

Monthly Report

Race to Vaccinate Facing Stumbling Blocks

COVID-19 and the Precarious 'Normality' of the EU

**Trade Developments in EU-CEE and Austria during the COVID-19
Pandemic**

COVID-19 and Sanctions Policies



Race to Vaccinate Facing Stumbling Blocks

COVID-19 and the Precarious 'Normality' of the EU

**Trade Developments in EU-CEE and Austria during the
COVID-19 Pandemic**

COVID-19 and Sanctions Policies

HUBERT GABRISCH
OLGA PINDYUK
OLIVER REITER
IVAN TIMOFEEV

CONTENTS

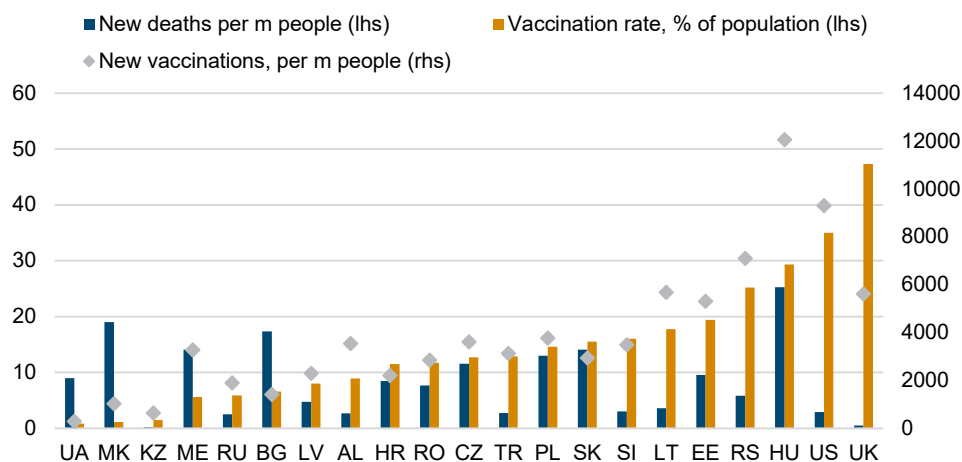
Chart of the month: Race to vaccinate facing stumbling blocks	7
Opinion Corner: COVID-19 and the precarious 'normality' of the EU	9
Trade developments in EU-CEE and Austria during the COVID-19 pandemic.....	12
COVID-19 and sanctions policies.....	17
Monthly and quarterly statistics for Central, East and Southeast Europe.....	24
Index of subjects – April 2020 to April 2021	48

Chart of the month: Race to vaccinate facing stumbling blocks

BY OLGA PINDYUK

The COVID-19 vaccination campaign, which was rolled out on a massive scale in the US and the UK at the beginning of 2021, has encountered numerous obstacles in the Central, East and Southeast European (CESEE) region. According to a recent survey by the European Centre for Disease Prevention and Control, the vast majority of the EU/EEA countries surveyed reported challenges relating to the limited supply of COVID-19 vaccines, as well as frequent changes in the schedule of deliveries from vaccine producers.¹ Additional difficulties have arisen on account of growing concerns about the safety of several vaccines (Johnson & Johnson, AstraZeneca and Sputnik²), the use of which has been halted either temporarily or permanently.³ Non-EU countries in the CESEE region, with the exceptions of Russia and Serbia, have had even more limited access to vaccines than their EU peers.

Daily new confirmed COVID-19 deaths and vaccinations, and vaccination rates as of 10 April 2021



Note: New deaths and vaccinations are measured as 7-day moving averages.

Source: <https://ourworldindata.org/>

The data provided by the COVID-19 vaccine tracker allow us to draw some interesting cross-country comparisons, in terms of the speed with which the vaccines are being administered and the death toll (left axis, orange and blue columns respectively) and the current vaccination rate (grey diamonds, right axis). The chart compares CESEE economies with the UK and US (used as a benchmark for successful inoculation).

¹ <https://www.ecdc.europa.eu/en/publications-data/rollout-covid-19-vaccines-eueea-challenges-and-good-practice>

² Serious quality-control problems in the manufacture of Sputnik V were discovered by Slovakia's drug regulator.

³ Denmark became the first European country to end use of the Oxford/AstraZeneca jab, on 14 April 2021.

First of all, so far only Hungary and Serbia (both of which are administering not only Western, but also Chinese and Russian vaccines) have managed to vaccinate more than 20% of their populations. Meanwhile, many countries in the CESEE region have a relatively high level of new deaths from COVID-19 and, at the same time, very low inoculation coverage: Ukraine has the lowest vaccination rate in the region, while the rate of new deaths from COVID-19 is relatively high.⁴ While many countries in the Western Balkans, CIS and Ukraine have limited access to the vaccines, the very low vaccination rate in Russia is primarily driven by the population's low level of willingness to be vaccinated.

Second, the data show that those countries that have already vaccinated a relatively large share of their populations continue to have the most dynamic inoculation programmes. This reflects a growing divide in the global access of developed and developing countries (including many emerging markets) to vaccines. According to the Bloomberg COVID-19 tracker, those countries with the highest incomes are vaccinating their people 25 times faster on average than those with the lowest⁵. Without access to vaccines, COVID will continue to widen income inequality between countries; moreover, there will be continued economic costs associated with COVID-19 even for countries that enjoy high levels of vaccination, if the virus can mutate elsewhere.⁶

Third, there appears to be a negative correlation between the current vaccination rate and new deaths from COVID-19: the global leaders in terms of speed of inoculation – the UK and US (together with Israel), which at the peak of the second wave of the pandemic saw some of the highest rates of new deaths – now have relatively low levels of new deaths. It is too early to draw any conclusions about the causal effects of the inoculations, but this is an encouraging trend.

⁴ The new COVID-19 deaths are likely to be underestimated, as excess mortality over the past few months has significantly exceeded the level of reported COVID-19 deaths.

⁵ <https://www.bloomberg.com/graphics/covid-vaccine-tracker-global-distribution/>

⁶ https://www.rand.org/pubs/research_reports/RRA769-1.html

Opinion Corner^{*}: COVID-19 and the precarious ‘normality’ of the EU

BY HUBERT GABRISCH

The sequence of economic crises since 2008, of which the COVID-19 pandemic is but the most recent, has exposed a ‘trilemma’ in the EU’s response to these crises. Unfortunately, there is no concept for resolving this trilemma and rendering the union more resilient. This could be fatal for the EU.

Politicians all over the EU, responsible as they are for the stability of their economies and the common currency, are in thrall to the unpredictable course of the COVID-19 pandemic and its restrictive effects on the famous four freedoms of the union. The longing for ‘normality’ is the great political goal, but would a return to the former ‘normality’ actually be a desirable strategic goal? It is clear that the EU’s leaders have no conceptualisation of the future of the union once the COVID-19 pandemic is over. This could prove an existential problem for the EU in its present composition, where ‘normality’ is conceived of as the status quo ante.

A RECURRENT PATTERN OF GRIT IN THE MACHINERY

When we look at the short (though very turbulent) history of the EU since the introduction of the common currency in 1999, the lack of any long-term vision is puzzling. Indeed, the euro had 10 good years until 2008, during which the conventional wisdom of pursuing a combination of expanded integration, orthodox monetary and orthodox fiscal policies (following the same path as in decades past) seemed to work in the currency union. However, important elements of this wisdom proved themselves unfit for purpose in the three crises that followed over the next 13 years: the global financial crisis of 2008-2009, the sovereign debt crisis of 2009-2013 and the COVID-19 crisis since 2020. In each case, European policy makers reacted by taking emergency steps – most of them too late and of merely temporary duration. Meanwhile, there is no guarantee that this sequence of crises will be over any time soon.

THE CRISES ARE INTERLINKED

The first blow fell with the global financial crisis of 2008-2009; it could be parried by temporarily abandoning the constraints on orthodox fiscal policies and by large government rescue packages for the banks. A harsh return to fiscal restrictions then followed in all countries, according to the requirements of the Growth and Stability Pact. This sudden U-turn triggered the sovereign debt crisis in several euro area countries and jeopardised the stability and growth performance of the entire EU. Institutional reforms at the EU level focused on the financial sector: new bank supervision tools for the European Central Bank (ECB), the banking union and the capital markets union – on the assumption that the liberalisation and deregulation of cross-border private financial flows would be the best antidote to any future financial crisis. National fiscal policies remained restrictive, in contrast to 2008-2009. The Fiscal Compact of 2012 tightened even the former restrictions, and a raft of restrictive budgetary rules was

^{*} Disclaimer: The views expressed in the Opinion Corner section of the Monthly Report are exclusively those of the authors and do not necessarily represent the official view of wiiw.

implemented at the national level. Fiscal austerity programmes were imposed on high-debt countries. It should be noted that the programmes also included major retrenchment in the healthcare system, with dire consequences for the subsequent COVID-19 pandemic crisis. It remained up to the ECB – following the ‘unconventional’ monetary policies it has pursued since 2015 – to take quasi-fiscal responsibility and forestall the worst of the consequences. Nevertheless, the real economic fallout from the national fiscal austerity manoeuvres had still not been completely absorbed, when concerns about new recessionary tendencies spread across the EU in the fourth quarter of 2019.

It was in this precarious situation that the COVID-19 crisis erupted, making matters worse particularly in those countries that had made deep cuts in their healthcare systems (Germany is no exception). The search for emergency solutions in monetary, fiscal and other policies became ever more desperate. All the new institutions created in recent years – the banking union, the capital markets union, the European Stability Mechanism (ESM) – may be useful in terms of avoiding fresh financial tremors; but the COVID-19 pandemic has directly hit the real economy with supply and demand shockwaves. These have forced the suspension (to all intents and purposes) of the Stability and Growth Pact and the creation of a ‘recovery and resilience facility’ (RRF) at the EU level – but all measures are thought to be merely temporary.

EMERGENCY STEPS FACE A TRILEMMA

The poor crisis resilience has exposed the impossibility of preserving more than two of the three cornerstones of the present EU architecture: ‘euro area integrity’, ‘orthodox monetary policies’ and ‘orthodox fiscal policies’. In a study that is well worth reading, Bonatti, Fracassi and Tamborini dub this problem the ‘trilemma’ of European policies.¹ The latter two cornerstones – deactivated for the moment, but likely to be resumed – imperil the first one of euro area integrity. Meanwhile, euro area integrity and monetary orthodoxy reduce the efficacy of orthodox fiscal policies in dealing with asymmetric shocks. And euro area integrity, when coupled with orthodox fiscal policies, forces the central bank to go beyond its remit in a severe crisis (albeit with limited efficacy). It should also be remembered that in May 2019, the German constitutional court questioned the legitimacy of the ECB’s massive asset purchase programme (APP), which was nevertheless continued and then complemented in 2020 by the even more massive pandemic emergency purchase programme (PEPP).

BACK TO ‘NORMALITY’ WOULD MEAN GLOBAL MARGINALISATION

When we consider the last 13 years, it is hardly surprising that, of all the big global players, the EU has the weakest economic performance and organisational capabilities. It has also lost some of its (already limited) political relevance, making it harder for it to deal on level terms with the emerging new global order of the United States and the challenger, China – complemented, perhaps, by Russia. A return to the former pre-coronavirus ‘normality’ is scarcely credible as a beneficial strategy for Europe. Either the EU must be prepared to remain in permanent crisis mode, with a further loss of global relevance and increasing centrifugal forces, or it needs to undertake institutional reforms to address the inconsistencies between EU integrity, monetary policies and fiscal policies, and to make the union more resilient to severe shocks in the future.

¹ Luigi Bonatti, Andrea Fracasso and Roberto Tamborini (2020), ‘COVID-19 and the future of quantitative easing in the euro area: Three scenarios with a trilemma’, <https://www.europarl.europa.eu/cmsdata/211589/Topic%202020Compilation.pdf>; pages 70-101.

THE NEED FOR A NEW FISCAL POLICY ARCHITECTURE

Of the three cornerstones of the EU architecture, the fiscal policy pillar is the weakest. Once the pandemic is over, most EU member states will be burdened with substantially elevated public debt levels. A return to 'normality' would mean reinstatement of the stipulations of the Growth and Stability Pact and the Fiscal Compact for national fiscal policies. In that event, it is as certain that the European economy will be condemned to a sluggish recovery as that tomorrow the sun will rise in the east; and the inherent vulnerability may even set the stage for the next crisis. In order to forestall such a scenario, it is imperative that the present emergency programmes be transformed into a coherent concept, and that their temporariness be converted into permanence. Overcoming fiscal orthodoxy would be a core element in resolving the trilemma. The presently unclear boundary between monetary and fiscal policy competencies should be replaced by coordinated monetary-fiscal responses that also make monetary policies more effective. But how to achieve this?

A steadily growing body of professional commentators advocates a fiscal instrument with risk-sharing properties at the EU level. Indeed, we have seen that private risk sharing in a banking and capital markets union is not capable on its own of avoiding and solving a financial and economic crisis, irrespective of where the initial shock occurs. One can use what is already in place to complement a capital markets or banking union: the establishment of the RRF in response to the coronavirus crisis offers an opportunity to use it as the nucleus of the EU's own sovereign fiscal risk-sharing instrument. However, the greatest disadvantages to the RRF are its temporariness and modest volume, compared to President Biden's USD 1.9 trillion anti-coronavirus package. The RRF should be transformed into a permanent facility that is competent to coordinate dealings with the ECB and to issue securities that are attractive to institutional investors and central banks. As matters currently stand, investors will find it more attractive to invest in US bonds, which will strengthen the US economy and the dollar. A permanent and powerful public risk-sharing tool for the European Union would remove one of the EU's biggest stumbling blocks in global systemic competition.

Trade developments in EU-CEE and Austria during the COVID-19 pandemic

BY OLIVER REITER

The international trade flows of EU-CEE countries and Austria were profoundly affected by the outbreak of the COVID-19 pandemic and the ensuing policy responses (such as lockdowns). They plummeted in the first half of 2020, but climbed back in the second half. In terms of products, the imports and exports of fuels decreased the most, followed by cars. By contrast, the pandemic has pushed up demand for the import of medical products and equipment, most of which has been sourced from China.

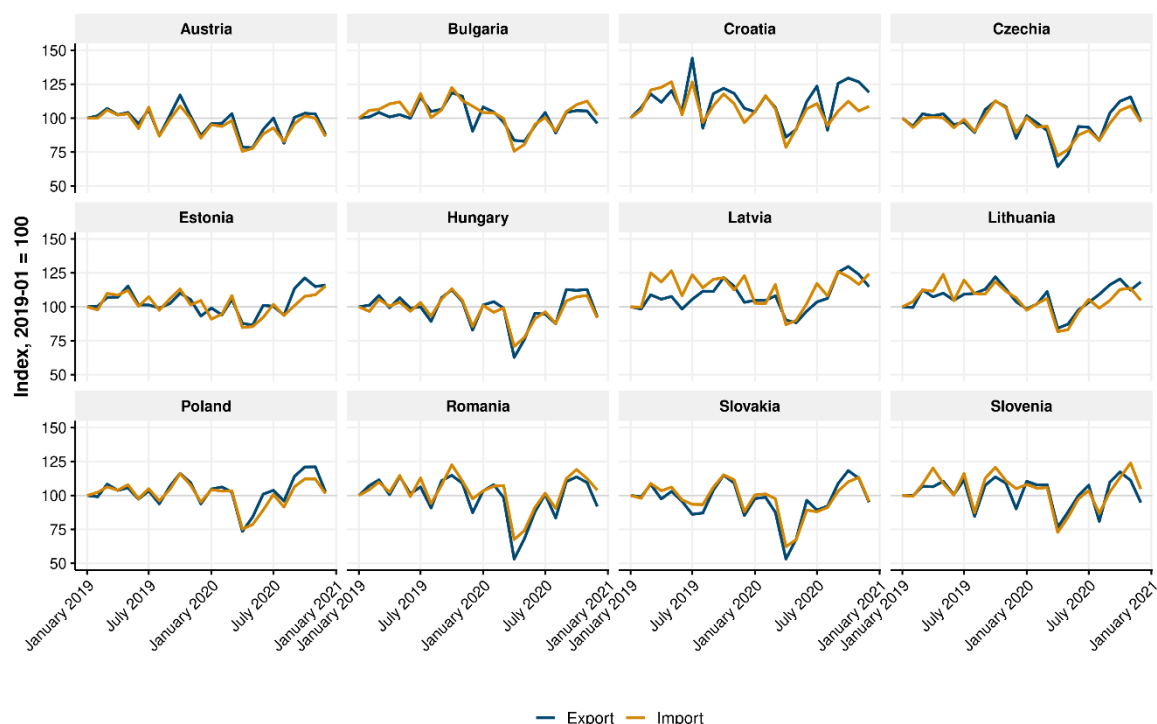
This article aims to provide an overview of the trade developments in EU-CEE countries and Austria last year. Nearly the whole of 2020 was marked by the COVID-19 pandemic, which had (and is still having) a profound effect on international trade flows, as factories around the world closed, ports operated at reduced capacity and goods built up on borders that had been closed. We draw on trade data at the product level from the EU COMEXT database, grouped according to the Broad Economic Categories (BEC) Revision 4 classification.¹

TRADE IN FUEL AND CARS WAS WORST HIT

Figure 1 shows the development of trade flows in EU-CEE countries and Austria from January 2019 to December 2020. We can see that trade developments in 2020 were similar across the countries: there was a sudden large drop in trade flows in the first half of 2020. The fall in Czechia, Hungary, Slovakia and Romania was especially pronounced. Both imports and exports bounced back in the second half of 2020, often to above the level seen in January 2019. International trade flows into and out of Austria remained at below the level of January 2019 for nearly the whole of 2020.

