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The Impact of the Financial Crisis on Least-Developed Countries

Least-developed countries

There are at present 49 least-developed countries (LDCs) recognized as such by the United Nations, of which 32 are WTO members; 12 LDCs are at various stages of their accession process (see list on page 11). In line with their trade and development needs, LDCs enjoy special consideration in the implementation of the WTO agreements as well as in the ongoing trade negotiations in the Doha Development Round. In fact, one of the core objectives of the Doha Development Agenda is the full integration of the LDCs into the multilateral trading system.

"We are committed to addressing the marginalisation of least developed countries in international trade and to improving their effective participation in the multilateral trading system." (Doha Declaration)

This brochure examines the impact of the crisis on LDCs, based on the paper by the WTO Secretariat entitled "Market access for products and services of export interest to least-developed countries", dated 23 October 2009 (WT/COMTD/LDC/W/46).

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The Impact of the Financial Crisis on Least-Developed Countries

For most of their export revenues, LDCs depend on a narrow range of products, which they export to a limited number of markets. On average, just three products constitute the bulk (almost three-quarters) of an LDC's total merchandise exports. For eight LDCs, the top three products account for more than 95 per cent of the country's export receipts, illustrating the vulnerability of these economies to fluctuations in international trade.

As a result, they are particularly vulnerable to a decline in trade at times of crisis. While the LDC oil exporters have been able to generate substantial trade surpluses in recent years, the vast majority of LDCs still suffer from large external deficits. This, in turn, increases their vulnerability to fluctuations in international prices, in particular for fuels and food products.

To fully understand the vulnerability of LDCs, this brochure examines:

- trends in LDC trade
- changes in global trade since the start of the crisis
- trends in LDC trade during the crisis
- the challenges facing LDCs.

The international crisis struck the LDCs during a phase of particularly rapid growth for their exports of goods and services. However this overall picture should not conceal the fact that much of this growth was due to the rise in the international price of oil and minerals, and benefited only some LDCs.

The impact of the crisis has been mixed for LDCs. Oil and mineral exporters bore the brunt of the crisis due to a dramatic fall in prices. Since these exports play a significant role in LDC trade, the overall value of LDC exports fell significantly during the peak months of the crisis (September 2008 - March 2009). As for LDC exporters of clothing, some experienced growth during the crisis while others have seen a decline in exports. LDC exporters of agricultural products also witnessed a decline in earnings during the crisis – but to a lesser degree than oil exporters. Since the second quarter of 2009, LDC exports as a whole have started to recover.

Trends in LDC trade

LDCs traditionally depend heavily on a few products, such as raw materials or tourism services, where they enjoy some natural comparative advantage. Even where LDCs have been able to diversify into other areas, such as manufactured goods, the range of exported products is usually limited to a few labour-intensive industries, such as textiles and clothing. Since the beginning of the present decade, the drivers of LDCs' exports have been principally fuels and minerals, as high international prices for these commodities have attracted more foreign direct investment in the sector, boosting both values and volumes.

Due to a rise in the prices of oil and minerals, and by making some progress in developing country markets, the share of LDCs in world merchandise trade has improved over the past few years. In 2008, LDCs accounted for 1.1 per cent of world merchandise trade, up from 0.6 per cent in 2000.

LDCs' share of world merchandise trade surpassed 1 per cent for the first time in 2008.

Even though the European Union and the United States remain the most important markets for LDC exports, purchasing 26 per cent and 24 per cent of their exports respectively, LDC exports are increasingly spreading to new markets, with developing economies, such as China, India and Thailand, taking an increasing share of LDC exports. LDC exports to developing economies in 2007 represented 43 per cent of their total exports.

Developing economies have become the major destination for LDC exports of mineral fuels, copper, wood products, cotton and some food products such as vegetables and oil seeds. These exports are also products where international prices have been increasing. On the other hand, developed economies remain the dominant market for manufactured articles, such as clothing, where price changes have been less pronounced. Developed countries are also the main market for exports of high value-added agricultural and food products, such as fish and crustaceans, beverages or tobacco.

The average tariffs charged by developed countries on agricultural goods, textiles and clothing fell between 1996 and 2007. Duty-free access for least-developed countries has continued to increase, due not only to the elimination of tariffs under most-favoured-nation

(MFN) treatment but also to an extension of preferential treatments. The margin of preference received by LDCs is especially significant in the case of agricultural products and clothing.

Changes in global trade since the start of the crisis

The value of world exports plunged sharply as soon as the financial crisis became apparent (in September 2008). Since the start of the crisis and up to July 2009, the average monthly decline of world exports was 3 per cent. While the growth of LDC exports was higher than the global average before the start of the crisis, the impact of the crisis on LDCs has been greater (LDCs' average monthly decline in trade between September 2008 and July 2009 was 4 per cent).

