

Export Opportunities

(Vanilla and other spices)



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1. Summary of product and market identification

Product identified	Vanilla ,Cinnamon and other spices
Criteria for identification	<i>Export from UAE is growing at the same time world import is growing(Champion product)</i>
Benefit to the exporter from Dubai	<i>Companies can broaden the supply capacity and diversify products</i>
Economic impact	<i>Economic sustainability</i>
Current re-exports of vanilla from Dubai	<i>About 640 mn AED in 2017 according to Dubai Customs data</i>
Current top markets for re-exports of vanilla	CIS countries and some Middle East Countries
Number of high potential markets	7
Potential markets for spices	<i>Middle East countries as the chart below depicts. However ,USA and UK are among the potential markets</i>
World imports of Vanilla	<i>World imports of vanilla registered 1.3 Bil US\$ in 2017 at a growth rate of 57% per year for 2013-2017</i>

1- Preamble

- *The purpose of the Product & Market identification series is to identify promising products that are performing in export market at a growth rate higher than the world average, these are called “Champions”*
- *Exporters of “Champions” have proven their international competitiveness over the period. Trade promotion efforts for Champion products cannot be controversial as they are national successes. Promotional efforts might include awareness to exporters of the extra opportunities in order to broaden the supply capacity and diversify products. Further, these products are important for sustaining economic growth*
- *The other category of products which we intend to cover in the series in a subsequent phase, are products **declining in a growing market**, they are hence named “decliners in a growing market”, These category can represent an alert for policy makers to identify opportunities for trade promotion and other efforts, reasons for underperformance may be diverse and include supply-side capacity constraints, product quality issues, market access barriers, need for export credit guarantee in the target markets and logistics connectivity*

- The source of information for these analyses is ITC Trade Map with validation by WITS if necessary as well as Dubai Customs data

2- Product Identification

- The growth rate of UAE exports of **Vanilla** between 2013-2017 was 36% annually for uncrushed vanilla and 17% for crushed or ground vanilla, while world import during the same period was 60% and 31% respectively
- Hence the product can be classified as “Champion product. as export from UAE is increasing and world import is also increasing
- UAE ranked #46 and # 32 in world exports of uncrushed and crushed vanilla respectively, indicating good export capability for UAE
- The concentration of the importing countries for crushed vanilla was 0.22 , that means the importers meaning larger spread of importing countries, this diversified markets give advantage to small business exporters.

Code	Product label	Select your indicators										
		Value exported in 2017 (USD thousand)	Trade balance 2017 (USD thousand d)	Annual growth in value between 2013-2017 (% , p.a.)	Annual growth in quantity between 2013-2017 (% , p.a.)	Annual growth in value between 2016-2017 (% , p.a.)	Annual growth of world imports between 2013-2017 (% , p.a.)	Share in world exports (%)	Ranking in world exports	Average distance of importing countries (km)	Concentration of importing countries	

TOTAL	All products	308,537,370	38,802,026	-6		3	-3	1.8	18	3,367	0.13
090510	Vanilla, neither crushed nor ground	113	-1,003	36		1,153	60	0	40	809	0.56
090520	Vanilla, crushed or ground	62	-9	17	28	939	31	0.1	32	1,787	0.22

3- UAE/Dubai Foreign Trade

No Vanilla exports from Dubai in 2017 ,re-export reached about 640,000 AED ,however total imports registered a value of 4.2 Mil AED. *World imports registered 1.3 Bil US\$ in 2017 at a growth rate of 57% per year for 2013-2017*

World import of crushed vanilla in 2017 was 70 Mil US\$

That means there are good prospects for re-export from Dubai with export of ground vanilla with higher value added

Vanilla can be exported along with other Cinnamon which has a world import growth of 13% for 2013-2017 and coffee with a world import growth of 2% during the same period and other various species

