ITC by Country
Report

Palau
05/12/2014
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1. Country / Territory Brief

Palau is part of Micronesia located in the West Pacific Ocean. It shares its maritime boundaries with Indonesia, the Philippines, and the Federated States of Micronesia. Palau’s economy is mainly dependent on tourism. Palau’s main exports are fish and related products. Major export partners are Japan, the US and Mexico. Palau’s main imports are oil, fish, machinery and equipment. Japan, the US, Singapore and Republic of Korea are main import partners. It is a member of the Pacific Island Countries Trade Agreement (PICTA).
2. People and Economy

2.1 People
2.2 Economy
3. Trade Performance

3.1 General Trade Performance

3.1.1 Evolution of Trade Ratio to GDP - Goods

![Graph showing the evolution of the total imports and exports of goods of Palau (mirror)](image)

3.1.2 Evolution of Trade Ratio to GDP - Services

No Data Available for these criteria
3.1.3 Evolution of Total Trade

3.1.4 Trade Map
3.1.5 Export and Import by Leading Destination - Export

3.1.6 Export and Import by Leading Destination - Import
3.1.7 Evolution of Exports and Imports by Destination - Export

![Graph showing the evolution of Palau's exports by region of destination.](image)

**Source:** ITO Trade Map.
**Note:** DECO (OECD, 2010).
- BRICS includes Brazil, Russia, India, China and South Africa.
- The United States excludes Alaska and Hawaii.
- Rest EU includes the EU member states.
- Latin America excludes Caribbean countries and South Africa.
- Africa includes South Africa.
- Palau has not yet reported its data on exports for the full period under review and figures are based on minor statistics (trade data reported by partner countries).

3.1.8 Evolution of Exports and Imports by Destination - Import

![Graph showing the evolution of Palau's imports by region of origin.](image)

**Source:** ITO Trade Map.
**Note:** DECO (OECD, 2010).
- BRICS includes Brazil, Russia, India, China and South Africa.
- The United States excludes Alaska and Hawaii.
- Latin America excludes Caribbean countries.
- Asia includes South Korea, China, Japan.
- Palau has not yet reported its data on imports for the full period under review and figures are based on minor statistics (trade data reported by partner countries).
3.1.9 Total Export Growth

Source: ITC, calculations based on ITC’s Trade Competitiveness Map data.
Note: Graph shows decomposition of the country’s export growth in value terms by diversification pattern over the indicated period.

3.1.10 Marginal Export Growth

Source: ITC, calculations based on ITC’s Trade Competitiveness Map data.
Note: Graph shows decomposition of the country’s export growth in value by structural driving effects over the indicated period. Values are in US$ thousands.
3.1.11 Composition of Trade in Services - Export