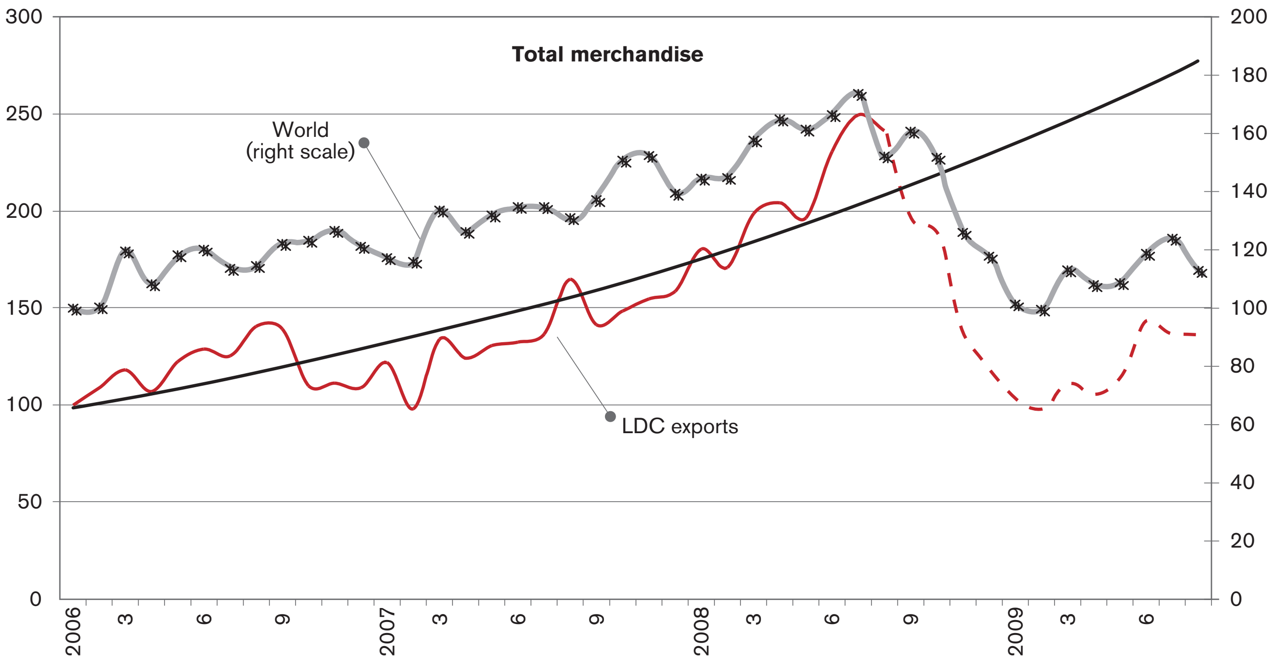
The picture for both global and LDC trade started to improve after March 2009 (see Chart 1). The decline observed in August is due to seasonal factors and growth resumed in September. The recovery of LDCs' exports has been steeper than average (9 per cent versus 5 per cent for global trade from April to July 2009). This is due in particular to a rise in the international price of fuels and minerals, which fell sharply during the peak months of the crisis.

Both global and LDC trade started to improve after March 2009 but LDCs' recovery has been faster.

Before the crisis struck, LDCs had enjoyed a period of strong growth for their exports (see Box 1). On balance-of-payments terms, exports of goods and services grew at an average rate of around 20 per cent over the 2000-2008 period thanks to a succession of double-digit annual growth rates from 2003 onwards. As a result, LDCs out-performed global trends in world trade (12 per cent), albeit their share in total trade (goods and services) was still marginal (0.9 per cent in 2008 on a balance-of-payments basis).

LDCs that are exporters of oil and other minerals have recorded the fastest growth since 2000 (28 and 24 per cent average annual growth, respectively). LDCs exporting mainly agricultural products had a good year in 2008 (exports grew 21 per cent) but over the 2000-2008 period, the annual growth rate averaged 14 per cent. Exporters of manufactured goods (mainly clothing) recorded lower average growth — of 13 per cent — reflecting increases in the prices of primary commodities and the effect of increased international competition on the prices of these goods.

Chart 1: Monthly evolution of world and LDC exports, January 2006 - August 2009
(Indices, January 2006 = 100)



Box 1: How Recent Trends have Affected LDC Exports of Goods and Services

The sustained increase in the value of LDC exports since 2000 was principally due to the surge in commodity prices, in particular fuels and other minerals, in international markets. Exports of fuels and mining grew at an annual average of 28 per cent over this period. Average annual growth in other goods was only 11 per cent despite the strong increase in food exports in 2008. Exports of commercial services averaged 14 per cent growth since 2004.

Table: Trends in LDC exports of goods and services (2000-2008)

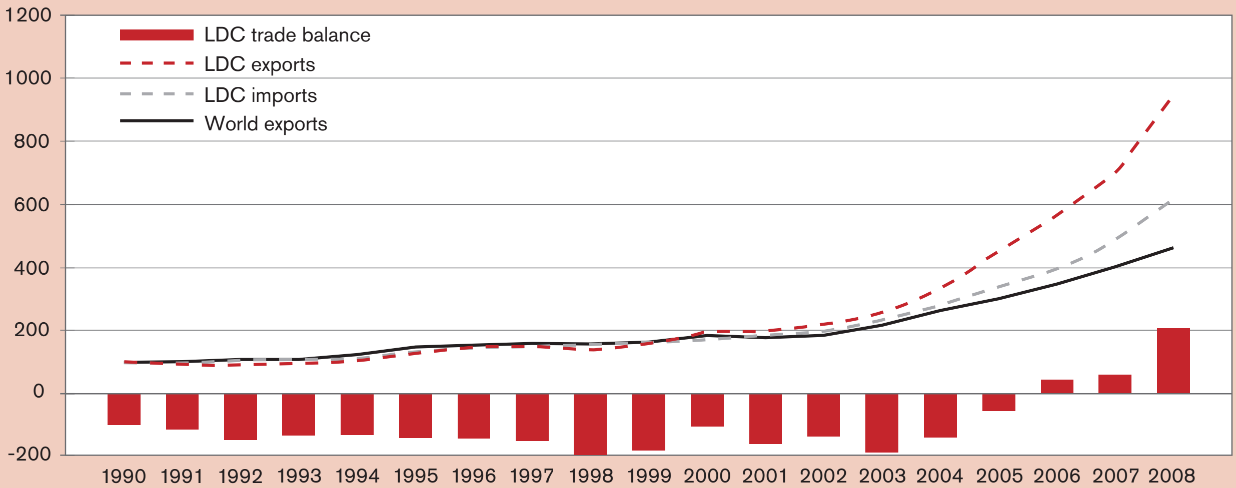
	Values (US$ billion)		Annual rate of growth (per cent)								
	2000	2008[a]	2001	2002	2003	2004	2005	2006	2007	2008[a]	2000-2008[a]
Total goods and commercial services	42.1	176.3	3.9	7.6	15.2	29.7	30.7	23.7	22.8	26.4	19.6
Total goods	35.9	159.4	4.2	7.7	16.3	31.0	33.6	24.6	22.5	27.3	20.5
Commercial services	6.1	16.9	2.5	6.9	8.4	21.7	10.1	16.3	25.9	18.7	13.6
Other goods	20.4	46.0	6.8	4.1	10.4	14.3	13.4	12.2	14.3	10.7	10.7
Fuels and mining	15.6	113.4	0.7	12.8	23.8	50.0	51.2	32.6	27.0	35.6	28.2

[a]*Preliminary estimates.*
Source: WTO estimates based on balance-of-payments data.

