

The import of paints and lacquers on the territory of the Republic of Moldova by the EU and CIS countries

Olesea CERNAVCA, PhD
ASEM

Email: cernavca_olesea@mail.ru

Abstract: The world market of lacquers and paints manufacturers has hundreds of well-known brands. The import of paints and lacquers on the territory of the Republic of Moldova is inevitable. The European Union and CIS countries offer a wide variety of film-forming products, thus, this research follows the import trends of these two markets during years 2001-2016. A import leader of EU during all these years is Romania. Comparing the EU imports and CIS countries should be mentioned that the EU countries had imported a bigger amount of lacquers and paints in the period 2001-2016.

Study goal: Comparing the import of lacquers and paints from Republic of Moldova by the EU and CIS countries.

Keywords: paints, lacquers, imports, EU, CIS, commodity nomenclature, leader.

JEL Classification : F14, O24

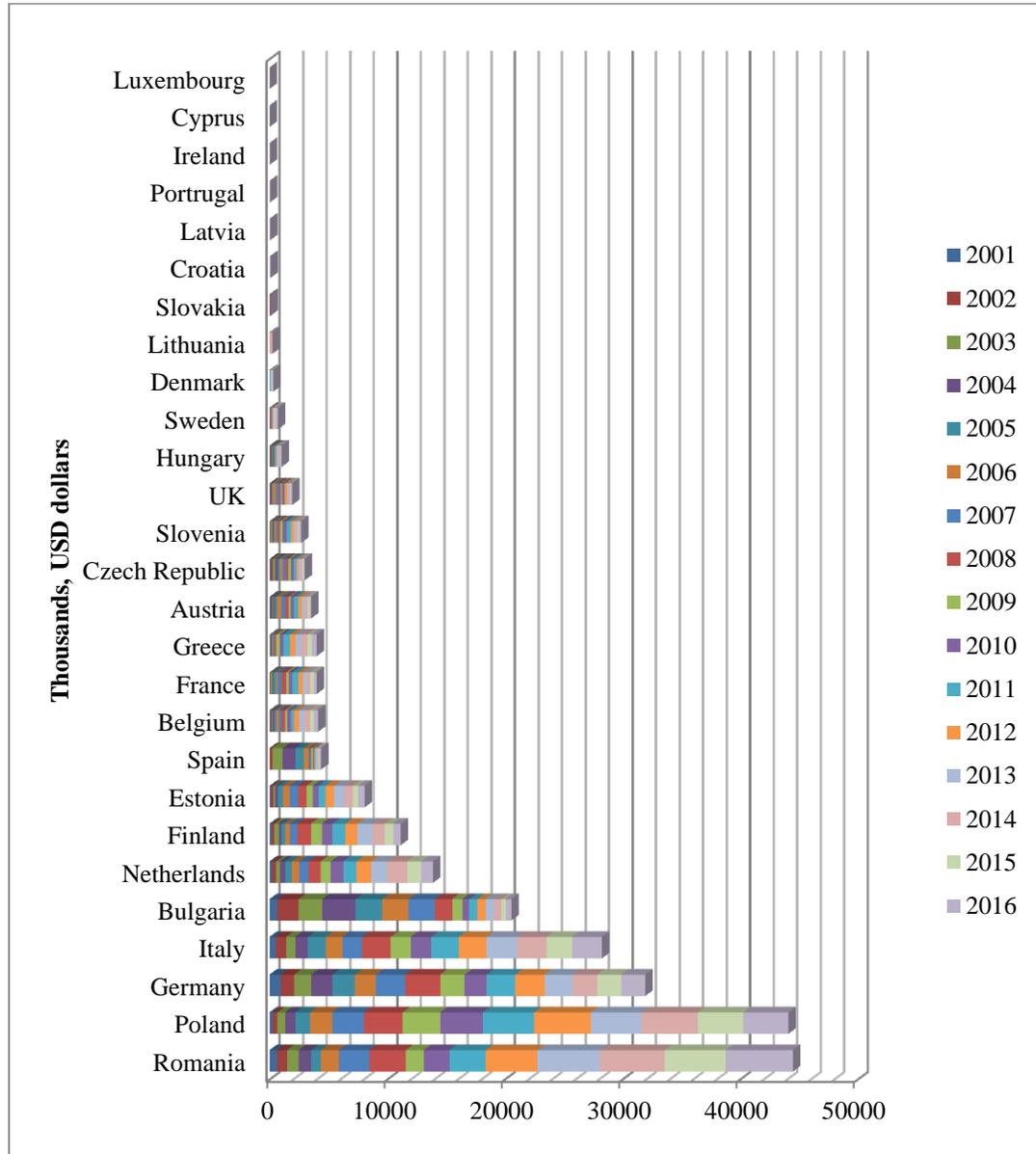
Introduction

The market of Republic of Moldova offers a large variety of lacquers and paints brands for different destinations and areas. The Republic of Moldova is a manufacturing country as well as an importing country of finishing materials. According to the commodity nomenclature (CN) of the Republic of Moldova, paints and lacquers are included in the chapters 32: tanning or coloring extracts, tannins and their derivatives, pigments and other coloring matter, paints and lacquers, mastics, inks.

The analyse of structure of import of paints and lacquerson the territory of the Republic of Moldova by the EU and CIS countries