No Data Available for these criteria

3.1.12 Composition of Trade in Services - Import

No Data Available for these criteria
3.1.13 Evolution of FDI

Evolution of FDI inflow in Palau as % of GDP

Source: ITC based on World Bank HDI.
### 3.2 Sector Trade Performance

#### 3.2.1 Sectoral Diversification in Products - Export

| Sector                      | Average share of sector in country’s exports 2000-2013 | Share of top 3 selected products (%S) in sector’s exports 2009 | Sector’s leading exported product | Sector’s leading exported product HSN
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Fresh food</td>
<td>31.3%</td>
<td>95.9%</td>
<td>95.9%</td>
<td>930620 Fresh or chilled bony fish “Thunnus obesus”</td>
</tr>
<tr>
<td>Minerals</td>
<td>2.8%</td>
<td>63.7%</td>
<td>63.7%</td>
<td>722445 Ferrous waste and scrap, iron or steel, raw</td>
</tr>
<tr>
<td>Processed food</td>
<td>2.2%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>220860 Fermented beverages nos (for example, cider, perny, mead, etc.)</td>
</tr>
<tr>
<td>Unclassified products</td>
<td>1.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>391399 Commodities not elsewhere specified</td>
</tr>
<tr>
<td>Transport equipment</td>
<td>0.6%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>870690 Motor vehicle parts nos</td>
</tr>
<tr>
<td>Non-electronic machinery</td>
<td>0.4%</td>
<td>95.8%</td>
<td>95.8%</td>
<td>851639 Electric machinery for arc (arc plasma arc) welding of metals nos</td>
</tr>
<tr>
<td>Electronic components</td>
<td>0.4%</td>
<td>95.8%</td>
<td>95.8%</td>
<td>854020 Parts of electrical transformers, static combiners and regulators</td>
</tr>
<tr>
<td>Miscellaneous manufacturing</td>
<td>0.4%</td>
<td>66.6%</td>
<td>66.6%</td>
<td>976800 Coated pvc pipe and hose and parts</td>
</tr>
<tr>
<td>Chemicals</td>
<td>0.4%</td>
<td>75.0%</td>
<td>75.0%</td>
<td>330790 Dyes and dye intermediates; mixtures of dyes</td>
</tr>
<tr>
<td>Basic manufactures</td>
<td>0.3%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>726060 Articles, iron or steel, raw</td>
</tr>
<tr>
<td>Food products</td>
<td>0.2%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>160420 Sugar, refined and pure (baker’s sugar)</td>
</tr>
<tr>
<td>Textiles</td>
<td>0.2%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>580210 Textiles fibres and yarn, unit weight over 70 g/m²</td>
</tr>
<tr>
<td>IT &amp; consumer electronics</td>
<td>0.2%</td>
<td>60.7%</td>
<td>60.7%</td>
<td>351190 Machines for the reception, conversion and transmission of radio waves</td>
</tr>
<tr>
<td>Clothing</td>
<td>0.0%</td>
<td>80.9%</td>
<td>80.9%</td>
<td>612110 Brassieres and parts thereof, of textile materials</td>
</tr>
</tbody>
</table>

**Notes:**
- ITC-Trade Competitiveness Inc.
- ITC carefully refers to the revision 2010
- HSN may refer to the revision 2008
- HS or product names may not elsewhere specified

#### 3.2.2 Sectoral Diversification in Products - Import

| Sector                   | Average share of sector in country’s imports 2000-2013 | Share of top 3 selected products (%S) in sector’s imports 2009 | Sector’s leading imported product | Sector’s leading imported product HSN
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Fresh food</td>
<td>21.9%</td>
<td>90.9%</td>
<td>90.9%</td>
<td>500624 Fresh or chilled bony fish “Thunnus obesus”</td>
</tr>
<tr>
<td>Minerals</td>
<td>16.9%</td>
<td>83.9%</td>
<td>83.9%</td>
<td>271031 Light petroleum oils and fractions</td>
</tr>
<tr>
<td>Processed food</td>
<td>15.6%</td>
<td>50.0%</td>
<td>50.0%</td>
<td>210900 Food preparations nos</td>
</tr>
<tr>
<td>Non-electronic machinery</td>
<td>13.2%</td>
<td>60.4%</td>
<td>60.4%</td>
<td>846622 Cast metal rolling mills</td>
</tr>
<tr>
<td>Transport equipment</td>
<td>6.1%</td>
<td>48.7%</td>
<td>48.7%</td>
<td>601020 Motorboats, other than outboard motorboats</td>
</tr>
<tr>
<td>Miscellaneous manufacturing</td>
<td>8.1%</td>
<td>31.1%</td>
<td>31.1%</td>
<td>401020 Brocks, brocades, laces and similar printed matter, etc.</td>
</tr>
<tr>
<td>Basic manufactures</td>
<td>4.5%</td>
<td>33.3%</td>
<td>33.3%</td>
<td>710090 Unmanufactured or treated of asbestos</td>
</tr>
<tr>
<td>Chemicals</td>
<td>4.2%</td>
<td>28.1%</td>
<td>28.1%</td>
<td>300520 Medicaments nos, in dosage</td>
</tr>
<tr>
<td>Unclassified products</td>
<td>3.2%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>391399 Commodities not elsewhere specified</td>
</tr>
<tr>
<td>Electronic components</td>
<td>3.0%</td>
<td>31.0%</td>
<td>31.0%</td>
<td>687020 Semiconductors of silicon, of specified impurity</td>
</tr>
<tr>
<td>Wood products</td>
<td>2.4%</td>
<td>66.3%</td>
<td>66.3%</td>
<td>440721 Lumbar, coniferous (solidwood) 6 mm and thicker</td>
</tr>
<tr>
<td>IT &amp; consumer electronics</td>
<td>1.7%</td>
<td>49.9%</td>
<td>49.9%</td>
<td>687330 Parts/successes of automatic data processing machines thereof</td>
</tr>
<tr>
<td>Clothing</td>
<td>0.7%</td>
<td>52.9%</td>
<td>52.9%</td>
<td>405290 Articles of apparel and clothing accessories nos. of vulcanized rubber</td>
</tr>
<tr>
<td>Textiles</td>
<td>0.4%</td>
<td>37.0%</td>
<td>37.0%</td>
<td>531390 Woolen fabrics of other vegetable textile fibres woven fabric and yarn</td>
</tr>
<tr>
<td>Leather products</td>
<td>0.3%</td>
<td>45.9%</td>
<td>45.9%</td>
<td>401010 Tents, suit-cases &amp;sham containers m/other surface of plastic materials</td>
</tr>
</tbody>
</table>

