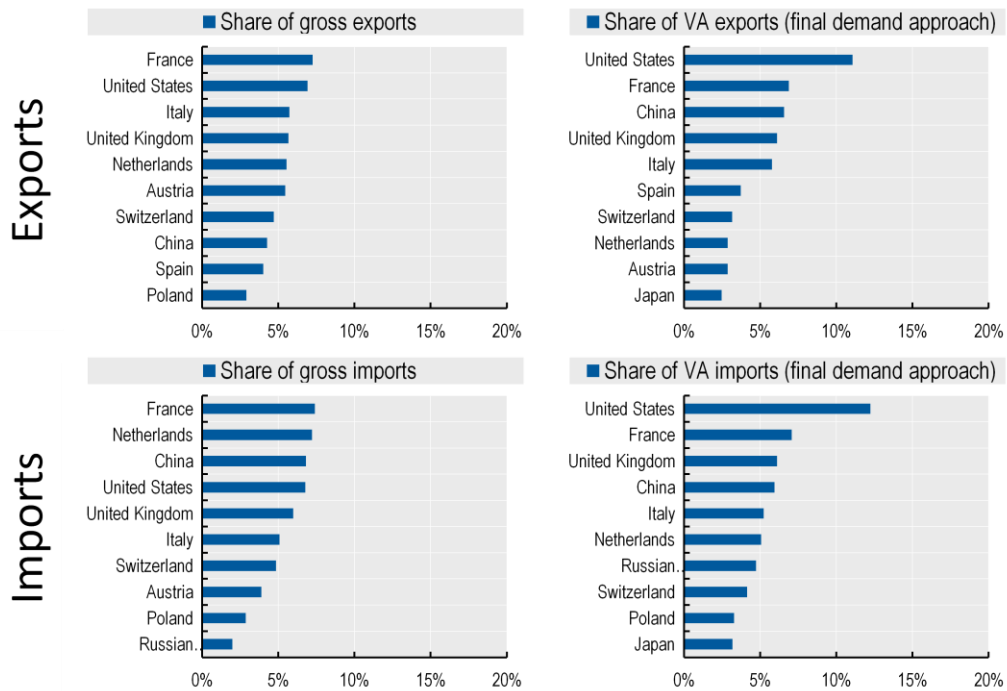


OECD/WTO TRADE IN VALUE-ADDED (TiVA) DATABASE: GERMANY

Germany: Main findings from the TiVA database

- Germany imports and exports relatively more from the US on a value added basis, compared to gross measures. The trade deficit observed in gross terms in 2009 becomes a trade surplus in value-added terms.
- Germany has a higher use of foreign inputs in manufacturing compared to other EU economies, highlighting its position at the end of value chains. High shares of chemicals and electronics imports are used in exports.
- While Germany tends to specialise in manufacturing industries, half of the value of its gross exports represents services value-added. Exports of manufacturing goods incorporate significant shares of services value-added.

Figure 1. Exports and imports in gross and value-added terms, by partner country (as a % of total), 2009



Germany's main trading partners tend to be the same in gross and value-added terms (Fig. 1). But there are significant differences in the relative size of trade flows across countries. Germany exports more to the US in value-added terms than in gross terms (11% vs 7%), and instead of a slight deficit it has a bilateral surplus with the US when calculating the trade balance on a value-added basis (-1.9 billion USD vs 12.3 billion USD) (Fig. 2). With France, Germany's second trade partner, there are less differences in gross and value-added flows, as the two countries exchange both inputs and final goods and services. But the Netherlands falls from second to sixth most important foreign supplier, resulting in a significant fall in Germany's trade deficit with the Netherlands (from -21.3 billion USD to -9 billion USD).