Figure 1 displays the data for 32nd merchandise group import (tanning or color extracts, tannins and their derivatives, pigments and other coloring matter, paints and lacquers, mastics, inks), according to CN, from EU countries. It is mentioned that the import of merchandise group 32 from Malta has not been carried out; therefore, it is not represented in this figure. Hence, the figure represents the total of import numbers for years 2001-2016, thus, the import leader for mentioned years is Romania with 44493.9 USD, followed by Poland with 4411.6 USD, Germany with 31937.2 USD, Italy with 28257.6 USD and Bulgaria with 20539.5 USD. The rest of participating countries at the import of merchandise group 32, have less than 20000 USD. It should be mentioned that the countries: Slovakia, Croatia, Lithuania, Portugal, Ireland, Cyprus, Luxembourg accumulated a total of imports for years 2011-2016 lower than 81.000 USD.

Figure 1. Import from EU countries of merchandise group 32, according to CN, (thousands, US dollars), years 2001-2016

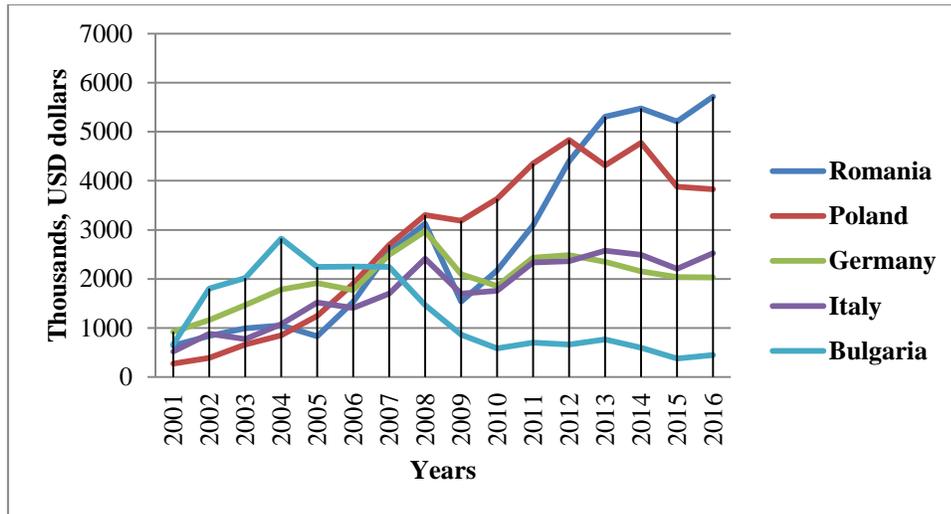


Source: Elaborated by author, based on [4]

The next figure compares the totals of 32nd merchandise group imports according to CN only of first 5 participants, who accumulated a higher amount. In such a way were analyzed the imports from Romania, Poland, Germany, Italy and Bulgaria. According to the chart, can be is noticed that in the years 2001-2006 the leader of the imports of the group 32 was Bulgaria, Poland being a leader until 2012. Beginning with 2012 and until present, Romania is the leader of the 32nd merchandise group imports. Comparing the totals for the period 2001-2016 it should be mentioned that Romania imported more than Poland with 377.6 thousands US dollars, compared to Germany with 12.556,7 thousands US dollars, compared with Italy with 16.236,3 thousands US

dollars, compared with Bulgaria, Romania imported with 23.954,4 US dollars more for all the period of 2001-2016.