**Notes:**
- ITC-Trade Competitiveness Inc.
- ITC carefully refers to the revision 2010
- HSN may refer to the revision 2008
- HS or product names may not elsewhere specified

**More notes:**
- ITC carefully refers to the revision 2010
- HSN may refer to the revision 2008
- HS or product names may not elsewhere specified
### 3.2.3 Sectoral Diversification in Destinations - Export

<table>
<thead>
<tr>
<th>Sector</th>
<th>Sector's import growth in value (% p.a. 2009-2013)</th>
<th>Share of top 3 supplying countries in sector's imports</th>
<th>List of the top 3 supplying countries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transport equipment</td>
<td>114.3 %</td>
<td>100.0 %</td>
<td>Philippines; Mexico; Mozambique</td>
</tr>
<tr>
<td>Chemicals</td>
<td>121.9 %</td>
<td>100.0 %</td>
<td>Thailand; Malaysia; Philippines</td>
</tr>
<tr>
<td>Wood products</td>
<td>91.6 %</td>
<td>92.5 %</td>
<td>Philippines; China; Switzerland; US</td>
</tr>
<tr>
<td>Textiles</td>
<td>76.5 %</td>
<td>100.0 %</td>
<td>Philippines; Slovakia</td>
</tr>
<tr>
<td>Miscellaneous manufacturing</td>
<td>21.5 %</td>
<td>88.8 %</td>
<td>Philippines; Mozambique; Japan</td>
</tr>
<tr>
<td>Non-electronic machinery</td>
<td>21.1 %</td>
<td>100.0 %</td>
<td>Philippines; United States of America</td>
</tr>
<tr>
<td>Minerals</td>
<td>1.2 %</td>
<td>92.1 %</td>
<td>Taiwan; Province of China; Republic of Korea; Japan</td>
</tr>
<tr>
<td>IT &amp; consumer electronics</td>
<td>0.9 %</td>
<td>95.5 %</td>
<td>Philippines; India; Mexico</td>
</tr>
<tr>
<td>Fresh food</td>
<td>-3.0 %</td>
<td>99.5 %</td>
<td>Japan; Philippines; Netherlands</td>
</tr>
<tr>
<td>Unclassified products</td>
<td>-6.4 %</td>
<td>99.2 %</td>
<td>Mexico; United States of America; Japan</td>
</tr>
<tr>
<td>Processed food</td>
<td>-7.0 %</td>
<td>100.0 %</td>
<td>Japan; Mexico</td>
</tr>
<tr>
<td>Basic manufactures</td>
<td>-15.0 %</td>
<td>100.0 %</td>
<td>Mozambique; Philippines; Taiwan; Province of China</td>
</tr>
<tr>
<td>Electronic components</td>
<td>-16.3 %</td>
<td>99.0 %</td>
<td>Mexico; Philippines; India</td>
</tr>
<tr>
<td>Clothing</td>
<td>-26.4 %</td>
<td>100.0 %</td>
<td>Dominican Republic; United States of America</td>
</tr>
</tbody>
</table>

Source: ITC Trade Competitiveness Map.