For trade in merchandise, LDCs' participation in world exports passed the 1 per cent mark in 2008 (customs-based). This is more than twice their participation ten years ago (1.1 per cent of total trade in goods in 2008, vs. 0.5 per cent in 1998).* In addition, thanks to the high rate of export growth with a more moderate trend in imports, the group registered a positive trade balance for the third consecutive year (see chart below). In 2008, the trade surplus reached US$ 15 billion, representing a coverage ratio of imports by exports of 109.5 per cent.

Nevertheless, this globally positive outcome registered for the LDCs as a group hides significant variation when analysing the situation of individual countries. To have a clearer picture of the trends affecting each LDC, Table 2 on page 9 presents merchandise export and import data based on four categories of export specialization: oil, manufactured goods, agriculture and non-fuel minerals.**

Chart: LDCs' Merchandise Trade, 1990-2008
(Indices, 1990 = 100)



* By surpassing 1 per cent market share, the LDCs have recovered the ground they had been losing since 1980 due, among other things, to declining oil prices and the emergence of more dynamic developing countries.
** There is some degree of arbitrariness in this classification. This is particularly the case for the exporters of agricultural products which include countries that are not actively specializing in agricultural production *per se*, but generate their balance-of-payments income from a mix of natural-resources goods where agriculture predominates, or from services.

Among LDCs, oil exporters have recorded the fastest growth since 2000.

LDC oil exporters consequently accumulated a sizeable trade surplus, with exports more than doubling imports in 2008. All other categories of LDC exporters experienced a trade deficit although the exporters of other minerals came close to balancing their merchandise trade by 2008. Exporters of agricultural products or services experienced the largest merchandise trade imbalances, with an import coverage ratio of only 39 per cent. In other words, 61 per cent of their 2008 import bill had to be financed from other sources – such as export of services, foreign investment or debts.

Trends in LDC trade during the crisis

The sharp contraction in the global economy that began in the second half of 2008 and worsened in the first quarter of 2009 was felt most severely in developed countries, but the subsequent collapse in demand in these countries is still working its way through the global economy. Despite recent signs of improvement in the global economy, global trade is expected to contract by 10 per cent during 2009. Exports of developed economies are forecast to fall by roughly 14 per cent while the decline for developing economies is expected to be around 7 per cent.

Trade is expected to decrease by 7 per cent in developing countries in 2009 compared with 10 per cent globally.

Data for the second and third quarters of 2009 are incomplete and mixed but there are signs that the global economy may have started to pick up again from March 2009. Output and employment are still declining in many developed countries, UK for example, but the rate of decline appears to be decreasing. Annual growth prospects are looking better for large emerging markets, such as Brazil (-0.7 per cent), China (8.5 per cent) and India (5.4 per cent). US GDP declined by an annualized rate of 1 per cent in the second quarter of 2009 and grew by 3.5 per cent in the third quarter after plunging by 6.4 per cent during the first three months of the year. There have also been more positive signs in Europe, where some countries have started to report a slight increase in their quarterly GDP figures. France and Germany's second quarter GDP grew by 1.1 per cent and 1.3 per cent respectively while Japan's increased by 2.3 per cent, compared with the previous quarter. (All quarter-to-quarter figures are annualized.)

For 2009, the IMF's current forecast is that global output will fall by 1.1 per cent (PPP based), with developed countries experiencing a decline of 3.4 per cent. Developing countries are expected to grow by only 1.7 per cent in 2009, after growing by 8.3 per cent in 2007 and 6.0 per cent in 2008. The developing Asia region (including India and China) is expected to record the strongest output growth among developing and emerging economies.

Developing countries are expected to grow by 1.7 per cent in 2009 compared with a global contraction of 1.1 per cent.

For LDCs, the export sectors most affected by the recent financial crisis were fuels and minerals, due to the dramatic fall in prices in the early stages of the crisis. Oil prices plummeted to US$ 40/barrel in early 2009.

There have also been big declines in the demand for iron and steel, fuels and mineral ores. While developed economies have been the hardest hit, especially the major exporters of automotive products and other machinery, developing countries have also been affected by the lower demand for related inputs. In July 2009 the value of China's exports of iron and steel dropped 67 per cent (year-on-year) and its exports of mineral ores and non-ferrous metals fell 59 per cent.

The market for primary commodities, such as minerals, was one of the first to bounce back. Prices rose in the second and third quarters of 2009 due to increased demand from large emerging countries and speculative investments. Oil prices rose above US$ 70/barrel while the price of some minerals, such as copper, doubled. The prices of food and agriculture products decreased during the crisis, partly due to increases in production after a series of bad harvests in 2007. Since then, the prices of the main food products have remained low, with just a few exceptions, such as sugar, which has risen significantly in 2009.