In 2020 as a whole, in none of the countries shown did trade reach the level of 2019, and only Latvia managed to marginally increase its exports (by 0.7%). Moreover, in many countries (Austria, Bulgaria, Czechia, Hungary, Poland, Romania, Slovakia and Slovenia), both imports and exports dropped again in December, casting doubt on any lasting recovery.

¹ See https://ec.europa.eu/eurostat/ramon/other_documents/bec/BEC_Rev_4.pdf

Figure 1 / Trade development over time (goods only), January 2019 = 100


Source: EU COMEXT.

Table 1 / Growth rates of exports and imports of EU-CEE countries and Austria in 2020

BEC description	Export	Import
Capital goods	-3.0%	-2.0%
Consumer goods	2.4%	2.9%
Food and beverages	2.5%	0.9%
Fuels and lubricants	-33.8%	-35.9%
Industrial supplies	-4.4%	-4.9%
Transport equipment	-10.0%	-16.5%

Source: EU COMEXT.

In Table 1, we report the growth rates of imports and exports for BEC product groups in 2020, aggregated for the 12 countries in question. We find that trade in fuels and lubricants suffered by far the biggest drops: exports fell by 33.8% and imports by 35.9%, largely reflecting the steep decline in energy prices. Also, cross-border flows of transport equipment declined at double-digit rates. Interestingly, in Bulgaria and Slovakia, exports of transport equipment declined by 'only' 1% and 2%, respectively, whereas in all other countries the declines were greater than 8%.

Products in the industrial supplies group also lost ground, in terms of both exports and imports. Industrial supplies trade flows into and out of Slovakia declined most, by 11.7% and 12%, respectively. Lithuania, by comparison, managed to increase its exports of industrial supplies by 4.3% over 2019. Capital goods saw modest declines in exports and imports: changes in exports ranged from -8% in Austria to +5.4% in Latvia; meanwhile changes in imports varied from -7.2% in Estonia to +3.2% in Lithuania.

Finally, trade flows of consumer goods and food and beverages were even a little higher in 2020 than in 2019. Slovenia is a positive outlier in consumer goods, where exports increased by 24.6% and imports by 18.2%. For the other countries, we see either positive or single-digit negative changes.

COVID-19 RELATED PRODUCTS ENTERED THE EU DUTY FREE...

In response to the sudden rise in demand for products that are needed to combat the pandemic, in April 2020 the EU Commission issued a list of almost 100 products that could henceforth be imported free of duty.² These ranged from simple rubber gloves and disinfectant to medical instruments, such as electrocardiograph (ECG) machines and ventilators.

Table 2 combines the COVID-19 product list of the EU Commission with the BEC classification, and shows which product categories they fall into. Most COVID-19 related products fall into the industrial supplies category (this is also the biggest product group, accounting for more than half of all products contained in the BEC classification). These include alcohol, oxygen, several acids and toxins, various forms of plastic tubing, and medical equipment such as syringes, catheters, etc. The highest proportion of COVID-19 related goods can be found in the consumer goods category, where they account for 4.4% of all products. These include medicaments, soap and disinfectant, and articles of personal protective equipment (PPE), including plastic clothing, rubber gloves, medical clothing and protective goggles. Finally, COVID-19 related products which fall into the capital goods category include appliances for filtering gases, medical instruments such as ECG machines, ultrasound scanners, ventilators and other breathing appliances, other medical and surgical equipment. Together, these three categories contain nearly all COVID-19 related products.

Table 2 / Number of COVID-19 related products on the duty-free list of the EU Commission

<u>BEC description</u>	<u>COVID-19 related</u>	<u>Non-COVID-19 related</u>
Capital goods	25	880
Consumer goods	35	760
Food and beverages	1	569
Fuels and lubricants	0	25
Industrial supplies	36	2593
Transport equipment	2	172
Total	99	4999

Source: EU Commission.

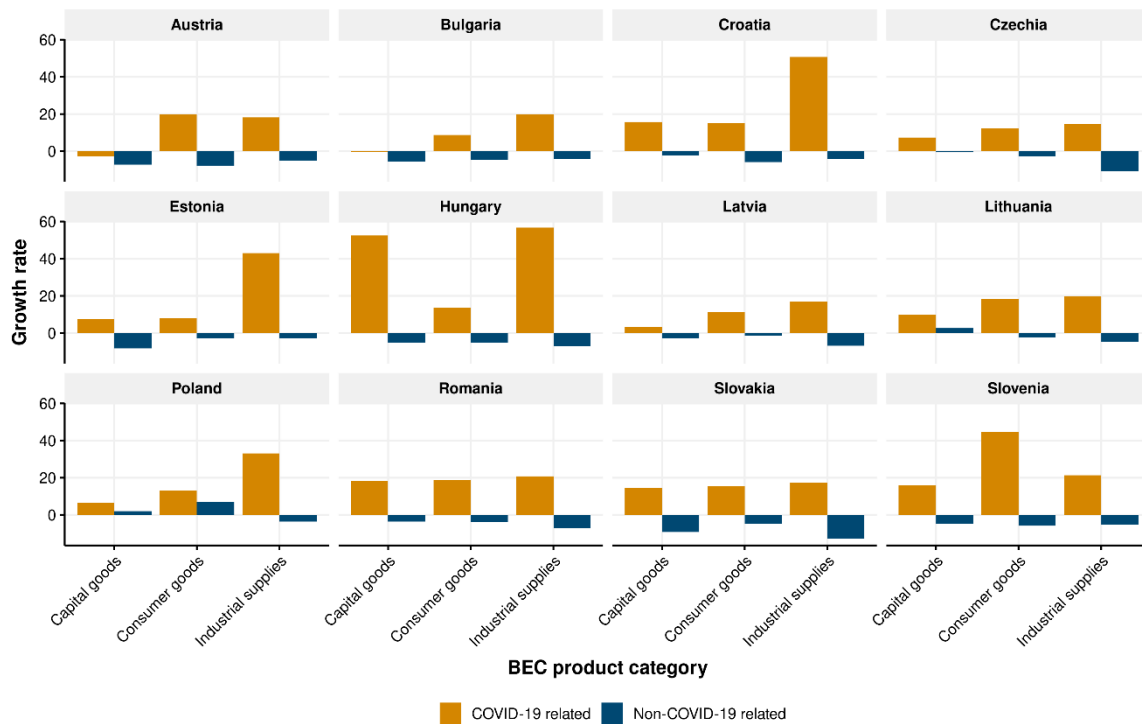
... BENEFITING CHINESE EXPORTS THE MOST

We now make use of the COVID-19 related product list compiled by the EU Commission to show the dynamics behind the import of these products by the EU-CEE countries and Austria last year (Figure 2).

² The list is based on the EU Commission Decision C(2020)2146, the EU's COVID-19 indicative list of products to be imported duty and VAT free and the joint World Customs Organization/World Health Organization classification reference for COVID-19 medical supplies, edition 3.01. For further information, see https://ec.europa.eu/taxation_customs/sites/taxation/files/03-04-2020-import-duties-vat-exemptions-on-importation-covid-19.pdf.

For a given BEC group, we separate the products into COVID-19 related products (i.e. products that are on the duty-free list of the EU Commission) and non-COVID-19 related products.³

Figure 2 / Import growth of COVID-19 related and other products in 2020, %



Source: EU COMEXT, EU Commission.

We can detect a clear pattern: imports of COVID-19 related products grew almost everywhere in the region last year. This is hardly surprising, given that the products on this list were needed to deal with the COVID-19 pandemic and could now be imported duty free. The overall increase in imports of COVID-19 related products for the 12 countries together was EUR 11.4bn last year, compared to a decline in non-COVID-19 products of EUR 26.4bn.⁴ In five country-product cases we see increases of more than 40%: industrial supplies imports in Estonia, Croatia and Hungary; capital goods imports in Hungary; and consumer supplies imports in Slovenia.

Table 3 shows in more detail where the growth in imports of COVID-19 related products came from. It is clearly visible that imports from China grew the most for all 12 countries: Hungary’s imports from China surged by 370% and Latvia’s by almost 270%. Bulgaria recorded the lowest increase, but it still increased its imports from China by 35%. Furthermore, imports from all other non-EU countries rose more than imports from EU member states in 9 out of the 12 countries (not surprising, as the latter were duty free even before the EU Commission list was published). Only Croatia reduced its imports from non-EU states, while at the same time sharply increasing its imports from the EU.

³ The fuels and lubricants, food and beverages and transport equipment products are omitted because there are no (or too few) COVID-19 related products in these categories for a sensible comparison.

⁴ The pattern for exports was similar, but less pronounced.

Table 3 / Growth rates of imports of COVID-19 related products in 2020, by origin

Importing country	China	EU	non-EU*
Austria	178.5%	7.3%	7.6%
Bulgaria	35.7%	4.6%	17.7%
Croatia	144.1%	30.0%	-25.4%
Czechia	46.6%	7.7%	4.0%
Estonia	45.3%	9.5%	26.8%
Hungary	371.9%	13.1%	31.4%
Latvia	268.6%	1.7%	15.8%
Lithuania	209.4%	6.1%	25.9%
Poland	46.1%	11.1%	8.2%
Romania	220.9%	2.5%	71.1%
Slovakia	50.5%	13.3%	13.7%
Slovenia	164.8%	6.2%	53.3%

*Excluding China.

Source: EU COMEXT.

If we were to look at the import growth rates of non-COVID-19 related products (not presented here), we would observe the following pattern: imports from China grew the most or fell the least, while imports from non-EU countries fell more than imports from the other EU member states.

SUMMARY

The development of international trade flows in the first months of 2020 was very similar in EU-CEE countries and Austria, which all went into (some form of) lockdown. Exports and imports suffered alike. As many businesses closed, so demand for energy collapsed; oil prices were further hit by the initial failure of OPEC+ to reach an agreement.⁵ As a result, trade in fuels suffered particularly badly, followed by trade in transport equipment. However, not all products suffered an import slump: the pandemic boosted the need for medical equipment, and imports of such products soared last year. China, one of the main manufacturers of such products, benefited from this and was able to massively increase its exports to EU-CEE countries and Austria.

⁵ Oil prices even turned negative for a while. See <https://www.bbc.com/news/business-52350082>

COVID-19 and sanctions policies

BY IVAN TIMOFEEV¹

COVID-19 has not significantly altered the existing sanctions regimes, and relatively few pandemic-related policy steps have been taken in this area. Although some humanitarian exemptions have been made, these have been rather limited in nature. The use of sanctions has thus remained part of the foreign policy arsenal, despite the pandemic – indeed, it has even increased the risk of sanctions, above all in the US.

The COVID-19 pandemic has affected international relations, including sanctions policies. We have been witnessing an unplanned experiment that was set in motion by the crisis. On the one hand, sanctions are an instrument of coercion and pressure, designed to achieve certain political goals. On the other hand, the pandemic – an extreme event of global proportions – has intensified the need for solidarity and mutual assistance. A dilemma thus arises between political necessity and the demands of morality. Political leaders have had to choose between two extremes: continuing the pressure, come what way, or (at least temporarily) easing restrictions in the name of humanity.

In the history of sanctions policies, there has been no similar situation for a century. The closest analogy would be the 1918-1920 Spanish flu pandemic. At that time, toward the end of the First World War and in its immediate aftermath, the warring parties had comprehensive trade embargoes in place. The realities of 2020 were fundamentally different: the world was not in the grip of conflict, and global institutions such as the UN are today far more developed than anything that existed at the start of last century. These days, sanctions policies are better targeted and more nuanced: rather than blunt instruments (embargoes and blockades), sanctions tend to be 'smart' or 'targeted'. They focus on individuals, organisations or certain sectors of the economy. One can speak of a comprehensive blockade only in relation to North Korea. Nevertheless, 'smart' sanctions have been in place for years, and sometimes decades. They still have an impact on the resources of target countries; and in an emergency situation, the scarcity of resources inevitably also affects a country's ability to counter the threats of the pandemic.

In this article, we seek to answer the following questions. How has the COVID-19 pandemic affected the policies of those countries that have imposed sanctions? How seriously have sanctions regimes been transformed? What has been the position of the UN as a key institution of global governance? And what has been the response of the main sanctions-initiating countries?

¹ Associate Professor at MGIMO University and Director of Programmes at the Russian International Affairs Council (RIAC). An earlier version of this text (in Russian) was published as: Timofeev, I. (2021). COVID-19 and the policy of sanctions: An event analysis. *Vestnik of Saint Petersburg University. International Relations*, 13(4), 449-464. <https://doi.org/10.21638/spbu06.2020.402>

BASIC CONCEPTS

Sanctions are understood as a set of restrictive measures applied by a country, a group of countries or an international organisation against a target country, group of countries, individuals or organisations. Such measures mainly include economic and financial restrictions: a ban on the export or import of certain goods, restrictions on banking services, technology transfer, investment, participation in infrastructure projects, etc. There are also non-economic sanctions, such as visa restrictions. In the now classic work by Hufbauer et al. (2009), the authors note that the initiator of sanctions hopes to create conditions in which the economic damage to the target country, the loss of profit and the ensuing consequences for society and the political system render it untenable for that country to maintain its political course or behaviour, and force it to make concessions and cave into the demands of the initiator. The political goals of sanctions can be reduced to three components: coercion, constraining and signalling (Giumelli, 2016).

From the UN perspective, the only legitimate source of sanctions is the UN Security Council. The United Nations has a long history of sanctions regimes, with 14 programmes currently in place.² As well as UN measures, unilateral sanctions by individual states or alliances are also common and are applied in circumvention of the UN Security Council. The most active initiator of unilateral measures is the United States. In the twentieth and early twenty-first centuries, the US used sanctions more often than all other states and international organisations put together (Hufbauer, 2009). The European Union is increasingly making use of unilateral restrictive measures as well. China and Russia usually oppose unilateral sanctions that bypass the UN Security Council. However, they, too, apply sanctions either in response to the sanctions of third countries against them (counter-sanctions) or in connection with sensitive national security issues (e.g. the problem of Taiwan for China).

In talking about sanctions, it is also necessary to define the concept of enforcement. This is understood as a set of actions taken by the state authorities of the initiating country to ensure compliance with a sanctions regime. Measures can include, for instance, taking the same legal steps against those who violate sanctions as against those on whom sanctions have been imposed. For example, both could be placed on the Specially Designated Nationals (SDN) list of the US Treasury Department. One such recent case was the prohibition of any economic transactions by the Chinese COSCO Shipping Tanker Co. for allegedly transporting Iranian oil.

METHODOLOGY: EVENT ANALYSIS

We analyse global sanctions policy developments, using the method of event analysis. Sanctions policies – like many other phenomena – can be broken down into discrete events. The process of identifying such events, coding them as variables and analysing them is usually called event analysis. In economics, for example, the term may refer to the analysis of events as they apply to market dynamics (Niederhoffer, 1971). In political science, event chains have been investigated, for example, to test the relationship between economic crisis and political regime transformation (Gasiorowski, 1995). And in international relations, event analysis can be as much about analysing ‘rare phenomena’ (King and Zeng, 2001) as it is about a highly nuanced analysis of everyday recurring events (Timofeev, 2011). In

² https://www.un.org/securitycouncil/sites/www.un.org.securitycouncil/files/subsidiary_organisations_factsheets.pdf

general, then, event analysis has established itself as an interdisciplinary empirical method across a wide range of social sciences.

However, in sanctions research, event analysis is used relatively seldom or in a very specific way. To fill this gap, the Russian International Affairs Council (RIAC) has launched a new database of events in the field of sanctions policy: the Sanctions Events Database (SED). This article makes use of the evidence gathered as part of the work on the SED. The unit of analysis is the individual sanctions event. This would include the introduction of sanctions, their lifting or extension; the use of coercive measures of one kind or another; the granting of exemptions from sanctions, including for humanitarian reasons; declarations of the need for sanctions or for their lifting; accession to other countries' sanctions regimes, etc.

The following variables are recorded in the database: the country or international organisation that initiates the event; the agency or institution that is the direct source of the event; the target country or functional topic (e.g. human rights, non-proliferation, terrorism, etc.) that is the object of the event; the problem that is the reason for the sanctions; and the law or regulation that is the basis for the decision. All of these variables have a nominal or peer-to-peer scale. An important variable is the nature of the event: 1 means that the event is positive for the target country (e.g. a lifting or easing of sanctions, humanitarian or other exemptions, acquittals or court decisions to lift sanctions); -1 means that the event is negative for the target country (imposition or tightening of sanctions, extension of sanctions, criminal or administrative proceedings, fines, etc.); and 0 means that the event is neutral (declarations, statements, draft laws (but not the laws themselves), recommendations, etc.). These events could potentially have a positive or negative outcome, but they are not themselves an outcome.

