

PRESS RELEASE

Vienna, 16 December 2015

**WIIW HANDBOOK OF STATISTICS ON CENTRAL, EAST AND SOUTHEAST EUROPE: Economic indicators on a region that is becoming increasingly diverse but also increasingly relevant in economic and political terms**

The economies of Central, East and Southeast Europe (CESEE) have been diverging substantially over the past several years: the new Member States (NMS) of the European Union performed quite well, featuring growth that was, on average, about 1½ percentage points higher than in Western European countries over the past five years; the Commonwealth of Independent States (CIS) countries and Ukraine, on the other hand, did quite poorly, and the Western Balkan countries were somewhere in between. The Vienna Institute for International Economic Studies (wiiw) has just published its Handbook 2015, offering a collection of the most important economic indicators and a series of maps. This is a condensed version of wiiw's expertise and may serve as an easy-to-use guide through the increasing economic diversity and resulting maze of data.

---

**NMS**

- The NMS countries grew on average by some 2% between 2010 and 2014. This is about half the growth rate the region enjoyed in the decade before (2000 – 2009), but still around 1½ percentage points higher than in the Western European countries. This growth differential makes the region an interesting business location.
- The region is still catching up, even though at a slower pace. As can be seen in the attached map No. 1, per capita income in 2014 reached about two thirds of the EU average level as compared to approximately half that level in 2005. It will probably take more than three decades to close only half of the remaining income gap.
- Investment was stronger than in many other European countries, often driven by public investment and the use of EU structural funds.
- Exports were strong growth drivers, more than in most of the other European countries.
- Particularly striking are exports of the car industry. The attached map No. 2 shows the manufacturing core in machinery and automotive industries in Europe stretching from Germany to Romania. About half of the exports of these two countries come from the automotive and machinery industry. Hungary, Slovakia and the Czech Republic register an even higher share.
- The region is losing population (see map No. 3 attached), a development that is positive for the labour market but might have a negative impact on long-term growth.

### Western Balkans

- The growth performance of Western Balkan countries is quite mixed, with some countries, such as Albania, Macedonia and Montenegro, doing quite well and others, such as Serbia, lagging.
- Per capita incomes are still quite low, about one third of the EU average; the catching-up process was much slower than in the NMS.
- Exports only account for a rather small part of GDP (30-40%) and the share of manufacturing is much lower than in the NMS.
- Unemployment, on the other hand, is extremely high, a persistent problem in the region (see map No. 4 attached).
- Any improvement in this situation will require massive investment in physical, human and institutional infrastructure.

