per inhabitant on health care. Poland and Slovakia (2003) with health expenditure per capita of 810 and 780 US dollars respectively, were at the bottom end of the scale.

The number of physicians and hospital beds per inhabitant are rough indicators of the level of health care in the various EU countries. The EU country with the highest relative number of physicians was Belgium with 399 medical practitioners per 100 000 inhabitants in 2004. Germany also had a comparatively high ratio registering 339 doctors per 100 000 inhabitants. The lowest ratios were recorded in Poland (229) and the United Kingdom (223 per 100 000 inhabitants).

Many EU countries have experienced large cuts in hospital bed numbers over the past few years. The country with the highest ratio of hospital beds in

Fig. 3.7: Health expenditure in selected EU Member States 2004

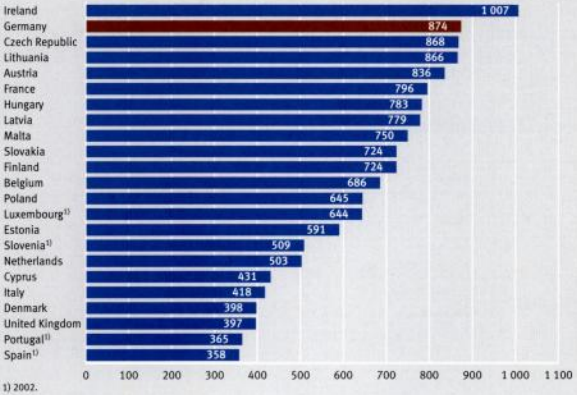


1) 2003. – 2) Estimated values.
Source: OECD

2003 was Ireland, where 1 007 beds were available per 100 000 inhabitants. Countries with less than 400 beds per 100 000 inhabitants were Denmark (398), the United Kingdom (397), Portugal (2002: 395) and Spain (2002: 358). In Germany, following a drastic reduction in hospital beds since the early 1990s, 874 hospital beds were available per 100 000 inhabitants in 2003. The decline in bed numbers continued in 2004, dropping to 858 per 100 000 inhabitants.

Data on life expectancy and mortality also provide a valuable insight when comparing the performance of health care systems in the EU. One of the most important indicators in this context is life expectancy at birth, which is discussed in more detail in the chapter on population. Another indicator is infant mortality, which enables us, in particular, to draw conclusions regarding the quality of perinatal health care in the EU Member States. On a global scale infant mortality rates in the EU can be regarded as very low. The EU country with the lowest infant mortality rate in 2004 was Sweden with 3.1 deaths per 1 000 live births. Germany, registering a rate of 4.1, was among the ten EU countries with the lowest mortality. The figure was however relatively high in some of the new Member States. Latvia and Lithuania for instance reported 9.4 and 7.9 infant deaths per 1 000 live births in 2004.

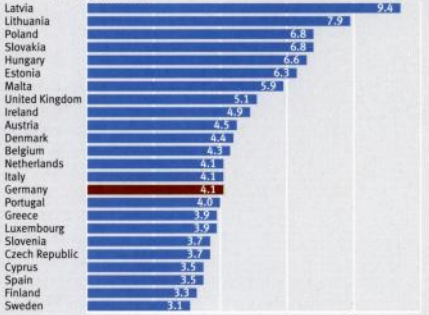
Fig. 3.8: Hospital beds in selected EU Member States 2003
Beds per 100 000 inhabitants



1) 2002.

Heart attacks, strokes and other diseases of the circulatory system are the most frequent causes of death in the EU-25 at present. Taking an average for the years 2001 to 2003 these diseases were responsible for 41 % of all deaths. Every fourth death was caused by cancer. Broken down by age group, most deaths in the group aged 44 and under were caused by external factors such as traffic accidents or suicide, whereas the 45 to 64-year-olds most frequently died of

Fig. 3.9: Infant mortality 2004
Per 1 000 live births[1]



1) No data available for France.

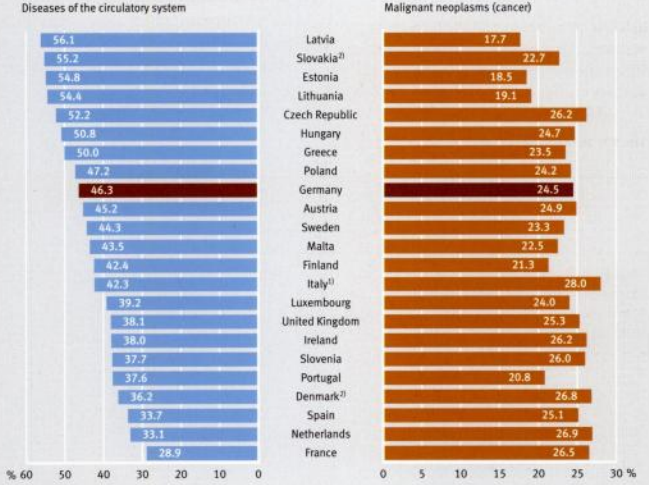
cancer. Amongst those aged 65 and over diseases of the circulatory system were the most common cause of death.

However, as an analysis of all EU countries demonstrates, the structures of mortality varied greatly from one country to the next. In 2003, circulatory diseases caused more than half of all deaths in the Baltic States, Slovakia (2002), the Czech Republic and Hungary. In Germany, circulatory diseases were responsible for 46 % of all deaths, whereas in Spain and the Netherlands the corresponding rate was as low as one in three. The percentage was lowest in France, where only 29 % of deaths were attributed to circulatory diseases.

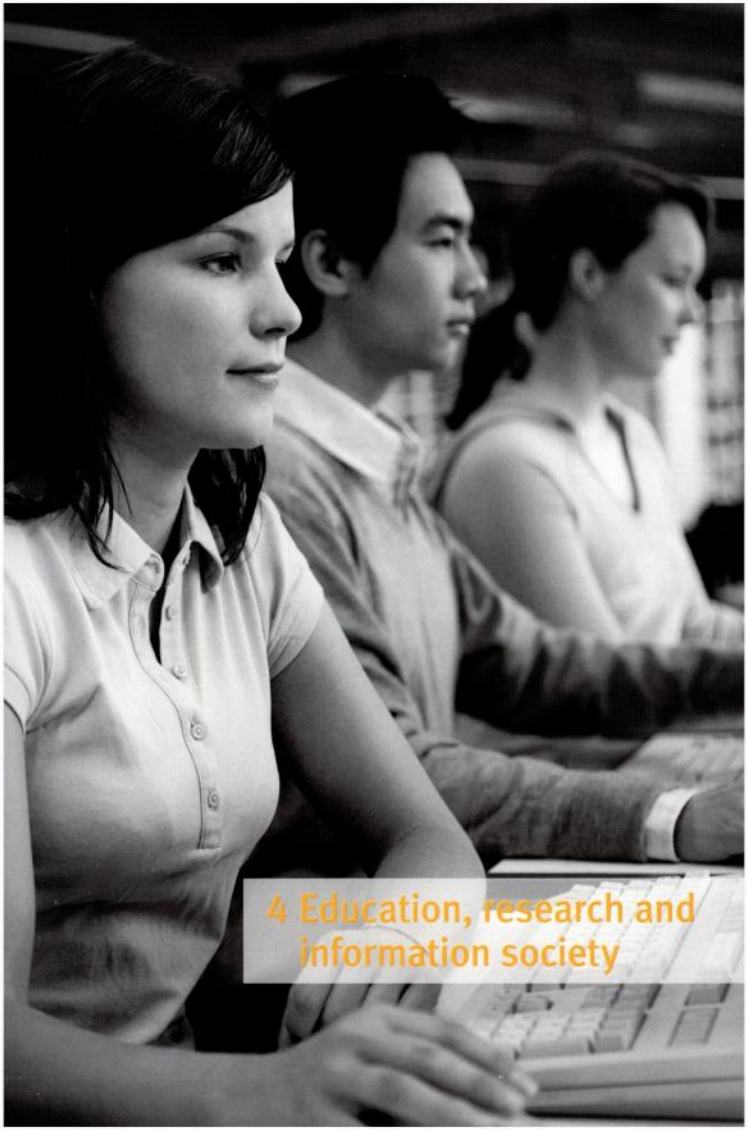
Tab. 3.3: Main causes of death in the EU-25
Proportion 2001 to 2003 in %

	Cancer	Diseases of the circulatory system	Diseases of the respiratory system	Diseases of the digestive system	External causes (incl. suicide, traffic accidents)	Other
All age groups	25.3	41.0	8.0	4.6	5.2	15.9
0 to 19 years	7.2	3.2	2.8	0.9	26.6	59.3
20 to 44 years	19.7	13.8	2.5	6.6	38.0	19.4
45 to 64 years	41.4	26.3	4.1	7.6	8.3	12.3
65 to 84 years	29.1	42.0	8.2	4.2	2.8	13.7
85 years and over	11.6	52.0	10.6	3.5	2.9	19.4

Fig. 3.10: Main causes of death in selected EU Member States 2003
As a percentage of all causes of death



1) 2002. – 2) 2001.



4 Education, research and information society

4 Education, research and information society

Education: Laying foundations for the future

One of the main goals of the EU's revised Lisbon Strategy is the promotion of a knowledge-based society. In Germany this goal is also regarded as a central premise for sustainable development in a modern society. Accordingly, the Federal Government has included this objective in its National Reform Programme. The key to improving knowledge is seen in the promotion of educational systems by providing education and vocational training of the best possible quality.

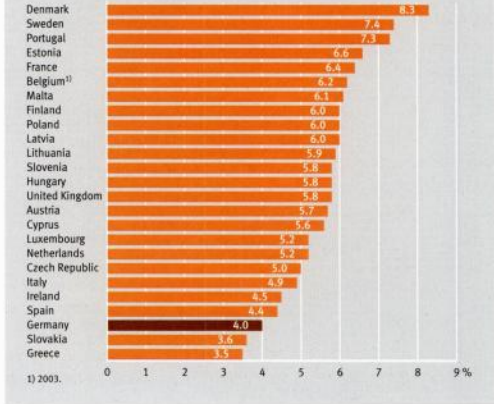
The annual amount spent on education by the EU Member States varied quite significantly. In 2004, Denmark spent 8.3 % of its GDP on education – the largest proportion spent by any EU country. Sweden (7.4 %) and Portugal (7.3 %) also ranked highly, whereas Slovakia (3.6 %) and Greece (3.5 %) were bottom of the list. Germany allocated 4.0 % of GDP to education and was ranked among the lowest-scoring states.

Often the educational attainment of employees does not meet the requirements of today's labour market: Technical progress and the international competition amongst business locations place an ever greater strain on employees.

In accordance with the Lisbon goal set for 2010 to improve the situation of young people on the labour market, the European Council aims to ensure at least 85 % of young people attain upper secondary level education and training. In Germany this corresponds to either "Fachabitur" (vocational baccalaureate diploma), "Abitur" (university-entrance diploma) or to a vocational training certificate (apprenticeship, full-time vocational college).

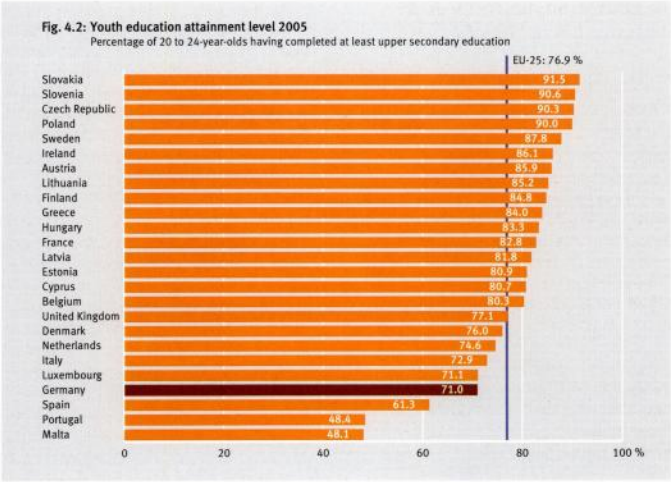
But looking at what has been achieved so far reveals an ambiguous picture: In 2005, there were eight member countries, where more than 85 % of the 20 to 24-year-olds had already attained upper secondary level education, including the new Member States Slovakia, Slovenia, the Czech Republic, Poland and Lithuania. In all other EU countries the proportion was lower and in some it even decreased over the time period from 2000 to 2005. For example, the share dropped from 74.7 to 71.0 % in Ger-

Fig. 4.1: Total public expenditure on education 2004
As a percentage of GDP



1) 2003.

Fig. 4.2: Youth education attainment level 2005
Percentage of 20 to 24-year-olds having completed at least upper secondary education



many and from 65.9 to 61.3 % in Spain. On average across the EU, the proportion of people who completed upper secondary education remained almost unchanged at 76.9 % (2000: 76.3 %).

Overall the educational level of women was higher than that of men: 79.5 % of women, but only 74.4 % of men had completed at least upper secondary education in the EU in 2005. With rates of 71.6 % and 70.4 % respectively, Germany was below EU average. However, the relatively low values for Germany are largely due to the choice of age group, since a large proportion of young people complete upper secondary education relatively late compared with other European countries.

Science: Search for highly skilled students

Tertiary sector institutions play a major part in the education of highly skilled experts. In Germany, this sector includes universities, polytechnics, universities of cooperative education, specialised colleges and academies as well as schools of public health. In 2004, 17.3 million students were studying at such institutions across the EU. In almost all EU countries male students were outnumbered by female students. On average in the EU 54.8 % of all students were female. The proportion of female students was highest in Estonia (61.8 %) and Latvia (62.3 %). The only countries with more male than female students were Germany and Cyprus: In these countries the female student contingent constituted 49.4 % and 47.9 %, respectively.

Tab. 4.1: Graduates in mathematics, science and technology as a percentage of all fields

Member State	2000	2004
Austria	30.1	28.8
Sweden	30.6	28.8
Ireland	34.5	28.3
Spain	25.0	27.9
Greece	.	27.3
Germany	**26.6**	**26.9**
Slovakia	20.8	24.1
EU-25	**24.8**	**23.6**
Czech Republic	24.4	23.1
United Kingdom	27.9	23.1
Italy	23.1	22.8
Portugal	18.6	22.1
Lithuania	26.0	21.9
Denmark	21.7	19.4
Belgium	18.9	19.0
Slovenia	22.8	18.7
Estonia	18.9	16.9
Netherlands	15.7	16.1
Poland	14.7	14.9
Cyprus	11.9	13.1
Latvia	15.9	13.0
Hungary	12.0	10.3
France	30.5	.
Finland	28.0	.
Luxembourg	14.6	.
Malta	9.3	.

. = No data available.

In the years to come, the European Council wants to encourage as many young people as possible to take up tertiary education in fields such as mathematics, natural sciences and technology, as the increased use of modern technology has led to a higher demand for such skills.

From 2000 to 2004 the number of graduates in mathematics, natural sciences and technology rose from 635 000 to 776 000 in the EU. But at the same time the proportion of all graduates studying these subjects fell from 24.8 % to 23.6 %. This means the number of people graduating in other fields of study increased even more significantly. The largest drop in the proportion of natural science or technology students was recorded in Ireland (– 6.2 percentage points), followed by the United Kingdom (– 4.8), Lithuania and Slovenia (both – 4.1). Other countries such as Portugal (+ 3.5 percentage points), Slovakia (+ 3.3) and Spain (+ 2.9) however, reported an increase in the proportion of graduates in natural sciences and technology. Germany witnessed a slight increase of 0.3 percentage points over the same time period.

Women graduated much less frequently in these subjects than men: In 2004, only 12.4 % of all female tertiary sector students in the EU graduated in mathematics, natural sciences or technology compared to a share of 39.4 % for men. In Germany the share of women graduating in these subjects was 12.2 % (men: 43.4 %), which roughly corresponded to the EU average. In Greece, however, a record 18.2 % of all female graduates completed their studies in mathematics, natural sciences or technology followed by Sweden (15.9 %) and Ireland (15.6 %). The lowest proportion of female science and technology graduates was reported in Hungary (4.5 % of all female students) followed by the Netherlands (5.6 %).

Adult education: A lifetime of learning

Increasing productivity, structural change and technical progress represent permanent challenges for employees and demand the acquisition of new skills. In many cases the knowledge imparted at school, in vocational training courses or at university is no longer sufficient for a career spanning 30 to 40 years. Accordingly, "lifelong learning" is of increasing importance with regard to personal and professional development. In order to meet the increasing demand for training at very different stages of life and work, the EU wants to make its educational and train-

ing systems more permeable and flexible and seeks to ensure that adults participate more fully in educational or training activities.

