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# "Analysis of International Integration in the South Med Countries"

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2017

# Mediterranean Countries

REPORT

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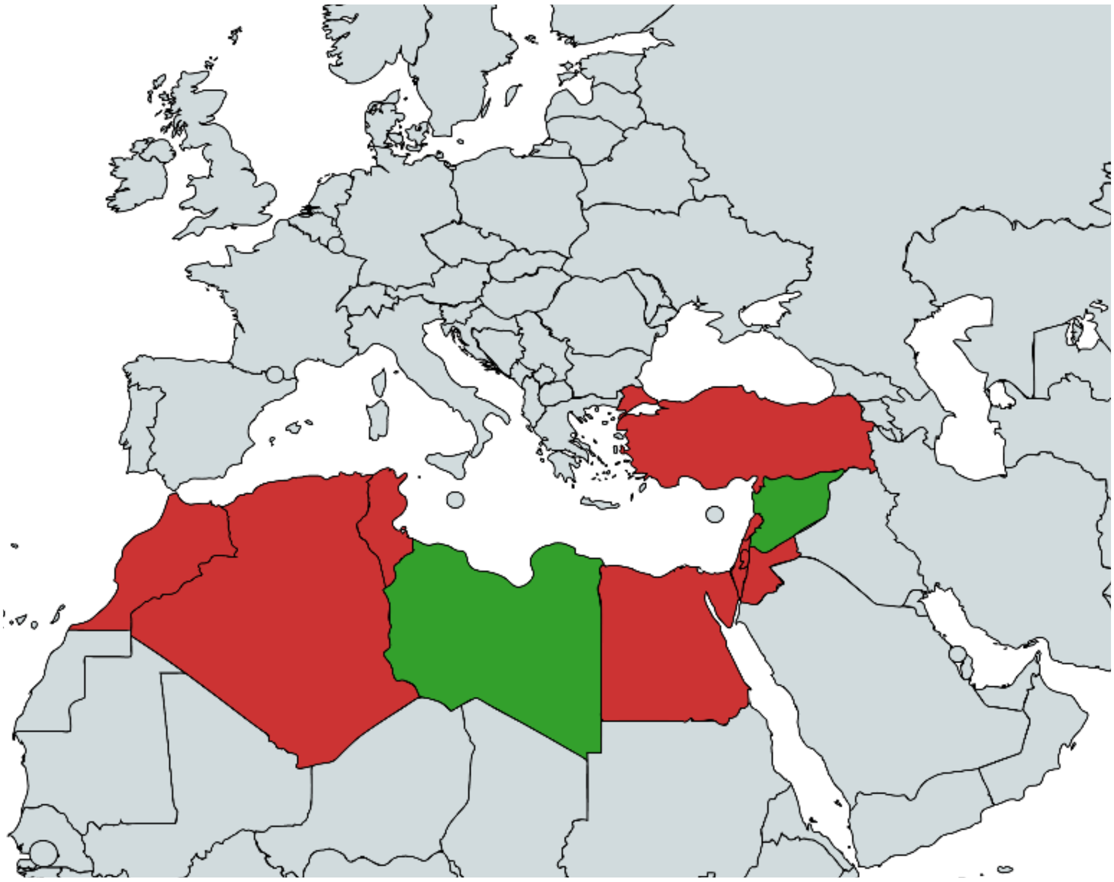

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# Introduction

The aim of this report is to provide an analytical overview of the trade and international engagement of the southern Mediterranean countries. The questions which we address concern.

## Methodology and data

The countries analysed in this report are: Algeria, Egypt, Israel, Jordan, Lebanon, Morocco, West Bank and Gaza, Tunisia and Turkey. Geographically 8 of our countries are in the Middle East & North Africa region, while Turkey is in the Europe and Central Asia region.

Table 1 below classifies the Mediterranean countries by income group according to 2015 gross national income (GNI) per capita, calculated using the World Bank Atlas method.[1] It shows also the GDP per capita in current US$, in 2015[2]. Four of these countries are classified as lower middle income countries, four are classified as upper middle income countries, and one is a high income country.

**Table 1: Classification of countries by income status**

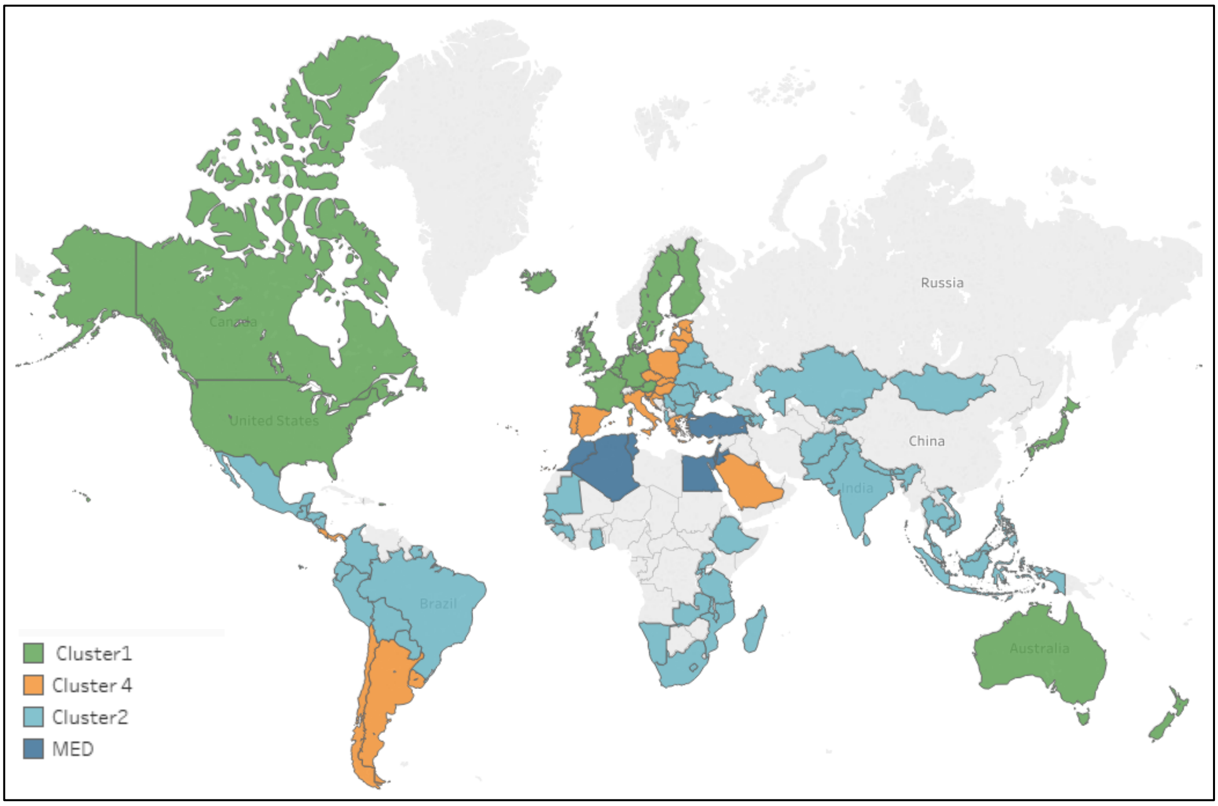
| Country | Income group | GDP per capita (current US$) | GDP (current US$ Billion) |
|---|---|---|---|
| West Bank and Gaza | Lower middle income | 2,866.80 | 13.40 |
| Jordan | Upper middle income | 4,940.05 | 38.65 |
| Tunisia | Lower middle income | 3,822.36 | 42.06 |
| Lebanon | Upper middle income | 8,047.65 | 47.54 |
| Morocco | Lower middle income | 2,878.20 | 101.45 |
| Algeria | Upper middle income | 4,154.12 | 156.08 |
| Israel | High income | 35,729.37 | 318.74 |
| Egypt, Arab Rep. | Lower middle income | 3,614.75 | 336.30 |
| Turkey | Upper middle income | 9,125.69 | 857.75 |
| European Union average | | 32017.85 | 32,017.85 |

In analysing the changing patterns of trade we compare the performance of the Southern Mediterranean with comparator country groups. In turn this requires an appropriate selection of comparator countries. For this we undertake a cluster analysis which groups countries according to a set of criteria. For this the criteria we used were: Political Stability and absence of violence and terrorism, fuel exports as a % of merchandise exports, GDP per capita, inflation, female labour force participation rate, and trade in services as a % of GDP. The data for the cluster analysis comes from

[1]World Bank list of economies (March 2017). The groups are: low income, $1,025 or less; lower middle income, $1,026–4,035; upper middle income, $4,036–12,475; and high income, $12,476 or more.
[2]GDP per capita is gross domestic product divided by mid year population. Data are in current U.S. dollars. Data source: http://data.worldbank.org/indicator/NY.GDP.PCAP.CD
For EU GDP: http://data.worldbank.org/region/european-union

the World Bank WDI database[3], and a detailed description of the methodology can be found in the Appendix to this report.

The clustering analysis results in four groups of countries, and the division of countries by cluster can be seen in the map below.[4] The full list of countries in each cluster is given in the Appendix to this report. All the Mediterranean countries which we focus on in this report are all contained in the 2nd cluster (identified in blue), except for Israel, which is contained in the 1st cluster. Geographically the 2nd cluster is broad and therefore for the purposes of the comparative analysis we subdivide this cluster into the following regions: East Asia and Pacific (EAP), Europe and Central Asia (ECA), Latin America and Caribbean (LAC), South Asia (SA), and Sub-Saharan Africa (SSA).[5] In selected tables we also compare the performance of the Mediterranean countries with Clusters 1 and 4.




[3] http://databank.worldbank.org/data/databases.aspx?orderby=alphabetical&direction=desc
[4] Note that we exclude the third cluster from the map as this is not used in the subsequent analysis. The countries in grey were excluded from the clustering analysis due to a lack of data. The map was produced using Tableau software.
[5] Small Island Developing States are excluded from the analysis.

# Preliminary Overview

In this part of the report we provide some comparator statistics for all the Mediterranean countries considered in this report as well as all the comparator country groups. In the subsequent sections of the report we go into more detail with regard to each of the Mediterranean countries.

## Exports and export performance

Table 2 below provides some summary information on export structure and export performance, where: ***% Export*** gives the share of each country or country group in total world exports in 2015[6]; ***AAGR*** is the average annual growth rate in each country's exports over the period 2010 to 2015; ***AAGR (excl. Fuels)*** is the average annual growth rate for each country excluding the exports of fuels corresponding to Chapter 27, of the HS classification; ***Export share to the EU*** is the share of the total exports of each single country that goes to the EU market; and ***Δ export share to the EU*** gives the change in the export shares going to the EU market in over the period 2010-2015.

**Table 2: Export Structure for selected countries / country groups**

| | % Export in 2015 | AAGR 2010 - 2015 | AAGR (excl. Fuels) 2010 - 2015 | Export share to the EU27 in 2015 | Δ export share to EU 27 (2010-2015) |
|---|---|---|---|---|---|
| **MED countries** | | | | | |
| Algeria | 0.24% | -6.49% | 11.13% | 66.24% | 17.14% |
| Egypt | 0.15% | -2.93% | -0.37% | 27.25% | -3.14% |
| Israel | 0.43% | 2.04% | 2.06% | 25.27% | -1.02% |
| Jordan | 0.05% | 2.86% | 3.09% | 2.51% | -1.19% |
| Lebanon | 0.02% | -5.70% | -5.96% | 11.18% | -6.70% |
| Morocco | 0.15% | 4.90% | 5.13% | 63.37% | 3.56% |
| Palestine | 0.01% | 19.01% | 18.99% | 2.08% | -0.36% |
| Tunisia | 0.10% | -2.70% | -1.29% | 74.63% | 1.47% |
| Turkey | 0.97% | 5.21% | 5.34% | 44.49% | -2.82% |
| **Country Groups** | | | | | |
| Cluster1 | 40.20% | 0.76% | 0.79% | 41.48% | -1.11% |
| Cluster2-EAP | 4.06% | 5.33% | 6.50% | 13.14% | 0.89% |
| Cluster2-ECA | 1.53% | 0.93% | 2.34% | 54.26% | 5.39% |
| Cluster2-LAC | 4.71% | 2.74% | 3.96% | 10.05% | -2.03% |
| Cluster2-SA | 2.02% | 4.90% | 5.65% | 18.27% | -1.71% |
| Cluster2-SSA | 0.70% | -0.26% | -0.80% | 21.26% | -1.36% |
| Cluster4 | 12.23% | 1.73% | 2.41% | 54.45% | 2.57% |
| WORLD | 100% | 1.98% | 2.84% | 33.60% | -3.15% |

Notes: EAP - East Asia & Pacific; ECA - Europe & Central Asia; LAC – L. America & Caribbean; SA - South Asia: SSA - Sub-Saharan Africa.

The first column in good part reflect country size and shows the wide differences in the share of world exports each country accounts for, with Turkey representing nearly 1% of world trade and Palestine around 0.1% of world trade. In terms of the annual average growth of exports over 2010-2015 we again see wide divergences with four countries (Algeria, Egypt, Lebanon and Tunisia)

[6] For Lebanon the year is 2014.

experience an average annual decline. We also see the substantial increase in the average annual growth in the exports of Palestine of nearly 20%. In contrast all of the other Cluster 2 countries, other than Sub-Saharan Africa, experienced a positive annual average growth in exports, with the highest rates for the East Asian and Pacific countries (5.33%) and Southern Asia (4.9%). Only two of the Mediterranean countries experience higher rates of growth and these were Turkey and Palestine. The pattern of changes is very similar for most countries if we exclude fuel exports, except for Algeria which now experiences a much more substantial increase in (non-oil) exports of 11.13%. Egypt sees a smaller fall in exports than previously.

In terms of trade relations with the EU several interesting messages emerge. First we see considerable variation in the share of exports going to the EU with the share being greater than 60% for three countries (Algeria, Morocco and Tunisia), while being less than 3% for Jordan and Palestine. In contrast among the 2$^{nd}$ cluster countries the highest average share of trade with the EU is for the Europe and Central Asian countries (54.26%), followed by Sub-Saharan Africa (21.26%). Second for six of the Mediterranean countries we see a shift away in the relative importance of the EU as a destination market for their exports, while for Algeria, Morocco and Tunisia we see the increased importance of the EU. In comparison for the Cluster 2 countries three groups (LAC, SA, and SSA) saw a reorientation away from the EU, while two groups saw the growing importance of the EU as a destination and notably for the Europe and Central Asian Countries.

## Intra-regional trade

We now consider the geographical direction of trade, and changes in intra-regional trade between 2010 and 2015. The top panel of Table 3 gives the share of trade going to different regions in 2010, and the bottom panel for 2015. Note that there is overlap between some of the columns. Hence the first column separately identifies the EU, and most of the EU countries also appear in cluster 1. Similarly, the second column is the sum of the nine Mediterranean countries which form the focus of this report, and four of these countries also the Agadir Agreement countries. Hence the last four columns of the table are mutually exclusive groups.

The relative importance of the EU as a destination has already been discussed, and this is replicated in the first column. The second column identifies the relative significance of the entire group of Mediterranean countries, and the third column the sub-group of Agadir countries. Each of these therefore captures intra-regional trade. It is worth identifying that intra-regional trade for clusters 1, 2, and 4 in 2015 was 50%, 14.4% and 19.5% respectively and these intra-regional shares changed very little since 2010. In contrast, and other than for Palestine and Egypt we see that the share of intra-regional trade is lower than the average for the other cluster 2 countries, and even more so when comparing with cluster 1 and cluster 4. As already noted the average cluster 2 intra-regional trade share scarcely changed over the six year period, whereas for three of the Mediterranean countries (Algeria, Egypt, and Morocco) the share of intra-Med trade increased by between 2-3% percentage points. For Jordan and Lebanon the share of intra-Med trade declined.

## Table 3: Intra-regional Trade

| | Intra-regional Trade in 2010 | | | | | |
|---|---|---|---|---|---|---|
| | **%EU** | **%MED** | **%AGADIR** | **%Cluster1** | **%Cluster2** | **%Cluster4** |
| **MED countries** | | | | | | |
| Algeria | 49.10% | 7.77% | 2.98% | 51.07% | 7.36% | 28.49% |
| Egypt | 30.34% | 12.33% | 5.01% | 20.10% | 10.44% | 24.43% |
| Israel | 26.29% | 2.84% | 0.59% | 53.57% | 11.51% | 8.32% |
| Jordan | 3.69% | 11.31% | 2.72% | 18.22% | 19.55% | 13.94% |
| Lebanon | 18.05% | 13.60% | 7.83% | 16.63% | 11.83% | 11.16% |
| Morocco | 59.74% | 4.55% | 1.65% | 40.67% | 14.86% | 25.62% |
| Palestine | 2.41% | 89.29% | 8.19% | 4.28% | 0.08% | 2.57% |
| Tunisia | 73.20% | 6.33% | 2.04% | 49.93% | 4.74% | 25.86% |
| Turkey | 47.12% | 7.38% | 3.65% | 32.75% | 12.01% | 17.97% |
| **Country Groups** | | | | | | |
| Cluster1 | 43.21% | 2.54% | 0.78% | 50.19% | 10.25% | 13.14% |
| Cluster2 | 19.07% | 2.66% | 0.76% | 43.12% | 13.50% | 10.16% |
| Cluster4 | 51.83% | 4.00% | 1.48% | 39.12% | 8.34% | 18.61% |

| | Intra-Regional Trade in 2015 | | | | | |
|---|---|---|---|---|---|---|
| | %EU | %MED | %AGADIR | Cluster1 | Cluster2 | Cluster4 |
| **MED countries** | | | | | | |
| Algeria | 66.24% | 10.99% | 5.75% | 39.16% | 6.29% | 37.06% |
| Egypt | 27.21% | 15.72% | 4.88% | 21.29% | 9.25% | 25.38% |
| Israel | 25.05% | 3.02% | 0.37% | 50.42% | 11.42% | 6.15% |
| Jordan | 2.53% | 9.32% | 1.97% | 23.38% | 12.75% | 21.95% |
| Lebanon | 11.09% | 12.38% | 7.07% | 10.15% | 13.24% | 17.60% |
| Morocco | 63.36% | 6.11% | 1.75% | 37.73% | 13.95% | 30.97% |
| Palestine | 1.57% | 90.84% | 6.35% | 2.28% | 0.05% | 3.40% |
| Tunisia | 74.57% | 6.78% | 1.85% | 50.18% | 3.40% | 26.71% |
| Turkey | 44.32% | 7.96% | 4.25% | 33.00% | 11.16% | 17.11% |
| **Country Groups** | | | | | | |
| Cluster1 | 41.11% | 2.50% | 0.70% | 50.00% | 11.05% | 12.81% |
| Cluster2 | 18.12% | 2.68% | 0.88% | 45.05% | 14.37% | 9.44% |
| Cluster4 | 54.27% | 4.60% | 1.67% | 42.08% | 8.61% | 19.46% |

Notes: Cluster 2 in this table is not divided into sub-regions, but excludes the Mediterranean countries; data for Lebanon is 2014. Notes: EAP - East Asia & Pacific; ECA - Europe & Central Asia; LAC – L. America & Caribbean; SA - South Asia: SSA - Sub-Saharan Africa.

## Trade Concentration Index

Also of interest is the degree of export concentration of the Mediterranean Countries and the cluster country groups, both from the point of view of the number of exports destinations and also from the point of view of the number of products/sectors being exported.

In order to do this analysis we use the Trade Concentration Index, calculated over 6 years, from 2010 to 2015. The TCI, indeed, can be used to investigate the degree of concentration of a given country's exports in terms of the number of different products exported (TCI by product) or in term of the number of trade partners (TCI by country). When the TCI=1 the country is exporting only a single product, or to a single partner. The closer the TCI approaches to 0 the more diversified is the export structure either by product or partner country.

- **TCI by product:** We calculate the index at 6 digit level[7]. We take into consideration as partner country the World and the European market.
- **TCI by country:** We calculate the index taken into consideration all the country in the World. In the single countries analysis we will also choose a selected number of countries. In particular we choose the top partners by exports, which account for more than 90% of each single country's total exports.

In terms of diversification of products the most diversified groups are the primarily high income countries in cluster 1, as well as the East Asia and Pacific cluster 2 group of countries. All of the Mediterranean countries, except for Turkey have a more concentrated export structure in 2015. Other than Turkey the greatest degree of product diversification among the Mediterranean countries can be seen for Egypt and Tunisia where the degree of diversification is similar to that in the other cluster 2 country groups. The least diversified countries are the Europe and Central Asia countries, with similar or lower levels of diversification in Algeria, Israel, Jordan, and Palestine.

All of the comparable cluster 2 country groups see an increase in diversification except for the East Asia and Pacific countries where there was no change. Six of the Mediterranean countries also see an increase in diversification while three (Israel, Jordan and Turkey) see a decline and therefore some move towards more specialisation.

Consistent with the discussion of Table 3, we see a high degree of variation in the trade concentration by destination, with Palestine showing a very highly concentrated geographical orientation of their export in 2015, and with a relatively high concentration for Algeria, Israel, Morocco and Tunisia. This is no doubt driven by the concentration of these countries' trade with the EU. The Mediterranean countries which are most diversified are Egypt and Lebanon. Out of the Mediterranean countries four of them experience an increase in geographical diversification most notably for Algeria and Turkey, while the remaining countries saw a modest (except for Palestine) decline in geographical diversification.

[7] The TCI is sensitive to the level of aggregation. The lower is the number of products the higher will be its value.

**Table 4: Trade concentration by country and cluster country groups**

| | TCI by product | | | | TCI by countries | |
|---|---|---|---|---|---|---|
| | World | | EU27 Members | | All partners | |
| | 2010 | 2015 | 2010 | 2015 | 2010 | 2015 |
| **MED country** | | | | | | |
| Algeria | 0.253 | 0.199 | 0.238 | 0.283 | 0.114 | 0.093 |
| Egypt | 0.024 | 0.017 | 0.044 | 0.032 | 0.034 | 0.036 |
| Israel | 0.066 | 0.074 | 0.029 | 0.045 | 0.120 | 0.106 |
| Jordan | 0.033 | 0.040 | 0.082 | 0.076 | 0.085 | 0.098 |
| Lebanon | 0.051 | 0.020 | 0.201 | 0.028 | 0.056 | 0.051 |
| Morocco | 0.024 | 0.022 | 0.020 | 0.026 | 0.094 | 0.102 |
| Palestine | 0.051 | 0.033 | 0.139 | 0.185 | 0.635 | 0.709 |
| Tunisia | 0.026 | 0.017 | 0.035 | 0.024 | 0.140 | 0.142 |
| Turkey | 0.006 | 0.008 | 0.010 | 0.010 | 0.114 | 0.093 |
| **Country group** | | | | | | |
| Cluster1 | 0.005 | 0.005 | 0.005 | 0.005 | 0.041 | 0.043 |
| Cluster2-EAP | 0.008 | 0.008 | 0.009 | 0.023 | 0.060 | 0.059 |
| Cluster2-ECA | 0.060 | 0.032 | 0.102 | 0.052 | 0.050 | 0.046 |
| Cluster2-LAC | 0.023 | 0.012 | 0.025 | 0.022 | 0.234 | 0.285 |
| Cluster2-SA | 0.024 | 0.015 | 0.026 | 0.007 | 0.045 | 0.049 |
| Cluster2-SSA | 0.013 | 0.010 | 0.021 | 0.020 | 0.039 | 0.033 |
| Cluster4 | 0.021 | 0.012 | 0.004 | 0.004 | 0.047 | 0.044 |

Notes: EAP - East Asia & Pacific; ECA - Europe & Central Asia; LAC – L. America & Caribbean; SA - South Asia: SSA - Sub-Saharan Africa.

## New products and partners exported

In the preceding sub-section we examined the change in diversification either by product or by country. Change in diversification can either take place because of changes in the shares of *existing* products, or markets, or could take place because of exporting new products and/or to new markets. Identifying the extent to which countries may be engaged in trade in new product or to new markets is one way of shedding light on the structural changes which may be driving the dynamics of trade.

We consider these issues in Table 5 below which for each country gives the number of new products being exported, or the number of new partner countries being exported to. In each case we take the top 200 products exported in the most recent year, and compare this to the top 200 exported in 2010.[8]

The first column of the table undertakes the analysis on exports to the world. The second column of the table replicates this on exports to the EU; and the third column then identifies the number of common new products which are being exported to both the EU and the World. Hence if you take the first row of the table, for Algeria there were 104 new products being exported to the world in comparison to 2010, and 117 new products to the EU. Out of these two lists of products there are 42

[8] The latest year for which data was available was: Algeria, 2015; Egypt, 2016; Israel, 2016; Jordan, 2016; Lebanon, 2014; Morocco, 2016, Palestine, 2015; Tunisia, 2015; Turkey, 2016.

common products – ie new products being exported to both the world and the EU. The final column of the table gives the number of new partners.

**Table 5: New Products and Partners**

| | NEW PRODUCTS (2010 to latest year available) | | | NEW PARTNERS |
|---|---|---|---|---|
| | World | EU27 | World&EU27 | |
| **MED country** | | | | |
| Algeria | 104 | 117 | 42 | 34 |
| Egypt | 63 | 81 | 28 | 5 |
| Israel | 59 | 72 | 33 | 1 |
| Jordan | 75 | 117 | 19 | 13 |
| Lebanon | 49 | 88 | 14 | 8 |
| Morocco | 54 | 57 | 36 | 18 |
| Palestine | 94 | 180 | 10 | 14 |
| Tunisia | 56 | 53 | 22 | 11 |
| Turkey | 39 | 48 | 11 | 4 |
| **Country group** | | | | |
| Cluster1 | 29 | 40 | 14 | 3 |
| Cluster2-EAP | 74 | 88 | 21 | 3 |
| Cluster2-ECA | 68 | 61 | 31 | 4 |
| Cluster2-LAC | 42 | 50 | 8 | 3 |
| Cluster2-SA | 58 | 56 | 18 | 3 |
| Cluster2-SSA | 55 | 57 | 11 | 3 |
| Cluster4 | 30 | 35 | 15 | 3 |

Notes: EAP - East Asia & Pacific; ECA - Europe & Central Asia; LAC – L. America & Caribbean; SA - South Asia: SSA - Sub-Saharan Africa

This table is interesting in several regards. First, overall the table underlines the high degree of change in the composition of countries' exports. Hence, even for the cluster 1 countries there were 29 new products (out of 200) being exported to the world in comparison to 2010, and 40 new products to the EU. Out of the cluster 2 sub-groups the biggest changes over this time period were for the East Asia and Pacific group of countries, followed by the Europe and Central Asian countries. Compared to the EAP countries most of the Mediterranean countries (except Algeria, Jordan and Palestine) saw smaller changes in new products being exported to both the World and the EU. In contrast, however, when we look at the third column for most of the cluster 2 countries, and even more so for the cluster 1 and cluster 4 countries the number of common product is typically lower than is the case for the Mediterranean countries. This suggests that the Mediterranean countries have more of a tendency to export the same products to the EU and the World, in comparison to the other countries.

The final column of this table is also informative in that it shows a very high degree of stability for the comparator cluster 2 countries, and the cluster 1 and 4 countries in terms of the countries being exported to, whereas for five of the Mediterranean countries (Algeria, Jordan, Morocco, Palestine, Tunisia) the changes are significantly greater. So while in terms of the aggregate degree of geographical diversification as given by the TCI index we saw little change for Morocco and Tunisia, we see that this masks the fact that these two countries respectively exported to 18 and 11 new markets in the most recent year.

## Technological level of exports

The final table in this section of the report compares the trade across countries and country groups by level of technologiocal intensity.[9] The products are divided into "High", "Medium-high", "Medium-low" and "Low" technology. The "Unallocated" column shows the percentage of trade which is not allocated to any of the four classes.

**Table 6: Trade by Technological Intensity for the most recent year**

| | Unall. | High | Med-high | Med-low | Low |
|---|---|---|---|---|---|
| **MED country** | | | | | |
| Algeria | 68.9% | 0.0% | 4.5% | **26.0%** | 0.6% |
| Egypt | 23.7% | 5.2% | 18.4% | 25.1% | **27.6%** |
| Israel | 6.8% | **36.9%** | 20.5% | 7.7% | 28.2% |
| Jordan | 22.8% | 8.4% | 25.8% | 8.4% | **34.6%** |
| Lebanon | 13.3% | 3.4% | 24.0% | 22.3% | **36.9%** |
| Morocco | 15.9% | 4.5% | **43.7%** | 6.1% | 29.7% |
| Palestine | 17.8% | 2.5% | 6.0% | 36.1% | **37.7%** |
| Tunisia | 8.8% | 11.0% | 33.3% | 10.4% | **36.5%** |
| Turkey | 7.1% | 3.4% | 29.3% | 27.7% | **32.4%** |
| **Country Group** | | | | | |
| Cluster1 | 9.5% | 20.0% | **39.3%** | 16.8% | 14.4% |
| Clust2-EAP | 13.2% | 22.4% | 20.9% | 11.5% | **32.0%** |
| Clust2-ECA | 29.4% | 4.3% | 22.3% | **25.2%** | 18.8% |
| Clust2-LAC | 24.5% | 14.0% | **31.9%** | 12.5% | 17.1% |
| Clust2-SA | 6.9% | 8.5% | 18.5% | 24.7% | **41.5%** |
| Clust2-SSA | 30.1% | 3.0% | 19.9% | **33.0%** | 14.0% |
| Cluster4 | 15.7% | 10.2% | **33.7%** | 19.6% | 20.8% |

Notes: EAP - East Asia & Pacific; ECA - Europe & Central Asia; LAC – L. America & Caribbean; SA - South Asia: SSA - Sub-Saharan Africa

In the table in bold we identify the category (other than unallocated) which accounts for the highest share of trade for each country. From this we see that for six of the Mediterranean countries (Egypt, Jordan, Lebanon, Palestine, Tunisia and Turkey) low-technology exports are their most significant export category, and this is also the case for the East Asia and Pacific cluster 2 group of countries as well as for the South Asian group cluster 2 group of countries. The other three Mediterranean countries are all somewhat different in their specialisation by technological intensity. Israel is more specialised in high-technology goods and more so than both the cluster 1 and cluster 4 country groups as well. Morocco is relatively specialised in medium-high technology exports which account for nearly 44% of exports, while Algeria's has 26% of exports in the medium to low category (though one needs to bear in mind that nearly 70% of Algeria's trade is unallocated).

[9] This classification is base on the OECD's STAN industry list.
http://www.oecd.org/sti/ind/stanstructuralanalysisdatabase.htm

# Algeria

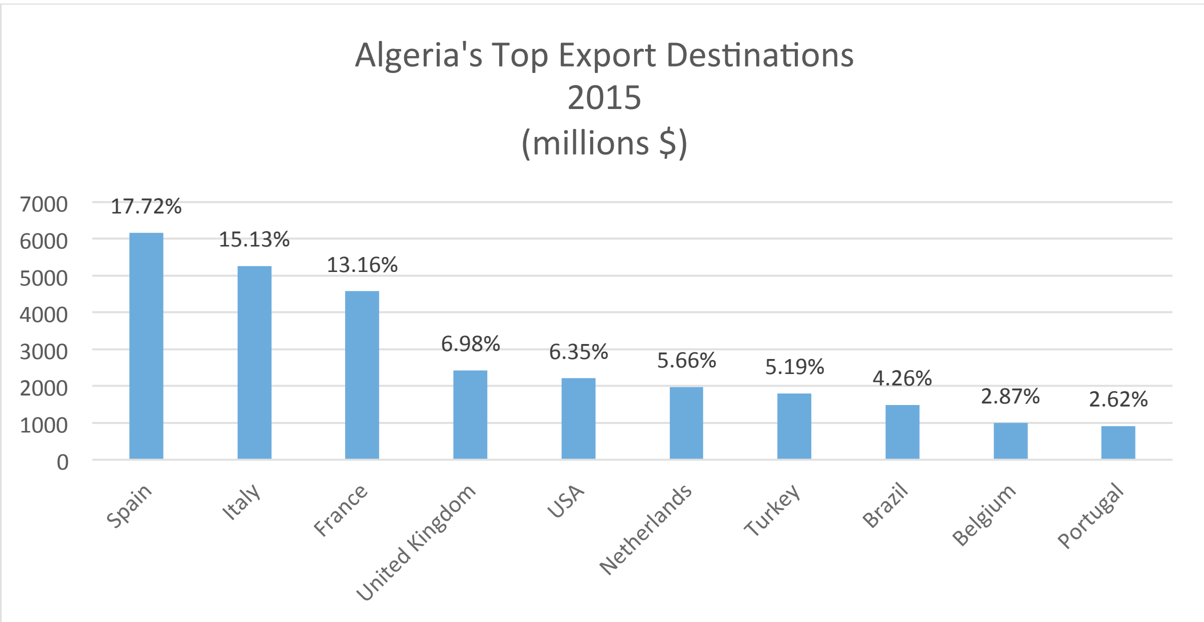
## Overview of Algeria's Exports

| Year | Total Export ($B) | %EU |
|---|---|---|
| 2010 | 57.05 | 49.1% |
| 2011 | 73.44 | 50.8% |
| 2012 | 71.87 | 55.3% |
| 2013 | 66.00 | 65.0% |
| 2014 | 60.39 | 63.9% |
| 2015 | 34.80 | 66.2% |

Algeria's exports account for 0.24% of World exports. From the table it can be seen that while there was an increase in exports between 2010 and 2011, subsequently Algeria's exports saw a decline, with a contraction of more than 42% between 2014 and 2015. During the last five years the exports of Algeria have decreased at an Average Annual Rate of Growth of -6.5%, from $57.05B in 2010 to $34.80B in 2015.

We can see that the EU market is the most important destination for Algeria's exports. In 2015 more than 66% of its total exports went to the European market – with an increase in the export share of more than 17% over the last 6 years.

In 2015 the top export destinations for Algeria were Spain (17.72%), Italy (15.13%) and France (13.16%). The top 10 list of destination countries, alone account for almost 80% of Algeria's total exports, and 9 out of 10 of these destinations are European countries. Over the last 5 years the list of Algeria's top export destinations has changed little, with the declining importance of Canada, and a significant decrease in exports to the USA, which dropped from $15.03B in 2011 to $2.21B in 2015.

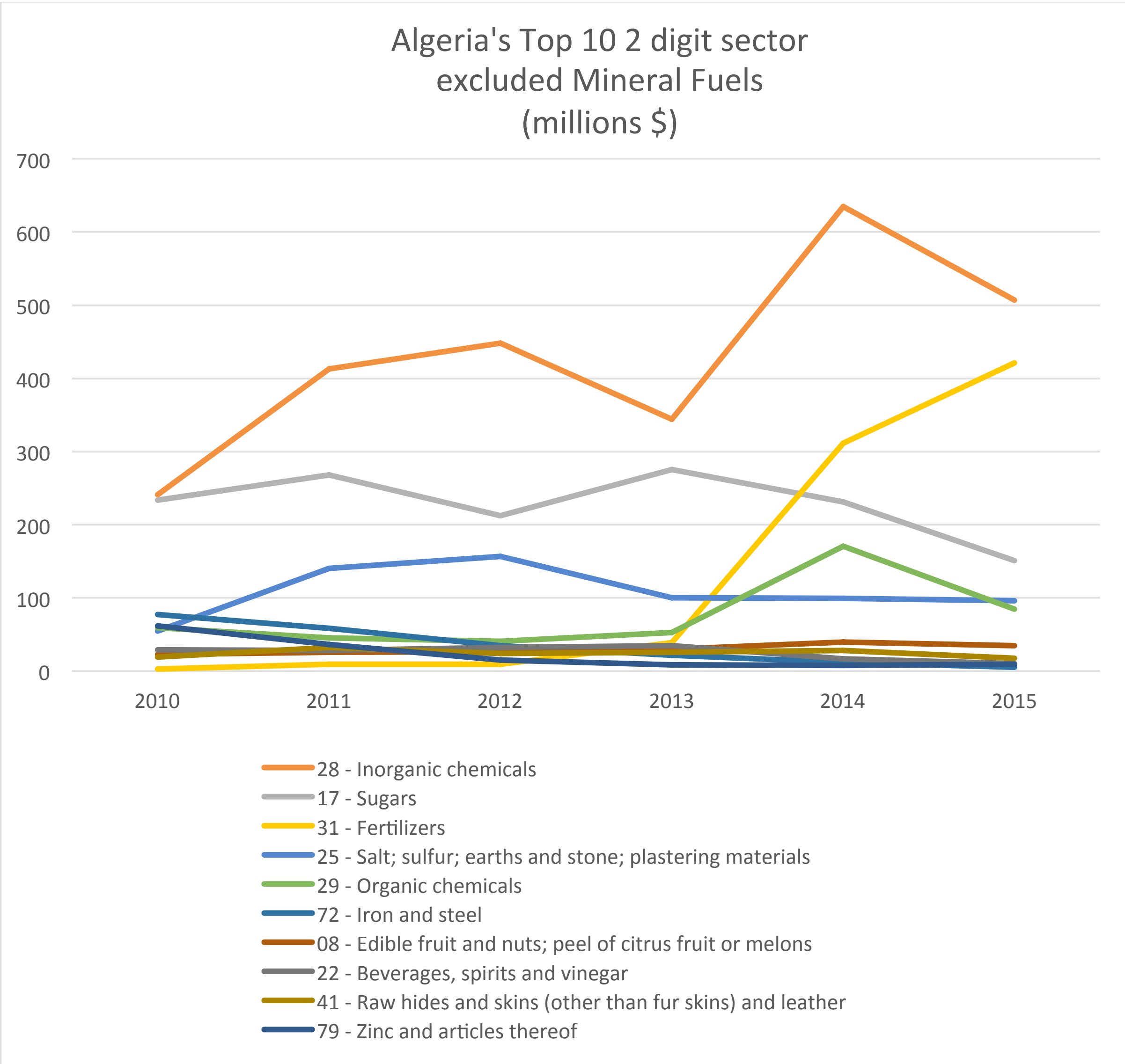


## HS-2 digit level trade

| 27 - Mineral fuels | | |
|---|---|---|
| Year | Export value ($B) | Export share |
| **2010** | 56.09 | 98.31% |
| **2011** | 72.21 | 98.33% |
| **2012** | 70.72 | 98.40% |
| **2013** | 64.90 | 98.34% |
| **2014** | 58.71 | 97.23% |
| **2015** | 33.35 | 95.84% |

In terms of the composition of trade, Algeria’s exports are dominated by the “Mineral fuels, mineral oils and products of their distillation” (HS27), which represent over 95% of Algerian exports. Once again we see a deep contraction of exports from 2011.

The chart below identifies Algeria’s top exports excluding HS Chapter 27 over the last 5 years. We see that Algeria’s top exported products on average were *Inorganic chemicals*, whose exports increased by nearly 85% between 2013 and 2014; and Fertilizers, whose exports increased in the last 5 years with an annual rate of 177% - going from $2.59B in 2010 from $420.99B in 2015. The biggest growth in export of fertilizers happened between 2013 and 2014, increasing of more than $272B.



## HS–6 digit trade (excluding Mineral Fuels)

At a more disaggregated level we see the top 20 Algeria's exported products in 2015, at the 6-digit level in the table below.[10] Note that while the average annual growth rate of exports for these 20 products was 18.5%, this masks considerable variation. Six of the top 20 products saw an annual average decline in exports while four of the products saw a rate of growth in excess of 100%. We also see the significance of the EU as a destination. For eight of the top 20 products the share of exports going to the EU is greater than 80%.

| Product Code | Product Name | 2015Export Value (millions $) | Export share to the World | AAGR | 2015 export share to the EU |
|---|---|---|---|---|---|
| 310210 | Urea, whether or not in aqueous sol | 418.8 | 1.20% | 698.77% | 87.01% |
| 281410 | Anhydrous ammonia | 251.91 | 0.72% | 142.02% | 100.00% |
| 281420 | Ammonia in aqueous solution | 226.88 | 0.65% | 137.74% | 72.03% |
| 170199 | Cane/beet sugar & chemically pure s | 150.41 | 0.43% | -5.24% | 13.75% |
| 251020 | Natural calcium phosphates, nat. al | 95.65 | 0.27% | 34.62% | 47.63% |
| 080410 | Dates, fresh/dried | 34.8 | 0.10% | 9.86% | 57.13% |
| 290511 | Methanol (methyl alcohol) | 29.4 | 0.08% | 5.64% | 99.99% |
| 280429 | Rare gases other than argon | 27.38 | 0.08% | -2.91% | 87.39% |
| 290220 | Benzene | 22.17 | 0.06% | -5.94% | 82.22% |
| 290244 | Mixed xylene isomers | 14.4 | 0.04% | -11.45% | 34.97% |
| 290243 | p-Xylene | 14.03 | 0.04% | - | 0.00% |
| 790111 | Zinc, not alloyed, unwrought, cont. | 9.09 | 0.03% | 21.23% | 100.00% |
| 700529 | Float glass & surface ground/polish | 8.95 | 0.03% | -12.57% | 9.16% |
| 410411 | Tanned/crust hides & skins of bovin | 7.55 | 0.02% | 73.02% | 67.43% |
| 180400 | Cocoa butter, fat & oil | 7.42 | 0.02% | 44.33% | 100.00% |
| 890190 | Vessels for the tpt. of gds. & for | 5.86 | 0.02% | 30.88% | 0.00% |
| 470790 | Recovered (waste & scrap) paper/pap | 5.24 | 0.02% | 40.27% | 32.92% |
| 220210 | Waters, incl. min. waters & aerated | 4.95 | 0.01% | 16.78% | 35.02% |
| 880330 | Parts of aeroplanes/helicopters, ot | 4.78 | 0.01% | 223.11% | 1.84% |
| 220290 | Non-alcoholic beverages other than | 4.57 | 0.01% | -20.18% | 12.19% |
| Grand total | | 1,344.25 | 3.86% | 18.45% | 72.08% |

Notes: The product description has been shortened to 35 characters for purposes of legibility.

[10] If we were to include Mineral Fuels then 9 of of the top 20 products would come from Chapter 27 with the most important being Petroleum oils (270900), and Natural gas, in gaseous state (271121), which alone account for almost 55% of Algeria's total exports, and they are mostly exported to the European market.

## Revealed Comparative Advantage (without Mineral Fuels)

In the following table we give the normalized revealed comparative advantage[11] (nRCA) for Algeria's top 20 exported products (calculated excluding Chapter 27 Mineral Fuels) for the latest available year (2015). The products are ranked by degree of revealed comparative advantage, and where below the double line in the table Algeria has a negative revealed comparative advantage. The three biggest export sectors are identified in red. We also give the normalized revealed comparative advantage for each of our the comparator country other country groups. In bold we identify the country-product combinations which also have a positive nRCA, and the purpose of this is to see which country groupings are most likely to compete with Algeria by product.

| NORMALIZED RCA - 2015 | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| **Code** | **Product Name** | **Algeria** | **C1** | **C2 EAP** | **C2 ECA** | **C2 LAC** | **C2 SA** | **C2 SSA** | **C4** |
| **281420** | **Ammonia in aqueous** | 0.993 | -0.422 | -0.956 | -0.359 | -0.991 | -0.470 | -0.528 | -0.477 |
| 251020 | Natural calcium phos | 0.965 | -0.800 | -0.518 | **0.245** | -0.829 | -0.729 | **0.726** | -0.951 |
| **310210** | **Urea, whether or not** | 0.878 | -0.553 | -0.233 | **0.566** | -0.917 | -0.999 | -0.099 | **0.131** |
| 080410 | Dates, fresh/dried | 0.876 | -0.474 | -0.999 | -0.856 | -0.722 | **0.622** | -0.003 | **0.104** |
| **281410** | **Anhydrous ammonia** | 0.871 | -0.293 | **0.191** | **0.442** | -0.900 | -0.982 | -0.849 | **0.225** |
| 280429 | Rare gases other tha | 0.836 | **0.299** | -0.946 | **0.309** | -0.846 | -0.779 | -0.559 | -0.495 |
| 170199 | Cane/beet sugar & ch | 0.707 | -0.271 | **0.553** | **0.578** | **0.654** | **0.700** | **0.116** | -0.165 |
| 290244 | Mixed xylene isomers | 0.684 | **0.288** | **0.073** | -1.000 | -0.121 | -0.997 | -0.876 | -0.921 |
| 290511 | Methanol (methyl alc | 0.383 | -0.269 | -0.493 | -0.051 | -0.984 | -0.801 | -0.855 | **0.322** |
| 700529 | Float glass & surfac | 0.237 | -0.003 | **0.095** | **0.560** | -0.190 | -0.737 | -0.395 | -0.187 |
| 290220 | Benzene | 0.174 | -0.053 | **0.244** | -0.236 | -0.286 | **0.590** | -0.994 | -0.447 |
| 410411 | Tanned/crust hides & | 0.077 | **0.074** | -0.837 | **0.333** | **0.753** | -0.962 | **0.685** | -0.073 |
| 470790 | Recovered (waste & s | -0.003 | **0.295** | -0.672 | -0.158 | -0.355 | -0.351 | -0.667 | -0.207 |
| 180400 | Cocoa butter, fat & | -0.254 | **0.116** | **0.573** | -0.523 | **0.081** | -0.392 | -0.995 | -0.671 |
| 790111 | Zinc, not alloyed, u | -0.287 | **0.001** | -0.981 | **0.717** | **0.300** | **0.637** | **0.419** | **0.029** |
| 290243 | p-Xylene | -0.361 | -0.139 | -0.142 | | -0.889 | **0.370** | -0.998 | -0.562 |
| 220210 | Waters, incl. min. w | -0.553 | **0.261** | -0.363 | **0.099** | -0.012 | -0.937 | **0.234** | -0.007 |
| 220290 | Non-alcoholic bevera | -0.683 | **0.030** | **0.446** | -0.021 | -0.297 | -0.797 | **0.123** | -0.049 |
| 890190 | Vessels for the tpt. | -0.894 | -0.216 | -0.056 | **0.008** | -0.948 | -0.379 | -0.977 | -0.265 |
| 880330 | Parts of aeroplanes/ | -0.944 | **0.232** | -0.450 | -0.676 | -0.558 | -0.151 | -0.409 | -0.186 |

Notes: The product description has been shortened to 20 characters for purposes of legibility; Notes: EAP - East Asia & Pacific; ECA - Europe & Central Asia; LAC – L. America & Caribbean; SA - South Asia: SSA - Sub-Saharan Africa

There are two main messages which emerge from this table. First, it is interesting that out of Algeria's top 20 non-oil exports, for eight of the products Algeria has a negative revealed comparative advantage which suggests a lack of competitiveness in world markets for these products. Conversely there are only 12 HS 6-digit products for which Algeria has a positive revealed

[11] The RCA gives an indication of those industries in which a given country may have a comparative advantage. The standard calculation of revealed comparative advantage measures how much a country is exporting a given good relative to its total trade, in comparison to the share of that good in world trade. Country i is said to have a "revealed comparative advantage" in a good when the share of that good in its exports is bigger than the share of that good in world exports. An alternative version of the index which is often also used therefore is the normalized RCA. This is an approximation of the log transformation of the RCA index, and now ranges from between -1 to 1. An index of less than 0 suggests a revealed comparative disadvantage in a given product, and an index of greater than suggest revealed comparative advantage in the product. The normalisation means the index is suitable for cross country, cross sector and cross time comparisons.

comparative advantage. Second, in terms of possible competitor countries we see that the group of countries most likely to be competitors for Algeria in world markets are those in the Europe and Central Asia group, as they have a positive nRCA in 10 of the 20 sectors, and in 7 of the 12 sectors for which Algeria had a positive nRCA. The country groups least likely to be competing with Algeria in world markets are the Latin American and Caribbean countries, and the South Asian countries.