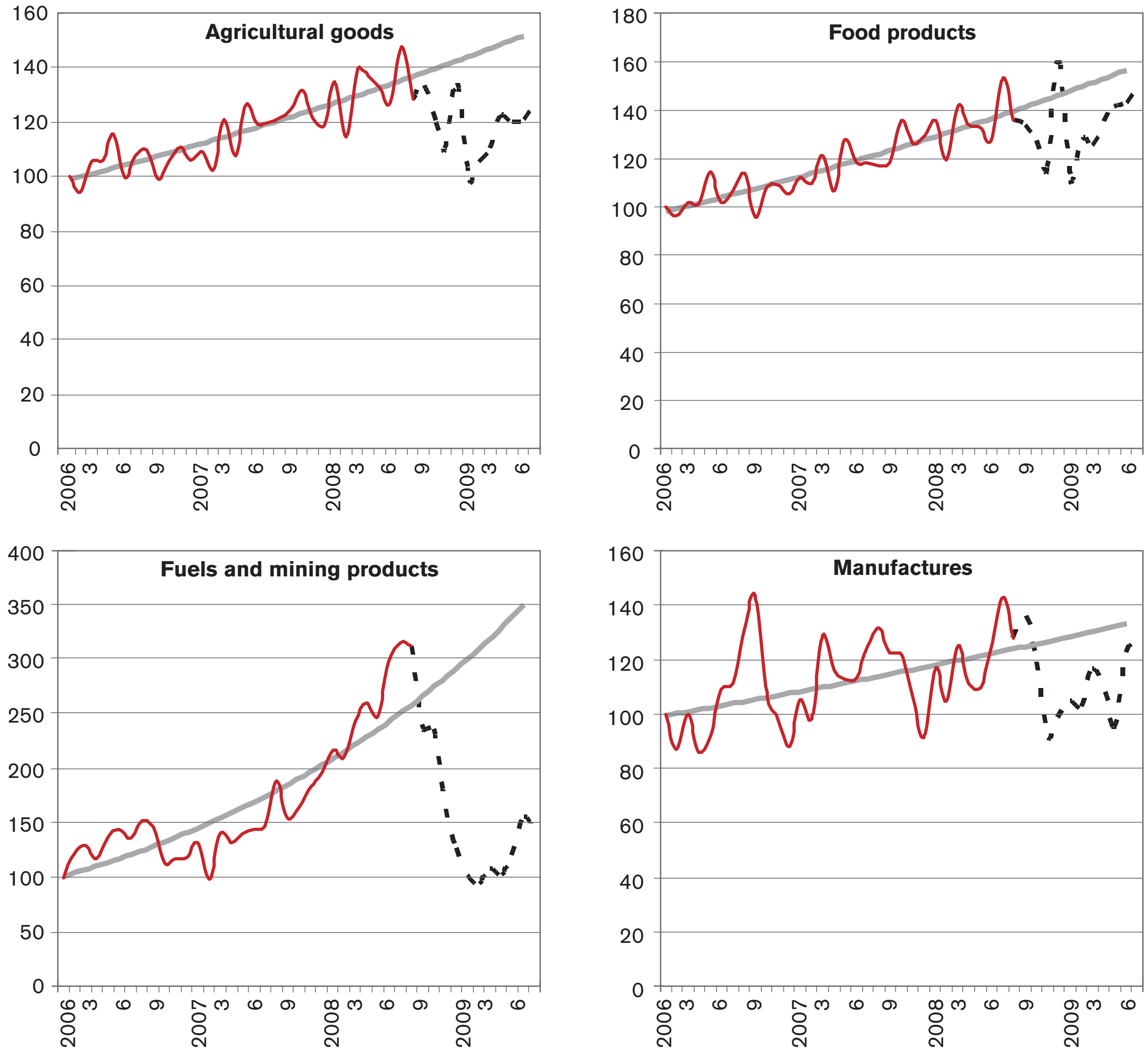
As far as LDC exports of clothing are concerned, specialization in the lower range of products might have helped a few LDCs weather the storm as there is less fluctuation in demand for these products. Nevertheless, in times of uncertainty, retailers run down their stocks before placing new orders. The industry has been particularly sensitive to this effect. Information from the main LDC exporters of manufactured goods provides a mixed picture. In Cambodia, exports of clothing dropped by 17 per cent in the first half of 2009, compared with the same period in 2008. On the other hand, Bangladesh's exports recorded growth of 8 per cent for the same period.

In summary, as shown in Chart 2, LDC exports were below their average levels for all major product groups in July 2009. Nevertheless, food exports were only slightly lower than their pre-crisis level while oil and other minerals, which experienced a deep decline, started to rise in February 2009. The preliminary data presented in Table 1 confirm also that LDC exports recuperated strongly during the second quarter of 2009. Food products have recovered the ground lost during the early months of the crisis, even if they are still below their long-term average. Fuels and minerals have also rebounded significantly, but not enough to compensate for the huge losses registered in the early months of the crisis. As for manufactured goods, the initial drop in exports was much lower, but the decline continued during the second quarter of 2009, albeit at a reduced rate.

LDC exports recovered strongly during the second quarter of 2009.

Chart 2: LDC Exports (by main product groups), January 2006 to July 2009

(Indices, January 2006 = 100)



Note: The dotted line corresponds to the "crisis period", after September 2008. The trend line shows the extrapolated trend, based on pre-crisis observations. Data are based on statistics obtained from a selection of 11 developed and developing countries and the European Union.
Source: WTO (on the basis of official data and Secretariat estimates).

Table 1: Average monthly variation in merchandise exports, January 2006 to July 2009 (percentage)

	Jan 2006-Aug 2008	Sept 2008-Mar 2009	Apr-Jul 2009
World: Total merchandise	1.4	-5.7	4.7
LDCs: Total merchandise	2.9	-9.1	9.0
Agricultural products	0.8	-3.1	2.0
Food products	1.0	-1.1	4.1
Fuels and mining	3.7	-12.3	11.4
Manufactured goods	0.8	-2.5	6.2

Note: Preliminary results. World data cover the 70 most important traders; data for LDCs are based on statistics of a selection of developed and developing importing countries, and WTO Secretariat estimates.
Source: WTO.

Trade in commercial services has been generally more resilient than merchandise trade. However, transportation and – to a lesser extent – travel (which includes tourism expenditure) have been significantly affected (see Box 2). Based on the limited data available, mainly from OECD countries, trade in other commercial services has been less affected by the crisis.

On average, trade in commercial services has been more resilient than merchandise trade, although tourism services have been severely affected by the crisis.

One of the reasons for the lower decline in the demand for services is that services are not storable. While retailers and firms ran down their stocks during the initial phase of the downturn, the reduction in demand for services, especially business-related services, was much less pronounced. Some services sectors have, however, been more affected than others.

Services related to trade in goods (transportation) have experienced similar declines to merchandise trade while financial services have been particularly hard hit. Tourism is also suffering from lower demand while other commercial services have been less affected initially. For example, the United States reported that exports of business, professional and technical services were more resilient (the World Bank reported that these services were still reporting positive – albeit reduced – rates of growth in the earlier months of 2009). However, preliminary US information for the second quarter of 2009 shows a progressive decline in these services (a decline of 6 per cent compared with the same quarter of 2008). A similar downward trend is observed also in other economies.