But although interest in this form of learning is rising, the idea of lifelong learning has so far only really taken off in the Northern European Member States. In 2005, more than one third of all working age adults in Sweden were involved in educational or training measures. Next in line were the United Kingdom (29.1 %), Denmark (27.6 %) and Finland (24.8 %). Germany recorded a participation rate of 8.2 %, thus falling short of the 11.0 % EU average. Many countries, including Greece, Hungary or Portugal, have attributed little importance to lifelong education and training so far.

Research: Investing in innovative ideas

Whether you look at international university league tables, recruitment programmes for leading scientists or the number of Nobel Prize winners: To stand the test of global competition, European economies need to make more high quality resources available for research and innovation. This requirement of the Lisbon Summit was again reiterated by the European Council in March 2006. EU countries plan to make prevailing conditions more attractive to scientists and to promote the development of new technologies in the years to come. Annual research and development (R&D) expenditure is to reach at least 3 % of GDP by 2010, whilst taking into account the different Member State starting points.

Fig. 4.3: Lifelong learning 2005
Percentage of the adult population aged 25 to 64 participating in education and training in the four weeks prior to the survey

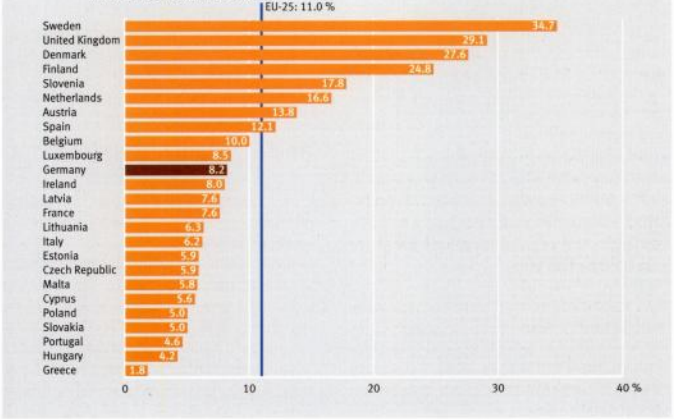
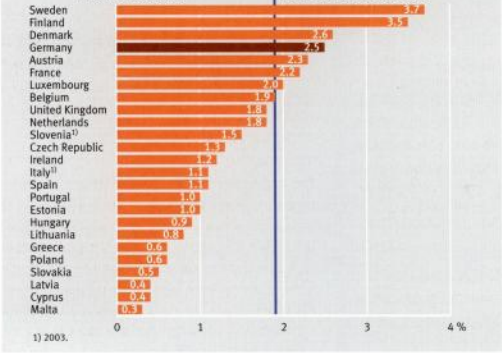


Fig. 4.4: Expenditure on research and development 2004
As a percentage of GDP

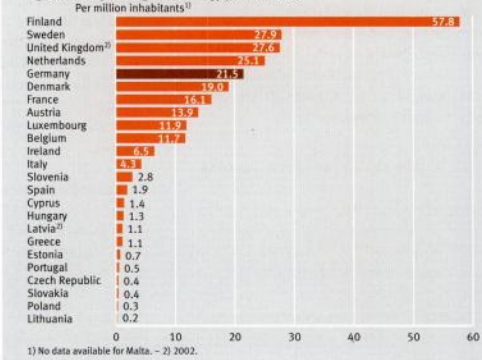


1) 2003.

However, little has been done so far: In 2004, countries spent an average 1.9 % of their GDP on R&D. This corresponds exactly to the amount spent at the time when the Lisbon decisions were taken in 2000. None of the countries have reached the goals laid down in their National Reform Programmes. Whereas some countries have to meet targets below 3 % of GDP, others are expected to exceed this value. Sweden and Finland lead the field with expenditure amounting to 3.7 and 3.5 % of GDP respectively, follwed by Denmark with 2.6 %. Germany registered a value of 2.5 % of GDP. According to the National Reform Programme this share is expected to rise to 3 % by 2010.

In 2003, the European Patent Office (EPO) recorded 1774 patents for Germany in the high technology sector. That corresponded to approximately 22 patents per million inhabitants. Germany was one of the most innovative EU countries in this sector, along with Finland (58 patents per million inhabitants), Sweden (28), the United Kingdom (28), and the Netherlands (25). The new EU Member States Lithuania, Poland, Slovakia and the Czech Republic featured at the bottom end of the scale.

Fig. 4.5: European high-technology patents 2003
Per million inhabitants1)



1) No data available for Malta. – 2) 2002.

Information society: Networking on a global scale

Whether at home, in the class room, at research centres or in companies and public institutions: Everywhere, information and communication technologies (ICT) have changed our way of life dramatically and have created new possibilities of communication and co-ordination. Digital networks connect manufacturers and buyers, enterprises and consumers, government agencies and citizens as well as people from all over the world.

In 2004, expenditure on information and telecommunication technologies amounted to 596 billion euro in the EU. This corresponds to approximately 6 % of the EU's GDP. With expenditure on information technology totalling 3.1 % of GDP Germany ranked seventh in the list of EU countries. However, it came twenty-first as far as expenditure on telecommunication technology was concerned – this too amounting to 3.1 % of GDP.

A country's competitiveness, innovative power and degree of sustainability will increasingly depend on the proliferation and use of new technology. That is why establishing a powerful information society and involving as many citizens as possible in this process is one of the central points of the European Council's Lisbon Strategy.

World Wide Web: The net has become the norm

The Internet has become an integral part of our everyday life permeating virtually all aspects of society. In 2005, every second household in the EU had access to the web. In the Netherlands, Denmark and Sweden more than 70 % of households already had Internet access, whereas the share remained below 20 % in the Czech Republic and Lithuania. With a proportion of 62 % of households equipped with online PCs, Germany was among the five leading countries in the EU (see fig. 4.6 on p. 40).

The top Internet users were also Northern Europeans: 2005 more than 70 % of the Swedish, Dutch and Danish population aged between 16 and 74 surfed the net at least once a week on average, compared to 54 % in Germany. In the EU as a whole 43 % of citizens went online regularly.

Age and social status are key factors as far as Internet usage is concerned: In the age group 16 to 24, an EU average of 68 % used the Internet at least once a week in 2005. This percentage decreases with age: In the group of those aged 65 to 74 merely every tenth person went online regularly. Though the share of Internet users in Germany was above EU average in all age groups, the age-specific differentiation of users found there was the same (see fig. 4.7 on p. 41).

Grouped by occupational status, the most active Internet users throughout the EU were students: in 2005, 78 % of them regularly surfed the web. The corresponding rate for employees was 55 %, whereas the share of unemployed persons regularly going online was just 32 %. In Germany the rate of regular users was above the EU mean in all groups (students: 88 %, employees: 64 %, unemployed persons: 45 %). However, access rates to the Internet were even higher in the Netherlands. Here, for example, 87 % of unemployed persons were regularly online.

One can no longer imagine the business world without the Internet: in 2005, 91 % of all EU enterprises with more than ten employees had access to the Internet. Finland and Denmark were already close to the 100 % mark. 94 % of all enterprises with more than ten employees were connected to the Internet in Germany. As a contrast, three out of four enterprises had world wide web access in Latvia, the EU Member State ranking last in this respect.

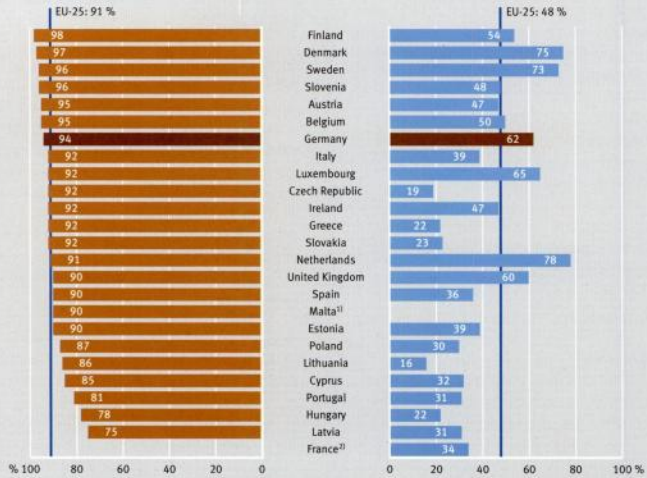
The use of the Internet enables firms to organise their business processes in a more straightforward and efficient way and to open up new sales channels. Roughly 12 % of all EU enterprises received orders online in 2004. The leading country was Denmark, where 32 % of firms already received orders via the web. Germany ranked sixth with a rate of 16 %.

German consumers were also open to the idea of online shopping: Every third person between 16 and 74 years of age bought something via the net in the first quarter of 2005. This figure was only exceeded by Sweden and the United Kingdom, where even more consumers (36 %) purchased something online. On average, 18 % of all EU consumers ordered goods and services via the Internet. E-shopping is however less widespread in the Southern European and new EU Member States. In 2005, the goods and services most frequently purchased online were books, travel services, clothes and movies.

E-Government: 24 hour civil service

Sitting in front of a computer, rather than queuing in office buildings – modern information and communication technology offers citizens and businesses a quick and low-cost online alternative to administra-

Fig. 4.6: Enterprises and households with Internet access 2005



1) No data available on Internet access of households. – 2) No data available on Internet access of enterprises. Data for households: 2004.

tive paperwork. In order to make more use of the advantages involved, the EU Member State governments decided in Lisbon, to enable online access to a set of 20 public administration services. These include, in particular, electronic income tax declarations and a possibility for enterprises to participate in public tenders via the web.

The idea of carrying out administrative tasks electronically has so far been

Fig. 4.7: Internet usage 2005
Percentage of individuals who access Internet on average at least once a week

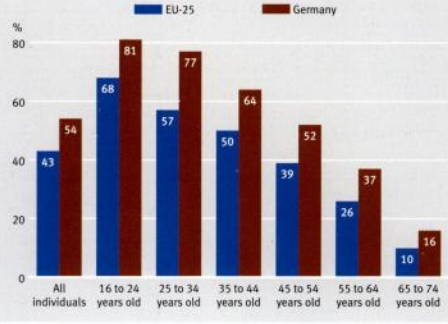
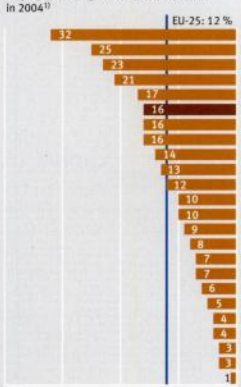
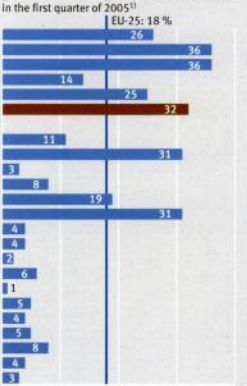


Fig. 4.8: Online orders

Percentage of enterprises with ten or more employees having received orders online in 2004[1]



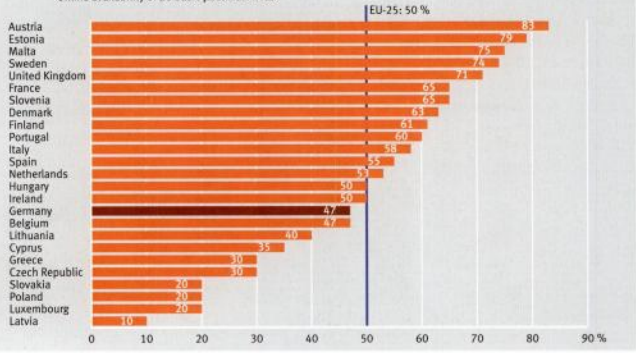
Percentage of individuals having ordered/bought goods or services for private use over the Internet in the first quarter of 2005[1]



1) No data available for France. – 2) No data available on individuals for Malta.

Fig. 4.9: e-Government 2006

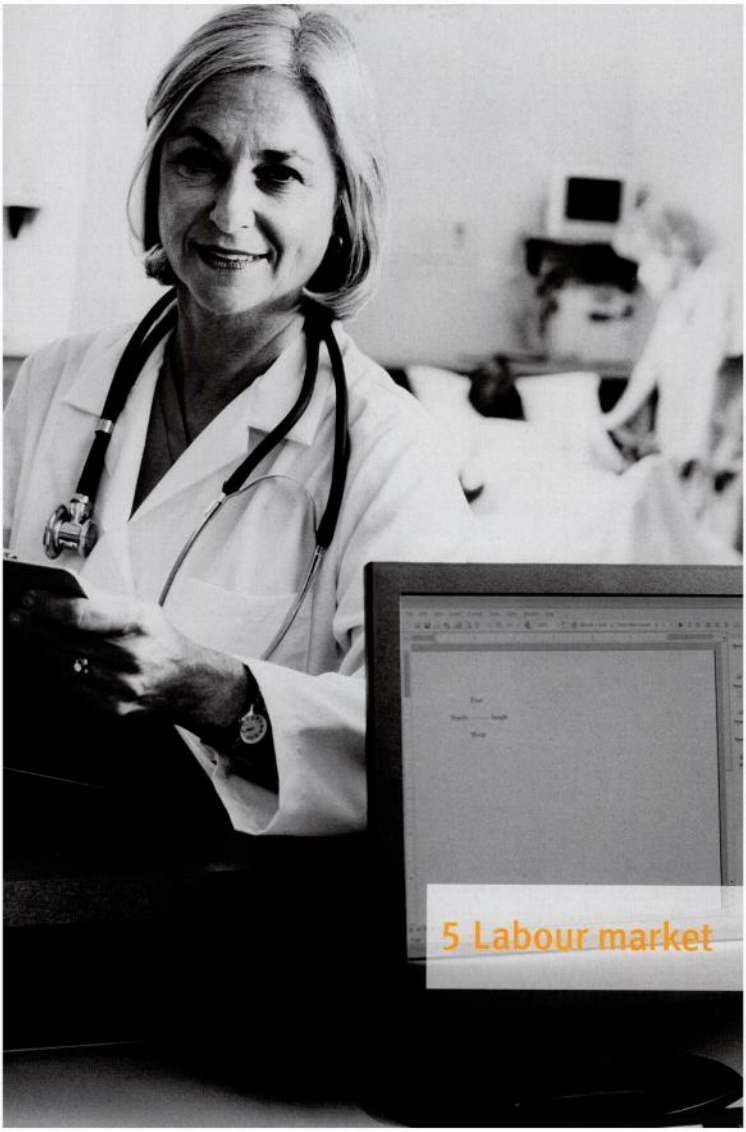
Online availability of 20 basic public services



best implemented in Austria, Estonia and Malta: These countries fully provided at least three quarters of the 20 key public administration services via the Internet in 2006. In Germany, less than half of the 20 designated services were accessible online. This means Germany's e-government efforts score below EU average. The public interest in web-based solutions was still rather limited: On an EU-wide scale, only 23 % of individuals aged 16 to 74 used the Internet for interaction with government agencies. The participation rate of businesses was considerably higher at 57 %.

eSTATISTIK.core: Reducing the burden of bureaucracy

In Germany enterprises are legally obliged to submit statistical reports. In collaboration with software developers the Federal Statistical Office of Germany and the statistical offices at state level have launched an automated system of collecting data: Using "eSTATISTIK.core" firms can generate data they are obliged to report to official statistics agencies by automatically extracting them from their business accounting systems. The system also transfers this data to the statistical offices automatically. This reduces the bureaucratic burden imposed upon enterprises, because firms no longer need to enter data manually or fill in pre-printed Internet questionnaires. At the same time, the system increases the efficiency of the statistical system, because transmission errors are avoided and the data is submitted in a standardised format.



5 Labour market

5 Labour market

Labour market: Little change since Lisbon

One of the EU's main aims is to increase wealth whilst ensuring social cohesion. In order to reduce unemployment and strengthen the national social security systems, the EU countries agreed that the EU employment rate should be raised to 67 % by 2005 and to 70 % by 2010 at the Lisbon Council Summit in 2000. The relaunched 2005 version of the Lisbon Strategy sees the promotion of employment as one of the EU's four priority action areas. Accordingly this aspect was incorporated into the National Reform Programmes of the Member States.

This target has not yet been reached by the EU. Since 2002, annual employment growth has been less than one percentage point on average across the EU. In 2005, a preliminary peak was reached with a 0.9 % increase. The largest growth rates in 2005 were recorded by Ireland and Spain with a 4.6 % and 3.6 % rise on the previous year, respectively. The Netherlands, Portugal, Hungary (0 % each) and Germany (– 0.2 %) were the only four countries that failed to achieve a rise in employment.

