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TRADE TRANSPARENCY HELPS EXPORTERS BEAT THE CRISIS

Exporters increasingly using ITC's online tools to find new markets

Demand for the International Trade Centre's web-based trade analysis tools has increased dramatically as businesses struggle to deal with the fall-out of the global financial and economic crisis, the organization reported today. Exporters are eager for trade intelligence on emerging product and market opportunities.

"We now have more than 100,000 registered users in 221 countries and territories - a 500% increase in two years," said ITC's Executive Director Patricia R. Francis.

"The global economic crisis drove home the message about diversification," said Ms Francis. "Enterprises and governments in developing countries have been working hard to diversify their export base, find new markets and identify dynamic niches. Our tools help them do this." Developing countries can register for free access thanks to funding from the World Bank and other donors.

Ms Francis added: "Tracking the great trade collapse from late 2008, we have seen a devastating effect on many of the least developed countries (LDCs) which depended on only a few export products and markets, particularly in Africa. Oil and energy exporters such as Angola, Benin, Chad, Equatorial Guinea, Sudan, and Yemen were particularly hard hit. Many saw the value of their exports cut by more than half."

She noted that since the troughs of the trade crisis, LDC export volumes had largely recovered, but weak commodity prices meant the value of exports was still lower than 2008 levels and "in 2009, we saw a brutal reversal of LDC terms of trade gains made over the previous five years."

ITC today registered its 100,000th user, a newly established Costa Rican micro exporter. Other users include a Brazilian manufacturer, an Indian market research provider, a Fortune 100 manufacturer of fast-moving consumer goods, a global bank, an Indian based international conglomerate and one of the world's largest supermarket chains.

Describing their use of the market analysis tools, one user commented: "We heard about emerging demand for butterfly larvae and we wanted to check out what the trade statistics could tell us about market opportunities."

A user based in Nigeria representing a global bank said "I used the tools to do important market research for Africa, this was to explore opportunities of tapping into new export and import flows and increasing the business we do in Africa. I found Trade Map particularly useful. It has very complete information and a broad range of countries/regions."



A South American exporter explained: “Our tyre exports were badly hit by the crisis. By using monthly trade data, the market analysis tools helped us to work out which Asian competitors were winning market share in Central America. The tariff data showed us the competition was tough. One competitor had preferential access in the market we were defending. So we cut our margins and improved our pricing strategy.”

In addition to a remarkable take-up by exporters, policy-makers and trade negotiators in developing countries, a majority of the world's Fortune 100 companies are among the many paying subscribers who use ITC's tools to optimize procurement and supply-chain strategies.

ITC's tools provide the most detailed monthly trade statistics and import tariffs for countries, enabling exporters to obtain a real-time picture of the size, openness and dynamism of markets for their products.

Purchasers use the tools to compare the competitiveness of supplier countries using indicators of unit values and shifts in market shares. Exporters can identify market access loop-holes within the complex web of overlapping trade agreements.

In the words of a leading international manufacturer, “We've been analysing manufacturing networks since the early 1990s to decide where to locate manufacturing and distribution facilities and which markets they should serve. We use mathematical programmes, in-house models and data from your tools to evaluate scenarios.”

The Geneva-based ITC is a joint agency of the World Trade Organization and the United Nations whose mandate is to promote export-led growth in developing countries, with particular emphasis on small and medium-sized companies.

Register for a password to use ITC's market-analysis tools at www.intracen.org/marketanalysis

For more information:

Contact: Micaela Daniel
Chief, Communications and Events
P: +41 22 730 0356
E: daniel@intracen.org
www.intracen.org

Contact: Helen Lassen
Market Analyst, Market Analyst and Research
P: +41 22 730 0552
E: lassen@intracen.org
www.intracen.org