

B1. International trade in goods of Dutch enterprises

Introduction

The aim of chapter B1 is to describe the pattern of international trade in goods of enterprises in the Netherlands. This is a demonstration of recent developments in the international trade statistics and provides further insight into the population of Dutch traders. International trade flows of 2007, in terms of commodities and partner countries, are enriched with enterprise characteristics such as economic activity or size class. As of yet, the matching process and its results are in the pilot phase, which implies that the findings presented in this chapter are preliminary. These tables support chapter 1 'Measuring globalisation: factors influencing the commodities exports of SMEs and large enterprises' in part A of this publication.

The international trade in goods statistics describe the value and volume of goods crossing the Dutch border on a monthly basis. Approximately 10 thousand commodities and around 250 trading partners can be distinguished. To obtain these data, Statistics Netherlands conducts a monthly survey on intracommunity trade and obtains information on extra-EU trade flows mainly from customs¹⁾.

Approximately 76 percent of total Dutch exports and around 81 percent of Dutch imports in 2007 were assigned to enterprises in the General Business Register (GBR). This amounts to circa 263 and 249 billion euro respectively. However, attributing international trade flows to enterprises is not possible for all traders. Some traders are not registered in the GBR simply because they have no establishment in the Netherlands. These foreign enterprises are allowed to trade within or via the Netherlands since they are either registered for VAT or because their VAT- and/or customs duties are deferred to a fiscal representative. Other reasons why some traders cannot be matched to an enterprise in the GBR are e.g. trade reported via customs declaration checkpoints or enterprise birth/death during 2007. Approximately 60 percent of the 'unmatched' trade consists of re-exports, compared to 45 percent for total Dutch exports in 2007.

SME: small or medium-sized enterprise. An SME is an enterprise that employs less than 250 people. A small enterprise employs less than 50 people and a medium-sized enterprise employs between 50 and 249 people.

Re-exports: commodities, in temporary custody of a Dutch resident, which are transported through the Netherlands without any significant industrial processing. Re-exports are commodities that are cleared for customs by for instance Dutch distribution centers and distributed to other countries (mostly European Member States). Contrary to quasi-transit trade, re-exports are part of Dutch international trade (National concept).

(Dutch) enterprise: an enterprise is the actual transactor in the production process, characterised by independence in decisions about the process and by providing products to others. As a result of the definition and particular the required independency, one enterprise can comprise several local units or several legal units. Whether or not an enterprise is foreign or Dutch controlled, according to the principle of Ultimate Controlling Unit (UCI) is not investigated in this chapter. Here, the term 'Dutch enterprise' merely refers to the geographical location of the enterprise; in our case the Netherlands.

B1.1 The international trade in goods of enterprises

In terms of international trade in goods, 2007 was a good year for the Dutch economy. It was the fifth year in a row that the imports and exports increased compared to the previous year. In 2007, the Netherlands exported commodities at a value of 347.5 billion euros, which was 9 percent more than in 2006. The import of commodities increased by almost 8 percent compared to 2006. The resulting trade surplus of 40.2 billion euro was the largest surplus ever recorded in Dutch trading history. It had increased by almost 20 percent compared to 2006.

Economic transactions such as (international) trade, investments or job creation are often associated with large multinationals. Yet, large enterprises are far outnumbered by small and medium-sized enterprises (SMEs). In 2007, over 99 percent of the enterprise population was characterised as SMEs ²⁾.

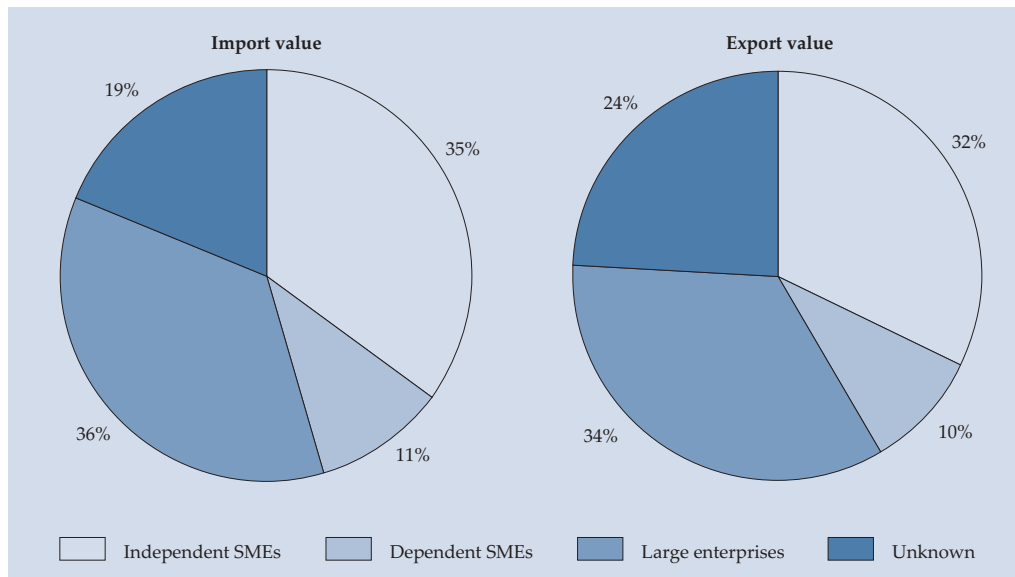
In terms of the Dutch enterprise population, roughly 13 percent of all Dutch enterprises had imported commodities in 2007 and approximately 8 percent had exported goods. Since SMEs make up for the majority of the Dutch enterprise population, the share of SMEs active in international trade in the total SME population is similar to the share in the total population.