Box 2: Tourism in the face of the global crisis

Tourism is the most important export of commercial services for LDCs. It is of critical importance to many small islands. In 2007, revenue from tourism represented 56 per cent of GDP in the Maldives, and more than 20 per cent in Vanuatu and Samoa. In many other countries, the sector is of strategic importance because it has many indirect linkages with the rest of the economy. Its contribution as a provider of employment is usually much bigger than its contribution in export revenues.

After transport, tourism is the sector most severely affected by the global crisis. The UN World Tourism Organisation (UNWTO) forecasts a global decline of 4 to 6 per cent in international tourist arrivals in 2009; the negative trend started in the second half of 2008 and has intensified in 2009. Preliminary data confirm that the LDCs are also affected by this downturn, and this negative trend might be exacerbated by the risk of a global flu pandemic.

Tourism is the most important export of commercial services for LDCs.

Cambodia is the largest travel exporter of LDCs, representing more than 15 per cent of the group's total exports. In 2007, travel exports accounted for 75 per cent of the country's total exports of commercial services and 13 per cent of its GDP. Although travel exports increased by 8 per cent in 2008, in the last quarter of the year they stagnated (-0.2 per cent). According to UNWTO data, the number of international tourist arrivals has declined progressively since the third quarter of 2008 – declining by 6 per cent in the first quarter of 2009. The forecast for 2009 is a decline of 4 per cent.

For some LDCs, which particularly depend on tourism revenues, the impact of the crisis may be catastrophic. For the Maldives, whose tourism exports account for more than 90 per cent of total exports of commercial services, travel receipts are forecast to decrease by more than 20 per cent in 2009. Cape Verde, which graduated from the LDC group at the end of 2007, is also suffering from the repercussions of the recession. Its previously buoyant travel exports, which represented 21 per cent of GDP in 2007, plummeted by 43 per cent in the second quarter of 2009.

For LDCs that depend on tourism, the impact of the crisis may be catastrophic.

Small islands have suffered more than Cambodia because the large majority of tourists to the Maldives or Cape Verde come from Europe or the United States, whose households have changed their consumption patterns by shortening their holidays and staying closer to home. Foreign visitors to Cambodia, on the other hand, are generally from Asia and the Pacific.

Sources: WTO, IMF, UNWTO, Maldives Monetary Authority, Bank of Cape Verde, Cambodia Ministry of Tourism.

To sum up, some LDCs were better positioned than others when the crisis struck. As a result, the impact of the crisis has differed for the various categories of LDC exporters. Exports of basic commodities, which play an important role for many LDCs, are beginning to increase as large emerging countries show signs of recovery. LDC exports of fuels and minerals appear to have reached their lowest point in March 2009, after a drop of more than 50 per cent since September 2008; since March 2009, they have grown more than 40 per cent. Exporters of agricultural products have been less affected as there is less fluctuation in demand for agricultural and food products. For exporters of manufactured goods, the situation is more complex due to the slow recovery of developed countries. From September 2008 to March 2009, LDC exports of manufactured goods dropped more than 14 per cent; since then, manufacturing exports from LDCs have started to recover slowly, rising by 20 per cent up to July 2009.

Early indications suggest that the worst of the crisis is over but its effects may be long lasting.

Early indications suggest that the worst of the crisis is over, but its effects may be long lasting. LDCs have benefited from the strength of international trade in recent years but the difficult fiscal and financial situation of many large economies may limit the availability of trade finance, and reduce much-needed technical assistance as well as financing for trade facilitation projects, such as communication infrastructure and ports. Trade finance has declined considerably in recent times and initiatives are under way to restore such finance (see Box 3).

The challenges facing LDCs

Most researchers believe that the crisis will affect LDCs in the medium term by:

- reducing demand for exports
- triggering wide fluctuations in commodity prices
- leading to a contraction of both short- and longer-term private capital flows to LDCs across all financial instruments, such as foreign direct investment
- reducing remittance flows from workers living abroad
- reducing or freezing overseas aid flows from advanced countries.

Trade finance has declined considerably during the crisis. In the LDCs, the market situation remains tense, with increased payment defaults and high cost of credit. The African Development Bank estimates that trade finance transactions have collapsed by over 50 per cent since the beginning of 2009 (out of a total annual turnover of US$ 100 billion at peak times). In Asia, some countries that are key to international supply chains rely on the Asian Development Bank and the International Finance Corporation (IFC) to facilitate their trade transactions. However, making funds available from multilateral institutions is only part of the solution, because time and resources are needed to establish related government-supported schemes (see Box 3).

To combat these difficulties, initiatives such as Aid for Trade will continue to play an important role in helping LDCs strengthen their trade capacity and achieve sustained growth and economic development in the wake of the international crisis.

Box 3: International initiatives to restore trade finance

The drying-up of trade finance resulting from shortages in global liquidity and increased risk aversion by major international banks led WTO members to ask the WTO Secretariat to mobilize the international community over this issue so that the decline in trade was not made worse by the collapse of trade finance. All parties concerned, e.g leading commercial banks, the Berne Union of Export Credit Agencies and international financial institutions active in supplying trade finance, came together in the WTO Expert Group on Trade Finance to discuss solutions. These include fostering partnerships between private and public-sector institutions in the form of co-lending and risk-sharing, with a particular emphasis on developing countries. Based on the proposals made by the WTO Expert Group and the mobilization of political willingness across the globe, the G-20 leaders agreed in April 2009 on a time-bound US$ 250 billion package aimed at supporting short-term trade finance during the crisis.

The trade finance "package" includes strengthened public-private sector partnerships in existing trade facilitation programmes, which are further enhanced by the provision of increased liquidity. The IFC is creating a Global Trade Finance Liquidity Fund, allowing for co-lending agreements with commercial banks on a 40-60 per cent risk-sharing formula. Another pillar in the package is the strengthening of export credit agencies (ECAs).

G-20 leaders in Pittsburgh undertook a "reality check" of financial commitments to ensure that the US$ 250 billion in support of trade were mobilized. In fact, the target has been exceeded and a significant amount of trade finance, in the form of trade insurance and working capital, has already been provided to the market by export credit agencies.