## Similarity of Algeria's exports with the comparator countries

Another way of addressing the issue of competing countries is to look at the overall degree of similarity of Algeria's exports with the exports of the comparator countries. A useful indicator for this purpose is the Finger-Kreinin[12] indicator which ranges between 0 and 1. When the indicator is equal to 1, this means that the structure of trade between Algeria and the comparator country (or country group) is identical. When the indicator is equal to zero this means that they do not export any of the same products and hence the structure is completely different. The indicator can then be calculated at different levels of disaggregation of trade, and in the table below we report on the similarity at the 2, 4 and 6-digit levels, and do so for both 2010 and 2015.

| | 2dig | | 4dig | | 6dig | |
|---|---|---|---|---|---|---|
| | 2010 | 2015 | 2010 | 2015 | 2010 | 2015 |
| Cluster1 | 0.094 | 0.095 | 0.074 | 0.073 | 0.070 | 0.068 |
| Cluster2 - EAP | 0.155 | 0.103 | 0.103 | 0.066 | 0.097 | 0.059 |
| Cluster2 - ECA | 0.345 | 0.289 | 0.328 | 0.252 | 0.323 | 0.247 |
| Cluster2 LAC | 0.183 | 0.126 | 0.164 | 0.104 | 0.160 | 0.100 |
| Cluster2 - SA | 0.176 | 0.127 | 0.158 | 0.117 | 0.126 | 0.113 |
| Cluster2 -SSA | 0.104 | 0.127 | 0.042 | 0.054 | 0.035 | 0.044 |
| Cluster4 | 0.217 | 0.173 | 0.203 | 0.157 | 0.199 | 0.152 |

Consistent with the nRCA analysis we see that the group of countries whose structure of trade has the greatest degree of similarity with Algeria are Europe and Central Asian group, and this is true at all levels of aggregation. Hence at the 6-digit level we see that the degree of similarity in trade is close to 25% in 2015. We also see however, that the degree of similarity with the ECA cluster has significantly declined over time as it was over 32% in 2010. The decline in similarity is true with regard to all the comparator country groups. Perhaps not surprisingly the lowest degree of similarity is with the Cluster 1 groups of countries, followed by the Sub-Saharan African countries.

## Diversification of exports

We turn now to considering in more detail the degree of Algeria's export diversification and how it has evolved over time. We proceed by first analysing the degree of concentration of Algeria's exports in terms of different products (TCI by product, at the HS 6-digit level) and then in term of the

[12] The Finger-Kreinin (FK) index provides a way of measuring how similar are two sets of numbers. In principle it can be used to compare the similarity between either the structure of a country's imports or exports with any two partner countries, to indicate how similar is a country's export pattern to its import pattern, whether geographically or by product; or to compare the structure of production in two different countries.

number of trade partners (TCI by country). For the TCI by country we do the calculation taking into consideration all the export partners, and then the most significant export partners in 2015 by exports, where we see that 16 countries account for more than 90% of Algeria's total exports.

From the table it can be seen that there has been an increased diversification of Algeria's exports to the world, while in contrast less diversification in terms of exports to the EU. This differential pattern of changes in interesting. With regard to geographical diversification we again see an increase in diversification over time when considering all partners as well as when considering the top 16 partners.

| | TCI by product | | TCI by countries | |
|---|---|---|---|---|
| | **World** | **EU27 Members** | **All partners** | **Top 16 partners** |
| 2010 | 0.253 | 0.238 | 0.114 | 0.133 |
| 2011 | 0.283 | 0.269 | 0.097 | 0.120 |
| 2012 | 0.277 | 0.291 | 0.088 | 0.104 |
| 2013 | 0.276 | 0.332 | 0.087 | 0.098 |
| 2014 | 0.206 | 0.288 | 0.082 | 0.097 |
| 2015 | 0.199 | 0.283 | 0.093 | 0.110 |

In table 5 earlier in the report we identified that there were 104 new products exported by Algeria when comparing 2010-2015, out of the list of top 200 products in 2015. This is a big change and either reflects considerable dynamism, or considerable volatility in Algeria's exports. The table below identified the top 10 products by value of exports out of this list of 104. What is interesting is that the first item on the list (Urea) is a new product compared to 2010, and by 2015 has become the top non-oil export for Algeria with a high revealed comparative advantage as given in the earlier tables.

List of the top 10 new products exported to the WORLD in 2015 (compared to 2010)

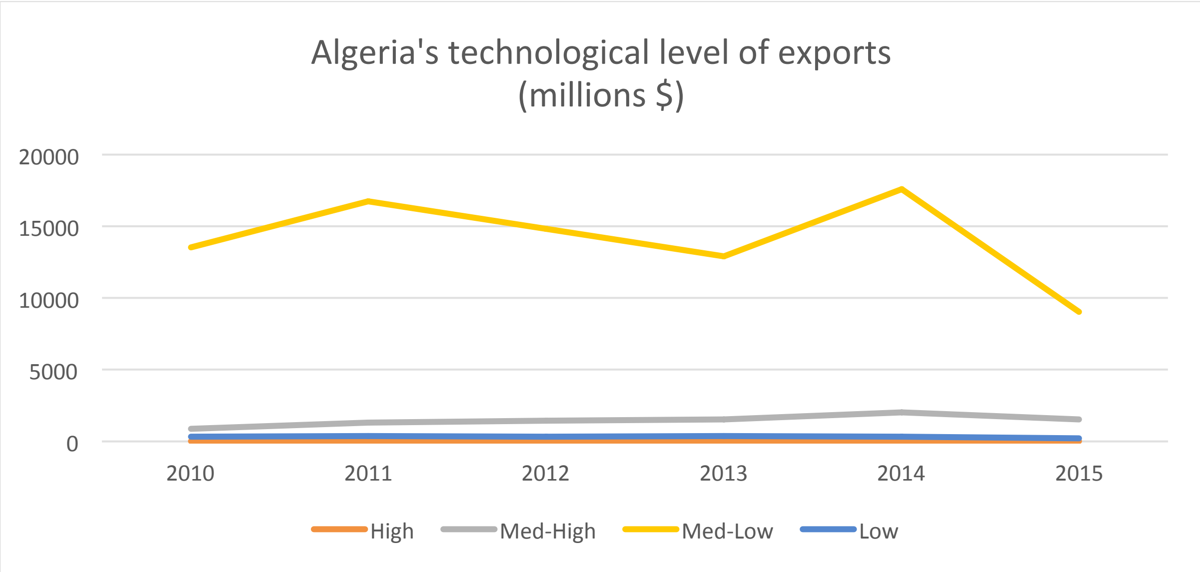
| Code | Product Name | Export Value | Exports Share |
|---|---|---|---|
| 310210 | Urea, whether or not in aqueous solution | 418.80 | 1.20% |
| 290243 | p-Xylene | 14.03 | 0.04% |
| 890190 | Vessels for the tpt. of gds. & for the tpt. of both persons & gds. (excl. o ... | 5.86 | 0.02% |
| 880330 | Parts of aeroplanes/helicopters, other than propellers, rotors, under-carri ... | 4.78 | 0.01% |
| 190230 | Pasta (excl. of 1902.11-1902.20) | 3.37 | 0.01% |
| 700729 | Laminated safety glass, n.e.s. in 70.07 | 3.25 | 0.01% |
| 121210 | Locust beans, incl. locust bean seeds, fresh/chilled/frozen/dried, whether ... | 3.20 | 0.01% |
| 411200 | Leather furth. prepd. after tanning/crusting, incl. parchment-dressed leath ... | 3.18 | 0.01% |
| 290230 | Toluene | 1.65 | 0.00% |
| 030623 | Shrimps & prawns, whether or not in shell, other than frozen | 1.54 | 0.00% |

In a comparable fashion, the table below gives the list of most significant by value new export destinations, when comparing 2010 with 2015.

| Partner | Exports Value | Exports Share |
|---|---|---|
| Bahamas | 22.62 | 72.94% |
| Guatemala | 4.57 | 14.75% |
| Saint Kitts and Nevis | 2.97 | 9.59% |
| Bangladesh | 0.60 | 1.94% |
| Hungary | 0.06 | 0.20% |
| Trinidad and Tobago | 0.05 | 0.17% |
| Cambodia | 0.05 | 0.15% |
| South Sudan | 0.03 | 0.10% |
| Antigua and Barbuda | 0.03 | 0.09% |
| Mauritius | 0.02 | 0.06% |

Note: the export share is calculated out of total exports to the new partners.

## Technological level of exports



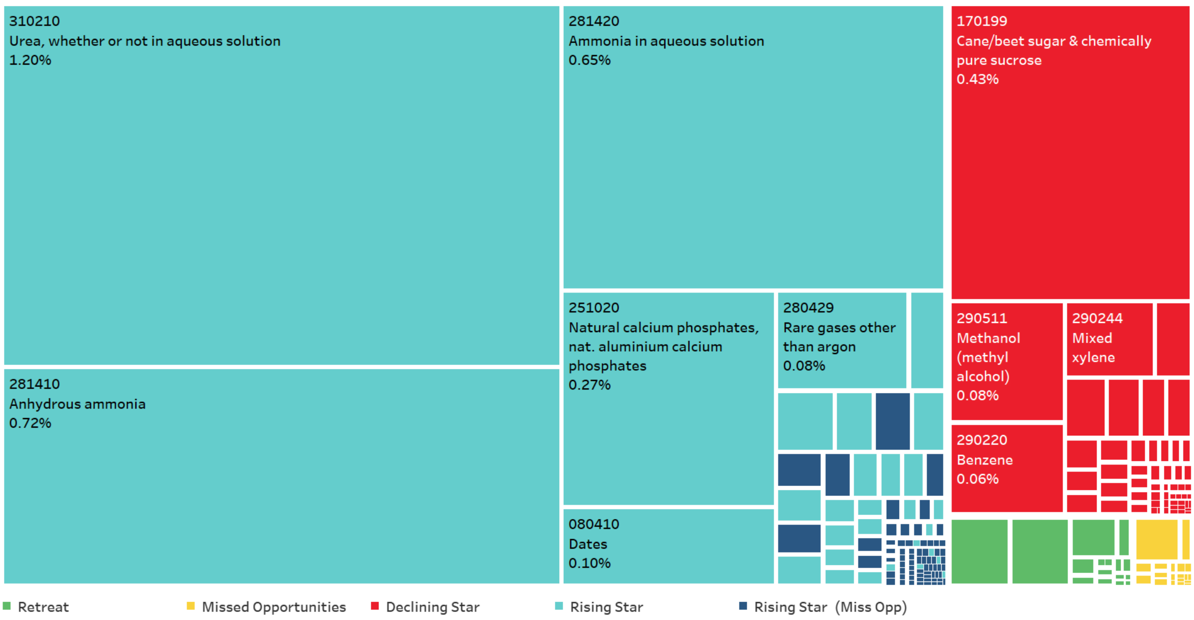

| | Change % (2010-2015) | | | | |
|---|---|---|---|---|---|
| **Reporter** | **Unall.** | **High** | **Med-high** | **Med-low** | **Low** |
| **Algeria** | 68.9% | 0.0% | 4.5% | 26.0% | 0.6% |
| **Cluster1** | -0.80% | 0.80% | 0.40% | -0.90% | 0.40% |
| **Clust2-EAP** | -6.40% | 6.80% | 0.20% | -2.80% | 2.20% |
| **Clust2-ECA** | -4.40% | 0.10% | 4.20% | -3.60% | 3.70% |
| **Clust2-LAC** | -5.60% | 0.40% | 6.30% | -1.50% | 0.40% |
| **Clust2-SA** | -2.40% | 2.10% | 2.50% | -5.10% | 2.90% |
| **Clust2-SSA** | 1.20% | 0.90% | 0.60% | -2.60% | 0.00% |
| **Cluster4** | -3.90% | -0.20% | 3.60% | -1.80% | 2.20% |

## Analytical Table (without Mineral Fuels)

The table below takes Algeria's top 200 exported products (excluding Chapter 27), and cross-classifies them in terms of the changes in their relative importance in Algeria's trade, with their changing relative importance in world demand. Hence if you look at the bottom left-hand cell here we identify that there are 19 products which Algeria exports, where relative world demand has risen, but where their share in Algeria's exports has declined. Hence these are products which could be considered as 'missed opportunities' . Now consider the bottom right hand cell. From this we see that there are 98 products where their share in Algeria's exports has risen ***and*** where there has been an increase in relative world demand. We therefore classify these as Rising Stars. Of these 98 products there are 31 products (the figure given in brackets), where the change in their share in Algeria's exports has increase by more than the change in world demand. These are really the rising stars because these are the ones where the change Algeria's exports has exceeded the relative changes in world demand. However, conversely this means that there are 98 minus 31 = 67 products where although Algeria's exports have increased this is less than the change in world demand. These products could also be considered as missed opportunities. In total therefore there are up to 86 products (19 + 67) which could be considered as missed opportunities.

| Comparing 2010 with 2015 | | Change in Algeria's Exports Share to the World | |
|---|---|---|---|
| | | Negative | Positive |
| Change in relative world demand | Negative | **Retreat**<br>16<br>0.08% | **Declining Star**<br>55<br>0.74% |
| | Positive | **Missed Opp**<br>19<br>0.03% | **Rising Star**<br>98 (31)<br>3.25% (3.17%) |

The graphic below identifies the commodities in the four cells of the cross-classification table, and the full list of products which are missed opportunities, and missed opportunities from the rising starts is given in the Appendix to this report.



Finally the table below takes the list of 86 missed opportunities, and for each of our country clusters identifies how many of these products saw an increase in their export share. What we see is interesting – for each of the clusters a very high proportion of the products increased their export share. So a possible reason for the lack of Algerian success could be the success of these countries in exporting these products.

**Export performance of the other country groups in Algeria's Missed Opportunities**

| Country Group | No of products with positive Δ export share (2010 - 2015) |
|---|---|
| **Cluster1** | 69 |
| **Cluster2 -EAP** | 57 |
| **Cluster2 - ECA** | 67 |
| **Cluster2 - LAC** | 61 |
| **Cluster2 - SA** | 67 |
| **Cluster2 - SSA** | 60 |
| **Cluster4** | 71 |

# Egypt

## Overview on Egypt's exports

| Year | Total exports (billions $) | Exports Share to the EU27 |
|---|---|---|
| **2010** | 26.26 | 30.40% |
| **2011** | 31.53 | 30.67% |
| **2012** | 29.38 | 26.77% |
| **2013** | 28.58 | 28.27% |
| **2014** | 26.53 | 29.54% |
| **2015** | 21.76 | 27.25% |
| **2016** | 22.25 | 25.73% |

Egypt's exports account for 0.18% of the World's total volume of exports, in 2016. Having a look at the evolution of Egypt's Total Trade with the World in the last 6 years we can see that its total value of exports gradually decreased from 2011 to 2015, decreasing by almost $10B, with an average annual growth rate of -2.93%. In the last year we can see a mild growth, while the World saw a contraction on the value of exports.

We can also notice that the share of Egypt's exports that goes to the EU market decreased by almost 5 percentage points over the last 6 years, from 30.4% in 2010 to 25.73% in 2016.

In the following graph we can see Egypt's top 10 export destinations. In 2016 54.30% of its total export were directed to these markets. Over the last 6 years the destination markets didn't change much. If we look at the average Egypt's export from 2010 to 2016, we find the same countries in the top 10 list, except for Lebanon, which replaced the place of France: exports to both of these countries diminished between 2011 and 2015, but in the last year exports to Lebanon almost doubled.

We can also see that the exports to Italy, India and Libya had a strong contraction, while on the other hand the value of exports to United Arab Emirates growth from $1.11B to $2.83B, which is nowadays, the most important export destination, with 12.58% of the Egypt total exports.

## Composition of trade

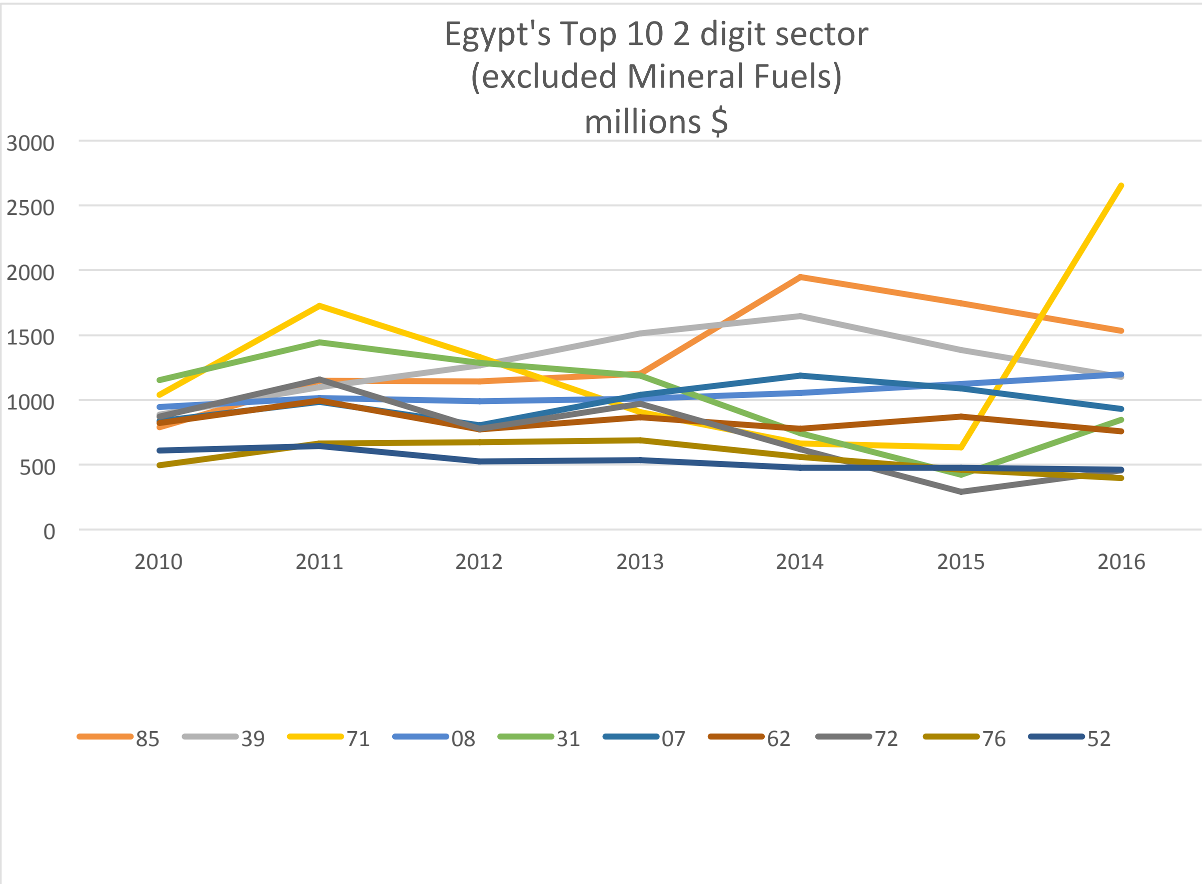
### HS - 2 digit

| Code | Product Name | Export value ($B) | Export share |
|---|---|---|---|
| 27 | Mineral fuels, mineral oils | 3.22 | 14.48% |
| 71 | Natural or cultured pearls | 2.65 | 11.93% |
| 85 | Electrical machinery and equipment | 1.53 | 6.89% |
| 08 | Edible fruit and nuts | 1.2 | 5.38% |
| 39 | Plastics and articles thereof | 1.18 | 5.29% |
| 07 | Edible vegetables | 0.93 | 4.19% |
| 31 | Fertilizers | 0.85 | 3.81% |
| 62 | Articles of apparel | 0.76 | 3.40% |
| 52 | Cotton | 0.46 | 2.08% |
| 72 | Iron and steel | 0.46 | 2.05% |
| 33 | Essential oils and resinoids | 0.44 | 1.97% |

In terms of the composition of trade, the most important exported sector at 2 digit level is “Mineral Fuel, mineral oils and products of their distillation” (HS27). This is still the most exported product, even thus the export in this sector had a strong contraction from 2011: the export share of this sector helved, going from 30.20% in 2012 14.48% in 2016.

The chart below identifies Egypt’s top 10 exports excluding HS Chapter 27 over the last 6 years, which account for almost 47% of Egypt’s total exports in 2016.

Besides we can notice a strong growth in the exports of *Natural or cultured pearls, precious or semi-precious stones* in the last year - with a rate of growth in the last year of 319.05% - together with *Fertilizers,* whose exports more than doubled in one year.



## HS - 6 digits

At a more disaggregated level we see the top 20 Egypt's exported products in 2016, at the 6-digit level in the table below. These products account for 45.45% of Egypt's total exports. In particular Egypt export Gold – exclusively to non-European countries, and Petroleum oils. We can also notice an important increase in the exports of product 854420, (*Reception app. for television*) with an average annual rate of growth in the last 6 years of 212.76%. Other important growth were registered for product 330290 and product 390210.

Note that while the average annual growth rate of exports for these 20 products was 2.36%, this masks considerable variation. Six of the top 20 products saw an annual average decline in exports while one of the products saw a rate of growth in excess of 100%. We also see also that for five of the top 20 products the share of exports going to the EU is near 0% - they are nearly not exported at all in the European market.

| Product Code | Product Description | 2016 Exports value (millions $) | Exports Share to World | AARG (2010-2016) | 2016 Share of export to the EU |
|---|---|---|---|---|---|
| 710812 | Gold (incl. gold plated with platinum) | 2,588.09 | 11.63% | 52.92% | 0.00% |
| 270900 | Petroleum oils & oils obt. from bit | 1,808.11 | 8.13% | 4.47% | 37.11% |
| 271011 | Light petroleum oils & preps. | 738.92 | 3.32% | -3.07% | 37.65% |
| 310210 | Urea, whether or not in aqueous sol | 720.57 | 3.24% | 10.63% | 64.57% |
| 852812 | Reception app. for television, whet | 564.71 | 2.54% | 177.30% | 1.14% |
| 080510 | Oranges, fresh/dried | 501.85 | 2.26% | 1.13% | 18.82% |
| 854420 | Co-axial cable & oth. co-axial elec | 337.16 | 1.52% | 5.72% | 59.97% |
| 940360 | Wooden furniture (excl. of 94.01 & | 328.65 | 1.48% | 7.93% | 3.78% |
| 570190 | Carpets & oth. textile floor coveri | 285.33 | 1.28% | -2.15% | 28.99% |
| 330290 | Mixtures of odoriferous subs. & mix | 269.27 | 1.21% | 56.62% | 0.23% |
| 300490 | Medicaments (excl. of 30.02/30.05/3 | 215.2 | 0.97% | -0.17% | 9.40% |
| 080610 | Grapes, fresh | 212.76 | 0.96% | 2.14% | 71.79% |
| 481840 | Sanitary towels & tampons, napkins | 209.47 | 0.94% | 11.45% | 0.09% |
| 680221 | Worked monumental/building stone & | 207.62 | 0.93% | 24.14% | 8.43% |
| 271019 | Petroleum oils & oils obt. from bit | 205.57 | 0.92% | -25.31% | 45.24% |
| 070310 | Onions & shallots, fresh/chilled | 197.82 | 0.89% | 2.22% | 13.18% |
| 390210 | Polypropylene, in primary forms | 191.29 | 0.86% | 47.53% | 12.80% |
| 620349 | Men's/boys' trousers, bib & brace o | 185.78 | 0.83% | 9.98% | 22.24% |
| 040630 | Processed cheese, not grated/powder | 177.08 | 0.80% | -3.14% | 0.03% |
| 170199 | Cane/beet sugar & chemically pure s | 168.22 | 0.76% | 18.25% | 0.12% |
| | Grand total | 10,113.49 | 45.45% | 2.36% | 21.65% |

Notes: The product description has been shortened to 35 characters for purposes of legibility.

## Revealed comparative advantage

In the following table we give the normalized revealed comparative advantage (nRCA) for Egypt's top 20 exported products for the latest available year (2016). The products are ranked by degree of revealed comparative advantage, and where below the double line in the table Egypt has a negative revealed comparative advantage. The three biggest export sectors are identified in red. We also give the normalized revealed comparative advantage for each of our comparator country. In bold we identify the country-product combinations which also have a positive nRCA, and the purpose of this is to see which country groupings are most likely to compete with Algeria by product.

| NORMALIZED RCA - 2016 | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| **Code** | **Product Name** | **Egypt** | **Cl1** | **Cl2 EAP** | **Cl2 ECA** | **Cl2 LAC** | **Cl2 SA** | **Cl2 SSA** | **Cl 4** |
| 570190 | Carpets & oth. texti | 0.993 | -0.818 | -0.921 | -0.993 | -0.987 | **0.87** | -0.219 | -0.72 |
| 680221 | Worked monumental/bu | 0.975 | -0.952 | -0.424 | -0.471 | -0.623 | **0.445** | -0.851 | **0.436** |
| 620349 | Men's/boys' trousers | 0.974 | -0.671 | **0.46** | **0.315** | -0.861 | **0.876** | -0.046 | -0.293 |
| 080510 | Oranges, fresh/dried | 0.97 | -0.304 | -1 | -0.903 | -0.706 | -0.786 | **0.905** | **0.544** |
| 310210 | Urea, whether or not | 0.966 | -0.54 | **0.396** | **0.186** | -0.905 | -0.994 | -0.064 | -0.33 |
| 040630 | Processed cheese, no | 0.961 | **0.227** | -0.898 | -0.375 | -0.857 | -0.823 | -0.328 | **0.052** |
| 070310 | Onions & shallots, f | 0.956 | -0.325 | -0.957 | -0.546 | **0.585** | **0.744** | **0.42** | -0.041 |
| 854420 | Co-axial cable & oth | 0.953 | -0.27 | **0.242** | **0.423** | -0.069 | -0.668 | **0.013** | **0.079** |
| 330290 | Mixtures of odorifer | 0.911 | **0.105** | -0.06 | -0.893 | -0.37 | **0.137** | -0.839 | -0.335 |
| 080610 | Grapes, fresh | 0.897 | -0.373 | -0.999 | -0.341 | **0.441** | **0.185** | **0.818** | **0.536** |
| 170199 | Cane/beet sugar & ch | 0.802 | -0.305 | -0.721 | **0.452** | **0.674** | **0.714** | -0.146 | -0.067 |
| 481840 | Sanitary towels & ta | 0.794 | **0.038** | -0.402 | -0.399 | **0.033** | -0.834 | -0.101 | **0.315** |
| 940360 | Wooden furniture (ex | 0.794 | -0.352 | 0.386 | **0.42** | -0.444 | -0.059 | -0.487 | **0.404** |
| **710812** | **Gold (incl. gold pla** | 0.776 | -0.293 | -0.371 | -0.541 | **0.136** | **0.009** | **0.277** | -0.574 |
| 390210 | Polypropylene, in pr | 0.773 | -0.023 | -0.625 | -0.08 | -0.078 | **0.275** | **0.545** | **0.069** |
| 852812 | Reception app. for t | 0.72 | -0.756 | **0.005** | -0.393 | **0.642** | -0.821 | -0.538 | **0.354** |
| **270900** | **Petroleum oils & oil** | 0.587 | -0.238 | **0.092** | **0.699** | **0.476** | -0.975 | -0.872 | -0.914 |
| **271011** | **Light petroleum oils** | 0.501 | -0.044 | -0.853 | **0.254** | -0.44 | **0.538** | **0.34** | -0.062 |
| 300490 | Medicaments (excl. o | -0.313 | **0.192** | -0.834 | -0.345 | -0.728 | **0.297** | -0.701 | **0.006** |
| 271019 | Petroleum oils & oil | -0.376 | -0.105 | -0.826 | **0.225** | -0.459 | **0.469** | -0.65 | -0.085 |

Notes: The product description has been shortened to 20 characters for purposes of legibility; Notes: EAP - East Asia & Pacific; ECA - Europe & Central Asia; LAC – L. America & Caribbean; SA - South Asia: SSA - Sub-Saharan Africa

There are two main messages which emerge from this table. First, it is interesting that out of Algeria's top 20 non-oil exports, only two of the products Egypt has a negative revealed comparative advantage which suggests a lack of competitiveness in world markets for these products. Conversely there are 18 HS 6-digit products for which Egypt has a positive revealed comparative advantage. Second, in terms of possible competitor countries we see that the group of countries most likely to be competitors for Egypt in world markets are those in the South Asia group, as they have a positive nRCA in 12 of the 20 sectors, and in 10 of the 18 sectors for which Egypt had a positive nRCA. The country groups least likely to be competing with Egypt in world markets are the ones in Cluster 1 and the East Asia & Pacific countries of Cluster 2.

## KFI indicators – common destination

Another way of addressing the issue of competing countries is to look at the overall degree of similarity of Egypt's exports with the exports of the comparator countries. A useful indicator for this purpose is the Finger-Kreinin indicator which ranges between 0 and 1. When the indicator is equal to 1, this means that the structure of trade between Egypt and the comparator country (or country group) is identical. When the indicator is equal to zero this means that they do not export any of the same products and hence the structure is completely different. The indicator can then be calculated at different levels of disaggregation of trade, and in the table below we report on the similarity at the 2, 4 and 6-digit levels, and do so for both 2010 and 2015.

| | 2dig | | 4dig | | 6dig | |
|---|---|---|---|---|---|---|
| | 2010 | 2015 | 2010 | 2015 | 2010 | 2015 |
| Cluster1 | 0.431 | 0.488 | 0.249 | 0.263 | 0.189 | 0.194 |
| Cluster2 - EAP | 0.483 | 0.489 | 0.295 | 0.256 | 0.226 | 0.183 |
| Cluster2 - ECA | 0.646 | 0.581 | 0.362 | 0.379 | 0.273 | 0.288 |
| Cluster2  LAC | 0.499 | 0.493 | 0.302 | 0.325 | 0.239 | 0.257 |
| Cluster2 - SA | 0.567 | 0.516 | 0.327 | 0.316 | 0.264 | 0.241 |
| Cluster2 -SSA | 0.454 | 0.457 | 0.244 | 0.261 | 0.165 | 0.193 |
| Cluster4 | 0.568 | 0.592 | 0.357 | 0.399 | 0.285 | 0.324 |

We see that the group of countries whose structure of trade has the greatest degree of similarity with Algeria are the countries in Cluster 4, and this is true at all levels of aggregation. Hence at the 6-digit level we see that the degree of similarity in trade is 32.4% in 2015. We may notice that also Europe and Central Asia and South Asian countries of Cluster 2 have a high degree of similarity with Egypt, consistently with the nRCA analysis. The lowest degree of similarity at 6 digit level is with Europe and Central Asia group.

## Diversification of exports: TCI

We turn now to considering in more detail the degree of Egypt's export diversification and how it has evolved over time. We proceed by first analysing the degree of concentration of Egypt's exports in terms of different products (TCI by product, at the HS 6-digit level) and then in term of the number of trade partners (TCI by country). For the TCI by country we do the calculation taking into consideration all the export partners, and then the most significant export partners in 2015 by exports, where we see that 38 countries account for more than 90% of Algeria's total exports.

From the table it can be seen that there has been less diversification of Egypt's exports to the world, while in contrast an increased diversification in terms of exports to the EU. This differential pattern of changes in interesting. With regard to geographical diversification we again see less diversification over time when considering all partners as well as when considering the top 38 partners.

| | TCI by product | | TCI by countries | |
|---|---|---|---|---|
| | **World** | **EU27 Members** | **All partners** | **Top 38 partners** |
| 2010 | 0.024 | 0.044 | 0.034 | 0.048 |
| 2011 | 0.027 | 0.042 | 0.036 | 0.049 |
| 2012 | 0.027 | 0.037 | 0.037 | 0.049 |
| 2013 | 0.023 | 0.041 | 0.038 | 0.051 |
| 2014 | 0.023 | 0.035 | 0.037 | 0.049 |
| 2015 | 0.017 | 0.032 | 0.036 | 0.047 |
| 2016 | 0.027 | 0.030 | 0.044 | 0.054 |

In table 5 earlier in the report we identified that there were 63 new products exported by Egypt when comparing 2010-2016, out of the list of top 200 products in 2016. This is a big change and either reflects considerable dynamism, or considerable volatility in Egypt's exports. The table below identified the top 10 products by value of exports out of this list of 63. What is interesting is that the first item on the list (Reception app. for television) is a new product compared to 2010, and by 2016 has become the fifth top export for Egypt with a high revealed comparative advantage as given in the earlier tables.

New exported products in 2016

| Code | Product Name | Exports Value | Exports Share |
|---|---|---|---|
| 852812 | Reception app. for television, whether or not incorp. radio-broadcast recei ... | 564.71 | 2.54% |
| 621139 | Track suits (excl. knitted or crocheted), men's/boys'; oth. garments, n.e.s ... | 129.58 | 0.58% |
| 854459 | Electric conductors (excl. of 8544.11-8544.30), for a voltage >80V but not ... | 112.02 | 0.50% |
| 520942 | Woven fabrics of cotton, cont. 85%/more by wt. of cotton, denim, weighing > ... | 109.17 | 0.49% |
| 290511 | Methanol (methyl alcohol) | 94.19 | 0.42% |
| 701990 | Glass fibres (incl. glass wool) & arts. thereof (excl. of 7019.11-7019.59) | 83.45 | 0.38% |
| 330510 | Shampoos | 70.28 | 0.32% |
| 320820 | Paints & varnishes (incl. enamels & lacquers) based on acrylic/vinyl polyme ... | 59.59 | 0.27% |
| 710813 | Gold (incl. gold plated with platinum), non-monetary, in semi-manufactured ... | 55.91 | 0.25% |
| 151590 | Fixed vegatable fats & oils (excl. of 1515.11-1515.50), incl. jojoba oil & ... | 55.82 | 0.25% |

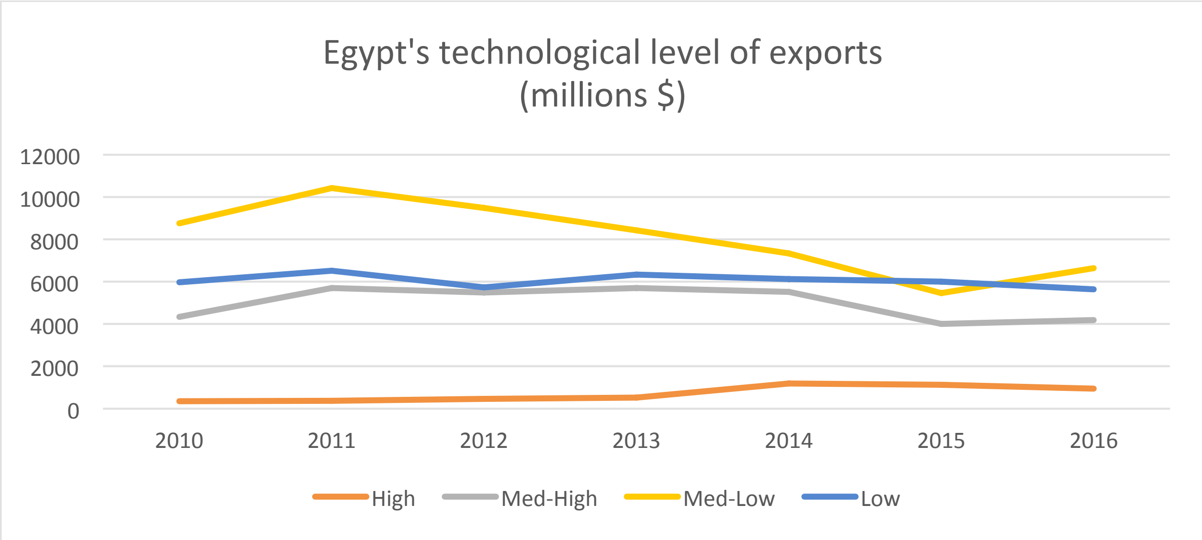
New export destination in 2016 (millions)

In a comparable fashion, the table below gives new export destinations, when comparing 2010 with 2016, which are only 5. The most relevant is Sudan.

| Partner | Exports Value | Exports Share |
|---|---|---|
| Sudan | 545.33 | 99.94% |
| San Marino | 0.29 | 0.05% |
| Curacao | 0.03 | 0.00% |
| Papua New Guinea | 0.02 | 0.00% |
| Antigua and Barbuda | 0.00 | 0.00% |

Note: the export share is calculated out of total exports to the new partners.

## Technological level of exports



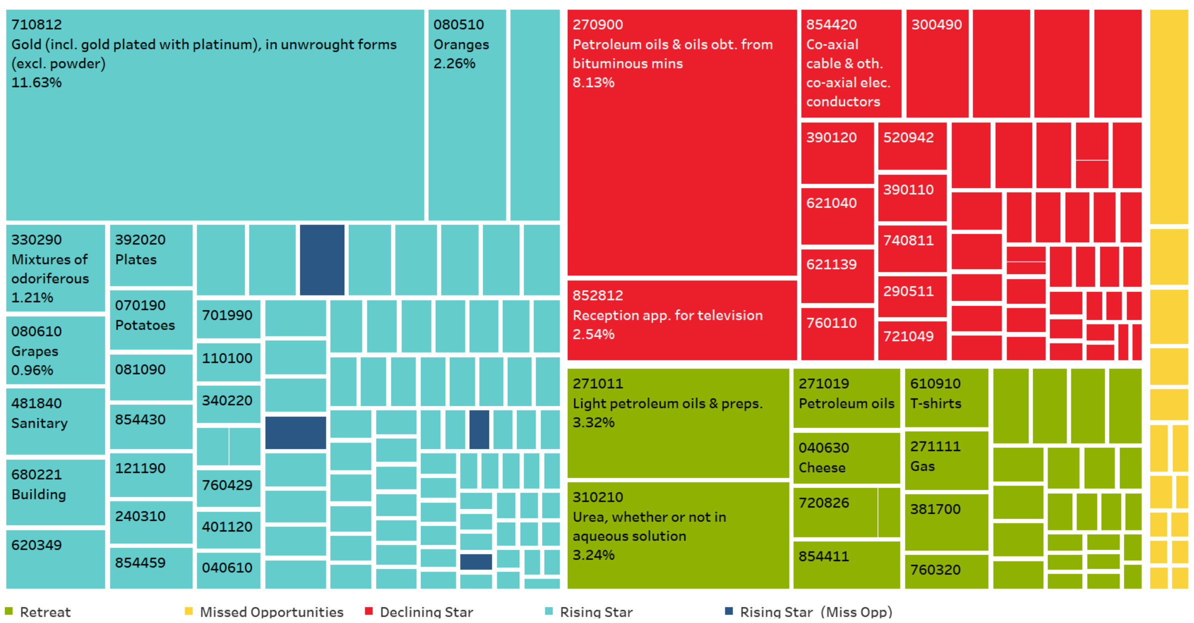

| | Change % (2010-2015) | | | | |
|---|---|---|---|---|---|
| **Reporter** | **Unall.** | **High** | **Med-high** | **Med-low** | **Low** |
| Egypt | 23.7% | 5.2% | 18.4% | 25.1% | 27.6% |
| Cluster1 | -0.8% | 0.8% | 0.4% | -0.9% | 0.4% |
| Clust2-EAP | -6.4% | 6.8% | 0.2% | -2.8% | 2.2% |
| Clust2-ECA | -4.4% | 0.1% | 4.2% | -3.6% | 3.7% |
| Clust2-LAC | -5.6% | 0.4% | 6.3% | -1.5% | 0.4% |
| Clust2-SA | -2.4% | 2.1% | 2.5% | -5.1% | 2.9% |
| Clust2-SSA | 1.2% | 0.9% | 0.6% | -2.6% | 0.0% |
| Cluster4 | -3.9% | -0.2% | 3.6% | -1.8% | 2.2% |

## Analytical Table

The table below takes Egypt's top 200 exported products, and cross-classifies them in terms of the changes in their relative importance in Egypt's trade, with their changing relative importance in world demand. Hence if you look at the bottom left-hand cell here we identify that there are 15 products which Egypt exports, where relative world demand has risen, but where their share in Egypt's exports has declined. Hence these are products which could be considered as 'missed opportunities'. Now consider the bottom right hand cell. From this we see that there are 100 products where their share in Egypt's exports has risen ***and*** where there has been an increase in relative world demand. We therefore classify these as Rising Stars. Of these 100 products there are 96 products (the figure given in brackets), where the change in their share in Egypt's exports has increase by more than the change in world demand. These are really the rising stars because these are the ones where the change Egypt's exports has exceeded the relative changes in world demand. However, conversely this means that there are 100 minus 96 = 4 products where although Egypt's exports have increased this is less than the change in world demand. These products could also be considered as missed opportunities. In total therefore there are up to 19 products (15 + 4) which could be considered as missed opportunities.

| **Comparing 2010 with 2016** | | **Change in Exports Share between Egypt & World** | |
|---|---|---|---|
| | | **Negative** | **Positive** |
| **Change in Exports Share between World & World** | **Negative** | **Retreat**<br>34<br>16.81% | **Declining Star**<br>51<br>26.42% |
| | **Positive** | **Missed Opp**<br>15<br>3.42% | **Rising Star**<br>100 (96)<br>41.67% (40.66%) |

The graphic below identifies the commodities in the four cells of the cross-classification table, and the full list of products which are missed opportunities, and missed opportunities from the rising starts is given in the Appendix to this report.



Finally the table below takes the list of 19 missed opportunities, and for each of our country clusters identifies how many of these products saw an increase in their export share. What we see is interesting – for each of the clusters a very high proportion of the products increased their export share. So a possible reason for the lack of Egypt success could be the success of these countries in exporting these products.

**Export performance of the other country groups in Egypt's Missed Opportunities**

| Country Group | No of products with positive Δ export share (2010 - 2016) |
|---|---|
| **Cluster1** | 10 |
| **Cluster2 -EAP** | 7 |
| **Cluster2 - ECA** | 15 |
| **Cluster2 - LAC** | 12 |
| **Cluster2 - SA** | 12 |
| **Cluster2 - SSA** | 13 |
| **Cluster4** | 18 |

# Israel

## Overview on Israel's exports

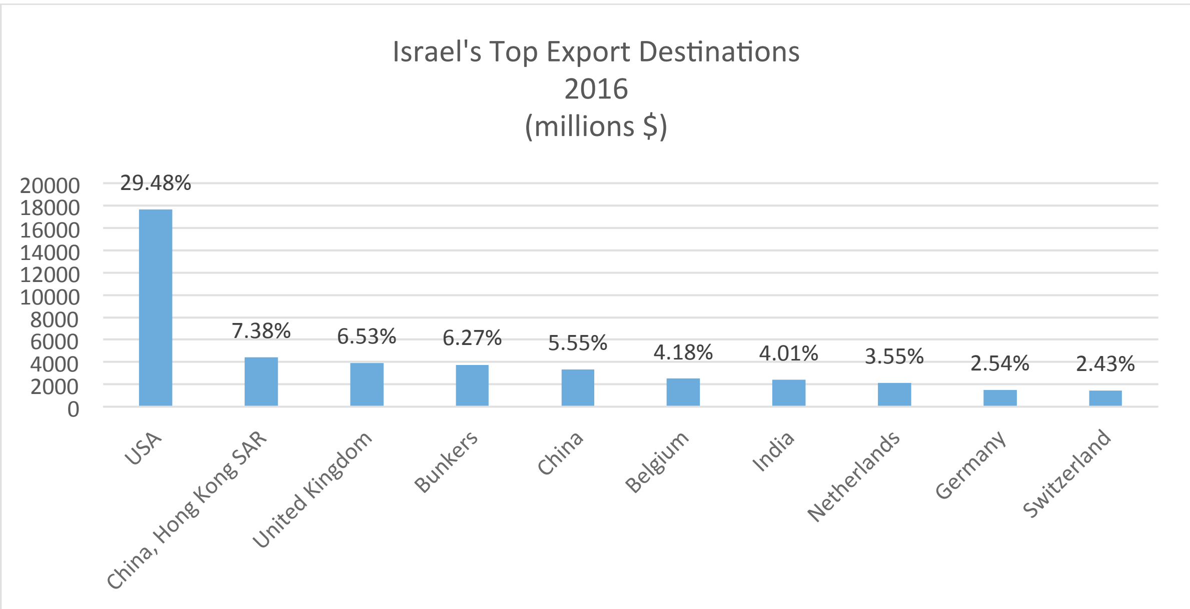
| Year | Total exports (billions $) | Exports Share to the EU27 |
|---|---|---|
| 2010 | 58.39 | 26.29% |
| 2011 | 67.73 | 27.67% |
| 2012 | 62.66 | 27.15% |
| 2013 | 66.17 | 27.57% |
| 2014 | 68.07 | 27.55% |
| 2015 | 63.44 | 25.27% |
| 2016 | 58.89 | 26.51% |

Israel's exports account for 0.43% of World exports. From the table it can be seen that while there was an increase in exports between 2010 and 2011 and between 2012 and 2014, subsequently Israel's exports saw a decline, with a contraction of almost 7% between 2014 and 2016. Over the last six years the exports of Israel have increased at an Average Annual Rate of Growth of 2.04%, from $58.39B in 2010 to $58.89B in 2016.

