

<b>Trade in Services – Regional Distribution</b>	Slovenian Economic Mirror	IMAD
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Regional structure of Slovenia's trade in services in 1995 and 2003						
	Exports		Imports		Balance, SIT million	
	1995	2003	1995	2003	1995	2003
<b>Total, SIT million</b>	239,565	576,317	170,723	449,960	68,843	126,357
<b>Structure, %</b>	100.0	100.0	100.0	100.0		
EU-15	65.3	65.7	63.7	51.5	47,647	146,810
Former Yugoslavia	16.6	17.0	12.9	26.1	17,763	-19,416
Other European countries	7.1	7.6	10.7	9.1	-1,336	2,995
EFTA	4.2	4.0	3.5	3.4	4,107	8,023
OECD – non-European	3.1	3.5	4.7	6.9	-606	-11,226
Other	3.8	2.2	4.6	3.0	1,269	-829

Source of data: Bank of Slovenia.

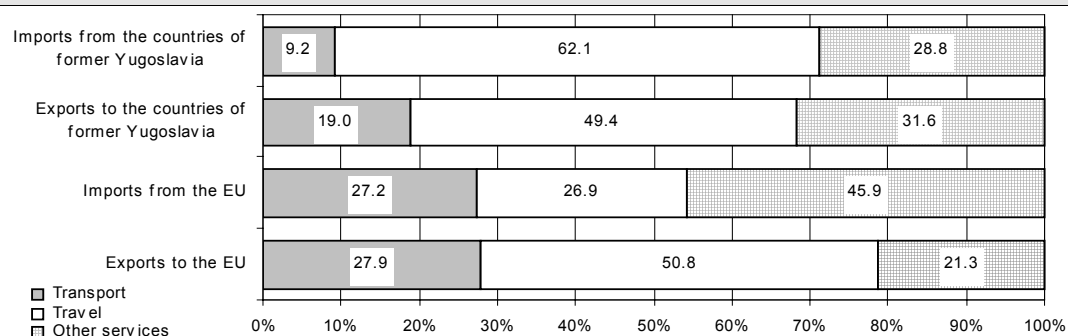
In 1995-2003 the regional distribution of trade in services stayed broadly unchanged on the export side, while recording notable changes on the import side. **Slovenia exported a major share of its services** to the markets of the EU-15, followed by the countries of former Yugoslavia and other non-European countries. The shares of these three groups of countries in total exports of services increased marginally, while the share of exports to developing countries (included under the item 'other') fell significantly. Broken down by countries, most services were exported to Germany, Italy, Austria and Croatia.

The EU-15 countries were also the main trading partners on the **import side**, however, their share in total imports of services fell notably from 1995 to 2003 even though imports from these countries more than doubled in absolute terms. Imports of services from the countries of former Yugoslavia surged in terms of volume and share, and they accounted for over 25% of total imports of services in 2003. Other groups of countries did not record any major changes, with the exception of non-European OECD members, whose share in imports of services increased. Broken down by countries, most services were imported from Croatia (travel), Austria and Germany.

Slovenia almost doubled the **surplus in trade in services** in 1995-2003 chiefly due to the large surplus with the EU-15. On the other hand, the surplus with the countries of former Yugoslavia seen in 1995 turned into a deficit which exceeded the size of the surplus, while the deficit with non-European OECD members increased throughout the period.

Changes in the shares of individual countries in total imports/exports of services and changes in the services balance were partly the result of the **structure of trade in services** with these countries. Travel and transport services made up the biggest part of exports of services to the EU-15 in 2003 (see graph), while other services represented just a good fifth of total exports. The fact that these services represented as much as 20% of total exports of services to the EU-15 in 1995 and that this share barely increased in 1995-2003 points to Slovenia's weakness in penetrating EU-15 markets with high-value-added services. Transport was also important in imports of services from the EU-15, while the share of other services involving high value added prevailed. The structure of trade in services with the countries of former Yugoslavia was somewhat different. The share of travel was particularly large on the import side, while other services prevailed on the export side, representing close to a third. Despite the relatively big significance of other services in total exports of services to the countries of former Yugoslavia, the balance of other services with this region was negative in 2003. What is even more discouraging is that Slovenia recorded a deficit in trade in other services in 2003 with all groups of countries presented in the table, totalling SIT 1 billion with EFTA and SIT 25 billion with the EU-15.

Graph: **Structure of trade in services with the EU-15 and countries of former Yugoslavia in 2003, %**



Source of data: BS. Note: other services comprise communication, construction, insurance, financial, computer and information, and other business services.