Source: WTO "Report to the TPRB from the Director-General on the financial and economic crisis and trade-related developments" JOB(09)/62, 1 July 2009

Conclusions

- The financial crisis of 2008 quickly turned into a broader economic crisis which resulted in sharp drops in consumer demand and a severe liquidity crunch. Trade was one of the victims of this. Developing countries, including LDCs, have not been immune consequently to the effects of the crisis.

- The crisis has not affected all LDCs in the same way. LDC exports were particularly affected from September 2008 onwards, mainly due to the collapse of oil and commodity prices, which dropped by more than 40 per cent during the last quarter of 2008, remaining depressed during the first quarter of 2009. The impact on LDCs was particularly severe as fuel and minerals are a large proportion of their total exports. The prices of food and agriculture products – especially cereals – also declined, albeit prices of some export products (sugar, coffee and cotton) actually increased.

- As far as trade volumes are concerned, some LDCs may have actually experienced volume growth for certain export sectors in the first half of 2009, compared with the same period in 2008. For instance, analysts report that textiles and knitted clothing increased in volume by 3.7 per cent, despite a very slight decline in value during this period.

- Some LDC exports have been affected by changes in demand. International demand for manufactured goods has declined significantly in the wake of the financial crisis, as demand for these goods relies on credit. Services exports, in particular transportation and tourism, have also suffered from a decline in international demand and falling household consumption in developed countries.

- Since the second half of 2009, there are signs that the crisis may have reached its lowest point. Overall, LDC exports have been recovering since the second quarter of 2009. In fact, LDC exports have grown by 9 per cent as compared with the world average of 5 per cent during the period of April to July 2009. Demand for LDC exports is expected to increase, at least in the short term, as businesses start to rebuild inventories. Nevertheless, for the recovery to be sustainable, business and consumer confidence must be restored, and credit – including trade finance – needs to be made more widely available.

- Despite these favourable signs, there are still a number of factors that may lead to a slower recovery in 2010 than indicated by the most recent statistics. The continuing rise in unemployment and lower investment in the industrial sector may depress world demand for consumer goods, delaying a return to pre-crisis levels. LDCs relying on tourism would be particularly affected by a drop in household consumption. Initiatives to improve market access for LDC exports, such as those negotiated in the Doha Development Agenda, along with Aid for Trade and the Enhanced Integrated Framework for LDCs, will help LDCs strengthen their trade-related infrastructure and capacity. These initiatives remain key to sustaining growth and economic development in the LDCs.

Table 2: Merchandise exports and imports of LDCs by selected country grouping, 2008
(Million dollars and percentage)

	Exports					Imports				
	Value	Annual percentage change				Value	Annual percentage change			
	2008	2000-2008	2006	2007	2008	2008	2000-2008	2006	2007	2008
LDCs	**173,514**	**21.6**	**24.7**	**23.8**	**34.8**	**158,392**	**17.4**	**15.2**	**23.4**	**27.4**
Oil exporters	109, 077	28.1	24.1	31.4	47.0	45,310	24.8	15.6	33.9	28.7
Angola	67,100	30.6	32.2	39.3	51.1	21,100	27.4	5.1	55.6	54.5
Equatorial Guinea	16,300	40.1	16.2	24.4	59.6	3,270	28.1	54.2	36.6	18.5
Sudan	12,050	26.8	17.3	57.0	35.7	9,150	24.8	19.5	8.7	4.3
Yemen	8,977	10.4	14.1	-3.6	27.3	9,960	20.0	12.9	40.2	17.0
Chad	4,650	49.8	10.6	7.5	27.0	1,830	24.5	42.1	11.1	22.0
Exporters of manufactures	31,470	12.9	21.5	14.4	15.5	47,856	12.8	15.9	17.8	27.5
Bangladesh	15,357	11.6	26.9	5.5	23.3	23,838	13.1	15.4	16.0	28.2
Myanmar	6,937	19.7	20.3	38.1	9.5	4,288	7.5	33.1	29.2	29.5
Cambodia	4,300	15.2	13.7	16.3	5.2	6,600	16.5	20.9	14.2	21.7
Madagascar	1,340	6.3	15.3	25.6	8.3	4,040	17.7	5.7	46.1	53.3
Nepal	1,050	3.4	-2.9	5.9	18.3	3,600	10.9	9.1	16.6	24.0
Lao People's Dem. Rep.	1,095	16.2	59.5	4.6	18.7	1,302	11.8	20.1	0.5	22.3
Lesotho	900	19.3	6.8	15.8	11.8	2,040	12.3	6.4	15.9	17.4
Haiti	490	5.6	8.2	2.6	-6.1	2,148	9.5	12.9	12.8	16.0
Exporters of agriculture and others[a]	19,525	14.0	16.6	16.4	21.2	50,467	16.7	14.6	21.5	27.0
Tanzania	3,037	19.4	14.2	16.1	36.4	7,081	21.2	29.2	25.7	32.7
Senegal	2,350	12.4	1.0	4.8	40.7	6,528	20.0	5.0	32.7	34.0
Uganda	2,180	21.5	16.8	42.0	29.3	4,526	14.5	24.5	36.6	29.6
Mali	1,650	14.9	40.8	-1.7	8.3	2,550	15.5	17.9	20.1	16.7
Ethiopia	1,602	16.1	15.2	23.5	24.7	7,700	25.4	16.4	19.7	33.9
Guinea	1,360	9.3	26.0	6.6	18.8	1,600	12.8	15.9	26.3	33.3
Benin	1,050	13.1	27.1	19.0	20.0	1,990	15.9	20.6	30.3	24.4
Niger	880	15.2	7.0	35.8	23.9	1,400	17.1	0.6	11.7	32.1
Malawi	770	9.3	6.6	30.9	8.5	1,650	15.2	3.6	14.2	19.8
Togo	900	12.0	-1.5	7.7	28.6	1,540	13.4	4.2	12.0	10.0
Afghanistan	610	20.5	6.2	21.8	22.7	3,350	14.0	4.5	9.2	18.8
Burkina Faso	550	12.9	25.6	6.0	-11.7	1,800	14.5	4.7	22.8	11.1
Bhutan	521	22.5	60.5	62.6	-22.6	543	15.2	8.6	25.5	3.2
Maldives	331	14.9	39.4	1.2	45.0	1,388	17.2	24.4	18.3	26.6
Somalia	290	5.2	-3.3	0.0	0.0	790	11.0	8.2	3.0	16.2
Liberia	242	-3.7	20.2	26.9	21.1	813	2.5	50.6	7.0	62.9
Rwanda	250	21.7	18.2	20.0	41.4	1,139	23.5	27.3	34.5	54.5
Sierra Leone	220	42.4	45.8	6.1	-10.3	560	18.0	12.9	14.3	25.9
Solomon Islands	190	13.5	17.5	38.3	13.1	295	15.7	17.2	32.0	3.1
Central African Republic	195	2.4	16.6	13.1	9.6	310	13.0	19.7	23.1	24.5
Guinea-Bissau	98	5.9	-17.3	14.9	15.3	160	13.3	20.1	7.1	17.6
Djibouti	69	10.2	39.7	5.3	18.4	580	13.8	21.1	41.0	22.6
Burundi	57	1.7	0.5	-9.1	8.4	403	13.3	60.0	-25.9	26.2
Vanuatu	42	6.2	-2.8	-18.5	40.7	287	16.1	7.3	26.1	42.0
Eritrea	17	-9.3	-4.5	42.9	13.3	530	1.5	1.0	3.0	3.9
Comoros	13	-0.9	-17.4	31.0	0.0	180	19.6	16.8	21.5	28.6
Kiribati	15	19.6	46.3	55.0	53.4	55	4.1	-14.4	10.6	-21.6
Gambia	14	-0.9	43.3	9.2	11.2	329	7.3	-0.1	23.8	2.6
Samoa	11	-2.7	-10.5	45.0	-27.5	249	11.3	16.9	3.8	9.6
Sao Tome and Principe	11	17.1	13.2	-11.7	56.4	114	18.2	42.5	11.6	44.2
Tuvalu	0	40.3	-19.0	80.4	63.0	26	23.1	-0.8	22.0	68.9
Timor-Leste	...	...	...	...	...	...	...	...	...	...
Exporters of non-fuel minerals	13,442	23.8	53.5	12.9	21.0	14,759	20.6	13.7	20.2	24.6
Zambia	5,089	24.3	108.3	22.5	10.2	5,106	22.7	20.2	29.2	28.6
Congo, Dem. Rep. of	3,950	21.6	5.9	14.2	49.1	4,100	24.8	20.7	20.4	24.2
Mozambique	2,653	28.2	33.5	1.3	10.0	3,804	16.0	19.1	6.3	24.7
Mauritania	1,750	22.1	118.6	4.6	22.4	1,750	18.4	-18.3	30.2	15.1
Memorandum item:										
World [b]	**16,070,000**	**12**	**15**	**15**	**15**	**16,422,000**	**12**	**14**	**15**	**15.1**