In 2007, around 46 percent of the total Dutch import value and approximately 42 percent of the export value of goods was carried out by SMEs. In euros, this amounted to circa 140 billion euro of imports and 145 billion of exports. Large enterprises accounted for at least a third of the total import and export value, or 109 and 118 billion euro respectively.

In most cases, an SME is an independently operating enterprise, able to make its own decisions about production, financial matters and employment. However, in some cases an SME is part of an enterprise group that, as a whole, employs more than 249 people. SMEs with such a link to a large enterprise group are called 'dependent SMEs' in graph B1.1a. In terms of numbers, most SMEs were independent, but in terms of value approximately 10 percent of total trade in 2007 belonged to affiliated SMEs ³⁾.

The economic activities of such dependent SMEs seem to be somewhat different than those of independent SMEs. In 2007, dependent SMEs were relatively more active in the sale, maintenance and repair of motor vehicles and motorcycles; retail sale of automotive fuel and in the supporting and auxiliary transport activities; activities of travel agencies (NACE 50 and 63). They are less frequently found in the wholesale industry than independent SMEs (see table B1.6 for more information on trade by industry). The re-exporting activities of dependent SMEs are, however, not different from those of independent SMEs.

B1.1 International trade in goods by enterprise type, 2007



**Table B1.1
International trade in goods by enterprise type, 2007**

	Import value		Export value	
	<i>billion euro</i>	%	<i>billion euro</i>	%
Total	307.3	100	347.5	100
SMEs	140.1	46	145.0	42
independent SMEs	107.7	35	111.8	32
dependent SMEs	32.5	11	33.2	10
Large enterprises	109.1	36	118.2	34
Unknown	58.0	19	84.3	24

B1.2 The trading partners of enterprises: imports

The total Dutch import of commodities can be divided into goods coming from EU-partner countries and commodities imported from other countries in the world. The import of commodities by large enterprises amounted to 109 billion euro in 2007 while SMEs imported commodities at a value of 140 billion (see also table B1.1). The remaining import value could not be assigned to an enterprise (see precursor).

Graph B1.2 shows that, in 2007, the Netherlands obtained 56 percent of the total import value of commodities from EU-26 countries. Large Dutch enterprises imported approximately 50 percent of their materials and intermediate products from EU-countries, while for SMEs the intra-EU imports comprised almost two-thirds of their total import value. Small enterprises imported approximately the same share of their imports from EU-countries as medium-sized enterprises.

The finding that SMEs import significantly more from EU-countries than from non-EU-countries compared to large enterprises, is in line with economic theory and empirical evidence, stating that geographical distance reduces trade flows. The transaction and transport costs involved with exporting are larger the more remote the foreign market and such costs are easier to incur by large enterprises than by small businesses.

A further distinction in the trade pattern of SMEs and large enterprises can be made by disaggregating their imports into continents and regions. Table B1.2 shows the country of consignment, which is often also the country of origin, of Dutch imports. For both SMEs and large enterprises the share of imports coming from Western Europe was the largest, respectively 51 and 54 percent⁴⁾. The fact that the SME share of trade with Western Europe was lower than the total share of 56 percent is because approximately 9 percent of SME imports cannot be assigned to a specific EU-country.

In terms of imports, Germany and Belgium were the most important trading partners of the Netherlands, closely followed by China and the United States. Asian countries were the second most important import partners of Dutch enterprises, followed by North America.

Remarkable is the relatively high share of SME imports from Asia. Approximately one fifth of their total imports came from Asian countries, in which China plays an increasingly important role (see also chapter B2). Large companies also imported a significant share of commodities from Asia as well as from North America. Middle-eastern countries are above all a source of valuable fossil fuels, imported by large Dutch enterprises or Dutch affiliates of foreign multinationals. SMEs imported relatively little from middle-eastern countries.