### CIS

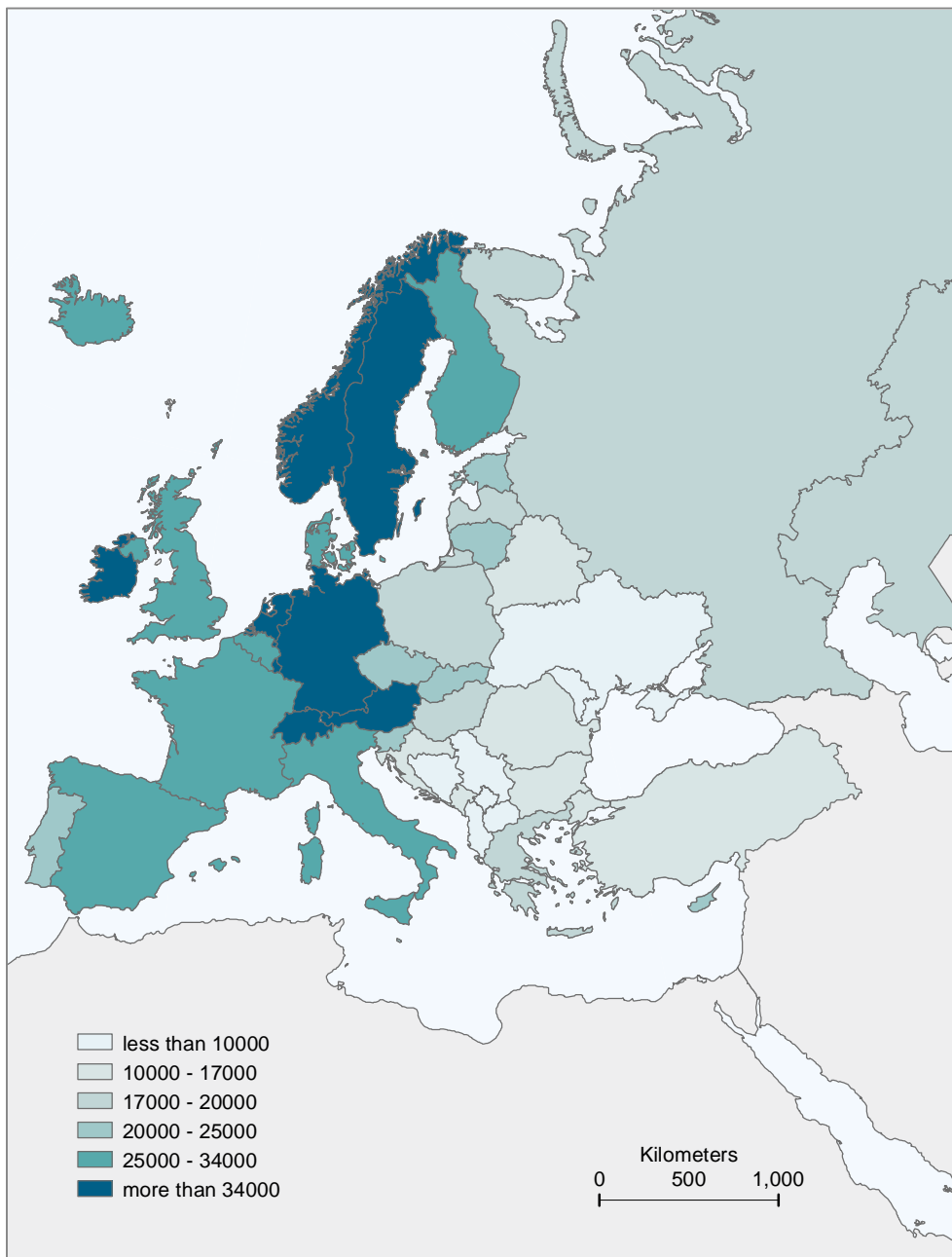
- The average growth performance of the CIS countries is still not so bad over a five-year horizon; but more recently there has been a substantial deterioration of economic performance – not just in Ukraine as a result of the conflict with Russia but especially due to falling commodity prices and unsuccessful internal restructuring.
- This comes after a decade of rapid economic growth (with Russia raising its GDP per capita from 30% of the EU average to 70% in 2014).
- Also investment was quite healthy; but exports were concentrated almost entirely in energy and raw materials.
- Should the low oil price continue, which seems likely in the near future, there is little prospect for an improvement of the economic situation.

These and many more indicators are available in the **2015 wiiw Handbook of Statistics for 21 CESEE economies\*** allowing comparisons across themes, countries and time. A set of **maps** makes these statistics more easily accessible, providing a guide through the increasing complexity of data and diverging trends. The Handbook should serve as a handy **reference tool**.