[a]Includes exports without a clear specialization in a specific category of goods, or specialized services.
[b]Includes significant re-exports of imports for re-export.
Note: Groups and countries ranked by value, data for 2008 are largely estimates.
Source: WTO.

Table 3: Export prices of primary commodities, 2000-2008

(Annual and quarterly percentage changes)

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2008 Q-o-Q Q1	Q2	Q3	Q4	Annual average 2000-2008
Food and beverages	-0.4	0.4	2.7	5.1	13.2	1.5	10.3	15.1	23.3	18.1	6.6	-4.5	-24.7	8.7
Food	1.7	2.3	1.3	5.1	14.3	-0.4	10.5	15.2	23.3	18.0	6.8	-5.2	-25.2	8.7
Cereals	-3.6	4.5	14.3	1.1	8.2	-2.4	21.5	31.2	39.3	24.1	7.6	-10.3	-29.2	13.9
Wheat	1.7	11.2	17.1	-1.5	7.4	-2.9	25.8	33.1	27.7	20.3	-15.8	-8.3	-28.2	14.0
Maize	-2.3	1.6	10.9	5.8	6.2	-11.9	23.6	34.2	36.8	28.1	17.7	-5.3	-31.3	12.3
Rice	-18.2	-15.2	11.1	4.0	23.2	17.1	5.5	9.5	110.6	44.6	84.8	-21.0	-23.0	16.7
Barley	1.7	21.6	16.0	-3.9	-5.5	-4.0	22.7	47.8	16.3	11.5	10.1	-9.3	-40.3	12.7
Vegetable oils and protein meals	-3.3	-3.7	17.1	17.6	16.1	-10.3	3.4	38.7	34.2	22.4	5.1	-8.2	-32.3	13.0
Meat	8.6	8.0	-5.2	2.5	22.0	-0.4	-4.5	4.2	4.0	1.0	10.5	7.7	-14.7	3.5
Beef	5.6	10.0	-1.2	-6.0	27.0	4.3	-2.6	2.1	2.6	0.8	0.5	11.3	-14.0	4.1
Lamb	-2.6	15.4	12.2	9.4	3.8	-2.9	-4.5	5.2	5.6	1.8	8.3	-4.3	-15.8	5.3
Swine meat	33.5	3.6	-23.0	12.9	33.1	-4.7	-5.6	-0.3	1.5	0.5	32.6	8.8	-26.7	1.1
Poultry	-0.9	7.0	-0.9	4.9	14.4	-2.4	-6.3	12.9	8.2	1.4	5.7	5.6	-1.4	4.5
Seafood	3.1	-12.1	-13.7	-1.1	4.4	13.7	20.5	-6.4	0.5	3.1	3.7	0.3	-19.6	0.1
Fish	2.1	-20.7	1.6	2.0	11.6	21.6	24.6	-10.2	6.6	10.1	5.5	2.3	-25.5	3.6
Shrimp	4.5	0.6	-31.4	-5.9	-9.7	-5.0	4.9	11.0	-22.3	-21.5	-5.2	-10.8	18.5	-8.2
Sugar	14.8	0.6	-14.8	9.5	8.5	20.4	32.5	-23.2	14.7	20.0	-4.8	10.2	-15.0	4.6
Bananas	12.9	38.5	-9.8	-28.9	39.9	9.9	18.4	-0.8	24.6	27.3	9.6	-14.8	9.6	9.0
Oranges	-17.1	64.0	-5.2	21.0	25.1	-1.4	-2.1	16.2	15.6	12.3	19.8	-12.0	-27.6	15.0
Beverages	-15.1	-16.1	16.6	4.9	3.0	21.0	8.4	13.7	23.3	18.5	4.3	2.9	-19.5	8.7
Coffee	-21.7	-28.8	-0.2	10.2	18.2	43.0	11.5	15.8	16.0	15.7	-3.7	1.4	-18.8	8.9
Cocoa beans	-20.4	20.4	63.5	-1.4	-11.5	-0.5	3.0	23.1	31.4	23.0	13.0	0.9	-20.2	14.0
Tea	6.8	-20.2	-9.5	8.4	1.9	9.2	11.7	-12.4	27.3	15.7	9.5	14.8	-19.2	1.0
Agricultural raw materials	4.7	-5.0	1.8	3.8	5.4	1.6	8.6	5.0	-0.8	2.0	2.2	0.3	-15.4	2.5
Timber	-1.6	-8.4	-1.0	5.3	11.6	4.2	8.1	-1.1	1.8	4.0	2.2	1.8	1.2	2.4
Cotton	11.1	-18.7	-3.5	36.9	-2.2	-11.1	5.2	9.0	12.8	-0.4	-0.9	1.0	-24.5	2.4
Wool	13.1	-5.5	28.3	12.7	-7.6	-4.6	3.6	38.9	-4.2	3.8	-5.8	-9.9	-31.5	6.5
Rubber	8.8	-13.1	27.3	41.5	20.4	15.2	40.3	8.7	14.1	12.4	10.8	-1.3	-46.0	18.1
Hides and skins	11.2	5.5	-4.6	-15.4	-1.7	-2.2	5.0	4.7	-11.1	-3.3	2.7	1.7	-19.6	-2.8
