

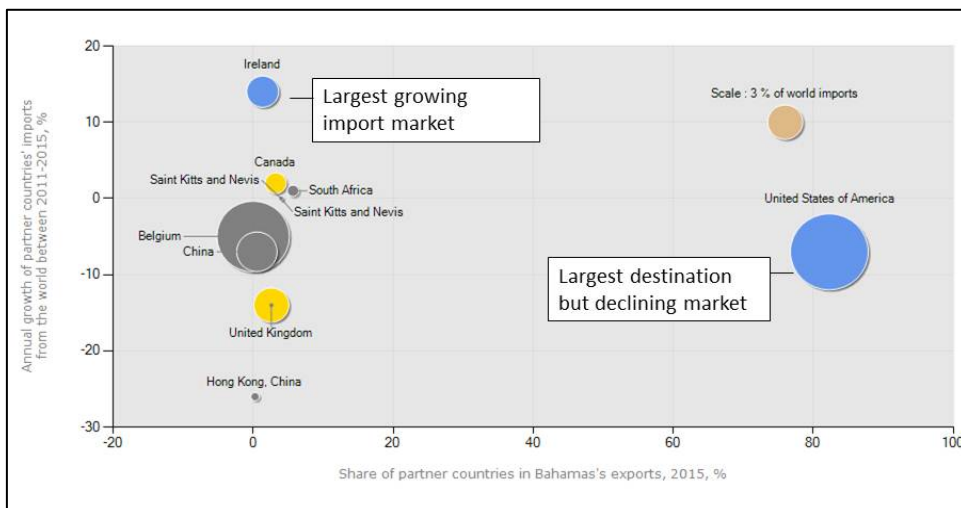
# POTENTIAL MARKETS

## HETEROCYCLIC COMPOUNDS

### Potential growth at current export destinations

- USA is Bahamas' largest export destination by far, accounting for 40.3 million USD (83% of total export value) in 2015. However, global imports in USA are decreasing at -7% on average per year over the period 2011-2015.
- A Second but relatively small import market based is South Africa at 2.8 million USD worth of exports from The Bahamas. Global imports in South Africa increased only marginally at +1% on average per year over the 5 year period.
- Among the Bahamas destinations, Ireland has the highest growth rate of global imports (+14%). The total import value is 1.6 billion USD in 2015, out of which exports from The Bahamas reached 670,000 USD in 2015. Ireland's main suppliers are Switzerland (30.8%), France (25%) and Japan (10%).
- Import tariffs in U.S.A and Ireland for heterocyclic compounds from The Bahamas are 0%.

**Figure 1 – overview of export shares from Bahamas and global annual import growth rates (2012-2016) from export partners of Bahamas for heterocyclic compounds**



Source: Trademap (2017).

### Potential new markets

- Panama has a sizeable market and shows an outstanding import growth between 2011-2015, at an average +272% annually. Current supply is dominated by the USA.
- Netherlands Antilles reached significant growth of +216% on average annually. USA is again dominating the market.
- India has a market of more than 1.1 billion USD and records a sound growth at an average annual rate of +17% over the 2011-2015 period. The supply base is quite diversified. Leading supplier is China.
- Columbia reached an average annual growth of +16%. The leading supplier is China (66%), while India holds some 11% and Mexico 5%.
- Exporters from The Bahamas to these markets do not have a tariff (dis)advantage.

**Table 1 – largest potential new markets for Bahamas (based on import value > 2.5 million USD, geographical distance and import tariffs compared with current**

	Average annual growth '11-'15	Import value 2015 (USD thousand)	Bahamas' share '15	Leading suppliers
Panama	+272%	83,616	0%	USA (98%), Korea (0.9%)
Netherlands Antilles	+216%	16,605	0%	USA (99%), China (0.4%),
India	+17%	1,115,595	0%	China (66%), USA (5%)
Colombia	+16%	253,259	0%	China (38%), Germany (17%)
Germany	9%	7,620,976	0%	Switzerland (35%), Ireland (27%)

Source: Trademap (2017).

**USA** is by far the most important destination, but decline in the USA market may force exporters from The Bahamas to look for new markets. Try to increase market share in **Panama and Netherlands Antilles**, markets that record a huge import growth. Another potential market nearby may be **Colombia**, while **India and Germany** are huge market with diversified supply.

