

VIETNAM

Country profile and trade aspects

Table of Contents

I Overview.....	3
II Economic History.....	3
III The Modern Economy: Macroeconomic Indicators	5
IV Trade Policy	6
V Trade Analysis.....	7
1. Vietnam's Imports and Exports.....	7
2. Export Trade Intensity Index.....	12
3. Trade Complementarity Index.....	14
4. RCA and RCII	19
5. Export Concentration	24
6. Intra-Industry Trade.....	25
7. Export Similarity	32
VI Resources.....	33
VII Appendix.....	34
A. Data on Country Profile	34
B. Commodities requiring product-specific export-promotion policies	36
C. Commodities requiring market-specific export-promotion policies	40
D. Trade Indicators.....	55

Index of Tables

<i>Table 1.1: Vietnam's Imports of Merchandise in billion US dollars.....</i>	<i>8</i>
<i>Table 1.2: Shares of countries in Vietnam's Imports of Merchandise.....</i>	<i>8</i>
<i>Table 1.3: Vietnam's Exports of Merchandise in billion US dollars.....</i>	<i>9</i>
<i>Table 1.4: Shares of countries in Vietnam's Exports of Merchandise</i>	<i>10</i>
<i>Table 1.5: Shares of top 10 Commodities in Vietnam's Imports of Merchandise.....</i>	<i>10</i>
<i>Table 1.6: Shares of top 10 Commodities in Vietnam's Exports of Merchandise.....</i>	<i>11</i>
<i>Table 2.1: Export Intensity Indices of Countries w.r.t. Vietnam</i>	<i>12</i>
<i>Table 2.2: ITC-HS Chapter-wise Export Intensity Indices for India w.r.t Vietnam in 2019.....</i>	<i>13</i>
<i>Table 3.1: Trade Complementarity Index (including Relative) between India and Vietnam</i>	<i>15</i>
<i>Table 3.2: Trade Complementarity Index (including Relative) between selected countries and Vietnam in 2019</i>	<i>15</i>
<i>Table 3.3: Composition of India's Exports and Vietnam's Imports in 2019 (ITC-HS chapter-wise).....</i>	<i>15</i>
<i>Table 3.4: Top Twenty Chapters with highest absolute difference in shares (in Indian exports and Vietnamese imports).....</i>	<i>18</i>
<i>Table 4.1: RCA of Indian exports in 2019 – ITC-HS chapter-wise.....</i>	<i>20</i>
<i>Table 4.2: RCII of Vietnamese imports in 2019 – ITC-HS chapter-wise</i>	<i>20</i>
<i>Table 4.3: RCA of Indian exports to Vietnam in 2019 – ITC-HS chapter-wise</i>	<i>22</i>
<i>Table 4.4: RCII of Vietnam's imports from India in 2019 – ITC-HS chapter-wise.....</i>	<i>23</i>
<i>Table 5.1: Hirschman-Herfindahl Index for India to the World and for India to Vietnam</i>	<i>25</i>

<i>Table 6.1: Grubel-Lloyd Index for India and Vietnam in 2019 – Agricultural and Related Products (Chapters 01-24)</i>	26
<i>Table 6.2: Grubel-Lloyd Index for India and Vietnam in 2019 – Mineral Products (Chapters 25-27)</i>	27
<i>Table 6.3: Grubel-Lloyd Index for India and Vietnam in 2019 – Products of Chemical or Allied Industries (Chapters 28-40)</i>	27
<i>Table 6.4: Grubel-Lloyd Index for India and Vietnam in 2019 – Leather, Wood and Paper (Chapters 41-49)</i>	28
<i>Table 6.5: Grubel-Lloyd Index for India and Vietnam in 2019 – Textiles, Textile Articles, Footwear and Headgear (Chapters 50-65)</i>	29
<i>Table 6.6: Grubel-Lloyd Index for India and Vietnam in 2019 – Assorted Group of Items (Chapters 66-71)</i>	30
<i>Table 6.7: Grubel-Lloyd Index for India and Vietnam in 2019 – Base Metals and Articles of Base Metals (Chapters 72-83)</i>	30
<i>Table 6.8: Grubel-Lloyd Index for India and Vietnam in 2019 – High-End Manufactured Products, Furniture, Sports Goods and Works of Art (Chapters 84-99)</i>	31
<i>Table 7.1: Export Similarity Index – India and a few countries</i>	32
<i>Table 7.2: Export Similarity Index – Vietnam and a few countries</i>	32
<i>Table A: Country Profile — Vietnam</i>	34
<i>Table B: Commodities requiring product specific export-promotion policies</i>	36
<i>Table C: Commodities requiring market specific export-promotion policies</i>	40

I Overview

Vietnam, officially the Socialist Republic of Vietnam, is a country in Southeast Asia. It is the world's sixteenth-most populous country, with population of over 96 million inhabitants. Vietnam shares borders China to the north, and Laos and Cambodia to the west; while maintaining maritime borders with Thailand through the Gulf of Thailand, and the Philippines, Indonesia and Malaysia through the South China Sea. Its capital is Hanoi, and the largest city is Ho Chi Minh City.

