



# Cotton Portal

Trade Intelligence for Cotton

## Export Potential Map

SPOT EXPORT OPPORTUNITIES FOR TRADE DEVELOPMENT

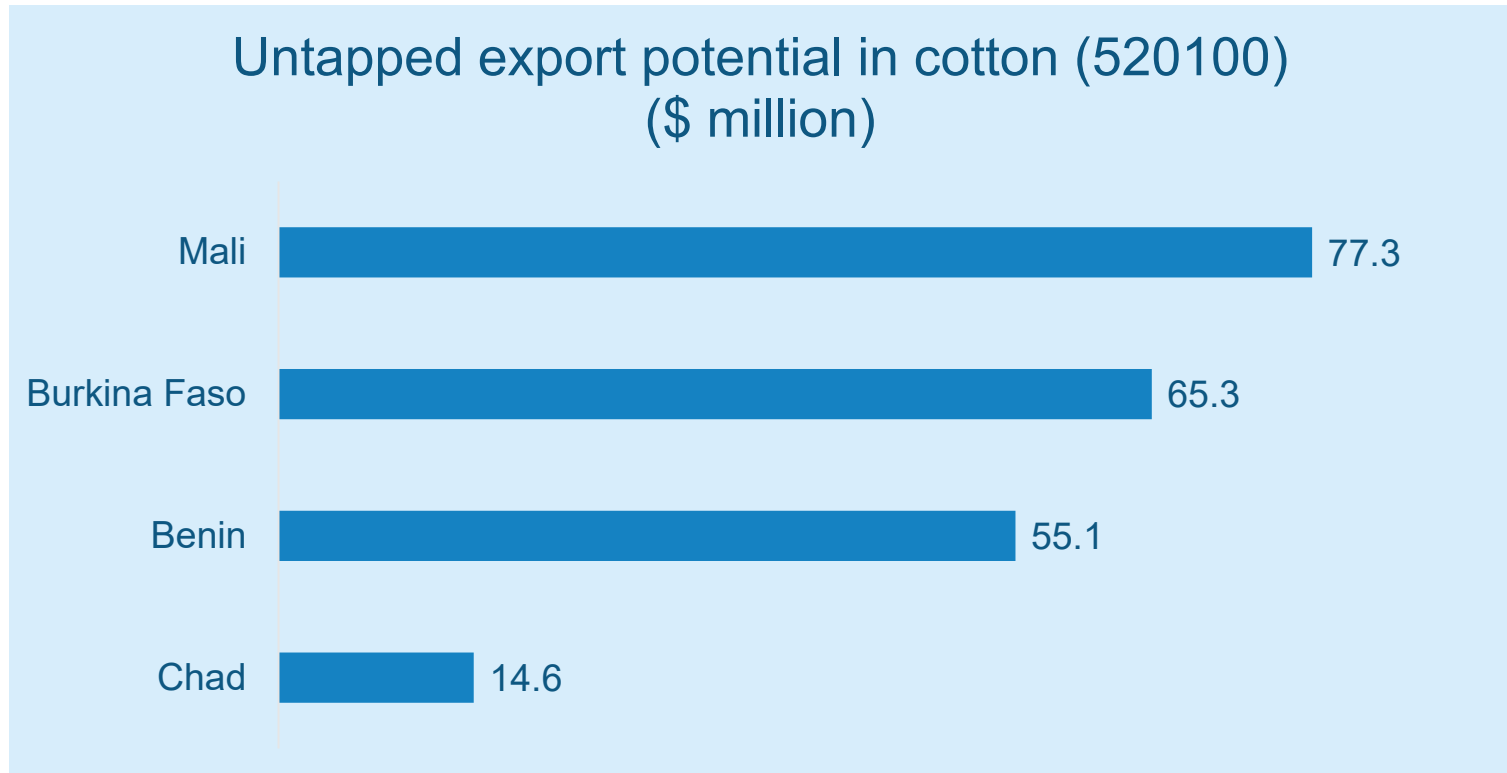


Julia Seiermann

Trade and Market Intelligence, ITC

# The potential of Cotton

The C4 countries export close to \$800 million\* in cotton (520100) alone... and **opportunities for export growth exceed \$200 million**



\*Weighted average of exports between 2014-18

Source: <https://exportpotential.intracen.org>

# Cotton Portal

- One-stop shop for trade information on cotton
  - Unite scattered data and information on cotton trade in one place
  - Support analysis and evidence-based decision-making
  - For policy-makers, private sector and trade support institutions
- Multi-stakeholder collaboration: WTO, ITC and partners from cotton sector (ICAC)
- Launched at MC11, December 2017








**Cotton Portal**

Trade Intelligence for Cotton



[www.cottonportal.org](http://www.cottonportal.org)

# What's in? Policy, Market and Business information

## Market information:

-  Customs tariffs & preferences
-  Compulsory requirements
-  WTO SPS and TBT notifications
-  Voluntary standards
-  Trade statistics





