

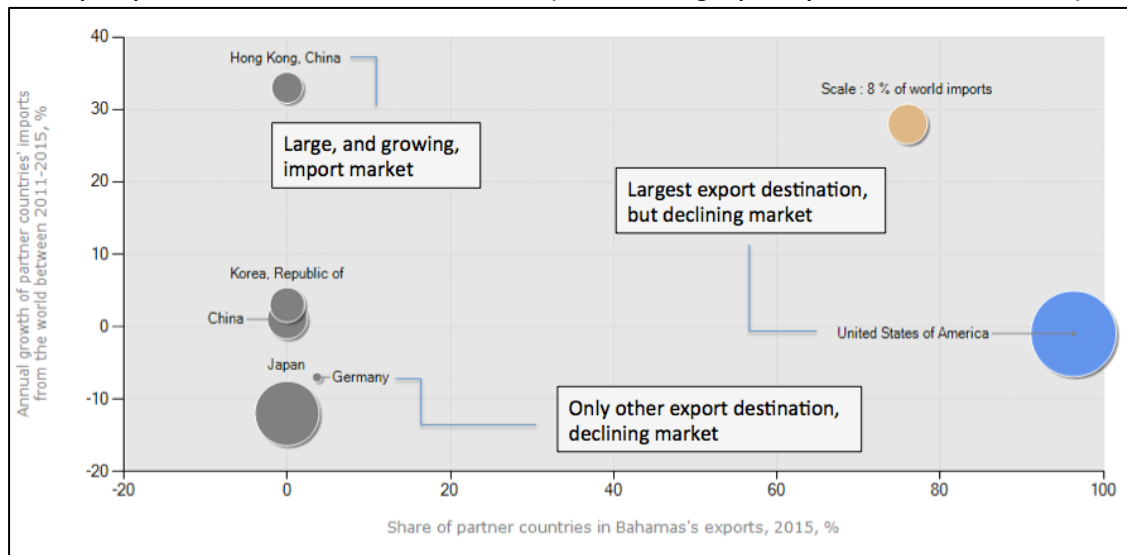
## POTENTIAL MARKETS

### FROZEN CRABS

#### Potential growth at current export destinations

- Almost all of Bahamian exports of frozen crabs go to USA (96%), but global imports in USA are slightly decreasing (-1%) on average annually in 2011-2015. Bahamian exports to USA increased on average from 2011 onwards (+25% per annum). However, in 2015 exports from Bahamas dropped by -35%.
- The only other export destination with a declining import market is Germany, with an average annual decrease of -7% over the last five years.
- Hong Kong, the 5th largest import market globally, reached an increase in imports of +33% over the last five years. Bulk of the imports is coming from China (73%), which has a strong geographical advantage over Bahamas.
- Given the decline in current export destinations, new markets become more important.

**Figure 1 – overview of export shares from Bahamas and global annual import growth rates from export partners of Bahamas for frozen crabs (also including top 5 import markets worldwide)**



Source: Trademap (2017).

#### Potential new markets

- Lithuania reached +80% average annual growth over the last five years, mainly due to large increases in 2014 and 2015. China is the dominant supplier (84%), while it has no geographical benefits over Bahamas. Tariffs are even worse for China (7.5%), compared to Bahamas (0%).
- Namibia reached +47% average annual growth over the last five years. In 2014, import value was quintupled and in 2015 it almost doubled again. Supply is totally coming from Japan in 2014 and 2015. Bahamas has similar geographical distance and tariffs to Namibia as Japan.
- Algeria's import value increased with +21% on average annually from 2011 onwards. Current supply is all from China. Tariffs are similar, while based on geographical distance Bahamas even has a slight favorable position over China.

**Table 1 – Largest potential new markets for Bahamas (based on import value > 0.5 million USD, geographical distance and import tariffs compared with current suppliers)**

|           | Average annual growth '11-'15 | Import value 2015 (USD thousand) | Bahamas' share '15 | Leading suppliers       |
|-----------|-------------------------------|----------------------------------|--------------------|-------------------------|
| Lithuania | +80%                          | 797                              | 0%                 | China (84%), Spain (7%) |
| Namibia   | +47%                          | 3,841                            | 0%                 | Japan (100%)            |
| Algeria   | +21%                          | 710                              | 0%                 | China (100%)            |

Source: Trademap (2017).

Current export destinations **USA and Germany** show **decline** in imports: Finding new markets is important.

Try to enter promising markets like **Lithuania, Namibia and Algeria**. Aiming for 10% of share in these markets would lead to around 1 million USD exports (assuming growth in these markets continue at the same pace in the coming years).