B1.2 Intra versus extra-EU imports of enterprises, 2007

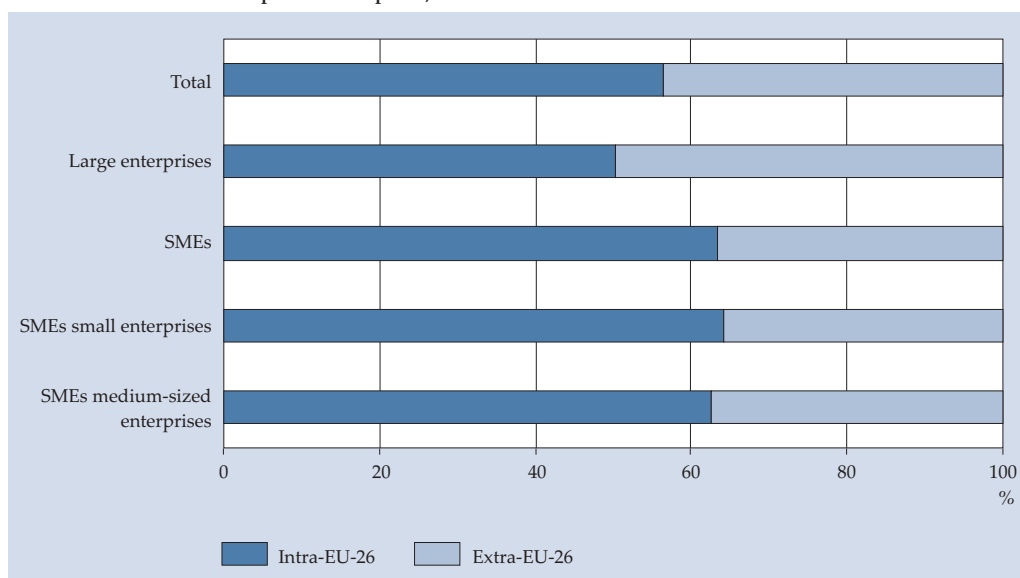


Table B1.2
Imports by continent of origin/consignment; large enterprises versus SMEs, 2007

	Total		Large enterprises		SMEs	
	million euro	%	million euro	%	million euro	%
Total	307,274	100	109,127	100	140,132	100
Europe	194,546	63	66,931	61	94,323	67
Western Europe	172,215	56	55,508	51	75,064	54
Eastern Europe	22,143	7	10,793	10	6,685	5
Unknown Europe	188	0	630	1	12,574	9
North America	25,762	8	12,060	11	9,216	7
Central and South America	11,244	4	4,213	4	4,776	3
Asia	56,729	18	14,929	14	26,012	19
Middle Eastern countries	8,853	3	6,238	6	1,581	1
North Africa	3,882	1	2,443	2	1,298	1
West Africa	1,725	1	856	1	516	0
Central, East and South Africa	3,480	1	1,091	1	1,942	1
Oceania	968	0	357	0	417	0
Unknown	86	0	8	0	49	0

B1.3 The trading partners of enterprises: exports

The exports of enterprises can be divided into exports (including re-exports) going to an EU-country and exports to the rest of the world. Graph B1.3 shows that 25 percent of Dutch exports were destined for countries outside the European Union in 2007. In other words, 75 percent of the value of Dutch exports (including re-exports) was destined for the internal market.

Roughly the same export pattern was found for both large and medium-sized enterprises. Yet, small enterprises were relatively more focused on exporting to EU-countries. Circa 84 percent of their exports went to an EU-partner country, of which Germany and Belgium were the most important. The share of intra-EU exports of medium-sized companies was approximately ten percentage points less. For SMEs as a group, this culminated in a 78 percent share of intra-EU exports in total exports, due to the large number of small enterprises involved.

As was also concluded in terms of imports in B1.2, the presence of transaction and transport costs, causes enterprises to export relatively more commodities to neighbouring, EU-countries rather than to countries located further away. Small enterprises are more likely to do so than large enterprises, since large enterprises are more capable of overcoming these costs. Moreover, the nature of business may also differ between large enterprises and SMEs. Large enterprises are often part of an international network of enterprises, engaged in optimising their production process, which also leads to cross-border (intra-company) commodity flows involving many countries and products. Although the incentive to export is different for each individual firm, smaller firms are more likely to export to countries close to home while large enterprises are also capable of servicing remote markets.

In table B1.3 the destination of Dutch exports is presented in more detail. As was the case with imports, Western Europe dominates the export pattern of Dutch enterprises in 2007 (see also footnote 5). The bulk of Dutch trade still takes place with familiar and/or neighbouring countries even though the EU has expanded to include Eastern European countries. For both SMEs and large enterprises, the share of trade with Western Europe was by far the largest.

As a destination of Dutch exports, Eastern European countries came in second, closely followed by North America and Asia. SMEs exported relatively more commodities to Eastern Europe, while the exports of large enterprises were more focused on Asia and America. African countries and Oceania played only a minor role in Dutch exports.