We can see that in the last six years 27% of its total exports on average went to the European market. The percentage of export to the EU remained quite stable over the years.

In 2016 the top export destinations for Israel was USA, which account for almost 29.5% of Israel's total exports. Export to USA were constant; around $18B. Only in 2016 were exports to Bunkers registered. Looking at the top 10 destinations on average in the last 6 years we can see that at 6th place there is "unspecified" as partner. From 2014 we can see a contraction of export both in Turkey and China.

The top 10 list of destination countries, alone account for almost 72% of Israel's total exports, and 3 out of 10 of these destinations are European countries.

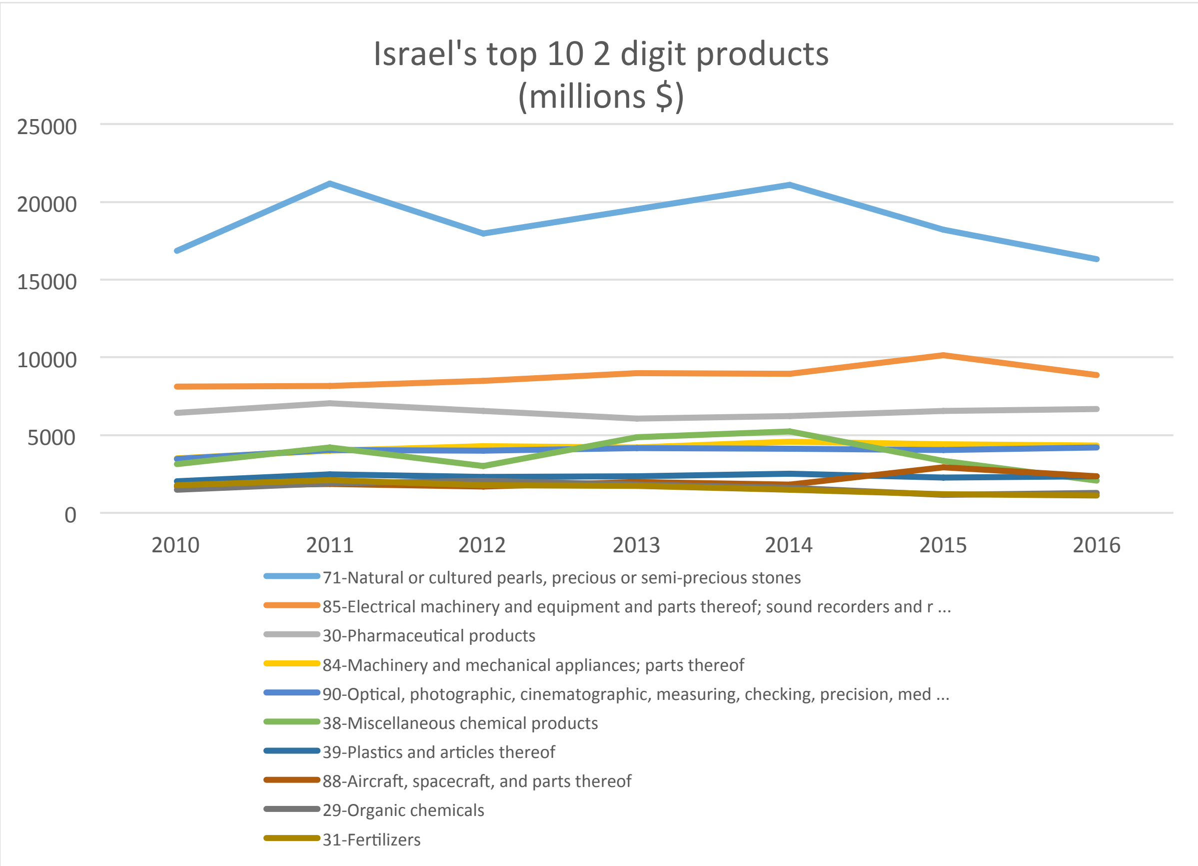


## HS - 2 digit level trade

| Code | Product Name | Export value ($B) | Export share |
|---|---|---|---|
| 71 | Natural or cultured pearls | 16.31 | 27.69% |
| 85 | Electrical machinery | 8.88 | 15.08% |
| 30 | Pharmaceutical products | 6.69 | 11.35% |
| 84 | Machinery | 4.34 | 7.36% |
| 90 | Optical, photographic... | 4.21 | 7.15% |
| 39 | Plastics and articles | 2.36 | 4.00% |
| 88 | Aircraft, spacecraft... | 2.35 | 4.00% |
| 38 | Miscellaneous chemical prod | 2.07 | 3.52% |
| 29 | Organic chemicals | 1.27 | 2.16% |
| 31 | Fertilizers | 1.1 | 1.87% |
| | Tot | 49.58 | 84.19% |

In terms of the composition of trade, the most important Israel's exports are "Natural or cultures pearls" (HS71), "Electrical machinery" (HS85) and "Pharmaceutical products" (HS30), which alone represent more than 54% of Israel's total exports.

The chart below identifies Israel's top exports over the last 6 years. We see that Israel's exports were dominated by "Natural or cultures pearls" (HS71) for all the past 6 years. We see a decline in the export of this product in the last 2 years, going from $21.1B in 2014 to $16.3B in 2016.



## HS - 6 digits level trade

At a more disaggregated level we see the top 20 Israel's exported products in 2016, at the 6-digit level in the table below. Note that while the average annual growth rate of exports for these 20 products was 2.7%, this masks considerable variation. Five of the top 20 products saw an annual average decline in exports while three of the products saw a rate of growth in excess of 100%. In particular we notice an average annual growth rate of more than 1749% for "Petroleum oils" (HS 271019). We also see the significance of the EU as a destination for "Medicaments" (HS300390), almost entirely exported in the EU market. Almost the 96% of the exports in this product were directed to the EU market. For all the other products the share of exports to the EU is less than 50%. Only for five products we have a share greater than 40%.

| Product Code | Product Description | 2016 Exports value (millions $) | Exports Share to World | AARG (2010-2016) | 2016 Share of export to the EU |
|---|---|---|---|---|---|
| 710239 | Diamonds, non-industrial other than | 12,653.06 | 21.48% | 0.89% | 12.27% |
| 300490 | Medicaments (excl. of 30.02/30.05/3 | 3,840.66 | 6.52% | -3.62% | 17.55% |
| 854221 | Monolithic integrated circuits, dig | 3,071.10 | 5.21% | 9.24% | 1.72% |
| 710231 | Diamonds, non-industrial, unwkd./si | 2,967.21 | 5.04% | -0.68% | 33.10% |
| 300390 | Medicaments (excl. of 30.02/30.05/3 | 2,502.61 | 4.25% | 20.84% | 95.70% |
| 880330 | Parts of aeroplanes/helicopters, ot | 1,913.92 | 3.25% | 13.15% | 1.24% |
| 854389 | Other electrical machines & app., h | 1,199.88 | 2.04% | 189.41% | 2.21% |
| 382490 | Other chem. prods. & preps. of the | 933.81 | 1.59% | -1.11% | 47.32% |
| 901890 | Instruments & appls. used in medica | 870.21 | 1.48% | 13.74% | 25.36% |
| 851750 | Apparatus for carrier-current line | 759.41 | 1.29% | 487.71% | 23.08% |
| 310590 | Mineral/chem. fertilisers cont. 2/3 | 714.86 | 1.21% | -9.17% | 8.45% |
| 820900 | Plates, sticks, tips and the like f | 691.1 | 1.17% | 1.79% | 39.12% |
| 271019 | Petroleum oils & oils obt. from bit | 569.07 | 0.97% | 1749.34% | 43.82% |
| 380830 | Herbicides, anti-sprouting prods. & | 551.8 | 0.94% | 5.77% | 48.97% |
| 732690 | Articles of iron/steel, n.e.s. | 431.57 | 0.73% | 39.78% | 3.58% |
| 851719 | Telephone sets other than those of | 421.73 | 0.72% | 83.75% | 19.85% |
| 844359 | Printing mach. n.e.s. in 84.43 | 412.76 | 0.70% | 1.92% | 48.78% |
| 851790 | Parts of the app. & equip. of 85.17 | 408.54 | 0.69% | -9.56% | 25.35% |
| 392690 | Articles of plastics & arts. of oth | 400.87 | 0.68% | 20.69% | 35.77% |
| 854290 | Parts of the electronic integrated | 389.9 | 0.66% | 81.78% | 2.32% |
| Grand total | | 35,704.06 | 60.63% | 2.70% | 22.27% |

Notes: The product description has been shortened to 35 characters for purposes of legibility.

## Revealed comparative advantage

In the following table we give the normalized revealed comparative advantage (nRCA) for Israel's top 20 exported products for the latest available year (2016). The products are ranked by degree of revealed comparative advantage, and where below the double line in the table Israel has a negative revealed comparative advantage. The three biggest export sectors are identified in red. We also give the normalized revealed comparative advantage for each of our the comparator countries. In bold we identify the country-product combinations which also have a positive nRCA, and the purpose of this is to see which country groupings are most likely to compete with Algeria by product.

| NORMALIZED RCA - 2016 | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| **Code** | **Product Name** | **Israel** | **Cl1** | **Cl2 EAP** | **Cl2 ECA** | **Cl2 LAC** | **Cl2 SA** | **Cl2 SSA** | **Cl 4** |
| 310590 | Mineral/chem. fertil | 0.979 | -0.485 | -0.984 | -0.792 | -0.459 | -0.501 | **0.478** | **0.367** |
| **300390** | **Medicaments (excl. o** | 0.969 | **0.001** | -0.993 | -0.653 | -0.945 | **0.127** | -0.581 | **0** |
| **710239** | **Diamonds, non-indust** | 0.963 | -0.398 | - | -0.87 | -0.949 | **0.901** | **0.176** | -0.96 |
| 844359 | Printing mach. n.e.s | 0.96 | -0.076 | -0.833 | -0.707 | -0.809 | -0.563 | -0.06 | 0.186 |
| 820900 | Plates, sticks, tips | 0.931 | **0.187** | -0.987 | -0.944 | -0.721 | -0.415 | -0.883 | -0.59 |
| 710231 | Diamonds, non-indust | 0.907 | -0.016 | -0.915 | -0.962 | -0.982 | **0.385** | **0.829** | -0.998 |
| 851719 | Telephone sets other | 0.852 | -0.059 | -0.759 | **0.079** | **0.162** | -0.342 | -0.16 | -0.006 |
| 854389 | Other electrical mac | 0.836 | -0.05 | -0.819 | -0.413 | **0.214** | -0.872 | -0.493 | -0.342 |
| 380830 | Herbicides, anti-spr | 0.832 | 0.118 | -0.376 | -0.274 | -0.518 | **0.401** | **0.031** | -0.21 |
| 854290 | Parts of the electro | 0.798 | -0.076 | **0.442** | -0.822 | -0.99 | -0.889 | -0.955 | -0.857 |
| 880330 | Parts of aeroplanes/ | 0.716 | **0.208** | -0.177 | -0.589 | -0.647 | **0.031** | -0.378 | -0.134 |
| 382490 | Other chem. prods. & | 0.69 | **0.184** | -0.288 | -0.183 | -0.672 | -0.59 | -0.507 | 0.077 |
| 901890 | Instruments & appls. | 0.657 | **0.195** | -0.736 | -0.473 | **0.264** | -0.268 | -0.634 | -0.183 |
| 300490 | Medicaments (excl. o | 0.559 | **0.192** | -0.834 | -0.345 | -0.728 | **0.297** | -0.701 | **0.006** |
| 732690 | Articles of iron/ste | 0.483 | -0.051 | -0.745 | **0.07** | -0.198 | -0.085 | -0.065 | **0.272** |
| 851750 | Apparatus for carrie | 0.288 | -0.214 | -0.96 | -0.608 | **0.451** | -0.834 | -0.783 | -0.271 |
| 392690 | Articles of plastics | 0.265 | **0.031** | -0.619 | -0.226 | -0.184 | -0.274 | -0.622 | **0.111** |
| **854221** | **Monolithic integrate** | 0.259 | -0.367 | **0.327** | -0.884 | -0.827 | -0.99 | -0.991 | -0.823 |
| 851790 | Parts of the app. & | 0.018 | -0.619 | -0.617 | -0.264 | -0.156 | -0.606 | -0.908 | -0.459 |
| 271019 | Petroleum oils & oil | -0.357 | -0.105 | -0.826 | **0.225** | -0.459 | **0.469** | -0.65 | -0.085 |

Notes: The product description has been shortened to 20 characters for purposes of legibility; Notes: EAP - East Asia & Pacific; ECA - Europe & Central Asia; LAC – L. America & Caribbean; SA - South Asia: SSA - Sub-Saharan Africa

There are two main messages which emerge from this table. First, it is interesting that out of Israel's top 20 non-oil exports, only for one of the products Algeria has a negative revealed comparative advantage which suggests a lack of competitiveness in world markets for these products. Conversely there are only 19 HS 6-digit products for which Israel has a positive revealed comparative advantage. Second, in terms of possible competitor countries we see that the group of countries most likely to be competitors for Israel in world markets are those in the Cluster 1, as they have a positive nRCA in 7 of the 20 sectors, in all sectors for which Israel had a positive nRCA. Others possible competitor countries for Israel in world markets are the South Asian countries in Cluster 2, as they have a positive nRCA in 7 of the 20 sectors, and in 6 of the 7 sectors for which Israel had a positive nRCA. Also the country groups least likely to be competing with Israel in world markets are the Europe and Central Asia countries, and the East Asian and Pacific countries.

## Similarity of Israel's exports with the comparator coutnries

Another way of addressing the issue of competing countries is to look at the overall degree of similarity of Israel's exports with the exports of the comparator countries. A useful indicator for this purpose is the Finger-Kreinin indicator which ranges between 0 and 1. When the indicator is equal to 1, this means that the structure of trade between Israel and the comparator country (or country group) is identical. When the indicator is equal to zero this means that they do not export any of the same products and hence the structure is completely different. The indicator can then be calculated at different levels of disaggregation of trade, and in the table below we report on the similarity at the 2, 4 and 6-digit levels, and do so for both 2010 and 2015.

| | 2dig | | 4dig | | 6dig | |
|---|---|---|---|---|---|---|
| | 2010 | 2015 | 2010 | 2015 | 2010 | 2015 |
| Cluster1 | 0.500 | 0.498 | 0.340 | 0.333 | 0.273 | 0.265 |
| Cluster2 - EAP | 0.404 | 0.433 | 0.231 | 0.244 | 0.168 | 0.189 |
| Cluster2 - ECA | 0.288 | 0.313 | 0.145 | 0.155 | 0.109 | 0.116 |
| Cluster2 LAC | 0.409 | 0.402 | 0.206 | 0.222 | 0.154 | 0.156 |
| Cluster2 - SA | 0.413 | 0.423 | 0.275 | 0.282 | 0.220 | 0.228 |
| Cluster2 -SSA | 0.409 | 0.383 | 0.177 | 0.178 | 0.131 | 0.134 |
| Cluster4 | 0.387 | 0.390 | 0.253 | 0.258 | 0.197 | 0.197 |

Consistent with the nRCA analysis we see that the group of countries whose structure of trade has the greatest degree of similarity with Israel are the countries in Cluster 1, and this is true at all levels of aggregation. Hence at the 6-digit level we see that the degree of similarity in trade is more than 26% in 2015. We also see however, that the degree of similarity with the ECA cluster has slightly declined over time at all digit levels. The decline in similarity is true with regard to L. America & Caribbean countries and Sub-Saharan African countries. The lowest degree of similarity is with the European Central Asia groups of countries, followed by the Sub-Saharan African countries.

## Diversification of exports

We turn now to considering in more detail the degree of Israel's export diversification and how it has evolved over time. We proceed by first analysing the degree of concentration of Israel's exports in terms of different products (TCI by product, at the HS 6-digit level) and then in term of the number of trade partners (TCI by country). For the TCI by country we do the calculation taking into consideration all the export partners, and then the most significant export partners in 2015 by exports, where we see that 23 countries account for more than 90% of Israel's total exports.

From the table it can be seen that there has been an increased diversification of Algeria's exports to the world, while in contrast less diversification in terms of exports to the EU. This differential pattern of changes in interesting. With regard to geographical diversification we again see an increase in diversification over time when considering all partners as well as when considering the top 23 partners.

| | TCI by product | | TCI by countries | |
|---|---|---|---|---|
| | **World** | **EU27 Members** | **All partners** | **Top 16 partners** |
| 2010 | 0.066 | 0.029 | 0.120 | 0.172 |
| 2011 | 0.075 | 0.034 | 0.105 | 0.152 |
| 2012 | 0.066 | 0.033 | 0.100 | 0.146 |
| 2013 | 0.072 | 0.041 | 0.093 | 0.137 |
| 2014 | 0.078 | 0.042 | 0.098 | 0.142 |
| 2015 | 0.074 | 0.045 | 0.106 | 0.148 |
| 2016 | 0.061 | 0.043 | 0.113 | 0.146 |

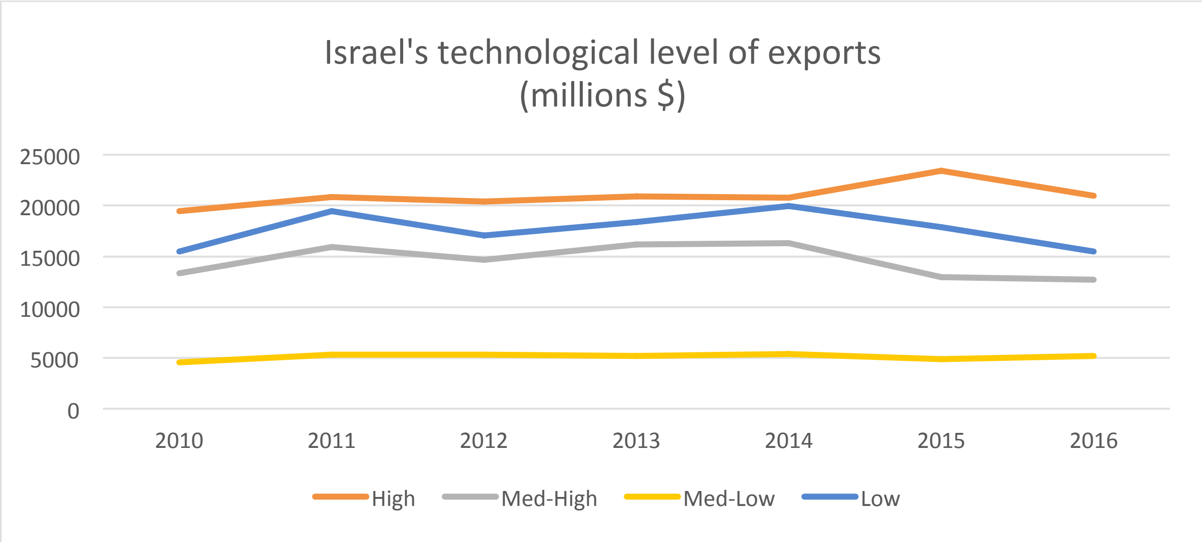
In table 5 earlier in the report we identified that there were 59 new products exported by Israel when comparing 2010-2016, out of the list of top 200 products in 2016. This is a big change and either reflects considerable dynamism, or considerable volatility in Israel's exports. The table below identified the top 10 products by value of exports out of this list of 59. What is interesting is that the first item on the list (Monolithic integrated circuits) is a new product compared to 2010, and by 2016 has become the 3rd top exported product for Israel with a positive revealed comparative advantage as given in the earlier tables.

List of the top 10 new products exported to the WORLD in 2016 (compared to 2010)

| Product Code | Product Name | Exports Value | Exports Share |
|---|---|---|---|
| 854221 | Monolithic integrated circuits, digital | 3,071.10 | 5.21% |
| 851750 | Apparatus for carrier-current line systems/digital line systems (excl. of 8 ... | 759.41 | 1.29% |
| 380810 | Insecticides, put up in forms or packings-RS/as preps./arts. | 177.06 | 0.30% |
| 847790 | Marts for the machines of 84.77 | 164.30 | 0.28% |
| 847150 | Digital processing units other than of 8471.41/8471.49, whether or not cont ... | 122.11 | 0.21% |
| 401161 | New pneumatic tyres, of rubber, having a herring-bone/sim. tread, of a kind ... | 114.92 | 0.20% |
| 381800 | Chemical elements doped for use in electronics, in the form of discs/wafers ... | 110.15 | 0.19% |
| 330510 | Shampoos | 108.42 | 0.18% |
| 321519 | Printing ink (excl. black) | 107.90 | 0.18% |
| 251020 | Natural calcium phosphates, nat. aluminium calcium phosphates & phosphatic | 102.34 | 0.17% |

We may notice as new partner when comparing 2010 with 2015 only Curacao with $0.24B of export value in 2016.

## Technological level of exports



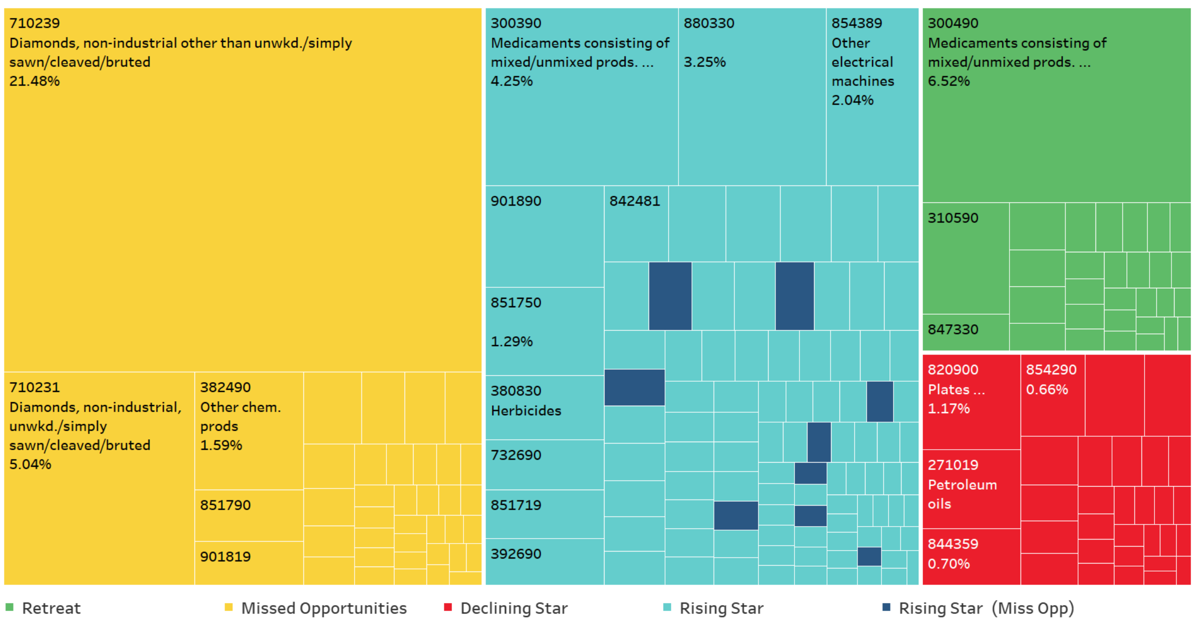

| | Change % (2010-2015) | | | | |
|---|---|---|---|---|---|
| **Reporter** | **Unall.** | **High** | **Med-high** | **Med-low** | **Low** |
| Israel | 6.8% | 36.9% | 20.5% | 7.7% | 28.2% |
| Cluster1 | -0.8% | 0.8% | 0.4% | -0.9% | 0.4% |
| Clust2-EAP | -6.4% | 6.8% | 0.2% | -2.8% | 2.2% |
| Clust2-ECA | -4.4% | 0.1% | 4.2% | -3.6% | 3.7% |
| Clust2-LAC | -5.6% | 0.4% | 6.3% | -1.5% | 0.4% |
| Clust2-SA | -2.4% | 2.1% | 2.5% | -5.1% | 2.9% |
| Clust2-SSA | 1.2% | 0.9% | 0.6% | -2.6% | 0.0% |
| Cluster4 | -3.9% | -0.2% | 3.6% | -1.8% | 2.2% |

## Analytical Table

The table below takes Israel's top 200 exported products , and cross-classifies them in terms of the changes in their relative importance in Israel's trade, with their changing relative importance in world demand. Hence if you look at the bottom left-hand cell here we identify that there are 39 products which Israel exports, where relative world demand has risen, but where their share in Israel's exports has declined. Hence these are products which could be considered as 'missed opportunities' . Now consider the bottom right hand cell. From this we see that there are 99 products where their share in Israel's exports has risen ***and*** where there has been an increase in relative world demand. We therefore classify these as Rising Stars. Of these 99 products there are 90 products (the figure given in brackets), where the change in their share in Israel's exports has increase by more than the change in world demand. These are really the rising stars because these are the ones where the change Israel's exports has exceeded the relative  changes in world demand. However, conversely this means that there are 99 minus 90 = 9 products where although Israel's exports have increased this is less than the change in world demand. These products could also be considered as missed opportunities. In total therefore there are up to 48 products (39 + 9) which could be considered as missed opportunities.

| **Comparing 2010 with 2016** | | **Change in Exports Share between Israel & World** | |
|---|---|---|---|
| | | **Negative** | **Positive** |
| **Change in Exports Share between World & World** | **Negative** | **Retreat**<br>30<br>11.49% | **Declining Star**<br>31<br>7.78% |
| | **Positive** | **Missed Opp**<br>39<br>34.09% | **Rising Star**<br>99 (90)<br>30.89% (29.28%) |

The graphic below identifies the commodities in the four cells of the cross-classification table, and the full list of products which are missed opportunities, and missed opportunities from the rising starts is given in the Appendix to this report.



Finally the table below takes the list of 48 missed opportunities, and for each of our country clusters identifies how many of these products saw an increase in their export share. What we see is interesting – for each of the clusters a very high proportion of the products increased their export share. Only for the East Asian and Pacific countries we can see a positive export share only in 14 out of 48 products.

**Export performance of the other country groups in Algeria's Missed Opportunities**

| Country Group | No of products with positive Δ export share (2010 - 2016) |
|---|---|
| **Cluster1** | 37 |
| **Cluster2 -EAP** | 14 |
| **Cluster2 - ECA** | 37 |
| **Cluster2 - LAC** | 32 |
| **Cluster2 - SA** | 37 |
| **Cluster2 - SSA** | 28 |
| **Cluster4** | 40 |

# Jordan

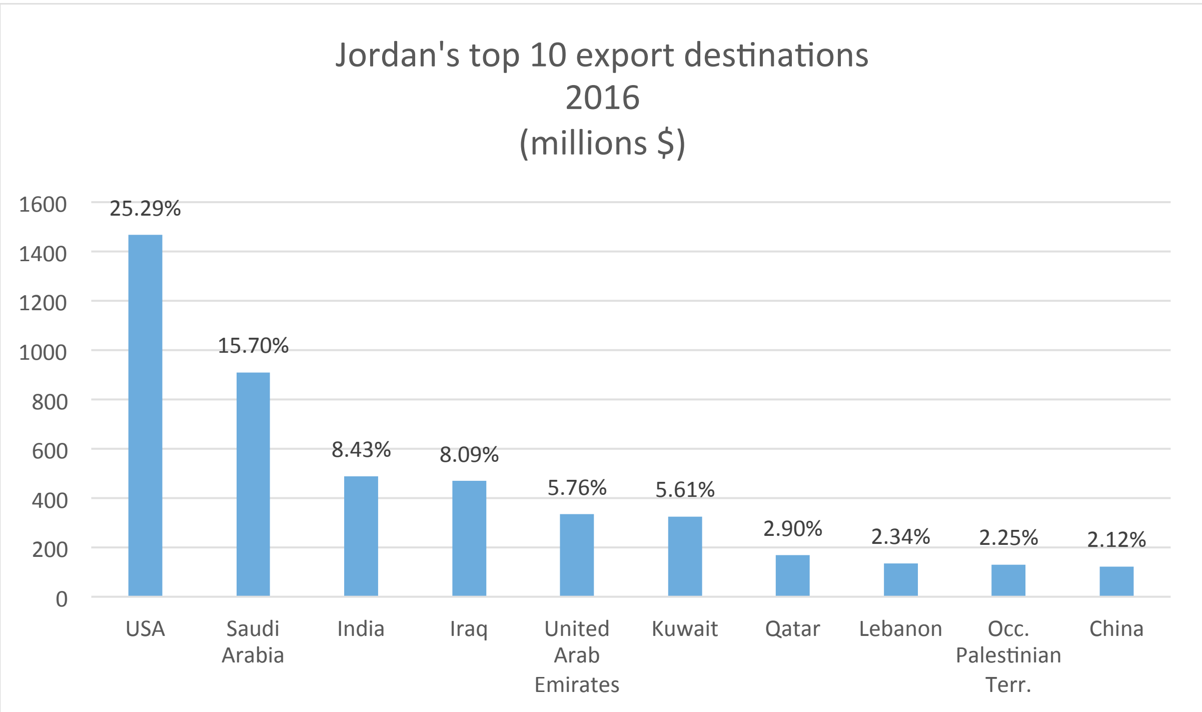
## Overview on Jordan’s exports

| Year | Total exports (billions $) | Exports Share to the EU27 |
|---|---|---|
| 2010 | 5.94 | 3.70% |
| 2011 | 6.73 | 4.61% |
| 2012 | 6.68 | 4.49% |
| 2013 | 6.78 | 3.54% |
| 2014 | 7.27 | 4.13% |
| 2015 | 6.76 | 2.51% |
| 2016 | 6.15 | 2.60% |

Jordan’s exports account for 0.05% of the World’s total volume of exports, in 2015. Having a look at the evolution of Egypt’s Total Trade with the World in the last 6 years we can see that its total value of exports increased from 2010 to 2016, with an average annual growth rate of 2.86%. The maximum level of exports was in 2014, with $7.27B. After this we can see a mild decline to $6.15B.

We can also notice that the EU market is not an important destination for Jordan, with a decrease in the share of Jordan’s exports going to the EU market of more than 1 percentage points over the last 6 years, from 3.7% in 2010 to 2.6% in 2016.

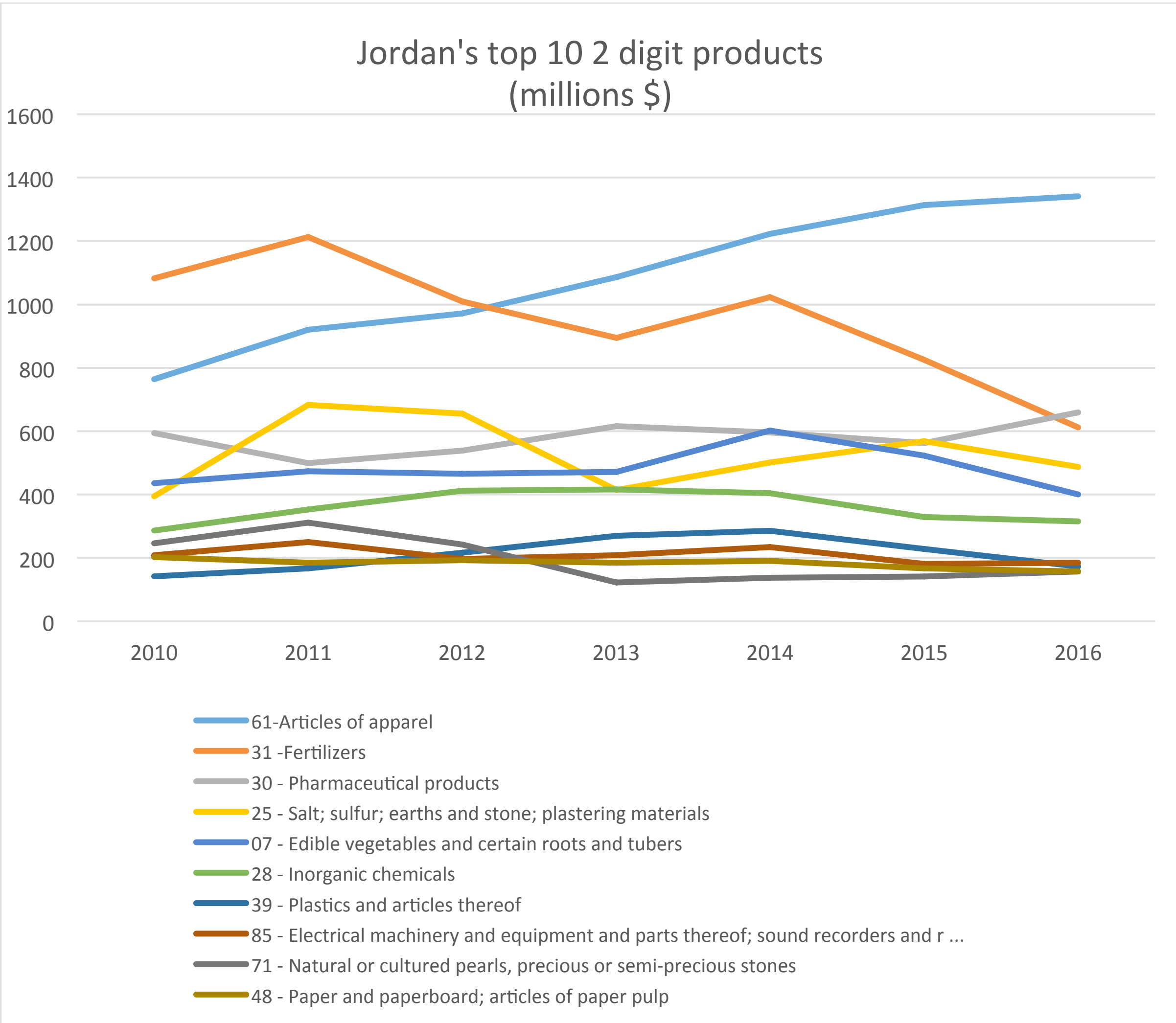
In the following graph we can see the top 10 export destinations, which account for 82.51% of Jordan’s total exports in 2016. Export to the USA gradually increased over the last 6 years. Export to Iraq had a strong contraction between 2014 ($1.17B) and 2015 ($0.69B) with a negative rate of growth on average over the last 3 years equal to -26.38%. Also exports to India diminished from 2014. The exports to Saudi Arabia increased more than 76% from 2010 to 2015, but in the last year we saw a contraction of almost 18%. Over the last 6 years these four countries (USA, Iraq, Saudi Arabia and India) were the most important destinations for Jordan’s exports. Added to this, we can see a gradual increase of exports to United Arab Emirates and Kuwait, while exports to Indonesia, Lebanon, China and Syria had a contraction. Indonesia and Syria dropped out of the top 10 list in 2016.



## HS-2 digit level trade

| Code | Product Name | Export value ($B) | Export share |
|---|---|---|---|
| 61 | Articles of apparel … | 1.34 | 21.81% |
| 30 | Pharmaceutical products | 0.66 | 10.71% |
| 31 | Fertilizers | 0.61 | 9.94% |
| 25 | Salt; sulfur; earths and stone.. | 0.49 | 7.93% |
| 07 | Edible vegetables | 0.4 | 6.50% |
| 28 | Inorganic chemicals | 0.32 | 5.13% |
| 85 | Electrical machinery … | 0.19 | 3.01% |
| 39 | Plastics and articles thereof | 0.17 | 2.82% |
| 71 | Natural or cultured pearls.. | 0.16 | 2.55% |
| 48 | Paper and paperboard… | 0.16 | 2.55% |
| | Tot | 4.49 | 72.95% |

In terms of the composition of trade, the most important exported sector at 2 digit level is "Articles of apparel and clothing accessories, knitted or crocheted" (HS61), which account for almost 22% of Jordan's total exports, which registered a gradual increase over the last 6 years, while we can see a drop in the exports of Fertilizers (HS31). The other sectors remained quite stable and the top 10 sectors exported by Jordan over the last 6 years didn't change.



## HS - 6 digits level trade

At a more disaggregated level we see the top 20 Jordan's exported products in 2015, at the 6-digit level in the table below. Note that while the average annual growth rate of exports for these 20 products was 3.77%, this masks considerable variation. Five of the top 20 products saw an annual average decline in exports while two of the products saw a rate of growth in excess of 100%. In particular for "Bromides & bromide oxides" we see an average annual rate of growth of more thn 611%. We also see that the EU is not significant as export destination. For 17 of the top 20 products the share of exports going to the EU is less than 3%.

| Product Code | Product Description | 2016 Exports value (millions $) | Exports Share to World | AARG (2010-2016) | 2016 Share of export to the EU |
|---|---|---|---|---|---|
| 611420 | Garments, n.e.s., knitted or croche | 803.41 | 13.06% | 15.30% | 2.84% |
| 251010 | Natural calcium phosphates, nat. al | 434.39 | 7.06% | 7.73% | 2.02% |
| 310490 | Potassic min./chem. fertilisers (ex | 425.6 | 6.92% | -4.53% | 2.92% |
| 300490 | Medicaments (excl. of 30.02/30.05/3 | 378.35 | 6.15% | 0.40% | 0.70% |
| 611490 | Garments, n.e.s., knitted or croche | 363.28 | 5.90% | 16.89% | 0.97% |
| 070200 | Tomatoes, fresh/chilled | 255.55 | 4.15% | 3.47% | 0.01% |
| 300390 | Medicaments (excl. of 30.02/30.05/3 | 227.51 | 3.70% | 14.09% | 0.09% |
| 010410 | Live sheep | 136.78 | 2.22% | 48.39% | 0.00% |
| 711319 | Articles of jewellery & parts there | 135.09 | 2.20% | 3.93% | 11.40% |
| 310290 | Nitrogenous min./chem. fertilisers | 124.24 | 2.02% | -10.74% | 5.94% |
| 610910 | T-shirts, singlets & oth. vests, kn | 119.9 | 1.95% | 15.67% | 6.94% |
| 282759 | Bromides & bromide oxides other tha | 91.39 | 1.49% | 611.21% | 0.00% |
| 854420 | Co-axial cable & oth. co-axial elec | 90.1 | 1.46% | 17.69% | 0.00% |
| 761290 | Aluminium casks...&sim. conts.,incl | 85.89 | 1.40% | -2.45% | 1.85% |
| 080930 | Peaches, incl. nectarines, fresh | 85.86 | 1.40% | 18.70% | 0.00% |
| 280920 | Phosphoric acid & polyphosphoric ac | 83.57 | 1.36% | 2.30% | 0.00% |
| 480300 | Toilet/facial tissue stock, towel/n | 65.86 | 1.07% | -0.72% | 0.00% |
| 852390 | Prepared unrecorded media for sound | 62.95 | 1.02% | 156.34% | 0.00% |
| 280130 | Fluorine; bromine | 60.78 | 0.99% | 62.60% | 0.05% |
| 210690 | Food preps., n.e.s. | 58.11 | 0.94% | -1.33% | 13.20% |
| Grand total | | 4,088.59 | 66.45% | 3.77% | 2.22% |

Notes: The product description has been shortened to 35 characters for purposes of legibility.

## Revealed comparative advantage

In the following table we give the normalized revealed comparative advantage (nRCA) for Jordan's top 20 exported products for the latest available year (2016). The products are ranked by degree of revealed comparative advantage, and where below the double line in the table Jordan has a negative revealed comparative advantage. The three biggest export sectors are identified in red. We also give the normalized revealed comparative advantage for each of our the comparator country other country groups. In bold we identify the country-product combinations which also have a positive nRCA, and the purpose of this is to see which country groupings are most likely to compete with Jordan by product.

| NORMALIZED RCA - 2016 | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| **Code** | **Product Name** | **Jordan** | **Cl1** | **Cl2 EAP** | **Cl2 ECA** | **Cl2 LAC** | **Cl2 SA** | **Cl2 SSA** | **Cl 4** |
| **310490** | **Potassic min./chem.** | 0.999 | -0.327 | -0.893 | -0.959 | -0.943 | -0.996 | **0.244** | -0.679 |
| **611420** | **Garments, n.e.s., kn** | 0.998 | -0.59 | -0.192 | -0.333 | -0.575 | **0.776** | -0.793 | -0.267 |
| 282759 | Bromides & bromide o | 0.997 | -0.417 | -0.987 | -0.902 | -0.944 | **0.312** | -0.991 | -0.813 |
| **251010** | **Natural calcium phos** | 0.996 | -0.997 | *-1*[13] | -1 | **0.544** | -0.936 | **0.102** | -0.997 |
| 280130 | Fluorine; bromine | 0.996 | -0.332 | *-0.999* | -1 | -0.998 | 0.223 | -0.865 | -0.95 |
| 310290 | Nitrogenous min./che | 0.996 | -0.111 | -0.989 | -0.782 | -0.424 | -0.956 | 0.887 | **0.322** |
| 611490 | Garments, n.e.s., kn | 0.996 | -0.424 | **0.401** | -0.487 | -0.976 | **0.7** | -0.212 | **0.298** |
| 010410 | Live sheep | 0.994 | -0.199 | *-0.995* | **0.896** | -0.998 | -0.271 | **0.539** | **0.369** |
| 080930 | Peaches, incl. necta | 0.977 | -0.452 | *-1* | **0.333** | -0.979 | -0.996 | **0.35** | **0.693** |
| 070200 | Tomatoes, fresh/chil | 0.976 | -0.398 | -0.989 | **0.215** | **0.734** | -0.256 | -0.339 | **0.308** |
| 280920 | Phosphoric acid & po | 0.964 | -0.333 | -0.999 | -0.699 | -0.351 | -0.969 | 0.853 | -0.815 |
| 300390 | Medicaments (excl. o | 0.964 | **0.001** | -0.993 | -0.653 | -0.945 | **0.127** | -0.581 | **0** |
| 761290 | Aluminium casks...&s | 0.961 | **0.087** | -0.292 | **0.303** | 0 | -0.433 | **0.22** | **0.304** |
| 480300 | Toilet/facial tissue | 0.953 | -0.102 | **0.806** | **0.39** | -0.072 | -0.536 | -0.19 | **0.214** |
| 854420 | Co-axial cable & oth | 0.951 | -0.27 | **0.242** | **0.423** | -0.069 | -0.668 | 0.013 | **0.079** |
| 610910 | T-shirts, singlets & | 0.868 | -0.337 | **0.6** | -0.137 | 0.239 | **0.68** | -0.482 | **0.149** |
| 852390 | Prepared unrecorded | 0.736 | -0.335 | -0.952 | -0.917 | -0.677 | -0.433 | -0.534 | -0.108 |
| 210690 | Food preps., n.e.s. | 0.609 | **0.16** | -0.031 | -0.224 | -0.352 | -0.292 | -0.083 | **0.089** |
| 711319 | Articles of jeweller | 0.594 | -0.256 | **0.548** | -0.883 | -0.772 | **0.701** | -0.622 | -0.214 |
| 300490 | Medicaments (excl. o | 0.538 | **0.192** | -0.834 | -0.345 | -0.728 | **0.297** | -0.701 | **0.006** |

Notes: The product description has been shortened to 20 characters for purposes of legibility; Notes: EAP - East Asia & Pacific; ECA - Europe & Central Asia; LAC – L. America & Caribbean; SA - South Asia: SSA - Sub-Saharan Africa

There are two main messages which emerge from this table. First, it is interesting that out of Jordan's top 20 non-oil exports, for 15 of the products Jordan has a positive revealed comparative advantage of more than 0.9 which suggests a strong competitiveness in world markets for these products. Second, in terms of possible competitor countries we see that the group of countries most likely to be competitors for Jordan in world markets are those in the Cluster 4 group, as they have a positive nRCA in 12 of the 20 sectors for which Jordan had a positive nRCA. The country groups least likely to be competing with Algeria in world markets are the Latin American and Caribbean countries.

[13] Data in *italic* refers to RCA in 2014 due to data availability

## Similarity of Jordan's exports with the comparator countries

Another way of addressing the issue of competing countries is to look at the overall degree of similarity of Jordan's exports with the exports of the comparator countries. A useful indicator for this purpose is the Finger-Kreinin indicator which ranges between 0 and 1. When the indicator is equal to 1, this means that the structure of trade between Jordan and the comparator country (or country group) is identical. When the indicator is equal to zero this means that they do not export any of the same products and hence the structure is completely different. The indicator can then be calculated at different levels of disaggregation of trade, and in the table below we report on the similarity at the 2, 4 and 6-digit levels, and do so for both 2010 and 2015.

| | 2dig | | 4dig | | 6dig | |
|---|---|---|---|---|---|---|
| | **2010** | **2015** | **2010** | **2015** | **2010** | **2015** |
| Cluster1 | 0.361 | 0.339 | 0.206 | 0.183 | 0.149 | 0.137 |
| Cluster2 - EAP | 0.314 | 0.298 | 0.181 | 0.151 | 0.111 | 0.094 |
| Cluster2 - ECA | 0.297 | 0.294 | 0.185 | 0.165 | 0.101 | 0.090 |
| Cluster2  LAC | 0.296 | 0.275 | 0.171 | 0.144 | 0.116 | 0.092 |
| Cluster2 - SA | 0.340 | 0.327 | 0.169 | 0.178 | 0.119 | 0.130 |
| Cluster2 -SSA | 0.321 | 0.308 | 0.156 | 0.125 | 0.100 | 0.088 |
| Cluster4 | 0.336 | 0.328 | 0.214 | 0.198 | 0.145 | 0.139 |

Consistent with the nRCA analysis we see that the group of countries in Cluster 4 has a structure of trade with a great degree of similarity with Jordan at all levels of aggregation. Hence at the 6-digit level we see that the degree of similarity in trade is close to 25% in 2015. We also see however, that the degree of similarity with the ECA cluster has significantly declined over time as it was over 32% in 2010. The decline in similarity is true with regard to all the comparator country groupsThe lowest degree of similarity is with the Latin American & Caribbean countries, followed by the European and Central Asian countries at 2 digit level.