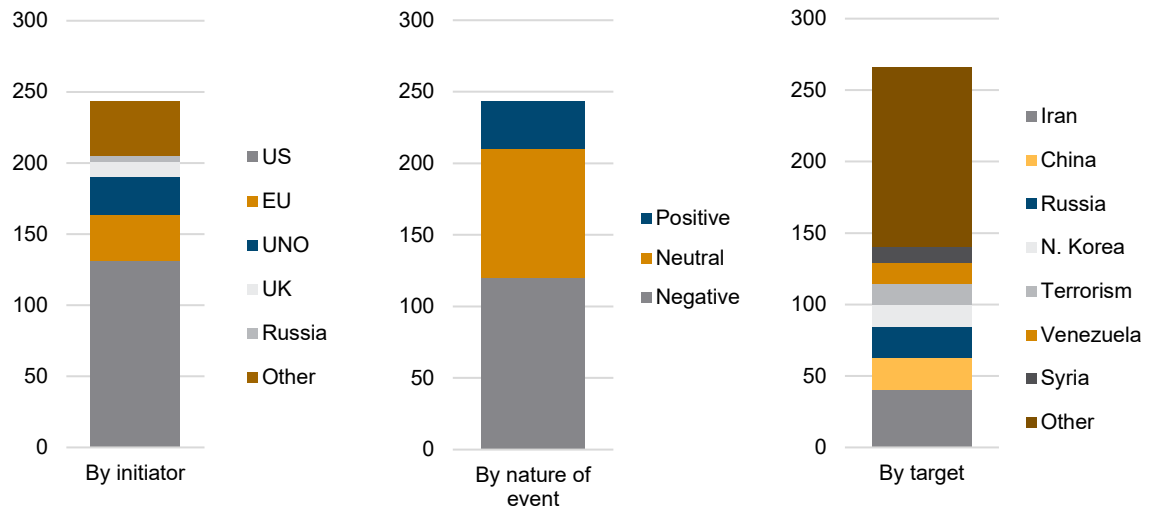
SANCTIONS POLICIES DURING THE COVID-19 PANDEMIC

The focus of our analysis is the first four months of the COVID-19 pandemic: from March to June 2020. During this time, 243 sanctions events are recorded in the SED, initiated by 27 countries/organisations. By far the biggest number of sanctions events were initiated by the United States (Figure 1): US agencies initiated 131 events. The European Union was the initiator of 33 events, and seven more events were related to other countries joining the EU sanctions regimes.

The sanctions events were aimed at a total of 41 targets: different targets were mentioned 266 times in 243 sanction events (since some of them had several targets). The single most 'popular' sanctions target was Iran: it accounted for 40 mentions. It was followed by China, Russia and other countries (Figure 1). 'Packages' of sanctions – targeting simultaneously Russia, China, Venezuela and various other countries – account for three mentions. In addition, there were 25 sanctions events that referred to *all* sanctions or sanctions regimes as such – for example, there was a call for a relaxation of sanctions against the background of COVID-19. The breakdown by originator and target country (issue) provides some interesting information. While the first confirms the acknowledged fact that the US is the leader in sanctions, the second shows a new trend: Russia and China emerge as prominent targets, whereas in the post-Cold War period the targets of sanctions were mainly small countries or regional powers, like Iran.

In terms of the nature of events, of the 243 sanctions events under consideration, 120 are classified as negative with respect to the target country or problem (imposing sanctions, enforcing them, blacklisting, etc.), 90 events are neutral and only 33 are positive (Figure 1).

Figure 1 / Breakdown of global sanctions events in March-June 2020, by initiator, target and nature of event



Source: SED.

The COVID-19 pandemic is associated with 27 sanctions events, or 11% of the total sample. Only two of these were negative in nature; 21 were characterised as neutral and four as positive. Thus, COVID-19 related sanctions events mostly involved declarative or informative actions; there were a few positive actions (lifting or easing of sanctions, humanitarian exceptions), but almost no negative actions.

Besides, the COVID-19 related sanctions events were unevenly distributed over time: in March 2020, there were seven such events; in April – 14; in May – only six; and in June there were no COVID-19 related sanctions events at all. It can thus be assumed that the pandemic influenced sanctions policy only at the time of the main outbreak. After that, its importance began to wane.

It can be concluded that there were two ‘realities’ of sanctions policy during the pandemic. The first was the routine, run-of-the-mill reality, in which repressive sanctions figured prominently. The second was COVID-19 related: here there was significantly less repression, but also rather few positive events. Moreover, the proportion of such events in the overall sample was small.

SANCTIONS RELATED TO COVID-19

The issue of COVID-19 in relation to sanctions policy began to rear its head even in the relatively early stages of the pandemic. For example, on 9 March 2020 the US Treasury Department’s Office of Foreign Assets Control (OFAC) updated its list of frequently asked questions about sanctions. These included a question about the delivery of humanitarian supplies to Iran to counter COVID-19. In response to this question, OFAC officials gave a complete list of the regulations that govern humanitarian exemptions on Iran.³ However, the issue of lifting or modifying the Iran sanctions regime was not raised by the US side.

³ https://www.treasury.gov/resource-center/faqs/Sanctions/Pages/faq_iran.aspx#828

Globally, the issue of linking sanctions to the COVID-19 pandemic was raised at the UN level. On 25 March 2020, UN Secretary-General Guterres appealed to the leaders of the G20 countries to undertake concerted action to combat the pandemic. The idea was that developing countries which lack the resources to combat the pandemic effectively are vulnerable to COVID-19. To ensure that such countries have equal opportunities in the fight against the disease, Guterres called for, among other things, the lifting of tariffs and trade restrictions, and the waiving of sanctions to guarantee the supply of food and medicines.⁴ On 26 March 2020, a draft Declaration of Solidarity in the Fight Against Coronavirus, submitted to the UN General Assembly by Russia and signed by 28 UN member states, called for the renunciation of unilateral sanctions. However, the draft was blocked by Ukraine, Georgia, the United Kingdom, the United States and the EU,⁵ and no mention of sanctions was included in the final text of the resolution.⁶

In the US, the question of changing the existing unilateral measures was not raised, although various steps were taken. On 16 April 2020, the Treasury Department published a Fact Sheet on the Provision of Humanitarian Assistance and Trade to Combat COVID-19.⁷ It detailed humanitarian exemptions from the sanctions regimes against Iran, Venezuela, North Korea, Syria, Cuba and Russia. The general point was that the exemptions are intended to 'help the people', while at the same time pressuring the 'regime'. The Fact Sheet did not change the sanctions regime, but it provided interested entities with a detailed and consolidated single-source overview of the legislation already in place in relation to COVID-19. That said, the US Treasury was quick to apply sanctions exemptions in the case of humanitarian supplies to the US itself. This was the case, for example, with Russian shipments of mechanical ventilators made by the KRET concern in early April 2020 (the company was under US sanctions, but exemptions were made for its supplies to the US).

By contrast, there were signs of further sanctions regimes in the US. On 10 April 2020, President Trump issued a memorandum which, in light of the epidemiological situation, opened the way to visa restrictions being applied against the citizens of any foreign state that refused to readmit its own citizens (or delayed readmittance). Besides, there were threats of US sanctions against China over COVID-19. The US is the only country to have explicitly stated China's responsibility for the spread of the pandemic. Republican congressmen have tabled three legislative initiatives on sanctions to be taken against China in connection with COVID-19.

In general, the EU position was similar to that of the US, with humanitarian exceptions being made to the EU sanctions regime. On 3 April 2020, EU High Representative for Foreign Affairs and Security Policy J. Borrell said that sanctions should not interfere with the fight against the pandemic, but COVID-19 is not a reason for abandoning sanctions if international law is being violated, the proliferation of weapons of mass destruction (WMD) is occurring, weapons are being supplied to conflict regions, human rights are being violated or peace is being undermined.⁸ The EU's top diplomat said that many were afraid to help Iran and Venezuela for fear of US sanctions: the situation in those countries is 'out of any human

⁴ <https://www.un.org/africarenewal/news/coronavirus/letter-secretary-general-g-20-members>

⁵ https://russiaun.ru/ru/news/pressrelease_020420

⁶ <https://undocs.org/en/A/RES/74/270>

⁷ <https://home.treasury.gov/policy-issues/financial-sanctions/recent-actions/20200416>

⁸ <https://www.consilium.europa.eu/en/press/press-releases/2020/04/03/declaration-by-the-high-representative-josep-borrell-on-behalf-of-the-eu-on-the-un-secretary-general-s-appeal-for-an-immediate-global-ceasefire/>

consideration', and therefore the EU intends to call again for an easing of the sanctions regime.⁹ In a move that paralleled the issuance of the US Fact Sheet, on 11 May 2020 the European Commission started to publish a set of guidelines on the provision of humanitarian aid to fight the COVID-19 pandemic in certain environments subject to EU restrictive measures. The first such guidance note focused on Syria.¹⁰

Some measures to ease sanctions have been taken in other countries. For example, in the UK, on 11 March 2020, the government published 'Guidance on trade sanctions against Syria', outlining the humanitarian oil exemptions. However, those exemptions were not linked to COVID-19.¹¹ In Russia, two senators have put together an additional list of goods that have become scarce because of the COVID-19 epidemic, and propose that these should be exempted from the sanctions regime.¹²

CONCLUSIONS

First, no country has altered an existing unilateral sanctions regime. During the acute phase of the pandemic, the initiating countries continued to apply sanctions, with negative actions clearly outweighing neutral and positive ones. The most significant efforts by the main initiating countries/blocs (the US and the EU) consisted of detailed reviews of existing legislation on humanitarian exemptions and a willingness to accept applications for exemptions under COVID-19 as a matter of priority. However, the regimes themselves have not fundamentally changed.

Second, although the UN has put the issue of COVID-19 and sanctions on the global agenda, it has had little success in implementing its recommendations. It simply does not have the necessary tools: the issue was not even raised in the UN Security Council. Any draft resolution would have been doomed to failure, given the divergent positions on sanctions of Russia and China, on the one hand, and the US, France and the UK, on the other.

Third, the share of sanctions events related to COVID-19 was small, and the events were largely opportunistic. After a surge in March and April 2020, the number of COVID-19 related sanctions events declined, and by June the pandemic had dropped off the sanctions agenda altogether.

Fourth, the pandemic has become a pretext for the discussion of US sanctions against China, although this should be seen in the context of the growing confrontation between the two countries over a wider range of issues. The topic of US sanctions against China soon reverted from COVID-19 to the familiar themes of human rights, information security, etc.

⁹ https://eeas.europa.eu/headquarters/headquarters-homepage/77766/implications-covid-19-external-action-eu-remarks-hrvp-josep-borrell-afet-sede-droi-committee_en

¹⁰ https://ec.europa.eu/info/sites/info/files/business_economy_euro/banking_and_finance/documents/200511-syria-humanitarian-aid-guidance-note_en.pdf

¹¹ <https://www.gov.uk/government/publications/syria-sanctions-guidance>

¹² <https://sozd.duma.gov.ru/bill/960112-7>

REFERENCES

- Gasiorowski, M. (1995), Economic crisis and political regime change: An event history analysis. *American Political Science Review*, Vol. 89, No. 4., pp 882-897.
- Giumelli, F. (2016), The purposes of targeted sanctions. In: T. Beirsteker, S. Eckert and M. Tourinho (eds), *Targeted Sanctions: The impacts and effectiveness of United Nations action*. New York: Cambridge University Press, pp 38-59.
- Hufbauer, G., Shott, J., Elliott, K. and Oegg, B. (2009), *Economic Sanctions Reconsidered*, third edition. Washington, DC: Peterson Institute for International Economics.
- King, G. and Zeng, L. (2001), Explaining rare events in international relations, *International Organization*, Vol. 55, No. 3, pp 693-715.
- Niederhoffer, V. (1971), The analysis of world events and stock prices, *Journal of Business*, Vol. 44, No. 2, pp 193-219.
- Timofeev, I. (2011), International community and the limits of intervention in the conflicts of 'crisis states': The case of Afghanistan, *MGIMO Review of International Relations*, No. 5, pp 27-36 (in Russian).

Monthly and quarterly statistics for Central, East and Southeast Europe

The monthly and quarterly statistics cover **22 countries** of the CESEE region. The graphical form of presenting statistical data is intended to facilitate the **analysis of short-term macroeconomic developments**. The set of indicators captures trends in the real and monetary sectors of the economy, in the labour market, as well as in the financial and external sectors.

Baseline data and a variety of other monthly and quarterly statistics, **country-specific** definitions of indicators and **methodological information** on particular time series are **available in the wiiw Monthly Database** under: <https://data.wiiw.ac.at/monthly-database.html>. Users regularly interested in a certain set of indicators may create a personalised query which can then be quickly downloaded for updates each month.

Conventional signs and abbreviations used

%	per cent
ER	exchange rate
GDP	Gross Domestic Product
HICP	Harmonised Index of Consumer Prices (for new EU member states)
LFS	Labour Force Survey
NPISHs	Non-profit institutions serving households
p.a.	per annum
PPI	Producer Price Index
reg.	registered
y-o-y	year on year

The following national currencies are used:

ALL	Albanian lek	HRK	Croatian kuna	RON	Romanian leu
BAM	Bosnian convertible mark	HUF	Hungarian forint	RSD	Serbian dinar
BGN	Bulgarian lev	KZT	Kazakh tenge	RUB	Russian rouble
BYN	Belarusian rouble	MKD	Macedonian denar	TRY	Turkish lira
CZK	Czech koruna	PLN	Polish zloty	UAH	Ukrainian hryvnia
EUR	euro – national currency for Montenegro, Kosovo and for the euro-area countries Estonia (from January 2011, euro-fixed before), Latvia (from January 2014, euro-fixed before), Lithuania (from January 2015, euro-fixed before), Slovakia (from January 2009, euro-fixed before) and Slovenia (from January 2007, euro-fixed before).				

Sources of statistical data: Eurostat, National Statistical Offices, Central Banks and Public Employment Services; wiiw estimates.

Online database access



wiiw Annual Database



wiiw Monthly Database



wiiw FDI Database

The wiiw databases are accessible via a simple web interface, with only one password needed to access all databases (and all wiiw publications).

You may access the databases here: <https://data.wiiw.ac.at>.

If you have not yet registered, you can do so here: <https://wiiw.ac.at/register.html>.

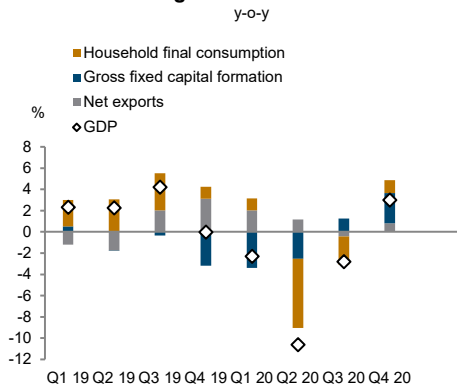
Service package available

We offer an additional service package that allows you to access all databases – a Premium Membership, at a price of € 2,300 (instead of € 2,000 as for the Basic Membership). Your usual package will, of course, remain available as well.

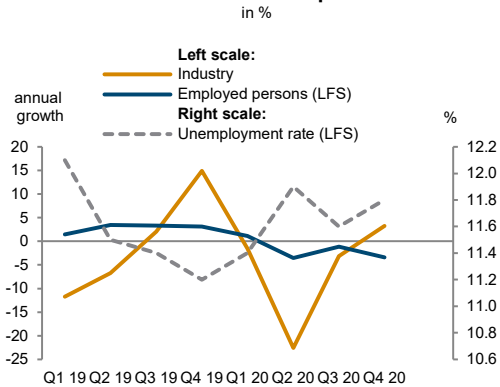
For more information on database access for Members and on Membership conditions, please contact Ms. Barbara Pill (pill@wiiw.ac.at), phone: (+43-1) 533 66 10.

Albania

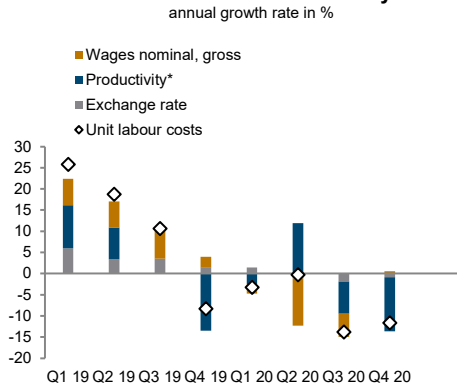
Real GDP growth and contributions



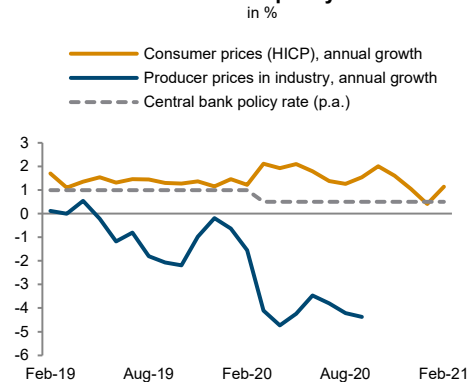
Real sector development



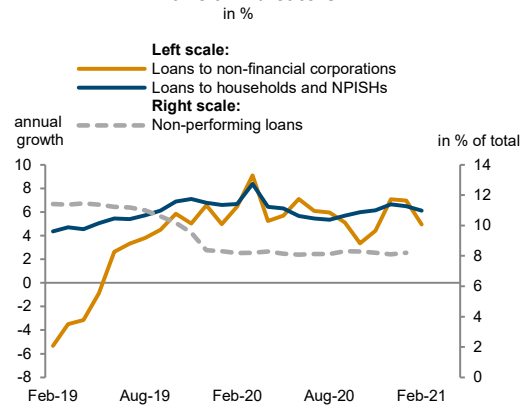
Unit labour costs in industry



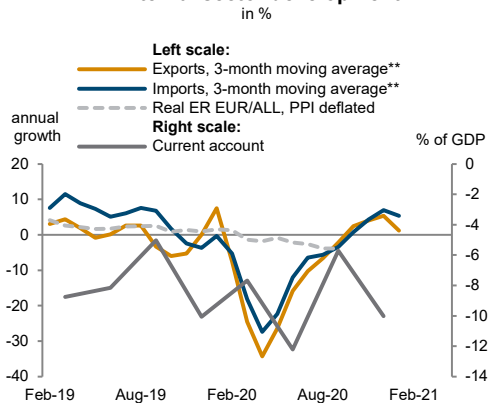
Inflation and policy rate



Financial indicators



External sector development



*Positive values of the productivity component on the graph reflect decline in productivity and vice versa.

**EUR based.

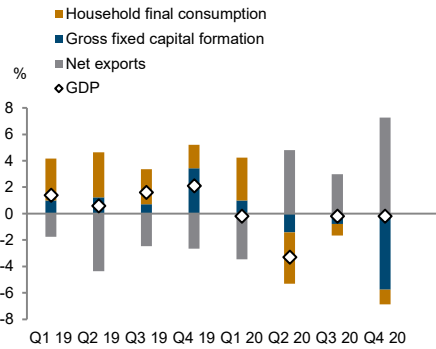
Source: wiiw Monthly Database incorporating Eurostat and national statistics.