### 3.2.4 Sectoral Diversification in Destinations - Import

<table>
<thead>
<tr>
<th>Sector</th>
<th>Sector's import growth in value (% p.a. 2009-2013)</th>
<th>Share of top 3 supplying countries in sector's imports</th>
<th>List of the top 3 supplying countries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minerals</td>
<td>284.0 %</td>
<td>75.0 %</td>
<td>Taiwan; Province of China; Republic of Korea; Germany</td>
</tr>
<tr>
<td>Non-electronic machinery</td>
<td>54.3 %</td>
<td>74.0 %</td>
<td>Japan; United States of America; Taiwan; Province of China</td>
</tr>
<tr>
<td>Textiles</td>
<td>40.3 %</td>
<td>60.5 %</td>
<td>Taiwan; Province of China; Republic of Korea; Japan</td>
</tr>
<tr>
<td>Electronic components</td>
<td>39.0 %</td>
<td>67.6 %</td>
<td>Taiwan; United States of America; China</td>
</tr>
<tr>
<td>Chemicals</td>
<td>33.8 %</td>
<td>62.7 %</td>
<td>Taiwan; United States of America; Republic of Korea</td>
</tr>
<tr>
<td>Leather products</td>
<td>32.9 %</td>
<td>84.3 %</td>
<td>Taiwan; Province of China; Philippines; Japan</td>
</tr>
<tr>
<td>Transport equipment</td>
<td>32.2 %</td>
<td>89.0 %</td>
<td>Japan; Republic of Korea; Thailand</td>
</tr>
</tbody>
</table>

Source: ITC Trade Competitiveness Map.
3.2.5 Sectors by World Demand - Export

Growth of national supply and international demand for the products exported by Palau in 2013

Winners in growing sectors
99 - Commodities not elsewhere specified
74 - Copper and articles thereof, 85 - Electrical, electronic equipment,
72 - Iron and steel
02 - Beverages, spirits and vinegars,
04 - Fish, crustaceans, molluscs, aquatic invertebrates nes
25 - Salt, sulphur, earth, stone, plaster, lime and cement

Losers in growing sectors

Annual growth of world exports between 2009-2013, %

Scale: 5 USD million

3.2.6 Sectors by World Demand - Import

Growth of national demand and international supply for the products imported by Palau in 2013

Winners in declining sectors
99 - Commodities not elsewhere specified
85 - Electrical, electronic equipment
84 - Machinery, nuclear reactors, boilers, etc
90 - Optical, photo, technical, medical, etc apparatus

Losers in declining sectors

Annual growth of world imports between 2009-2013, %

Scale: 5 USD million

The country imports have increased
The country imports have decreased

Growth for world trade, all products

ITC by country - Palau
3.2.7 Trade Performance Index

Trade Performance Index of Palau (mirror)

- Fresh food (US$ '15 m.):
  - Change in world market share index (2009 - 2013) = 99
  - Current index (2013) = 131

**Source:** ITC Trade Competitiveness Map

**Note:**
- The figures displayed on the bars correspond to the country's global rankings among other countries that export the same category of products.
- The current index and change in world market share index are the world country ranking for the sector under review.
- Data refers to four sectors: Fruits and vegetables, Seafood, Meat and Animal By-products, and Dairy products, with data for 2010-2013.
- Data may not yet reflect recent changes in trade patterns.
- Figures are based on mirror scenarios (trade data reported by partner countries).
## 4. Trade Strategy and Policy