## Diversification of exports

We turn now to considering in more detail the degree of Jordan's export diversification and how it has evolved over time. We proceed by first analysing the degree of concentration of Jordan's exports in terms of different products (TCI by product, at the HS 6-digit level) and then in term of the number of trade partners (TCI by country). For the TCI by country we do the calculation taking into consideration all the export partners, and then the most significant export partners in 2015 by exports, where we see that 19 countries account for more than 90% of Jordan's total exports.

From the table it can be seen that there has been a reduced diversification of Jordan's exports to the world, while in contrast an increased diversification in terms of exports to the EU. This differential pattern of changes in interesting. With regard to geographical diversification we again see a reduction in diversification over time when considering all partners as well as when considering the top 19 partners.

| | TCI by product | | TCI by countries | |
|---|---|---|---|---|
| | **World** | **EU27 Members** | **All partners** | **Top 19 partners** |
| 2010 | 0.033 | 0.082 | 0.085 | 0.134 |
| 2011 | 0.040 | 0.099 | 0.081 | 0.126 |
| 2012 | 0.035 | 0.116 | 0.083 | 0.123 |
| 2013 | 0.031 | 0.079 | 0.096 | 0.138 |
| 2014 | 0.033 | 0.078 | 0.092 | 0.135 |
| 2015 | 0.040 | 0.076 | 0.098 | 0.132 |
| 2016 | 0.041 | 0.056 | 0.103 | 0.137 |

In table 5 earlier in the report we identified that there were 75 new products exported by Jordan when comparing 2010-2016, out of the list of top 200 products in 2016. This is a big change and either reflects considerable dynamism, or considerable volatility in Jordan's exports. The table below identified the top 10 products by value of exports out of this list of 75. What is interesting is that the first item on the list (Bromides & bromide oxides other than bromides of sodium/potassium) is a new product compared to 2010, and by 2016 has become the top 12th exports for Jordan with a high revealed comparative advantage as given in the earlier tables.

<u>List of the top 10 new products exported to the WORLD in 2016 (compared to 2010)</u>

| Product Code | Product Name | Exports Value | Exports Share |
|---|---|---|---|
| 282759 | Bromides & bromide oxides other than bromides of sodium/potassium | 91.39 | 1.49% |
| 852390 | Prepared unrecorded media for sound recording/sim. recording of oth. phenom ... | 62.95 | 1.02% |
| 481820 | Handkerchiefs, cleansing/facial tissues & towels, of paper pulp/paper/cellu ... | 30.58 | 0.50% |
| 610610 | Women's/girls' blouses, shirts & shirt-blouses, knitted or crocheted, of co ... | 30.10 | 0.49% |
| 250590 | Natural sands other than silica & quartz, whether or not coloured, other th ... | 26.69 | 0.43% |
| 630291 | Toilet linen & kitchen linen other than of terry fabrics, of cotton | 15.09 | 0.25% |
| 848180 | Taps, cocks, valves & sim. appls. for pipes/boiler shells/tanks/vats or the ... | 14.02 | 0.23% |
| 382490 | Other chem. prods. & preps. of the chem./allied industries (incl. those con ... | 13.87 | 0.23% |
| 170490 | Sugar confectionery other than chewing gum (incl. white chocolate), not con ... | 13.28 | 0.22% |
| 090240 | Tea, black (fermented) & partly fermented tea, whether or not flavoured, in ... | 12.75 | 0.21% |

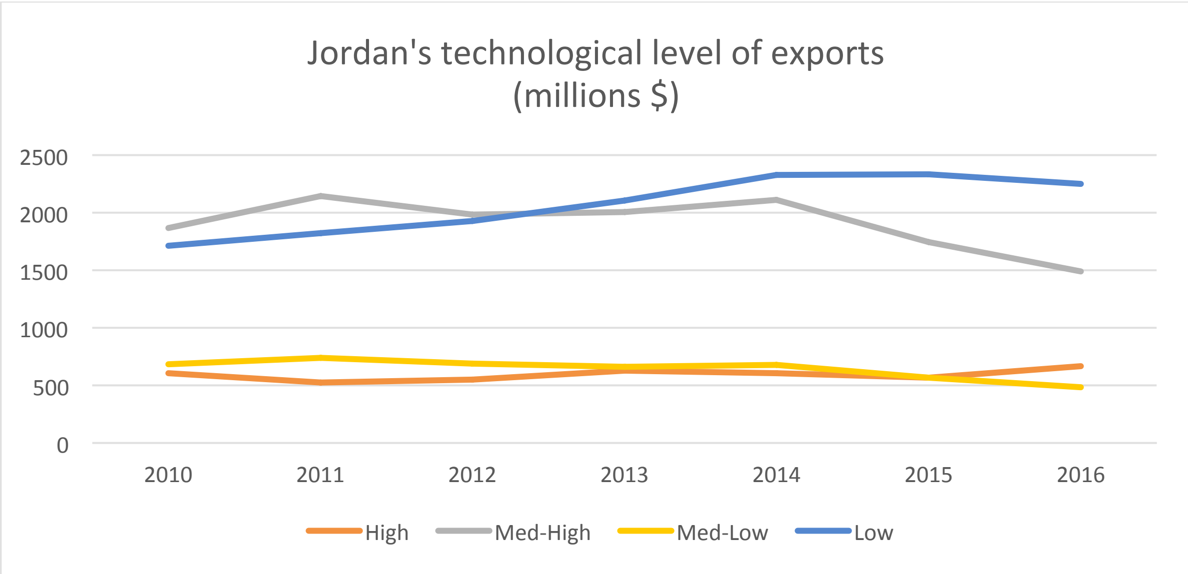
In a comparable fashion, the table below gives the list of most significant by value new export destinations, when comparing 2010 with 2016.

| Partner | Exports Value | Exports Share |
|---|---|---|
| Sudan | 64.06 | 97.81% |
| Paraguay | 0.47 | 0.71% |
| South Sudan | 0.39 | 0.60% |
| Sierra Leone | 0.23 | 0.35% |
| Myanmar (Burma) | 0.12 | 0.18% |
| Mongolia | 0.06 | 0.09% |
| Brunei Darussalam | 0.04 | 0.06% |
| Guinea-Bissau | 0.03 | 0.05% |

| | | |
|---|---|---|
| Madagascar | 0.03 | 0.04% |
| Iceland | 0.02 | 0.03% |

Note: the export share is calculated out of total exports to the new partners.

## Technological level of exports



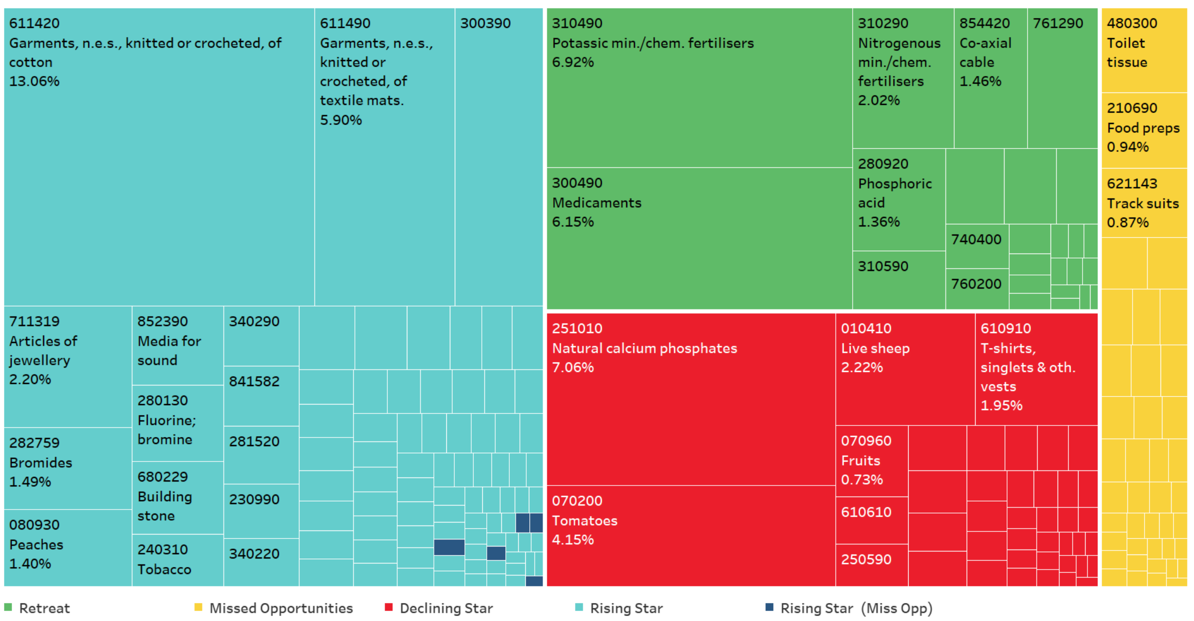

| | Change % (2010-2015) | | | | |
|---|---|---|---|---|---|
| **Reporter** | **Unall.** | **High** | **Med-high** | **Med-low** | **Low** |
| Jordan | 22.8% | 8.4% | 25.8% | 8.4% | 34.6% |
| Cluster1 | -0.8% | 0.8% | 0.4% | -0.9% | 0.4% |
| Clust2-EAP | -6.4% | 6.8% | 0.2% | -2.8% | 2.2% |
| Clust2-ECA | -4.4% | 0.1% | 4.2% | -3.6% | 3.7% |
| Clust2-LAC | -5.6% | 0.4% | 6.3% | -1.5% | 0.4% |
| Clust2-SA | -2.4% | 2.1% | 2.5% | -5.1% | 2.9% |
| Clust2-SSA | 1.2% | 0.9% | 0.6% | -2.6% | 0.0% |
| Cluster4 | -3.9% | -0.2% | 3.6% | -1.8% | 2.2% |

## Analytical Table

The table below takes Jordan's top 200 exported products and cross-classifies them in terms of the changes in their relative importance in Jordan's trade, with their changing relative importance in world demand. Hence if you look at the bottom left-hand cell here we identify that there are 41 products which Jordan exports, where relative world demand has risen, but where their share in Jordan's exports has declined. Hence these are products which could be considered as 'missed opportunities' . Now consider the bottom right hand cell. From this we see that there are 92 products where their share in Jordan's exports has risen ***and*** where there has been an increase in relative world demand. We therefore classify these as Rising Stars. Of these 92 products there are 87 products (the figure given in brackets), where the change in their share in Jordan's exports has increase by more than the change in world demand. These are really the rising stars because these are the ones where the change Jordan's exports has exceeded the relative  changes in world demand. However, conversely this means that there are 92 minus 87 = 5 products where although Jordan's exports have increased this is less than the change in world demand. These products could also be considered as missed opportunities. In total therefore there are up to 46 products (41 + 5) which could be considered as missed opportunities.

| **Comparing 2010 with 2016** | | **Change in Exports Share between Jordan & World** | |
|---|---|---|---|
| | | **Negative** | **Positive** |
| **Change in Exports Share between World & World** | **Negative** | **Retreat**<br>26<br>23.54% | **Declining Star**<br>41<br>21.38% |
| | **Positive** | **Missed Opp**<br>41<br>7.28% | **Rising Star**<br>92 (87)<br>44.00% (43.79%) |

The graphic below identifies the commodities in the four cells of the cross-classification table, and the full list of products which are missed opportunities, and missed opportunities from the rising starts is given in the Appendix to this report.



Finally the table below takes the list of 46 missed opportunities, and for each of our country clusters identifies how many of these products saw an increase in their export share. What we see is interesting – for each of the clusters a very high proportion of the products increased their export share. So a possible reason for the lack of Jordanian success could be the success of these countries in exporting these products.

**Export performance of the other country groups in Jordan's Missed Opportunities**

| Country Group | No of products with positive Δ export share (2010 - 2016) |
|---|---|
| **Cluster1** | 36 |
| **Cluster2 -EAP** | 29 |
| **Cluster2 - ECA** | 38 |
| **Cluster2 - LAC** | 31 |
| **Cluster2 - SA** | 38 |
| **Cluster2 - SSA** | 33 |
| **Cluster4** | 42 |

# Lebanon

## Overview of Lebanon's Exports

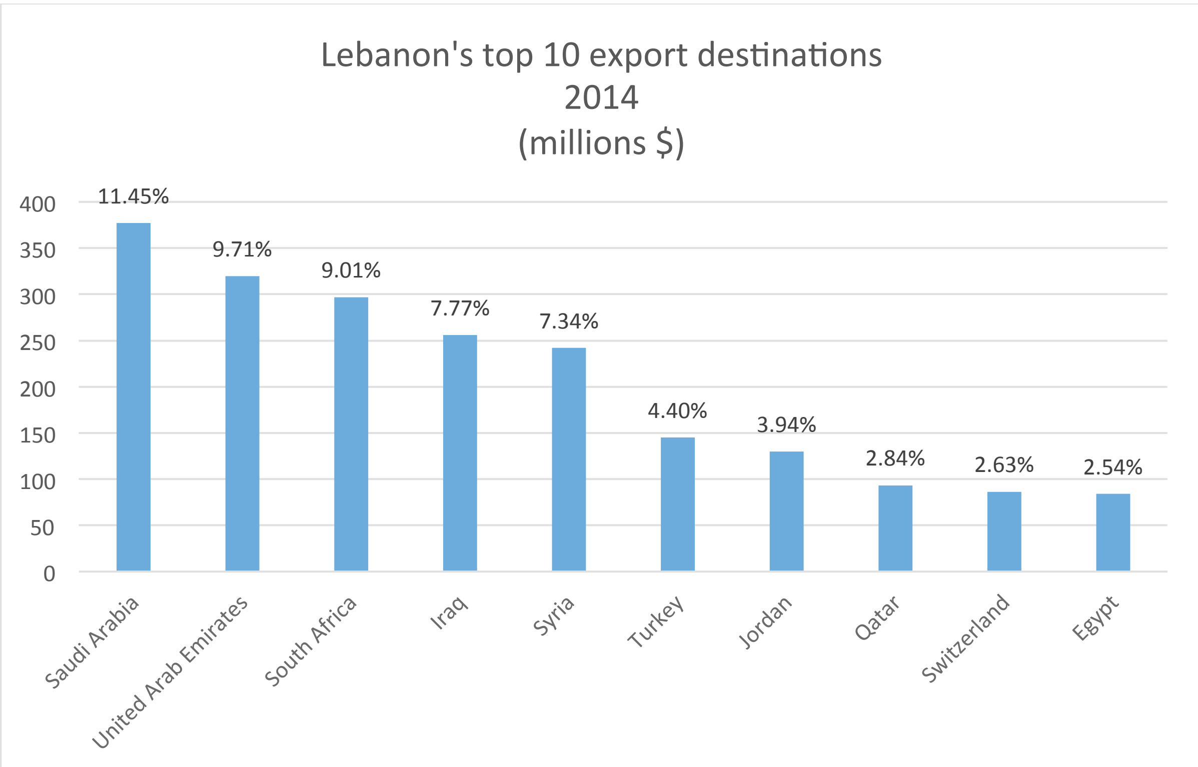
| Year | Total exports (billions $) | Exports Share to the EU27 |
|---|---|---|
| 2010 | 4.25 | 17.88% |
| 2011 | 4.26 | 11.97% |
| 2012 | 4.44 | 9.91% |
| 2013 | 3.93 | 8.91% |
| 2014 | 3.31 | 11.18% |

Lebanon's exports account for 0.02% of World exports. From the table it can be seen that while there was an increase in exports between 2010 and 2012, subsequently Lebanon's exports saw a decline, with a contraction of more than 25% between 2012 and 2014 (latest year available).

During the last five years Lebanese exports have decreased at an Average Annual Rate of Growth of -5.7%, from $4.25B in 2010 to $3.31 in 2014.

We can see that the EU market is not an important destination for Lebanon's export. In 2014 only 11% of its total exports went to the European market – with a contraction in the export share of almost 7% between 2010 and 2014.

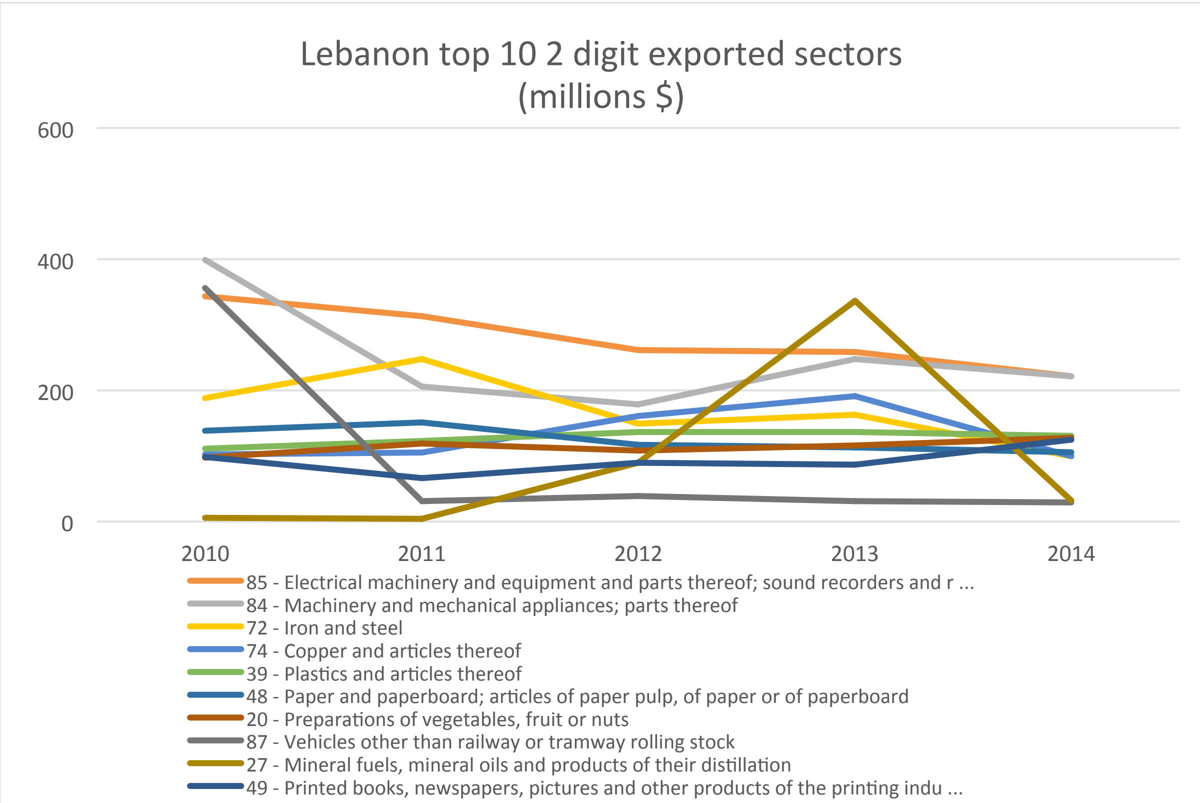
In 2014 the top export destinations for Lebanon were Saudi Arabia (11.45%), UAE (9.71%) and South Africa (9.01%). The top 10 list of destination countries alone account for almost 62% of Lebanon's total exports, and only 2 out of 10 of these destinations are European countries. Over the year exports to South Africa had a big increase in 2012, but after this they saw a rapid drop. Also the exports to Switzerland decreased rapidly after 2012. Lebanon exported a lot to France in 2010, but from 2011 exports to France had a contraction and went out of the top 10 list of exports destinations. Qatar took its place.



## HS-2 digit level trade

| Code | Product Name | Export value ($B) | Export share |
|---|---|---|---|
| 71 | Natural or cultured pearls… | 0.54 | 16.38% |
| 84 | Machinery… | 0.22 | 6.70% |
| 85 | Electrical machinery... | 0.22 | 6.70% |
| 39 | Plastics and articles thereof | 0.13 | 3.95% |
| 20 | Vegetables, fruit or nuts | 0.13 | 3.86% |
| 49 | Printed books, newspapers… | 0.12 | 3.76% |
| 33 | Essential oils and resinoids… | 0.12 | 3.48% |
| 48 | Paper and paperboard… | 0.11 | 3.19% |
| 22 | Beverages, spirits and vinegar | 0.1 | 3.08% |
| 74 | Copper and articles thereof | 0.1 | 3.01% |
| | Grand total | 1.79 | 54.11% |

Most important Lebanon’s sector, from the point of view of exports, is sector 71 - Natural or cultured pearls, precious or semi-precious stones – which account in 2014 for 16.38% of Lebanon’s total exports. The exports in this sector had a big increase from 2010 to 2012, but then we can see a deep drop of exports in the following two years, with a negative average rate of growth of -42.5% over the last 2 years. In the following graph we have the top 10 exported sectors between 2010 and 2014, calculated on average. For purpose of legibility we exclude sector 71 from the graph. We can see that among the top 10, on average, we have Mineral Fuels. This sector had a big growth from 2010 to 2013, but in 2014 we registered a fall at the 28th place in 2014, as the value of exports decreased from $336.91M to $32.3M. Also the exports in Vehicles - product 87 – had a deep contraction between 2010($356.03M) and 2011 ($30.88M), now stable around $32M, and falling in the 32nd position. Exports in Iron and steel gradually diminished over the 5 years taken in to consideration, going out of the top 10 list of exported products in 2014. Even thus still in the top 10, sector 84 and 85 had a gradual contraction over the last years as well.



## HS–6 digit trade

At a more disaggregated level we see the top 20 Lebanon's exported products in 2014, at the 6-digit level in the table below. Note that while the average annual growth rate of exports for these 20 products was -3.84%, this masks considerable variation. 13 of the top 20 products saw an annual average increase in exports with a rate of growth in excess of almost 500% for two of these products. We also see that the EU is not a significant export destination, except for "Phosphoric acid & polyphosphoric…" where the export share is over 60%. For si9x of the top 20 products the share of exports going to the EU is less than 1%.

| Product Code | Product Description | 2014 Exports value (millions $) | Exports Share to World | AARG (2010-2014) | 2014 Share of export to the EU |
|---|---|---|---|---|---|
| 710812 | Gold (incl. gold plated with platin | 365.79 | 11.06% | -8.56% | 0.00% |
| 490199 | Printed books, brochures, leaflets | 112.16 | 3.39% | 14.96% | 3.18% |
| 740400 | Copper waste & scrap | 96.93 | 2.93% | 6.50% | 19.85% |
| 710239 | Diamonds, non-industrial other than | 77.89 | 2.36% | -1.44% | 20.04% |
| 720410 | Waste & scrap of cast iron | 76.42 | 2.31% | -10.34% | 0.00% |
| 310310 | Superphosphates | 72.51 | 2.19% | -5.48% | 32.95% |
| 711319 | Articles of jewellery & parts there | 56.14 | 1.70% | 2.03% | 10.49% |
| 070190 | Potatoes other than seed potatoes, | 48.78 | 1.47% | 48.35% | 0.00% |
| 850211 | Electric generating sets with C-I i | 46.19 | 1.40% | -1.56% | 0.06% |
| 280920 | Phosphoric acid & polyphosphoric ac | 45.92 | 1.39% | 17.81% | 62.20% |
| 841829 | Household-type refrigerators (excl. | 45.66 | 1.38% | 6.31% | 0.20% |
| 210390 | Sauces & preps. therefor, n.e.s.; m | 40.63 | 1.23% | 473.09% | 19.79% |
| 330300 | Perfumes & toilet waters | 39.18 | 1.18% | 34.62% | 0.10% |
| 180690 | Chocolate & oth. food preps. cont. | 37.34 | 1.13% | 23.87% | 1.04% |
| 940360 | Wooden furniture (excl. of 94.01 & | 36.76 | 1.11% | -7.40% | 4.65% |
| 200819 | Nuts (excl. ground-nuts), incl. mix | 36.08 | 1.09% | 7.34% | 10.98% |
| 300490 | Medicaments (excl. of 30.02/30.05/3 | 35.97 | 1.09% | 36.05% | 10.51% |
| 850213 | Electric generating sets with C-I i | 35.09 | 1.06% | 19.42% | 0.03% |
| 170199 | Cane/beet sugar & chemically pure s | 33.84 | 1.02% | 505.90% | 0.92% |
| 220290 | Non-alcoholic beverages other than | 33.76 | 1.02% | 13.96% | 4.18% |
| | Grand Total | 1,373.04 | 41.52% | -3.84% | 8.49% |

Notes: The product description has been shortened to 35 characters for purposes of legibility.

## Revealed comparative advantage

In the following table we give the normalized revealed comparative advantage (nRCA) for Lebanon's top 20 exported products for the latest available year (2014). The products are ranked by degree of revealed comparative advantage, and where below the double line in the table Lebanon has a negative revealed comparative advantage. The three biggest export sectors are identified in red. We also give the normalized revealed comparative advantage for each of our the comparator country other country groups. In bold we identify the country-product combinations which also have a positive nRCA, and the purpose of this is to see which country groupings are most likely to compete with Algeria by product.

| NORMALIZED RCA - 2014 | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| **Code** | **Product Name** | **Jordan** | **Cl1** | **Cl2 EAP** | **Cl2 ECA** | **Cl2 LAC** | **Cl2 SA** | **Cl2 SSA** | **Cl 4** |
| 841829 | Household-type refri | 0.993 | -0.328 | -0.492 | -0.929 | -0.993 | **0.025** | **0.662** | -0.38 |
| 720410 | Waste & scrap of cas | 0.992 | **0.224** | -0.621 | -0.634 | -0.342 | -0.964 | -0.07 | **0.176** |
| 310310 | Superphosphates | 0.99 | -0.706 | -0.726 | **0.475** | **0.112** | -0.978 | -0.767 | -0.708 |
| 850211 | Electric generating | 0.982 | -0.055 | -0.632 | -0.812 | -0.668 | -0.13 | **0.003** | **0.074** |
| 070190 | Potatoes other than | 0.976 | 0.163 | -0.926 | **0.089** | -0.828 | **0.434** | **0.561** | -0.219 |
| 280920 | Phosphoric acid & po | 0.967 | -0.257 | -0.829 | -0.881 | -0.473 | -0.913 | **0.723** | -0.751 |
| 200819 | Nuts (excl. ground-n | 0.960 | -0.046 | **0.062** | -0.193 | -0.46 | **0.121** | -0.727 | -0.1 |
| **490199** | **Printed books, broch** | 0.955 | **0.201** | -0.847 | -0.366 | -0.382 | -0.776 | -0.312 | **0.027** |
| 850213 | Electric generating | 0.935 | **0.193** | -0.429 | -0.827 | -0.659 | -0.356 | -0.277 | -0.324 |
| **740400** | **Copper waste & scrap** | 0.923 | **0.194** | -0.033 | **0.064** | **0.066** | -0.505 | **0.134** | **0.136** |
| 210390 | Sauces & preps. ther | 0.919 | **0.098** | **0.419** | -0.417 | -0.087 | -0.676 | **0.138** | **0.141** |
| 220290 | Non-alcoholic bevera | 0.884 | **0.068** | **0.419** | **0.035** | -0.359 | -0.831 | -0.146 | -0.101 |
| 180690 | Chocolate & oth. foo | 0.868 | **0.195** | -0.909 | **0.223** | -0.117 | -0.568 | -0.545 | **0.228** |
| 170199 | Cane/beet sugar & ch | 0.865 | -0.187 | 0.501 | **0.528** | **0.675** | **0.578** | **0.464** | -0.13 |
| 330300 | Perfumes & toilet wa | 0.844 | **0.248** | -0.638 | -0.471 | -0.422 | -0.419 | -0.645 | **0.217** |
| **710812** | **Gold (incl. gold pla** | 0.818 | -0.149 | -0.323 | -0.865 | **0.245** | -0.234 | **0.164** | -0.549 |
| 940360 | Wooden furniture (ex | 0.754 | -0.325 | **0.41** | **0.264** | -0.489 | -0.149 | -0.587 | 0.347 |
| 710239 | Diamonds, non-indust | 0.740 | -0.419 | -0.05 | -0.91 | -0.951 | **0.896** | **0.315** | -0.961 |
| 711319 | Articles of jeweller | 0.441 | -0.465 | **0.014** | -0.956 | -0.77 | **0.66** | -0.872 | -0.37 |
| 300490 | Medicaments (excl. o | -0.179 | **0.239** | -0.898 | -0.362 | -0.649 | **0.206** | -0.767 | **0.008** |

Notes: The product description has been shortened to 20 characters for purposes of legibility; Notes: EAP - East Asia & Pacific; ECA - Europe & Central Asia; LAC – L. America & Caribbean; SA - South Asia: SSA - Sub-Saharan Africa

There are two main messages which emerge from this table. First, it is interesting that out of Algeria's top 20 non-oil exports, only of the products Lebanon has a negative revealed comparative advantage which suggests a lack of competitiveness in world markets for these products. Besides there are only 11 HS 6-digit products for which Lebanon has a positive revealed comparative advantage superior of 0.9. Second, in terms of possible competitor countries we see that the group of countries most likely to be competitors for Lebanon in world markets are those in Sub-Sharan Africa group, as they have a positive nRCA in 9 of the 20 sectors. The country groups least likely to be competing with Lebanon in world markets are the Latin American and Caribbean countries.

## Similarity of Lebanon's exports with the comparator countries

Another way of addressing the issue of competing countries is to look at the overall degree of similarity of Lebanon's exports with the exports of the comparator countries. A useful indicator for this purpose is the Finger-Kreinin indicator which ranges between 0 and 1. When the indicator is equal to 1, this means that the structure of trade between Lebanon and the comparator country (or country group) is identical. When the indicator is equal to zero this means that they do not export any of the same products and hence the structure is completely different. The indicator can then be calculated at different levels of disaggregation of trade, and in the table below we report on the similarity at the 2, 4 and 6-digit levels, and do so for both 2010 and 2014.

| | 2dig | | 4dig | | 6dig | |
|---|---|---|---|---|---|---|
| | 2010 | 2014 | 2010 | 2014 | 2010 | 2014 |
| Cluster1 | 0.546 | 0.469 | 0.272 | 0.289 | 0.212 | 0.224 |
| Cluster2 - EAP | 0.497 | 0.452 | 0.285 | 0.268 | 0.195 | 0.184 |
| Cluster2 - ECA | 0.445 | 0.434 | 0.199 | 0.233 | 0.141 | 0.168 |
| Cluster2  LAC | 0.524 | 0.447 | 0.248 | 0.261 | 0.175 | 0.177 |
| Cluster2 - SA | 0.473 | 0.451 | 0.208 | 0.258 | 0.148 | 0.193 |
| Cluster2 -SSA | 0.613 | 0.545 | 0.264 | 0.320 | 0.184 | 0.189 |
| Cluster4 | 0.570 | 0.497 | 0.278 | 0.315 | 0.212 | 0.247 |

Consistent with the nRCA analysis we see that the group of countries whose structure of trade has the greatest degree of similarity with Lebanon are Sub Saharan Africa group, and this is true at 2 and 4 digit levels of aggregation. Hence at the 6-digit level we see that the degree of similarity in trade is close to 19% in 2014, while it is close to 25% and 22% for Cluster 4 and Cluster 1 respectively. The lowest degree of similarity is with the European and Central Asia group of countries, at all level of aggregation.

## Diversification of exports

We turn now to considering in more detail the degree of Lebanon's export diversification and how it has evolved over time. We proceed by first analysing the degree of concentration of Lebanon's exports in terms of different products (TCI by product, at the HS 6-digit level) and then in term of the number of trade partners (TCI by country). For the TCI by country we do the calculation taking into consideration all the export partners, and then the most significant export partners in 2014 by exports, where we see that 38 countries account for more than 90% of Lebanon's total exports.

From the table it can be seen that there has been an increased diversification of Lebanon's exports to the world in the last two years. The same happened in term of exports to the EU. With regard to geographical diversification we again see an increase in diversification over time when considering all partners as well as when considering the top 38 partners.

| | TCI by product | | TCI by countries | |
|---|---|---|---|---|
| | **World** | **EU27 Members** | **All partners** | **Top 38 partners** |
| 2010 | 0.051 | 0.201 | 0.056 | 0.068 |
| 2011 | 0.083 | 0.046 | 0.065 | 0.079 |
| 2012 | 0.105 | 0.052 | 0.078 | 0.092 |
| 2013 | 0.033 | 0.031 | 0.057 | 0.070 |
| 2014 | 0.020 | 0.028 | 0.051 | 0.063 |

In table 5 earlier in the report we identified that there were 49 new products exported by Lebanon when comparing 2010-2014, out of the list of top 200 products in 2014. This is a big change and either reflects considerable dynamism, or considerable volatility in Lebanon's exports. The table below identified the top 10 products by value of exports out of this list of 49. What is interesting is that the first item on the list (Sauces & preps. therefor, n.e.s.) is a new product compared to 2010, and by 2014 has become the 12th top export for Lebanon with a high revealed comparative advantage as given in the earlier tables.

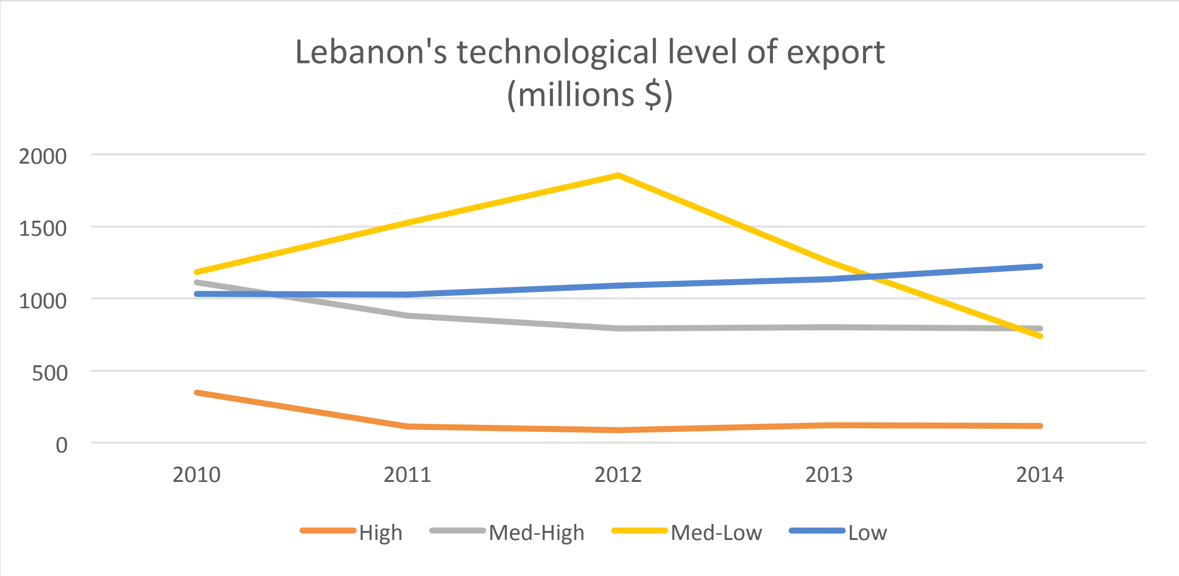
List of the top 10 new products exported to the WORLD in 2014 (compared to 2010)

| Product Code | Product Name | Exports Value | Exports Share |
|---|---|---|---|
| 210390 | Sauces & preps. therefor, n.e.s.; mixed condiments & mixed seasonings, n.e. ... | 40.63 | 1.23% |
| 170199 | Cane/beet sugar & chemically pure sucrose, in solid form, not cont. added f ... | 33.84 | 1.02% |
| 271113 | Butanes, liquefied | 12.32 | 0.37% |
| 320649 | Colouring matter & oth. preps. as spec. in Note 3 to Ch.32, n.e.s. in Ch.32 ... | 9.96 | 0.30% |
| 382490 | Other chem. prods. & preps. of the chem./allied industries (incl. those con ... | 8.40 | 0.25% |
| 320820 | Paints & varnishes (incl. enamels & lacquers) based on acrylic/vinyl polyme ... | 7.15 | 0.22% |
| 842833 | Continuous-action elevators & conveyors, for gds./mats., belt type (excl. o ... | 6.29 | 0.19% |
| 110100 | Wheat/meslin flour | 6.04 | 0.18% |
| 321290 | Pigments (incl. metallic powders & flakes) dispersed in non-aqueous media/i ... | 5.98 | 0.18% |
| 340119 | Soap & organic surface-active prods. & preps., in the form of bars/cakes/mo ... | 5.90 | 0.18% |

In a comparable fashion, the table below gives the list of most significant by value new export destinations, when comparing 2010 with 2014.

| Partner | Exports Value | Exports Share |
|---|---|---|
| Sudan | 15.34 | 98.91% |
| Myanmar (Burma) | 0.07 | 0.43% |
| Bolivia | 0.05 | 0.33% |
| Mongolia | 0.04 | 0.28% |
| Saint Vincent and the Grenadines | 0.01 | 0.04% |
| TFYR of Macedonia | 0.00 | 0.00% |
| El Salvador | 0.00 | 0.00% |
| Papua New Guinea | 0.00 | 0.00% |

## Technological level of exports



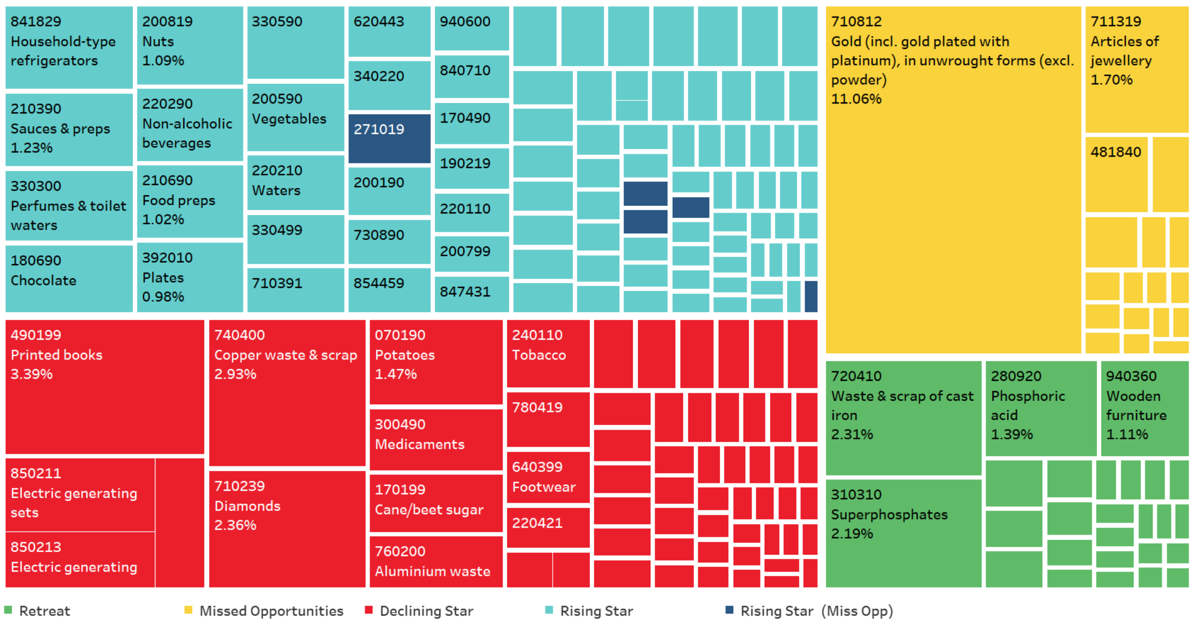

| | Change % (2010-2014) | | | | |
|---|---|---|---|---|---|
| **Reporter** | **Unall.** | **High** | **Med-high** | **Med-low** | **Low** |
| Lebanon | 13.3% | 3.4% | 24.0% | 22.3% | 36.9% |
| Cluster1 | -0.8% | 0.8% | 0.4% | -0.9% | 0.4% |
| Clust2-EAP | -6.4% | 6.8% | 0.2% | -2.8% | 2.2% |
| Clust2-ECA | -4.4% | 0.1% | 4.2% | -3.6% | 3.7% |
| Clust2-LAC | -5.6% | 0.4% | 6.3% | -1.5% | 0.4% |
| Clust2-SA | -2.4% | 2.1% | 2.5% | -5.1% | 2.9% |
| Clust2-SSA | 1.2% | 0.9% | 0.6% | -2.6% | 0.0% |
| Cluster4 | -3.9% | -0.2% | 3.6% | -1.8% | 2.2% |

## Analytical Table

The table below takes Lebanon's top 200 exported products, and cross-classifies them in terms of the changes in their relative importance in Lebanon's trade, with their changing relative importance in world demand. Hence if you look at the bottom left-hand cell here we identify that there are 18 products which Lebanon exports, where relative world demand has risen, but where their share in Lebanon's exports has declined. Hence these are products which could be considered as 'missed opportunities'. Now consider the bottom right hand cell. From this we see that there are 94 products where their share in Lebanon's exports has risen ***and*** where there has been an increase in relative world demand. We therefore classify these as Rising Stars. Of these 94 products there are 89 products (the figure given in brackets), where the change in their share in Lebanon's exports has increase by more than the change in world demand. These are really the rising stars because these are the ones where the change Lebanon's exports has exceeded the relative  changes in world demand. However, conversely this means that there are 94 minus 89 = 5 products where although Lebanon's exports have increased this is less than the change in world demand. These products could also be considered as missed opportunities. In total therefore there are up to 23 products (18 + 5) which could be considered as missed opportunities.

| **Comparing 2010 with 2014** | | **Change in Exports Share between Lebanon & World** | |
|---|---|---|---|
| | | **Negative** | **Positive** |
| **Change in Exports Share between World & World** | **Negative** | **Retreat**<br>26<br>10.32% | **Declining Star**<br>61<br>26.80% |
| | **Positive** | **Missed Opp**<br>18<br>15.63% | **Rising Star**<br>94 (89)<br>30.53% (29.44%) |

The graphic below identifies the commodities in the four cells of the cross-classification table, and the full list of products which are missed opportunities, and missed opportunities from the rising starts is given in the Appendix to this report.




Finally the table below takes the list of 23 missed opportunities, and for each of our country clusters identifies how many of these products saw an increase in their export share. What we see is interesting – for each of the clusters a very high proportion of the products increased their export share. So a possible reason for the lack of Lebanon success could be the success of these countries in exporting these products.

**Export performance of the other country groups in Lebanon's Missed Opportunities**

| Country Group | No of products with positive Δ export share (2010 - 2014) |
|---|---|
| **Cluster1** | 18 |
| **Cluster2 -EAP** | 13 |
| **Cluster2 - ECA** | 15 |
| **Cluster2 - LAC** | 18 |
| **Cluster2 - SA** | 17 |
| **Cluster2 - SSA** | 17 |
| **Cluster4** | 17 |

# Morocco

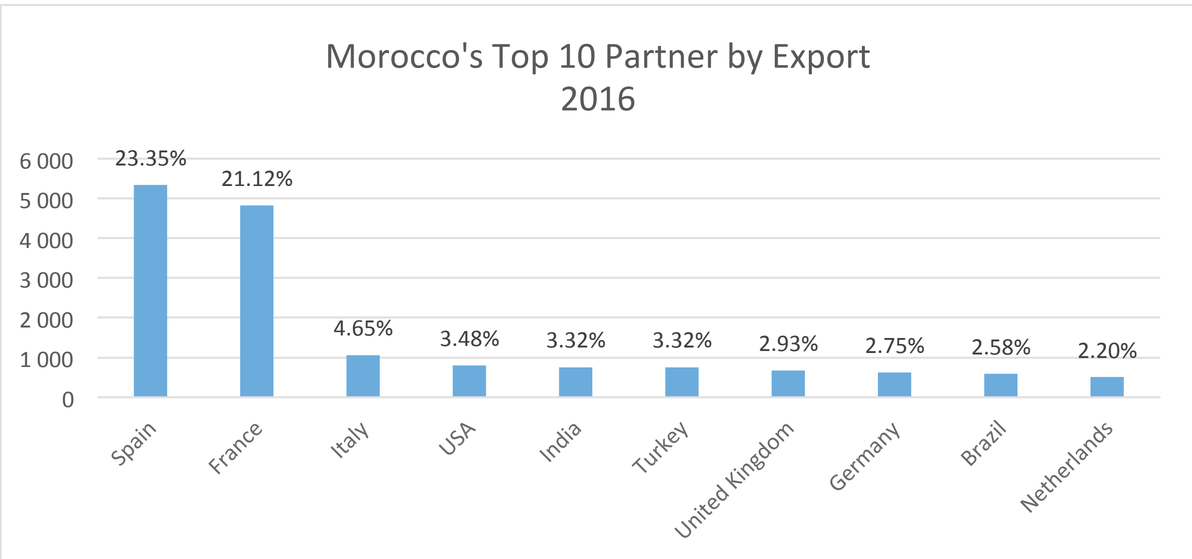
## Overview of Morocco's Exports

| Year | Total exports (billions $) | Exports Share to the EU27 |
|---|---|---|
| 2010 | 17.74 | 59.8% |
| 2011 | 21.65 | 58.7% |
| 2012 | 21.39 | 56.8% |
| 2013 | 21.96 | 60.5% |
| 2014 | 23.81 | 63.5% |
| 2015 | 22.03 | 63.4% |
| 2016 | 22.86 | 64.8% |

Morocco's exports account for 0.15% of the World's total volume of exports. From the table it can be seen that while there was an increase in exports between 2010 and 2014, subsequently Morocco's exports saw a decline. Its total value of exports increased with an Average Annual rate of growth of 4.9%, almost 3 percentage points more than the World's average annual rate of growth. In 2014 we have the highest recorded level for Morocco, which is $23.82 billion of total exports. In particular, in the last year, we register a further increase in its total exports, which went from $22.03 billion to $22.86 billon, while the World total export recorded a contraction, decreasing from $14,643.07 to $12,469.53 billion.