Baseline data, country-specific definitions and methodological breaks in time series are available under:

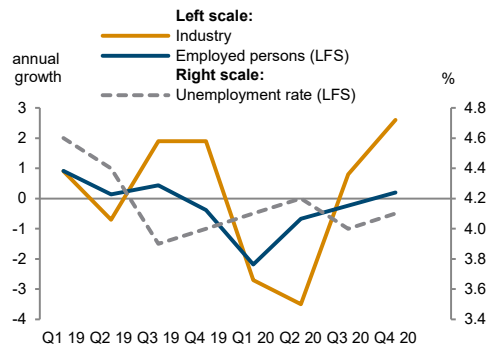
<https://data.wiiw.ac.at/monthly-database.html>

Belarus

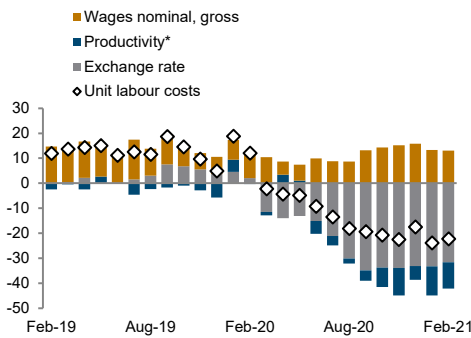
Real GDP growth and contributions
y-o-y



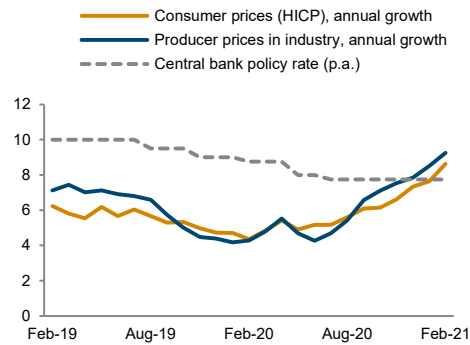
Real sector development
in %



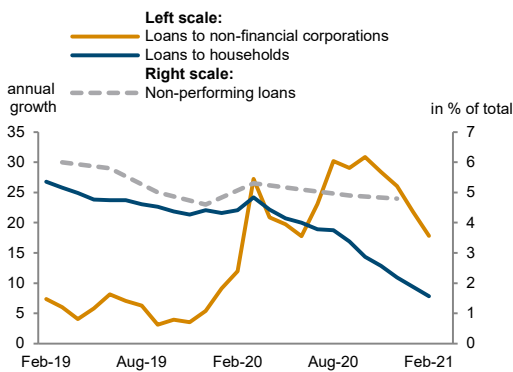
Unit labour costs in industry
annual growth rate in %



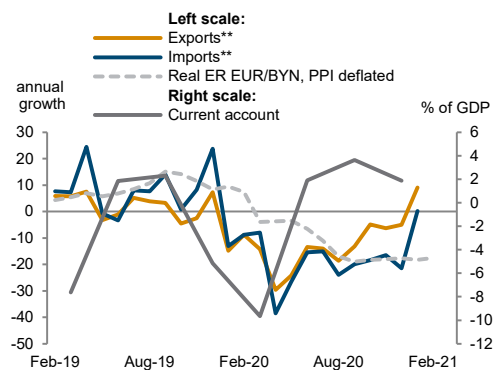
Inflation and policy rate
in %



Financial indicators
in %



External sector development
in %



*Positive values of the productivity component on the graph reflect decline in productivity and vice versa.

**EUR based.

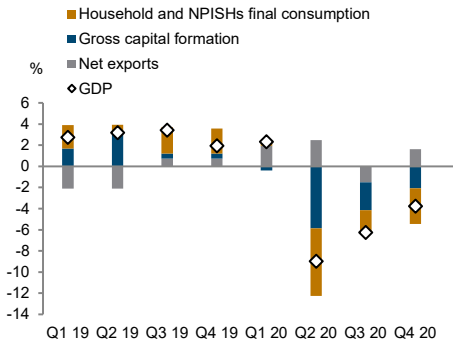
Source: wiiw Monthly Database incorporating Eurostat and national statistics.

Baseline data, country-specific definitions and methodological breaks in time series are available under:

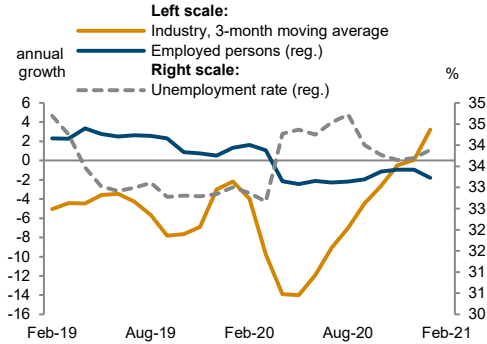
<https://data.wiiw.ac.at/monthly-database.html>

Bosnia and Herzegovina

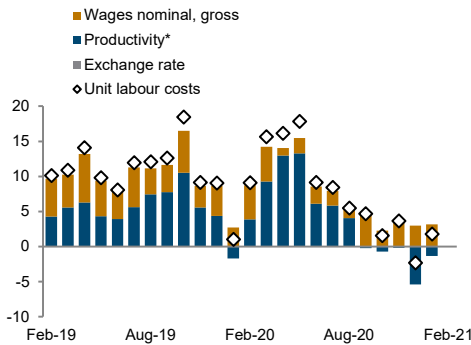
Real GDP growth and contributions
y-o-y



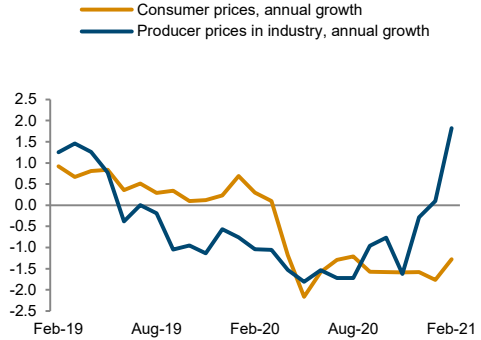
Real sector development
in %



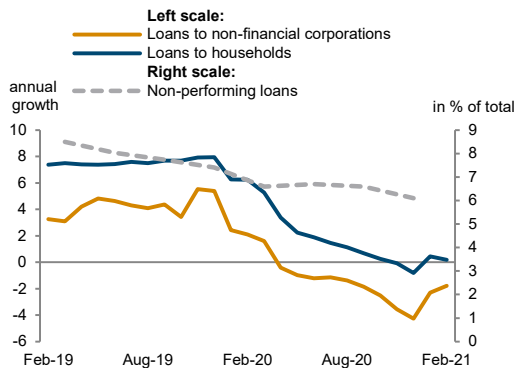
Unit labour costs in industry
annual growth rate in %



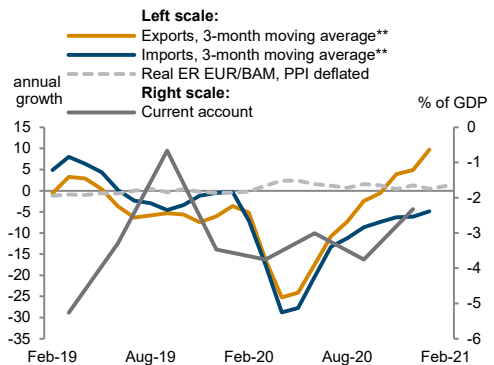
Inflation
in %



Financial indicators
in %



External sector development
in %

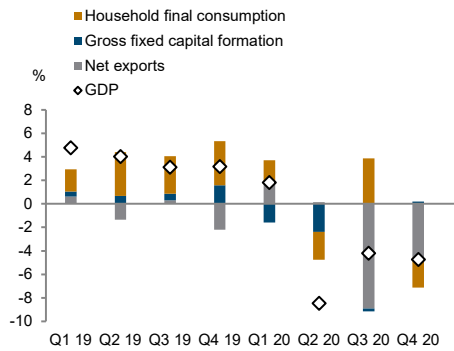


*Positive values of the productivity component on the graph reflect decline in productivity and vice versa.
**EUR based.

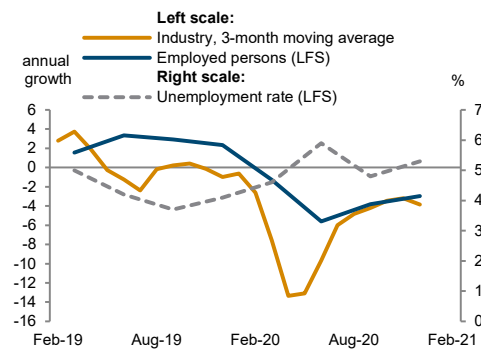
Source: wiiw Monthly Database incorporating Eurostat and national statistics.
Baseline data, country-specific definitions and methodological breaks in time series are available under:
<https://data.wiiw.ac.at/monthly-database.html>

Bulgaria

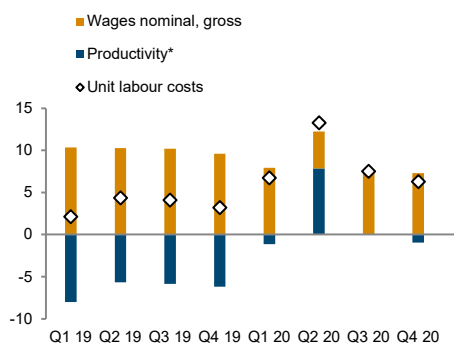
Real GDP growth and contributions
y-o-y



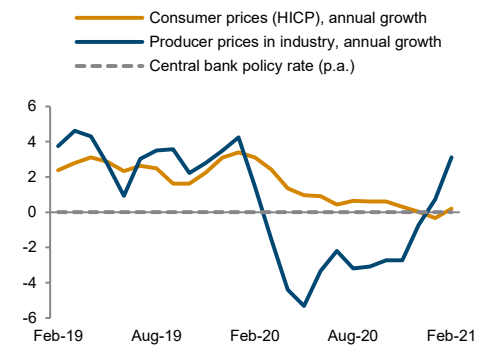
Real sector development
in %



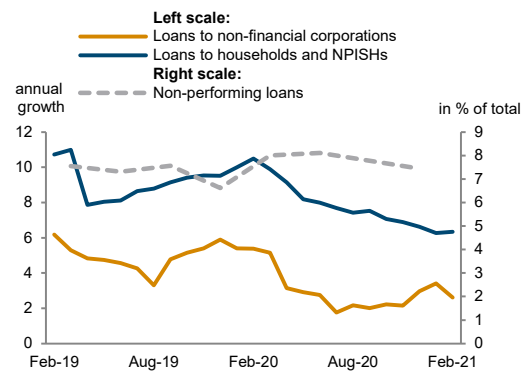
Unit labour costs in industry
annual growth rate in %



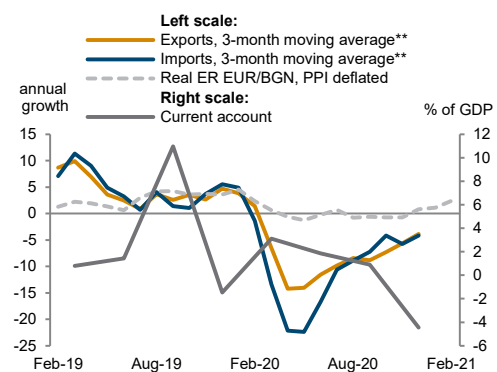
Inflation and policy rate
in %



Financial indicators
in %



External sector development
in %



*Positive values of the productivity component on the graph reflect decline in productivity and vice versa.
**EUR based.

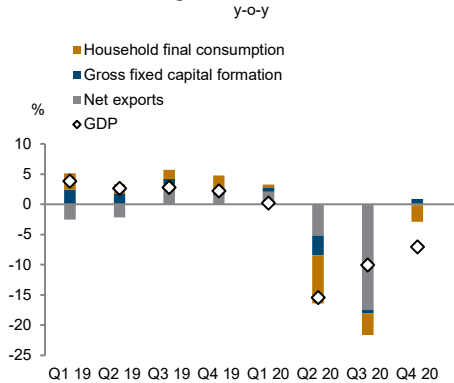
Source: wiiw Monthly Database incorporating Eurostat and national statistics.

Baseline data, country-specific definitions and methodological breaks in time series are available under:

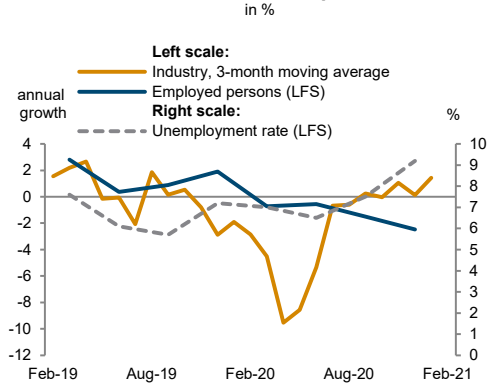
<https://data.wiiw.ac.at/monthly-database.html>

Croatia

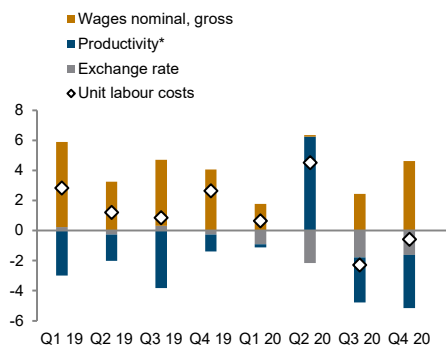
Real GDP growth and contributions



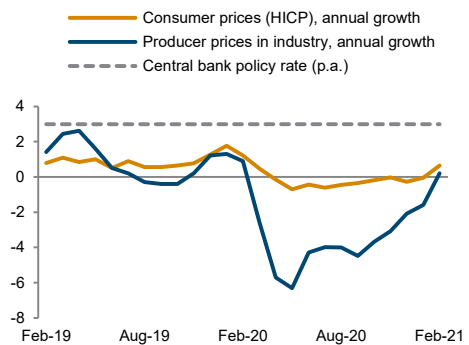
Real sector development



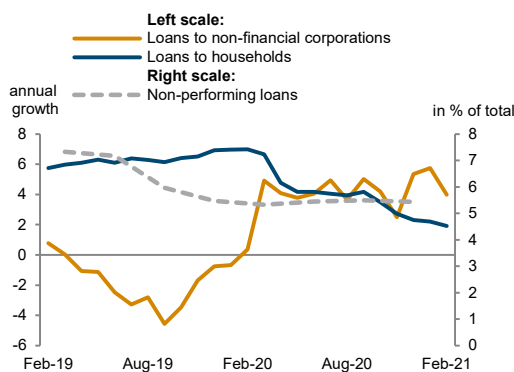
Unit labour costs in industry



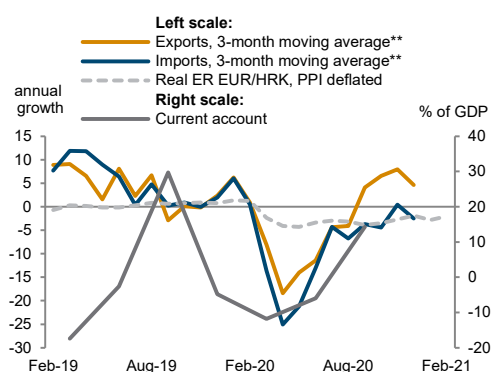
Inflation and policy rate



Financial indicators



External sector development



*Positive values of the productivity component on the graph reflect decline in productivity and vice versa.

**EUR based.

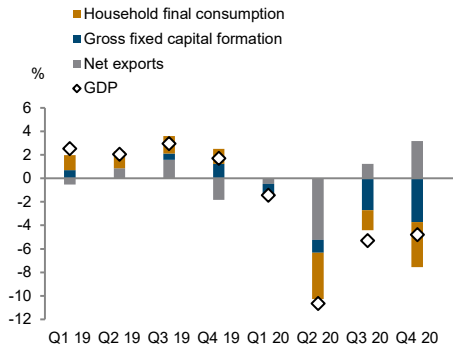
Source: wiiw Monthly Database incorporating Eurostat and national statistics.