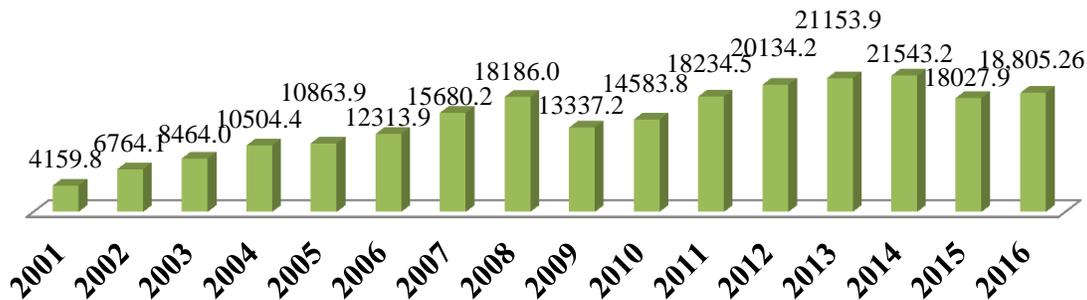
Figure 2. Comparative imports of the merchandise group 32, according to CN, of the top 5 EU participants with higher totals (thousands, US dollars).



Source: Elaborated by author, based on [4]

The EU market is the one, which combine possibilities, tendencies and integrity. The Republic of Moldova could not be included in the list of its importers or exporters. Following the import from EU countries, according to CN, one can observe a constant increase, except the year 2009, which recorded a decrease of 4.848, 8 thousands US dollars comparing to year 2008. Although in the period of 2009-2014, the imports record again an increase. Another decrease is recorded in 2015 with 3.515, 3 thousands USD comparing to year 2014. The average value of imports from EU countries reaches the result of 14,263,373 thousand USD.

Figure 3. Import from EU countries of merchandise group 32, according to CN (thousands USD)



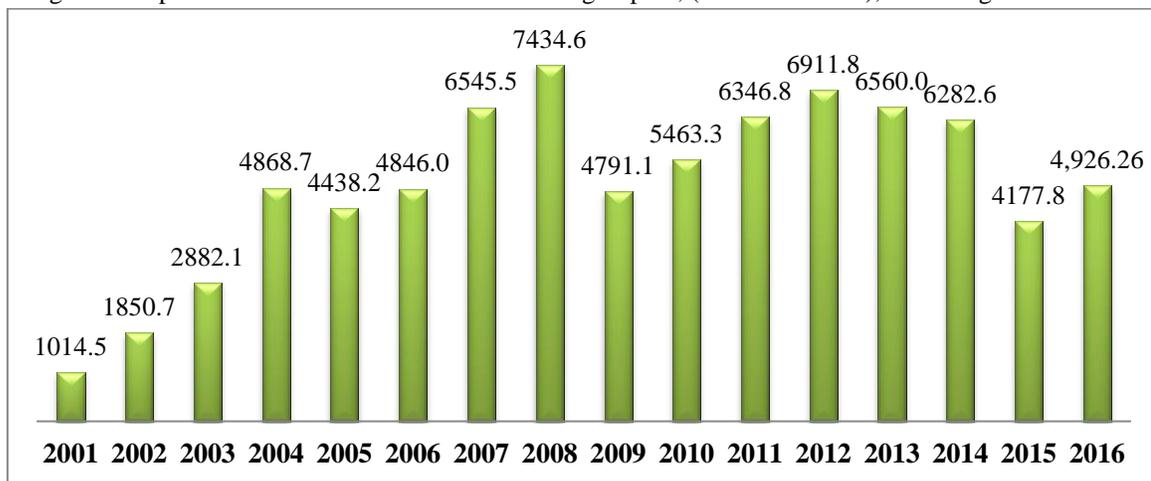
Source: Elaborated by author, based on [4] and Customs Service (customs declarations of export and import of economic agents).