We can see that the EU market is the most important destination for Morocco's exports. In 2016 almost 65% of its total exports went to the European market – with an increase in the export share of more than 5% over the last 6 years.

The 2 most important partners by export are Spain (23.35%) and France (21.12%). In particular for Spain, we can see a strong increase in the volume of exports between 2012 and 2014, reaching the $5,336.41 million in 2016, thereby becoming the most important export partner for Morocco. The top 10 list of destination countries, alone account for almost 70% of Morocco's total exports, and 7 out of 10 of these destinations are European countries. Over the last 6 years the list of Morocco's top export destinations has changed little, with the declining importance of Belgium, and a significant increase in exports to Turkey from 2013, which took the place of Belgium in the top 10 list of Morocco's partners by export from 2014.

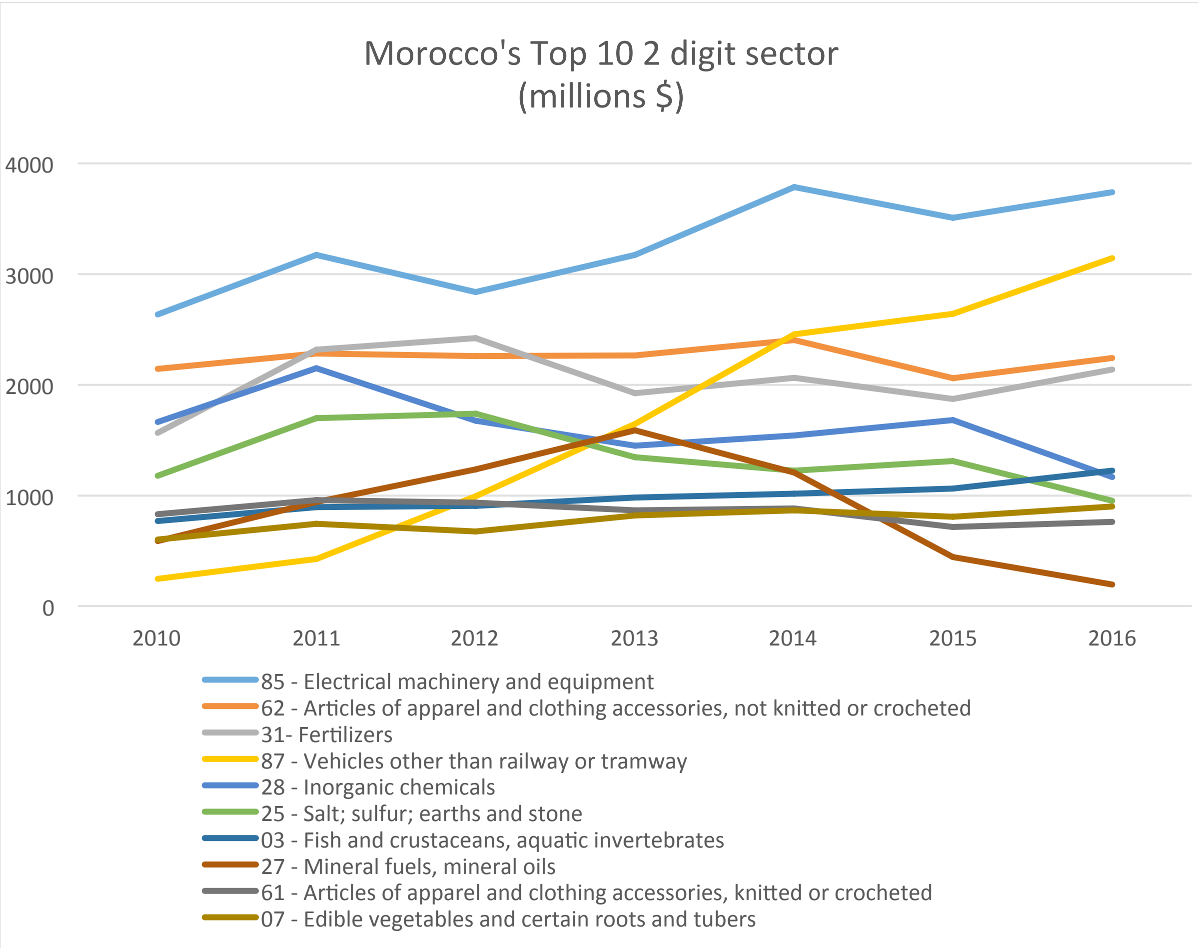


## HS-2 digit level trade

| Code | Product Name | Export value ($B) | Export share |
|---|---|---|---|
| 85 | Electrical machinery | 3.74 | 16.36% |
| 87 | Vehicles other than railway | 3.14 | 13.73% |
| 62 | Articles of apparel not knitted | 2.24 | 9.80% |
| 31 | Fertilizers | 2.13 | 9.34% |
| 03 | Fish and crustaceans | 1.22 | 5.35% |
| 28 | Inorganic chemicals | 1.16 | 5.09% |
| 25 | Salt; sulfur; earths and stone | 0.95 | 4.15% |
| 07 | Edible vegetables | 0.9 | 3.94% |
| 61 | Articles of apparel knitted | 0.76 | 3.33% |
| 08 | Edible fruit and nuts | 0.74 | 3.25% |

In 2016 the most important sector, from the point of view of exports, was "Electrical machinery and equipment and parts thereof…" (HS85), which account for the 16.36% of Morocco's total export.

The chart below identifies Morocco's top 10 exports over the last 6 years, which account for almost 72% of Morocco's total exports in 2016. Besides we can notice that the leading sector was Electrical machinery and equipment for all the years taken into consideration, and that Vehicles (HS87) saw an important increase from 2010 to 2016, becoming the second Morocco's most important exported sector, which account for the 13.73% of total exports, in 2016. On the other hand we see that the level of exported mineral fuel had a contraction, dropping to the 20th place in the list of top Morocco's exported products in 2016, with an export shares of 0.85%.



## HS-6 digit level trade

At a more disaggregated level we see the top 20 Morocco's exported products in 2016, at the 6-digit level in the table below. Note that while the average annual growth rate of exports for these 20 products was 8.24%, this masks considerable variation. Four of the top 20 products saw an annual average decline in exports while we saw an exceptional rate of growth for two products which belong to the Vehicles sector. The most important is product 870322, Vehicles, mostly imported to the EU market, with an AARG equal to 4557.56%. The exports in this product jumped from $0.22M in 2010, to $1,396.13M in 2016. Another remarkable increase in export can be noticed for product 310559, "Mineral/chem. Fertilisers", whit an AARG of 17452.44% in the last 6 years. The value of export of this products jumped indeed from $0.009M in 2010 to $287.62M in 2016.

We also see the significance of the EU as a destination. For seven of the top 20 products the share of exports going to the EU is greater than 80%.

| Product Code | Product Description | 2016 Exports value (millions $) | Exports Share to World | AARG (2010-2016) | 2016 Share of export to the EU |
|---|---|---|---|---|---|
| 870322 | Vehicles (excl. of 87.02 & 8703.10) | 1,396.13 | 6.11% | 4557.56% | 94.8% |
| 854430 | Ignition wiring sets &oth. wiring | 1,361.41 | 5.96% | 4.95% | 99.9% |
| 280920 | Phosphoric acid &polyphosphoric ac | 1,138.95 | 4.98% | -3.67% | 24.4% |
| 870332 | Vehicles princ. designed for the tp | 1,119.06 | 4.90% | 739.31% | 77.3% |
| 251010 | Natural calcium phosphates, nat. al | 756.3 | 3.31% | -2.64% | 20.0% |
| 310540 | Ammonium dihydrogen or thophosphate | 715.93 | 3.13% | 14.00% | 10.4% |
| 854441 | Electric conductors (excl. of 8544. | 715.07 | 3.13% | 26.68% | 96.7% |
| 310530 | Diammonium hydrogen or thophosphate | 607.32 | 2.66% | -2.61% | 37.1% |
| 070200 | Tomatoes, fresh/chilled | 512.01 | 2.24% | 10.64% | 88.2% |
| 030759 | Octopus (Octopus spp.), other than | 432.77 | 1.89% | 10.20% | 76.3% |
| 880330 | Parts of aeroplanes/helicopters, ot | 421.95 | 1.85% | 22.82% | 88.8% |
| 160413 | Sardines, sardinella& brisling/spr | 417.45 | 1.83% | 2.90% | 37.8% |
| 854129 | Transistors (excl. photosensitive t | 412.92 | 1.81% | -5.01% | 28.1% |
| 853690 | Electrical app. for switching/prote | 398.76 | 1.74% | 24.27% | 92.0% |
| 854459 | Electric conductors (excl. of 8544. | 305.1 | 1.33% | 60.98% | 79.9% |
| 310310 | Superphosphates | 304.67 | 1.33% | 2.00% | 11.4% |
| 080520 | Mandarins, incl. tangerines &satsu | 299.66 | 1.31% | 5.21% | 48.6% |
| 630790 | Other made-up textile arts., incl. | 289.15 | 1.27% | 27.34% | 99.2% |
| 310559 | Mineral/chem. fertilisers cont. the | 287.62 | 1.26% | 17452.44% | 3.4% |
| 030749 | Cuttle fish (Sepia officinalis, Ros | 251.42 | 1.10% | 17.58% | 86.7% |
| | Grand total | 12,143.67 | 53.13% | 8.24% | 63.45% |

Notes: The product description has been shortened to 35 characters for purposes of legibility.

## Revealed comparative advantage

In the following table we give the normalized revealed comparative advantage (nRCA) for Morocco's top 20 exported products for the latest available year (2016). The products are ranked by degree of revealed comparative advantage. The three biggest export sectors are identified in red. We also give the normalized revealed comparative advantage for each of our comparator country groups. In bold we identify the country-product combinations which also have a positive nRCA, and the purpose of this is to see which country groupings are most likely to compete with Morocco by product.

| NORMALIZED RCA - 2016 | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| **Code** | **Product Name** | **Morocc** | **Cl1** | **Cl2 EAP** | **Cl2 ECA** | **Cl2 LAC** | **Cl2 SA** | **Cl2 SSA** | **Cl 4** |
| 160413 | Sardines, sardinella | 0.992 | -0.813 | **0.544** | -0.440 | **0.208** | -0.689 | **0.699** | **0.221** |
| 251010 | Natural calcium phos | 0.992 | -0.997 | - | -1.000 | **0.544** | -0.936 | **0.102** | -0.997 |
| **280920** | **Phosphoric acid & po** | 0.990 | -0.333 | -0.999 | -0.699 | -0.351 | -0.969 | **0.853** | -0.815 |
| 310310 | Superphosphates | 0.987 | -0.875 | -0.738 | **0.459** | **0.103** | -0.932 | -0.798 | -0.285 |
| 030759 | Octopus (Octopus spp | 0.987 | -0.955 | **0.415** | -0.999 | -0.083 | -0.193 | **0.920** | **0.355** |
| 310540 | Ammonium dihydrogeno | 0.983 | -0.161 | - | -0.026 | -0.207 | -1.000 | -0.111 | -0.796 |
| 310559 | Mineral/chem. fertil | 0.981 | -0.046 | -0.997 | **0.399** | -0.582 | -1.000 | -0.520 | -0.356 |
| 310530 | Diammonium hydrogeno | 0.972 | -0.374 | -0.963 | -0.259 | -0.583 | -0.715 | -0.567 | -0.242 |
| 070200 | Tomatoes, fresh/chil | 0.957 | -0.398 | -0.989 | **0.215** | **0.734** | -0.256 | -0.339 | **0.308** |
| 080520 | Mandarins, incl. tan | 0.949 | -0.769 | - | -0.509 | -0.234 | **0.233** | **0.722** | **0.555** |
| 030749 | Cuttle fish (Sepia o | 0.937 | -0.731 | **0.592** | -0.819 | -0.087 | **0.629** | **0.517** | -0.167 |
| **854430** | **Ignition wiring sets** | 0.928 | -0.586 | **0.720** | **0.819** | **0.691** | -0.521 | -0.753 | **0.101** |
| 854129 | Transistors (excl. p | 0.899 | -0.148 | **0.125** | -0.940 | -0.395 | -0.975 | -0.976 | -0.617 |
| 630790 | Other made-up textil | 0.893 | -0.310 | -0.621 | **0.243** | **0.054** | **0.465** | -0.616 | -0.372 |
| 854441 | Electric conductors | 0.891 | -0.289 | -0.603 | **0.433** | **0.123** | -0.820 | -0.795 | **0.021** |
| **870322** | **Vehicles (excl. of 8** | 0.805 | **0.031** | -0.100 | -0.111 | **0.138** | **0.278** | 0.055 | **0.391** |
| 853690 | Electrical app. for | 0.772 | **0.048** | **0.023** | -0.261 | -0.248 | -0.524 | -0.624 | -0.094 |
| 854459 | Electric conductors | 0.771 | -0.117 | -0.400 | **0.411** | **0.042** | -0.680 | -0.466 | **0.277** |
| 870332 | Vehicles princ. desi | 0.647 | **0.218** | -0.982 | -0.600 | -0.821 | -0.913 | **0.252** | **0.392** |
| 880330 | Parts of aeroplanes/ | 0.548 | **0.208** | -0.177 | -0.589 | -0.647 | **0.031** | -0.378 | -0.134 |

Notes: The product description has been shortened to 20 characters for purposes of legibility; Notes: EAP - East Asia & Pacific; ECA - Europe & Central Asia; LAC – L. America & Caribbean; SA - South Asia: SSA - Sub-Saharan Africa

There are two main messages which emerge from this table. First, not surprisingly out of Morocco's top 20 exports, for all of the products Morocco has a positive revealed comparative advantage which suggests a strong of competitiveness in world markets for these products. Second, in terms of possible competitor countries we see that the group of countries most likely to be competitors for Morocco in world markets are those in the Latin America and Caribbean group and for the countries in Cluster 4, as they both have a positive nRCA in 9 of the 20 sectors. The country groups least likely to be competing with Morocco in world markets are the countries in cluster 1, and the South Asian countries.

## Similarity of Morocco's exports with the comparator countries

Another way of addressing the issue of competing countries is to look at the overall degree of similarity of Morocco's exports with the exports of the comparator countries. A useful indicator for this purpose is the Finger-Kreinin indicator which ranges between 0 and 1. When the indicator is equal to 1, this means that the structure of trade between Morocco and the comparator country (or country group) is identical. When the indicator is equal to zero this means that they do not export any of the same products and hence the structure is completely different. The indicator can then be calculated at different levels of disaggregation of trade, and in the table below we report on the similarity at the 2, 4 and 6-digit levels, and do so for both 2010 and 2015.

| | 2dig | | 4dig | | 6dig | |
|---|---|---|---|---|---|---|
| | **2010** | **2015** | **2010** | **2015** | **2010** | **2015** |
| Cluster1 | 0.362 | 0.426 | 0.191 | 0.253 | 0.142 | 0.178 |
| Cluster2 - EAP | 0.468 | 0.517 | 0.228 | 0.257 | 0.164 | 0.187 |
| Cluster2 - ECA | 0.349 | 0.405 | 0.194 | 0.24 | 0.153 | 0.191 |
| Cluster2 LAC | 0.405 | 0.486 | 0.198 | 0.254 | 0.164 | 0.184 |
| Cluster2 - SA | 0.377 | 0.383 | 0.201 | 0.247 | 0.151 | 0.184 |
| Cluster2 -SSA | 0.319 | 0.38 | 0.174 | 0.228 | 0.133 | 0.145 |
| Cluster4 | 0.38 | 0.447 | 0.215 | 0.276 | 0.171 | 0.225 |

Consistent with the nRCA analysis we see that the groups of countries whose structure of trade has the greatest degree of similarity with Morocco are the countries in Cluster 4, at 6-digit level of aggregation. Hence at the 6-digit level we see that the degree of similarity in trade is close to 22% in 2015. We also see, that the degree of similarity with all the clusters has significantly increased over time, and this is true at all level of aggregation. The lowest degree of similarity is with the Sub-Saharan African countries, at all digit level.

## Diversification of exports

We turn now to considering in more detail the degree of Morocco's export diversification and how it has evolved over time. We proceed by first analysing the degree of concentration of Morocco's exports in terms of different products (TCI by product, at the HS 6-digit level) and then in term of the number of trade partners (TCI by country). For the TCI by country we do the calculation taking into consideration all the export partners, and then the most significant export partners in 2016 by exports, where we see that 35 countries account for more than 90% of Morocco's total exports.

From the table it can be seen that there has been an increased diversification of Morocco's exports to the world, while in contrast less diversification in terms of exports to the EU. This differential pattern of changes in interesting. With regard to geographical diversification we see less diversification over time when considering all partners as well as when considering the top 16 partners.

| | TCI by product | | TCI by countries | |
|---|---|---|---|---|
| | **World** | **EU27 Members** | **All partners** | **Top 35 partners** |
| 2010 | 0.024 | 0.020 | 0.094 | 0.122 |
| 2011 | 0.028 | 0.020 | 0.095 | 0.119 |
| 2012 | 0.024 | 0.017 | 0.089 | 0.117 |
| 2013 | 0.020 | 0.019 | 0.095 | 0.123 |
| 2014 | 0.020 | 0.022 | 0.103 | 0.134 |
| 2015 | 0.022 | 0.026 | 0.102 | 0.132 |
| 2016 | 0.021 | 0.029 | 0.11 | 0.135 |

In table 5 earlier in the report we identified that there were 54 new products exported by Morocco when comparing 2010-2016, out of the list of top 200 products in 2016. This is a big change and either reflects considerable dynamism, or considerable volatility in Morocco's exports. The table below identified the top 10 products by value of exports out of this list of 54. What is interesting is that the first item on the list (Vehicles excl. of 87.02 & 8703.10 …) is a new product compared to 2010, and by 2016 has become the top export for Morocco with a high revealed comparative advantage as given in the earlier tables.

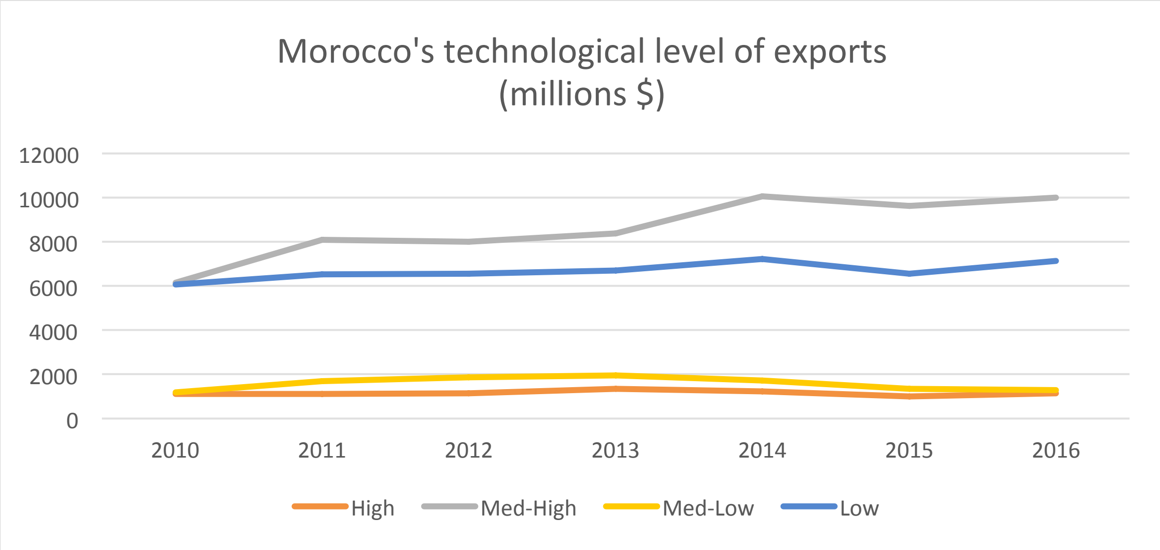
<u>List of the top 10 new products exported to the WORLD in 2016 (compared to 2010)</u>

| Product Code | Product Name | Exports Value | Exports Share |
|---|---|---|---|
| 870322 | Vehicles (excl. of 87.02 & 8703.10) princ. designed for the tpt. of persons ... | 1,396.13 | 6.11% |
| 870332 | Vehicles princ. designed for the tpt. of persons (excl. of 87.02 & 8703.10- ... | 1,119.06 | 4.90% |
| 310559 | Mineral/chem. fertilisers cont. the 2 fertilising elements nitrogen & phosp ... | 287.62 | 1.26% |
| 170199 | Cane/beet sugar & chemically pure sucrose, in solid form, not cont. added f ... | 172.86 | 0.76% |
| 854720 | Insulating fittings for electrical machines/appls./equip., of plastics (exc ... | 97.06 | 0.42% |
| 840991 | Parts suit. for use solely/princ. with spark-ignition int. comb. piston eng ... | 79.63 | 0.35% |
| 252310 | Cement clinkers | 62.52 | 0.27% |
| 620451 | Women's/girls' skirts & divided skirts (excl. knitted or crocheted), of woo ... | 61.19 | 0.27% |
| 081020 | Raspberries, blackberries, mulberries & loganberries, fresh | 59.48 | 0.26% |
| 870894 | Steering wheels, steering columns & steering boxes for the motor vehicles o ... | 56.07 | 0.25% |

In a comparable fashion, the table below gives the list of most significant by value new export destinations, when comparing 2010 with 2016.

| Partner | Exports Value | Exports Share |
|---|---|---|
| Mozambique | 33.03 | 49.69% |
| Sudan | 20.87 | 31.40% |
| Cambodia | 8.32 | 12.52% |
| Myanmar (Burma) | 2.39 | 3.60% |
| Dem. People's Rep. of Korea | 0.65 | 0.98% |
| Somalia | 0.41 | 0.62% |
| Kyrgyzstan | 0.34 | 0.51% |
| Turkmenistan | 0.15 | 0.22% |
| Curacao | 0.12 | 0.18% |
| Barbados | 0.05 | 0.08% |

## Technological level of exports



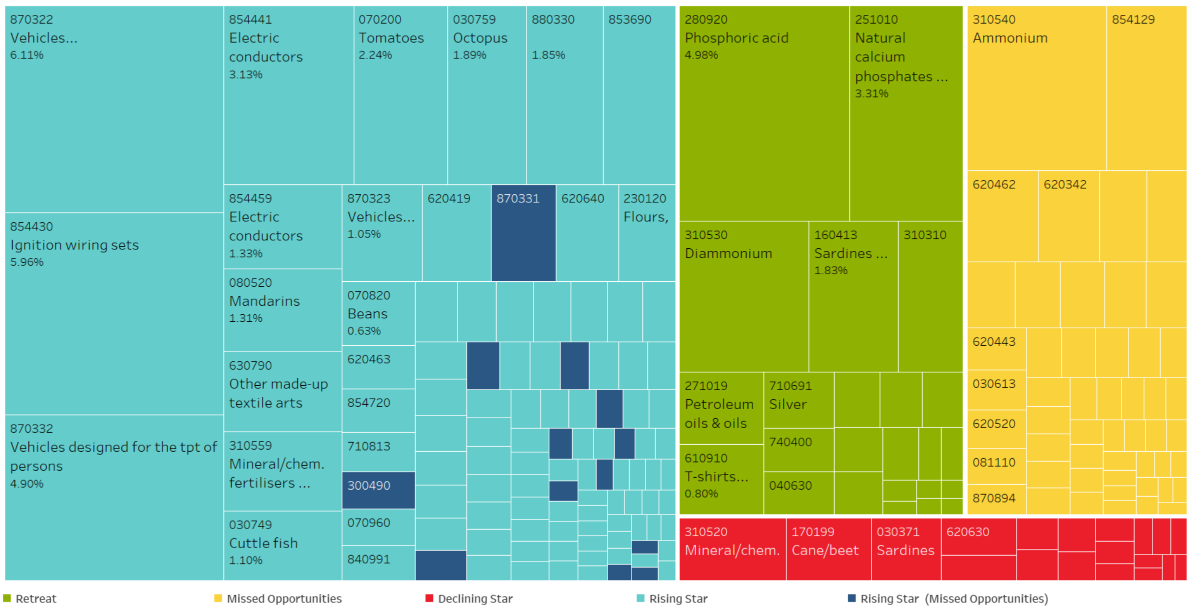

| | Change % (2010-2016) | | | | |
|---|---|---|---|---|---|
| **Reporter** | **Unall.** | **High** | **Med-high** | **Med-low** | **Low** |
| Morocco | -2.2% | -1.8% | 9.1% | -0.6% | -4.5% |
| Cluster1 | -0.8% | 0.8% | 0.4% | -0.9% | 0.4% |
| Clust2-EAP | -6.4% | 6.8% | 0.2% | -2.8% | 2.2% |
| Clust2-ECA | -4.4% | 0.1% | 4.2% | -3.6% | 3.7% |
| Clust2-LAC | -5.6% | 0.4% | 6.3% | -1.5% | 0.4% |
| Clust2-SA | -2.4% | 2.1% | 2.5% | -5.1% | 2.9% |
| Clust2-SSA | 1.2% | 0.9% | 0.6% | -2.6% | 0.0% |
| Cluster4 | -3.9% | -0.2% | 3.6% | -1.8% | 2.2% |

## Analytical Table

The table below takes Morocco's top 200 exported products, and cross-classifies them in terms of the changes in their relative importance in Morocco's trade, with their changing relative importance in world demand. Hence if you look at the bottom left-hand cell here we identify that there are 51 products which Morocco exports, where relative world demand has risen, but where their share in Morocco's exports has declined. Hence these are products which could be considered as 'missed opportunities'. Now consider the bottom right hand cell. From this we see that there are 106 products where their share in Morocco's exports has risen ***and*** where there has been an increase in relative world demand. We therefore classify these as Rising Stars. Of these 106 products there are 93 products (the figure given in brackets), where the change in their share in Morocco's exports has increase by more than the change in world demand. These are really the rising stars because these are the ones where the change Morocco's exports has exceeded the relative changes in world demand. However, conversely this means that there are 106 minus 93 = 13 products where although Morocco's exports have increased this is less than the change in world demand. These products could also be considered as missed opportunities. In total therefore there are up to 64 products (51 + 13) which could be considered as missed opportunities.

| Comparing 2012 with 2016 | | Change in Exports Share between Morocco & World | |
|---|---|---|---|
| | | **Negative** | **Positive** |
| **Change in Exports Share between World & World** | **Negative** | **Retreat**<br>24<br>19.58% | **Declining Star**<br>19<br>4.49% |
| | **Positive** | **Missed Opp**<br>51<br>15.24% | **Rising Star**<br>106 (93)<br>51.83% (49.39%) |

The graphic below identifies the commodities in the four cells of the cross-classification table, and the full list of products which are missed opportunities, and missed opportunities from the rising starts is given in the Appendix to this report.




Finally the table below takes the list of 64 missed opportunities, and for each of our country clusters identifies how many of these products saw an increase in their export share. What we see is interesting – for each of the clusters a very high proportion of the products increased their export share. So a possible reason for the lack of Morocco success could be the success of these countries in exporting these products.

**Export performance of the other country groups in Morocco’s Missed Opportunities**

| Country Group | No of products with positive Δ export share (2010 - 2016) |
|---|---|
| **Cluster1** | 38 |
| **Cluster2 -EAP** | 31 |
| **Cluster2 - ECA** | 55 |
| **Cluster2 - LAC** | 34 |
| **Cluster2 - SA** | 48 |
| **Cluster2 - SSA** | 45 |
| **Cluster4** | 57 |

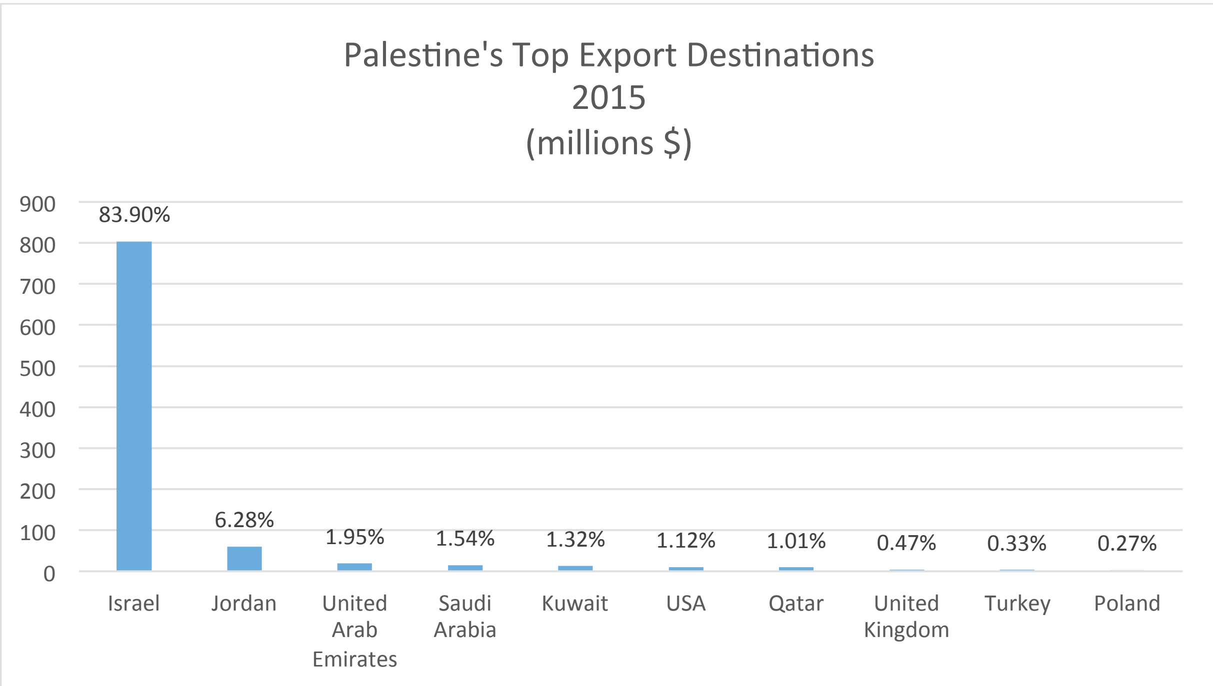
# Palestine (West Bank and Gaza)

## Overview of Palestine's Exports

| Year | Total Export ($B) | %EU |
|---|---|---|
| 2010 | 0.41 | 2.41% |
| 2011 | 0.49 | 2.92% |
| 2012 | 0.55 | 2.62% |
| 2013 | 0.64 | 2.07% |
| 2014 | 0.69 | 2.90% |
| 2015 | 0.96 | 1.57% |

Palestine's exports account for 0.01% of World exports. From the table it can be seen that there was an increase in exports in the last 5 years, increasing by more than half billion $. On the other hand the share of exports to the EU decreased between 2014 and 2015, albeit it very low, while considering that in the top 10 country list we have in the last 3 positions UK, Turkey and Poland as European destinations, with an overall share of 1.07% of Palestine's total exports in 2015.

In the following graph we can see the top 10 export destinations in 2015, which account for 98.19% of Palestine's total exports. The most important destination is Israel, which alone accounts for 83.90% of Palestine's total export - having constantly increased from 2010 to 2015 with an average annual rate growth of 20.90%. Israel is followed by Jordan - which alone accounts for 6.28% of its total exports - and in the last 5 years increased with an average annual growth rate of 17.16%, jumping from $29M to $60M. The list of top export destinations for Palestine hasn't changed on average over recent years, except for Algeria and The Netherlands , which dropped to 11th and 12th places respectively in 2015, and were substituted by Turkey and Poland. The exports to Poland were in 2015 more than 9 times bigger than the value registered in 2014.

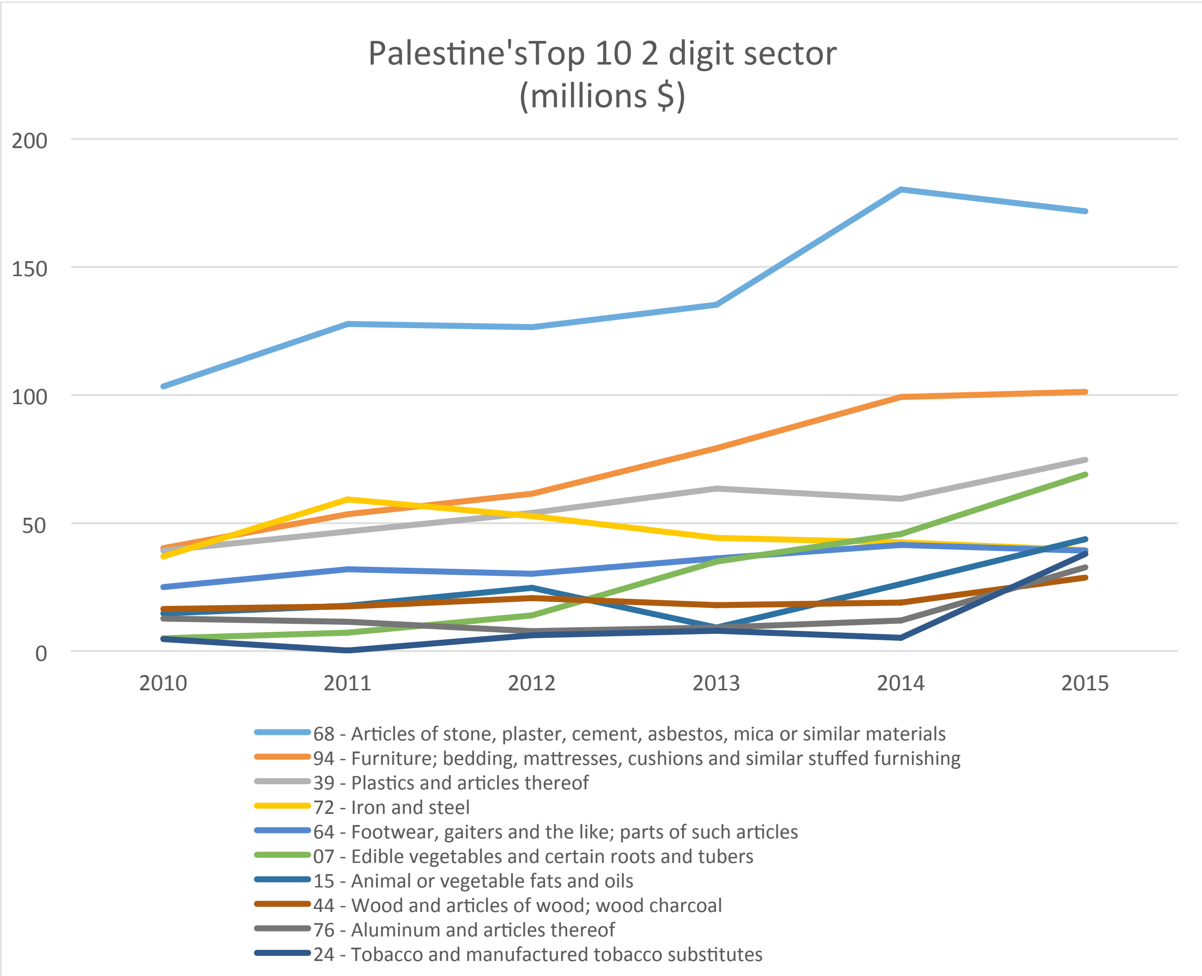


## HS-2 digit level trade

| Code | Product Name | Export value ($B) | Export share |
|---|---|---|---|
| 68 | Articles of stone, plaster.. | 171.75 | 17.93% |
| 94 | Furniture; bedding… | 101.2 | 10.57% |
| 39 | Plastics and articles thereof | 74.72 | 7.80% |
| 07 | Edible vegetables… | 68.82 | 7.19% |
| 15 | Animal or vegetable fats.. | 43.63 | 4.55% |
| 72 | Iron and steel | 39.29 | 4.10% |
| 64 | Footwear, gaiters… | 39.22 | 4.10% |
| 24 | Tobacco… | 37.89 | 3.96% |
| 76 | Aluminum… | 32.75 | 3.42% |
| 44 | Wood and articles of wood… | 28.77 | 3.00% |
| | Total | 638.05 | 66.61% |

In terms of the composition of trade, Palestinian top 10 sectors in exports were unchanged over the last 5 years, except for HS25, which has left the place to Tobacco (HS24) which had an increase in the level of export between 2014 and 2015. The most important sector was always "Articles of stone, plaster, cement, asbestos, mica or similar materials" (HS68), which represent almost 18% of Palestinian exports.

The chart below identifies Palestine's top 2 digit exported sector.



## HS–6 digit trade

At a more disaggregated level we see the top 20 Palestine's exported products in 2015, at the 6-digit level in the table below. Note that while the average annual growth rate of exports for these 20 products was 20.09%, this masks considerable variation. Seven of the top 20 products saw an exceptional annual average rate of growth in exports. The most relevant ones are "Glazed ceramic tiles, cubes & sim." (HS690810) and "Cucumbers & gherkins, fresh/chilled" (HS070700) with a AARG equal to 9220.83% and 2753.52% respectively. We also see that the significance of the EU as a destination is really low. For 13 of the top 20 products the share of exports going to the EU is near to 0%.

| Product Code | Product Description | 2015 Exports value (millions $) | Exports Share to World | AARG (2010-2015) | 2015 Share of export to the EU |
|---|---|---|---|---|---|
| 680229 | Worked monumental/building stone & | 135.51 | 14.15% | 15.31% | 0.38% |
| 392321 | Sacks & bags (incl. cones), of poly | 43.33 | 4.52% | 14.23% | 0.00% |
| 150910 | Olive oil, virgin | 39.2 | 4.09% | 47.14% | 8.04% |
| 240220 | Cigarettes cont. tobacco | 37.86 | 3.95% | 721.46% | 0.00% |
| 680221 | Worked monumental/building stone & | 29.83 | 3.11% | 2.64% | 1.61% |
| 070700 | Cucumbers & gherkins, fresh/chilled | 29.61 | 3.09% | 2753.52% | 0.00% |
| 640419 | Footwear (excl. waterproof) with ou | 27.68 | 2.89% | 124.94% | 0.00% |
| 940421 | Mattresses of cellular rubber/plast | 22.74 | 2.37% | 119.58% | 0.00% |
| 940350 | Wooden furniture of a kind used in | 22.68 | 2.37% | 14.82% | 0.00% |
| 940161 | Seats (excl. of 9401.10-9401.50), w | 20.68 | 2.16% | 29.97% | 0.00% |
| 720430 | Waste & scrap of tinned iron/steel | 18.45 | 1.93% | 827.09% | 0.00% |
| 740400 | Copper waste & scrap | 18.1 | 1.89% | 36.82% | 0.00% |
| 721399 | Bars & rods, hot-rolled, in irregul | 13.19 | 1.38% | 106.88% | 0.00% |
| 441520 | Pallets, box pallets & oth. load bo | 12.51 | 1.31% | 0.78% | 0.00% |
| 760429 | Bars, rods & profiles (excl. hollow | 12.19 | 1.27% | 70.38% | 0.00% |
| 080410 | Dates, fresh/dried | 11.8 | 1.23% | 62.70% | 36.27% |
| 300490 | Medicaments (excl. of 30.02/30.05/3 | 11.43 | 1.19% | 25.45% | 30.45% |
| 690810 | Glazed ceramic tiles, cubes & sim. | 10.98 | 1.15% | 9220.83% | 0.00% |
| 210690 | Food preps., n.e.s. | 10.2 | 1.06% | 19.84% | 1.37% |
| 760200 | Aluminium waste & scrap | 9.97 | 1.04% | 71.04% | 0.00% |
| | Grand total | 537.96 | 56.17% | 20.09% | 2.24% |

Notes: The product description has been shortened to 35 characters for purposes of legibility.

## Revealed comparative advantage

In the following table we give the normalized revealed comparative advantage (nRCA) for Palestine's top 20 exported products for the latest available year (2015). The products are ranked by degree of revealed comparative advantage, and where below the double line in the table Palestine has a negative revealed comparative advantage. The three biggest export sectors are identified in red. We also give the normalized revealed comparative advantage for each of our the comparator country groups. In bold we identify the country-product combinations which also have a positive nRCA, and the purpose of this is to see which country groupings are most likely to compete with Palestine by product.

| NORMALIZED RCA - 2015 | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| **Code** | **Product Name** | **Israel** | **Cl1** | **Cl2 EAP** | **Cl2 ECA** | **Cl2 LAC** | **Cl2 SA** | **Cl2 SSA** | **Cl 4** |
| **680229** | **Worked monumental/bu** | 1 | -0.492 | **0.075** | -0.432 | **0.521** | **0.298** | -0.099 | -0.014 |
| 690810 | Glazed ceramic tiles | 0.996 | -0.58 | **0.688** | -0.932 | -0.056 | **0.454** | **0.423** | -0.304 |
| 720430 | Waste & scrap of tin | 0.995 | **0.266** | **0.1** | -0.17 | -0.202 | -0.942 | **0.296** | -0.011 |
| 680221 | Worked monumental/bu | 0.993 | -0.922 | -0.438 | -0.741 | -0.599 | **0.403** | -0.731 | **0.401** |
| 070700 | Cucumbers & gherkins | 0.991 | -0.1 | -0.995 | 0.414 | **0.653** | -0.981 | -0.781 | **0.430** |
| 721399 | Bars & rods, hot-rol | 0.991 | **0.118** | -0.531 | -0.598 | -0.356 | -0.731 | -0.163 | **0.023** |
| 080410 | Dates, fresh/dried | 0.989 | -0.474 | -0.999 | -0.856 | -0.722 | **0.622** | -0.003 | **0.104** |
| 940421 | Mattresses of cellul | 0.988 | -0.177 | -0.568 | -0.413 | **0.182** | -0.753 | -0.492 | **0.405** |
| **150910** | **Olive oil, virgin** | 0.981 | -0.884 | -0.999 | -0.966 | -0.965 | -0.997 | -0.921 | **0.733** |
| 441520 | Pallets, box pallets | 0.976 | **0.007** | -0.654 | **0.475** | -0.261 | -0.909 | -0.014 | **0.543** |
| **392321** | **Sacks & bags (incl.** | 0.969 | -0.137 | **0.519** | -0.152 | -0.085 | -0.094 | -0.396 | -0.093 |
| 940350 | Wooden furniture of | 0.94 | -0.468 | **0.483** | 0.101 | -0.12 | -0.868 | -0.615 | **0.064** |
| 240220 | Cigarettes cont. tob | 0.936 | -0.195 | **0.19** | **0.754** | -0.639 | -0.506 | **0.27** | **0.323** |
| 640419 | Footwear (excl. wate | 0.914 | -0.589 | **0.559** | -0.422 | -0.761 | -0.652 | -0.53 | -0.207 |
| 940161 | Seats (excl. of 9401 | 0.908 | -0.538 | -0.335 | **0.413** | -0.412 | -0.952 | -0.743 | **0.38** |
| 760429 | Bars, rods & profile | 0.894 | -0.085 | -0.406 | **0.362** | -0.542 | -0.695 | -0.76 | **0.287** |
| 740400 | Copper waste & scrap | 0.893 | **0.192** | -0.083 | **0.122** | **0.091** | -0.539 | -0.124 | **0.182** |
| 760200 | Aluminium waste & sc | 0.868 | **0.284** | -0.373 | -0.233 | -0.172 | -0.928 | -0.082 | **0.019** |
| 210690 | Food preps., n.e.s. | 0.662 | **0.184** | **0.111** | -0.311 | -0.297 | -0.481 | -0.065 | **0.018** |
| 300490 | Medicaments (excl. o | -0.184 | **0.235** | -0.887 | -0.355 | -0.641 | **0.296** | -0.808 | -0.004 |

Notes: The product description has been shortened to 20 characters for purposes of legibility; Notes: EAP - East Asia & Pacific; ECA - Europe & Central Asia; LAC – L. America & Caribbean; SA - South Asia: SSA - Sub-Saharan Africa

There are two main messages which emerge from this table. First, it is interesting that out of Palestine's top 20 non-oil exports, for one of the products Palestine has a negative revealed comparative advantage which suggests a lack of competitiveness in world markets for this product. Conversely there are only 19 HS 6-digit products for which Palestine has a positive revealed comparative advantage. Second, in terms of possible competitor countries we see that the group of countries most likely to be competitors for Palestine in world markets are those in the Cluster 4 group, as they have a positive nRCA in 14 of the 20 sectors, all in the sectors for which Palestine had a positive nRCA. The country groups least likely to be competing with Palestine in world markets are the South Asian countries.