Dubai Trade in 2017 on Vanilla

IMPORT	4,252,865
Vanilla.	4,252,865
RE-EXPORT	639,135
Vanilla.	639,135
Grand Total	4,892,000

Dubai Current Re-export Markets for Vanilla

- ***Dubai imported vanilla mainly from France and re-exported it mainly to CIS countries and some Middle East Countries***

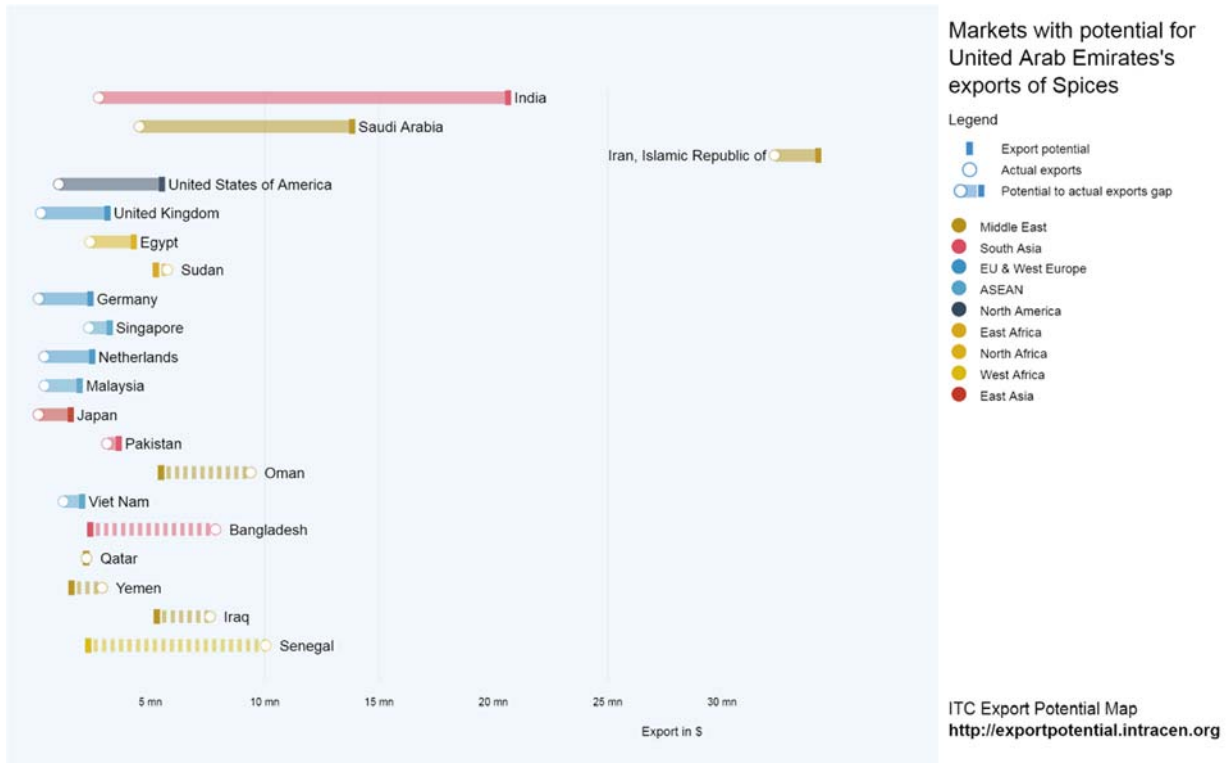
4- Potential Markets

Key findings

According to ITC trade map

- The markets with large imports of Vanilla and low import tariff were USA ,France, Germany, Mauritius and Netherlands
- For Cinnamon ,USA, Mexico ,Netherlands and Vietnam

- According to ITC export potential map ,which based on relations with countries and distances to market among others, the potential market for UAE exports of spices are mostly Middle East countries as the chart below depicts. However ,USA an UK are among the potential markets



Sources of information : Dubai Customs ,ITC