All in all, 16 EU countries fell short of the 67 % mark agreed for the year 2005. The countries furthest from the stipulated level were Poland (52.8 %), Malta (53.9 %) and Hungary (56.9 %). Germany's employment rate was 65.4 % – the EU average being 63.8 %. The employment rates in Denmark, the Netherlands, Sweden and the United Kingdom already exceeded the long-term target of 70 %.

Outlook: Encouraging female and fifty+ employment

The structure of population is set to change in the decades to come. Owing to falling birth rates and a simultaneous rise in life expectancy, the absolute number of working age persons will decrease whilst the number of pensioners and nursing care recipients will increase. As a consequence, there will be an enormous pressure on pension, health and social insurance systems. To counteract this development, the EU Member States are undertaking measures to increase the number of women and elderly people

Definition of terms

Persons in employment are persons aged 15 to 64 who during the reference week performed work for pay, profit or family gain for at least one hour or who had a job or position, from which they were temporarily absent due to illness, leave or vacation, strike or further training.

Unemployed persons are persons aged 15 to 64 who during the reference week were without work, but are currently available for work and have actively sought work during the last four weeks or who have found a job they will be taking up within the next three months.

The **active population (labour force)** is defined as the sum of all persons aged 15 to 64 who are either employed or unemployed.

The **employment rate** represents employed persons as a percentage of the same age population.

The **activity rate** or **labour force participation rate** represents the active population as a percentage of the same age population.

The **unemployment rate** represents unemployed persons as a percentage of the labour force of the same age. Please note that the unemployment or joblessness data included in this publication is not comparable with the monthly data on registered unemployment published by Germany's Federal Employment Office.

Fig. 5.1: Annual change in the number of employed persons

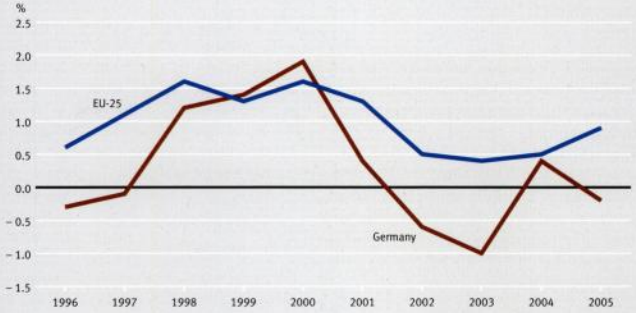


Fig. 5.2: Employment rate 2005

Employed persons as a percentage of the working age population

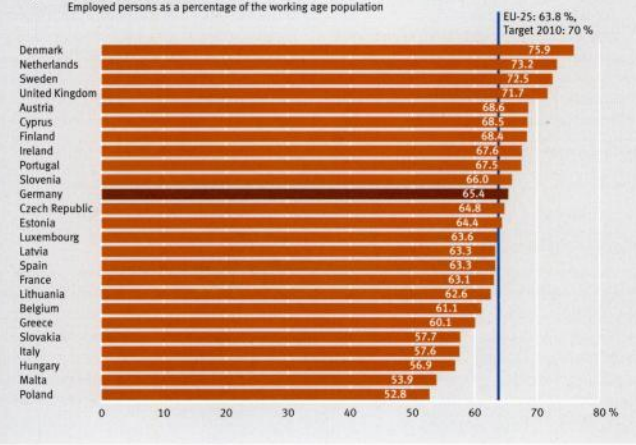
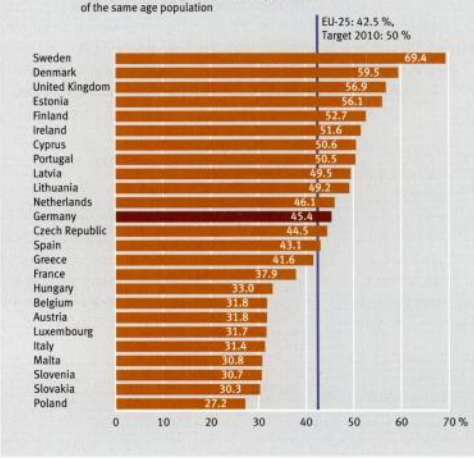


Fig. 5.3: Employment rate of older employees 2005
Employed persons aged 55 to 64 as a percentage of the same age population



As far as older workers are concerned, eight out of 25 countries had employment rates of more than 50 %. The leading EU Member State was Sweden with 69.4 %, followed by Denmark (59.5 %) and the United Kingdom (56.9 %). The EU average was about 42.5 % – some six percentage points higher than in 2000. In Germany, the employment rate of the 55 to 64-year-olds was 45.4 % in 2005, representing an increase of almost eight percentage points in just five years. The lowest rates in 2005 were recorded in Poland (27.2 %), Slovakia (30.3 %) and Slovenia (30.7 %).

in employment. The European Lisbon Strategy envisaged raising female employment rates to 57 % by 2005 and to 60 % by 2010 and increasing the employment rate of persons aged 55 to 64 to 50 % by 2010. Germany also adopted the 2010 target in its National Reform Programme for 2005 – 2008.

Women's labour force participation has been on the increase as well. The female employment rate in the EU rose from 53.6 % in 2000 to 56.3 % in 2005. The interim target of 57 % for the year 2005 was not quite met. The highest rates were recorded by Denmark

The EU Labour Force Survey

With the exception of employment growth data, Eurostat labour market data is based on the so-called EU Labour Force Survey (EU LFS). The EU LFS is a large quarterly EU-wide sample survey of private households, which is conducted in accordance with standard definitions of the International Labour Organisation (ILO). The survey's aim is to collect internationally comparable data on demographic and socio-economic characteristics of employees, unemployed persons and persons who are economically inactive. In Germany, the EU LFS has been integrated in the so-called microcensus survey. Analysis has shown that the data collected by this household survey underrepresents employment referred to as marginal, such as low-pay jobs (e.g. so-called "mini jobs" in Germany). This should be taken into account when interpreting the data.

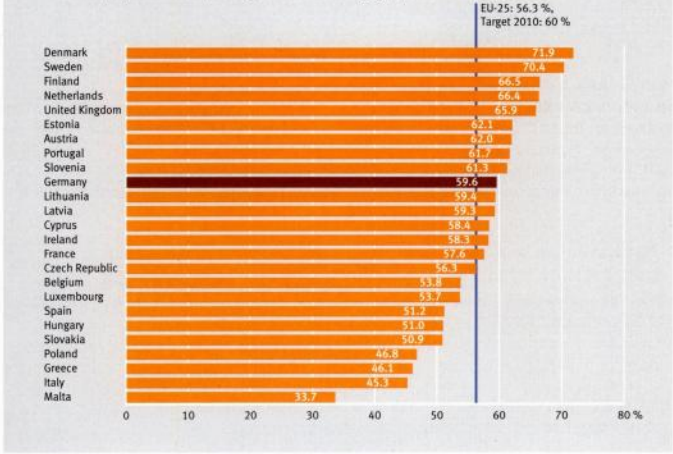
(71.9 %), Sweden (70.4 %) and Finland (66.5 %). In Germany, 59.6 % of all women were employed in 2005 (2000: 58.1 %). This means the Lisbon target of 60 % will be met in near future provided the employment rate keeps growing the way it has done over the past few years. Poland, Greece, Italy and Malta, however, continued to record female employment rates of under 50 %.

In 2005, one third (32.4 %) of all gainfully employed women in the EU had part-time jobs, compared with a respective 7.4 % of men. Working reduced weekly hours was most widespread in the Netherlands, where three quarters of women (75.1 %) and nearly one quarter of men (22.6 %) had jobs on a part-time basis. In Germany, part-time jobs were also comparatively common: Here, 43.8 % of women and nearly 7.8 % of men worked reduced hours. The main reasons for part-time work were personal circumstances (including family commitments) and a lack of full-time jobs. In March 2006, the European Council adopted the European Pact for Gender Equality in order to improve the compatibility of professional and family life and declared that it was necessary to improve the availability of high-quality childcare.

Working conditions: Weekly hours and wages

On average, in 2005 full-time employees worked 42.0 hours (h) per week in the EU. The longest hours – more than 44 hours per week – were recorded for Greek and Austrian employees. In Germany employees worked an average of 41.6 weekly hours, which is less than in ten other Member States: In Poland

Fig. 5.4: Female employment rate 2005
Employed females as a percentage of the female working age population

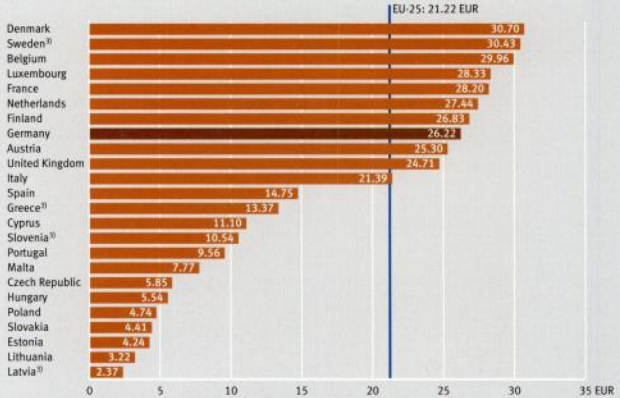


for instance the weekly average was 43.3 hours, followed by 43.2 in the United Kingdom and 42.9 hours in Slovenia. Ireland (40.6 h), Finland (40.5 h) and Denmark (40.4 h) were significantly below the EU average. The only country with less than 40 hours per week was Lithuania (39.5 h).

There were large differences as far as labour costs are concerned: In 2004, according to provisional estimates, they were highest in Denmark and Sweden (2003) at just over 30 euro per hour in industry, construction and the services sector (excluding public administration, defence and social insurance). In the same year one hour cost 26.22 euro in Germany and less than 10 euro in all new Central and Eastern European Member States except Slovenia (2003: 10.54 euro). The country with the cheapest labour costs was Latvia: At just 2.37 euro per hour (2003) labour costs were as little as one thirteenth of the level recorded in Denmark. The EU average was 21.22 euro.

Non-permanent employment contracts were relatively widespread in some countries: In Spain almost every third and in Poland almost every fourth employee had a limited-term contract in 2005. In Germany 13.8 % of all employees had a temporary contract. This figure is slightly below the EU average of 14.2 %. Such contracts were least popular in Estonia (3.2 %) and Ireland (2.5 %).

Fig. 5.5: Hourly labour costs 2004
In industry and services[1], in euro, preliminary estimations[2]



1) Excluding public administration, defence and social security. – 2) No data available for Ireland. – 3) 2003.

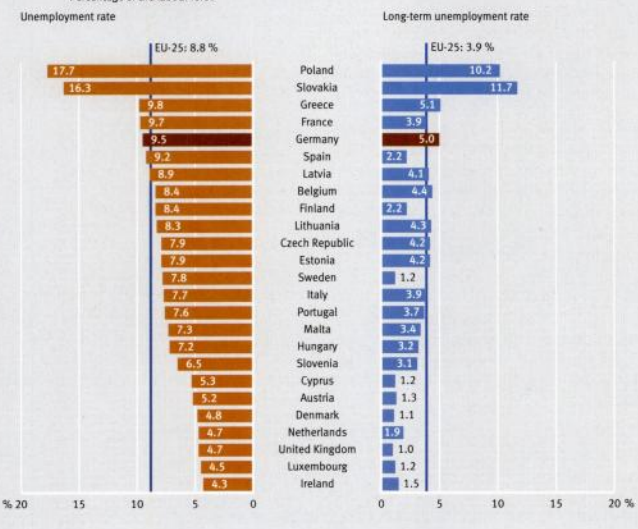
Unemployment: Not enough jobs to go round

Unemployment is a serious problem not only for those directly affected by it, but also for society at large, as it has to bear the considerable costs involved.

8.8 % of the working age population or 19.1 million people were without a job in the EU in 2005. However, not all Member States were affected to the same extent: Countries such as Ireland, Luxembourg, the United Kingdom, the Netherlands and Denmark recorded low unemployment rates of below 5 %. Germany's unemployment rate was almost twice as high at 9.5 %. Only Poland (17.7 %), Slovakia (16.3 %), Greece (9.8 %) and France (9.7 %) had higher rates than Germany.

In 2005 almost every second unemployed person in the EU was out of work for more than a year and thus confronted with long-term unemployment. This phenomenon was most widespread in Slovakia and Poland, where long-term unemployment rates amounted to more than 10 %. Alongside Greece (5.1 %) Germany followed with a rate of 5.0 %, admittedly at some distance, but nevertheless among the last four EU Member States. Long-term unemployment rates were lowest in the United Kingdom (1.0 %) and Denmark (1.1 %).

Fig. 5.6: Unemployment and long-term unemployment rate 2005
Percentage of the labour force



The chance of finding a new job depends, among other things, on a person's educational level, sex and age. Generally speaking, persons with a polytechnic or university degree are far less likely to be affected by unemployment than those with lower educational attainment: 5.8 % of university graduates, but 11.5 % of employees with a secondary level II certificate and 19.0 % of employees with a maximum secondary level I certificate were without a job in Germany in 2005. The same pattern could be observed in all of the EU Member States except Greece.

In most countries women were more affected by unemployment than men: This was also true for Germany, where the male unemployment rate was 8.9 % and the female rate was 10.3 % in 2005 (EU-25: male 7.9 %, female 9.9 %). However, this gender imbalance was not characteristic of all countries: In Ireland, Latvia, Sweden and the United Kingdom men faced more problems finding a new job than women. This was also true in Estonia, where the unemployment rate of men (8.8 %) was considerably higher than that of women (7.1 %).

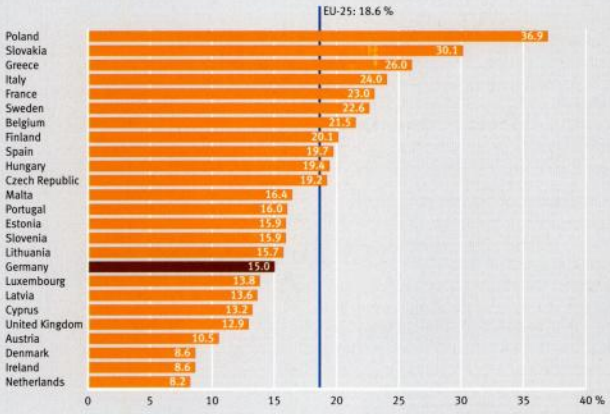
Young people are also a high risk group as far as unemployment is concerned: In many EU Member States the transition from school to work is characterised by a high degree of uncertainty. In 2005, the situation was particularly difficult in Poland and Slovakia, where the unemployment rates of persons aged under 25 were 36.9 % and 30.1 %, respectively. At the same time Germany had a rate of 15 %. This is below the EU average of 18.6 %, but can to an extent be ascribed to the longer duration of young people's education in Germany. The situation was most favourable in the Netherlands, where the unemployment rate of under 25-year-olds was as low as 8.2 %.

Tab. 5.1: Unemployment rate by sex 2005
Unemployed persons as a percentage of the active population of the same sex

	Males	Females
Poland	16.6	19.1
Slovakia	15.5	17.2
Greece	6.1	15.3
Spain	7.0	12.2
France	8.8	10.8
Germany	**8.9**	**10.3**
Italy	6.2	10.1
EU-25	**7.9**	**9.9**
Czech Republic	6.5	9.8
Belgium	7.6	9.5
Malta	6.5	9.0
Latvia	9.1	8.7
Portugal	6.7	8.7
Finland	8.2	8.6
Lithuania	8.2	8.3
Sweden	7.9	7.7
Hungary	7.0	7.4
Estonia	8.8	7.1
Slovenia	6.1	7.0
Cyprus	4.3	6.5
Luxembourg	3.5	5.9
Austria	4.9	5.5
Denmark	4.4	5.3
Netherlands	4.4	5.1
United Kingdom	5.1	4.3
Ireland	4.6	4.0

In March 2006, the European Council emphasised the urgent necessity to improve young people's prospects on the labour market: For example, according to the target set for 2010, at least 85 % of the 22-year-olds in the EU are expected to have completed a secondary level II education (see chapter on education).