*Starting with 2013, after Croatia joined the EU, the European Union has 28 state members. The information does not include the export-import operations of enterprises and organizations on the left part of Dniester and Bender.

The Republic of Moldova imports goods from 32nd merchandise group only from CIS countries as Ukraine, Russian Federation and Belarus, according to CN. There were no imports of such goods from Azerbaijan, except year 2016, when were imported goods worth 25.65 thousands USD. Among the CIS countries, Ukraine becomes an import leader with 55.805,7 thousands USD, followed by Russian Federation with imports for the period 2001-2016 amounting 18.499,3 thousand USD, Belarus however records a total of 5009,3 thousands USD for the period of 2001-2016.

Imports from CIS countries, according to CN, are expected to increase since 2001 until present, obviously with varying fluctuations over the years. It is worth mentioning that the maximum value of imports on the territory of the republic was recorded in 2008, about 75 thousand USD. Immediately in 2008, there was a decrease of about 27 thousand USD. The following years come to rehabilitate, so a slight increase is expected until 2012, followed by a decrease until the year 2015. In contrast, in 2016 there is a higher indicator than in 2015: 4926,26 thousand USD, with 748.46 thousand USD more.

Figure 4. Import from EU countries of merchandise group 32, (thousands USD), according to CN.

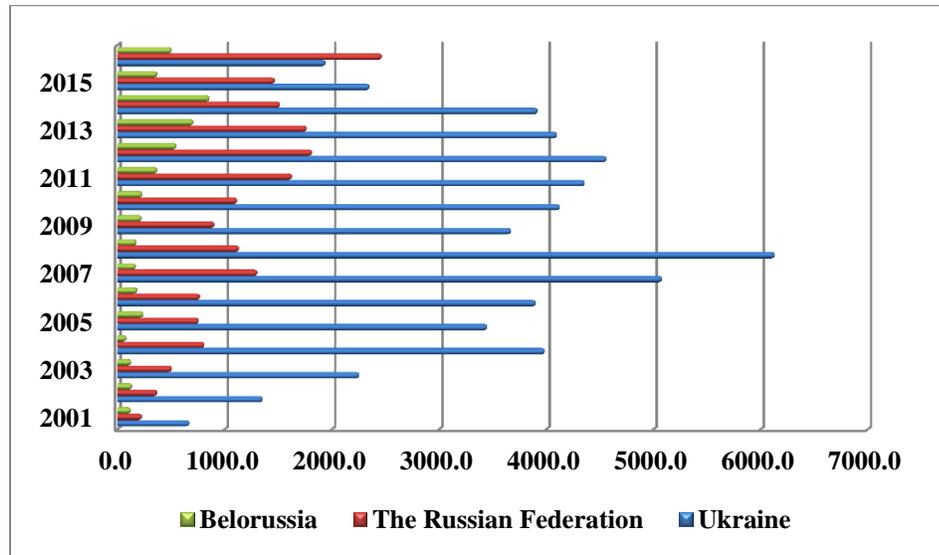


Source: Elaborated by author, based on [4] and Customs Service (customs declarations of export and import of economic agents).

*Since 2009, Georgia is no longer part of the Commonwealth of Independent States. The information does not include the export-import operations of enterprises and organizations on the left part of Dniester and Bender

The comparative import data of the CIS countries (except Azerbaijan) are represented in Fig. 5. It is notable that during 2001-2016 the importing leader is Ukraine, followed by Russian Federation and Belarus. It is mentioned that in 2007, Ukraine reached the peak of imports, amounting to 5076.2 thousands US dollars, and 2001 was the year with the lowest level of imports - 667.9 thousand US dollars.