B1.3 Intra versus extra-EU exports of enterprises, 2007

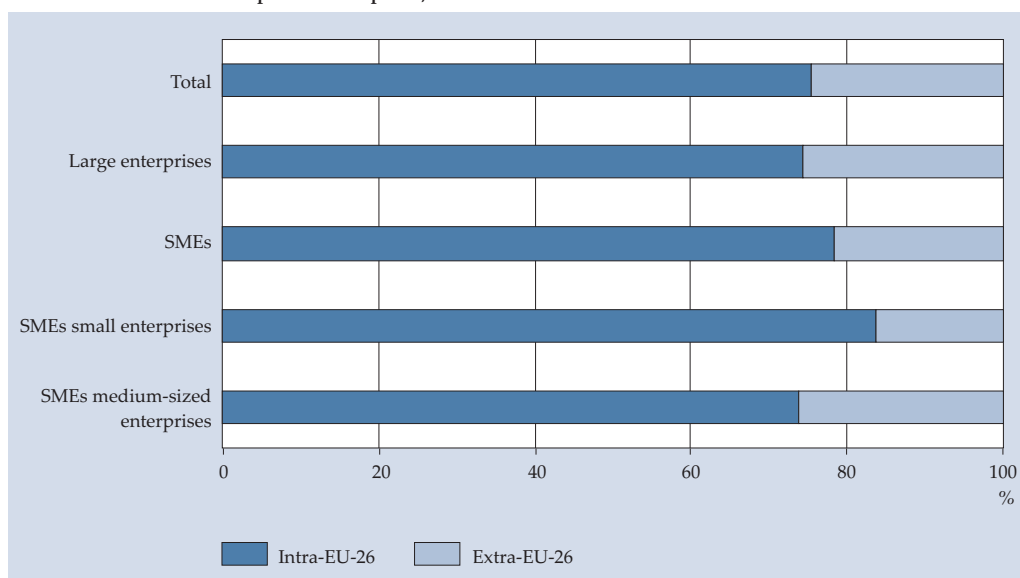


Table B1.3
Exports by continent of destination; large enterprises versus SMEs, 2007

	Total		Large enterprises		SMEs	
	million euro	%	million euro	%	million euro	%
Total	347,501	100	118,163	100	144,997	100
Europe	284,213	82	94,689	80	121,354	84
Western Europe	257,039	74	86,613	73	99,526	69
Eastern Europe	26,943	8	7,477	6	10,135	7
Unknown Europe	231	0	599	1	11,693	8
North America	18,668	5	6,739	6	7,641	5
Central and South America	5,845	2	1,577	1	2,618	2
Asia	18,486	5	8,382	7	5,809	4
Middle Eastern countries	7,625	2	2,551	2	2,552	2
North Africa	2,597	1	871	1	1,085	1
West Africa	3,339	1	737	1	1,624	1
Central, East and South Africa	2,734	1	931	1	964	1
Oceania	1,413	0	549	0	557	0
Unknown	2,582	1	1,137	1	793	1

B1.4 The country extensive margin of imports

Graph B1.4 shows per enterprise type the number of partner countries that were involved in the importing process in 2007. This is also called the 'country extensive margin' and it measures with how many countries an enterprise trades (Castellani, Serti and Tomasi, 2008).

For importing enterprises, a negative relationship was found between the number of partner countries and the number of importing enterprises. Such a negative association was also found for Belgium as well as for Italy, Sweden and the US (Castellani, Serti and Tomasi, 2008; Bernard, Jensen, Redding and Schott, 2007).

In 2007, approximately 40 percent of all SMEs that imported commodities obtained the goods from one single partner country. Nearly 30 percent of the SMEs had two or three partner countries and almost 80 percent of all SMEs imported goods from five countries or less.

Making a comparison between large and small enterprises provides an indication of the concentration of imports, testing the intuitive notion that larger enterprises trade with a greater variety of countries than smaller enterprises. This could indicate that there are also fixed costs involved in the import process (as is in the case of exporting: Melitz (2003), Rojas-Romagosa (2009)) and for each new partner country. Examples of fixed costs for importers might be the cost of setting up distribution channels or the costs related to obtaining the necessary information on the trading partner involved, product specifications or the financial side of the transaction. Such costs are easier to incur by large enterprises, which is reflected by their larger number of import partners.

For small enterprises the country extensive margin of imports was approximately the same as for SMEs in general. Yet, medium-sized enterprises had more import-connections than small businesses. About 30 percent of medium-sized enterprises imported commodities from 11 to 25 countries. Medium-sized enterprises imported on average from 9.6 countries.

The import pattern of large enterprises resembled that of medium-sized enterprise, but was more skewed towards a large number of import partners. On average, large enterprises imported from 12.7 countries. Yet 2 percent of them imported from more than 50 countries.

Country extensive margin: The number of geographical markets an enterprise trades in, i.e. the number of partner countries that are involved in the trading process.