Fig. 5.7: Youth unemployment rate 2005
Unemployed persons aged under 25 as a percentage of the active population of the same age



6 Economy and finance

6 Economy and finance

Economy: Promoting productivity and prosperity

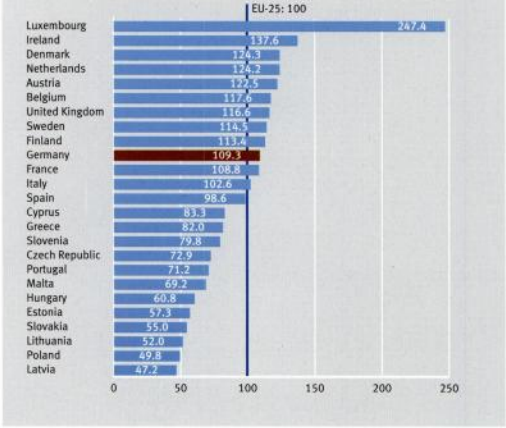
One of the main aims of the EU is to promote economic growth and prosperity. In the 2005 revision of the Lisbon Strategy the EU Member State governments declared that securing permanent and sustainable economic growth was one of their key objectives.

Over the last decade, the EU has recorded an overall increase in prosperity: While the gross domestic product (GDP) achieved by all 25 EU Member States as a whole totalled 6.9 trillion euro in 1995, it grew to as much as 8.7 trillion euro by 2005 (at constant 1995 prices). The EU-25 even managed to outperform the United States, which recorded a GDP of 7.8 trillion euro in the same year.

Germany contributed approximately one quarter of the EU-25 GDP in 2005 (2.2 trillion euro). However, taking both population size and purchasing power into account, Germany – though above EU average – merely ranked tenth in terms of its economic performance in 2005. The most prosperous EU Member State, measured in terms of purchasing power standards (PPS), was Luxembourg, where the GDP per capita was more than twice the EU average. The country ranking second was Ireland, which was one of the most economically challenged EU countries when it entered the European Community in 1973.

The economic performance of virtually all Member States that joined the EU in 2004 was below 75 % of the EU-25 average. However, a glance at these countries' growth rates shows that the new Member States are gaining ground: In real terms, 2005 saw the GDP of Estonia rise by 9.8 % on the previous year, whilst Latvia's GDP increased by 10.2 %. Germany, with a growth rate of 0.9 %, ranked third to last in a comparison of all EU Member States – ahead of Portugal (0.4 %) and Italy (0.0 %). The average growth in the EU-25 was 1.7 %, down from a 2.3 % increase in 2004.

Fig. 6.1: Economic performance 2005
GDP per capita in PPS (EU-25=100)



GDP per capita in PPS

The gross domestic product or GDP is a measure of the economic performance of a country or region. It indicates the value of the goods and services produced in the economic territory (value added) unless they are used as intermediate consumption for the production of other goods and services (production approach), or equal to the value of all goods and services, which were either consumed, invested, stocked or exported less the value of imported goods and services (expenditure approach).

However, before comparing the GDP of various EU Member States, we must take into account the existing price level differences (see chapter on "Living conditions"). This is done by determining the price for a comparable and representative basket of goods and services in the various EU countries. Then, these prices are indicated in a common artificial currency, which is referred to as "Purchasing Power Standard" (PPS). The "GDP per capita in PPS" not only takes into account price level differences but also adjusts for a country's population size and is frequently used to compare living standards between countries.

The GDP per person employed in PPS is an indicator that relates the GDP to the people responsible for producing it, rather than the population as a whole. This indicator sheds light on the economic performance of employees and labour productivity. Compared to the EU-25 (EU-25=100), labour productivity in Germany in 2005 was slightly above average (101.5). Of all EU countries Germany was in twelfth position. The leading country with a labour productivity that exceeded the EU-25 average by more than 60 %, was Luxembourg. It was followed, at considerable distance, by Belgium (+28 %) and Ireland (+27 %). In all of the ten new EU Member States labour productivity was below the EU mean. It was lowest in the three Baltic states, where the average employee's productivity reached approximately half the EU-25 average (see fig. 6.3 on p. 56).

Fig. 6.2: Economic growth 2005
Change of real GDP on previous year

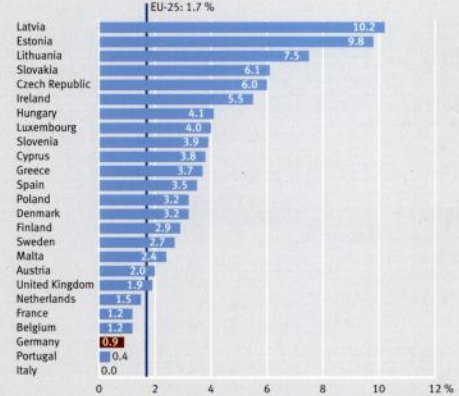
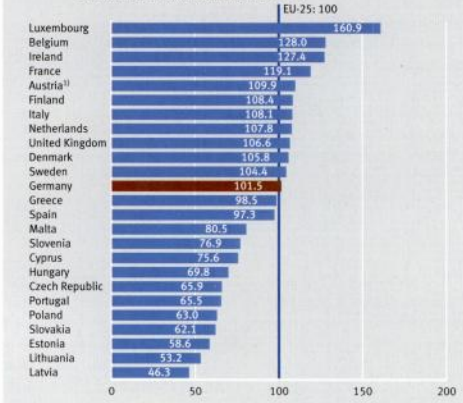


Fig. 6.3: Labour productivity 2005
GDP in PPS per person employed (EU-25=100)



1) 2006.

Investment: A stake in the future

Investment activity, including in particular the acquisition of machinery, buildings, software and copyrights, is of great importance for the economic success and innovative capacity of national economies.

In terms of public sector investment, Austria and Germany were lagging behind the rest of the EU in 2005, with investment rates of just 1.1 % and 1.3 % of GDP. Other countries investing less than 2 % of GDP were Denmark and Belgium (both 1.8 %). The highest rates were achieved by Malta (5.5 %), Luxembourg (4.7 %) and the Czech Republic (4.6 %). The EU average was 2.4 %.

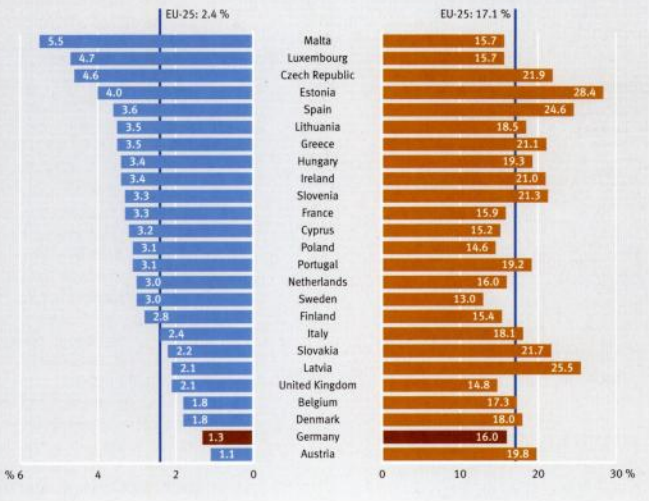
In terms of domestic business investment (investment of financial and non-financial corporations as well as entrepreneurial individuals) two of the ten new EU Member States recorded the highest investment rates in 2004: 28.4 % of GDP in Estonia and 25.5 % in Latvia. Enterprises in Germany invested capital amounting to 16.0 % of GDP, which is about one percentage point below the EU average. The countries with the lowest private sector investment rates were Sweden (13.0 %) and Poland (14.6 %).

Other EU States main focus of direct investment

Capital is becoming increasingly mobile, as the world's economy reaches an ever higher degree of integration. Nowadays, investors operate all over the world in search of a profitable investment opportunity. The extent of foreign direct investment is generally regarded as an important indicator when measuring the level of globalisation of a nation's economy. According to the OECD and Eurostat definition, foreign direct investment is regarded as an international investment made by a resident in one economy by acquiring at least 10 % of the equity capital of an enterprise operating in another economy.

Foreign direct investment (FDI) flows and stocks are not easy to compile or interpret. For example, intra-corporate capital transactions between parent companies and foreign affiliates make it difficult to correctly interpret FDI data. Another problem is that direct investment stocks are also affected by international transfers of a purely financial nature. Not least due to these problems, data for some coun-

Fig. 6.4: Investment
As a percentage of GDP



tries is only available for 2003 rather than 2004, whilst for other EU Member States no data is available at all.

Bearing this in mind, the largest recipient of capital transfers among the EU Member States, measured in terms of GDP, was Luxembourg (2003). Here, foreign direct investment stocks in the reporting economy – also known as inward FDI stocks – accounted for 129 % of GDP. Next in line were Ireland (116 %) and Estonia (82 %). The lowest-ranking country was Greece with an inward FDI stock of 11 % of GDP (2003). Germany's inward direct investment stocks accounted for 25 % of GDP (2003). However, in monetary value terms, Germany was the most important EU-25 country for capital investment: The accumulated stocks of inward FDI amounted to 530.7 billion euro. Other countries that investors showed an interest in were the United Kingdom (519.9 billion euro) and France (430.4 billion euro).

In all countries except the United Kingdom the majority of foreign direct investment came from another EU country. In Germany for instance 143.2 of a total 530.7 billion euro originated from non-EU countries, whilst 387.5 billion euro or 73 % came from within the EU. The situation was similar in the new Central and Eastern European Member States, where a major share of inward FDI stocks came from other EU countries: In Slovakia, for example, investors from

Tab. 6.1: Foreign direct investment stocks 2004[1]

Member States	Inward FDI		FDI abroad	
	bn EUR	% of which from EU-25	bn EUR	% of which in the EU-25
Denmark[2]	70.3	55.5	72.6	55.0
Germany[1]	**530.7**	**73.0**	**588.6**	**60.9**
Estonia	7.4	85.2	1.0	92.4
Finland	40.1	90.6	59.1	72.9
France	430.4	74.1	599.7	62.4
Greece[2]	17.8	82.2	9.8	56.2
Ireland	171.8	71.5	77.1	60.5
Italy	162.0	72.1	205.9	75.0
Latvia	3.4	66.0	0.2	41.1
Lithuania	4.7	76.3	0.3	71.9
Netherlands	358.8	59.6	443.6	54.5
Austria[2]	42.6	72.5	44.3	63.0
Poland	62.6	85.5	2.4	56.3
Slovakia	11.6	90.2	0.4	77.9
Slovenia	5.6	74.0	2.2	30.5
Spain	279.4	72.0	267.8	52.1
Czech Republic	41.4	87.8	2.9	71.4
Hungary	45.2	68.8	4.3	60.8
United Kingdom	519.9	45.5	931.6	53.0
Cyprus	6.3	51.4	– 2.1	–

1) No data available for Belgium, Luxembourg, Malta, Portugal and Sweden.
2) 2003.

non-EU countries spent 1.1 billion euro, whereas investors from EU countries invested a total of 10.4 billion euro (90 %).

The largest investor in foreign countries of all EU States, when set in relation to GDP, was the Netherlands. Here outward FDI stocks – also known as FDI abroad – accounted for 91 % of GDP in 2004. This meant that the Netherlands were clearly ahead of the second-ranked United Kingdom (54 % of GDP). In Germany the corresponding proportion was 27 % of GDP (2003).

In absolute terms, the table was headed by the United Kingdom: UK foreign direct investment stocks abroad amounted to 931.6 billion euro. Investors from France spent 599.7 billion euro abroad, followed by Germany with 588.6 billion euro (2003). The sums invested by the new Central and Eastern European Member States were still comparatively small in relation to the EU average. For example, Latvia's total foreign direct investment stocks abroad amounted to merely 0.2 billion euro or 1.5 % of GDP in 2004.

EU countries were the favoured destinations of inward FDI and FDI abroad: For instance, German direct investment stocks abroad amounted to 588.6 billion euro, of which EU countries accounted for 61 % or 358.7 billion euro (2003).

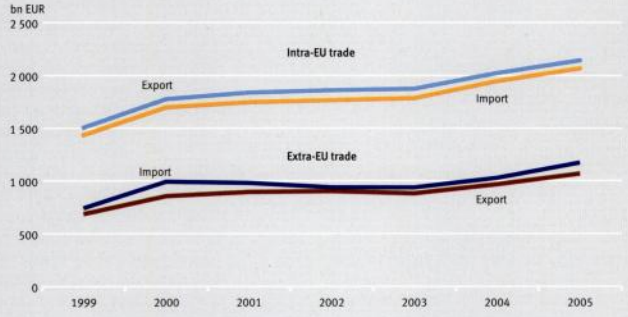
All in all, non-EU countries played a comparatively minor role in the investment activities of EU Member States. In 2003, the largest foreign investor in the EU-25 was the United States of America with stocks amounting to 772.7 billion euro. In return, EU investors held stocks of 731.3 billion euro in the United States, making this the most popular non-EU country for direct investment.

Import and export: A union of trade

In 2004, the EU-25 accounted approximately for one fifth of both imports and exports worldwide. Thus, in terms of foreign trade turnover – the sum of imports and exports – it was the leading global player as far as international trade is concerned, even outperforming the United States of America.

In 2005 as a whole, the EU-25 exported goods worth 1 070.8 billion euro into non-EU countries and imported goods amounting to 1 176.5 billion euro. Accordingly, as in previous years, the extra-EU trade balance was negative. By comparison: The United States of America, which exported goods worth 729.5 billion euro and imported goods worth 1 226.2 billion euro in 2004, recorded a significantly larger trade balance deficit than the EU-25.

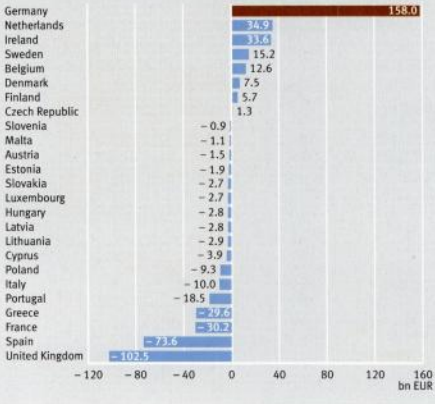
Fig. 6.5: Development of EU trade
Expressed in bn euro



Asymmetry in external trade statistics

When examining intra-EU trade activity, one would expect data on imports to match data on exports in external trade statistics. However, this is unfortunately not the case in practice. Even though external trade statistics in the EU countries have already been harmonised to a large extent, it has so far not been possible to fully eliminate certain sources of error. For example, the country of origin and the country of destination may assign movements of goods to different reference periods, particularly when transactions occur towards the end of a given reporting period. Other likely causes are differences in the declaration of goods by countries involved in transit transactions or cross-border transportation of goods intended for further processing. Another source of error is the process of imputation whenever data is missing due to non-response or due to the fact that certain businesses fall below the given reporting threshold. The methods and quality standards used by Member States in such cases vary considerably. This in turn leads to the asymmetry of import and export figures often observed in external trade statistics.

Fig. 6.6: Balance of trade 2005
Total of intra-EU and extra-EU trade in bn euro



Trade between EU countries – also known as intra-EU trade – has also increased as the Single Market has grown closer and been extended by ten new Member States. Germany was by far the largest EU trade partner. No EU economy was as export-oriented as Germany's: In 2005, Germany's trade balance surplus amounted to 158.0 billion euro. The Netherlands ranked second achieving a surplus of 34.9 billion euro – only a fifth of Germany's balance. Ireland followed with 33.6 billion euro. The largest trade balance deficits were reported by the United Kingdom (– 102.5), Spain (– 73.6) and France (– 30.2 billion euro).

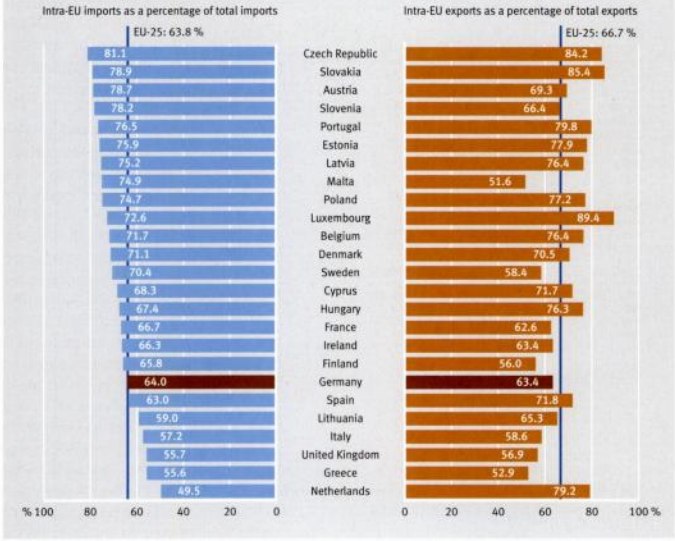
In 2005, Germany imported goods worth more than 622.2 billion euro in total. The most important country of origin was France. 64 % of all goods imported into Germany originated from another EU country. Many EU Member States, however, were even more geared towards the Single European Market: In the Czech Republic, for instance, more than 80 % of total imports came from within the EU.