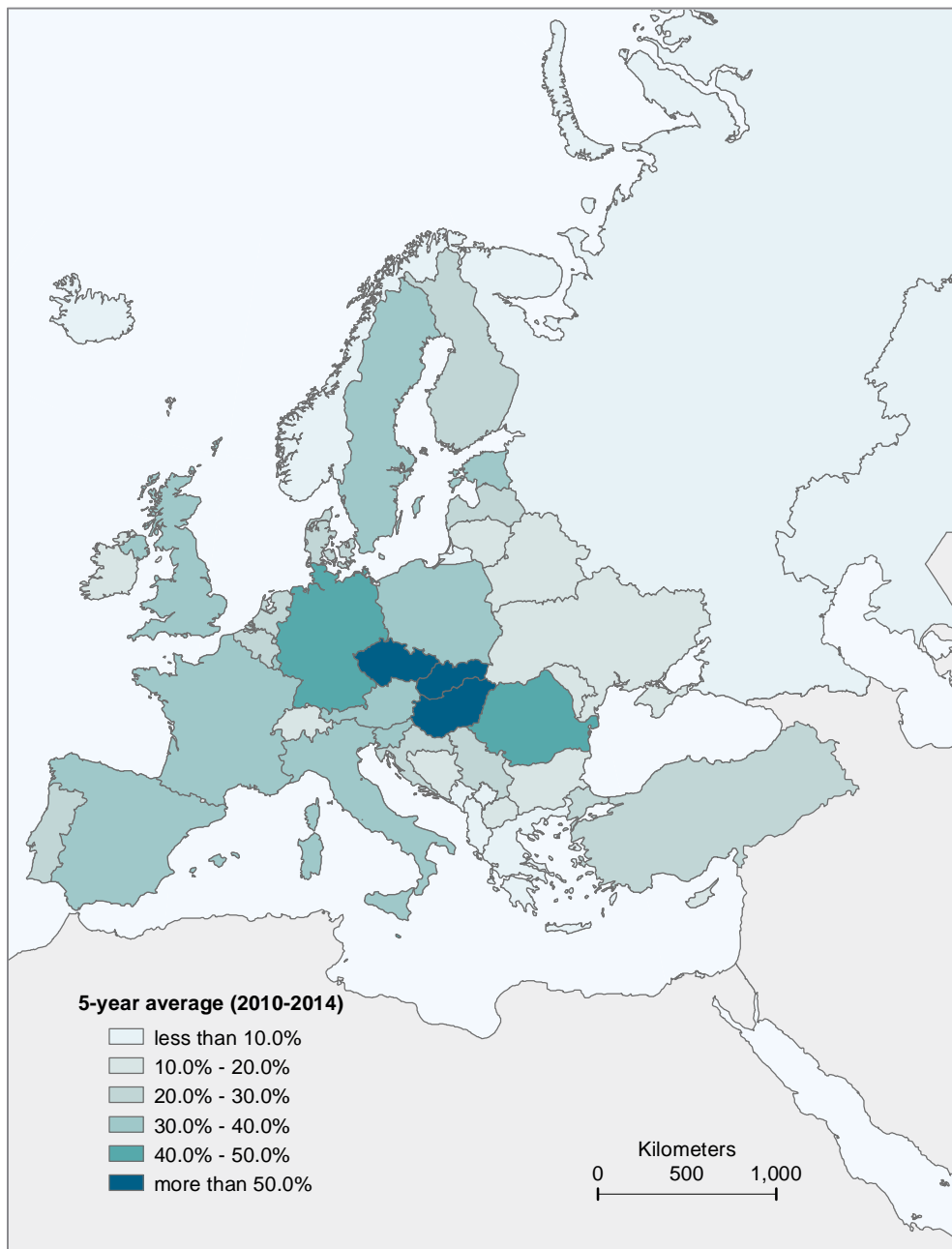
There are also some new features in 2015: Two new countries – Kosovo and Turkey – are included. Data for national accounts and balance of payments are presented on the basis of the new international methodology.