Baseline data, country-specific definitions and methodological breaks in time series are available under:

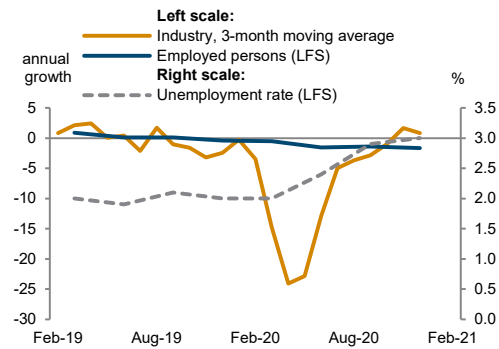
<https://data.wiiw.ac.at/monthly-database.html>

Czechia

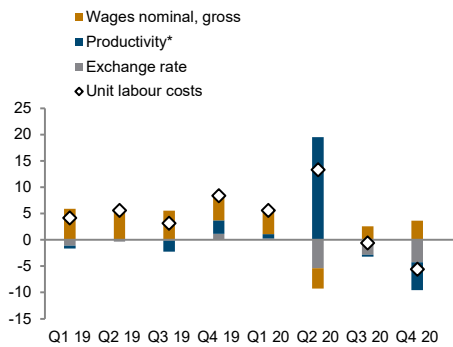
Real GDP growth and contributions
y-o-y



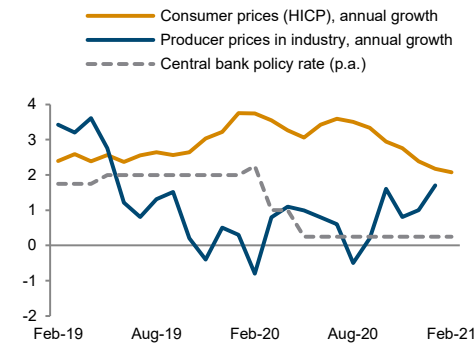
Real sector development
in %



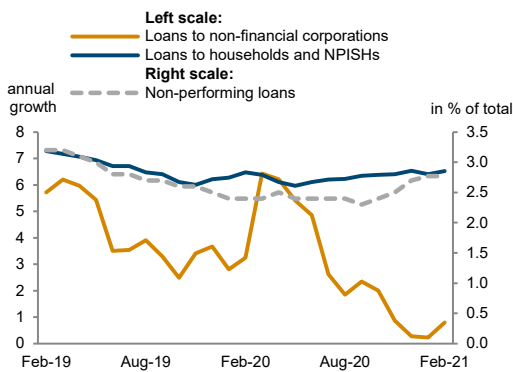
Unit labour costs in industry
annual growth rate in %



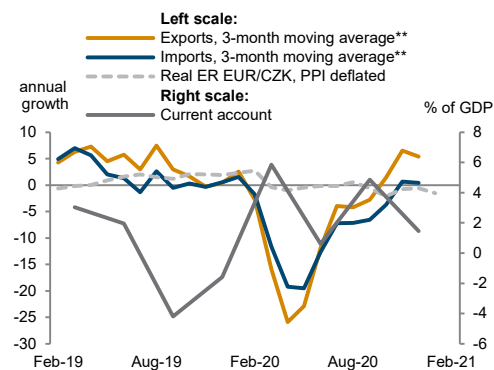
Inflation and policy rate
in %



Financial indicators
in %



External sector development
in %



*Positive values of the productivity component on the graph reflect decline in productivity and vice versa.

**EUR based.

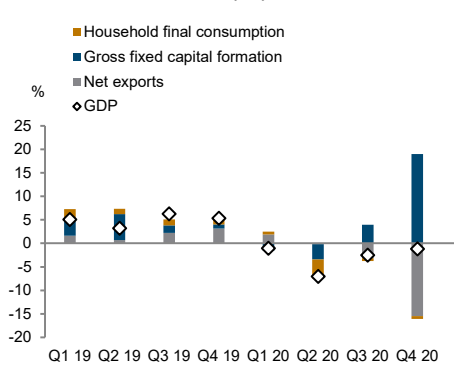
Source: wiiw Monthly Database incorporating Eurostat and national statistics.

Baseline data, country-specific definitions and methodological breaks in time series are available under:

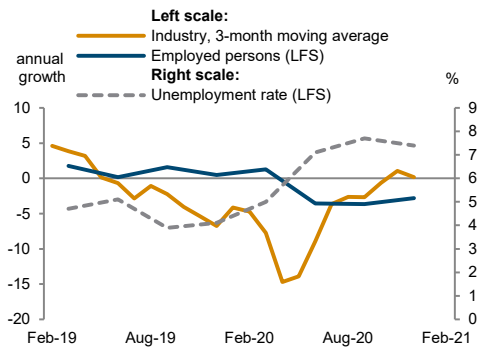
<https://data.wiiw.ac.at/monthly-database.html>

Estonia

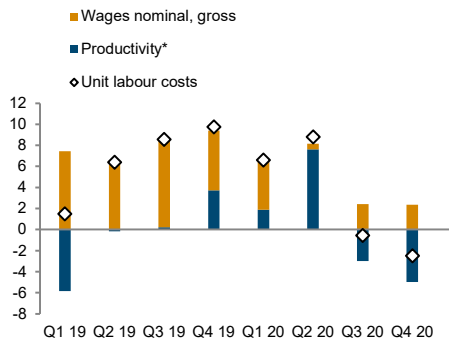
Real GDP growth and contributions



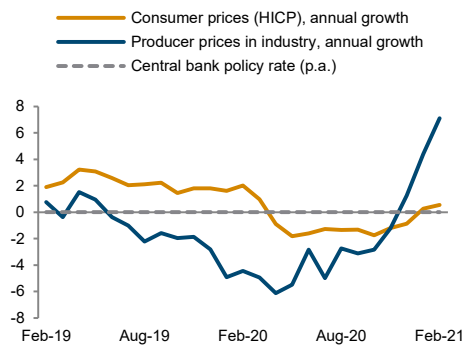
Real sector development



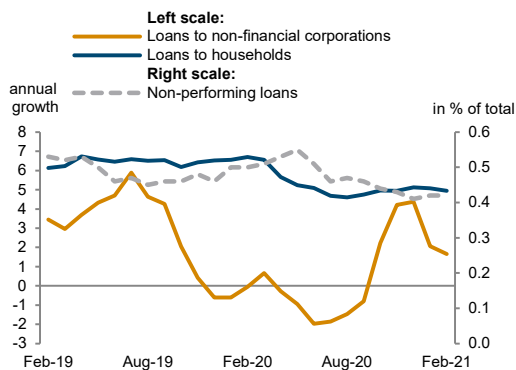
Unit labour costs in industry



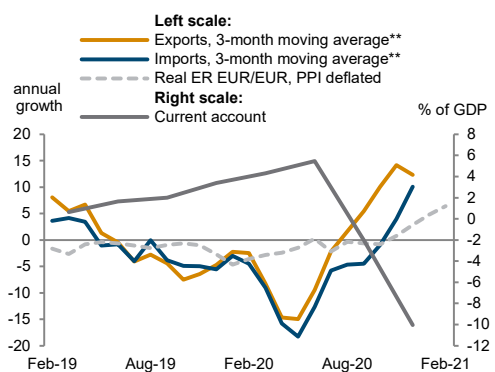
Inflation and policy rate



Financial indicators



External sector development



*Positive values of the productivity component on the graph reflect decline in productivity and vice versa.

**EUR based.

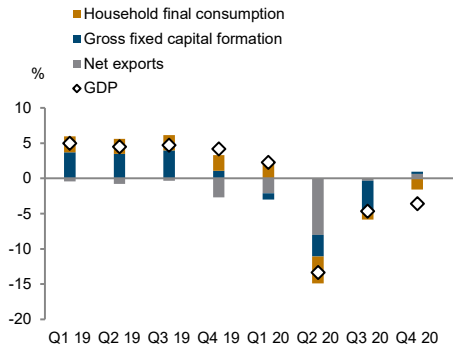
Source: wiiw Monthly Database incorporating Eurostat and national statistics.

Baseline data, country-specific definitions and methodological breaks in time series are available under:

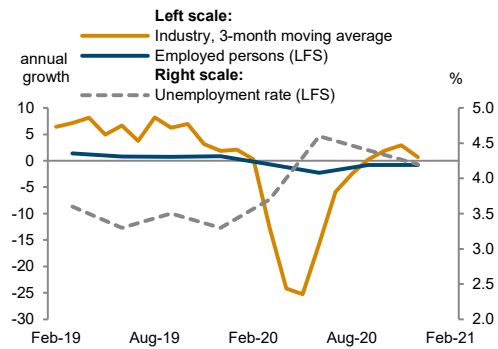
<https://data.wiiw.ac.at/monthly-database.html>

Hungary

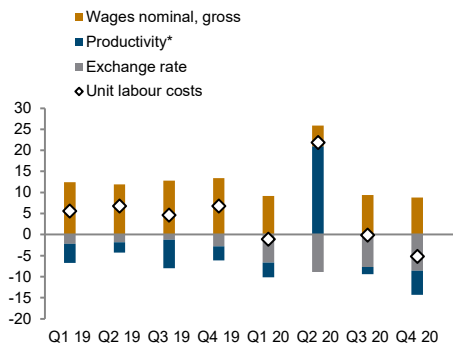
Real GDP growth and contributions
y-o-y



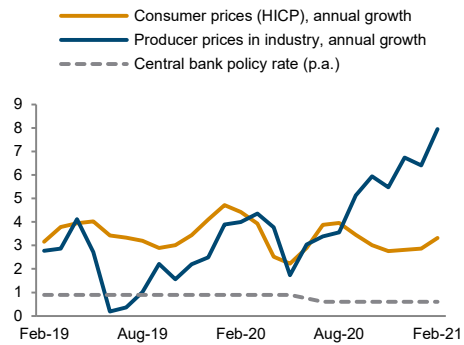
Real sector development
in %



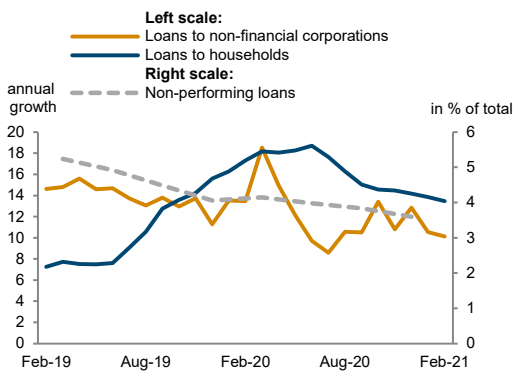
Unit labour costs in industry
annual growth rate in %



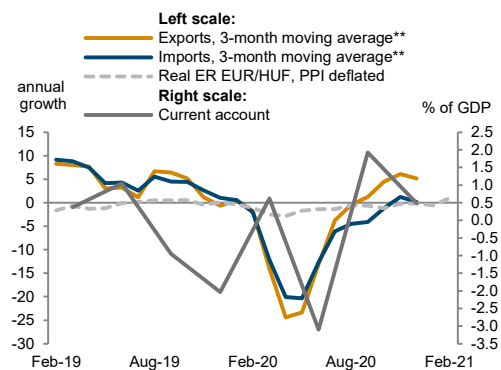
Inflation and policy rate
in %



Financial indicators
in %



External sector development
in %



*Positive values of the productivity component on the graph reflect decline in productivity and vice versa.
 **EUR based.

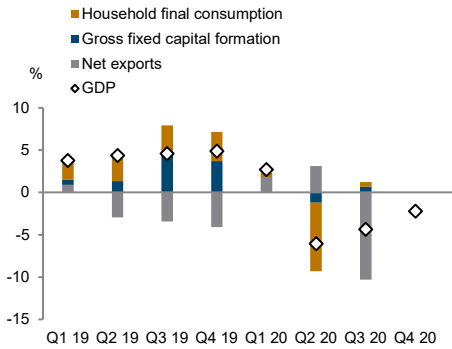
Source: wiiw Monthly Database incorporating Eurostat and national statistics.

Baseline data, country-specific definitions and methodological breaks in time series are available under:

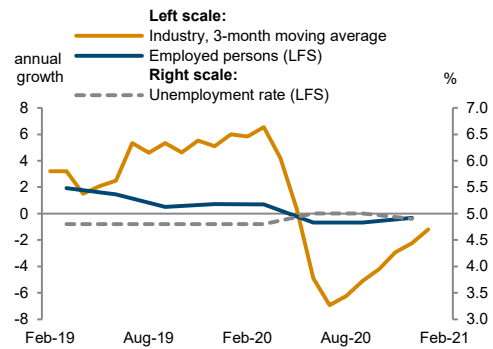
<https://data.wiiw.ac.at/monthly-database.html>

Kazakhstan

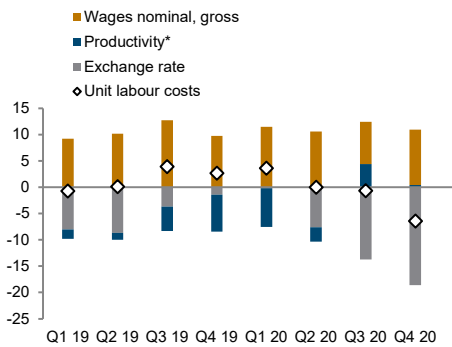
Real GDP growth and contributions
y-o-y



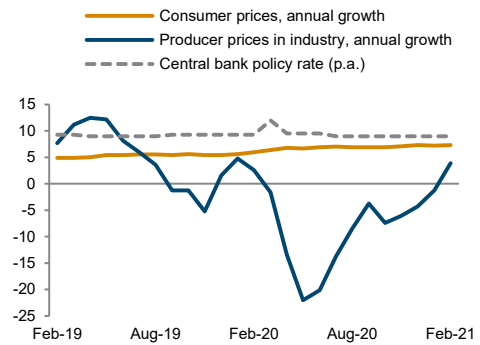
Real sector development
in %



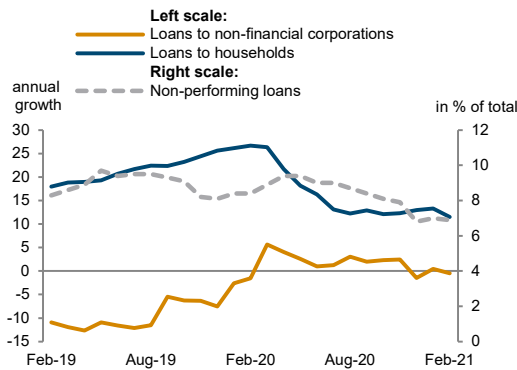
Unit labour costs in industry
annual growth rate in %



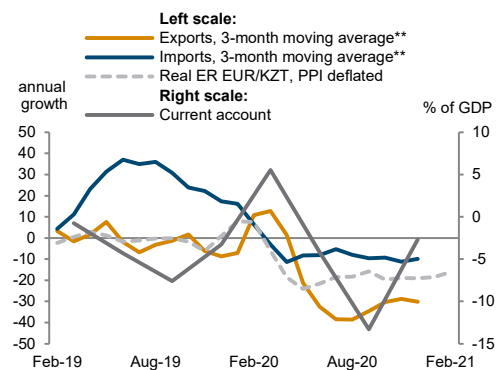
Inflation and policy rate
in %



Financial indicators
in %



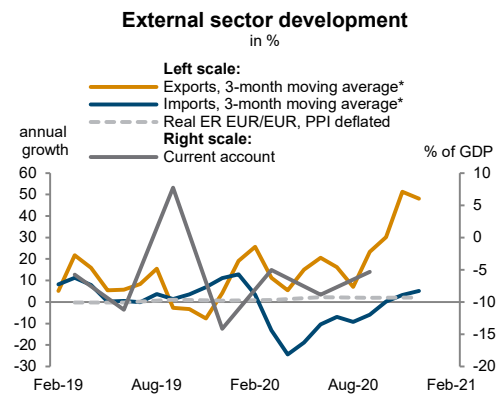
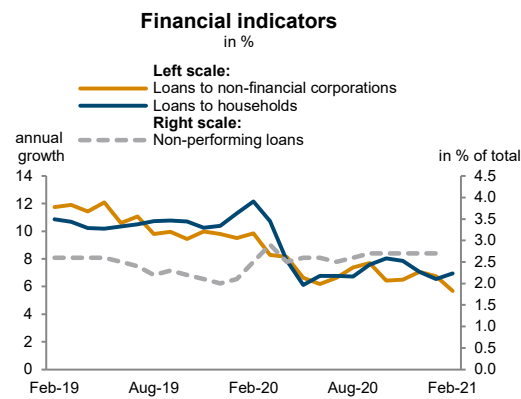
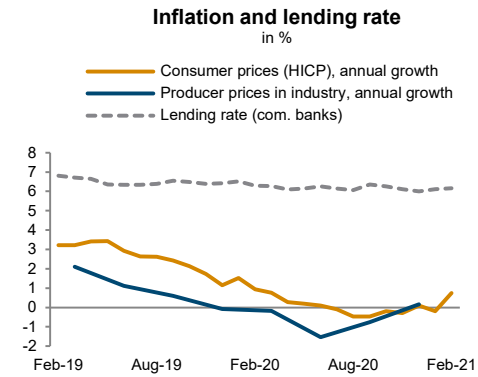
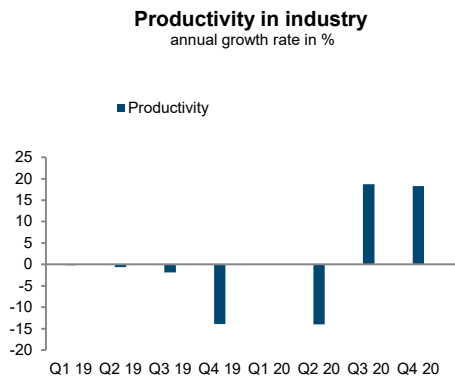
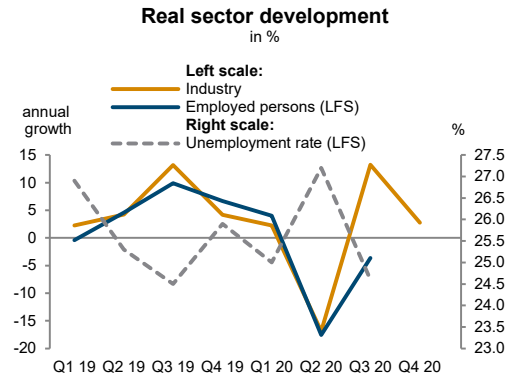
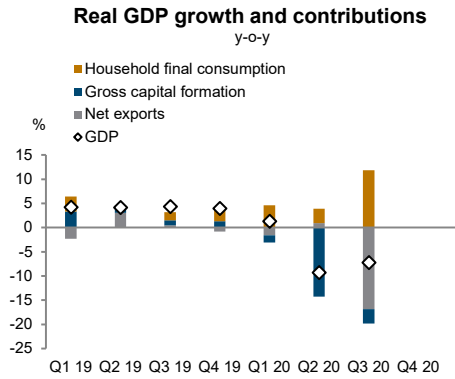
External sector development
in %



*Positive values of the productivity component on the graph reflect decline in productivity and vice versa.
**EUR based.