B1.4 Concentration of imports by enterprise type, 2007

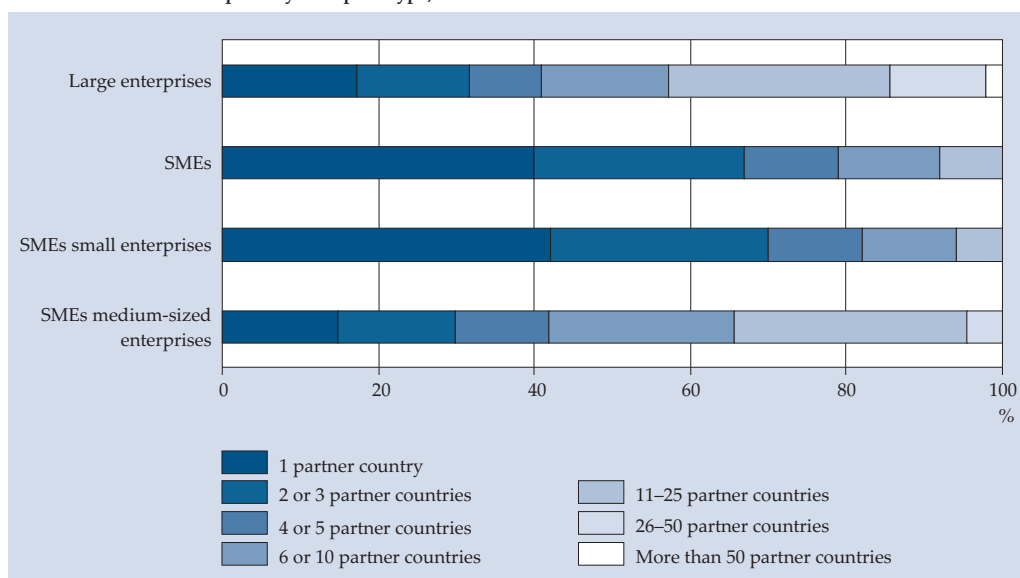


Table B1.4
Concentration of imports by enterprise type, 2007

	Large enterprises	SMEs		
		total	small enterprises	medium-sized enterprises
	%			
1 partner country	17	40	42	15
2 or 3 partner countries	14	27	28	15
4 or 5 partner countries	9	12	12	12
6-10 partner countries	16	13	12	24
11-25 partner countries	28	8	6	30
26-50 partner countries	12	1	0	5
More than 50 partner countries	2	0	0	0
Average number of partner countries	12.7	4.1	3.5	9.6

B1.5 The country extensive margin of exports

Graph B1.5 shows per enterprise type the relative distribution of partner countries to which commodities were exported in 2007. This is also called the 'country extensive margin' and in this case it measures to how many countries an enterprise exports commodities.

Circa 74 percent of exporting SMEs shipped their goods to 10 countries or less in 2007, compared to 48 percent of large and medium-sized enterprises. The average number of countries to which large enterprises exported commodities is three times as large as for small enterprises. Approximately 17 percent of large exporters trade with more than 50 partner countries.

Small enterprises are more likely to focus on the domestic market, and once they internationalise, they stay closer to home. Large enterprises are capable of overcoming the variable cost involved with exporting (such as transport costs, insurance, tariffs etc.) as well as the fixed costs (such as local regulations, customs and preferences). Fixed costs differ per market and there is evidence that they re-occur for each new market entry (Kox and Lejour, 2005), which implies that expanding international activities is relatively more costly for SMEs.

The fact that Dutch enterprises export to relatively many countries is on the one hand due to the small Dutch domestic market, causing domestic enterprises to export in order to increase their returns to scale. On the other hand, the Netherlands is an important gateway to the European Union, which implies that a significant share of the EU-imports enter the union via the Netherlands. Re-exporting commodities to the rest of Europe is an important reason why in 2007, 75 percent of Dutch exports went to other EU-countries, as shown in graph B1.3.

Our findings are in line with other researchers (Castellani, Serti and Tomasi, 2008; Muûls and Pisu, 2007) who also found a negative correlation between the number of destinations serviced by an enterprise and the number of firms that exported to those destinations. In addition, enterprises that (also) exported in 2007 had a larger portfolio of trading partners than importers, which provides support for the notion that exporting is a more specialised activity than importing. Physical distribution of commodities, assembly of parts or transport of products abroad is a specific activity and is not always easy or efficient to combine with production or manufacturing. As such, exporting could be left to 'experts' that operate for many clients. Enterprises that export are more likely to be specialised in this activity, while importing can be done by 'any' enterprise that wants or needs to import irrespective of size or economic activity.

Country extensive margin: The number of geographical markets an enterprise trades in, i.e. the number of partner countries that are involved in the trading process.