Following Vietnamese victory against the French in the First Indochina War, which ended in 1954, the nation was divided into two rival states: communist North and anti-communist South. Conflicts intensified in the Vietnam War, which saw extensive American intervention in support of South Vietnam, while the Soviets and the Chinese supported the North—which ended with North Vietnamese victory in 1975. After North and South Vietnam were reunified as a communist state under a unitary socialist government in 1976, the country became economically and politically isolated until 1986, when the Communist Party initiated a series of economic and political reforms that facilitated Vietnamese integration into world politics and the global economy. As a result of the successful reforms, Vietnam has enjoyed high economic growth rate, consistently ranked among the fastest growing economies of the world. Vietnam is a part of several major international and intergovernmental institutions or groupings including the United Nations, the ASEAN, the APEC, the CPTPP, the Non-Aligned Movement, the OIF, the RCEP, and the World Trade Organization, and has also assumed a seat on the United Nations Security Council twice.

Vietnam ranks 117th in the human development index¹ with Life expectancy at birth (years) at 75.4, Expected years of schooling (years) at 12.7, Mean years of schooling (years) at 8.3 and Gross national income (GNI) per capita (PPP \$) at 7,433, resulting in an HDI value (2019) of 0.704.

Vietnam has been a fast growing economy, with the GDP (real) growth rate hovering around 7% from 2017 to 2019. Furthermore, it is the 52nd most complex economy according to the Economic Complexity Index². A detailed data outlining Vietnam's country profile is shown in Table A in Appendix A.

II Economic History

Vietnam's greatest economic resource is its literate and energetic population. Its long coastline provides excellent harbours, access to marine resources, and many attractive beaches and areas of scenic beauty that are well suited to the development of tourism. Since the late 1990s, the country's economy has been on a vigorous upswing. Tourism has expanded, manufacturing and export earnings have increased, and the per capita gross domestic product (GDP) has grown rapidly. Early in the 21st century, state markets were opened to foreign competition, and Vietnam became a member of the World Trade Organization (WTO). This surge followed two decades of post-reunification economic instability, during which a slowly developing infrastructure, excessive population growth,

1 As per the Human Development Report 2020.

2 Sourced from Harvard's Atlas of Economic Complexity

environmental degradation, and a rising domestic demand (that was increasingly difficult to meet) impeded economic development.

During the period 1954 to 1975, when the country was divided, there were three layers to the economies in both the north and the south: a bottom layer based on the cultivation of rice, a middle layer dominated by mining in the north and rubber plantations in the south, and a third wartime layer that relied on Soviet and Chinese aid in the north and American aid in the south. In the north, land reform in 1955-56 was followed by rapid collectivization of agriculture and handicrafts. Government investment favoured heavy industry at the expense of agriculture, handicrafts, and light industry, the traditional mainstays of the economy. Heavy industry grew, but efficiency was low, quality was poor, and further progress was hampered by deficiencies in agriculture and light industry. Economic aid from socialist countries masked many economic weaknesses. In the south, although a substantial proportion of manufacturing was conducted by state-owned enterprises, other sectors of the economy, such as agriculture, trade, and transport, were characterized by private ownership and private enterprise. Agriculture flourished in the Mekong delta, and the standard of living was significantly higher in the south than it was in the north.

After reunification, the northern model of development was imposed on the entire country. Efforts to socialize the commercial sector and to collectivize agriculture met with resistance, especially in urban centres and in the rich Mekong delta, where the majority of farmers in the 1970s were self-sufficient, middle-income peasants. The south also underwent a severe drain of human resources. Many well-educated people fled Vietnam after 1975. Hundreds of thousands more, mainly those who had been associated with the former government or the Americans and had not been able to leave the country, were placed in jails or reeducation centres, while other skilled but politically suspect people were forced to resettle in remote areas. The government's efforts to abolish private enterprise and private property in the south and its deteriorating political relations with China affected Vietnam's ethnic Chinese more than any other group and precipitated their flight from the country. The Chinese exodus was most intense in 1978-79, but it continued at a slower pace with sponsorship from the United Nations High Commissioner for Refugees into the early 1990s. Large police and military expenditures further strained the budget and diverted resources from productive enterprises.