## Similarity of Palestine’s exports with the comparator countries

Another way of addressing the issue of competing countries is to look at the overall degree of similarity of Palestine’s exports with the exports of the comparator countries. A useful indicator for this purpose is the Finger-Kreinin indicator which ranges between 0 and 1. When the indicator is equal to 1, this means that the structure of trade between Palestine and the comparator country (or country group) is identical. When the indicator is equal to zero this means that they do not export any of the same products and hence the structure is completely different. The indicator can then be calculated at different levels of disaggregation of trade, and in the table below we report on the similarity at the 2, 4 and 6-digit levels, and do so for both 2010 and 2015.

| | 2dig | | 4dig | | 6dig | |
|---|---|---|---|---|---|---|
| | **2010** | **2015** | **2010** | **2015** | **2010** | **2015** |
| Cluster1 | 0.277 | 0.322 | 0.131 | 0.185 | 0.081 | 0.112 |
| Cluster2 - EAP | 0.259 | 0.351 | 0.103 | 0.174 | 0.046 | 0.093 |
| Cluster2 - ECA | 0.321 | 0.365 | 0.120 | 0.189 | 0.058 | 0.105 |
| Cluster2  LAC | 0.221 | 0.307 | 0.092 | 0.171 | 0.051 | 0.092 |
| Cluster2 - SA | 0.224 | 0.290 | 0.088 | 0.153 | 0.050 | 0.084 |
| Cluster2 -SSA | 0.314 | 0.359 | 0.101 | 0.166 | 0.054 | 0.084 |
| Cluster4 | 0.315 | 0.382 | 0.159 | 0.226 | 0.086 | 0.128 |

Consistent with the nRCA analysis we see that the group of countries whose structure of trade has the greatest degree of similarity with Palestine are the countries in Cluster 4, and this is true at all levels of aggregation. Hence at the 6-digit level we see that the degree of similarity in trade is close to 13% in 2015. We also see however, that the degree of similarity has significantly increased over time with regard to all the comparator country groups. Perhaps not surprisingly the lowest degree of similarity is with the South Asian countries.

## Diversification of exports

We turn now to considering in more detail the degree of Palestine’s export diversification and how it has evolved over time. We proceed by first analysing the degree of concentration of Palestine’s exports in terms of different products (TCI by product, at the HS 6-digit level) and then in term of the number of trade partners (TCI by country). For the TCI by country we do the calculation taking into consideration all the export partners, and then the most significant export partners in 2015 by exports, where we see that 10 countries account for more than 98% of Palestine’s total exports.

From the table it can be seen that there has been an increased diversification of Palestine’s exports to the world, while in contrast less diversification in terms of exports to the EU. This differential pattern of changes in interesting. With regard to geographical diversification we again see a decline in diversification over time when considering all partners as well as when considering the top 10 partners.

| | TCI by product | | TCI by countries | |
|---|---|---|---|---|
| | **World** | **EU27 Members** | **All partners** | **Top 10* partners** |
| 2010 | 0.051 | 0.139 | 0.635 | 0.721 |
| 2011 | 0.064 | 0.161 | 0.639 | 0.706 |
| 2012 | 0.049 | 0.146 | 0.573 | 0.633 |
| 2013 | 0.050 | 0.143 | 0.687 | 0.725 |
| 2014 | 0.062 | 0.221 | 0.626 | 0.673 |
| 2015 | 0.033 | 0.185 | 0.709 | 0.735 |

In table 5 earlier in the report we identified that there were 94 new products exported by Palestine when comparing 2010-2015, out of the list of top 200 products in 2015. This is a big change and either reflects considerable dynamism, or considerable volatility in Palestine's exports. The table below identified the top 10 products by value of exports out of this list of 94. What is interesting is that the first item on the list (Glazed ceramic tiles) is a new product compared to 2010, and by 2015 has become the 18th among the top 20 exported products for Palestine with the 2nd highest revealed comparative advantage as given in the earlier tables.

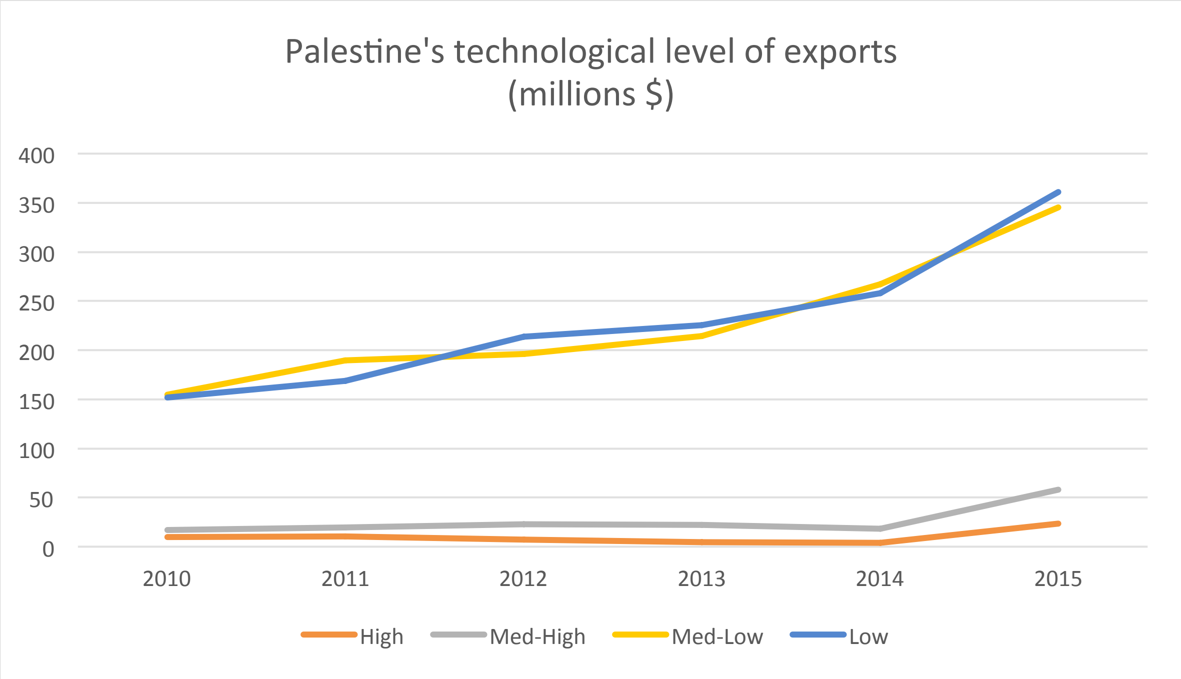
List of the top 10 new products exported to the WORLD in 2015 (compared to 2010)

| Product Code | Product Name | Exports Value | Exports Share |
|---|---|---|---|
| 690810 | Glazed ceramic tiles, cubes & sim. arts., whether or not rect., the largest ... | 10.98 | 1.15% |
| 640420 | Footwear with outer soles of leather/composition leather & uppers of textil ... | 8.65 | 0.90% |
| 901890 | Instruments & appls. used in medical/surgical/veterinary sciences, incl. ot ... | 5.58 | 0.58% |
| 100890 | Cereals (excl. those which have been hulled/othw. wkd.), n.e.s. | 5.16 | 0.54% |
| 392290 | Bidets, lavatory pans, flushing cisterns & sim. sanitary ware, of plastics | 4.77 | 0.50% |
| 070990 | Vegetables, n.e.s., fresh/chilled | 4.64 | 0.48% |
| 070190 | Potatoes other than seed potatoes, fresh/chilled | 3.90 | 0.41% |
| 441890 | Builders' joinery & carpentry of wood, incl. cellular wood panels, assemble ... | 3.77 | 0.39% |
| 401192 | New pneumatic tyres, of rubber (excl. those with herring-bone/sim.tread), o ... | 3.57 | 0.37% |
| 070930 | Aubergines (egg-plants), fresh/chilled | 3.41 | 0.36% |

In a comparable fashion, the table below gives the list of most significant by value new export destinations, when comparing 2010 with 2015.

| Partner | Exports Value | Exports Share |
|---|---|---|
| Indonesia | 0.34 | 32.79% |
| Other Asia, nes | 0.17 | 16.95% |
| Lebanon | 0.12 | 11.63% |
| Mauritania | 0.11 | 10.49% |
| Sudan | 0.09 | 8.24% |
| Denmark | 0.07 | 6.63% |
| Singapore | 0.06 | 6.02% |
| Czech Rep. | 0.03 | 3.34% |
| Slovakia | 0.03 | 2.96% |
| Romania | 0.00 | 0.41% |

## Technological level of exports



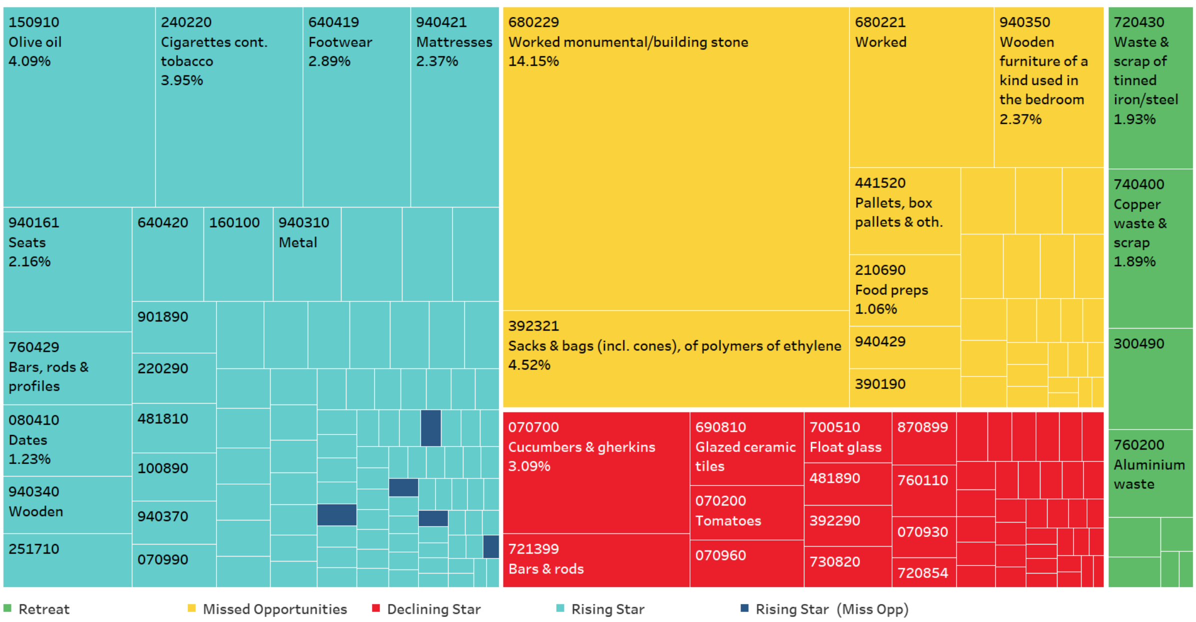

| | Change % (2010-2015) | | | | |
|---|---|---|---|---|---|
| **Reporter** | **Unall.** | **High** | **Med-high** | **Med-low** | **Low** |
| **Palestine** | 17.8% | 2.5% | 6.0% | 36.1% | 37.7% |
| **Cluster1** | -0.80% | 0.80% | 0.40% | -0.90% | 0.40% |
| **Clust2-EAP** | -6.40% | 6.80% | 0.20% | -2.80% | 2.20% |
| **Clust2-ECA** | -4.40% | 0.10% | 4.20% | -3.60% | 3.70% |
| **Clust2-LAC** | -5.60% | 0.40% | 6.30% | -1.50% | 0.40% |
| **Clust2-SA** | -2.40% | 2.10% | 2.50% | -5.10% | 2.90% |
| **Clust2-SSA** | 1.20% | 0.90% | 0.60% | -2.60% | 0.00% |
| **Cluster4** | -3.90% | -0.20% | 3.60% | -1.80% | 2.20% |

## Analytical Table

The table below takes Palestine's top 200 exported products, and cross-classifies them in terms of the changes in their relative importance in Palestine's trade, with their changing relative importance in world demand. Hence if you look at the bottom left-hand cell here we identify that there are 32 products which Palestine exports, where relative world demand has risen, but where their share in Palestine's exports has declined. Hence these are products which could be considered as 'missed opportunities'. Now consider the bottom right hand cell. From this we see that there are 102 products where their share in Palestine's exports has risen ***and*** where there has been an increase in relative world demand. We therefore classify these as Rising Stars. Of these 102 products there are 97 products (the figure given in brackets), where the change in their share in Palestine's exports has increase by more than the change in world demand. These are really the rising stars because these are the ones where the change Palestine's exports has exceeded the relative changes in world demand. However, conversely this means that there are 102 minus 97 = 5 products where although Palestine's exports have increased this is less than the change in world demand. These products could also be considered as missed opportunities. In total therefore there are up to 37 products (32 + 5) which could be considered as missed opportunities.

| **Comparing 2010 with 2015** | | **Change in Exports Share between Occ. Palestinian Terr. & World** | |
|---|---|---|---|
| | | **Negative** | **Positive** |
| **Change in Exports Share between World & World** | **Negative** | **Retreat**<br>9<br>6.89% | **Declining Star**<br>48<br>14.37% |
| | **Positive** | **Missed Opp**<br>32<br>32.37% | **Rising Star**<br>102 (97)<br>38.60% (38.20%) |

The graphic below identifies the commodities in the four cells of the cross-classification table, and the full list of products which are missed opportunities, and missed opportunities from the rising starts is given in the Appendix to this report.



Finally the table below takes the list of 37 missed opportunities, and for each of our country clusters identifies how many of these products saw an increase in their export share. What we see is interesting – for each of the clusters a very high proportion of the products increased their export share. So a possible reason for the lack of Palestine success could be the success of these countries in exporting these products.

**Export performance of the other country groups in Palestine's Missed Opportunities**

| Country Group | No of products with positive Δ export share (2010 - 2015) |
|---|---|
| **Cluster1** | 32 |
| **Cluster2 -EAP** | 28 |
| **Cluster2 - ECA** | 30 |
| **Cluster2 - LAC** | 21 |
| **Cluster2 - SA** | 24 |
| **Cluster2 - SSA** | 21 |
| **Cluster4** | 34 |

# Tunisia

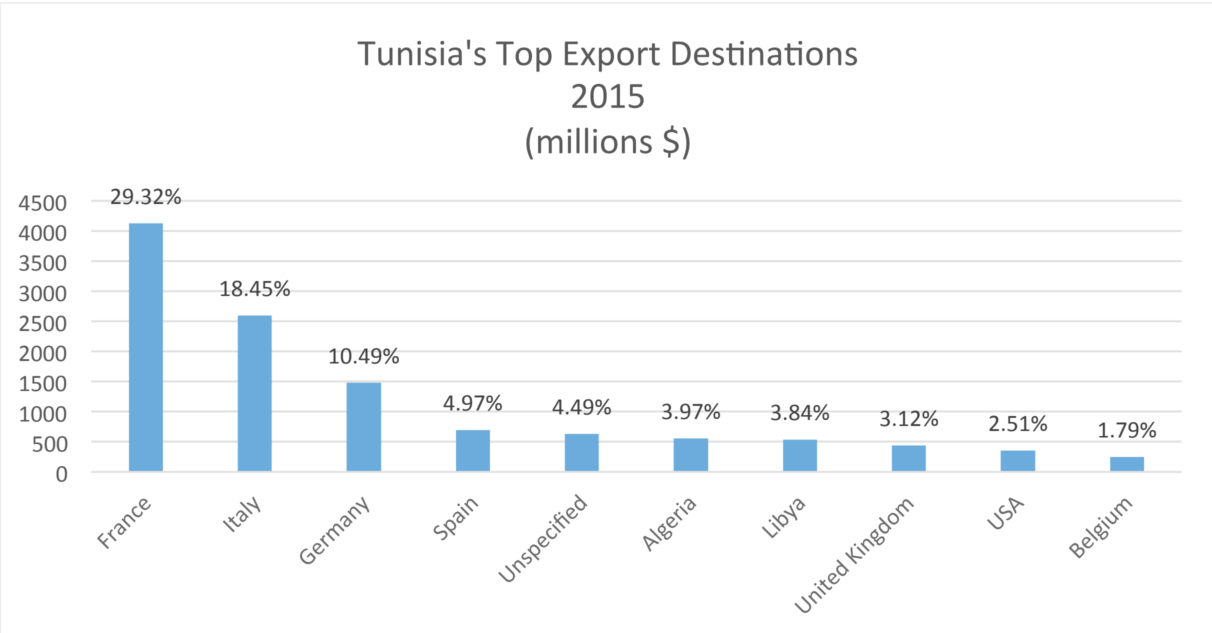
## Overview of Tunisia's Exports

| Year | Total exports (billions $) | Exports Share to the EU27 |
|---|---|---|
| 2010 | 16.43 | 73.16% |
| 2011 | 17.85 | 76.36% |
| 2012 | 16.94 | 71.55% |
| 2013 | 17.06 | 71.28% |
| 2014 | 16.76 | 74.28% |
| 2015 | 14.07 | 74.63% |

Tunisia's exports account for 0.10% of World exports. From the table it can be seen that there was an important decrease in exports between 2014 and 2015. During the last five years the Algerian exports have decreased at an Average Annual Rate of Growth of -2.7%, from $16.43B in 2010 to $14.07B in 2015.

We can see that the EU market is the most important destination for Palestine's export. Over the last 5 years the total export share that went to the European market was well above 70%, reaching almost the 75% in 2015.

The top 10 Tunisian export destinations accounted in 2015 for 82.96% of its total exports. France is the main export partner, with more than 29% of Tunisia's total exports. If we consider the average value of exports in the last 5 years we can see that France, Italy and Germany have been the main partners and that the list of top partners changes by just two countries: Switzerland and Netherlands. In particular, exports to Switzerland showed a big increase between 2011 and 2012, but after that exports to this country contracted. The same is true for the Netherlands: after a gradual increase between 2010 and 2013, there was a contraction. In 2015, Netherlands and Switzerland dropped to 11th and 12th places, and replaced by USA and Belgium.

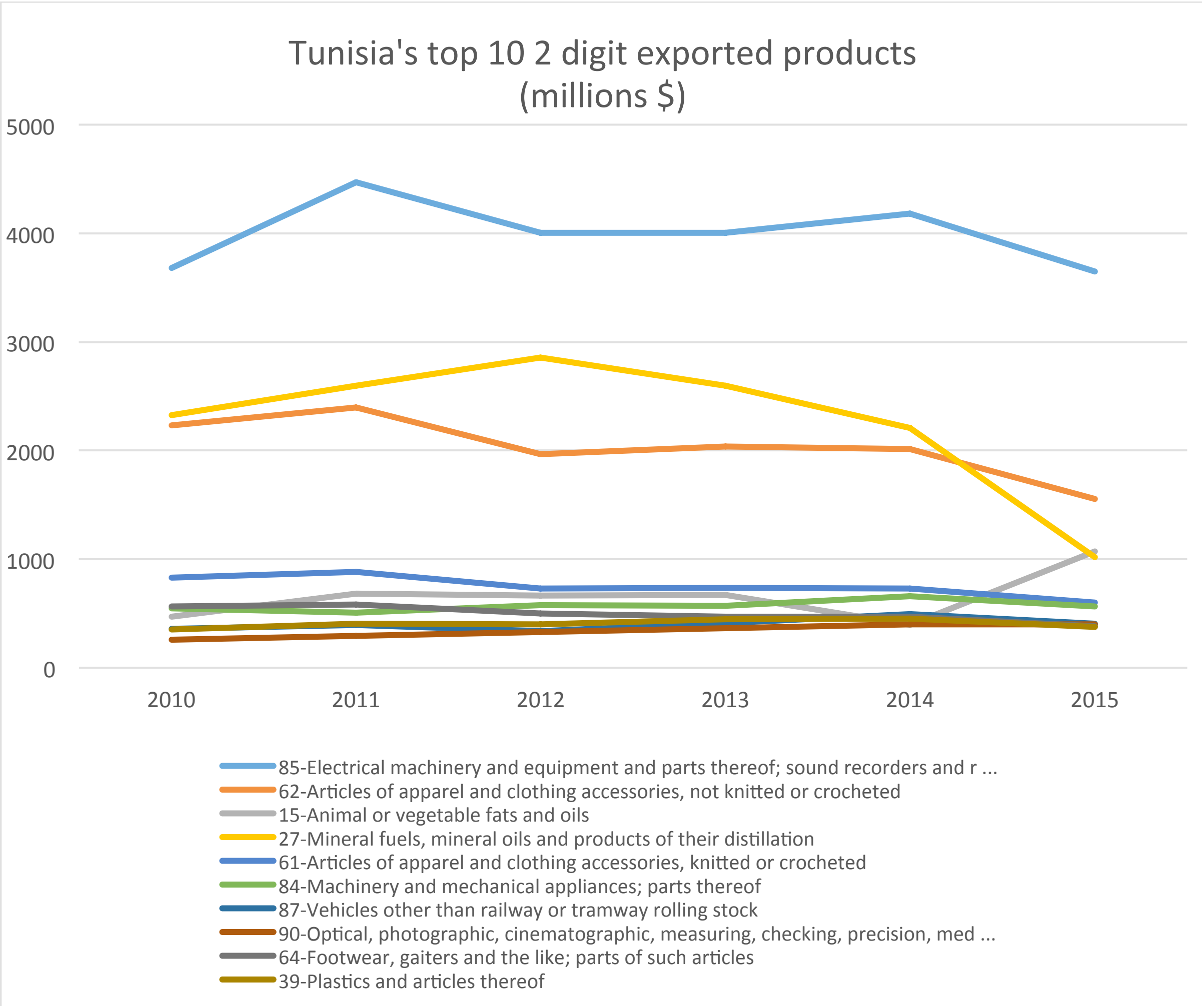


## HS-2 digit level trade

| Code | Product Name | Export value ($B) | Export share |
|---|---|---|---|
| 85 | Electrical machinery… | 3.65 | 25.93% |
| 62 | Articles of apparel… | 1.55 | 11.03% |
| 15 | Animal or vegetable… | 1.07 | 7.59% |
| 27 | Mineral fuels…. | 1.01 | 7.21% |
| 61 | Articles of apparel… | 0.6 | 4.26% |
| 84 | Machinery… | 0.56 | 4.00% |
| 87 | Vehicles.. . | 0.41 | 2.89% |
| 90 | Optical, photographic… | 0.4 | 2.82% |
| 64 | Footwear, gaiters an… | 0.38 | 2.71% |
| 39 | Plastics and article… | 0.38 | 2.69% |
| | Grand total | 10.01 | 71.14% |

In term of composition of trade the most important exported products were “Electrical machinery” (HS85) and “Articles of apparel” (HS62).

The top 10 most exported sectors in 2015 account for 71.14% of Tunisia’s total export. The chart below identifies
Tunisia’s top exported products in the last 5 years. We can see that exports in products HS31 and HS28 decreased a lot in the last year, and they left their places to product HS87 and HS90.



## HS - 6 digits trade

At a more disaggregated level we see the top 20 Tunisia's exported products in 2015, at the 6-digit level in the table below. Note that while the average annual growth rate of exports for these 20 products was -1.7%, this masks considerable variation. Nine of the top 20 products saw an annual average decline in exports while two of the products saw an exceptional rate of growth. We also see the significance of the EU as a destination. For fifteen of the top 20 products the share of exports going to the EU is greater than 80%.

| Product Code | Product Description | 2015 Exports value (millions $) | Exports Share to World | AARG (2010-2015) | 2015 Share of export to the EU |
|---|---|---|---|---|---|
| 854441 | Electric conductors (excl. of 8544. | 948.03 | 6.74% | 6.67% | 99.56% |
| 150910 | Olive oil, virgin | 881.7 | 6.27% | 54.34% | 73.28% |
| 270900 | Petroleum oils & oils obt. from bit | 632.52 | 4.49% | -17.73% | 96.86% |
| 620342 | Men's/boys' trousers, bib & brace o | 391.86 | 2.78% | -3.19% | 97.17% |
| 852812 | Reception app. for television, whet | 336.57 | 2.39% | 2.33% | 98.47% |
| 854459 | Electric conductors (excl. of 8544. | 332.69 | 2.36% | 9.86% | 44.67% |
| 271019 | Petroleum oils & oils obt. from bit | 291.73 | 2.07% | 33.19% | 60.77% |
| 880330 | Parts of aeroplanes/helicopters, ot | 270.59 | 1.92% | 47.48% | 95.63% |
| 853690 | Electrical app. for switching/prote | 266.61 | 1.89% | -6.50% | 97.60% |
| 621139 | Track suits (excl. knitted or croch | 263.56 | 1.87% | -9.89% | 98.74% |
| 854430 | Ignition wiring sets & oth. wiring | 240.93 | 1.71% | -0.03% | 98.76% |
| 080410 | Dates, fresh/dried | 227.01 | 1.61% | 2.65% | 38.16% |
| 610910 | T-shirts, singlets & oth. vests, kn | 197.52 | 1.40% | -6.20% | 99.73% |
| 392690 | Articles of plastics & arts. of oth | 170.32 | 1.21% | 0.42% | 68.63% |
| 280920 | Phosphoric acid & polyphosphoric ac | 163.52 | 1.16% | -10.87% | 15.86% |
| 850140 | AC motors (excl. of 8501.10 & 8501. | 154.65 | 1.10% | 4.00% | 94.52% |
| 853710 | Boards, panels, consoles, desks, ca | 147.32 | 1.05% | 225.35% | 97.59% |
| 621010 | Garments made up of fabrics of 56.0 | 147.09 | 1.05% | -5.12% | 99.26% |
| 620462 | Women's/girls', trousers, bib & bra | 146.75 | 1.04% | -3.52% | 99.52% |
| 851750 | Apparatus for carrier-current line | 143.19 | 1.02% | 32785.31% | 95.83% |
| | Grand total | 6,354.16 | 45.15% | -1.70% | 85.04% |

Notes: The product description has been shortened to 35 characters for purposes of legibility.

## Revealed comparative advantage

In the following table we give the normalized revealed comparative advantage (nRCA) for Tunisia's top 20 exported products for the latest available year (2015). The products are ranked by degree of revealed comparative advantage, and where below the double line in the table Tunisia has a negative revealed comparative advantage. The three biggest export sectors are identified in red. We also give the normalized revealed comparative advantage for each of our comparator country groups. In bold we identify the country-product combinations which also have a positive nRCA, and the purpose of this is to see which country groupings are most likely to compete with Tunisia by product.

| NORMALIZED RCA - 2015 | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| **Code** | **Product Name** | **Israel** | **Cl1** | **Cl2 EAP** | **Cl2 ECA** | **Cl2 LAC** | **Cl2 SA** | **Cl2 SSA** | **Cl 4** |
| 621139 | Track suits (excl. k | 0.995 | -0.639 | -0.334 | -0.249 | -0.785 | **0.136** | -0.35 | **0.272** |
| 080410 | Dates, fresh/dried | 0.992 | -0.474 | -0.999 | -0.856 | -0.722 | **0.622** | -0.003 | **0.104** |
| **150910** | **Olive oil, virgin** | 0.987 | -0.884 | -0.999 | -0.966 | -0.965 | -0.997 | -0.921 | **0.733** |
| 621010 | Garments made up of | 0.972 | -0.46 | **0.343** | -0.202 | **0.148** | -0.848 | -0.866 | **0.062** |
| 280920 | Phosphoric acid & po | 0.953 | -0.367 | -0.331 | -0.826 | -0.488 | -0.849 | **0.779** | -0.812 |
| **854441** | **Electric conductors** | 0.952 | -0.297 | -0.378 | **0.214** | **0.164** | -0.833 | -0.675 | **0.052** |
| 850140 | AC motors (excl. of | 0.942 | -0.499 | -0.316 | -0.355 | **0.577** | -0.1 | -0.724 | -0.164 |
| 620342 | Men's/boys' trousers | 0.886 | -0.429 | -0.026 | **0.099** | **0.138** | **0.499** | -0.451 | -0.091 |
| 854459 | Electric conductors | 0.866 | -0.093 | -0.089 | **0.284** | **0.072** | -0.769 | -0.417 | **0.242** |
| 853690 | Electrical app. for | 0.81 | **0.058** | -0.048 | -0.372 | -0.191 | -0.512 | -0.468 | -0.144 |
| 854430 | Ignition wiring sets | 0.773 | -0.583 | **0.605** | **0.792** | **0.698** | -0.544 | -0.872 | **0.029** |
| 620462 | Women's/girls', trou | 0.772 | -0.491 | **0.118** | -0.282 | -0.485 | **0.394** | -0.699 | **0.026** |
| 610910 | T-shirts, singlets & | 0.771 | -0.434 | **0.368** | -0.461 | **0.186** | **0.597** | -0.654 | -0.121 |
| 852812 | Reception app. for t | 0.697 | -0.696 | **0.063** | -0.413 | **0.692** | -0.77 | -0.022 | **0.3** |
| 880330 | Parts of aeroplanes/ | 0.604 | **0.232** | -0.45 | -0.676 | -0.558 | -0.151 | -0.409 | -0.186 |
| 853710 | Boards, panels, cons | 0.551 | **0.06** | -0.277 | **0.4** | **0.292** | -0.446 | -0.654 | **0.045** |
| 392690 | Articles of plastics | 0.543 | **0.061** | -0.161 | -0.365 | -0.166 | -0.269 | -0.623 | **0.069** |
| 851750 | Apparatus for carrie | 0.196 | -0.049 | -0.428 | -0.626 | 0.321 | -0.841 | -0.874 | -0.364 |
| **270900** | **Petroleum oils & oil** | 0.014 | -0.498 | -0.404 | **0.575** | **0.247** | -0.973 | -0.942 | **0.358** |
| 271019 | Petroleum oils & oil | -0.089 | -0.031 | -0.385 | **0.255** | -0.49 | **0.43** | -0.609 | -0.108 |

Notes: The product description has been shortened to 20 characters for purposes of legibility; Notes: EAP - East Asia & Pacific; ECA - Europe & Central Asia; LAC – L. America & Caribbean; SA - South Asia: SSA - Sub-Saharan Africa

There are two main messages which emerge from this table. First, it is interesting that out of Tunisia's top 20 non-oil exports, for one of the products Tunisia has a negative revealed comparative advantage which suggests a lack of competitiveness in world markets for these products. Conversely there are only 19 HS 6-digit products for which Tunisia has a positive revealed comparative advantage. Second, in terms of possible competitor countries we see that the group of countries most likely to be competitors for Tunisia in world markets are those in the Cluster 4, as they have a positive nRCA in 12 of the 20 sectors, for which Tunisia had a positive nRCA. The country groups least likely to be competing with Tunisia in world markets are the Sub-Saharan Africa countries.

## Similarity of Algeria's exports with the comparator countries

Another way of addressing the issue of competing countries is to look at the overall degree of similarity of Tunisia's exports with the exports of the comparator countries. A useful indicator for this purpose is the Finger-Kreinin indicator which ranges between 0 and 1. When the indicator is equal to 1, this means that the structure of trade between Tunisia and the comparator country (or country group) is identical. When the indicator is equal to zero this means that they do not export any of the same products and hence the structure is completely different. The indicator can then be calculated at different levels of disaggregation of trade, and in the table below we report on the similarity at the 2, 4 and 6-digit levels, and do so for both 2010 and 2015.

| | 2dig | | 4dig | | 6dig | |
|---|---|---|---|---|---|---|
| | **2010** | **2015** | **2010** | **2015** | **2010** | **2015** |
| Cluster1 | 0.439 | 0.481 | 0.276 | 0.317 | 0.210 | 0.231 |
| Cluster2 - EAP | 0.605 | 0.670 | 0.310 | 0.337 | 0.240 | 0.231 |
| Cluster2 - ECA | 0.490 | 0.489 | 0.354 | 0.345 | 0.302 | 0.276 |
| Cluster2  LAC | 0.519 | 0.502 | 0.390 | 0.365 | 0.326 | 0.279 |
| Cluster2 - SA | 0.501 | 0.482 | 0.241 | 0.280 | 0.177 | 0.205 |
| Cluster2 -SSA | 0.352 | 0.376 | 0.177 | 0.202 | 0.122 | 0.134 |
| Cluster4 | 0.528 | 0.501 | 0.425 | 0.384 | 0.363 | 0.301 |

Consistent with the nRCA analysis we see that the group of countries whose structure of trade has the greatest degree of similarity with Tunisia are the countries in Cluster 4, and this is true at 4 and 6-digit levels of aggregation. Hence at the 6-digit level we see that the degree of similarity in trade is close to 30% in 2015. We also see however, that the degree of similarity with the Cluster 4 has significantly declined over time as it was over 36% in 2010. The decline in similarity is true with regard to all the comparator country groups. Perhaps not surprisingly the lowest degree of similarity is with Sub-Saharan African countries.

## Diversification of exports

We turn now to considering in more detail the degree of Tunisia's export diversification and how it has evolved over time. We proceed by first analysing the degree of concentration of Tunisia's exports in terms of different products (TCI by product, at the HS 6-digit level) and then in term of the number of trade partners (TCI by country). For the TCI by country we do the calculation taking into consideration all the export partners, and then the most significant export partners in 2015 by exports, where we see that 17 countries account for more than 90% of Tunisia's total exports.

From the table it can be seen that there has been an increased diversification of Tunisia's exports to the world and to the EU. With regard to geographical diversification we again see less diversification till 2014 and then an increasing in diversification when considering all partners as well as when considering the top 17 partners.

| | TCI by product | | TCI by countries | |
|---|---|---|---|---|
| | **World** | **EU27 Members** | **All partners** | **Top 17 partners** |
| 2010 | 0.026 | 0.035 | 0.140 | 0.175 |
| 2011 | 0.027 | 0.039 | 0.158 | 0.193 |
| 2012 | 0.025 | 0.037 | 0.128 | 0.159 |
| 2013 | 0.023 | 0.034 | 0.125 | 0.151 |
| 2014 | 0.020 | 0.030 | 0.138 | 0.169 |
| 2015 | 0.017 | 0.024 | 0.142 | 0.173 |

In table 5 earlier in the report we identified that there were 56 new products exported by Tunisia when comparing 2010-2015, out of the list of top 200 products in 2015. This is a big change and either reflects considerable dynamism, or considerable volatility in Tunisia's exports. The table below identified the top 10 products by value of exports out of this list of 56. What is interesting is that the first item on the list (Boards, panels, consoles, desks…) is a new product compared to 2010, and by 2015 has become the 17th most exported product for Tunisia with a high revealed comparative advantage as given in the earlier tables.

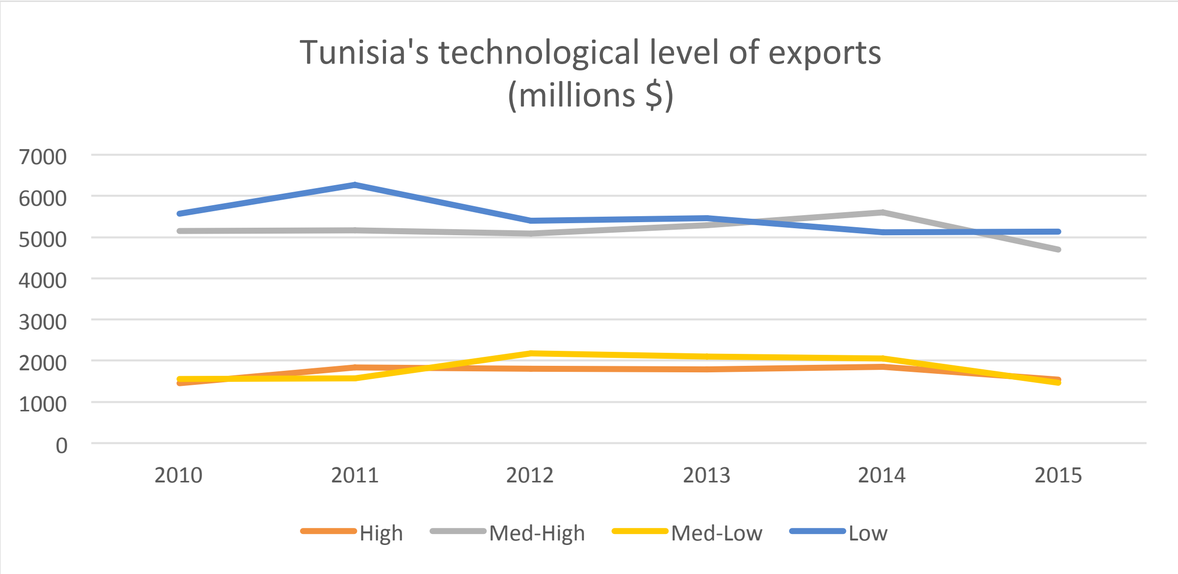
<u>List of the top 10 new products exported to the WORLD in 2015 (compared to 2010)</u>

| Product Code | Product Name | Exports Value | Exports Share |
|---|---|---|---|
| 853710 | Boards, panels, consoles, desks, cabinets & oth. bases, equipped with 2/mor ... | 147.32 | 1.05% |
| 851750 | Apparatus for carrier-current line systems/digital line systems (excl. of 8 ... | 143.19 | 1.02% |
| 940190 | Parts of the seats of 94.01 | 93.14 | 0.66% |
| 271112 | Propane, liquefied | 90.02 | 0.64% |
| 640340 | Footwear (excl. waterproof) incorp. a protective metal toe-cap (excl. of 64 ... | 53.06 | 0.38% |
| 854221 | Monolithic integrated circuits, digital | 41.20 | 0.29% |
| 610899 | Women's/girls' nTgligTs, bathrobes, dressing gowns & sim. arts., knitted or ... | 40.43 | 0.29% |
| 910400 | Instrument panel clocks & clocks of a sim. type for vehicles/aircraft/space ... | 24.91 | 0.18% |
| 170199 | Cane/beet sugar & chemically pure sucrose, in solid form, not cont. added f ... | 22.98 | 0.16% |
| 030199 | Live fish, n.e.s. | 22.80 | 0.16% |

In a comparable fashion, the table below gives the list of most significant by value new export destinations, when comparing 2010 with 2015.

| Partner | Exports Value | Exports Share |
|---|---|---|
| Sudan | 5.33 | 58.04% |
| Honduras | 2.39 | 26.07% |
| Bahamas | 0.88 | 9.56% |
| Guyana | 0.24 | 2.59% |
| Andorra | 0.12 | 1.30% |
| Bolivia | 0.10 | 1.05% |
| Somalia | 0.06 | 0.62% |
| Vanuatu | 0.04 | 0.47% |
| Marshall Isds | 0.02 | 0.18% |
| El Salvador | 0.01 | 0.11% |

## Technological level of exports



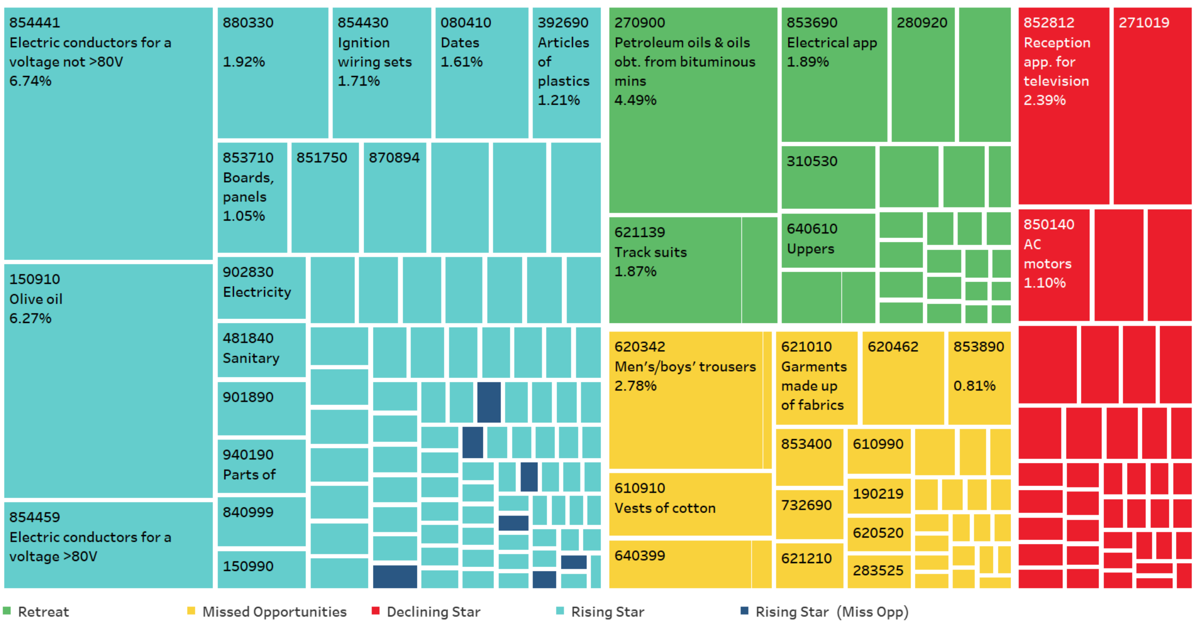

| | Change % (2010-2015) | | | | |
|---|---|---|---|---|---|
| **Reporter** | **Unall.** | **High** | **Med-high** | **Med-low** | **Low** |
| Tunisia | 8.8% | 11.0% | 33.3% | 10.4% | 36.5% |
| **Cluster1** | -0.80% | 0.80% | 0.40% | -0.90% | 0.40% |
| **Clust2-EAP** | -6.40% | 6.80% | 0.20% | -2.80% | 2.20% |
| **Clust2-ECA** | -4.40% | 0.10% | 4.20% | -3.60% | 3.70% |
| **Clust2-LAC** | -5.60% | 0.40% | 6.30% | -1.50% | 0.40% |
| **Clust2-SA** | -2.40% | 2.10% | 2.50% | -5.10% | 2.90% |
| **Clust2-SSA** | 1.20% | 0.90% | 0.60% | -2.60% | 0.00% |
| **Cluster4** | -3.90% | -0.20% | 3.60% | -1.80% | 2.20% |

## Analytical Table

The table below takes Tunisia's top 200 exported products, and cross-classifies them in terms of the changes in their relative importance in Tunisia's trade, with their changing relative importance in world demand. Hence if you look at the bottom left-hand cell here we identify that there are 34 products which Tunisia exports, where relative world demand has risen, but where their share in Tunisia's exports has declined. Hence these are products which could be considered as 'missed opportunities' . Now consider the bottom right hand cell. From this we see that there are 95 products where their share in Tunisia's exports has risen ***and*** where there has been an increase in relative world demand. We therefore classify these as Rising Stars. Of these 95 products there are 88 products (the figure given in brackets), where the change in their share in Tunisia's exports has increase by more than the change in world demand. These are really the rising stars because these are the ones where the change Tunisia's exports has exceeded the relative changes in world demand. However, conversely this means that there are 95 minus 88 = 7 products where although Tunisia's exports have increased this is less than the change in world demand. These products could also be considered as missed opportunities. In total therefore there are up to 41 products (34 + 7) which could be considered as missed opportunities.

| **Comparing 2010 with 2015** | | **Change in Exports Share between Tunisia & World** | |
|---|---|---|---|
| | | **Negative** | **Positive** |
| **Change in Exports Share between World & World** | **Negative** | **Retreat**<br>29<br>16.16% | **Declining Star**<br>41<br>12.97% |
| | **Positive** | **Missed Opp**<br>34<br>13.21% | **Rising Star**<br>95 (88)<br>43.34% (42.60%) |

The graphic below identifies the commodities in the four cells of the cross-classification table, and the full list of products which are missed opportunities, and missed opportunities from the rising starts is given in the Appendix to this report.



Finally the table below takes the list of 41 missed opportunities, and for each of our country clusters identifies how many of these products saw an increase in their export share. What we see is interesting – for each of the clusters a very high proportion of the products increased their export share. So a possible reason for the lack of Tunisian success could be the success of these countries in exporting these products.

**Export performance of the other country groups in Tunisia's Missed Opportunities**

| Country Group | No of products with positive Δ export share (2010 - 2015) |
|---|---|
| **Cluster1** | 29 |
| **Cluster2 -EAP** | 29 |
| **Cluster2 - ECA** | 31 |
| **Cluster2 - LAC** | 26 |
| **Cluster2 - SA** | 25 |
| **Cluster2 - SSA** | 27 |
| **Cluster4** | 32 |

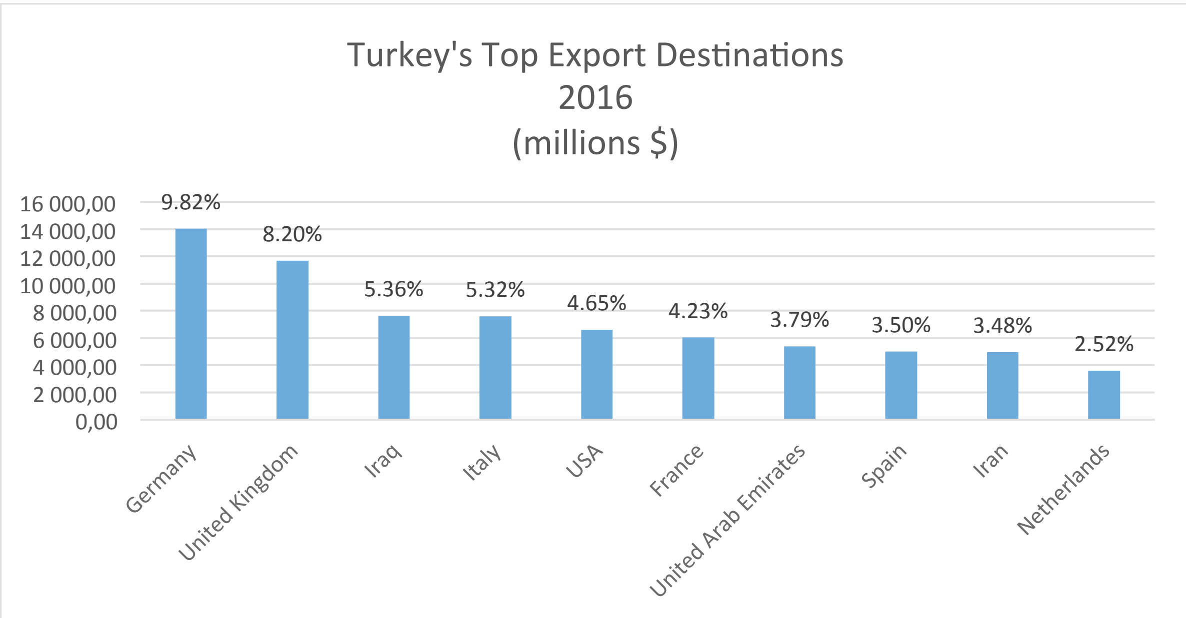
# Turkey

## Overview of Turkey's Exports

| Year | Total exports (billions $) | Exports Share to the EU27 |
|---|---|---|
| 2010 | 112.28 | 47.31% |
| 2011 | 132.79 | 47.22% |
| 2012 | 150.45 | 39.55% |
| 2013 | 149.69 | 42.25% |
| 2014 | 155.03 | 43.53% |
| 2015 | 141.75 | 44.49% |
| 2016 | 140.83 | 47.94% |

Turkey's exports account for 0.97% of World exports. From the table we can see an increase in Turkey's total exports of almost $30B.