Germany was not only European export champion, but the leading export nation worldwide. In 2005, "made in Germany" was more popular than ever: All in all, goods worth 780.2 billion euro were exported into the EU and all other parts of the world. The most important export goods included motor vehicles, spare parts of motor vehicles as well as machinery. The EU represented the most important market for German goods with 63 % or 494.5 billion euro being sold to other Member States. In most EU countries exports focused on the Single Market: In Luxembourg, for example, 89 % of exports were EU-bound. The new Member States Slovakia (85 %) and the Czech Republic (84 %) also exported most of their goods to other Single Market countries.

Public finance: Keeping an eye on deficit and debt

Sound public finances are an essential prerequisite for innovative fiscal policy and economic sustainability. At its 2006 summit, the European Council asked the Member States to strive for budgetary consolidation in accordance with the Stability and Growth Pact adopted by the euro area countries in

Fig. 6.7: Intra-EU trade 2005



1996. As already laid out in the convergence criteria of the Maastricht Treaty in 1992 prior to the introduction of the euro, the Stability and Growth Pact states that government deficit should not exceed a maximum 3 % of GDP and government debt should be no higher than 60 % of GDP. Consolidating public finance and regaining control over fiscal policy was considered a primary objective in the German National Reform Programme for 2005 – 2008.

However, within the euro area – which in 2006 included Austria, Belgium, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, Portugal and Spain – the efforts undertaken to keep public spending under control have led to very different results so far: In 2005, four of the twelve euro area countries (Portugal, Greece, Italy and Germany) did not adhere to the 3 % deficit limit. The situation was particularly problematic in Portugal, where the government deficit was as high as 6 % of GDP. With a deficit rate of 3.3 % in 2005, Germany fell short of the agreed GDP reference value for the fourth year in succession. However, four euro area countries – Finland, Spain, Ireland and Belgium – achieved a surplus in 2005. The most successful country was Finland with a 2.6 % plus in terms of GDP. Of the EU countries, which have not yet introduced the euro or have temporarily decided against the common currency,

Fig. 6.8: Public deficit/surplus 2005
As a percentage of GDP

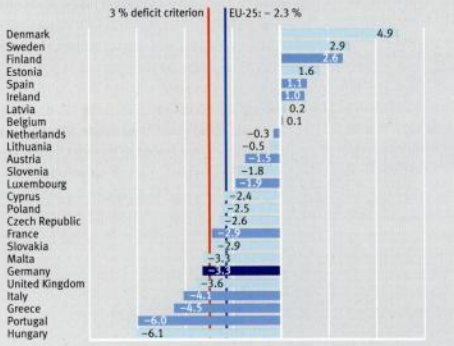
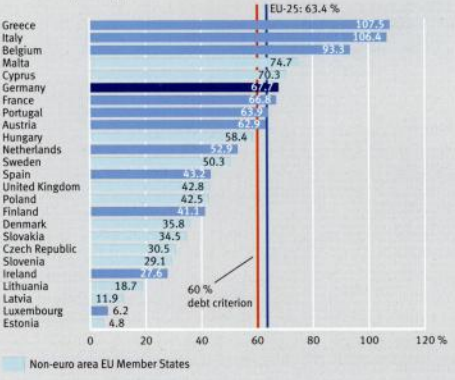


Fig. 6.9: Public debt 2005
As a percentage of GDP



it was Hungary that recorded the highest deficit rate in 2005 (6.1 %). By contrast, Denmark managed to achieve a surplus of 4.9 % of GDP in the same year.

In a number of euro area countries government debt was above the agreed reference value of 60 % of GDP. 2001 was the last year in which Germany managed to stay below this value. Since then total debt has increased annually. In 2005, public debt amounted to 67.7 % of GDP. But in other euro area countries such as Belgium (93.3 %), Italy (106.4 %) and Greece (107.5 %), the rates were considerably higher. The euro area member with the lowest debt in relation to GDP was Luxembourg with a value of 6.2 %.

Of the non-euro area EU Member States, Malta and Cyprus recorded public debt levels in excess of 70 %, whereas the three Baltic States managed to keep their public debt below 20 % of GDP.

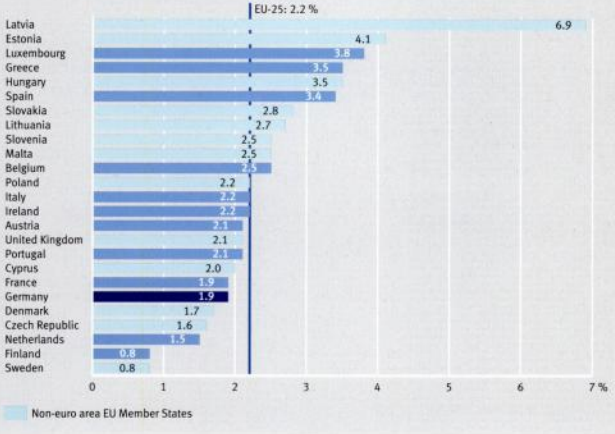
Striving for stability

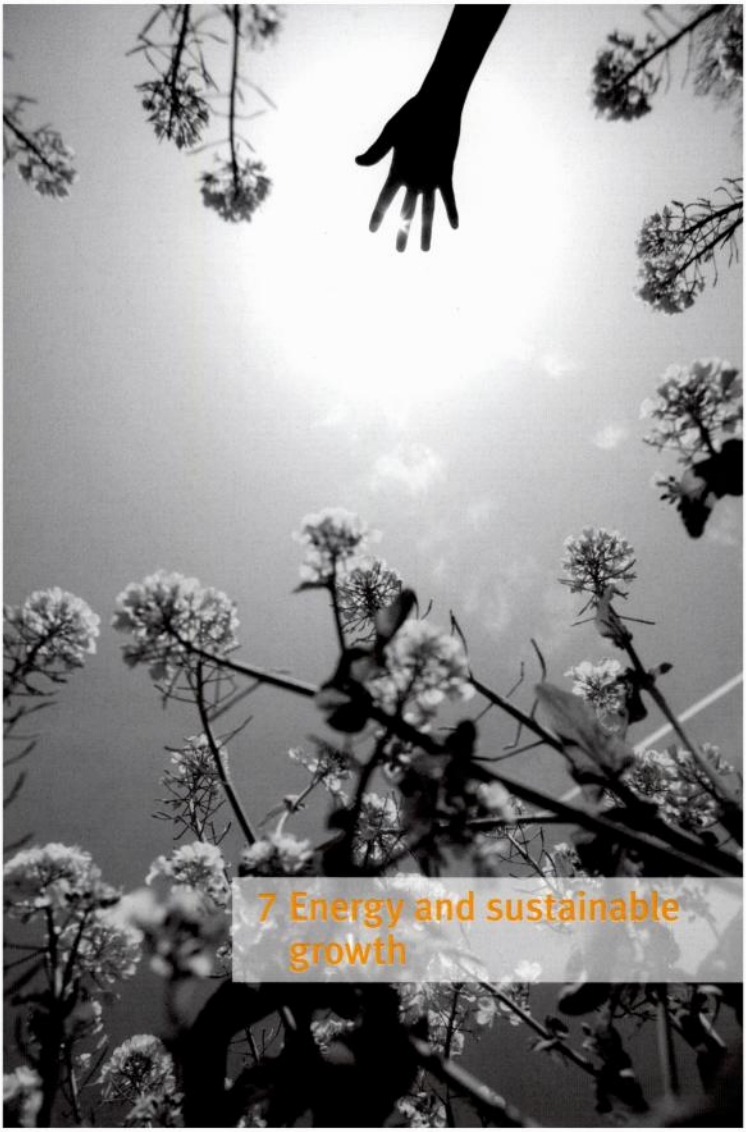
Whilst national governments are responsible for controlling public finance in the EU Member States, price stability is monitored by the European Central Bank (ECB) and the European System of Central Banks (ESCB). The primary objective of the ECB's monetary policy is to maintain price stability. The ECB aims at inflation rates of below, but close to, 2 % over the medium term. EU States wishing to join the euro area are required to have an inflation rate that is no more than 1.5 percentage points higher than the three EU Member States with the lowest rates in the year prior to accession.

In 2005, inflation rates were above 2 % in eight euro area countries (see also chapter on "Living conditions"). The highest inflation rate was recorded in Luxembourg (3.8 %). Germany (1.9 %) was one of the three most stable euro area countries alongside Finland (0.8 %) and the Netherlands (1.5 %).

Among the EU countries wishing to adopt the euro as legal tender in the near future, Slovenia was the most successful: Owing to its strict budgetary policy over the past few years and a sufficiently low rate of inflation, Slovenia will be the first of the ten new Member States to introduce the euro.

Fig. 6.10: Inflation rate 2005
Percentage change of Harmonised Index of Consumer Prices (HICP)





7 Energy and sustainable growth

7 Energy and sustainable growth

Energy: Is the future fossil-free?

Virtually all aspects of modern-day life involve the consumption of energy in one way or another: The economy, motorised transport and heat supply systems are all totally reliant upon a continuous supply of energy. Supply shortages or changes in energy prices have implications for the entire national economy. The importance of this issue was underlined by the revised Lisbon Strategy of the EU Member States which included the provision of a guaranteed and sustainable energy supply as one of its main goals.

In 2004, the final energy consumption of all households in the EU-25 amounted to some 12.6 million terajoules. This is the equivalent of a 12 % rise on 1994. A similar development took place in the industrial sector, where EU-25 energy consumption amounted to 13.4 million terajoules – up 8 % on 1994. The largest growth rates were registered by Spain and Portugal, both increasing by more than 50 %. Other countries managed to reduce their energy requirements during the same period: The largest reductions were reported by Estonia and Luxembourg, where energy consumption dropped to as little as 60 % and 64 % compared to 1994 levels. Germany registered a decline in energy use of one percent during the same period.

Irrespective of actual energy consumption by the industrial sector, most EU Member States managed to increase resource efficiency, i. e. to produce the same amount of economic output with a reduced amount of energy. A clear rise in efficiency was registered, for example, in some of the new EU Member States in Central and Eastern Europe given the modernisation of out-dated industrial equipment and machinery that took place in this region in recent years. In 2004, Poland's energy requirements amounted to just 56 % and Estonia's to 57 % of the amount needed in 1994 to produce the equivalent economic output. In Germany, the energy-output ratio fell by 10 % compared to 1994. Italy, Portugal and Austria, however, needed more energy in 2004 than ten years earlier to produce the corresponding output.

Liberalisation: Energising Europe

Electricity prices for EU households and industrial consumers differed considerably from one country to the next. In January 2006, industrial consumers in Cyprus, for example, had to pay 11.1 cent for one kilowatt-hour of electricity (excluding taxes), whilst only 4.1 cent were charged in Latvia. Germany's elec-

Fig. 7.1: Energy consumption of industrial sector
Percentage change from 1994 to 2004

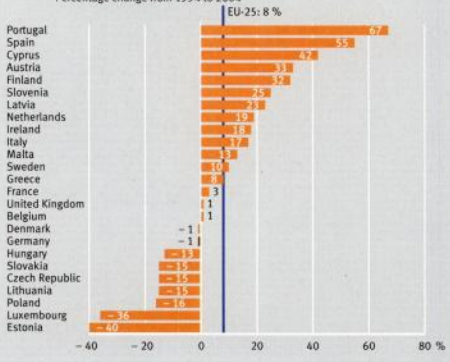


Fig. 7.2: Energy intensity of the economy 2004
(1994=100)

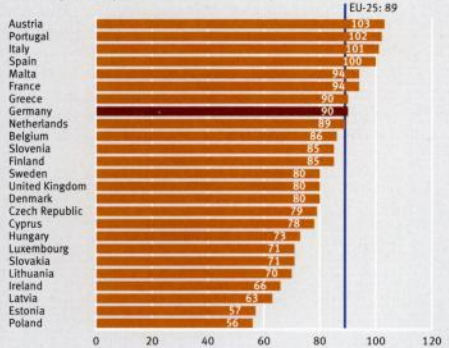
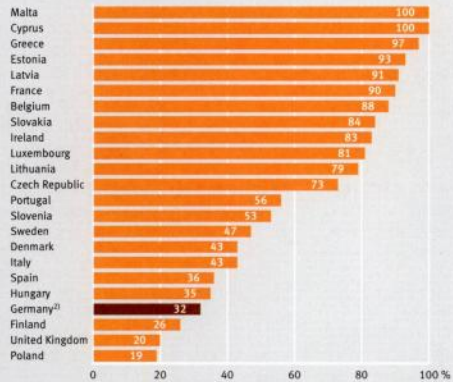


Fig. 7.3: Market share of the largest generator in the electricity market 2004[1]



1) No data available for Austria and the Netherlands. – 2) 2003.

tricity tariffs were above the 7.8 cent EU average. The rate of 8.7 cent per kWh meant Germany had the fourth highest industrial electricity prices in the EU (see table 7.1 on p. 68).

Private households in Germany paid an average 13.7 cent/kWh – the third highest prices for electricity in the EU. This price level was only exceeded by Italy (15.5 cent/kWh) and Luxembourg (13.9 cent/kWh). Lithuania (6.1 cent/kWh) and Estonia (6.2 cent/kWh) had the lowest rates for private consumers.

In an attempt to harmonise EU prices for gas and electricity, the Member States agreed to install trans-European supply networks and, at the same time, allow for more competition on the national energy markets. 2007 has been set as the target year for full market liberalisation. In 2004, however, the national energy market in most countries was still dominated by a single provider: The share of the largest generator in the national electricity market exceed-

Tab. 7.1: Electricity prices as of 1st January 2006
(excluding tax)

Member State	Industrial consumers	Domestic consumers
	cent per kWh	
Cyprus	11.1	12.3
Ireland	10.0	12.9
Italy	9.3	15.5
Germany	**8.7**	**13.7**
Netherlands	8.6	12.1
Luxembourg	8.5	13.9
Belgium	8.3	11.2
Portugal	8.2	13.4
United Kingdom	8.0	9.7
EU-25	**7.8**	**10.9**
Slovakia	7.7	12.2
Hungary	7.5	9.0
Czech Republic	7.3	8.3
Denmark	7.2	10.0
Spain	7.2	9.4
Malta	7.1	9.0
Greece	6.7	6.4
Austria	6.5	8.9
Slovenia	6.5	8.7
Sweden	5.9	8.8
Poland	5.4	9.2
France	5.3	9.1
Finland	5.2	8.1
Estonia	5.1	6.2
Lithuania	5.0	6.1
Latvia	4.1	7.0

ed 50 % in as many as 14 EU Member States. Monopolists still controlled the markets in Malta and Cyprus. By comparison, the liberalisation of the electricity market has already made good progress in Germany, where the largest energy supplier has a market share of just 32 % (2003).

Outlook: Rise of renewable resources

In 2004, energy requirements in the EU were mainly met by crude oil and petroleum products (37 %), natural gas (24 %) and nuclear energy (15 %). The use of nuclear power however varied significantly from one Member State to the next. While twelve EU countries – including Denmark, Ireland, Italy, Austria, Poland and Portugal – did not use atomic energy at all, other countries such as Lithuania (43 %), France (42 %) and Sweden (38 %) relied quite heavily on this resource to meet domestic energy demands. In Germany nuclear energy covered 12 % of gross domestic consumption. As stipulated by an amendment to the Atomic Energy Act which was passed in April 2002, Germany has however begun to phase out nuclear energy.

Tab. 7.2: Nuclear power in the EU 2004 [1]

Member State	Percentage of gross domestic energy consumption
Lithuania	42.6
France	42.2
Sweden	37.6
Slovakia	24.2
Belgium	22.3
Slovenia	19.8
Czech Republic	15.6
Finland	15.5
EU-25	**14.6**
Germany	**12.4**
Hungary	11.7
Spain	11.7
United Kingdom	8.9
Netherlands	1.2

1) No nuclear energy in Austria, Cyprus, Denmark, Estonia, Greece, Ireland, Italy, Latvia, Luxembourg, Malta, Poland and Portugal.