---

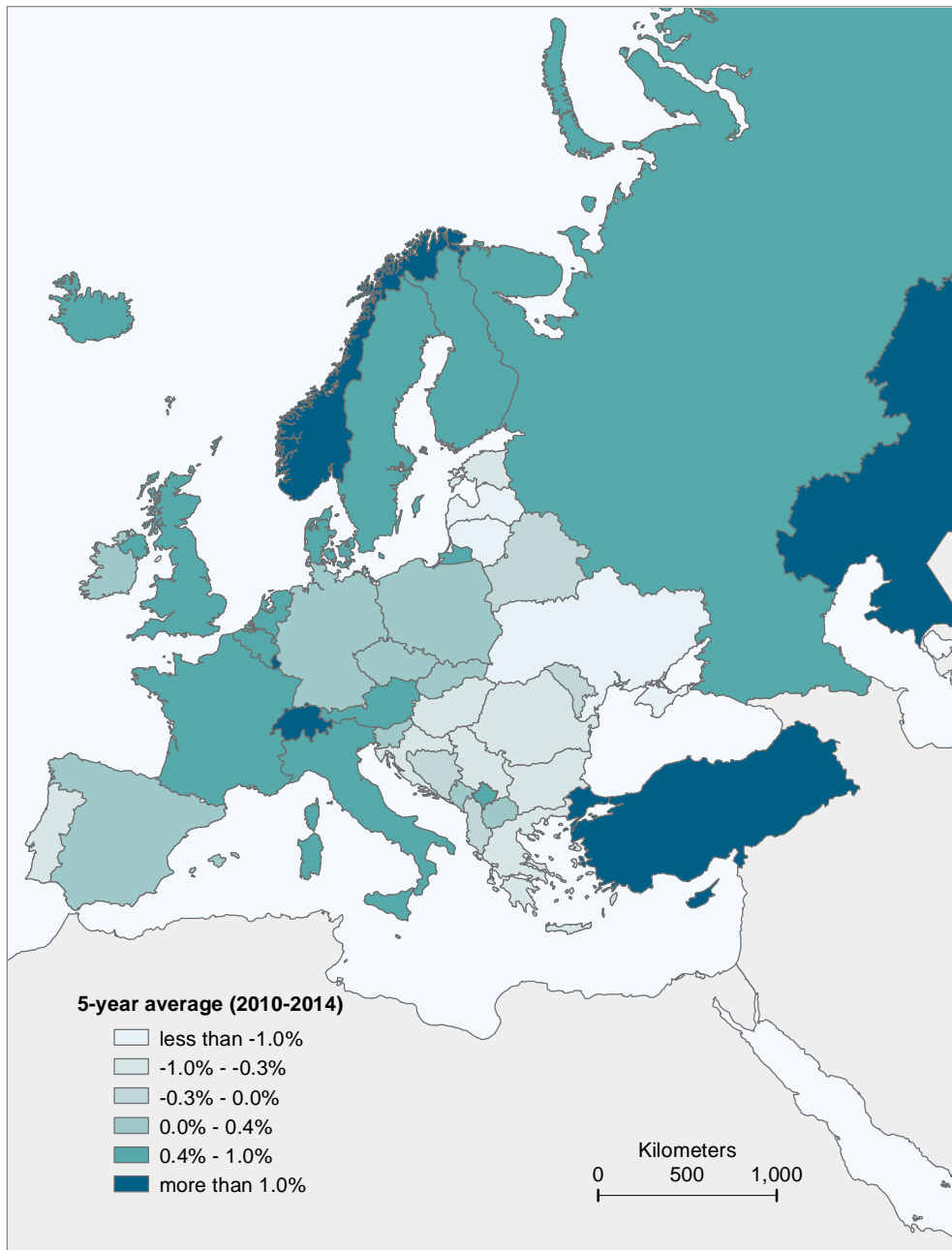
\* Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Czech Republic, Estonia, Hungary, Kazakhstan, Kosovo, Latvia, Lithuania, Macedonia, Montenegro, Poland, Romania, Russia, Serbia, Slovakia, Slovenia, Turkey, Ukraine.