In 2016 the top export destinations for Turkey were Germany (9.82%), UK (8.20%) and Iraq (5.36%). The top 10 list of destination countries alone account for almost 51% of Turkey's total exports, with 6 out of 10 of these destinations being European countries. We can see that the EU market is an important destination for Turkey's exports. In 2016 almost 48% of its total exports went to the European market.

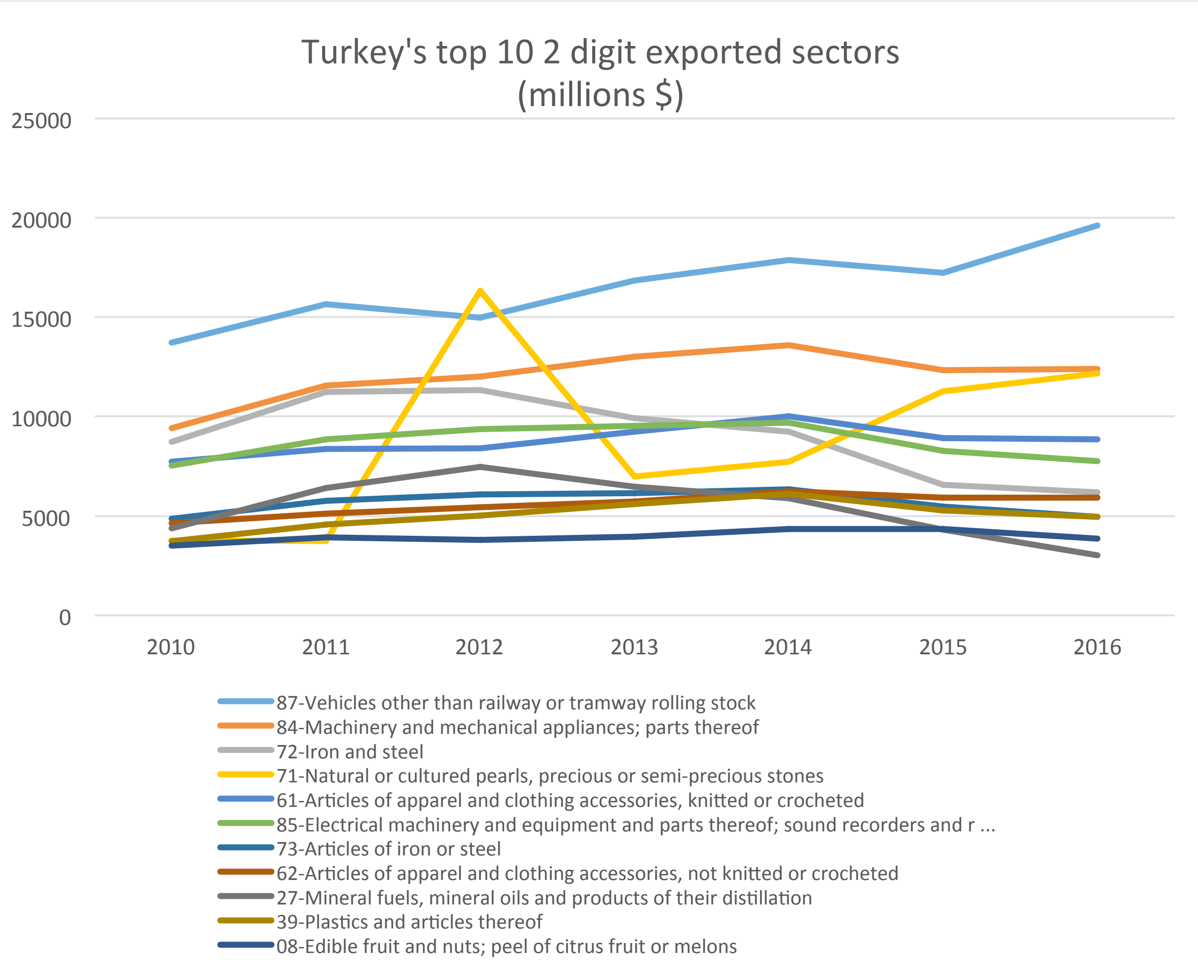


## HS-2 digit level trade

| Code | Product Name | Export value ($B) | Export share |
|---|---|---|---|
| 87 | Vehicles … | 19,613.70 | 13.93% |
| 84 | Machinery … | 12,415.03 | 8.82% |
| 71 | Natural or cultured pearls… | 12,176.57 | 8.65% |
| 61 | Articles of apparel … | 8,855.61 | 6.29% |
| 85 | Electrical machinery … | 7,767.56 | 5.52% |
| 72 | Iron and steel | 6,187.05 | 4.39% |
| 62 | Articles of apparel… | 5,928.89 | 4.21% |
| 39 | Plastics and articles thereof | 4,968.83 | 3.53% |
| 73 | Articles of iron or steel | 4,967.68 | 3.53% |
| 08 | Edible fruit and nuts… | 3,873.87 | 2.75% |
| | Grand total | 86,754.79 | 61.60% |

In terms of the composition of trade, Turkey's exports are dominated by "Vehicles" (HS87), which represent almost the 14% of Turkey exports. At 2 digit level the top 10 exported products by Turkey account, in 2016, for 61.60% of its total exports.

The chart below identifies Turkey's top exports over the last 6 years. We may notice that the composition of Turkey's has change little. The list of top 10 products is unchanged, except for product 27, which left the place to product 08. The exports in Mineral Fuels, indeed, had a gradual contraction from 2012.



## HS–6 digit trade

At a more disaggregated level we see the top 20 Turkey's exported products in 2016, at the 6-digit level in the table below. Note that while the average annual growth rate of exports for these 20 products was 8.07%, this masks considerable variation. Four of the top 20 products saw an annual average decline in exports while two of the products saw a rate of growth in excess of 100%. In particular Vehicles (excl. of 87.02 & 8703.10), with an AARG above 12377%. We also see the significance of the EU as a destination. For nine of the top 20 products the share of exports going to the EU is greater than 80%.

| Product Code | Product Description | 2016 Exports value (millions $) | Exports Share to World | AARG (2010-2016) | 2016 Share of export to the EU |
|---|---|---|---|---|---|
| 710812 | Gold (incl. gold plated with platin | 8,248.52 | 5.86% | 139.85% | 38.78% |
| 870421 | Motor vehicles for the tpt. of gds. | 4,132.69 | 2.93% | 6.81% | 90.88% |
| 711319 | Articles of jewellery & parts there | 3,676.27 | 2.61% | 18.45% | 11.67% |
| 870322 | Vehicles (excl. of 87.02 & 8703.10) | 2,649.87 | 1.88% | 9.38% | 87.16% |
| 721420 | Bars & rods of iron/non-alloy steel | 2,554.19 | 1.81% | -1.65% | 4.50% |
| 870331 | Vehicles princ. designed for the tp | 1,755.52 | 1.25% | -1.12% | 89.29% |
| 271011 | Light petroleum oils & preps. | 1,715.97 | 1.22% | 6.04% | 18.82% |
| 610910 | T-shirts, singlets & oth. vests, kn | 1,583.25 | 1.12% | -2.91% | 72.67% |
| 570242 | Carpets & oth. textile floor coveri | 1,554.52 | 1.10% | 10.73% | 19.61% |
| 870323 | Vehicles (excl. of 87.02 & 8703.10) | 1,526.15 | 1.08% | 0.49% | 64.13% |
| 870210 | Motor vehicles for the tpt. of 10/m | 1,499.20 | 1.06% | 10.55% | 83.43% |
| 852812 | Reception app. for television, whet | 1,392.25 | 0.99% | -2.60% | 92.05% |
| 610990 | T-shirts, singlets & oth. vests, kn | 1,347.52 | 0.96% | 9.67% | 84.84% |
| 870332 | Vehicles princ. designed for the tp | 1,326.08 | 0.94% | 7.47% | 92.67% |
| 870899 | Parts & accessories of the motor ve | 1,307.57 | 0.93% | 8.54% | 68.98% |
| 620462 | Women's/girls', trousers, bib & bra | 1,257.26 | 0.89% | 3.51% | 84.92% |
| 080222 | Hazelnuts/filberts (Corylus spp.), | 1,161.20 | 0.82% | 6.53% | 70.62% |
| 854459 | Electric conductors (excl. of 8544. | 1,137.56 | 0.81% | 1.61% | 47.22% |
| 620342 | Men's/boys' trousers, bib & brace o | 1,105.22 | 0.78% | 2.36% | 73.90% |
| 870321 | Vehicles (excl. of 87.02 & 8703.10) | 1,084.14 | 0.77% | 12377.38% | 94.33% |
| | Grand Total | 42,014.95 | 29.83% | 8.07% | 57.61% |

Notes: The product description has been shortened to 35 characters for purposes of legibility.

## Revealed Comparative Advantage

In the following table we give the normalized revealed comparative advantage (nRCA) for Turkey's top 20 exported products for the latest available year (2016). The products are ranked by degree of revealed comparative advantage, and where below the double line in the table Turkey has a negative revealed comparative advantage. The three biggest export sectors are identified in red. We also give the normalized revealed comparative advantage for each of our the comparator country other country groups. In bold we identify the country-product combinations which also have a positive nRCA, and the purpose of this is to see which country groupings are most likely to compete with Algeria by product.

| NORMALIZED RCA - 2016 | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| **Code** | **Product Name** | **Turkey** | **Cl1** | **Cl2 EAP** | **Cl2 ECA** | **Cl2 LAC** | **Cl2 SA** | **Cl2 SSA** | **Cl 4** |
| 570242 | Carpets & oth. texti | 0.968 | -0.354 | -0.261 | **0.2** | -0.984 | -0.436 | -0.98 | -0.716 |
| 080222 | Hazelnuts/filberts ( | 0.966 | -0.802 | -1 | **0.757** | -0.997 | -1 | -0.992 | **0.239** |
| 721420 | Bars & rods of iron/ | 0.936 | -0.56 | -0.927 | **0.591** | **0.155** | -0.695 | **0.001** | **0.402** |
| 870210 | Motor vehicles for t | 0.826 | -0.008 | -0.606 | -0.043 | -0.268 | -0.178 | -0.368 | **0.181** |
| 610990 | T-shirts, singlets & | 0.806 | -0.372 | **0.484** | -0.012 | -0.041 | **0.653** | -0.237 | **0.01** |
| **870421** | **Motor vehicles for t** | 0.801 | -0.044 | -0.984 | -0.937 | **0.254** | -0.509 | **0.784** | **0.449** |
| 610910 | T-shirts, singlets & | 0.782 | -0.337 | **0.6** | -0.137 | **0.239** | **0.68** | -0.482 | **0.149** |
| 620462 | Women's/girls', trou | 0.757 | -0.492 | **0.195** | -0.108 | -0.494 | **0.308** | -0.554 | **0.115** |
| 870331 | Vehicles princ. desi | 0.731 | **0.096** | -0.99 | **0.724** | -0.787 | -0.228 | -0.413 | **0.421** |
| 620342 | Men's/boys' trousers | 0.706 | -0.354 | **0.031** | **0.332** | **0.174** | **0.501** | -0.189 | **0.14** |
| 870321 | Vehicles (excl. of 8 | 0.663 | -0.031 | -0.986 | **0.418** | **0.029** | **0.467** | **0.216** | **0.461** |
| **711319** | **Articles of jeweller** | 0.648 | -0.256 | **0.548** | -0.883 | -0.772 | **0.701** | -0.622 | -0.214 |
| 854459 | Electric conductors | 0.648 | -0.117 | -0.4 | **0.411** | **0.042** | -0.68 | -0.466 | **0.277** |
| **710812** | **Gold (incl. gold pla** | 0.6 | -0.293 | -0.371 | -0.541 | **0.136** | **0.009** | **0.277** | -0.574 |
| 870322 | Vehicles (excl. of 8 | 0.48 | **0.031** | -0.1 | -0.111 | **0.138** | **0.278** | **0.055** | **0.391** |
| 852812 | Reception app. for t | 0.41 | -0.756 | **0.005** | -0.393 | **0.642** | -0.821 | -0.538 | **0.354** |
| 870899 | Parts & accessories | 0.146 | 0.012 | -0.158 | **0.182** | **0.172** | **0.092** | -0.455 | **0.26** |
| 271011 | Light petroleum oils | 0.049 | -0.044 | -0.853 | **0.254** | -0.44 | **0.538** | **0.34** | -0.062 |
| 870332 | Vehicles princ. desi | -0.053 | **0.218** | -0.982 | -0.6 | -0.821 | -0.913 | **0.252** | **0.392** |
| 870323 | Vehicles (excl. of 8 | -0.324 | **0.258** | -0.784 | -0.639 | **0.263** | -0.67 | **0.096** | -0.175 |

Notes: The product description has been shortened to 20 characters for purposes of legibility; Notes: EAP - East Asia & Pacific; ECA - Europe & Central Asia; LAC – L. America & Caribbean; SA - South Asia: SSA - Sub-Saharan Africa

There are two main messages which emerge from this table. First, it is interesting that out of Turkey's top 20 non-oil exports, for two of the products Turkey has a negative revealed comparative advantage which suggests a lack of competitiveness in world markets for these products. Conversely there are only 18 HS 6-digit products for which Turkey has a positive revealed comparative advantage. Second, in terms of possible competitor countries we see that the group of countries most likely to be competitors for Turkey in world markets are those in the Cluster 4, as they have a positive nRCA in 15 of the 20 sectors, and in 1 of the 2 sectors for which Turkey had a positive nRCA. The country groups least likely to be competing with Turkey in world markets are countries in Cluster1.

## Similarity of Turkey's exports with the comparator countries

Another way of addressing the issue of competing countries is to look at the overall degree of similarity of Turkey's exports with the exports of the comparator countries. A useful indicator for this purpose is the Finger-Kreinin indicator which ranges between 0 and 1. When the indicator is equal to 1, this means that the structure of trade between Turkey and the comparator country (or country group) is identical. When the indicator is equal to zero this means that they do not export any of the same products and hence the structure is completely different. The indicator can then be calculated at different levels of disaggregation of trade, and in the table below we report on the similarity at the 2, 4 and 6-digit levels, and do so for both 2010 and 2015.

| | 2dig | | 4dig | | 6dig | |
|---|---|---|---|---|---|---|
| | 2010 | 2015 | 2010 | 2015 | 2010 | 2015 |
| Cluster1 | 0.619 | 0.620 | 0.446 | 0.447 | 0.351 | 0.353 |
| Cluster2 - EAP | 0.586 | 0.604 | 0.395 | 0.407 | 0.313 | 0.316 |
| Cluster2 - ECA | 0.519 | 0.538 | 0.403 | 0.414 | 0.330 | 0.344 |
| Cluster2 LAC | 0.582 | 0.601 | 0.418 | 0.432 | 0.313 | 0.313 |
| Cluster2 - SA | 0.538 | 0.604 | 0.370 | 0.433 | 0.287 | 0.358 |
| Cluster2 -SSA | 0.537 | 0.567 | 0.356 | 0.394 | 0.268 | 0.277 |
| Cluster4 | 0.635 | 0.659 | 0.510 | 0.520 | 0.435 | 0.444 |

Consistent with the nRCA analysis we see that the group of countries whose structure of trade has the greatest degree of similarity with Turkey are the countries in Cluster 4, and this is true at all levels of aggregation. Hence at the 6-digit level we see that the degree of similarity in trade is above 44% in 2015. We also see however, that the degree of similarity with regard to all the comparator country groups has increased. The lowest degree of similarity is with the Cluster 1 groups of countries.

## Diversification of exports

We turn now to considering in more detail the degree of Turkey's export diversification and how it has evolved over time. We proceed by first analysing the degree of concentration of Turkey's exports in terms of different products (TCI by product, at the HS 6-digit level) and then in term of the number of trade partners (TCI by country). For the TCI by country we do the calculation taking into consideration all the export partners, and then the most significant export partners in 2015 by exports, where we see that 52 countries account for more than 90% of Turkey's total exports.

From the table it can be seen that there has been less diversification of Turkey's exports to the world, as well as in terms of exports to the EU. With regard to geographical diversification we again see a decrease in diversification over time when considering all partners as well as when considering the top 52 partners.

| | TCI by product | | TCI by countries | |
|---|---|---|---|---|
| | **World** | **EU27 Members** | **All partners** | **Top 52 partners** |
| 2010 | 0.006 | 0.010 | 0.034 | 0.043 |
| 2011 | 0.006 | 0.009 | 0.035 | 0.045 |
| 2012 | 0.013 | 0.009 | 0.035 | 0.044 |
| 2013 | 0.006 | 0.009 | 0.033 | 0.043 |
| 2014 | 0.006 | 0.010 | 0.034 | 0.041 |
| 2015 | 0.008 | 0.010 | 0.034 | 0.042 |
| 2016 | 0.008 | 0.012 | 0.036 | 0.044 |

In table 5 earlier in the report we identified that there were 39 new products exported by Turkey when comparing 2010-2016, out of the list of top 200 products in 2016. This is a big change and either reflects considerable dynamism, or considerable volatility in Turkey's exports even if is the Mediterranean country with less number of new products. The table below identified the top 10 products by value of exports out of this list of 39. What is interesting is that the first item on the list (Vehicles (excl. of 87.02 & 8703.10)) is a new product compared to 2010, and by 2016 has become the 4th among the top export for Turkey with a high revealed comparative advantage as given in the earlier tables.

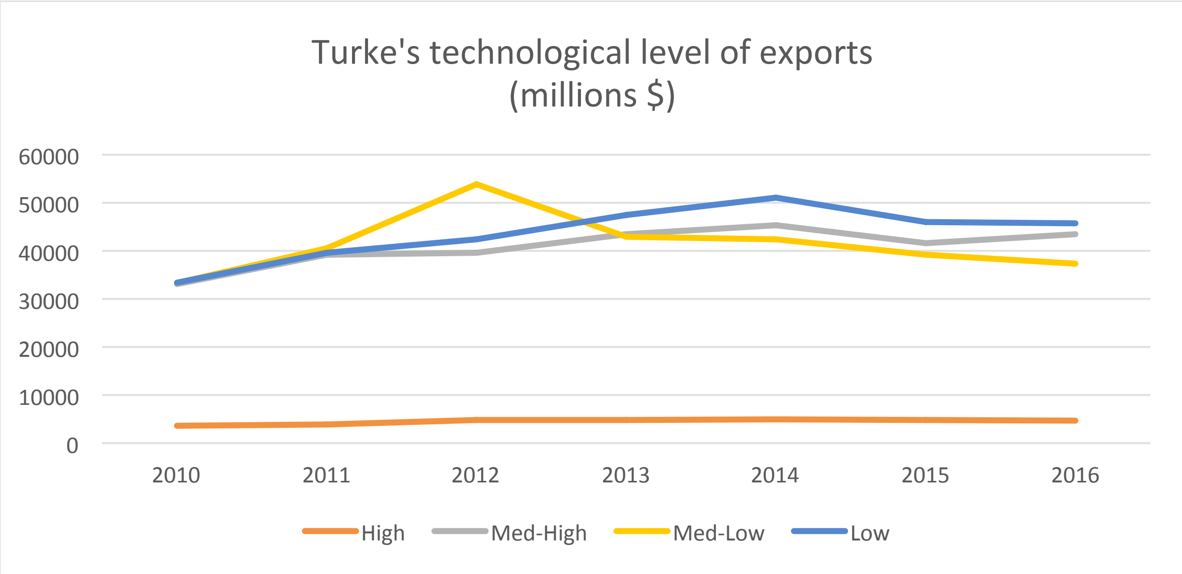
List of the top 10 new products exported to the WORLD in 2016 (compared to 2010)

| Product Code | Product Name | Exports Value | Exports Share |
|---|---|---|---|
| 870321 | Vehicles (excl. of 87.02 & 8703.10) princ. designed for the tpt. of persons ... | 1,084.14 | 0.77% |
| 030269 | Fish, n.e.s., fresh/chilled (excl. fillets/oth. fish meat of 03.04/livers & ... | 345.74 | 0.25% |
| 870120 | Road tractors for semi-trailers (excl. of 87.09) | 316.74 | 0.22% |
| 480300 | Toilet/facial tissue stock, towel/napkin stock & sim. paper of a kind used ... | 265.27 | 0.19% |
| 845121 | Drying machines other than of 84.50, each of a dry linen cap. not >10kg | 255.31 | 0.18% |
| 283620 | Disodium carbonate | 246.75 | 0.18% |
| 441139 | Fibreboard of wood/oth. ligneous mats., whether or not bonded with resins/o ... | 233.85 | 0.17% |
| 252890 | Natural borates & concs. thereof (excl. sodium borates), whether or not cal ... | 224.44 | 0.16% |
| 560312 | Nonwovens, whether or not impregnated/coated/covered/laminated, of man-made | 209.37 | 0.15% |
| 760711 | Aluminium foil, whether or not printed, not backed, of a thkns. not >0.2mm, ... | 206.68 | 0.15% |

In a comparable fashion, the table below gives the list of most significant by value new export destinations, when comparing 2010 with 2015.

| Partner | Exports Value | Exports Share |
|---|---|---|
| Sudan | 461.57 | 99.02% |
| Cura?ao | 4.38 | 0.94% |
| South Sudan | 0.20 | 0.04% |
| FS Micronesia | 0.02 | 0.00% |

## Technological level of exports



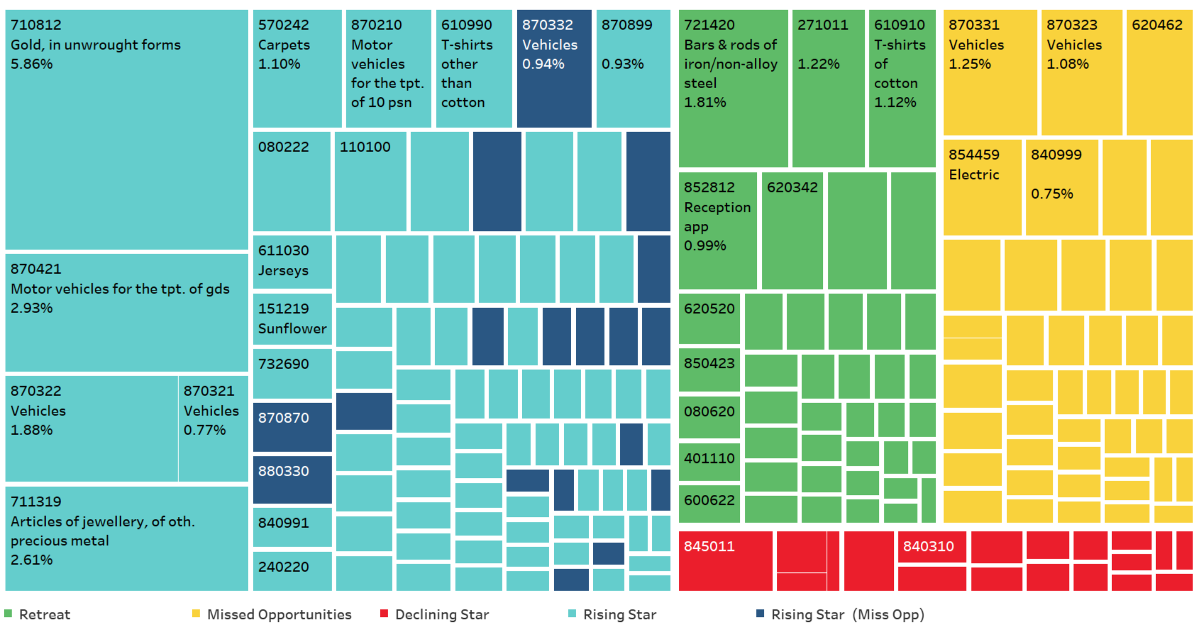

| | Change % (2010-2015) | | | | |
|---|---|---|---|---|---|
| **Reporter** | **Unall.** | **High** | **Med-high** | **Med-low** | **Low** |
| Turkey | 7.1% | 3.4% | 29.3% | 27.7% | 32.4% |
| **Cluster1** | -0.80% | 0.80% | 0.40% | -0.90% | 0.40% |
| **Clust2-EAP** | -6.40% | 6.80% | 0.20% | -2.80% | 2.20% |
| **Clust2-ECA** | -4.40% | 0.10% | 4.20% | -3.60% | 3.70% |
| **Clust2-LAC** | -5.60% | 0.40% | 6.30% | -1.50% | 0.40% |
| **Clust2-SA** | -2.40% | 2.10% | 2.50% | -5.10% | 2.90% |
| **Clust2-SSA** | 1.20% | 0.90% | 0.60% | -2.60% | 0.00% |
| **Cluster4** | -3.90% | -0.20% | 3.60% | -1.80% | 2.20% |

## Analytical Table

The table below takes Turkey's top 200 exported products , and cross-classifies them in terms of the changes in their relative importance in Turkey's trade, with their changing relative importance in world demand. Hence if you look at the bottom left-hand cell here we identify that there are 46 products which Turkey exports, where relative world demand has risen, but where their share in Turkey's exports has declined. Hence these are products which could be considered as 'missed opportunities' . Now consider the bottom right hand cell. From this we see that there are 93 products where their share in Turkey's exports has risen ***and*** where there has been an increase in relative world demand. We therefore classify these as Rising Stars. Of these 93 products there are 75 products (the figure given in brackets), where the change in their share in Turkey's exports has increase by more than the change in world demand. These are really the rising stars because these are the ones where the change Turkey's exports has exceeded the relative changes in world demand. However, conversely this means that there are 93 minus 75 = 18 products where although Turkey's exports have increased this is less than the change in world demand. These products could also be considered as missed opportunities. In total therefore there are up to 64 products (46 + 18) which could be considered as missed opportunities.

| **Comparing 2010 with 2016** | | **Change in Exports Share between Turkey & World** | |
|---|---|---|---|
| | | **Negative** | **Positive** |
| **Change in Exports Share between World & World** | **Negative** | **Retreat**<br>41<br>13.27% | **Declining Star**<br>19<br>3.39% |
| | **Positive** | **Missed Opp**<br>46<br>12.85% | **Rising Star**<br>93 (75)<br>38.03% (33.05%) |

The graphic below identifies the commodities in the four cells of the cross-classification table, and the full list of products which are missed opportunities, and missed opportunities from the rising starts is given in the Appendix to this report.



Finally the table below takes the list of 64 missed opportunities, and for each of our country clusters identifies how many of these products saw an increase in their export share. What we see is interesting – for each of the clusters, except for East Asian Pacific countries, a very high proportion of the products increased their export share. So a possible reason for the lack of Turkey's success could be the success of these countries in exporting these products.

**Export performance of the other country groups in Turkey's Missed Opportunities**

| Country Group | No of products with positive Δ export share (2010 - 2016) |
|---|---|
| **Cluster1** | 43 |
| **Cluster2 -EAP** | 25 |
| **Cluster2 - ECA** | 51 |
| **Cluster2 - LAC** | 44 |
| **Cluster2 - SA** | 55 |
| **Cluster2 - SSA** | 47 |
| **Cluster4** | 57 |

# Appendix

## 1. Cluster Analysis

We conduct the cluster analysis considering the following variables:

1. Political Stability and Absence of Violence and Terrorism
2. Fuel exports (% of merchandise exports)
3. GDP per capita
4. Inflation, consumer prices (annual %)
5. Labor force participation rate, female (% of female population ages 15+) (national estimate)
6. Trade in services (% of GDP)

The data source is the World Bank Database and we picked the most recent data available for each variable. When possible, the missing data for the year taken into consideration were filled with the most recent data registered.

The method used to conduct the cluster analysis is the k-mean method, which aims to partition all the countries - for which we have data - into k clusters in which each country belongs to the cluster with the nearest mean, serving as a prototype of the cluster.

To validate the number of clusters we use the elbow method.[14]In our study we can see that this method suggest that the optimum number of clusters is 4.

The following table shows the means of each variable for each cluster. This could give us information about the characteristics of the clusters. In particular the 2nd cluster is characterized by the lowest Political stability, GDP pro capita and shares of trade in services in GDP and the highest inflation. We can also see a quite low level of export of fuel and a quite low share of woman participation in the workforce.

| Cluster | Political Stability and Absence of Violence/Terrorism | Fuel exports (% of merchandise exports) | GDP per capita | Inflation, consumer prices (annual %) | Labor force participation rate, female (% of female population ages 15+) (national estimate) | Trade in services (% of GDP) |
|---|---|---|---|---|---|---|
| 1 | 0.8214337 | 7.409988 | 45796.296 | 0.6160836 | 58.09444 | 32.94487 |
| 2 | -0.4250146 | 14.228467 | 4001.328 | 5.2071509 | 51.30672 | 19.73584 |
| 3 | 1.2110768 | 35.582585 | 82213.061 | 1.57251 | 57.975 | 91.62845 |
| 4 | 0.5105659 | 15.837075 | 18048.054 | 1.2421634 | 50.21111 | 38.36574 |

[14]The idea of the elbow method is to run k-means clustering on the dataset for a range of values of k (say, k from 1 to 10 in the examples above), and for each value of k calculate the sum of squared errors (SSE).Then, plot a line chart of the SSE for each value of k. If the line chart looks like an arm, then the "elbow" on the arm is the value of k that is the best. The idea is that we want a small SSE, but that the SSE tends to decrease toward 0 as we increase k (the SSE is 0 when k is equal to the number of data points in the dataset, because then each data point is its own cluster, and there is no error between it and the center of its cluster). So our goal is to choose a small value of k that still has a low SSE, and the elbow usually represents where we start to have diminishing returns by increasing k.

The following table show the composition of each cluster. We also have two additional information that will be used in the definition of our country groups used as comparative countries: whether a country is an island or not, and the region of the world they belong to. In particular in our analysis we will exclude the Small Island Developing States (SIDS).

| | Country | Region | Note |
|---|---|---|---|
| Cluster 1 | Austria | Europe & Central Asia | |
| | Belgium | Europe & Central Asia | |
| | Canada | North America | |
| | Denmark | Europe & Central Asia | |
| | Finland | Europe & Central Asia | |
| | France | Europe & Central Asia | |
| | Germany | Europe & Central Asia | |
| | ***Israel*** | ***Middle East & North Africa*** | |
| | Netherlands | Europe & Central Asia | |
| | Sweden | Europe & Central Asia | |
| | United States | North America | |
| | Australia | East Asia & Pacific | Island; the SIDS are highlighted and excluded from our analysis |
| | Iceland | Europe & Central Asia | |
| | Ireland | Europe & Central Asia | |
| | Japan | East Asia & Pacific | |
| | New Zealand | East Asia & Pacific | |
| | Singapore | East Asia & Pacific | |
| | United Kingdom | Europe & Central Asia | |
| Cluster 2 | Afghanistan | South Asia | |
| | Albania | Europe & Central Asia | |
| | ***Algeria*** | ***Middle East & North Africa*** | |
| | Armenia | Europe & Central Asia | |
| | Azerbaijan | Europe & Central Asia | |
| | Belarus | Europe & Central Asia | |
| | Belize | Latin America & Caribbean | |
| | Bhutan | South Asia | |
| | Bolivia | Latin America & Caribbean | |
| | Brazil | Latin America & Caribbean | |
| | Bulgaria | Europe & Central Asia | |
| | Cambodia | East Asia & Pacific | |
| | Colombia | Latin America & Caribbean | |
| | Ecuador | Latin America & Caribbean | |
| | ***Egypt, Arab Rep.*** | ***Middle East & North Africa*** | |
| | El Salvador | Latin America & Caribbean | |
| | Ethiopia | Sub-Saharan Africa | |
| | Georgia | Europe & Central Asia | |
| | Ghana | Sub-Saharan Africa | |
| | Guatemala | Latin America & Caribbean | |
| | Guinea | Sub-Saharan Africa | |
| | Honduras | Latin America & Caribbean | |
| | India | South Asia | |
| | ***Jordan*** | ***Middle East & North Africa*** | |
| | Kazakhstan | Europe & Central Asia | |
| | Kyrgyz Republic | Europe & Central Asia | |
| | ***Lebanon*** | ***Middle East & North Africa*** | |

| | | | |
|---|---|---|---|
| | Lesotho | Sub-Saharan Africa | |
| | Libya | Middle East & North Africa | |
| | Malawi | Sub-Saharan Africa | |
| | Malaysia | East Asia & Pacific | |
| | Mauritania | Sub-Saharan Africa | |
| | Mexico | Latin America & Caribbean | |
| | Moldova | Europe & Central Asia | |
| | Mongolia | East Asia & Pacific | |
| | ***Morocco*** | ***Middle East & North Africa*** | |
| | Mozambique | Sub-Saharan Africa | |
| | Namibia | Sub-Saharan Africa | |
| | Nepal | South Asia | |
| | Nicaragua | Latin America & Caribbean | |
| | Pakistan | South Asia | |
| | Paraguay | Latin America & Caribbean | |
| | Peru | Latin America & Caribbean | |
| | Romania | Europe & Central Asia | |
| | Rwanda | Sub-Saharan Africa | |
| | Senegal | Sub-Saharan Africa | |
| | Serbia | Europe & Central Asia | |
| | South Africa | Sub-Saharan Africa | |
| | Suriname | Latin America & Caribbean | |
| | Tanzania | Sub-Saharan Africa | |
| | Thailand | East Asia & Pacific | |
| | ***Tunisia*** | ***Middle East & North Africa*** | |
| | ***Turkey*** | ***Europe & Central Asia*** | |
| | Uganda | Sub-Saharan Africa | |
| | Ukraine | Europe & Central Asia | |
| | Vietnam | East Asia & Pacific | |
| | ***West Bank and Gaza*** | ***Middle East & North Africa*** | |
| | Zambia | Sub-Saharan Africa | |
| | Dominican Republic | Latin America & Caribbean | Island |
| | Indonesia | East Asia & Pacific | |
| | Jamaica | Latin America & Caribbean | |
| | Madagascar | Sub-Saharan Africa | |
| | Mauritius | Sub-Saharan Africa | |
| | Philippines | East Asia & Pacific | |
| | Samoa | East Asia & Pacific | |
| | Sri Lanka | South Asia | |
| | St. Lucia | Latin America & Caribbean | |
| Cluster 3 | Luxembourg | Europe & Central Asia | It won't be object of our analysis |
| | Norway | Europe & Central Asia | |
| | Qatar | Middle East & North Africa | |
| | Switzerland | Europe & Central Asia | |
| Cluster 4 | Argentina | Latin America & Caribbean | |
| | Chile | Latin America & Caribbean | |
| | Costa Rica | Latin America & Caribbean | |
| | Croatia | Europe & Central Asia | |
| | Czech Republic | Europe & Central Asia | |
| | Estonia | Europe & Central Asia | |
| | Greece | Europe & Central Asia | |
| | Hungary | Europe & Central Asia | |
| | Italy | Europe & Central Asia | |
| | Kuwait | Middle East & North Africa | |
| | Latvia | Europe & Central Asia | |
| | Lithuania | Europe & Central Asia | |

| | | | |
|---|---|---|---|
| | Panama | Latin America & Caribbean | |
| | Poland | Europe & Central Asia | |
| | Portugal | Europe & Central Asia | |
| | Saudi Arabia | Middle East & North Africa | |
| | Slovak Republic | Europe & Central Asia | |
| | Slovenia | Europe & Central Asia | |
| | Spain | Europe & Central Asia | |
| | Uruguay | Latin America & Caribbean | |
| | Aruba | Latin America & Caribbean | Island |
| | Bahrain | Middle East & North Africa | |
| | Barbados | Latin America & Caribbean | |
| | Cyprus | Europe & Central Asia | |
| | Malta | Middle East & North Africa | |
| | Seychelles | Sub-Saharan | |
| | Trinidad and Tobago | Latin America & Caribbean | |

In particular we will conduct our analysis comparing the Mediterranean countries of our interest with countries contained in the same cluster (cluster 2), excluding the islands and subdivided by Region.

The following table contain the detailed list of the countries which form this 5 country groups, within the 2nd cluster.

| East Asia & Pacific | Europe & Central Asia | Latin America & Caribbean | South Asia | Sub-Saharan Africa |
|---|---|---|---|---|
| Cambodia | Albania | Belize | Afghanistan | Ethiopia |
| Indonesia | Armenia | Bolivia | Bhutan | Ghana |
| Malaysia | Azerbaijan | Brazil | India | Guinea |
| Mongolia | Belarus | Colombia | Nepal | Lesotho |
| Philippines | Bulgaria | Ecuador | Pakistan | Madagascar |
| Thailand | Georgia | El Salvador | Sri Lanka | Malawi |
| Vietnam | Kazakhstan | Guatemala | | Mauritania |
| | Kyrgyz Republic | Honduras | | Mozambique |
| | Moldova | Mexico | | Namibia |
| | Romania | Nicaragua | | Rwanda |
| | Serbia | Paraguay | | Senegal |
| | Ukraine | Peru | | South Africa |
| | | Suriname | | Tanzania |
| | | | | Uganda |
| | | | | Zambia |

## 2. Analytical Tables: list of Missed Opportunities

### a. Algeria's analytical table (without Mineral Fuels)

| Missed Opportunities | | | |
|---|---|---|---|
| HS Code | Product Description | Export Share | Share to EU27 |
| 220290 | Non-alcoholic beverages other than waters of 2202.10 (not incl. fruit/veg. ... | 0.01% | 12.19% |
| 410419 | Tanned/crust hides & skins of bovine (incl. buffalo)/equine animals, withou ... | 0.00% | 0.00% |
| 220421 | Wine other than sparkling wine of fresh grapes, incl. fortified; grape must ... | 0.00% | 98.28% |
| 030613 | Shrimps & prawns, whether or not in shell, frozen | 0.00% | 100.00% |
| 392330 | Carboys, bottles, flasks & sim. arts., of plastics | 0.00% | 36.77% |
| 190531 | Sweet biscuits | 0.00% | 0.07% |
| 160414 | Tunas, skipjack & bonito (Sarda spp.), prepd./presvd., whole/in pieces (exc ... | 0.00% | 0.00% |
| 690890 | Glazed ceramic flags & paving/hearth/wall tiles (excl. of 6908.10); glazed ... | 0.00% | 5.56% |
| 330720 | Personal deodorants & antiperspirants | 0.00% | 0.02% |
| 730799 | Tube/pipe fittings of iron/steel (excl. cast iron/stainless steel; excl. of ... | 0.00% | 3.96% |
| 283630 | Sodium hydrogencarbonate (sodium bicarbonate) | 0.00% | 87.44% |
| 392310 | Boxes, cases, crates & sim. arts., of plastics | 0.00% | 61.58% |
| 392350 | Stoppers, lids, caps & oth. closures, of plastics | 0.00% | 4.24% |
| 250100 | Salt (incl. table salt & denatured salt) & pure sodium chloride, whether or ... | 0.00% | 98.80% |
| 853650 | Switches other than isolating switches & make-&-break switches, for a volta ... | 0.00% | 16.68% |
| 848190 | Parts of the appls. of 84.81 | 0.00% | 27.26% |
| 340220 | Surface-active preps., washing preps. (incl. auxiliary washing preps.) & cl ... | 0.00% | 14.68% |
| 853669 | Plugs & sockets for a voltage not >1000V | 0.00% | 13.93% |
| 840999 | Parts suit. for use solely/princ. with the engines of 84.07/84.08 (excl. of ... | 0.00% | 9.50% |
| | | 0.03% | 22.26% |

| Missed Opportunities among the Rising Star | | | |
|---|---|---|---|
| HS Code | Product Description | Export Share | Share to EU27 |
| 880330 | Parts of aeroplanes/helicopters, other than propellers, rotors, under-carri ... | 0.01% | 1.84% |
| 121299 | Vegetable prods., incl. sugar cane & unroasted chicory roots (Chicorium int ... | 0.01% | 94.12% |
| 290490 | Sulphonated/nitrated/nitrosated derivs. of hydrocarbons, whether or not hal ... | 0.01% | 0.00% |
| 481840 | Sanitary towels & tampons, napkins & napkin liners for babies & sim. sanita ... | 0.01% | 0.00% |
| 481910 | Cartons, boxes & cases, of corrugated paper/paperboard | 0.01% | 0.07% |
| 392390 | Articles for the conveyance/packing of gds., of plastics (excl. of 3923.10- ... | 0.00% | 1.97% |
| 190219 | Uncooked pasta, not stuffed/othw. prepd., not cont. eggs | 0.00% | 1.51% |
| 110100 | Wheat/meslin flour | 0.00% | 0.02% |
| 391990 | Self-adhesive plates, sheets, film, foil, tape, strip & oth. flat shapes, o ... | 0.00% | 0.18% |
| 382440 | Prepared additives for cements/mortars/concretes | 0.00% | 46.37% |
| 210690 | Food preps., n.e.s. | 0.00% | 48.10% |
| 842129 | Filtering/purifying mach. & app. for liquids (excl. of 8421.21-8421.23) | 0.00% | 0.49% |
| 480810 | Corrugated paper & paperboard (with/without glued flat surface sheets), whe ... | 0.00% | 0.00% |
| 848180 | Taps, cocks, valves & sim. appls. for pipes/boiler shells/tanks/vats or the ... | 0.00% | 6.56% |

| | | | |
|---|---|---|---|
| 730793 | Butt welding fittings of iron/steel (excl. of cast iron/stainless steel) | 0.00% | 0.06% |
| 902680 | Instruments & app. for meas./checking the flow/level/pressure/oth. variable ... | 0.00% | 81.98% |
| 700800 | Multiple-walled insulating units of glass | 0.00% | 100.00% |
| 200980 | Juice of any single fruit/veg. (excl. of 2009.11-2009.79), unfermented & no ... | 0.00% | 0.17% |
| 071239 | Mushrooms (excl. of 0712.31-0712.33) & truffles, dried, whole/cut/sliced/br ... | 0.00% | 0.00% |
| 392329 | Sacks & bags (incl. cones), of plastics other than polymers of ethylene | 0.00% | 99.99% |
| 150910 | Olive oil, virgin | 0.00% | 92.94% |
| 841290 | Parts of the engines & motors of 8412.10-8412.80 | 0.00% | 0.13% |
| 841330 | Fuel/lubricating/cooling medium pumps for int. comb. piston engines | 0.00% | 45.33% |
| 902690 | Parts & accessories of the instr. & appls. of 90.26 | 0.00% | 0.33% |
| 151800 | Animal/veg. fats & oils & fractions thereof , boiled/oxidised/dehydrated/su ... | 0.00% | 0.05% |
| 392690 | Articles of plastics & arts. of oth. mats. of 39.01-39.14, n.e.s. in Ch.39 | 0.00% | 47.69% |
| 030621 | Rock lobster & oth. sea crawfish (Palinurus spp., Panulirus spp., Jasus spp ... | 0.00% | 99.15% |
| 252220 | Slaked lime | 0.00% | 0.00% |
| 392020 | Plates, sheets, film, foil & strip, of polymers of propylene, non-cellular ... | 0.00% | 1.01% |
| 854210 | Cards incorp. an electronic integrated circuit (smart cards) | 0.00% | 2.50% |
| 848490 | Sets/assortments of gaskets & sim. joints, dissim. in composition, put up i ... | 0.00% | 1.37% |
| 401693 | Gaskets, washers & oth. seals of vulcanised rubber other than hard rubber | 0.00% | 8.76% |
| 391239 | Cellulose ethers other than carboxymethylcellulose & its salts, in primary ... | 0.00% | 0.00% |
| 902620 | Instruments & app. for meas./checking pressure | 0.00% | 2.12% |
| 391721 | Tubes, pipes & hoses, rigid, of polymers of ethylene | 0.00% | 0.22% |
| 330510 | Shampoos | 0.00% | 0.00% |
| 851790 | Parts of the app. & equip. of 85.17 | 0.00% | 0.00% |
| 220429 | Wine other than sparkling wine of fresh grapes, incl. fortified; grape must ... | 0.00% | 100.00% |
| 903289 | Automatic regulating/controlling instr. & app., n.e.s. in 90.32 | 0.00% | 97.57% |
| 732690 | Articles of iron/steel, n.e.s. | 0.00% | 10.49% |
| 010110 | Live horses/asses/mules/hinnies: pure-bred breeding animals | 0.00% | 100.00% |
| 200819 | Nuts (excl. ground-nuts), incl. mixts., prepd./presvd., whether or not cont ... | 0.00% | 100.00% |
| 300650 | First-aid boxes & kits | 0.00% | 0.00% |
| 871499 | Parts & accessories of the vehicles of 87.11-87.13, n.e.s. in 87.14 | 0.00% | 100.00% |
| 841981 | Machinery, plant & equip., n.e.s. in Ch.84, for making hot drinks/for cooki ... | 0.00% | 0.00% |
| 901839 | Catheters, cannulae and the like | 0.00% | 0.00% |
| 870190 | Tractors n.e.s. in 87.01 (excl. of 87.09) | 0.00% | 0.00% |
| 300210 | Antisera & oth. blood fractions & modified immunological prods., whether or ... | 0.00% | 99.92% |
| 380830 | Herbicides, anti-sprouting prods. & plant-growth regulators, put up in form ... | 0.00% | 100.00% |
| 391510 | Waste, parings & scrap, of polymers of ethylene | 0.00% | 50.25% |
| 180631 | Chocolate & oth. food preps. cont. cocoa, in blocks/slabs/bars, weighing 2k ... | 0.00% | 0.00% |
| 482360 | Trays, dishes, plates, cups and the like, of paper/paperboard | 0.00% | 10.48% |
| 853710 | Boards, panels, consoles, desks, cabinets & oth. bases, equipped with 2/mor ... | 0.00% | 16.58% |
| 853110 | Burglar/fire alarms & sim. app. | 0.00% | 37.10% |
| 853620 | Automatic circuit breakers, for a voltage not >1000V | 0.00% | 94.85% |
| 290943 | Monobutyl ethers of ethylene glycol/of diethylene glycol | 0.00% | 52.56% |
| 190590 | Bread, pastry, cakes, biscuits & oth. bakers' wares n.e.s. in Ch.19, whethe ... | 0.00% | 0.00% |
| 841391 | Parts of the pumps of 8413.11-8413.81 | 0.00% | 9.95% |
| 841451 | Table/floor/wall/window/ceiling/roof fans, with a self-contained elec. moto ... | 0.00% | 0.00% |
| 841490 | Parts of the pumps, compressors, fans & recycling hoods of 8414.10-8414.20 | 0.00% | 81.15% |
| 330749 | Preparations for perfuming/deodorizing rooms other than agarbatti & oth. od ... | 0.00% | 0.44% |
| 820570 | Vices, clamps and the like | 0.00% | 0.85% |
| 940380 | Furniture of mats. other than metal/wood/plastics, incl. cane/osier/bamboo/ ... | 0.00% | 0.00% |
| 940180 | Seats (excl. of 64.02), n.e.s. in 94.01 | 0.00% | 0.00% |
| 846799 | Parts of tools for working in the hand (excl. of chain saws, of pneumatic t ... | 0.00% | 31.59% |
| 220110 | Mineral waters (nat./art.) & aerated waters, not cont. added sugar/oth. swe ... | 0.00% | 5.16% |
| 741999 | Articles of copper n.e.s. in Ch.74 | 0.00% | 1.39% |
| | | 0.08% | 21.08% |