## WTO corner:

-  WTO Cotton Web Page
-  WTO Secretariat Background Paper
-  WTO-monitored Cotton Development Assistance
-  Agriculture Information Management System (AG-IMS)

## Cotton Statistics:

-  Area
-  Consumption
-  Ending stocks
-  Production
-  Yield

## Business opportunities:

-  Business contacts
-  Cotton news and events
-  Useful links
-  Learning corner



# WELCOME TO THE COTTON PORTAL

Trade Statistics

Customs duties and taxes

Market Access Regulations

Business contacts

WTO background paper

WTO development assistance

News and events

Learning centre

## SEARCH MARKET INFORMATION

Destination market \*

Select country/territory



Exporting from \*

Select country/territory



HS product ⓘ \*

Type the product name or HS6 code

**SUBMIT** »

\* Required fields

## Cotton Portal

Trade intelligence for cotton

The Cotton Portal provides a single entry point for all the cotton-specific information available in WTO and ITC databases on market access, trade statistics, country-specific business contacts and development-assistance related information, as well as links to relevant documents and webpages. It also provides links to other organisations active on cotton.

**READ MORE** »



WTO and ITC launch Cotton Portal during the 11th Ministerial Conference



## Spot export

The Export Potential Map provides economic analysis using the ITC export assessment methodology.

**Export potential:** identify products, markets & suppliers with export potential & discover how much of this potential is unrealized

Using the Map's visualizations,

1. products (untapped)
2. opportunities for **export diversification**

**Export diversification:** identify new products with favourable chances of export success in regional & global markets

[Read more...](#)

[exportpotential.intracen.org](http://exportpotential.intracen.org)

What is the export potential for Cotton, not carded/combed ?

Untapped export potential\*

\$3.8 bn



# Export Potential Map – Key characteristics



## Key focus

Opportunities with **export potential** & for **export diversification**

## Characteristics

- Economic model that draws on trade, tariff, GDP and geographic data
- User friendly interface with customizable, downloadable & sharable visualizations
- Country-specific versions with additional customized analytical options on request

## Coverage

- 226 countries & territories
- 4000+ product groups based on the 6-digit level of the Harmonized System classification

## Stakeholders

Trade advisers, policy makers, private companies

# EPI: Export Potential Indicator

Export potential in existing export products

$$EPI_{ijk} = \textit{Supply}_{ik} \times \textit{Demand}_{jk} \times \textit{Ease}_{ij}$$

## Supply

- Market share
- Growth of supply (proj. GDP per capita)
- EX/IM ratio
- Global tariff conditions

## Demand

- Imports
- Growth of demand (proj. GDP per capita)
- Tariff conditions in target market
- Distance sensitivity

## Ease

- Existing bilateral trade
- Corrected for complementarity in trade structures

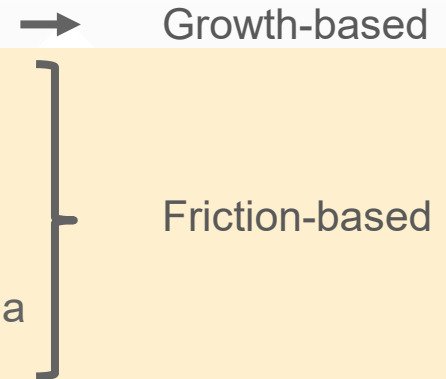


# Unrealized potential

$$\text{Unrealized potential} = \begin{cases} EPI - \text{current exports} & \text{if } EPI > \text{exports} \\ 0 & \text{if } EPI \leq \text{exports} \end{cases}$$

Unrealized export potential may be due to:

- Expected supply and demand growth
- Non-tariff measure affecting this particular exporter and product (e.g. rules of origin)
- Price / quality positioning not in line with market demand
- Lack of market intelligence or business contacts
- Any other friction that affects the exporter's ability to export a *specific product to a specific market*



ROOM FOR ACTION FOR TRADE ADVISORS

# PDI: Product Diversification Indicator

Opportunities for diversifying into new export products

$$PDI_{ijk} = \textit{Density}_{ik} \times \textit{Demand}_{jk} \times \textit{Ease}_{ij}$$



Mirroring [EPI](#): how to represent supply side information?

- Intuition: “Close” products require similar capabilities
- Comparing a country’s export basket to similar countries’ exports baskets gives an idea on new products the country could export
- Hausmann and Hidalgo’s “Product Space” establishes an average proximity (“density”) of a country to new products for diversification
- Normalization and filtering to account for geographical conditions (sea access, climatic conditions)

# For more information



[marketanalysis.intracen.org](http://marketanalysis.intracen.org)



[marketanalysis@intracen.org](mailto:marketanalysis@intracen.org)



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**Julia Seiermann**

**Market Analyst**

Trade and Market Intelligence section (TMI)

International Trade Centre

[jseiermann@intracen.org](mailto:jseiermann@intracen.org)