As far as fossil fuels are concerned, Denmark and the United Kingdom were the only countries with significant North Sea oil and gas reserves. However, only Denmark was able to cover its own energy needs using domestic fuel and even export energy in 2004. All other EU Member States depended on fuel imports. This dependency makes the EU vulnerable, in particular, in the event of an international political crisis. Also the worldwide deposits of fossil fuels are finite, whilst their consumption also has an adverse effect on the environment: The combustion process releases the greenhouse gas carbon dioxide (CO_2), which – when discharged into the atmosphere – contributes to global warming. A further problem is that high oil prices have a significant impact on the cost

Fig. 7.4: Gross energy consumption by origin in the EU-25 2004

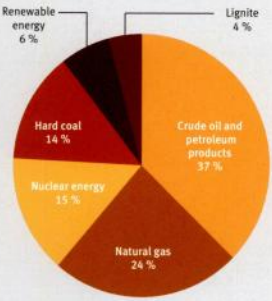
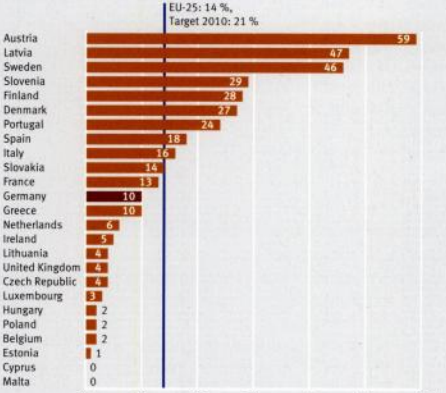


Fig. 7.5: Proliferation of renewable energy 2004
Renewable electricity as a percentage of gross electricity consumption



of production, affecting both household budgets and the competitiveness of business.

In light of these facts the EU Member States set out to promote the development of renewable energy sources. In 2010, 21 % of the entire electricity output in the EU-25 is to be generated on the basis of renewable energy sources. This means that the 14 % recorded in 2004 will have to be raised by a further seven percentage points. Renewable energy can be generated by hydroelectric power stations (excluding pump storage stations), wind and solar technology, geothermal power stations and on biomass or waste combustion basis.

In its Directive 2001/77/EC on "Electricity Production from Renewable Energy Sources", the EU provided its Member States with reference values in order to establish national targets. None of the Member States had reached their targets by the year 2004. Austria – the country with highest share of electricity from

renewable energy sources – is expected to increase its proportion from 59 % in 2004 to 78 % by the year 2010. In Germany, where renewables are publicly funded in accordance with the Renewable Energy Sources Act, the respective share of gross electricity consumption has risen from 4 % in 1994 to 10 % in 2004 and is due to reach the 12.5 % target set for 2010 in the near future.

Environment: In a heated atmosphere

The earth's climate has changed significantly over the past decades as a result of global warming. However, the future potential implications of this process are difficult to gauge globally: a number of climate researchers believe it will lead to a change in agricultural farming, water supply, the distribution of flora and fauna populations and to an increased risk of natural catastrophes.

In order to stop this process, a large number of states have so far ratified the "Kyoto Protocol", which lays down binding objectives in terms of global climate protection. Under this agreement the EU has pledged that it will reduce greenhouse gas emissions by 8 % compared to the respective base year levels (1990 for carbon dioxide, methane and nitrous oxide, 1995 for durable fluoride greenhouse gases) by 2008 to 2012.

Tab. 7.3: Kyoto Protocol: Greenhouse gas emissions

Member State	Percentage change on Kyoto base year (1990/1995)	
	Target for 2008 to 2012	Change achieved by 2003
Lithuania	– 8.0	– 66.2
Latvia	– 8.0	– 58.5
Estonia	– 8.0	– 50.8
Poland	– 6.0	– 32.1
Hungary	– 6.0	– 31.9
Slovakia	– 8.0	– 28.2
Czech Republic	– 8.0	– 24.3
Germany	**– 21.0**	**– 18.5**
United Kingdom	– 12.5	– 13.3
Luxembourg	– 28.0	– 11.5
Sweden	4.0	– 2.4
France	0.0	– 1.9
Slovenia	– 8.0	– 1.9
Belgium	– 7.5	0.6
Netherlands	– 6.0	0.8
Denmark	– 21.0	6.3
Italy	– 6.5	11.6
Austria	– 13.0	16.6
Finland	0.0	21.5
Greece	25.0	23.2
Ireland	13.0	25.2
Malta	–	29.1
Portugal	27.0	36.7
Spain	15.0	40.6
Cyprus	–	52.8

Kyoto Protocol: Committed to combatting climate change

By adopting the Kyoto Protocol, the international community of states agreed to accept binding targets in order to fight global climate change. By agreeing to the protocol in 1998, the EU committed itself to reducing greenhouse gas emissions by 8 % compared to the respective base year levels (1990 for carbon dioxide, methane and nitrous oxide, 1995 for durable fluoride greenhouse gases) by 2008 to 2012.

The EU set individual targets for each Member State. The Burden Sharing Agreement adopted by the EU allows some countries to increase their emissions, provided that this is compensated by reductions in other Member States. Eight of the ten Member States that joined the EU in 2004 chose to adopt different reduction targets and different base years – an option foreseen by the Kyoto Protocol. Cyprus and Malta have not yet committed to any reduction targets.

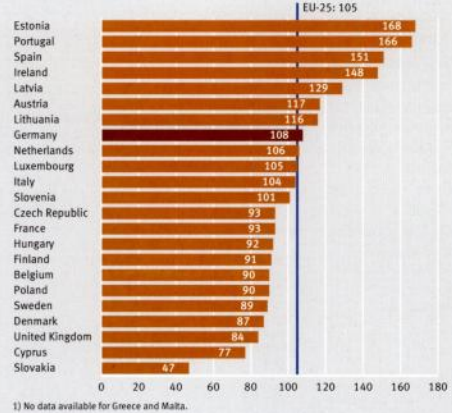
The EU adopted specific targets for each of the Member States. Germany is committed to a 21 % reduction in total emissions and had already more or less achieved this target in 2003, having reduced emissions by 18.5 %. However, the largest cuts were recorded by the new EU Member States in Central and Eastern Europe. In Lithuania, for example, total emissions fell by 66.2 %. Similar reductions were reported in the two other Baltic States, Latvia (– 58.5 %) and Estonia (– 50.8 %). But in some cases the trend was less positive: Contrary to the agreed commitments, emissions have in fact increased since 1990 in some countries including Denmark and Italy. Austria has also failed to achieve its reduction goal of 13 % reporting a 16.6 % increase in emissions. The EU did permit Spain, Ireland and Portugal to increase greenhouse gas emissions, but the growth rates actually achieved by 2003 exceeded the maximum targets set. Spain, for instance, increased its emissions by 40.6 %, well in excess of the 15 % limit agreed upon in EU negotiations.

Traffic takes its toll

The transport sector was one of the major causes of air pollution in 2003, responsible for 19.3 % of all greenhouse gas emissions. Efforts to reduce emissions in this sector have failed in recent years: In 2003, EU transport sector emissions were up 16.6 % on 1993 levels. In Luxembourg and the Czech Republic traffic-related emissions rose by more than 80 %, whilst Ireland reported an increase in excess of 100 %. The only two Member States to record a reduction in emissions for the period from 1993 to 2003 were Lithuania (– 30.1 %) and Germany (– 4.2 %).

In accordance with the Lisbon Strategy, which places great emphasis on the idea of sustainability and seeks to reconcile economic, social and ecological targets, the EU Member Countries aim to encourage people to switch to low-emission means of transport. Furthermore the EU aims to break the link between economic growth and increasing traffic volume. This goal has been achieved by 11 of the EU Member States in recent years. In all of these 11 countries economic growth exceeded the percentage increase in the volume of goods transported between 1995 and 2004. The dissociation of economic growth and traffic volume increase was most successful in Slovakia, Cyprus and the United Kingdom. In twelve Member States, however, economic

Fig. 7.6: Index of freight transport volume relative to GDP 2004
1995=100[1]



1) No data available for Greece and Malta.

development was accompanied by disproportionate growth in the volume of goods transported – particularly in Estonia, Portugal and Spain. Another country, in which the volume of traffic grew at a faster rate than the GDP, was Germany.

Agriculture: Still substantial structural changes

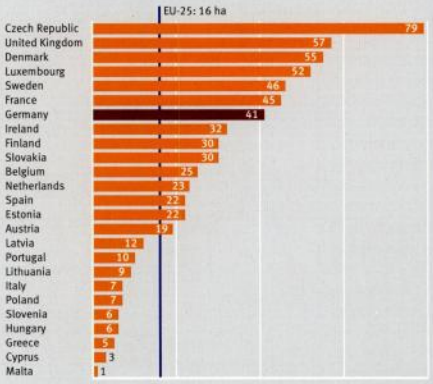
Since the early days of the European Economic Community (EEC), which was founded more than 50 years ago, the Common Agricultural Policy has always been one of the most important pillars of European integration. For a long time policymaking focused on supplying consumers with food at low prices and guaranteeing farmers an acceptable standard of living. However, rapid technical progress has also given rise to negative phenomena such as excess production. In addition, the EU agricultural market regulations adopted to protect domestic farmers have sent costs spiralling. 15 years ago reforms were introduced aiming to reduce the ever increasing agricultural budget. Nowadays direct payments that are independent of the amount produced are expected to enhance a market-oriented style of production that complies to fixed quality standards and environmental protection requirements.

Farms come in all shapes and sizes

In 2003 the number of agricultural holdings in the EU-25 amounted to 9.9 million. In total they cultivated an agricultural area of 156 million ha. France (18%), Spain (16%) and Germany (11%) together made up almost half of the EU-25 agricultural area. Small farms with less than 2 ha, which accounted for 39% of all EU-25 agricultural holdings in 2003, made up just 2% of the total farmland. Most of these 3.9 million small-sized farms were situated in Italy (28%) and Poland (24%). Holdings with more than 100 ha, which accounted for less than 3% of all EU holdings (0.3 million), were in charge of more than 45% of the area assigned to farming. As many as 30% of these holdings were situated in France, followed by Spain (18%), the United Kingdom (14%) and Germany (10%).

The large discrepancies between countries were also reflected by the average farm acreage which in 2003 ranged from 1 ha in Malta to 79 ha in the Czech Republic. Important agricultural producers such as

Fig. 7.7: Average size of agricultural holdings 2003
Agricultural area per holding in ha



Greece (5 ha), Poland and Italy (7 ha each) were well below the average EU farm acreage of 16 ha. In Germany the average agricultural area increased by 13 % from 36 ha in 2000 to 41 ha in 2003.

In the past few years the number of agricultural holdings has decreased in all EU countries except Greece and the United Kingdom. Nevertheless, the total agricultural area has remained almost constant, i.e. there has been a continuous structural change towards larger farms. Possible explanations include the lacking profitability of small farms, the more wide-spread availability of alternative income sources and a shortage of young farmers.

The role that agriculture plays in the external trade of EU Member States varies considerably. In 2005, the largest exporter of agricultural goods among the 25 EU countries was the Netherlands, exporting goods worth 40.5 billion euro. Other large exporters were France (36.7 billion euro) and Germany (33.5 billion euro). However, if measured as a proportion of total exports, the trade in food, beverages and tobacco was most important to Greece (18.7 %), Denmark (17.4 %) and Cyprus (16.1 %).

In 2005 Germany imported agricultural goods worth 41.6 billion euro making it the EU's largest importer of such products. The United Kingdom and France imported goods worth 33.8 billion and 28.3 billion euro, respectively. However, agricultural products achieved the highest share of total imports in Malta (11.8 %), Denmark (11.4 %) and Cyprus (11.2 %). As far as trade with non-EU countries is concerned, the EU was a net importer of agricultural produce in 2005: the 25 Member States together imported food, beverages and tobacco worth 62.3 billion euro, whereas exports amounted to 52.7 billion euro.

Cultivating the organic option

Given the rise in consumer awareness in relation to nutrition and the environment, the market for organic foodstuffs is gaining ground across the EU. The main aim of organic farming is the sustainabil-

Tab. 7.4: Import and export of food, beverages and tobacco 2005

Member State	Import		Export	
	bn EUR	In % of all imports	bn EUR	In % of all exports
Greece	4.6	*10.6*	2.6	*18.7*
Denmark	6.9	*11.4*	12.0	*17.4*
Cyprus	0.6	*11.2*	0.2	*16.1*
Spain	19.0	*8.5*	19.4	*12.9*
Netherlands	24.0	*8.3*	40.5	*12.5*
Lithuania	0.9	*7.6*	1.1	*12.0*
Latvia	0.7	*10.6*	0.5	*11.1*
France	28.3	*7.1*	36.7	*9.9*
Poland	4.7	*5.8*	6.7	*9.3*
Ireland	4.3	*7.9*	7.4	*8.4*
Belgium	18.1	*7.1*	21.3	*7.9*
Portugal	5.1	*10.5*	2.4	*7.8*
Estonia	0.6	*7.6*	0.4	*6.8*
Hungary	2.1	*3.9*	3.1	*6.1*
Italy	24.1	*7.9*	18.0	*6.1*
Austria	5.9	*5.8*	6.1	*6.1*
United Kingdom	33.8	*8.2*	15.4	*5.0*
EU-25	**62.3**	***5.3***	**52.7**	***4.9***
Luxembourg	1.4	*8.3*	0.7	*4.7*
Germany	**41.6**	***6.7***	**33.5**	***4.3***
Slovakia	1.6	*5.5*	1.0	*3.9*
Czech Republic	3.2	*5.1*	2.4	*3.8*
Sweden	6.5	*7.3*	3.6	*3.4*
Malta	0.3	*11.8*	0.1	*3.3*
Slovenia	1.0	*6.1*	0.5	*3.2*
Finland	2.3	*4.9*	0.9	*1.7*

ity of production methods. The EU has issued binding guidelines to ensure certain standards are met. In its "European Action Plan for Organic Food and Farming" of June 2004, the EU laid down 21 steps to promote the development of organic farming. It was agreed, in particular, to inform consumers comprehensively about the merits of organic farming and to improve the standards of production.

However, the interest in organic farming is not increasing at the same rate in all EU countries. Whilst increases in the number of "green" farms were recorded in most EU countries in the period from 2000 to 2003, Sweden was by far the most "organic" country: In 2003, 22% of all Swedish holdings were engaged in ecological farming and 24% of the country's total agricultural area was cultivated according to organic farming standards (2000: 15%). Austria was next in line with 10% of holdings and 12% of the total agricultural area devoted to organic farming. In Germany nearly 3% of all holdings (2000: 2%) practised organic farming on almost 4% (2000: 3%) of the total agricultural area in 2003. Following the three Scandinavian EU countries and Austria this put Germany in fifth position in terms of organic farms. In terms of the agricultural area assigned to organic holdings Germany ranked ninth.

Tab. 7.5: Registered organic agricultural holdings 2003[1]

Member State	Agricultural holdings		Agricultural area	
	Holdings	% of total	ha	% of total
Sweden	15 040	*22.2*	763 900	*24.4*
Austria	17 880	*10.3*	381 440	*11.7*
Finland	4 280	*5.7*	146 510	*6.5*
Denmark	2 600	*5.3*	164 520	*6.2*
Germany	**11 420**	***2.8***	**630 270**	***3.7***
Italy	38 470	*2.0*	754 430	*5.8*
Luxembourg	40	*1.6*	2 110	*1.6*
France	8 610	*1.4*	486 650	*1.8*
Netherlands	1 140	*1.3*	66 560	*3.3*
Czech Republic	510	*1.1*	205 310	*5.7*
United Kingdom	2 750	*1.0*	516 000	*3.2*
Belgium	530	*1.0*	23 190	*1.7*
Greece	7 550	*0.9*	88 650	*2.2*
Spain	10 270	*0.9*	696 720	*2.8*
Estonia	280	*0.8*	24 260	*3.0*
Ireland	780	*0.6*	23 000	*0.5*
Latvia	650	*0.5*	23 580	*1.6*
Portugal	900	*0.3*	141 890	*3.8*
Cyprus	100	*0.2*	560	*0.4*
Hungary	800	*0.1*	158 040	*3.6*
Lithuania	240	*0.1*	21 740	*0.9*
Slovakia	60	*0.1*	84 120	*3.9*

1) No data available for Malta, Poland and Slovenia.

Germany's position in the EU-25

A.I.1: Structural indicators (short list)

In order to monitor Member State progress towards meeting the Lisbon targets, the European Commission started compiling an Annual Progress Report for submission to the European Council in 2001. The Commission's evaluation is based on the so-called "structural indicators". These key indicators are compiled by the European Statistical System and are published online in a special database updated by Eurostat.

14 of the structural indicators – published in the so-called "short list" – were regarded as particularly important by the European Commission when evaluating and redefining the Lisbon Strategy together with the European Council in 2005. The short list indicators are included in the annex of the Annual Progress Report and are also featured in the National Reform Programmes of the EU Member States.