B1.5 Concentration of exports by enterprise type, 2007

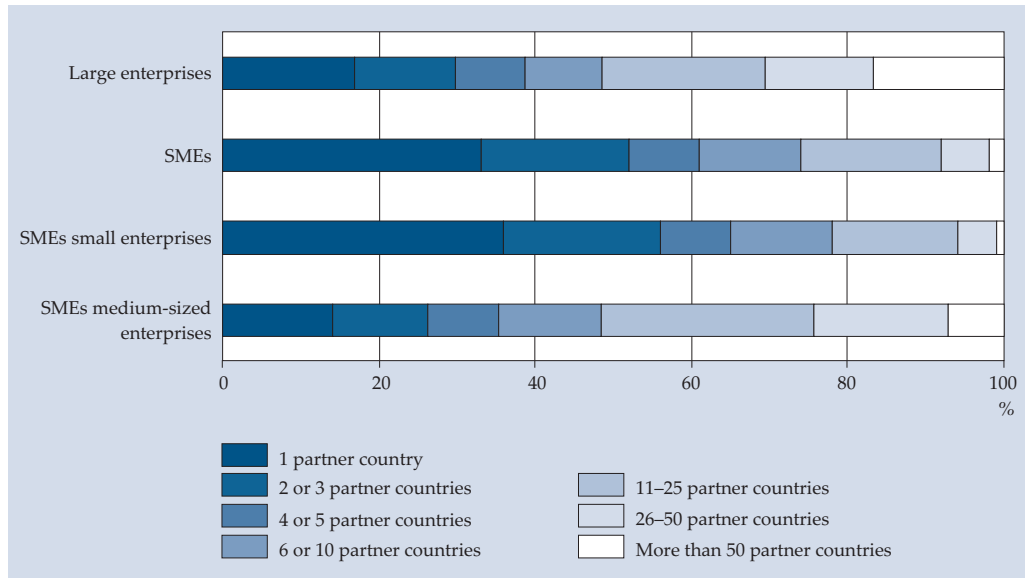


Table B1.5
Concentration of exports by enterprise type, 2007

	Large enterprises	SMEs		
		total	small enterprises	medium-sized enterprises
	%			
1 partner country	17	33	36	14
2 or 3 partner countries	13	19	20	12
4 or 5 partner countries	9	9	9	9
6-10 partner countries	10	13	13	13
11-25 partner countries	21	18	16	27
26-50 partner countries	14	6	5	17
More than 50 partner countries	17	2	1	7
Average number of partner countries	23.8	8.4	7.0	17.7

B1.6 International trade in goods per industry

Table B1.6 shows the Dutch import and export values in 2007, broken down per economic activity (ISIC rev. 3.1). Subsequently a division is made between large enterprises and SMEs. Those trade flows that could not be assigned to an enterprise are depicted in the column 'Unknown'.

In 2007 the largest share of trade was carried out by enterprises in the wholesale, retail, repair, hotels and restaurants sector, of which wholesalers form the majority. This industry imported 48 percent of all commodities and accounted for almost 44 percent of the total export value.

Also a large share of trade took place in the manufacturing industry. Within this industry, the largest share of trade was carried out by enterprises that produce cokes, refined petroleum products, chemicals and chemical products.

SMEs are relatively well represented in the wholesale industry. Wholesale trade mainly consists of commodities not produced by the wholesale industry. The fact that a large share of Dutch international trade was carried out by wholesalers can for a significant part be explained by the large share of re-exports in Dutch trade. Wholesalers are well equipped to facilitate such trade flows.

Another reason that a large share of trade is carried out by the wholesale sector is that some entrepreneurs prefer to trade via an intermediary rather than export themselves. Such export flows are called indirect exports. Whether or not an entrepreneur decides to trade via a wholesaler depends on for instance his/her knowledge of the foreign market, international experience and network, growth strategies, availability of financial means etc. (EIM, 2008; Onkelinx and Sleuwaegen, 2008). Both options have advantages and drawbacks, but generally speaking smaller enterprises are more likely to trade via an intermediary than large enterprises.

International trade flows are assigned to an industry according to the economic activity of the declaring enterprise, i.e. the enterprise that transports, delivers or owns the goods when they cross the border. Often this is the enterprise that actually produces the goods, but this is not always the case. Since some enterprises prefer to export indirectly, i.e. via an intermediary, trade is sometimes attributed to an enterprise (and an industry) unrelated to the production process. Another reason is that trade declarations to customs or Statistics Netherlands can be carried out by a third party, i.e. an expediter or a fiscal representative. This is inherent to the compilation of external trade statistics.

Table B1.6
Import and export of goods by economic activity; large enterprises versus SMEs, 2007

	Import value				Export value			
	total	large enterprises	SMEs	unknown	total	large enterprises	SMEs	unknown
	million euro	%			million euro	%		
<i>ISIC rev. 3.1</i>								
Total	307,266	36	46	19	347,475	34	42	24
Agriculture, hunting, forestry, fishing, mining and quarrying	2,971	4	37	59	5,271	7	54	39
Manufacturing	93,364	49	29	22	135,181	47	31	22
food products, beverages and tobacco products	12,867	54	37	9	24,780	51	33	16
textiles, wearing apparel, tanning and dressing of leather	1,702	13	70	16	2,305	17	72	11
paper, paper products; publishing, printing and reproduction of recorded media	3,457	37	41	22	4,821	42	37	21
coke, refined petroleum products, nuclear fuel, chemicals and chemical products	34,467	65	14	21	37,850	55	20	25
rubber and plastics products	2,431	20	66	13	4,243	22	67	11
basic metals and fabricated metal products	9,237	36	41	24	15,863	42	38	20
machinery and equipment	8,033	40	39	20	17,126	41	40	19
office, accounting and computing machinery, electrical machinery, radio television and communication equipment, medical precision and optical instruments, watches and clocks	10,232	31	27	42	13,407	42	19	39
motor vehicles, trailers and other transport equipment	7,200	53	21	26	11,241	59	18	23
wood and wood products, other non-metallic mineral products, furniture, manufacturing n.e.c. and recycling	3,738	22	51	28	3,547	28	57	15
Electricity, gas, water supply and construction	x	x	x	x	x	x	x	x
Wholesale and retail trade, repair, hotels and restaurants	149,206	23	59	18	153,551	20	52	29
Transport, storage and communications	33,023	59	41	1	19,746	38	61	1
Financial intermediation	1,863	4	90	6	x	x	x	x
Real estate, renting and business activities	16,614	21	35	44	18,136	28	32	40
Public administration, education, healthcare, social work and other services	x	x	x	x	x	x	x	x