**Map 1:** Gross domestic product per capita at PPPs, 2014

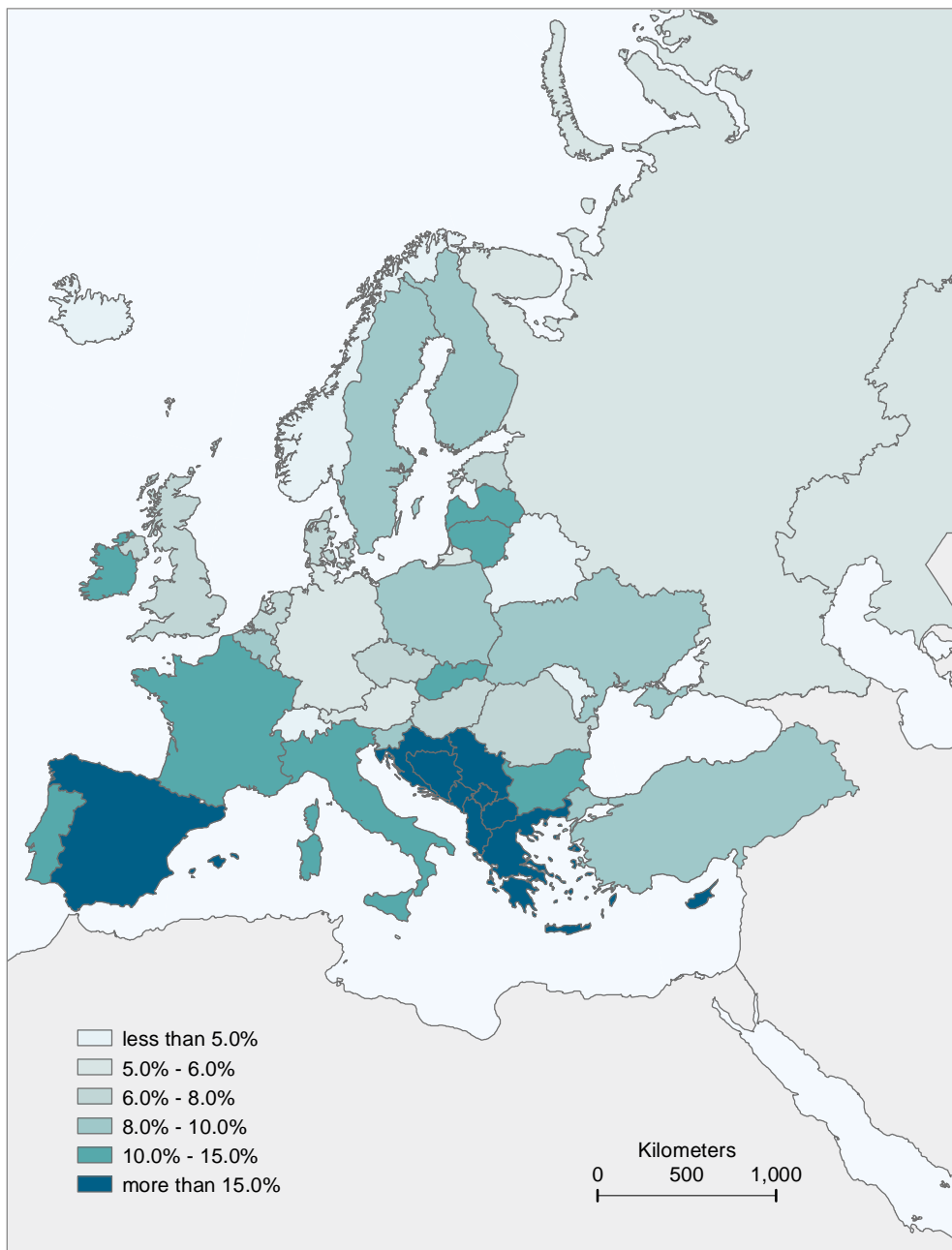
Source: wiiw Annual Database incorporating national and Eurostat statistics.

**Map 2: Export of machinery and transport equipment (SITC 7) in total exports, in %**

Source: wiiw Annual Database incorporating national and Eurostat statistics.

**Map 3: Population change, growth in %**

Source: wiiw Annual Database incorporating national and Eurostat statistics.

**Map 4: Unemployment rate in %, 2014**

Source: wiiw Annual Database incorporating national and Eurostat statistics.