### 4.1 Trade and Development Strategies

<table>
<thead>
<tr>
<th>Year</th>
<th>Strategy name</th>
<th>Sector</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>UNDAF Pacific The United Nations Development Assistance Framework (UNDAF) for the Pacific region is...</td>
<td></td>
</tr>
<tr>
<td>2005</td>
<td>The Pacific Plan The Pacific Plan has been elaborated by the members of the Pacific...</td>
<td></td>
</tr>
<tr>
<td>1996</td>
<td>National Master Development Plan The plan provides an overview of the current situation and performance of...</td>
<td></td>
</tr>
<tr>
<td>1995</td>
<td>Economic Development Plan The Economic Development Plan aims to lay out basic economic goals and...</td>
<td></td>
</tr>
</tbody>
</table>
4.2 Domestic and Foreign Market Access
4.3 Trade Facilitation
4.4 Business and Regulatory Environment

Multilateral Trade Instruments

<table>
<thead>
<tr>
<th>Instrument ratified</th>
<th>55 / 266 instruments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ratification rate</td>
<td>20.7%</td>
</tr>
<tr>
<td>Weighted score</td>
<td>25.6/100</td>
</tr>
</tbody>
</table>

### Abstract

The *Trade Treaties Map* tool is a web-based system on multilateral trade treaties and instruments designed to assist trade support institutions (TSIs) and policymakers in optimizing their country's legal framework on international trade.

**Instruments ratified**

Click here for a full list and more details about these multi-lateral trade instruments.

**Graph**

Presents a visual illustration breaking down a country’s ratification level according to various categories and compares it to the world average.
4.5 Infrastructure
5. ITC and the Country/Territory

5.1 ITC Projects

5.1.1 Current projects

No Current Projects Found!

5.1.2 Recent projects

Pacific Private Sector Engagement in Trade and PACER Plus
5.2 Events

5.2.1 Upcoming events
No data

5.2.2 Recent events
No data
5.3 ITC Contacts

Marie-Claude FRAUENRATH

Senior Trade Promotion Officer

+41 22 730 0295

frauenrath@intracen.org
6. Trade Information Sources and Contacts

6.1 Trade Information Sources

This section provides a list of country specific print and online publications on trade-related topics, including both ITC and external sources.

6.1.1 ITC publications

6.1.2 Selected printed information sources

- 2011 Pacific Island Taro Market Access Scoping Study
- 2008 State of Food and Agriculture in Asia and the Pacific
- 2004 Fighting Poverty in Asia and the Pacific: The Poverty Reduction Strategy
- 2008 Pacific Island Countries’ Agriculture Sectors: Challenges, Constraints and Opportunities

6.1.3 Selected online information sources

- Asia-Pacific Research and Training Network on Trade
- Vanuatu Investment Promotion Authority (VIPA)
- International Gender and Trade Network
- Secretariat of the Pacific Community (SPC)
- ADB’s Poverty Reduction
- Pacific Islands Trade & Invest (PT&I)
- Consensus Economics
- Solomon Islands Chamber of Commerce and Industry (SICCI)
- Pacific Islands Forum Secretariat
- Pacific Islands Centre
- UNESCAP Macroeconomic Policy and Development Division
- Forum Fisheries Agency
- Technology4sme.Net
## 6.2 Trade Contacts

<table>
<thead>
<tr>
<th>Official Name</th>
<th>Address</th>
<th>City</th>
<th>Phone Number</th>
<th>Fax Number</th>
<th>Email</th>
<th>Website</th>
</tr>
</thead>
<tbody>
<tr>
<td>Palau Chamber of Commerce</td>
<td>3rd Floor Ben Franklin Building W.C.T.C. Shopping Center</td>
<td>Koror</td>
<td>680 4883400</td>
<td>680 4883401</td>
<td><a href="mailto:pcoc@palaunet.com">pcoc@palaunet.com</a></td>
<td><a href="http://www.palaucommerce.org">http://www.palaucommerce.org</a></td>
</tr>
</tbody>
</table>