## b. Egypt's Analytical Table

| Missed Opportunities | | | |
|---|---|---|---|
| **HS Code** | **Product Description** | **Export Share** | **Share to EU27** |
| 130219 | Vegetable saps & extracts (excl. of 1302.11-1302.14) | 0.36% | 0.24% |
| 210111 | Extracts, essences & concs. of coffee | 0.08% | 24.96% |
| 210210 | Active yeasts | 0.16% | 3.42% |
| 281420 | Ammonia in aqueous solution | 0.08% | 20.17% |
| 392210 | Baths, shower-baths, sinks & wash-basins, of plastics | 0.34% | 76.67% |
| 392350 | Stoppers, lids, caps & oth. closures, of plastics | 0.08% | 0.60% |
| 481910 | Cartons, boxes & cases, of corrugated paper/paperboard | 0.08% | 32.43% |
| 570190 | Carpets & oth. textile floor coverings, knotted, whether or not made up, of ... | 1.28% | 28.99% |
| 620462 | Women's/girls', trousers, bib & brace overalls, breeches & shorts (excl. sw ... | 0.24% | 64.46% |
| 621050 | Women's/girls' garments made up of fabrics of 59.03/59.06/59.07, n.e.s. | 0.08% | 38.24% |
| 690710 | Unglazed ceramic tiles, cubes & sim. arts., whether or not rect., the large ... | 0.14% | 0.24% |
| 690890 | Glazed ceramic flags & paving/hearth/wall tiles (excl. of 6908.10); glazed ... | 0.13% | 5.13% |
| 732690 | Articles of iron/steel, n.e.s. | 0.21% | 22.93% |
| 750890 | Articles of nickel n.e.s. in Ch.75 | 0.07% | 0.19% |
| 853710 | Boards, panels, consoles, desks, cabinets & oth. bases, equipped with 2/mor ... | 0.08% | 12.44% |
| | Total share | 3.42% | 27.98% |

| Missed Opportunities among the rising Star | | | |
|---|---|---|---|
| **HS Code** | **Product Description** | **Export Share** | **Share to EU27** |
| 392690 | Articles of plastics & arts. of oth. mats. of 39.01-39.14, n.e.s. in Ch.39 | 0.47% | 0.190933 |
| 691010 | Ceramic sinks, wash basins, wash basin pedestals, baths, bidets, water clos ... | 0.31% | 0.600657 |
| 730890 | Structures...& parts of structures...of iron/steel (excl. of 7308.10-7308.4 ... | 0.13% | 0.054308 |
| 901890 | Instruments & appls. used in medical/surgical/veterinary sciences, incl. ot ... | 0.09% | 0.653149 |
| | Total share | 1.00% | 0.342891 |

## c. Israel's Analytical Table

| Missed Opportunities | | | |
|---|---|---|---|
| **HS Code** | **Product Description** | **Export Share** | **Share to EU27** |
| 080440 | Avocados, fresh/dried | 0.07% | 80.49% |
| 081090 | Fresh fruit, n.e.s. | 0.06% | 58.51% |
| 283524 | Phosphates of potassium | 0.05% | 33.15% |
| 285100 | Inorganic comps. (incl. distilled/conductivity water & water of sim. purity ... | 0.39% | 50.45% |
| 290243 | p-Xylene | 0.18% | 32.29% |
| 293339 | Heterocyclic comps. cont. an unfused pyridine ring (whether or not hydrogen ... | 0.06% | 55.68% |
| 293359 | Heterocyclic comps. cont. a pyrimidine ring (whether or not hydrogenated)/p ... | 0.11% | 18.20% |
| 300439 | Medicaments cont. hormones/oth. prods. of 29.37 but not cont. antibiotics, ... | 0.06% | 19.74% |
| 340111 | Soap & organic surface-active prods. & preps., in the form of bars/cakes/mo ... | 0.11% | 79.28% |
| 382200 | Diagnostic/laboratory reagents on a backing, prepd. diagnostic/laboratory r ... | 0.07% | 22.04% |
| 382490 | Other chem. prods. & preps. of the chem./allied industries (incl. those con ... | 1.59% | 47.32% |
| 390190 | Polymers of ethylene, in primary forms (excl. of 3901.10-3901.30) | 0.19% | 40.58% |
| 391740 | Fittings (e.g., joints, elbows, flanges) for tubes, pipes & hoses, of plast ... | 0.13% | 65.34% |
| 392049 | Plates, sheets, film, foil & strip, of polymers of vinyl chloride, non-cell ... | 0.08% | 46.17% |
| 392190 | Plates, sheets, film, foil & strip (excl. cellular), of plastics, n.e.s. in ... | 0.08% | 36.74% |
| 392329 | Sacks & bags (incl. cones), of plastics other than polymers of ethylene | 0.07% | 31.45% |
| 392410 | Tableware & kitchenware, of plastics | 0.08% | 48.83% |
| 560311 | Nonwovens, whether or not impregnated/coated/covered/laminated… | 0.10% | 40.12% |
| 710231 | Diamonds, non-industrial, unwkd./simply sawn/cleaved/bruted | 5.04% | 33.10% |
| 710239 | Diamonds, non-industrial other than unwkd./simply sawn/cleaved/bruted | 21.48% | 12.27% |

| | | | |
|---|---|---|---|
| 711311 | Articles of jewellery & parts thereof , of silver, whether or not plated/cl ... | 0.12% | 9.80% |
| 841191 | Parts of the turbo-jets/turbo-propellers of 8411.11-8411.22 | 0.07% | 35.52% |
| 841950 | Heat exchange units, whether or not electrically heated | 0.12% | 71.35% |
| 848180 | Taps, cocks, valves & sim. appls. for pipes/boiler shells/tanks/vats or the ... | 0.23% | 31.17% |
| 850450 | Inductors, n.e.s. (excl. for cathode ray tubes) | 0.09% | 20.51% |
| 851790 | Parts of the app. & equip. of 85.17 | 0.69% | 25.35% |
| 852610 | Radar app. | 0.08% | 20.09% |
| 853400 | Printed circuits | 0.09% | 24.09% |
| 854390 | Parts of the mach. & app. of 85.43 | 0.10% | 34.23% |
| 870829 | Parts & accessories of bodies (incl. cabs) of the motor vehicles of 87.01-8 ... | 0.06% | 58.74% |
| 870899 | Parts & accessories of the motor vehicles of 87.01-87.05, n.e.s. in 87.06-8 ... | 0.06% | 51.63% |
| 880390 | Parts of gds. of 88.01/88.02, n.e.s. in 88.03 | 0.33% | 0.14% |
| 901819 | Electro-diagnostic app. used in medical/surgical/dental/veterinary sciences ... | 0.59% | 25.36% |
| 902290 | X-ray generators (excl. tubes), high tension generators, control panels & d ... | 0.36% | 15.15% |
| 903149 | Optical meas./checking instr. & appls., n.e.s. in Ch.90 | 0.51% | 9.13% |
| 903180 | Measuring/checking instr., app.& machines, n.e.s. in Ch. 90 | 0.28% | 5.17% |
| 903190 | Parts & accessories of the instr., app. & machines of 90.31 | 0.16% | 16.19% |
| 903210 | Thermostats | 0.06% | 19.44% |
| 903289 | Automatic regulating/controlling instr. & app., n.e.s. in 90.32 | 0.06% | 12.49% |
| | Tot | 34.09% | 19.82% |

| Missed Opportunities Among the Rising Star | | | |
|---|---|---|---|
| **HS Code** | **Product Description** | **Export Share** | **Share to EU27** |
| 190590 | Bread, pastry, cakes, biscuits & oth. bakers' wares n.e.s. in Ch.19, whethe ... | 0.12% | 29.13% |
| 210690 | Food preps., n.e.s. | 0.28% | 49.90% |
| 300210 | Antisera & oth. blood fractions & modified immunological prods., whether or ... | 0.36% | 24.41% |
| 330499 | Beauty/make-up preps. & preps. for the care of the skin (excl. meds.; excl. ... | 0.33% | 26.24% |
| 392490 | Household arts. & toilet arts. (excl. tableware & kitchenware), of plastics ... | 0.09% | 23.87% |
| 710813 | Gold (incl. gold plated with platinum), non-monetary, in semi-manufactured ... | 0.13% | 41.02% |
| 847990 | Parts of the mach. & mech. appls. of 84.79 | 0.09% | 27.00% |
| 853710 | Boards, panels, consoles, desks, cabinets & oth. bases, equipped with 2/mor ... | 0.16% | 16.20% |
| 902780 | Instruments & app. for physical/chem. analysis, n.e.s. in 90.27 | 0.06% | 36.63% |
| | Tot | 1.62% | 30.69% |

## d. Jordan’s Analytical Table

| Missed Opportunities | | | |
|---|---|---|---|
| **HS Code** | **Product Description** | **Export Share** | **Share to EU** |
| 480300 | Toilet/facial tissue stock, towel/napkin stock & sim. paper of a kind used ... | 1.07% | 0.00% |
| 210690 | Food preps., n.e.s. | 0.94% | 13.20% |
| 621143 | Track suits (excl. knitted or crocheted), women's/girls'; oth. garments, n. ... | 0.87% | 0.00% |
| 160250 | Prepared/presvd. preps. of bovine animals (excl. homogenised preps.), incl. ... | 0.34% | 0.00% |
| 610520 | Men's/boys' shirts, knitted or crocheted, of man-made fibres | 0.30% | 0.00% |
| 391739 | Tubes, pipes & hoses of plastics, n.e.s. (excl. of 3917.21-3917.33) | 0.25% | 0.82% |
| 481840 | Sanitary towels & tampons, napkins & napkin liners for babies & sim. sanita ... | 0.23% | 0.03% |
| 380810 | Insecticides, put up in forms or packings-RS/as preps./arts. | 0.23% | 1.57% |
| 710812 | Gold (incl. gold plated with platinum), in unwrought forms (excl. powder) | 0.22% | 9.10% |
| 481810 | Toilet paper, in rolls of a width not >36cm/cut to size/shape | 0.22% | 0.00% |
| 070410 | Cauliflowers & headed broccoli, fresh/chilled | 0.20% | 2.15% |
| 392329 | Sacks & bags (incl. cones), of plastics other than polymers of ethylene | 0.20% | 0.37% |
| 841869 | Refrigerating/freezing equip. n.e.s. in 84.18; heat pumps | 0.17% | 0.00% |
| 080711 | Watermelons, fresh | 0.16% | 0.00% |
| 240290 | Cigars, cheroots, cigarillos & cigarettes of tobacco substitutes | 0.15% | 0.00% |
| 730890 | Structures...& parts of structures...of iron/steel (excl. of 7308.10-7308.4 ... | 0.15% | 0.38% |
| 481910 | Cartons, boxes & cases, of corrugated paper/paperboard | 0.12% | 0.14% |

| | | | |
|---|---|---|---|
| 392020 | Plates, sheets, film, foil & strip, of polymers of propylene, non-cellular ... | 0.12% | 0.00% |
| 940370 | Furniture of plastics (excl. of 94.01) | 0.12% | 1.08% |
| 190110 | Preparations for infant use, put up for RS | 0.10% | 0.00% |
| 321410 | Glaziers' putty, grafting putty, resin cements, caulking comps. & oth. mast ... | 0.10% | 0.00% |
| 940360 | Wooden furniture (excl. of 94.01 & 9403.30-9403.50) | 0.07% | 2.36% |
| 210500 | Ice cream & oth. edible ice, whether or not cont. cocoa | 0.07% | 0.00% |
| 841590 | Parts of the air-conditioning machines of 8415.10-8415.83 | 0.07% | 0.00% |
| 190590 | Bread, pastry, cakes, biscuits & oth. bakers' wares n.e.s. in Ch.19, whethe ... | 0.07% | 4.49% |
| 560122 | Wadding; oth. arts. of wadding, of man-made fibres | 0.07% | 0.00% |
| 020230 | Meat of bovine animals, frozen, boneless | 0.06% | 0.00% |
| 853720 | Boards, panels, consoles, desks, cabinets & oth. bases, equipped with 2/mor ... | 0.05% | 0.00% |
| 180690 | Chocolate & oth. food preps. cont. cocoa (excl. of 1806.20-1806.32) | 0.05% | 1.56% |
| 940340 | Wooden furniture of a kind used in the kitchen | 0.05% | 0.00% |
| 240399 | Manufactured tobacco & manufactured tobacco substitutes, n.e.s. (excl. smok ... | 0.05% | 0.23% |
| 392490 | Household arts. & toilet arts. (excl. tableware & kitchenware), of plastics ... | 0.05% | 1.63% |
| 611030 | Jerseys, pullovers, cardigans, waist-coats & sim. arts., knitted or crochet ... | 0.05% | 4.21% |
| 150910 | Olive oil, virgin | 0.05% | 3.45% |
| 210112 | Preparations with a basis of extracts/essences/concs. of coffee/with a basi ... | 0.04% | 0.16% |
| 392119 | Plates, sheets, film, foil & strip, cellular, of plastics, n.e.s. in 39.21 | 0.04% | 0.00% |
| 070190 | Potatoes other than seed potatoes, fresh/chilled | 0.04% | 0.00% |
| 350691 | Adhesives based on polymers of 39.01-39.13/based on rubber | 0.04% | 0.00% |
| 731010 | Tanks,casks,drums,cans,boxes&sim.conts.,for any mat.other thancompressed/li ... | 0.03% | 0.00% |
| 090121 | Coffee, roasted, not decaffeinated | 0.03% | 2.64% |
| 070490 | Cabbages, kohlrabi, kale & sim. edible brassicas (excl. cauliflowers, heade ... | 0.03% | 0.00% |
| | | 7.28% | 2.32% |

| Missed Opportunities | | | |
|---|---|---|---|
| HS Code | Product Description | Export Share | Share to EU |
| 392410 | Tableware & kitchenware, of plastics | 0.07% | 0.19% |
| 391740 | Fittings (e.g., joints, elbows, flanges) for tubes, pipes & hoses, of plast ... | 0.04% | 2.84% |
| 080550 | Lemons (Citrus limon/limonum) & limes (Citrus aurantifolia/latifolia), fres ... | 0.04% | 0.00% |
| 940320 | Metal furniture (excl. of 94.01 & 94.02) | 0.04% | 0.81% |
| 220890 | Undenatured ethyl alcohol of an alcoholic strength by volume <80%vol; oth. ... | 0.03% | 0.00% |
| | | 0.21% | 0.72% |

## e. Lebanon's Analytical Table

| Missed Opportunities | | | |
|---|---|---|---|
| HS Code | Product Description | Export Share | Share to EU27 |
| 080300 | Bananas, incl. plantains, fresh/dried | 11.06% | 0.00% |
| 100110 | Durum wheat | 1.70% | 10.49% |
| 190531 | Sweet biscuits | 0.65% | 0.15% |
| 390190 | Polymers of ethylene, in primary forms (excl. of 3901.10-3901.30) | 0.39% | 16.27% |
| 392690 | Articles of plastics & arts. of oth. mats. of 39.01-39.14, n.e.s. in Ch.39 | 0.38% | 0.00% |
| 481310 | Cigarette paper, in the form of booklets/tubes | 0.19% | 0.01% |
| 481820 | Handkerchiefs, cleansing/facial tissues & towels, of paper pulp/paper/cellu ... | 0.16% | 5.79% |
| 481840 | Sanitary towels & tampons, napkins & napkin liners for babies & sim. sanita ... | 0.15% | 42.06% |
| 680229 | Worked monumental/building stone & arts. thereof (excl. gds. of 68.01)...(e ... | 0.13% | 10.77% |
| 710231 | Diamonds, non-industrial, unwkd./simply sawn/cleaved/bruted | 0.11% | 5.34% |
| 710812 | Gold (incl. gold plated with platinum), in unwrought forms (excl. powder) | 0.10% | 0.71% |
| 711319 | Articles of jewellery & parts thereof , of oth. precious metal (excl. silve ... | 0.10% | 13.56% |
| 730830 | Doors, windows & their frames, & thresholds for doors, of iron/steel | 0.10% | 9.49% |
| 732399 | Table/kitchen/oth. h-hold. arts. & parts thereof (sim. to but excl. those o ... | 0.09% | 0.26% |
| 732690 | Articles of iron/steel, n.e.s. | 0.08% | 9.35% |
| 761090 | Aluminium structures (excl. prefabricated buildings of 94.06) & oth. parts ... | 0.08% | 63.80% |

| | | | |
|---|---|---|---|
| 842121 | Filtering/purifying mach. & app. for filtering/purifying water | 0.08% | 3.11% |
| 853720 | Boards, panels, consoles, desks, cabinets & oth. bases, equipped with 2/mor ... | 0.08% | 1.63% |
| | | 15.63% | 2.71% |

| Missed Opportunities among the Rising Star | | | |
|---|---|---|---|
| **HS Code** | **Product Description** | **Export Share** | **Share to EU** |
| 271019 | Petroleum oils & oils obt. from bituminous mins. (excl. crude) & preps. oth ... | 0.56% | 0.02% |
| 852520 | Transmission app. for radio-telephony/radio-telegraphy/radio-broadcasting/t ... | 0.17% | 2.81% |
| 880330 | Parts of aeroplanes/helicopters, other than propellers, rotors, under-carri ... | 0.16% | 17.20% |
| 940510 | Chandeliers & oth. elec. ceiling/wall lighting fittings (excl. those of a k ... | 0.13% | 75.30% |
| 940540 | Electric lamps & lighting fittings, n.e.s. in 94.05 | 0.07% | 3.17% |
| | | 1.09% | 11.99% |

## f. Morocco's Analytical Table

| Missed Opportunities | | | |
|---|---|---|---|
| **HS Code** | **Product Description** | **Export Share** | **Share to EU27** |
| 310540 | Ammonium dihydrogenorthophosphate (monoammonium phosphate) &mixts. thereof ... | 3.13% | 10.35% |
| 854129 | Transistors (excl. photosensitive transistors), other than those with a dis ... | 1.81% | 28.11% |
| 620462 | Women's/girls', trousers, bib & brace overalls, breeches & shorts (excl. sw ... | 0.89% | 99.45% |
| 620342 | Men's/boys' trousers, bib & brace overalls, breeches & shorts (excl. swimwe ... | 0.76% | 95.26% |
| 200570 | Olives, presvd./presvd. othw. than by vinegar/acetic acid, not frozen, othe ... | 0.59% | 68.06% |
| 160420 | Prepared/presvd. fish other than whole/in pieces | 0.50% | 87.24% |
| 853890 | Parts suit. for use solely/princ. with the app. of 85.35/85.36/85.37 (excl. ... | 0.43% | 96.67% |
| 640399 | Footwear (excl. waterproof) with outer soles of rubber/plastics/composition ... | 0.40% | 83.07% |
| 260300 | Copper ores &concs. | 0.39% | 46.06% |
| 610990 | T-shirts, singlets &oth. vests, knitted or crocheted, other than of cotton ... | 0.37% | 98.57% |
| 620469 | Women's/girls', trousers, bib & brace overalls, breeches & shorts (excl. sw ... | 0.37% | 98.08% |
| 620443 | Women's/girls' dresses (excl. knitted or crocheted), of synth. fibres | 0.34% | 99.90% |
| 030613 | Shrimps & prawns, whether or not in shell, frozen | 0.32% | 99.99% |
| 620520 | Men's/boys' shirts (excl. knitted or crocheted), of cotton | 0.31% | 98.12% |
| 081110 | Strawberries, uncooked/cooked by steaming/boiling in water, frozen, whether ... | 0.29% | 91.14% |
| 870894 | Steering wheels, steering columns & steering boxes for the motor vehicles o ... | 0.25% | 99.43% |
| 080510 | Oranges, fresh/dried | 0.24% | 85.43% |
| 401699 | Articles of vulcanised rubber other than hard rubber, n.e.s. in Ch.40 | 0.23% | 97.27% |
| 030269 | Fish, n.e.s., fresh/chilled (excl. fillets/oth. fish meat of 03.04/livers & ... | 0.22% | 97.21% |
| 611030 | Jerseys, pullovers, cardigans, waist-coats & sim. arts., knitted or crochet ... | 0.22% | 98.06% |
| 081010 | Strawberries, fresh | 0.18% | 99.47% |
| 080719 | Melons (excl. watermelons), fresh | 0.17% | 98.57% |
| 620192 | Men's/boys', anoraks (incl. ski-jackets), wind-cheaters, wind-jackets & sim ... | 0.16% | 98.91% |
| 620442 | Women's/girls' dresses (excl. knitted or crocheted), of cotton | 0.16% | 99.04% |
| 721070 | Flat-rolled prods. of iron/non-alloy steel, of a width of 600mm/more, paint ... | 0.16% | 24.64% |
| 940320 | Metal furniture (excl. of 94.01 & 94.02) | 0.16% | 98.46% |
| 620433 | Women's/girls' jackets & blazers (excl. knitted or crocheted), of synth. fi ... | 0.15% | 99.61% |
| 160416 | Anchovies, prepd./presvd., whole/in pieces (excl. minced) | 0.14% | 70.58% |
| 640391 | Footwear (excl. waterproof) with outer soles of rubber/plastics/composition ... | 0.13% | 94.80% |
| 520942 | Woven fabrics of cotton, cont. 85%/more by wt. of cotton, denim, weighing > ... | 0.12% | 62.22% |
| 853710 | Boards, panels, consoles, desks, cabinets &oth. bases, equipped with 2/mor ... | 0.12% | 85.67% |
| 210111 | Extracts, essences &concs. of coffee | 0.11% | 4.23% |
| 620439 | Women's/girls' jackets & blazers (excl. knitted or crocheted), of textile m ... | 0.11% | 98.26% |
| 640510 | Footwear with uppers of leather/composition leather, n.e.s. | 0.11% | 42.67% |
| 620530 | Men's/boys' shirts (excl. knitted or crocheted), of man-made fibres | 0.10% | 99.88% |
| 610342 | Men's/boys' trousers, bib & brace overalls, breeches & shorts (excl. swimwe ... | 0.09% | 98.28% |
| 620333 | Men's/boys' jackets & blazers (excl. knitted or crocheted), of synth. fibre ... | 0.09% | 99.92% |
| 620343 | Men's/boys' trousers, bib & brace overalls, breeches & shorts (excl. swimwe ... | 0.09% | 99.19% |

| | | | |
|---|---|---|---|
| 620432 | Women's/girls' jackets & blazers (excl. knitted or crocheted), of cotton | 0.09% | 99.74% |
| 620449 | Women's/girls' dresses (excl. knitted or crocheted), of textile mats. other ... | 0.09% | 94.29% |
| 030374 | Mackerel (Scomberscombrus/australasicus/japonicus), frozen (excl. fillets/ ... | 0.07% | 22.77% |
| 620452 | Women's/girls' skirts & divided skirts (excl. knitted or crocheted), of cot ... | 0.07% | 96.91% |
| 330300 | Perfumes & toilet waters | 0.06% | 37.41% |
| 610444 | Women's/girls' dresses, knitted or crocheted, of art. fibres | 0.06% | 99.82% |
| 610459 | Women's/girls' skirts & divided skirts, knitted or crocheted, of textile ma ... | 0.06% | 99.86% |
| 620459 | Women's/girls' skirts & divided skirts (excl. knitted or crocheted), of tex ... | 0.06% | 99.96% |
| 630900 | Worn clothing &oth. worn arts. | 0.06% | 30.42% |
| 880390 | Parts of gds. of 88.01/88.02, n.e.s. in 88.03 | 0.06% | 99.99% |
| 121220 | Seaweeds &oth. algae, fresh/chilled/frozen/dried, whether or not ground | 0.05% | 26.05% |
| 200850 | Apricots, prepd./presvd., whether or not cont. added sugar/oth. sweetening ... | 0.05% | 98.48% |
| 621410 | Shawls, scarves, mufflers, mantillas, veils and the like (excl. knitted or ... | 0.05% | 99.87% |
| | Total share | 15.24% | 64.76% |

| Missed Opportunities among the Rising Star | | | |
|---|---|---|---|
| HS Code | Product Description | Export Share | Share to EU27 |
| 870331 | Vehicles princ. designed for the tpt. of persons (excl. of 87.02 & 8703.10- ... | 0.84% | 14.25% |
| 300490 | Medicaments (excl. of 30.02/30.05/30.06) consisting of mixed/unmixed prods. ... | 0.37% | 73.66% |
| 392690 | Articles of plastics & arts. ofoth. mats. of 39.01-39.14, n.e.s. in Ch.39 | 0.21% | 78.19% |
| 854221 | Monolithic integrated circuits, digital | 0.21% | 96.55% |
| 870829 | Parts & accessories of bodies (incl. cabs) of the motor vehicles of 87.01-8 ... | 0.19% | 96.50% |
| 691010 | Ceramic sinks, wash basins, wash basin pedestals, baths, bidets, water clos ... | 0.14% | 84.96% |
| 420221 | Handbags, whether or not with shoulder strap, incl. those without handle, w ... | 0.10% | 95.26% |
| 847990 | Parts of the mach. & mech. appls. of 84.79 | 0.09% | 97.80% |
| 640299 | Footwear (excl. waterproof) with outer soles & uppers of rubber/plastics (e ... | 0.08% | 95.85% |
| 851220 | Lighting/visual signalling equip. of a kind used for cycles (excl. bicycles ... | 0.07% | 74.89% |
| 611241 | Women's/girls' swimwear, knitted or crocheted, of synth. fibres | 0.05% | 63.87% |
| 853650 | Switches other than isolating switches & make-&-break switches, for a volta ... | 0.05% | 54.94% |
| 853669 | Plugs & sockets for a voltage not >1000V | 0.05% | 49.88% |
| | Total share | 2.44% | 59.34% |

## g. Palestine’s Analytical Table

| Missed Opportunities | | | |
|---|---|---|---|
| HS Code | Product Description | Export Share | Share to EU27 |
| 040310 | Yogurt | 0.23% | 0.01% |
| 110419 | Rolled/flaked grains of cereals other than oats | 0.49% | 0.00% |
| 121190 | Plants & parts of plants, incl. seeds & fruits, of a kind used primarily in ... | 0.30% | 17.14% |
| 170490 | Sugar confectionery other than chewing gum (incl. white chocolate), not con ... | 0.42% | 0.06% |
| 210690 | Food preps., n.e.s. | 1.06% | 1.37% |
| 220890 | Undenatured ethyl alcohol of an alcoholic strength by volume <80%vol; oth. ... | 0.19% | 0.00% |
| 390190 | Polymers of ethylene, in primary forms (excl. of 3901.10-3901.30) | 0.59% | 0.00% |
| 391721 | Tubes, pipes & hoses, rigid, of polymers of ethylene | 0.37% | 0.00% |
| 392310 | Boxes, cases, crates & sim. arts., of plastics | 0.06% | 0.00% |
| 392321 | Sacks & bags (incl. cones), of polymers of ethylene | 4.52% | 0.00% |
| 392410 | Tableware & kitchenware, of plastics | 0.32% | 0.00% |
| 440110 | Fuel wood, in logs/billets/twigs/faggots/sim. forms | 0.13% | 0.00% |
| 441510 | Cases, boxes, crates, drums & sim. packings of wood; cable-drums of wood | 0.06% | 0.00% |
| 441520 | Pallets, box pallets & oth. load boards of wood; pallet collars of wood | 1.31% | 0.00% |
| 442010 | Statuettes & oth. ornaments, of wood | 0.12% | 36.20% |
| 481840 | Sanitary towels & tampons, napkins & napkin liners for babies & sim. sanita ... | 0.12% | 0.00% |
| 481910 | Cartons, boxes & cases, of corrugated paper/paperboard | 0.13% | 0.00% |
| 491199 | Printed matter, n.e.s. | 0.06% | 0.29% |
| 620990 | Babies' garments & clothing accessories (excl. knitted or crocheted), of te ... | 0.12% | 0.00% |

| | | | |
|---|---|---|---|
| 640620 | Outer soles & heels, of rubber/plastics | 0.09% | 6.69% |
| 680221 | Worked monumental/building stone & arts. thereof (excl. gds. of 68.01), sim ... | 3.11% | 1.62% |
| 680223 | Worked monumental/building stone & arts. thereof (excl. gds. of 68.01), sim ... | 0.09% | 0.00% |
| 680229 | Worked monumental/building stone & arts. thereof (excl. gds. of 68.01)...(e ... | 14.15% | 0.39% |
| 681011 | Building blocks & bricks, of cement/concrete/art. stone, whether or not rei ... | 0.14% | 0.00% |
| 681099 | Articles of cement/concrete/art. stone, whether or not reinf. (excl. of 681 ... | 0.17% | 0.00% |
| 730120 | Welded angles, shapes & sections of iron/steel | 0.26% | 0.00% |
| 730830 | Doors, windows & their frames, & thresholds for doors, of iron/steel | 0.26% | 0.00% |
| 761010 | Doors, windows & their frames & thresholds for doors, of aluminium | 0.36% | 0.00% |
| 853710 | Boards, panels, consoles, desks, cabinets & oth. bases, equipped with 2/mor ... | 0.05% | 0.00% |
| 940320 | Metal furniture (excl. of 94.01 & 94.02) | 0.08% | 0.00% |
| 940350 | Wooden furniture of a kind used in the bedroom | 2.37% | 0.00% |
| 940429 | Mattresses of oth. mats. (excl. cellular rubber/plastics) | 0.63% | 0.00% |
| | | 32.37% | 0.68% |

| Missed Opportunities among the Rising star | | | |
|---|---|---|---|
| **HS Code** | **Product Description** | **Export Share** | **Share to EU27** |
| 392690 | Articles of plastics & arts. of oth. mats. of 39.01-39.14, n.e.s. in Ch.39 | 0.10% | 0.00% |
| 420221 | Handbags, whether or not with shoulder strap, incl. those without handle, w ... | 0.06% | 0.00% |
| 640299 | Footwear (excl. waterproof) with outer soles & uppers of rubber/plastics (e ... | 0.05% | 0.00% |
| 847160 | Input/output units (of auto. data processing machines), whether or not cont ... | 0.07% | 0.00% |
| 853669 | Plugs & sockets for a voltage not >1000V | 0.12% | 0.00% |
| | | 0.41% | 0.00% |

## h. Tunisia's Analytical Table

| Missed Opportunities | | | |
|---|---|---|---|
| **HS Code** | **Product Description** | **Export Share** | **Share to EU27** |
| 030235 | Bluefin tunas (Thunnus thynnus), fresh/chilled (excl. fillets/oth. fish mea ... | 2.78% | 97.17% |
| 030749 | Cuttle fish (Sepia officinalis, Rossia macrosoma, Sepiola spp.) & squid (Om ... | 1.40% | 99.73% |
| 030759 | Octopus (Octopus spp.), other than live/fresh/chilled | 1.05% | 99.26% |
| 151529 | Maize (corn) oil, other than crude, & fractions thereof , whether or not re ... | 1.04% | 99.52% |
| 190219 | Uncooked pasta, not stuffed/othw. prepd., not cont. eggs | 0.95% | 97.90% |
| 190590 | Bread, pastry, cakes, biscuits & oth. bakers' wares n.e.s. in Ch.19, whethe ... | 0.81% | 95.24% |
| 250100 | Salt (incl. table salt & denatured salt) & pure sodium chloride, whether or ... | 0.55% | 84.02% |
| 283525 | Calcium hydrogenorthophosphate (dicalcium phosphate) | 0.48% | 86.07% |
| 391729 | Tubes, pipes & hoses, rigid, of plastics n.e.s. in 39.17 | 0.44% | 99.44% |
| 391739 | Tubes, pipes & hoses of plastics, n.e.s. (excl. of 3917.21-3917.33) | 0.42% | 96.48% |
| 401120 | New pneumatic tyres, of rubber, of a kind used on buses/lorries | 0.33% | 1.13% |
| 610910 | T-shirts, singlets & oth. vests, knitted or crocheted, of cotton | 0.32% | 99.38% |
| 610990 | T-shirts, singlets & oth. vests, knitted or crocheted, other than of cotton ... | 0.31% | 2.46% |
| 611011 | Jerseys, pullovers, cardigans, waist-coats & sim. arts., knitted or crochet ... | 0.28% | 98.20% |
| 620342 | Men's/boys' trousers, bib & brace overalls, breeches & shorts (excl. swimwe ... | 0.19% | 14.00% |
| 620349 | Men's/boys' trousers, bib & brace overalls, breeches & shorts (excl. swimwe ... | 0.17% | 98.83% |
| 620439 | Women's/girls' jackets & blazers (excl. knitted or crocheted), of textile m ... | 0.15% | 48.99% |
| 620462 | Women's/girls', trousers, bib & brace overalls, breeches & shorts (excl. sw ... | 0.14% | 97.89% |
| 620520 | Men's/boys' shirts (excl. knitted or crocheted), of cotton | 0.12% | 7.15% |
| 621010 | Garments made up of fabrics of 56.02/56.03 | 0.11% | 99.03% |
| 621210 | BrassiFres & parts thereof , whether or not knitted or crocheted | 0.10% | 93.30% |
| 630499 | Textile furnishing arts. other than bedspreads (excl. of 94.04), not knitte ... | 0.10% | 44.33% |
| 640391 | Footwear (excl. waterproof) with outer soles of rubber/plastics/composition ... | 0.10% | 31.12% |
| 640399 | Footwear (excl. waterproof) with outer soles of rubber/plastics/composition ... | 0.09% | 0.00% |
| 690890 | Glazed ceramic flags & paving/hearth/wall tiles (excl. of 6908.10); glazed ... | 0.09% | 99.51% |

| | | | |
|---|---|---|---|
| 730890 | Structures...& parts of structures...of iron/steel (excl. of 7308.10-7308.4 ... | 0.09% | 47.23% |
| 732690 | Articles of iron/steel, n.e.s. | 0.08% | 20.05% |
| 760429 | Bars, rods & profiles (excl. hollow profiles) of aluminium alloys | 0.08% | 0.00% |
| 848350 | Flywheels & pulleys, incl. pulley blocks | 0.08% | 94.33% |
| 850450 | Inductors, n.e.s. (excl. for cathode ray tubes) | 0.08% | 99.99% |
| 850710 | Electric accumulators, incl. separators therefor, whether or not rect. (inc ... | 0.07% | 0.00% |
| 853400 | Printed circuits | 0.07% | 92.20% |
| 853890 | Parts suit. for use solely/princ. with the app. of 85.35/85.36/85.37 (excl. ... | 0.07% | 76.05% |
| 871639 | Trailers & semi-trailers for the tpt. of gds. (excl. of 8716.10-8716.31) | 0.06% | 99.46% |
| | | 13.21% | 86.02% |

| Missed Opportunities | | | |
|---|---|---|---|
| **HS Code** | **Product Description** | **Export Share** | **Share to EU27** |
| 210690 | Food preps., n.e.s. | 0.16% | 77.59% |
| 340290 | Organic surface-active agents, surface-active preps., washing preps. & clea ... | 0.15% | 97.24% |
| 392190 | Plates, sheets, film, foil & strip (excl. cellular), of plastics, n.e.s. in ... | 0.11% | 30.43% |
| 620640 | Women's/girls' blouses, shirts & shirt-blouses (excl. knitted or crocheted) ... | 0.09% | 83.60% |
| 840991 | Parts suit. for use solely/princ. with spark-ignition int. comb. piston eng ... | 0.08% | 99.61% |
| 848180 | Taps, cocks, valves & sim. appls. for pipes/boiler shells/tanks/vats or the ... | 0.07% | 43.07% |
| 950390 | Toys n.e.s. in 95.03 | 0.07% | 0.15% |
| | | 0.74% | 67.30% |

## i. Turkey's Analytical Table

| Missed Opportunities | | | |
|---|---|---|---|
| **HS Code** | **Product Description** | **Export Share** | **Share to EU** |
| 870331 | Vehicles princ. designed for the tpt. of persons (excl. of 87.02 & 8703.10- ... | 1.25% | 7.62% |
| 870323 | Vehicles (excl. of 87.02 & 8703.10) princ. designed for the tpt. of persons ... | 1.08% | 6.65% |
| 620462 | Women's/girls', trousers, bib & brace overalls, breeches & shorts (excl. sw ... | 0.89% | 26.56% |
| 854459 | Electric conductors (excl. of 8544.11-8544.30), for a voltage >80V but not ... | 0.81% | 76.26% |
| 840999 | Parts suit. for use solely/princ. with the engines of 84.07/84.08 (excl. of ... | 0.75% | 8.91% |
| 851660 | Electric ovens other than microwave ovens; elec. cookers, cooking plates, b ... | 0.47% | 61.52% |
| 611592 | Hosiery, knitted or crocheted, of cotton | 0.45% | 5.25% |
| 730890 | Structures...& parts of structures...of iron/steel (excl. of 7308.10-7308.4 ... | 0.45% | 47.21% |
| 630260 | Toilet linen & kitchen linen, of terry towelling/sim. terry fabrics, of cot ... | 0.42% | 43.82% |
| 680291 | Mosaic cubes and the like, of marble/travertine/alabaster, whether or not o ... | 0.36% | 27.98% |
| 401699 | Articles of vulcanised rubber other than hard rubber, n.e.s. in Ch.40 | 0.34% | 25.62% |
| 690890 | Glazed ceramic flags & paving/hearth/wall tiles (excl. of 6908.10); glazed ... | 0.30% | 71.31% |
| 760429 | Bars, rods & profiles (excl. hollow profiles) of aluminium alloys | 0.30% | 80.60% |
| 730660 | Tubes, pipes & hollow profiles (excl. of 7306.10-7306.50), welded, of non-c ... | 0.25% | 51.50% |
| 080520 | Mandarins, incl. tangerines & satsumas; clementines, wilkings & sim. citrus ... | 0.23% | 58.95% |
| 392020 | Plates, sheets, film, foil & strip, of polymers of propylene, non-cellular ... | 0.23% | 63.29% |
| 080550 | Lemons (Citrus limon/limonum) & limes (Citrus aurantifolia/latifolia), fres ... | 0.22% | 87.12% |
| 730630 | Tubes, pipes & hollow profiles (excl. of 7306.10 & 7306.20), welded, of cir ... | 0.22% | 86.73% |
| 741300 | Stranded wire, cables, plaited bands and the like, of copper, not electrica ... | 0.20% | 84.92% |
| 180690 | Chocolate & oth. food preps. cont. cocoa (excl. of 1806.20-1806.32) | 0.19% | 68.12% |
| 732111 | Cooking appls. & plate warmers, for gas fuel/for both gas & oth. fuels | 0.19% | 77.98% |
| 540761 | Woven fabrics (excl. of 5407.10-5407.30), cont. 85%/more by wt. of non-text ... | 0.18% | 16.26% |

| | | | |
|---|---|---|---|
| 841850 | Refrigerating/freezing chests, cabinets, display counters, show-cases & sim ... | 0.17% | 44.73% |
| 760612 | Plates, sheets & strip, rect. (incl. square), of a thkns. >0.2mm, of alumin ... | 0.15% | 58.83% |
| 853710 | Boards, panels, consoles, desks, cabinets & oth. bases, equipped with 2/mor ... | 0.15% | 42.19% |
| 853720 | Boards, panels, consoles, desks, cabinets & oth. bases, equipped with 2/mor ... | 0.15% | 9.20% |
| 854430 | Ignition wiring sets & oth. wiring sets of a kind used in vehicles/aircraft ... | 0.15% | 48.29% |
| 210210 | Active yeasts | 0.14% | 33.54% |
| 340111 | Soap & organic surface-active prods. & preps., in the form of bars/cakes/mo ... | 0.14% | 76.65% |
| 630532 | Flexible intermediate bulk conts. of a kind used for the packing of gds., o ... | 0.14% | 52.20% |
| 080510 | Oranges, fresh/dried | 0.13% | 70.49% |
| 080920 | Cherries, fresh | 0.13% | 21.14% |
| 260300 | Copper ores & concs. | 0.13% | 97.01% |
| 390690 | Acrylic polymers other than poly(methyl methacrylate), in primary forms | 0.13% | 78.97% |
| 610442 | Women's/girls' dresses, knitted or crocheted, of cotton | 0.13% | 47.98% |
| 840820 | Compression-ignition int. comb. piston engines (diesel/semi-diesel engines) ... | 0.13% | 51.97% |
| 391740 | Fittings (e.g., joints, elbows, flanges) for tubes, pipes & hoses, of plast ... | 0.12% | 14.08% |
| 551511 | Woven fabrics of polyester staple fibres mixed mainly or solely with viscos ... | 0.12% | 64.48% |
| 850710 | Electric accumulators, incl. separators therefor, whether or not rect. (inc ... | 0.12% | 26.25% |
| 940600 | Prefabricated buildings | 0.12% | 20.13% |
| 200190 | Vegetables, fruit, nuts & oth. edible parts of plants (excl. cucumbers & gh ... | 0.11% | 93.56% |
| 610444 | Women's/girls' dresses, knitted or crocheted, of art. fibres | 0.11% | 47.21% |
| 870893 | Clutches & parts thereof for the motor vehicles of 87.01-87.05 | 0.11% | 64.13% |
| 732393 | Table/kitchen/oth. h-hold. arts. & parts thereof (excl. of 7323.10), of sta ... | 0.10% | 89.29% |
| 761090 | Aluminium structures (excl. prefabricated buildings of 94.06) & oth. parts ... | 0.10% | 62.68% |
| 841899 | Parts of the refrigerating/freezing equip. & heat pumps of 8418.10-8418.69 ... | 0.09% | 20.78% |
| | | 12.85% | 58.23% |

| **Missed Opportunities among the Rising Star** | | | |
|---|---|---|---|
| **HS Code** | **Product Description** | **Export Share** | **Share to EU27** |
| 870332 | Vehicles princ. designed for the tpt. of persons (excl. of 87.02 & 8703.10- ... | 0.94% | 18.99% |
| 870829 | Parts & accessories of bodies (incl. cabs) of the motor vehicles of 87.01-8 ... | 0.53% | 76.72% |
| 200819 | Nuts (excl. ground-nuts), incl. mixts., prepd./presvd., whether or not cont ... | 0.49% | 37.97% |
| 870870 | Road wheels & parts & accessories thereof for the motor vehicles of 87.01-8 ... | 0.43% | 0.92% |
| 880330 | Parts of aeroplanes/helicopters, other than propellers, rotors, under-carri ... | 0.42% | 44.19% |
| 870431 | Motor vehicles for the tpt. of gds. (excl. of 8704.10), with spark-ignition ... | 0.26% | 24.72% |
| 210690 | Food preps., n.e.s. | 0.24% | 55.67% |
| 848180 | Taps, cocks, valves & sim. appls. for pipes/boiler shells/tanks/vats or the ... | 0.21% | 13.95% |
| 071340 | Lentils, dried, shelled, whether or not skinned/split | 0.20% | 26.15% |
| 392690 | Articles of plastics & arts. of oth. mats. of 39.01-39.14, n.e.s. in Ch.39 | 0.20% | 82.50% |
| 841191 | Parts of the turbo-jets/turbo-propellers of 8411.11-8411.22 | 0.20% | 92.67% |
| 870839 | Brakes & servo-brakes & parts thereof (excl. mounted brake linings) for the ... | 0.20% | 31.09% |
| 300210 | Antisera & oth. blood fractions & modified immunological prods., whether or ... | 0.12% | 69.15% |
| 851220 | Lighting/visual signalling equip. of a kind used for cycles (excl. bicycles ... | 0.12% | 64.63% |
| 940190 | Parts of the seats of 94.01 | 0.11% | 50.93% |
| 640299 | Footwear (excl. waterproof) with outer soles & uppers of rubber/plastics (e ... | 0.10% | 83.80% |
| 870850 | Drive-axles with differential, whether or not provided with oth. transmissi ... | 0.10% | 53.67% |
| 760421 | Hollow profiles of aluminium | 0.09% | 75.25% |
| | | 4.98% | 60.86% |