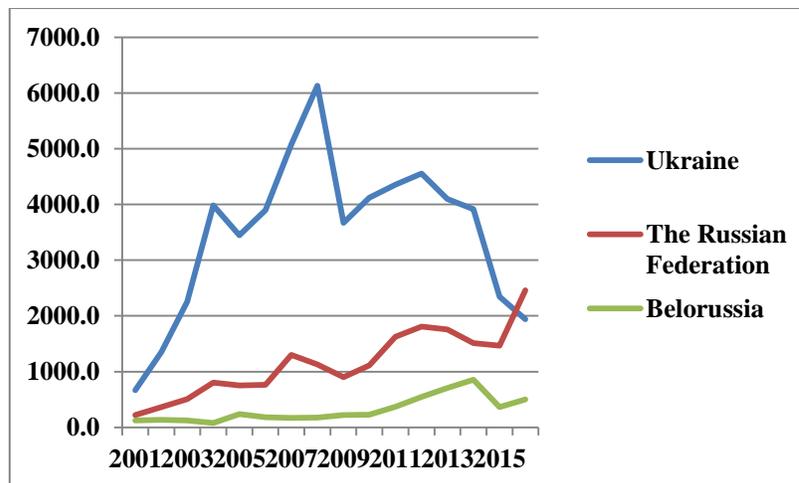
Figure 5. Import of RM of the 32nd merchandise group, according to CN, (thousands, USD), years 2001-2016.



Source: Elaborated by author, based on [6]

The comparative analysis of the CIS countries import data gives us such a result: leader –Ukraine, imports approximately three times more goods than Russian Federation and approximately eleven times more than Belarus.

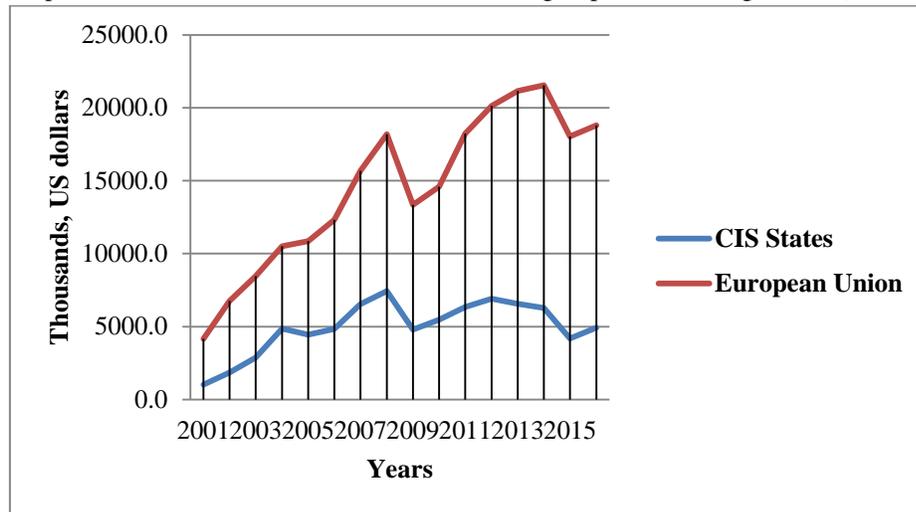
Figure 6. Comparative import by CIS countries of merchandise group 32, according to CN, (thousands USD).



Source: Elaborated by author, based on [6]

Comparing those two import markets, according CN: CIS and EU, it is remarkable that the imports from EU exceed imports from the CIS by more than 93,000 thousand USD, i.e. about 65% more.

Figure 7. Comparative imports of EU and CIS countries of merchandise group 32, according to CN, (thousands, US dollars).



Source: Elaborated by author, based on [4] and [6]

Conclusions

As a result of this research, it can be confidently asserted that the EU countries import more than the CIS countries of the merchandise group 32, according to the CN of the RM, including paints and varnishes. As an import leader of EU countries for the whole period of 2001-2016 it can be mentioned that Romania, followed by Poland, Germany, Italy and Bulgaria. CIS countries, which import lacquers and paints on the territory of the Republic of Moldova, are Ukraine, which is an import leader for all period of years, followed by Russian Federation and Belarus. In 2016, as an importer of CIS countries in the Republic of Moldova is Azerbaijan, which imported goods worth 25,65 thousand US dollars.

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