Source: wiiw Monthly Database incorporating Eurostat and national statistics.
Baseline data, country-specific definitions and methodological breaks in time series are available under:
<https://data.wiiw.ac.at/monthly-database.html>

Kosovo



*EUR based.

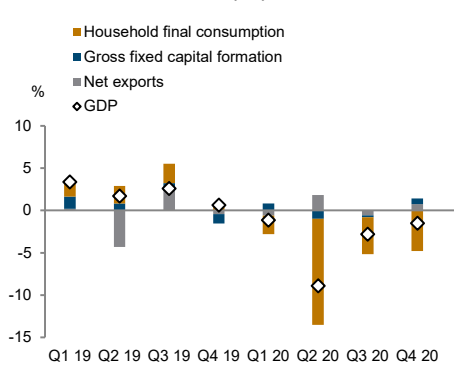
Source: wiiw Monthly Database incorporating Eurostat and national statistics.

Baseline data, country-specific definitions and methodological breaks in time series are available under:

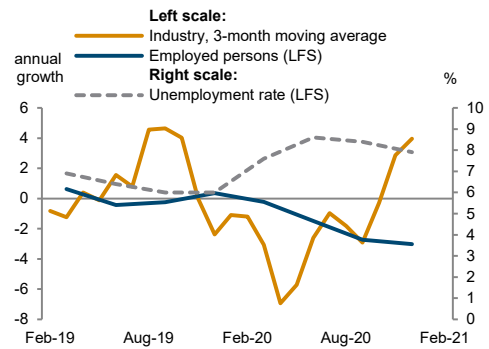
<https://data.wiiw.ac.at/monthly-database.html>

Latvia

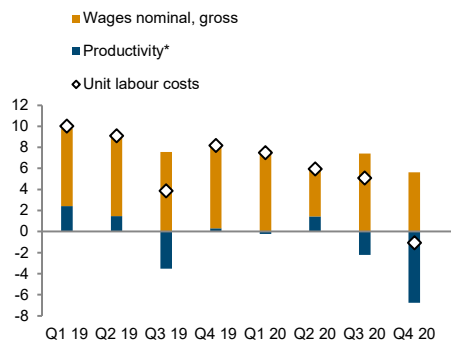
Real GDP growth and contributions



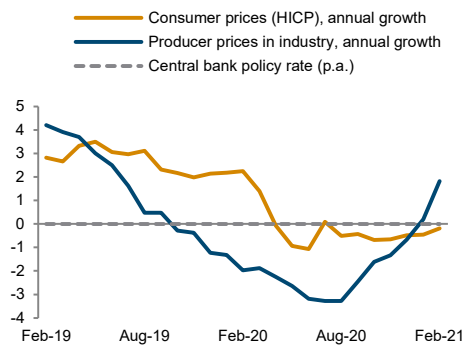
Real sector development



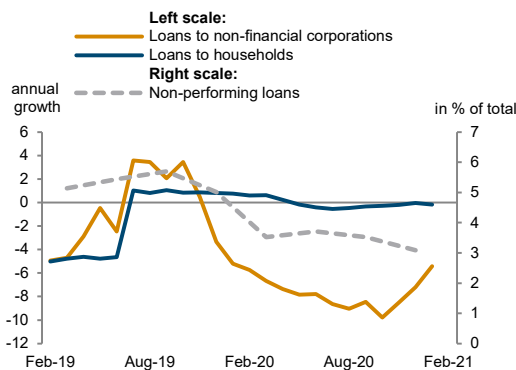
Unit labour costs in industry



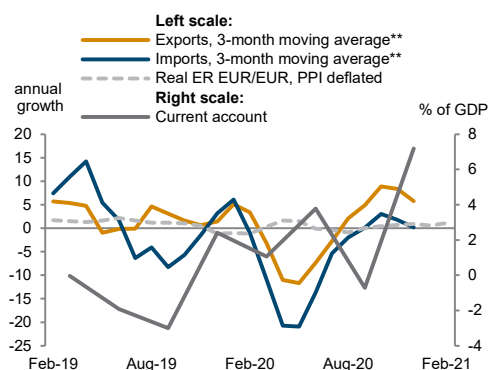
Inflation and policy rate



Financial indicators



External sector development



*Positive values of the productivity component on the graph reflect decline in productivity and vice versa.

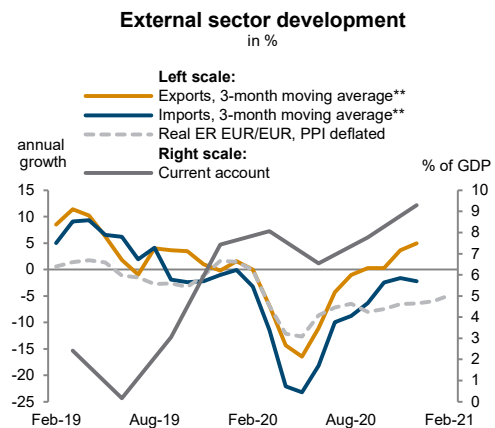
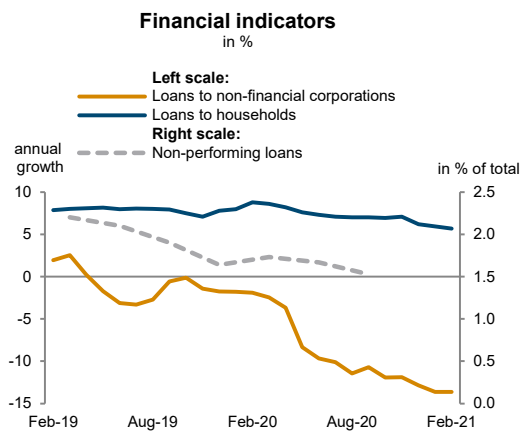
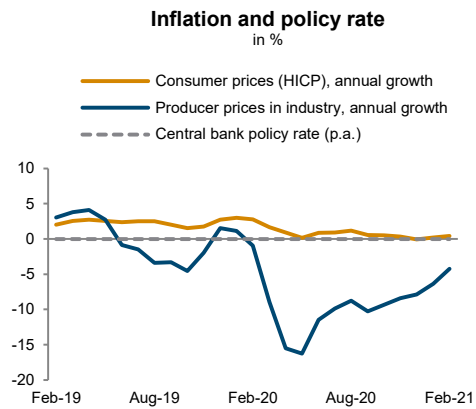
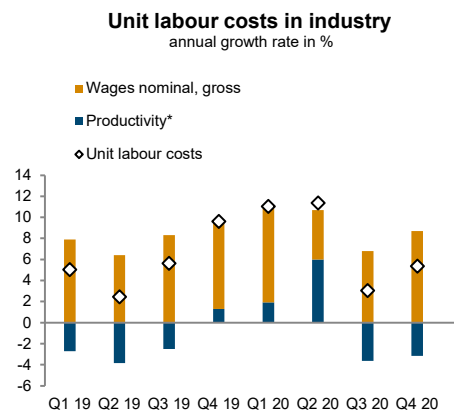
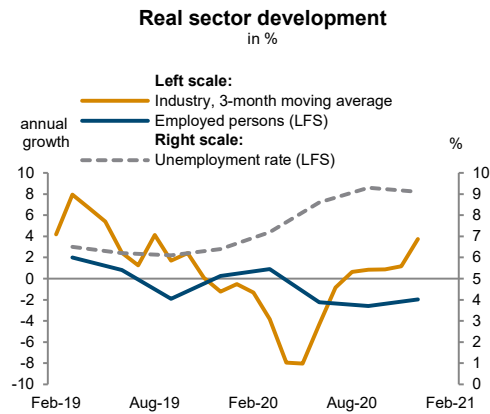
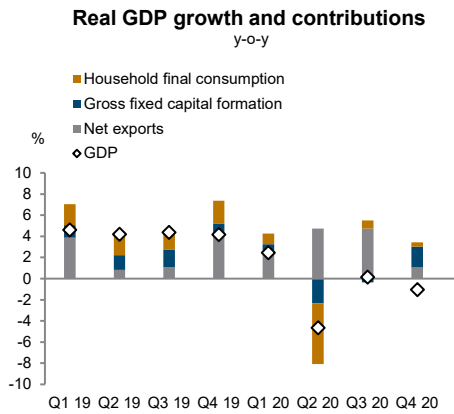
**EUR based.

Source: wiiw Monthly Database incorporating Eurostat and national statistics.

Baseline data, country-specific definitions and methodological breaks in time series are available under:

<https://data.wiiw.ac.at/monthly-database.html>

Lithuania



*Positive values of the productivity component on the graph reflect decline in productivity and vice versa.
**EUR based.

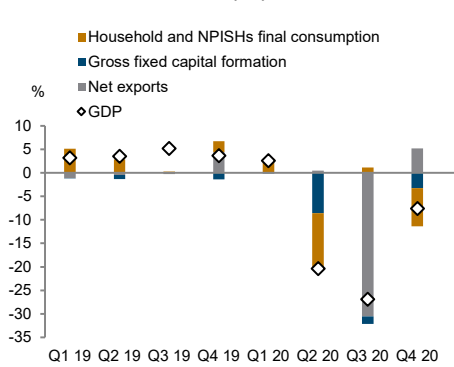
Source: wiiw Monthly Database incorporating Eurostat and national statistics.

Baseline data, country-specific definitions and methodological breaks in time series are available under:

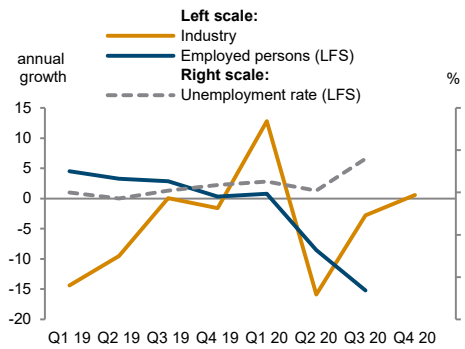
<https://data.wiiw.ac.at/monthly-database.html>

Montenegro

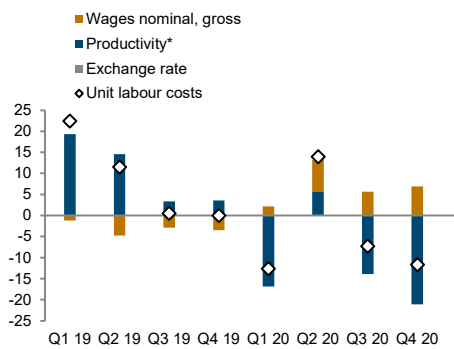
Real GDP growth and contributions



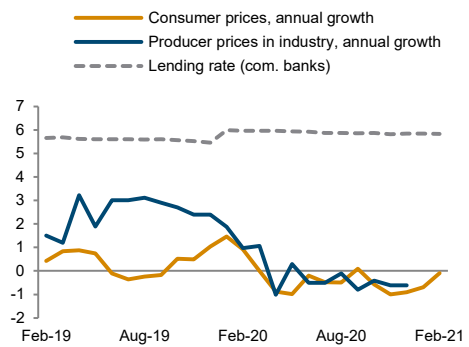
Real sector development



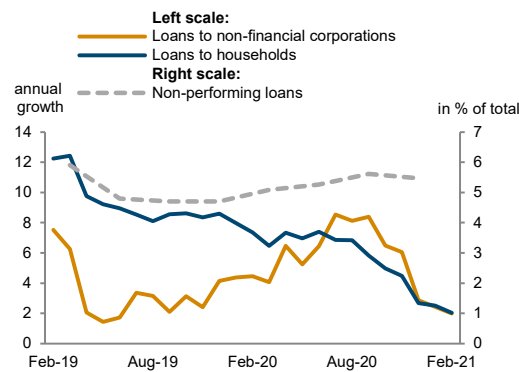
Unit labour costs in industry



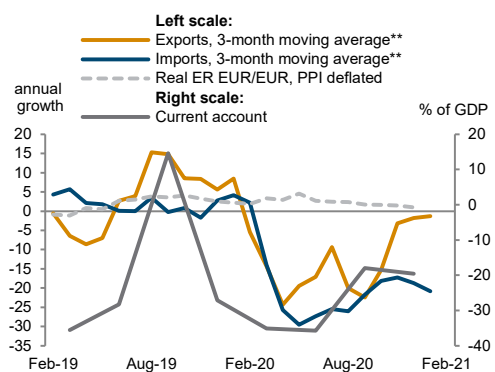
Inflation and lending rate



Financial indicators



External sector development



*Positive values of the productivity component on the graph reflect decline in productivity and vice versa.

**EUR based.

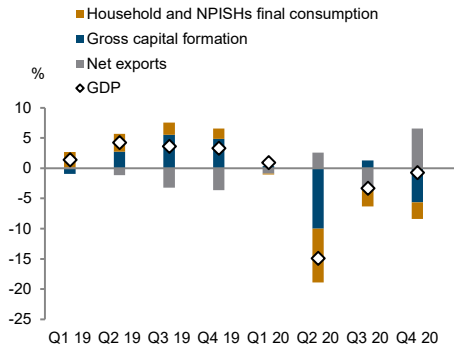
Source: wiw Monthly Database incorporating Eurostat and national statistics.

Baseline data, country-specific definitions and methodological breaks in time series are available under:

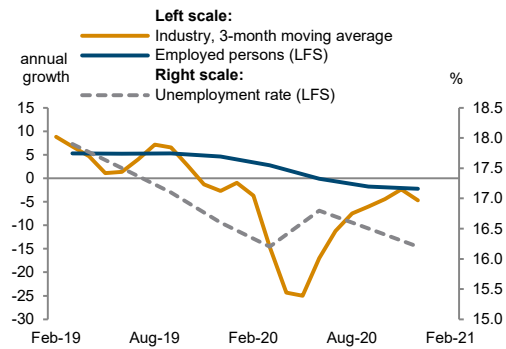
<https://data.wiw.ac.at/monthly-database.html>

North Macedonia

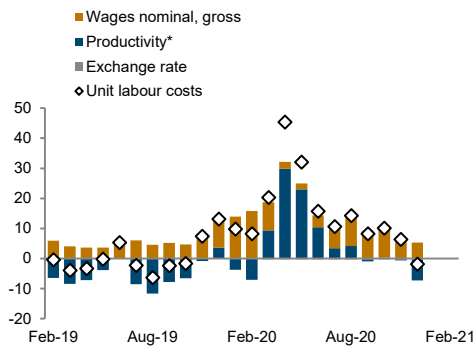
Real GDP growth and contributions
y-o-y



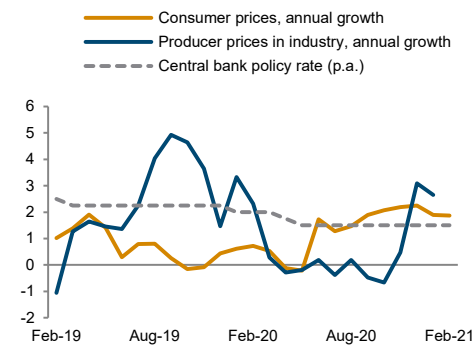
Real sector development
in %



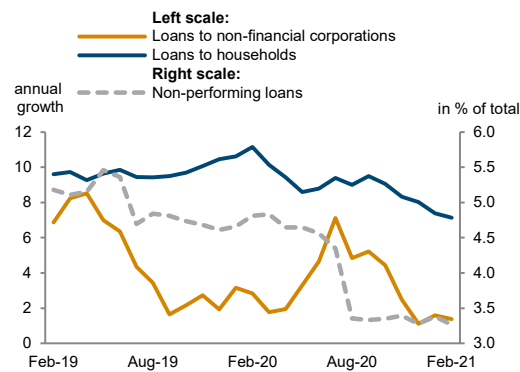
Unit labour costs in industry
annual growth rate in %



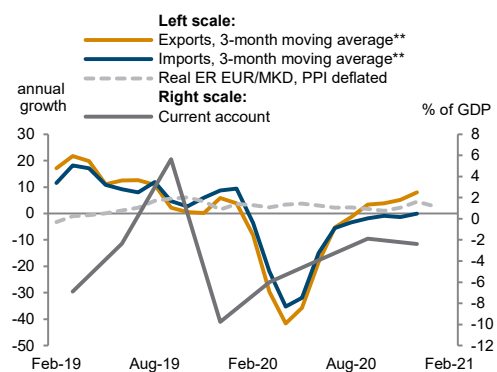
Inflation and policy rate
in %



Financial indicators
in %



External sector development
in %



*Positive values of the productivity component on the graph reflect decline in productivity and vice versa.
 **EUR based.

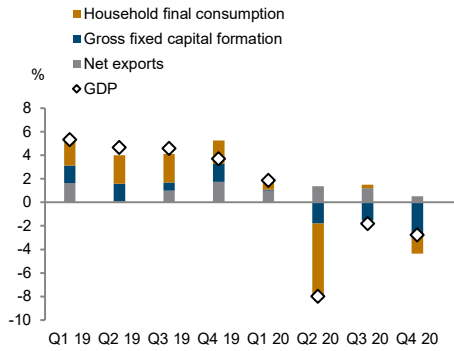
Source: wiiw Monthly Database incorporating Eurostat and national statistics.