Figure 2. Bilateral trade balances, million USD, 2009

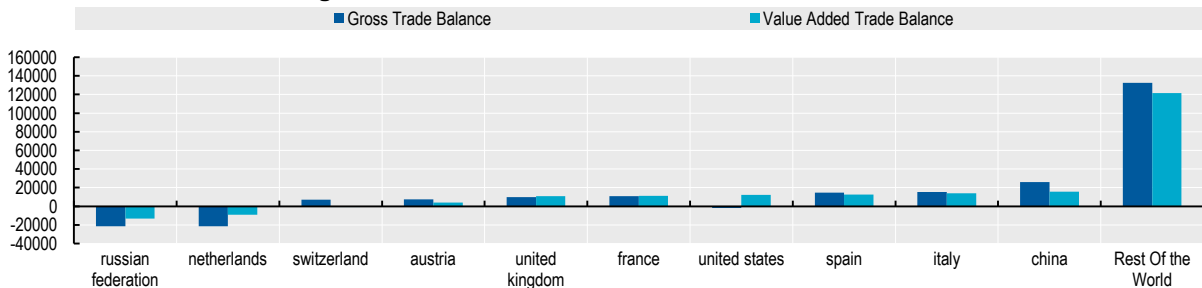
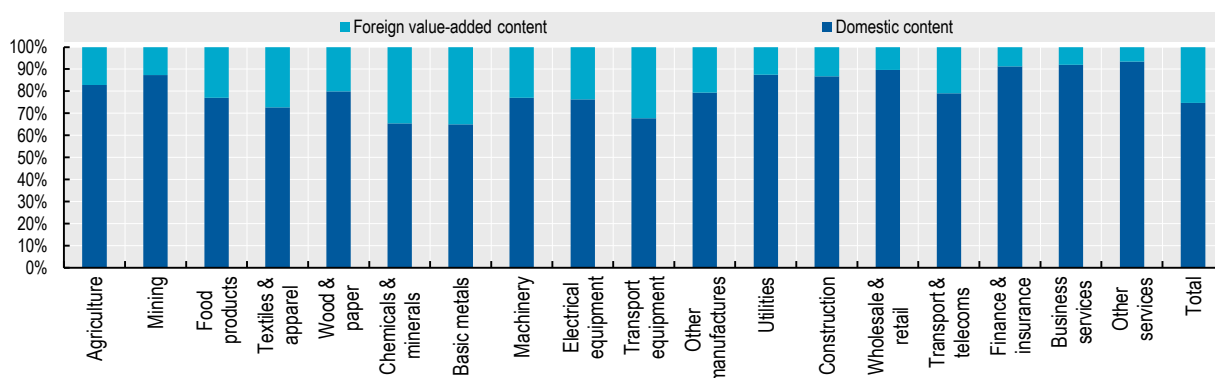
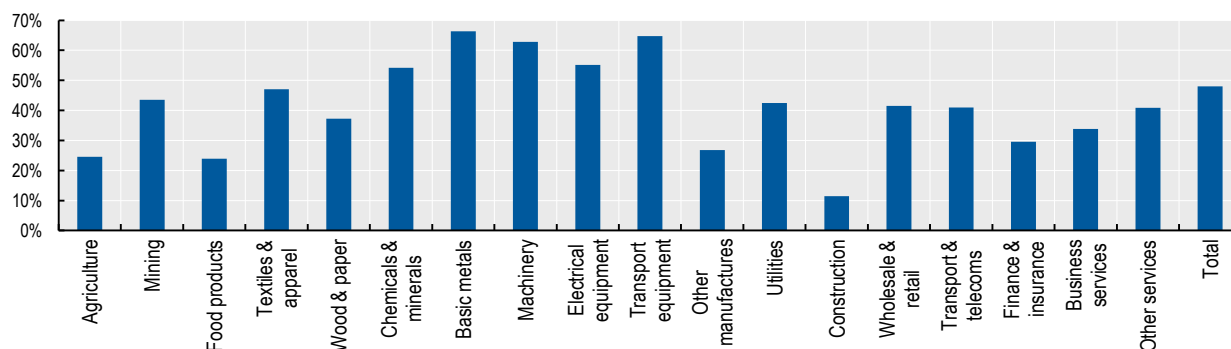


Figure 3. Value-added content of gross exports, by industry, 2009



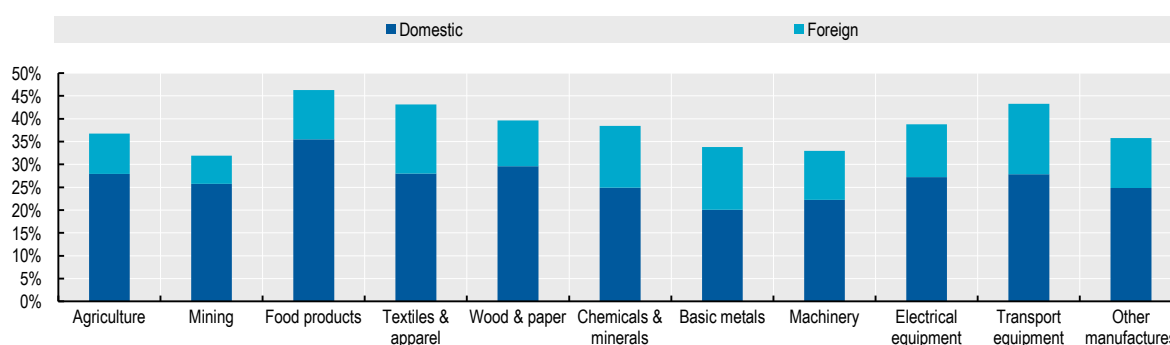
The foreign value-added content of German gross exports tends to be higher than in other large EU economies. Germany is generally at the end of the value chain and uses a significant share of foreign inputs in industries such as mineral products, metals and transport vehicles (Fig. 3). Similarly a very high share of imported intermediate inputs in these products is dedicated to the production of exports rather than of goods and services for the domestic market (Fig. 4). Germany also has very high shares of imported inputs of electronics and machinery parts that are used in producing exports (65% and 55%).

Figure 4. Share of imported intermediate inputs that are exported, by import category, 2009



While Germany is relatively specialised in manufacturing industries, it also exports services and about half of the value of its gross exports reflects services value-added (Fig. 5). Manufacturing industries export goods that embody a significant share of services, over 40% in the case of food, textile products and transport vehicles. As a consequence, the value of services exported in value-added terms is larger than in gross terms as services content represents 49% of total gross exports.

Figure 5. Services content of gross exports, by industry, 2009



The information included in this note is based on a preliminary version of the Trade in Value-Added database released on 16 January 2013. The data can be accessed on stats.oecd.org. For further information, please contact us (tiva.contact@oecd.org) or visit our website (www.oecd.org/trade/valueadded).