B1.7 The goods imported by Dutch enterprises

In 2007, the total value of imported commodities amounted to 307 billion euro. Compared to 2006, the import value increased by 8 percent (see also table B1.1). In particular, the import of machinery and transport equipment, chemicals and manufactured goods grew rapidly compared to the previous year. Around 103 billion euro of such products were imported into the Netherlands, although a significant share was not destined for the Dutch consumer⁵⁾. Other important commodity groups were mineral fuels, chemical products and manufactured goods such as products made of metal, rubber, paper or yarn.

Large enterprises were big importers of mineral fuels and machinery and transport equipment in 2007. Mineral fuels are often traded by large (multinational) enterprises that are part of a capital-intensive and heavily industrialised sector.

Both SMEs and large enterprises are well represented in the import of machinery and transport equipment. These commodities are re-exported quite frequently which is why the Dutch industry that manufactures motor vehicles and transport equipment is not of the same proportion.

The SME import share of food and live animals outweighed that of large enterprises in 2007, both in absolute figures as well as in relative terms. As table B1.8 shows, the same is found in terms of exports. In other words, a significant part of the internationally active agricultural and (wholesalers in) food companies were SMEs. EIM (2008) also concluded that SMEs represented the bulk of the exports of the agriculture, fishing and the wholesale of food products industry.

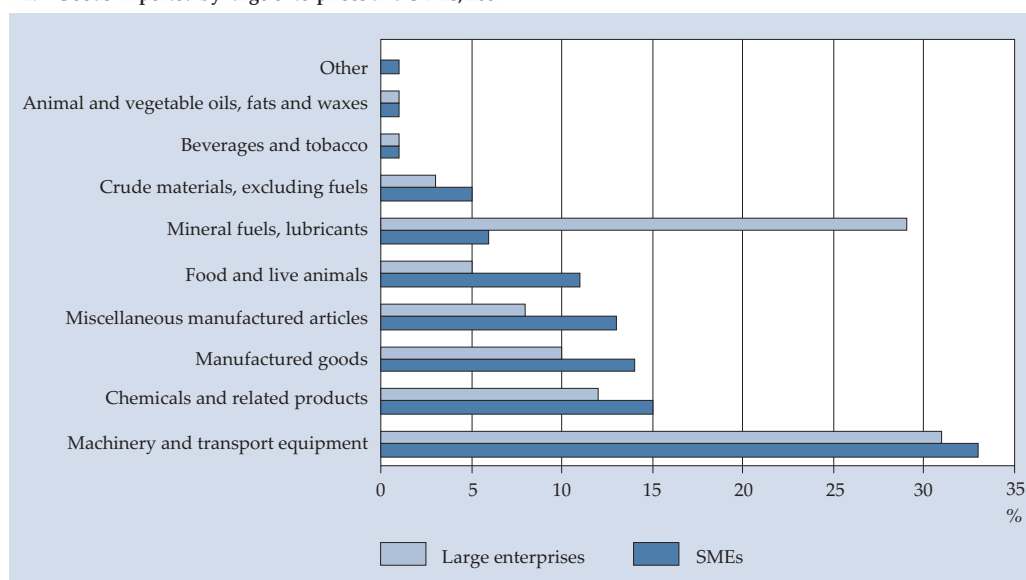
The motive of an enterprise to import goods has an impact on which type of commodity is imported. The most extreme example is in the case of re-exporting, where the commodities traded can be completely unrelated to the distributor. When a manufacturing enterprise decides to use imported semi-manufactures in its production process rather than produce them domestically, these imports are most likely closely associated to the manufacturing industry.

Table B1.7 shows the basket of commodities imported by Dutch enterprises in 2007. This is a different representation compared to table B1.6, which focused on the industry in which the trading enterprise is active. In most cases the type of products imported by a company is related to the industry the company belongs to. For instance, chemical products are most likely imported by a company active in the chemical industry. However this is not always the case; sometimes the imported materials and commodities are unrelated to the own industry (inter-industry imports).