Baseline data, country-specific definitions and methodological breaks in time series are available under:

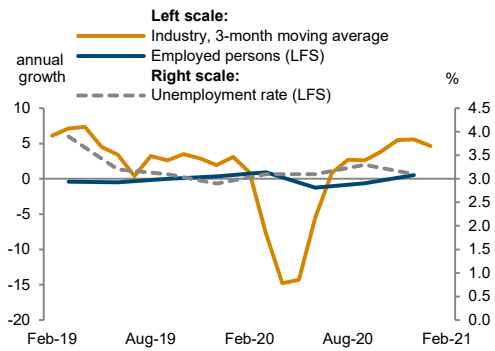
<https://data.wiiw.ac.at/monthly-database.html>

Poland

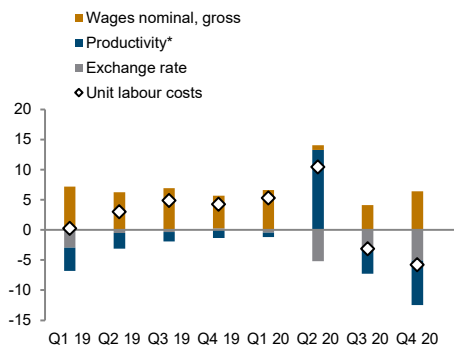
Real GDP growth and contributions
y-o-y



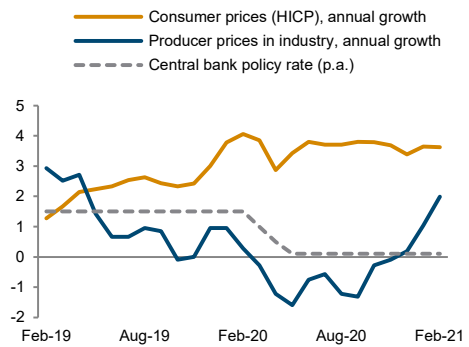
Real sector development
in %



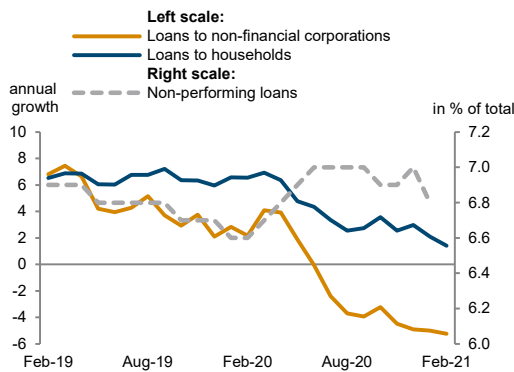
Unit labour costs in industry
annual growth rate in %



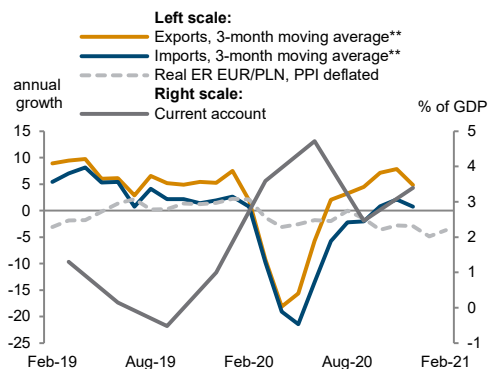
Inflation and policy rate
in %



Financial indicators
in %



External sector development
in %



*Positive values of the productivity component on the graph reflect decline in productivity and vice versa.

**EUR based.

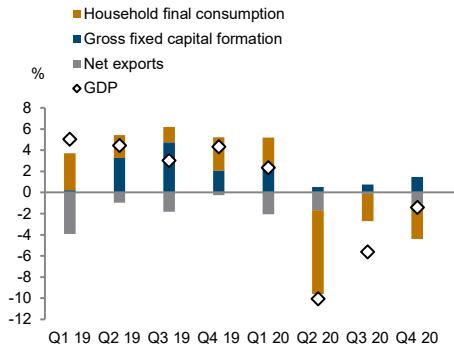
Source: wiiw Monthly Database incorporating Eurostat and national statistics.

Baseline data, country-specific definitions and methodological breaks in time series are available under:

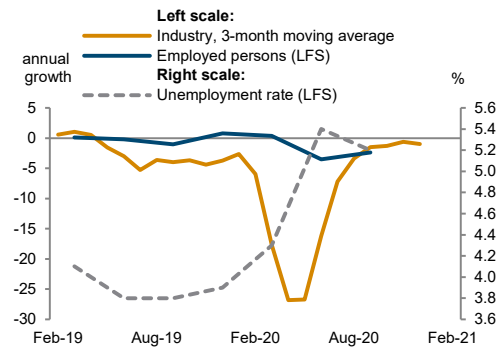
<https://data.wiiw.ac.at/monthly-database.html>

Romania

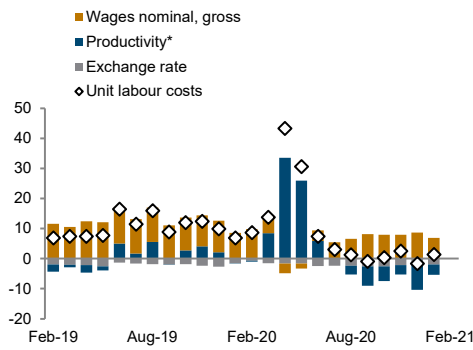
Real GDP growth and contributions
y-o-y



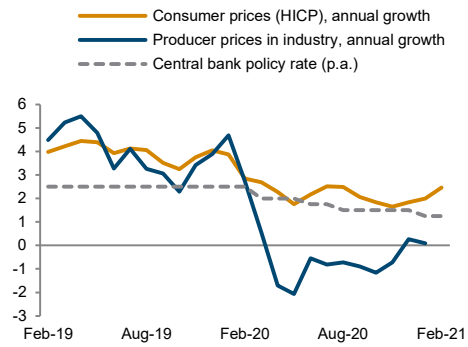
Real sector development
in %



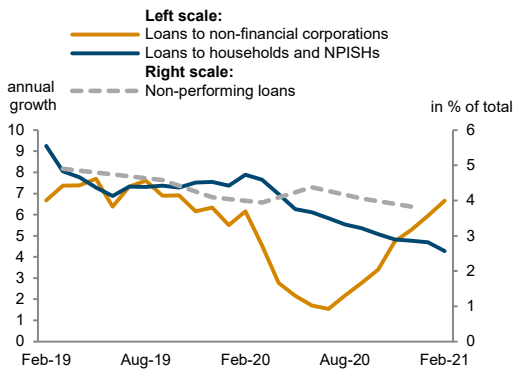
Unit labour costs in industry
annual growth rate in %



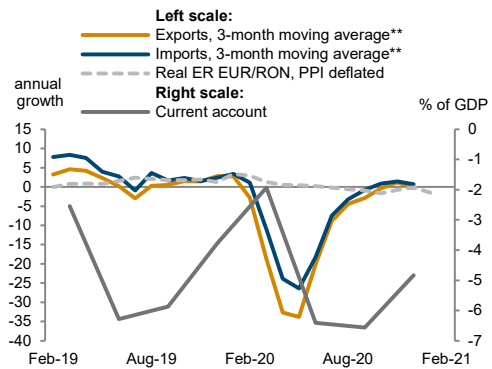
Inflation and policy rate
in %



Financial indicators
in %



External sector development
in %



*Positive values of the productivity component on the graph reflect decline in productivity and vice versa.

**EUR based.

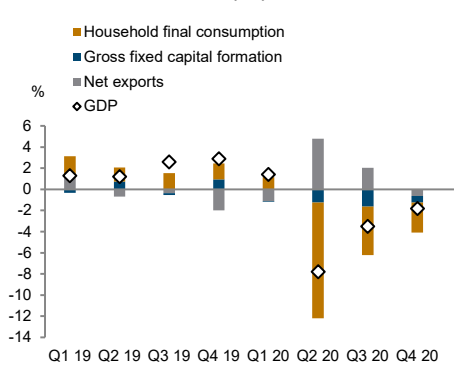
Source: wiiw Monthly Database incorporating Eurostat and national statistics.

Baseline data, country-specific definitions and methodological breaks in time series are available under:

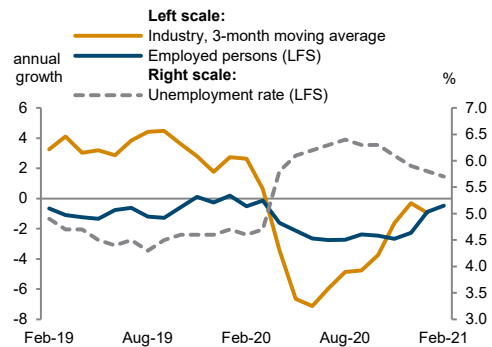
<https://data.wiiw.ac.at/monthly-database.html>

Russia

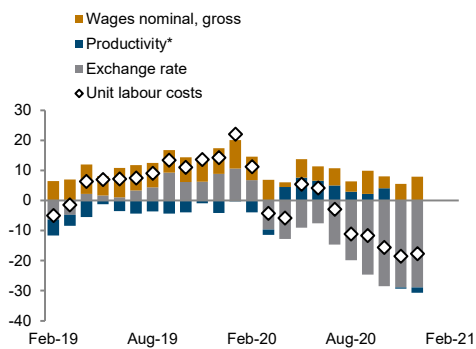
Real GDP growth and contributions



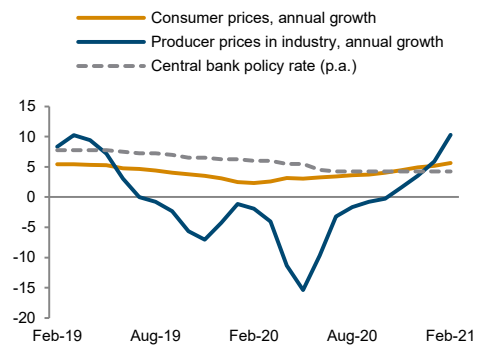
Real sector development



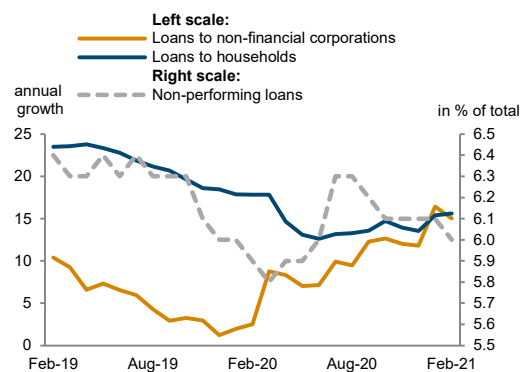
Unit labour costs in industry



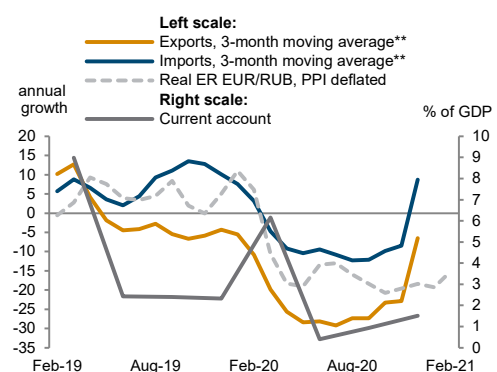
Inflation and policy rate



Financial indicators



External sector development



*Positive values of the productivity component on the graph reflect decline in productivity and vice versa.

**EUR based.

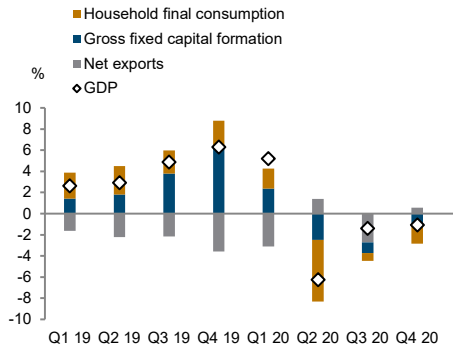
Source: wiiw Monthly Database incorporating Eurostat and national statistics.

Baseline data, country-specific definitions and methodological breaks in time series are available under:

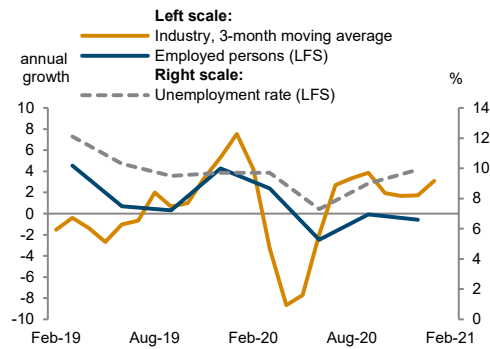
<https://data.wiiw.ac.at/monthly-database.html>

Serbia

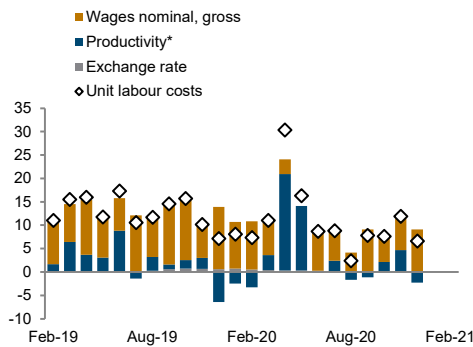
Real GDP growth and contributions
y-o-y



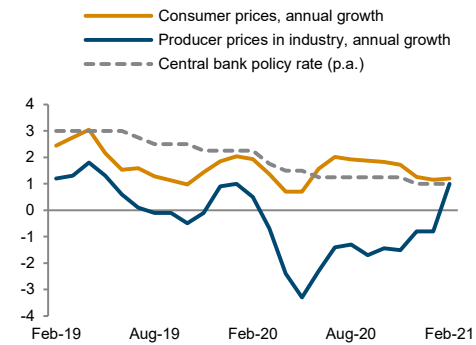
Real sector development
in %



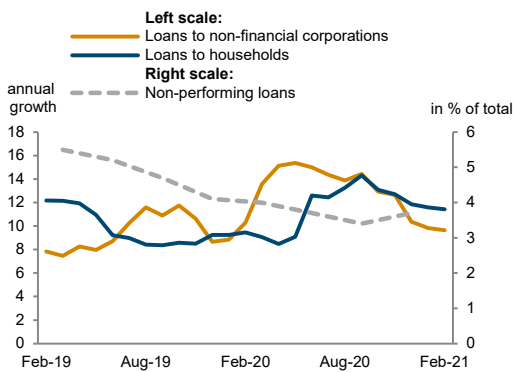
Unit labour costs in industry
annual growth rate in %



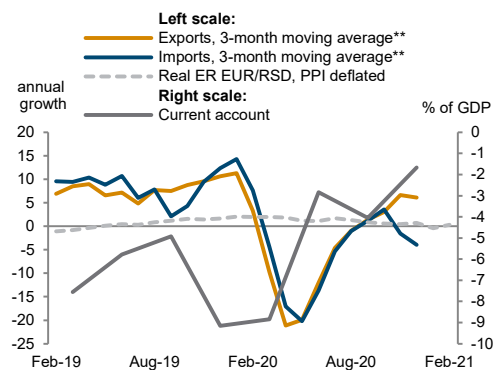
Inflation and policy rate
in %



Financial indicators
in %



External sector development
in %



*Positive values of the productivity component on the graph reflect decline in productivity and vice versa.
**EUR based.

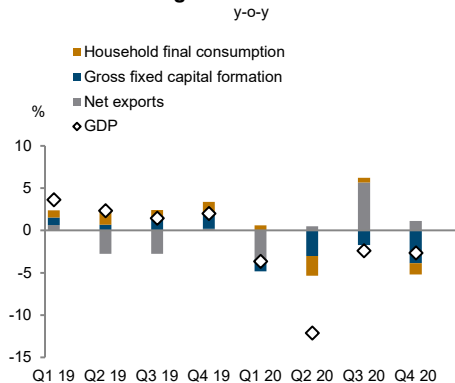
Source: wiiw Monthly Database incorporating Eurostat and national statistics.

Baseline data, country-specific definitions and methodological breaks in time series are available under:

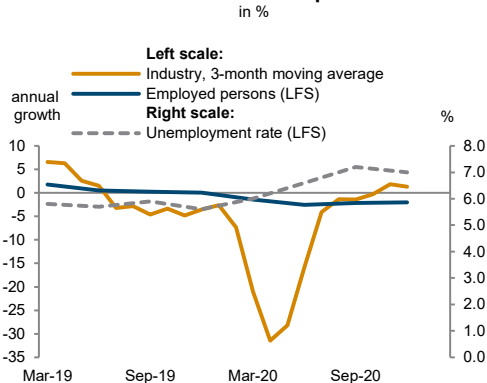
<https://data.wiiw.ac.at/monthly-database.html>

Slovakia

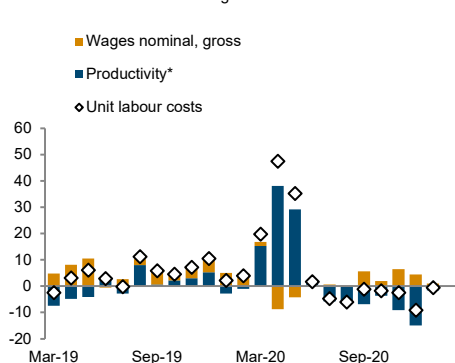
Real GDP growth and contributions



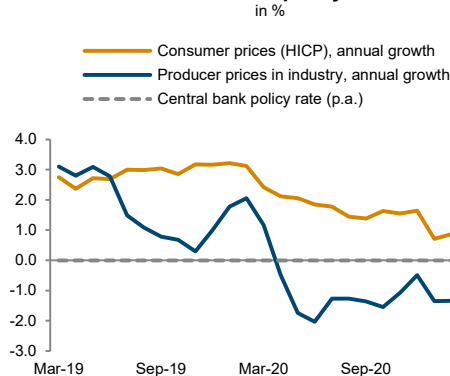
Real sector development



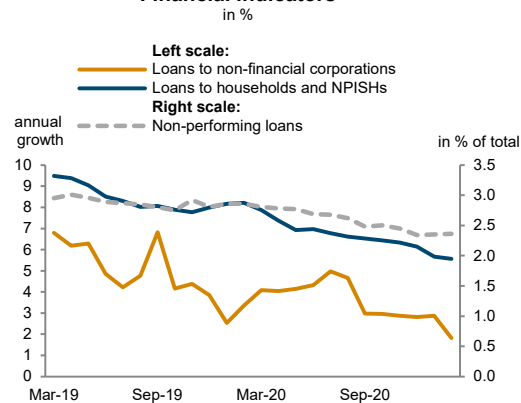
Unit labour costs in industry



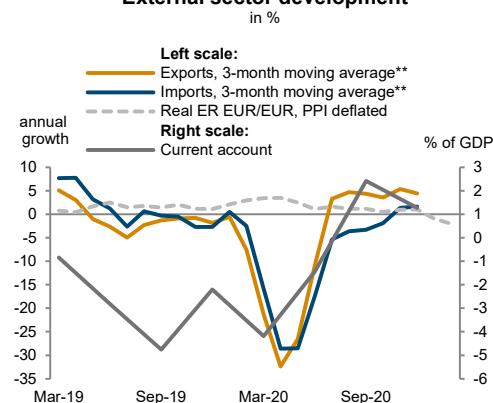
Inflation and policy rate



Financial indicators



External sector development



*Positive values of the productivity component on the graph reflect decline in productivity and vice versa.