Minerals and non-ferrous metals (excluding crude petroleum)	12.1	-9.7	-2.7	12.3	36.2	26.5	55.9	17.5	-7.9	10.6	1.1	-8.5	-33.4	14.1
Copper	15.4	-12.9	-1.3	14.1	61.0	28.4	83.1	6.0	-2.4	8.2	8.1	-9.3	-49.1	18.3
Aluminium	14.1	-6.7	-6.7	6.1	19.9	10.6	35.4	2.6	-2.4	12.6	7.1	-5.5	-34.3	6.6
Iron ore	4.4	3.9	-2.0	9.0	18.6	71.5	19.0	9.5	66.0	66.0	0.0	0.0	0.0	21.9
Tin	0.8	-17.4	-9.6	20.5	73.4	-12.9	18.5	65.7	27.4	9.0	26.7	-9.5	-35.6	16.5
Nickel	43.8	-30.8	13.7	41.9	43.6	6.9	63.3	53.9	-43.1	-0.9	-11.4	-26.0	-42.5	11.9
Zinc	4.8	-21.4	-12.2	6.4	26.5	31.8	136.6	-0.5	-42.0	-7.3	-13.3	-16.1	-32.8	6.6
Lead	-9.5	4.9	-5.0	13.6	71.5	10.5	32.2	100.2	-18.9	-9.7	-20.8	-17.0	-34.7	21.0
Uranium	-17.3	4.0	14.1	14.2	60.6	54.8	70.7	108.1	-35.3	-9.2	-19.9	-0.4	-19.0	29.2
Total of above	4.5	-4.0	0.8	6.9	18.6	10.3	23.1	14.1	7.5	12.8	4.0	-5.1	-26.0	9.3
Energy	56.1	-11.6	-0.4	16.7	31.1	38.7	19.2	10.5	40.1	11.0	25.8	-2.2	-46.4	16.7
Natural gas	77.0	-1.3	-19.3	31.5	11.1	42.0	15.3	1.4	48.6	19.5	18.8	9.3	-4.6	14.1
Crude petroleum	57.0	-14.0	2.7	15.8	30.7	41.3	20.5	10.6	36.5	9.0	26.9	-4.7	-51.4	16.7
Coal	3.1	24.1	-17.8	5.3	99.2	-11.3	4.4	31.8	93.2	34.5	20.1	19.2	-42.6	22.4
All primary commodities	**32.6**	**-8.9**	**0.1**	**13.0**	**26.6**	**29.1**	**20.6**	**11.8**	**27.6**	**11.6**	**18.3**	**-3.1**	**-40.4**	**14.2**
Memo item: Manufacture Unit Value	-2.9	-3.2	1.4	9.6	8.4	2.3	2.7	7.3	...	...	...	...	...	4.0

Note: The indices are period averages based on dollar prices. The data for manufacture corresponds to unit values. The quarterly figures are not seasonally adjusted.
Source: WTO.

List of LDCs

LDCs	WTO Members (M)/Observers (O)
Angola	M
Afghanistan	O
Bangladesh	M
Bénin	M
Bhutan	O
Burkina Faso	M
Burundi	M
Cambodia	M
Central African Republic	M
Chad	M
Comoros	O
Congo Democratic Republic	M
Djibouti	M
Equatorial Guinea	O
Eritrea	No status
Ethiopia	O
Gambia	M
Guinea	M
Guinea Bissau	M
Haiti	M
Kiribati	No status
Lao People's Democratic Republic	O
Lesotho	M
Liberia	O
Madagascar	M
Malawi	M
Maldives	M
Mali	M
Mauritania	M
Mozambique	M
Myanmar	M
Nepal	M
Niger	M
Rwanda	M
Samoa	O
Sao Tomé & Principe	O
Senegal	M
Sierra Leone	M
Solomon Islands	M
Somalia	No status
Sudan	O
Tanzania	M
Timor Leste	No status
Togo	M
Tuvalu	No status
Uganda	M
Vanuatu	O
Yemen	O
Zambia	M
Africa= 33, Asia=10, Pacific=5, Caribbean=1	
Total=49	
	WTO Members=32
	WTO Observers=12

Further information

For further information on trade and development issues and for the latest trade statistics, consult the WTO web site (www.wto.org):

- **Trade and development** www.wto.org/development
- **International trade and tariff data** www.wto.org/english/res_e/statis_e/statis_e.htm

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