Table A.I.1 lists all 14 short list indicators for the 25 EU Member States and illustrates Germany's current position in relation to the other countries. The database extraction was carried out in September 2006.

A.I.2: All statistical indicators featured in this report

Table A.I.2 is a summary of all statistical indicators featured in this publication highlighting Germany's position on an EU scale (rank x of 25 Member States or less if data is not available for certain countries).

Data such as total population or import and export figures have been included in order to convey an idea of a country's size and overall economic importance. Variables that measure Member State performance are presented in relation to standardised reference parameters – for example, gross domestic product data is offered per capita, in purchasing power standards and in relation to the EU average (EU-25=100). Whether the ranking is carried out in ascending or descending order, depends on the indicator chosen. For instance, the indicator labour productivity is ranked in descending order, the country with the highest productivity being ranked in first position. By contrast however, price level or unemployment data is ranked in ascending order. In most cases the largest values are top of the list (descending order). All cases where data are ranked in ascending order are marked by an arrow (↑).

The new EU Member States: Bulgaria and Romania

Following the accession of Bulgaria and Romania on 1st January 2007 the EU now comprises 27 Member States. The last data update for this publication was carried out in September 2006. At this time no aggregate data was available for the EU-27. Accordingly, this report was published using EU-25 data. However, taking the recent EU enlargement into account, table A.II presents all statistical indicators included in this report for the two new EU Member States – Bulgaria and Romania (subject to data availability).

Tab. A.I.1: Structural indicators (short list), data extraction: September 2006

Rank	At risk of poverty rate after social transfers: Percentage of persons with income <60 % of median income	Youth educational attainment: Percentage of 20 to 24-year-olds having completed at least upper secondary education	Gross domestic expenditure on research and development (as % of GDP)	Employment rate (%)
	2004 (*2003, **2000)	2005	2004 (*2003)	2005
1	CZ 8*	SK 91.5	SE 3.7	DK 75.9
2	SI 10*	SI 90.6	FI 3.5	NL 73.2
3	DK 11	CZ 90.3	DK 2.6 2)	SE 72.5
4	LU 11	PL 90.0	**DE 2.5** 3)	UK 71.7
5	FI 11	SE 87.8	AT 2.3 3)	AT 68.6
6	SE 11	IE 86.1 2)	FR 2.2 2)	CY 68.5
7	HU 12*	AT 85.9	LU 2.0 2)	FI 68.4
8	NL 12* 2)	LT 85.2	BE 1.9 2)	IE 67.6
9	AT 13	FI 84.8	UK 1.8 3)	PT 67.5
10	FR 14	GR 84.0	NL 1.8 2)	SI 66.0
11	BE 15	HU 83.3	SI 1.5*	**DE 65.4**
12	CY 15*	FR 82.8	CZ 1.3	CZ 64.8
13	LT 15*	LV 81.8	IE 1.2 2)	EE 64.4
14	MT 15**	EE 80.9	IT 1.1*	LU 63.6
15	**DE 16**	CY 80.7	ES 1.1	LV 63.3
16	LV 16*	BE 80.3	EE 1.0 2)	ES 63.3
17	PL 17*	UK 77.1	PT 1.0 3)	FR 63.1
18	EE 18*	DK 76.0	HU 0.9	LT 62.6
19	UK 18*	NL 74.6	LT 0.8	BE 61.1
20	IT 19	IT 72.9	GR 0.6 2)	GR 60.1
21	GR 20	LU 71.1	PL 0.6	SK 57.7
22	ES 20	**DE 71.0**	SK 0.5	IT 57.6
23	IE 21	ES 61.3	LV 0.4	HU 56.9
24	PT 21	PT 48.4	CY 0.4 2)	MT 53.9
25	SK 21 2)	MT 48.1	MT 0.3	PL 52.8
EU-25	EU 16 4)	EU 76.9	EU 1.9 4)	EU 63.8

1) Forecast. 2) Provisional value. 3) Estimated value. 4) Eurostat estimate. 5) Revised value. • • • Value for EU-25

AT – Austria
BE – Belgium
CY – Cyprus
CZ – Czech Republic
DE – Germany
DK – Denmark
EE – Estonia
ES – Spain
FI – Finland
FR – France
GR – Greece
HU – Hungary
IE – Ireland
IT – Italy
LT – Lithuania
LU – Luxembourg
LV – Latvia
MT – Malta
NL – Netherlands
PT – Portugal
PL – Poland
SE – Sweden
SI – Slovenia
SK – Slovakia
UK – United Kingdom

Tab. A.I.1: Structural indicators (short list), data extraction: September 2006

Rank	Employment rate of older workers (55 to 64-year-olds, %)	Long-term unemployment rate (%)	Dispersion of regional employment rates: Variation coefficient across regions	Gross domestic product (GDP) per capita in purchasing power standards (PPS) (EU-25=100)
	2005		2004	2005
1	SE 69.4	UK 1.0	NL 2.3	LU 247.4 [1]
2	DK 59.5	DK 1.1	AT 3.5	IE 137.6 [1]
3	UK 56.9	CY 1.2	PT 3.5	DK 124.3
4	EE 56.1	LU 1.2	GR 4.1	NL 124.2
5	FI 52.7	SE 1.2 [2]	SE 4.4	AT 122.5
6	IE 51.6	AT 1.3	FI 5.5	BE 117.6
7	CY 50.6	IE 1.5	CZ 5.6	UK 116.6 [1]
8	PT 50.5	NL 1.9	UK 5.8	SE 114.5
9	LV 49.5	ES 2.2	**DE 6.2**	FI 113.4
10	LT 49.2	FI 2.2	PL 6.4	**DE 109.3**
11	NL 46.1	SI 3.1	FR 7.1	FR 108.8
12	**DE 45.4**	HU 3.2	BE 8.7	IT 102.6
13	CZ 44.5	MT 3.4	ES 8.7	ES 98.6
14	ES 43.1	PT 3.7	SK 9.0	CY 83.3
15	GR 41.6	FR 3.9	HU 9.4	GR 82.0
16	FR 37.9	IT 3.9	IT 15.6	SI 79.8
17	HU 33.0	LV 4.1		CZ 72.9
18	AT 31.8	CZ 4.2		PT 71.2 [1]
19	BE 31.8	EE 4.2		MT 69.2
20	LU 31.7	LT 4.3		HU 60.8
21	IT 31.4	BE 4.4		EE 57.3
22	MT 30.8	**DE 5.0**		SK 55.0
23	SI 30.7	GR 5.1		LT 52.0
24	SK 30.3	PL 10.2		PL 49.8
25	PL 27.2	SK 11.7		LV 47.2
EU-25	EU 42.5	EU 3.9	EU 12.2	EU 100.0

1) Forecast. 2) Provisional value. 3) Estimated value. 4) Eurostat estimate. 5) Revised value. • • • Value for EU-25

AT – Austria
BE – Belgium
CY – Cyprus
CZ – Czech Republic
DE – Germany
DK – Denmark
EE – Estonia
ES – Spain
FI – Finland
FR – France
GR – Greece
HU – Hungary
IE – Ireland
IT – Italy
LT – Lithuania
LU – Luxembourg
LV – Latvia
MT – Malta
NL – Netherlands
PT – Portugal
PL – Poland
SE – Sweden
SI – Slovenia
SK – Slovakia
UK – United Kingdom

Tab. A.I.1: Structural indicators (short list), data extraction: September 2006

Rank	Labour productivity: GDP per person employed in PPS (EU-25=100)	Business investment (as % of GDP)	Comparative price levels (EU-25=100)[2]	Energy intensity of the economy: Inland energy consumption in relation to GDP (kg oil equivalent per 1 000 euro)
	2005 (*2006)	2004	2005	2004
1	LU 160.9	EE 28.4	LT 54.7	DK 120
2	BE 128.0	LV 25.5	LV 56.8	AT 146
3	IE 127.4	ES 24.6	SK 57.6	IE 157
4	FR 119.1	CZ 21.9	CZ 57.8	**DE 159**
5	AT 109.9*[1]	SK 21.7	PL 59.6	FR 185
6	FI 108.4	SI 21.3	HU 63.6	IT 189
7	IT 108.1	GR 21.1	EE 64.2	LU 194
8	NL 107.8	IE 21.0	MT 74.0	NL 203
9	UK 106.6	AT 19.8	SI 76.4	UK 207
10	DK 105.8	HU 19.3	PT 85.2	BE 208
11	SE 104.4	PT 19.2	GR 87.8	SE 218
12	**DE 101.5**	LT 18.5	ES 90.0	ES 223
13	GR 98.5[3]	IT 18.1	CY 94.3	PT 240
14	ES 97.3	DK 18.0	IT 102.6	GR 240
15	MT 80.5	BE 17.3	AT 102.9	CY 262
16	SI 76.9	NL 16.0	**DE 104.1**	FI 272
17	CY 75.6	**DE 16.0**	BE 104.3	MT 292
18	HU 69.8	FR 15.9	UK 104.9	SI 329
19	CZ 65.9	LU 15.7	NL 105.2	HU 534
20	PT 65.5[1]	MT 15.7	LU 107.0	PL 597
21	PL 63.0	FI 15.4	FR 108.5	LV 696
22	SK 62.1	CY 15.2	SE 120.6	CZ 852
23	EE 58.6	UK 14.8	FI 122.0	SK 854
24	LT 53.2	PL 14.6	IE 123.4	LT 1 136
25	LV 46.3	SE 13.0	DK 135.8	EE 1 140
EU-25	EU 100.0	EU 17.1	EU 100.0	EU 205

1) Forecast. 2) Provisional value. 3) Estimated value. 4) Eurostat estimate. 5) Revised value. • • • Value for EU-25

AT – Austria
BE – Belgium
CY – Cyprus
CZ – Czech Republic
DE – Germany
DK – Denmark
EE – Estonia
ES – Spain
FI – Finland
FR – France
GR – Greece
HU – Hungary
IE – Ireland
IT – Italy
LT – Lithuania
LU – Luxembourg
LV – Latvia
MT – Malta
NL – Netherlands
PT – Portugal
PL – Poland
SE – Sweden
SI – Slovenia
SK – Slovakia
UK – United Kingdom

Tab. A.I.1: Structural indicators (short list), data extraction: September 2006

Rank	Greenhouse gas emissions (1990/1995=100)	Volume of freight transport relative to GDP (1995=100)
	2003	2004
1	LT 33.8	SK 47.4
2	LV 41.5	CY 76.5
3	EE 49.2	UK 84.3 [2]
4	PL 67.9	DK 86.8
5	HU 68.1	SE 89.2 [5]
6	SK 71.8	BE 89.7
7	CZ 75.7	PL 90.3
8	**DE 81.5**	FI 91.3
9	UK 86.7	HU 91.9
10	LU 88.5	FR 92.8
11	SE 97.6	CZ 93.3
12	SI 98.1	SI 101.1
13	FR 98.1	IT 104.4 [3]
14	BE 100.6	LU 104.8
15	NL 100.8	NL 105.5
16	DK 106.3	**DE 107.5**
17	IT 111.6	LT 116.2
18	AT 116.6	AT 117.0
19	FI 121.5	LV 129.3
20	GR 123.2	IE 147.5
21	IE 125.2	ES 151.4
22	MT 129.1	PT 165.9
23	PT 136.7	EE 167.9
24	ES 140.6	
25	CY 152.8	
EU-25	EU 92.0	EU 104.7 [4]

1) Forecast. 2) Provisional value. 3) Estimated value. 4) Eurostat estimate. 5) Revised value. • • • Value for EU-25

AT – Austria
BE – Belgium
CY – Cyprus
CZ – Czech Republic
DE – Germany
DK – Denmark
EE – Estonia
ES – Spain
FI – Finland
FR – France
GR – Greece
HU – Hungary
IE – Ireland
IT – Italy
LT – Lithuania
LU – Luxembourg
LV – Latvia
MT – Malta
NL – Netherlands
PT – Portugal
PL – Poland
SE – Sweden
SI – Slovenia
SK – Slovakia
UK – United Kingdom

Tab. A.I.2: All statistical indicators featured in this report, data extraction: September 2006

Topic	Year	EU-25	Germany	Rank Germany
Population				
Population (mn)	2005	461.3	82.5	1 (25)
Population density (inhabitants/km²)	2004 (ES, EU-25, FR, UK: 2003)	118	231	5 (25)
Total fertility rate: Children per woman	2004	.	1.37	14 (25)
Average life expectancy of a newborn girl	2004	.	81.4	6 (25)
Average life expectancy of a newborn boy	2004	.	75.7	7 (25)
Percentage of population aged 65 and over	2004	.	18.0	24 (25)†
Natural population change (live births minus deaths) (1 000)	2004	475.4	– 112.7	25 (25)
Net migration: Difference between inflow and outflow (1 000)	2004	1 849.5	81.8	5 (25)
Population projection for 2050 compared to 2005 (change in %)	2005	– 1.9	– 9.6	18 (25)
Living conditions				
Consumption				
Average gross annual earnings in industry and services (in PPS)	2004 (DK, FR, GR: 2003)	.	38 432	2 (18)
Inflation rate: Change of Harmonised Index of Consumer Prices (HICP) in %	2005	2.2	1.9	6 (25)†
Poverty				
Distribution of income: Proportion of the total income of the "richest" 20 % of the population to the total income of the "poorest" 20 %	2004 (CY, CZ, EE, HU, LT, LV, PL, SI, UK: 2003)	4.8 1)	4.4	13 (24)†
At risk of poverty rate after social transfers: Percentage of persons with income < 60 % of median income	2004 (CY, CZ, EE, HU, LT, LV, NL, PL, SI, UK: 2003)	16 1)	16	14 (24)†
Monetary risk of poverty threshold for a household with two adults and two children aged under 14 (in PPS)	2004 (CY, CZ, EE, HU, LT, LV, PL, SI, UK: 2003)	16 200 1)	19 300	6 (24)
Social protection expenditure (as % of GDP)	2003 (CY: 2002)	26.9 2)	29.1 3)	4 (25)
Public health				
Health expenditure (as % of GDP) OECD	2004 (BE, SK: 2003)	.	10.6	1 (19)
Health expenditure (in US-dollar PPP per inhabitant) OECD	2004 (BE, SK: 2003)	.	3 040	6 (19)
Hospital beds per 100 000 inhabitants	2003 (ES, LU, PT, SI: 2002)	.	874	2 (23)
Infant mortality per 1 000 live births	2004	.	4.1	10 (24)†
Cause of death: Diseases of the circulatory system (in % of all causes of death)	2003 (IT: 2002, DK, SK: 2001)	.	46.3	15 (23)†
Cause of death: Cancer (in % of all causes of death)	2003 (IT: 2002, DK, SK: 2001)	.	24.5	12 (23)†

1) Eurostat estimate.
2) Estimated value.
3) Provisional value.

. = No data available.
† = Ranked in ascending order.

OECD = Data source: Organisation for Economic Co-operation and Development (OECD).

Tab. A.I.2: All statistical indicators featured in this report, data extraction: September 2006

Topic	Year	EU-25	Germany	Rank Germany
Education, research and information society				
Edcuation				
Total public expenditure on education (as % of GDP)	2004 (BE: 2003)	.	4.0	23 (25)
Youth educational attainment level: 20 to 24-year-olds having completed at least upper secondary level education (%)	2005	76.9	71.0	22 (25)
Graduates in mathematics, science and technology (as a % of all fields)	2004	23.6 1)	26.9	6 (21)
Lifelong learning: Persons aged 25 to 64 participating in education and training in the four weeks prior to the survey (%)	2005	11.0	8.2	11 (25)
Research				
Expenditure on research and development (as % of GDP)	2004 (IT, SI: 2003)	1.9 1)	2.5 2)	4 (25)
European high-technology patents (per million inhabitants)	2003 (LV, UK: 2002)	.	21.5	5 (24)
Information society				
Internet access in households with at least one person under the age of 75 (%)	2005	48	62	5 (24)
Internet access in enterprises with ten or more full-time employees (%)	2005	91	94	7 (24)
Individuals who access Internet on average at least once a week (%)	2005	43	54	5 (24)
Enterprises with ten or more full-time employees having received orders online (%)	2004	12	16	6 (24)
Individuals having ordered/bought goods or services for private use over the Internet (%)	Q1/2005	18	32	3 (23)
e-Government: Online availability of 20 basic public services (%)	2006	50	47	16 (25)
Labour market				
Employment rate (%)	2005	63.8	65.4	11 (25)
Employment rate of 55 to 64-year-olds (%)	2005	42.5	45.4	12 (25)
Female employment rate (%)	2005	56.3	59.6	10 (25)
Average number of hours worked per week (full-time employees)	2005	42.0	41.6	11 (25)
Hourly labour costs in industry and services (in EUR)	2004 (GR, LV, SE, SI: 2003)	21.22	26.22	8 (24)
Unemployment rate (%)	2005	8.8	9.5	21 (25)↑
Long-term unemployment rate (%)	2005	3.9	5.0	22 (25)↑
Male unemployment rate (%)	2005	7.9	8.9	22 (25)↑
Female unemployment rate (%)	2005	9.9	10.3	20 (25)↑
Youth unemployment rate (aged 25 and under, %)	2005	18.6	15.0	9 (25)↑

1) Eurostat estimate.
2) Estimated value.
. = No data available.
↑ = Ranked in ascending order.