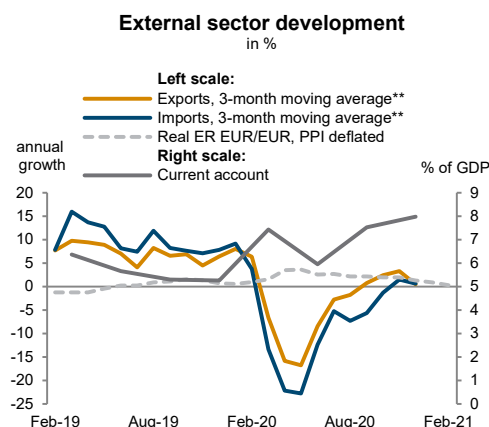
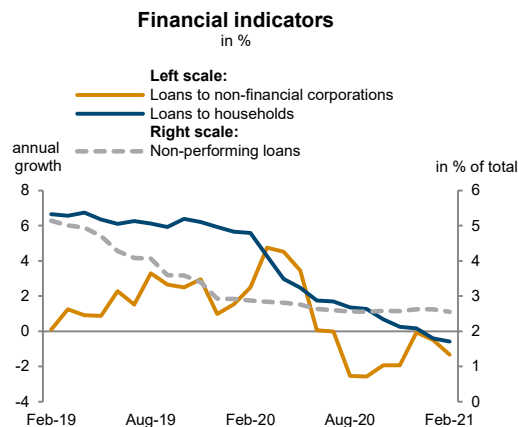
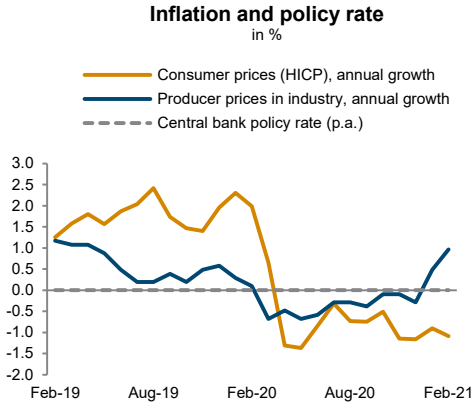
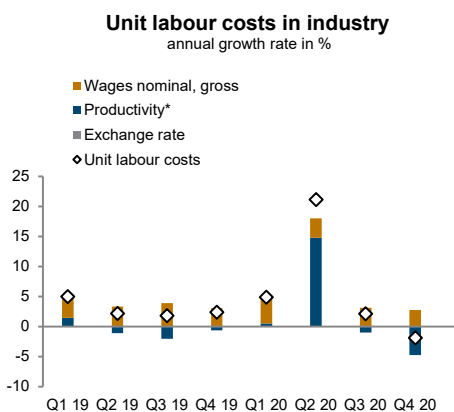
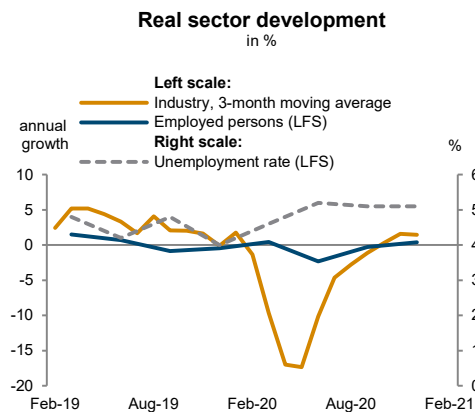
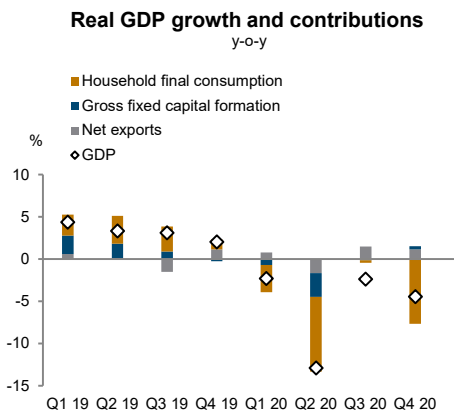
**EUR based.

Source: wiiw Monthly Database incorporating Eurostat and national statistics.

Baseline data, country-specific definitions and methodological breaks in time series are available under:

<https://data.wiiw.ac.at/monthly-database.html>

Slovenia



*Positive values of the productivity component on the graph reflect decline in productivity and vice versa.
**EUR based.

Source: wiiw Monthly Database incorporating Eurostat and national statistics.

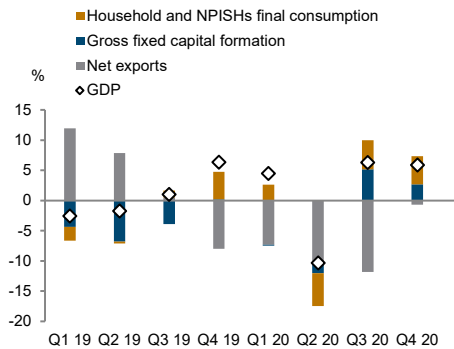
Baseline data, country-specific definitions and methodological breaks in time series are available under:

<https://data.wiiw.ac.at/monthly-database.html>

Turkey

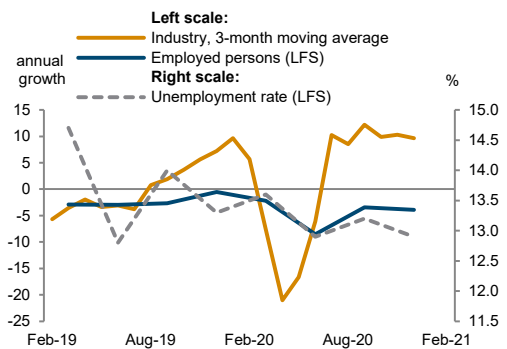
Real GDP growth and contributions

y-o-y



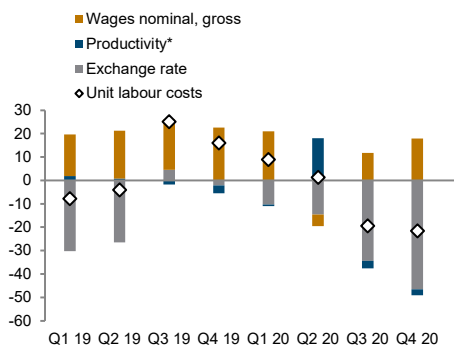
Real sector development

in %



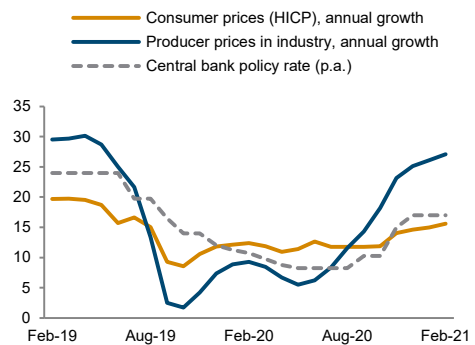
Unit labour costs in industry

annual growth rate in %



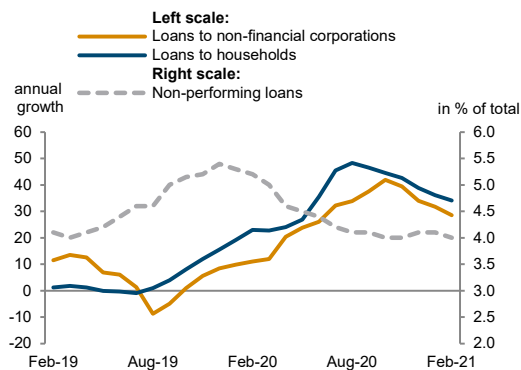
Inflation and policy rate

in %



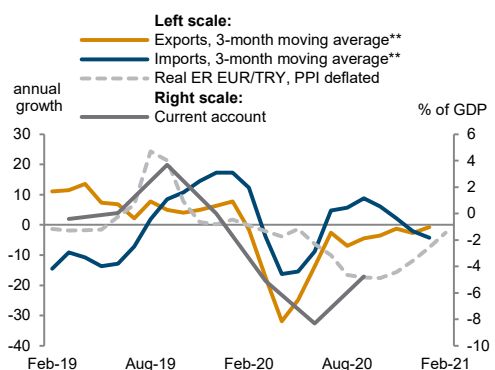
Financial indicators

in %



External sector development

in %



*Positive values of the productivity component on the graph reflect decline in productivity and vice versa.

**EUR based.

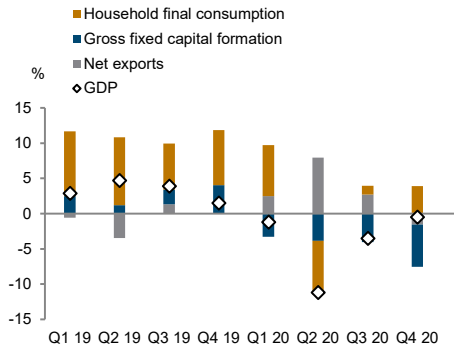
Source: wiw Monthly Database incorporating Eurostat and national statistics.

Baseline data, country-specific definitions and methodological breaks in time series are available under:

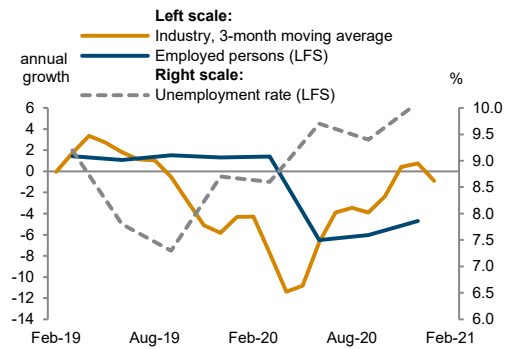
<https://data.wiw.ac.at/monthly-database.html>

Ukraine

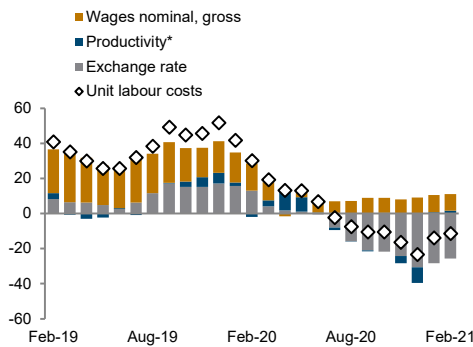
Real GDP growth and contributions
y-o-y



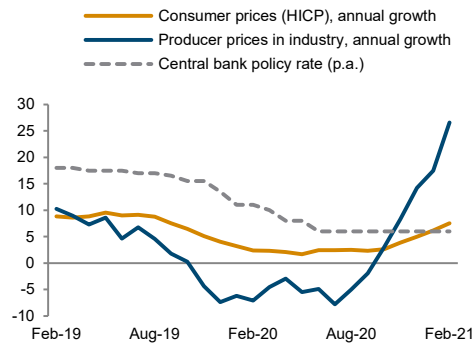
Real sector development
in %



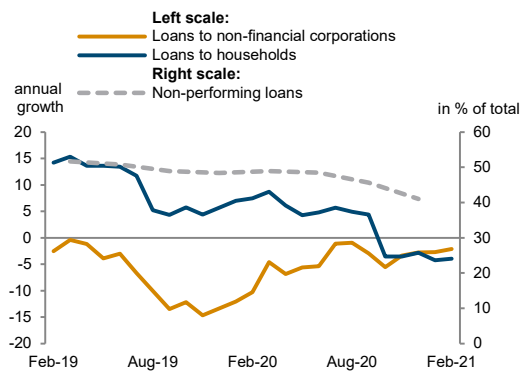
Unit labour costs in industry
annual growth rate in %



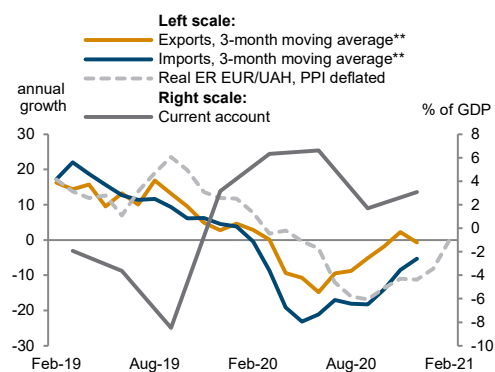
Inflation and policy rate
in %



Financial indicators
in %



External sector development
in %



*Positive values of the productivity component on the graph reflect decline in productivity and vice versa.

**EUR based.

Source: wiiw Monthly Database incorporating Eurostat and national statistics.

Baseline data, country-specific definitions and methodological breaks in time series are available under:

<https://data.wiiw.ac.at/monthly-database.html>

Index of subjects – April 2020 to April 2021

Albania	economic situation	2020/5
Armenia	Nagorno-Karabakh conflict	2020/11
Azerbaijan	Nagorno-Karabakh conflict	2020/11
Belarus	economic situation	2020/5
	political crisis and economic repercussions	2020/11
Bosnia and Herzegovina	economic situation	2020/5
Bulgaria	economic situation	2020/5
Croatia	economic situation	2020/5
Czechia	economic situation	2020/5, 2021/2
	FDI developments	2021/2
	Visegrád cooperation	2021/2
Estonia	economic situation	2020/5
Hungary	economic situation	2020/5, 2021/2
	FDI developments	2021/2
	Visegrád cooperation	2021/2
Italy	distorted macroeconomic picture	2020/7-8
Kazakhstan	economic situation	2020/5
Kosovo	economic situation	2020/5
Latvia	economic situation	2020/5
Lithuania	economic situation	2020/5
Moldova	economic situation	2020/5
Montenegro	economic situation	2020/5
North Macedonia	economic situation	2020/5
Poland	economic and social policy	2020/4
	economic situation	2020/5, 2021/2
	FDI developments	2021/2
	Visegrád cooperation	2021/2
Romania	economic situation	2020/5
Russia	economic situation	2020/5
	growth model	2020/10
	relations with the EU	2021/1
Serbia	economic situation	2020/5
Slovakia	economic situation	2020/5, 2021/2
	FDI developments	2021/2
	Visegrád cooperation	2021/2
Slovenia	economic situation	2020/5
Turkey	economic situation	2020/5
	long-term economic performance	2021/3
Ukraine	economic situation	2020/5
	re-integration of Donbas	2020/4

(continued on the next page)

**multi-country articles
and statistical overviews**

carbon border tax.....	2020/12
COVID-19 and digitalisation in CESEE.....	2020/7-8
COVID-19 and economic growth	2021/3
COVID-19 and EU policies	2021/4
COVID-19 and sanctions	2021/4
COVID-19 and trade developments in CESEE and Austria.....	2021/4
COVID-19 and trade policy.....	2020/6
COVID-19 vaccine producers	2021/3
current developments: CESEE	2020/5
current developments: global overview.....	2020/5
digital divide in Southeast Europe.....	2020/7-8
EU Cohesion Policy and convergence.....	2020/12
European Green Deal and agriculture	2020/12
FDI and global value chains.....	2020/10
flat tax in CESEE countries.....	2020/11
free trade agreements: network effects	2020/6
ICT and EU industrial policy.....	2021/1
ICT, innovation and company performance	2021/1
ICT, intangibles and value-added growth.....	2020/10
monetary stimulus in response to COVID-19.....	2020/9
oil prices.....	2020/4
public debt and inflation	2020/9
railway reforms in the EU.....	2020/9

The *wiiw Monthly Report* summarises wiiw's major research topics and provides current statistics and analyses exclusively to subscribers to the wiiw Service Package. This information is for the subscribers' internal use only and may not be quoted except with the respective author's permission and express authorisation. Unless otherwise indicated, all authors are members of the Vienna Institute's research staff or research associates of wiiw.

Economics editor: Vasily Astrov

IMPRESSUM

Herausgeber, Verleger, Eigentümer und Hersteller:

Verein „Wiener Institut für Internationale Wirtschaftsvergleiche“ (wiiw),
Wien 6, Rahlgasse 3

ZVR-Zahl: 329995655

Postanschrift: A 1060 Wien, Rahlgasse 3, Tel: [+431] 533 66 10, Telefax: [+431] 533 66 10 50
Internet Homepage: www.wiiw.ac.at

Nachdruck nur auszugsweise und mit genauer Quellenangabe gestattet.

Offenlegung nach § 25 Mediengesetz: Medieninhaber (Verleger): Verein "Wiener Institut für Internationale Wirtschaftsvergleiche", A 1060 Wien, Rahlgasse 3. Vereinszweck: Analyse der wirtschaftlichen Entwicklung der zentral- und osteuropäischen Länder sowie anderer Transformationswirtschaften sowohl mittels empirischer als auch theoretischer Studien und ihre Veröffentlichung; Erbringung von Beratungsleistungen für Regierungs- und Verwaltungsstellen, Firmen und Institutionen.