Table B1.7
Imports by SITC; large enterprises versus SMEs, 2007

	Total		Large enterprises		SMEs	
	million euro	%	million euro	%	million euro	%
Total	307,274	100	109,127	100	140,132	100
Food and live animals	23,678	8	5,341	5	15,031	11
Beverages and tobacco	2,839	1	1,163	1	1,284	1
Crude materials, excluding fuels	12,731	4	3,447	3	7,372	5
Mineral fuels, lubricants	49,512	16	31,862	29	8,958	6
Animal and vegetable oils, fats and waxes	2,316	1	628	1	1,697	1
Chemicals and related products	41,092	13	13,101	12	21,273	15
Manufactured goods	38,729	13	10,836	10	19,014	14
Machinery and transport equipment	102,931	33	34,022	31	46,280	33
Miscellaneous manufactured articles	32,969	11	8,711	8	18,404	13
Other	477	0	17	0	819	1

B1.7 Goods imported by large enterprises and SMEs, 2007



B1.8 The goods exported by Dutch enterprises

In 2007, the total value of goods exported by the Netherlands was almost 348 billion euro (see also table B1.1). The export of machinery and transport equipment comprised a third of the total export value of commodities and represented a value of 113 billion euro. As shown by table B1.8a, chemicals and related products are important export products, as well as (products made from) mineral fuels, food and live animals and manufactured goods.

Yet, a significant share of these products were not produced in the Netherlands, but re-exported, as is shown in table B1.8b. In total, circa 45 percent of Dutch exports consisted of such re-exports in 2007.

In 2007, of total re-exports, approximately 40 billion euro was carried out by large enterprises and 58 billion euro by SMEs. As such, SMEs as a group seem to be significantly more active in re-exporting than large enterprises. Obviously this does not apply for each individual SME, since there are far more SMEs than large enterprises.

In chemicals and manufactured goods, SMEs had a higher re-export share in total exports than large enterprises. In contrast, the share of re-exports in exports of mineral fuels was higher for large enterprises. These products are usually traded by large (multinational) enterprises that are part of a heavily industrialised sector. As such, SMEs are relatively absent in the mineral fuel trade. A significant share of mineral fuels was subsequently re-exported, which was also mostly done by large enterprises.

SMEs were relatively active in the export of crude materials in 2007. This pattern was also observed for the imports of these materials and almost half of these exports consisted of re-exports. Due to the nature of the product, crude materials often enter the Netherlands via maritime transport. Subsequently they are transported through the Netherlands via inland shipping, which is often done by relatively small businesses.

Table B1.8a
Exports by SITC; large enterprises versus SMEs, 2007

	Total	Large enterprises	SMEs
<i>million euro</i>			
Total	347,501	118,163	144,997
Food and live animals	38,093	10,683	22,853
Beverages and tobacco	6,376	1,040	1,711
Crude materials, excluding fuels	18,669	1,683	12,998
Mineral fuels, lubricants	42,214	22,814	10,062
Animal and vegetable oils, fats and waxes	2,664	878	1,561
Chemicals and related products	59,466	22,816	25,890
Manufactured goods	36,180	12,483	15,095
Machinery and transport equipment	113,396	38,125	38,287
Miscellaneous manufactured articles	28,996	7,565	15,435
Other	1,448	75	1,106

Table B1.8b
Re-exports by SITC; large enterprises versus SMEs, 2007

	Total	Large enterprises	SMEs
<i>million euro</i>			
Total	155,273	40,203	58,172
Food and live animals	9,199	1,211	5,704
Beverages and tobacco	641	222	230
Crude materials, excluding fuels	6,669	902	3,673
Mineral fuels, lubricants	12,273	5,729	1,887
Animal and vegetable oils, fats and waxes	743	305	371
Chemicals and related products	20,576	3,294	11,397
Manufactured goods	13,617	2,501	5,206
Machinery and transport equipment	72,994	21,065	20,816
Miscellaneous manufactured articles	18,416	4,969	8,793
Other	144	5	94

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Notes in the text

- 1) In 2007, traders with intracommunity trade were obliged to report for Intrastat when their yearly import and/or export flow exceeded 400 thousand euro. Intracommunity trade below the threshold (which amounts to 3 percent of total trade, as is required by European legislation) is estimated based on information of the tax authority. More information on the survey methodology as well as the most recent trade figures can be found on www.cbs.nl/en-GB/menu/themas/internationale-handel/nieuws/default.htm
- 2) Source: CBS StatLine. Table: Bedrijven; grootte, rechtsvorm en economische activiteit; 2007–2008.
- 3) Approximately 3–5 percent of all SMEs can be characterised as dependent or affiliated to a large enterprise group. In terms of trade value, they represent approximately 20 percent of the imports and exports of all SMEs.
- 4) Western Europe is not synonymous for the EU-27 nor is it strictly confined to neighbouring countries. It is a country classification constructed by Statistics Netherlands.
<http://statline.cbs.nl/StatWeb/selection/?DM=SLNL&PA=37830&VW=T>
- 5) At the moment it is only possible to specify the exact share of export destined for re-export, but this is not yet possible for the import flow. Research of CPB (2001) has shown that the total value added of re-exports for the Netherlands is approximately 10 percent. As such, decreasing the value of re-exported commodities by 10 percent, yields an approximate value of the re-exports at the time of import.