Tab. A.I.2: All statistical indicators featured in this report, data extraction: September 2006

Topic	Year	EU-25	Germany	Rank Germany
Economy and finance				
Gross domestic product (GDP)				
GDP per capita in PPS (EU-25=100)	2005	100.0	109.3	10 (25)
Change of real GDP on previous year (%)	2005	1.7	0.9	23 (25)
Labour productivity: GDP in PPS per person employed (EU-25=100)	2005 (AT: 2006)	100.0	101.5	12 (25)
Investment				
Public investment (as % of GDP)	2005	2.4	1.3	24 (25)
Business investment (as % of GDP)	2004	17.1	16.0	16 (25)
Inward foreign direct investment stocks (bn EUR)	2004 (AT, DE, DK, GR: 2003)	.	530.7	1 (20)
Foreign direct investment stocks abroad (bn EUR)	2004 (AT, DE, DK, GR: 2003)	.	588.6	3 (20)
External trade				
Balance of trade (bn EUR)	2005	– 105.8	158.0	1 (25)
Intra-EU imports as a % of total imports	2005	63.8	64.0	19 (25)
Intra-EU exports as a % of total exports	2005	66.7	63.4	17 (25)
Public finance and prices				
Public deficit/surplus (as % of GDP)	2005	– 2.3	– 3.3	20 (25)
Public debt (as % of GDP)	2005	63.4	67.7	20 (25)↑
Inflation rate: Change of Harmonised Index of Consumer Prices (HICP, %)	2005	2.2	1.9	6 (25)↑
Energy and sustainable growth				
Energy				
Energy consumption of industrial sector (percentage change on 1994)	2004	8	– 1	9 (25)↑
Energy intensity of the economy (1994=100)	2004	89	90	18 (25)↑
Electricity prices for domestic consumers (excl. tax, cent per kWh)	January 2006	10.9	13.7	23 (25)↑
Electricity prices for industrial consumers (excl. tax, cent per kWh)	January 2006	7.8	8.7	22 (25)↑
Market share of the largest generator in the electricity market (%)	2004	.	32	4 (23)↑
Nuclear power as a percentage of gross domestic energy consumption	2004	14.6	12.4	9 (25)
Renewable electricity as a percentage of gross electricity consumption	2004	14	10	12 (25)

. = No data available.
↑ = Ranked in ascending order.

Tab. A.I.2: All statistical indicators featured in this report, data extraction: September 2006

Topic	Year	EU-25	Germany	Rank Germany
Environment				
Greenhouse gas emissions: Percentage change on Kyoto base year (1990/1995) (%)	2003	.	– 18.5	8 (25)↑
Index of freight transport volume relative to GDP (1995=100)	2004	105 1)	108	16 (23)↑
Agriculture				
Average size of agricultural holdings (in ha)	2003	16	41	7 (25)
Import of food, beverages and tobacco (in % of all imports)	2005	5.3	6.7	18 (25)
Export of food, beverages and tobacco (in % of all exports)	2005	4.9	4.3	19 (25)
Organic agricultural holdings as a percentage of all agricultural holdings	2003	.	2.8	5 (22)
Organic agricultural area as a percentage of total agricultural area	2003	.	3.7	9 (22)

1) Eurostat estimate.
. = No data available.
↑ = Ranked in ascending order.

Tab. A.II: The new EU Member States: Bulgaria and Romania, data extraction: September 2006

Topic	Year	EU-25	DE	BG	RO
Population					
Population (mn)	2005	461.3	82.5	7.8	21.7
Population density (inhabitants/km²)	2004 (EU-25: 2003)	118	231	71	94
Total fertility rate: Children per woman	2004	.	1.37	1.29	1.29
Average life expectancy of a newborn girl	2004	.	81.4	76.0	75.1
Average life expectancy of a newborn boy	2004	.	75.7	68.9	67.7
Percentage of population aged 65 and over	2004	.	18.0	17.1	14.4
Natural population change (live births minus deaths) (1 000)	2004	475.4	– 112.7	– 40.2	– 42.6
Net migration: Difference between inflow and outflow (1 000)	2004	1 849.5	81.8	.	– 10.1
Population projection for 2050 compared to 2005 (change in %)	2005	– 1.9	– 9.6	34.2	20.9
Living conditions					
Consumption					
Average gross annual earnings in industry and services (in PPS)	2004	.	38 432	4 150	.
Inflation rate: Change of Harmonised Index of Consumer Prices (HICP) in %	2005	2.2	1.9	5.0	9.1
Poverty					
Distribution of income: Proportion of the total income of the "richest" 20 % of the population to the total income of the "poorest" 20 %	2004 (RO: 2003)	4.8 [1]	4.4	4.0	4.6
At risk of poverty rate after social transfers: Percentage of persons with income ‹ 60 % of median income	2004 (RO: 2003)	16 [1]	16	15	17
Monetary risk of poverty threshold for a household with two adults and two children aged under 14 (in PPS)	2004 (RO: 2003)	16 200 [1]	19 300	4 269	2 344
Social protection expenditure (as % of GDP)	2003	26.9 [2]	29.1 [3]	.	.
Public health					
Health expenditure (as % of GDP) OECD	2004	.	10.6	.	.
Health expenditure (in US-dollar PPP per inhabitant) OECD	2004	.	3 040	.	.
Hospital beds per 100 000 inhabitants	2003 (BG, RO: 2002)	.	874	647	745
Infant mortality per 1 000 live births	2004	.	4.1	11.6	16.8
Cause of death: Diseases of the circulatory system (in % of all causes of death)	2003	.	46.3	67.6	62.1
Cause of death: Cancer (in % of all causes of death)	2003	.	24.5	14.0	16.2

1) Eurostat estimate.
2) Estimated value.
3) Provisional value.
. = No data available.

OECD = Data source: Organisation for Economic Co-operation and Development (OECD).

Tab. A.II: The new EU Member States: Bulgaria and Romania, data extraction: September 2006

Topic	Year	EU-25	DE	BG	RO
Education, research and information society					
Edcuation					
Total public expenditure on education (as % of GDP)	2004 (RO: 2003)	.	4.0	.	3.9
Youth educational attainment level: 20 to 24-year-olds having completed at least upper secondary level education (%)	2005	76.9	71.0	76.8	75.2
Graduates in mathematics, science and technology (as a % of all fields)	2004	23.6 1)	26.9	21.1	23.6
Lifelong learning: Persons aged 25 to 64 participating in education and training in the four weeks prior to the survey (%)	2005	11.0	8.2	1.1	1.6
Research					
Expenditure on research and development (as % of GDP)	2004	1.9 1)	2.5 2)	0.5	0.4
European high-technology patents (per million inhabitants)	2003	.	21.5	0.19	0.03
Information society					
Internet access in households with at least one person under the age of 75 (%)	2005 (BG, RO: 2004)	48	62	10	6
Internet access in enterprises with ten or more full-time employees (%)	2005 (BG, RO: 2004)	91	94	62	52
Individuals who access Internet on average at least once a week (%)	2005 (BG, RO: 2004)	43	54	13	10
Enterprises with ten or more full-time employees having received orders online (%)	2004 (BG: 2004)	12	16	3	.
Individuals having ordered/bought goods or services for private use over the Internet (%)	Q1/2005 (BG, RO: Q1/2004)	18	32	1	0
e-Government: Online availability of 20 basic public services (%)	2006	50	47	.	.
Labour market					
Employment rate (%)	2005	63.8	65.4	55.8	57.6
Employment rate of 55 to 64-year-olds (%)	2005	42.5	45.4	34.7	39.4
Female employment rate (%)	2005	56.3	59.6	51.7	51.5
Average number of hours worked per week (full-time employees)	2005	42.0	41.6	41.5	41.5
Hourly labour costs in industry and services (in EUR)	2004	21.22	26.22	1.45	1.76
Unemployment rate (%)	2005	8.8	9.5	10.1	7.7
Long-term unemployment rate (%)	2005	3.9	5.0	6.0	4.4
Male unemployment rate (%)	2005	7.9	8.9	10.3	8.3
Female unemployment rate (%)	2005	9.9	10.3	9.8	7.6
Youth unemployment rate (aged 25 and under, %)	2005	18.6	15.0	22.4	23.8

1) Eurostat estimate. . = No data available.
2) Estimated value.

Tab. A.II: The new EU Member States: Bulgaria and Romania, data extraction: September 2006

Topic	Year	EU-25	DE	BG	RO
Economy and finance					
Gross domestic product (GDP)					
GDP per capita in PPS (EU-25=100)	2005	100.0	109.3	32.1	34.7
Change of real GDP on previous year (%)	2005	1.7	0.9	5.5	4.1
Labour productivity: GDP in PPS per person employed (EU-25=100)	2005	100.0	101.5	32.9 [4]	39.2 [4]
Investment					
Public investment (as % of GDP)	2005 (BG: 2001, RO: 2004)	2.4	1.3	3.5	3.0
Business investment (as % of GDP)	2004 (RO: 2002)	17.1	16.0	17.7	18.3
Inward foreign direct investment stocks (bn EUR)	2004 (BG, DE: 2003)	.	530.7	4.9	15.0
Foreign direct investment stocks abroad (bn EUR)	2004 (BG, DE: 2003)	.	588.6	0.04	.
External trade					
Balance of trade (bn EUR)	2005	– 105.8	158.0	– 5.2	– 10.3
Intra-EU imports as a % of total imports	2005	63.8	64.0	58.3	62.1
Intra-EU exports as a % of total exports	2005	66.7	63.4	57.2	67.7
Public finance and prices					
Public deficit/surplus (as % of GDP)	2005	– 2.3	– 3.3	3.1	0.4
Public debt (as % of GDP)	2005	63.4	67.7	29.9	15.2
Inflation rate: Change of Harmonised Index of Consumer Prices (HICP, %)	2005	2.2	1.9	5.0	9.1
Energy and sustainable growth					
Energy					
Energy consumption of industrial sector (percentage change on 1994)	1994 bis 2004	8	– 1	– 33	– 20
Energy intensity of the economy (1994=100)	2004	89	90	74	71
Electricity prices for domestic consumers (excl. tax, cent per kWh)	January 2006	10.9	13.7	5.5	9.4
Electricity prices for industrial consumers (excl. tax, cent per kWh)	January 2006	7.8	8.7	4.6	7.7
Market share of the largest generator in the electricity market (%)	2004 (DE: 2003)	.	32	.	32
Nuclear power as a percentage of gross domestic energy consumption	2004	14.6	12.4	23.0	3.6
Renewable electricity as a percentage of gross electricity consumption	2004	14	10	9	30

4) Forecast.
. = No data available.

Tab. A.II: The new EU Member States: Bulgaria and Romania, data extraction: September 2006

Topic	Year	EU-25	DE	BG	RO
Environment					
Greenhouse gas emissions: Percentage change on Kyoto base year (1990/1995) (%)	2003	.	– 18.5	– 42.3	– 38.7
Index of freight transport volume relative to GDP (1995=100)	2004	105 1)	108	39	100
Agriculture					
Average size of agricultural holdings (in ha)	2003	16	41	4	3
Import of food, beverages and tobacco (in % of all imports)	2005	5.3	6.7	.	.
Export of food, beverages and tobacco (in % of all exports)	2005	4.9	4.3	.	.
Organic agricultural holdings as a percentage of all agricultural holdings	2003	.	2.8	.	.
Organic agricultural area as a percentage of total agricultural area	2003	.	3.7	.	.

1) Eurostat estimate.
. = No data available.

Looking for more EU statistics?

This edition of the "In the Spotlight" series merely features a very small sample of the large range of official European statistics that are available: In total, Eurostat's online database contains more than 300 million statistical figures. Featuring extensive time series on the EU and its Member States, it covers fields ranging from regional unemployment or public health expenditure to greenhouse gas emissions.

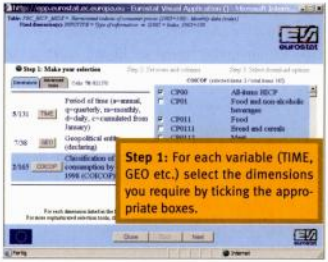
Eurostat's database: Using numbers to describe the EU

For free access to the Eurostat database, please either visit the Eurostat website (*http://ec.europa.eu/eurostat*) or consult the online platform of the EDS European Data Service (*www.eds-destatis.de*) – the Federal Statistical Office's information service for European statistics.

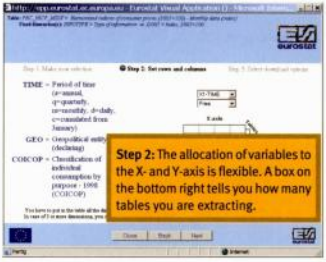
On the EDS website the left navigation bar entitled "Statistics by Theme" lists the nine Eurostat statistics themes. Select the theme you are interested in and then click on the sub-item "Eurostat Database". The Eurostat navigation tree with a structure of folders should now appear. Click your way through these folders, until you reach the level of data tables marked by the sign . Select the specific table you wish to enter.

In the selection window that now opens please carry out the following three steps:

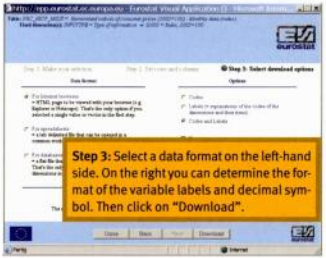
Step 1 – Select the dimensions for all statistical variables: For each table you can select the time periods ("TIME") and countries or regions ("GEO") you require and you can also individually select the dimensions of other statistical variables (for example age and sex) by ticking the respective boxes. To continue press "Next".



Step 2 – Determine the table axes: You can choose which variable is to be depicted on the X- ("X1") and which on the Y-axis ("Y1"). You can assign up to two variables to each axis. The number of tables you receive when downloading the data depends on how many variables there are in total and how many of them you have integrated into the axes. Finish this step by clicking "Next". Please note that step 2 may be automatically skipped, if you choose a very limited number of dimensions in step 1.



Step 3 – Download the data: In step 3 you are asked to select the data format. The first option is to display the data on screen (Internet browser), whereas the second option allows you to save the data for further processing in a spreadsheet programme such as Microsoft Excel. In addition, you can choose whether the table is to include variable codes only (e.g. "de" for Germany or "f" for women) or also the full label of each statistical variable. Complete this step by choosing the decimal symbol you prefer and then click on "Download" to receive the data. The popup blocker in your Internet browser should be deactivated whilst downloading.



The symbol in the Eurostat database stands for metadata. By clicking on this symbol you can access detailed information about the underlying methodology and data quality. This information is presented according to the international Special Data Dissemination Standard (SDDS).

For some key statistical indicators Eurostat also publishes so-called predefined tables. These tables are represented by the following symbol . You will find these tables sorted by theme in the left navigation bar of the EDS website under the heading "Basic Tables".

Goods on a global scale: The EU's external trade database

In addition to its main database Eurostat also offers a very detailed database with import and export statistics for all EU Member States. This specialised database which offers monthly and annual data on EU foreign trade, can be accessed via the EDS website under the heading "External Trade". From tobacco to textiles, this database covers a very wide range of products.

The facts behinds the figures: Publications on EU statistics

If you prefer to analyse statistics by reading a publication or consulting charts and illustrations rather than searching a database, you can also download a wide variety of publications with EU data on the EDS website (*www.eds-destatis.de*). All Eurostat publications are available as free of charge PDF documents. Printed versions can also be ordered online, subject to a fee.

The helping hand for data researchers: Free advice from the EDS European Data Service

If you are looking for more EU statistics or have any further questions, please contact the Federal Statistical Office's EDS European Data Service for free assistance. The EDS, which is run in co-operation with Eurostat, assists all users with all types of queries including methodological requests and technical problems. The EDS can also compile customised data tables for users who do not wish to access the online databases. This service is however subject to a fee.

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