These factors, combined with poor management of state-run economic programs, led to a severe economic crisis. Food production and per capita income dropped, and consumer goods were shoddy, expensive, and in short supply. The government responded with minor changes in 1979, and initiated a program of more basic reforms known as Doi Moi ("renovation") beginning in 1986. While maintaining state ownership in many sectors and overall government control of the economy, Vietnam moved away from a centrally planned, subsidized economy toward one that utilizes market forces and incentives and tolerates private enterprise in some areas. The quality and variety of food, consumer goods, and exports subsequently improved.

The pace of reform slowed during the 1990s, and the economy continued to be more cumbersome and bureaucratic than the dynamic market economies of Vietnam's more successful Southeast Asian neighbours. Although manufacturing and especially services grew in importance after the reforms

were introduced, agriculture remained a major component of the economy. After 1998, however, the economy began to rebound. Exports diversified, and per capita income started to climb, nearly doubling in less than a decade.

III The Modern Economy: Macroeconomic Indicators

Vietnam's development over the past 30 years has been remarkable. Economic and political reforms under Doi Moi, launched in 1986, have spurred rapid economic growth, transforming what was then one of the world's poorest nations into a lower middle-income country. Between 2002 and 2018, GDP per capita increased by 2.7 times, reaching over US\$ 2,700 in 2019, and more than 45 million people were lifted out of poverty. Poverty rates declined sharply from over 70 percent to below 6 percent (US\$3.2/day PPP). The vast majority of Vietnam's remaining poor – 86 percent – are ethnic minorities.

Given its deep integration with the global economy, the Vietnamese economy has been hit by the ongoing COVID-19 pandemic, but has shown remarkable resilience. After registering a growth rate hovering around 7%, GDP grew by 2.9 percent in 2020. 45 percent of households reported lower household income in January 2021 than in January 2020. Vietnam is experiencing rapid demographic and social change. Its population reached 96.5 million in 2019 (up from about 60 million in 1986) and is expected to expand to 120 million by 2050. According to the 2019 Population Census Report, 55.5 percent of the population is under 35 years of age, with a life expectancy of 76 years, the highest among countries in the region at similar income levels. But the population is rapidly aging. And Vietnam's emerging middle class, currently accounting for 13 percent of the population, is expected to reach 26 percent by 2026.

Vietnam's human capital index (HCI) stands at 0.69, meaning a child born in Vietnam today will be 69 percent as productive when she grows up as she could be if she enjoyed complete education and full health. This is higher than the average for East Asia and the Pacific region and lower middle income countries. Between 2010 and 2020, the HCI value for Vietnam increased from 0.66 to 0.69, but there are some disparities within the country, especially for ethnic minorities. There is also a need to upgrade the skills of the workforce to create productive jobs at a large scale in the future.

Health outcomes have improved in tandem with rising living standards. From 1993 to 2017, the infant mortality rate decreased from 32.6 to 16.7 (per 1,000 live births). Between 1990 and 2016, life expectancy increased from 70.5 to 76.3 years, and is the highest in the region for countries at a similar income level. Vietnam's universal health coverage index is at 73 - higher than regional and global averages - with 87 percent of the population covered. However, the high and widening sex ratio at birth (115 in 2018) shows that fundamental gender discrimination persists. At the same time, Vietnam is one of the most rapidly aging countries and the 65+ age group is expected to increase 2.5 times by 2050.

Over the past 30 years, the provision of basic services has improved significantly. Access of households to infrastructure services has increased dramatically. As of 2016, 99 percent of the population uses electricity as their main source of lighting, up from just 14 percent in 1993. Access to clean water in rural areas has also improved, up from 17 percent in 1993 to 70 percent in 2016, while that figure for urban areas is above 95 percent. However, in recent years, Vietnam's physical capital investment as a percentage of GDP has been among the lowest in the ASEAN region. This will create challenges for continued growth of modern infrastructure services required for the next phase of growth.

Vietnam's rapid growth and industrialization have had detrimental impacts on the environment and natural assets. Electricity consumption has tripled over the past decade, growing faster than output. Given the increasing reliance of fossil fuels, the power sector itself accounts for nearly two-thirds of the country's greenhouse gas emissions. There is an urgent need to accelerate the clean energy transition. Over the past two decades, Vietnam has emerged as the fastest growing per-capita greenhouse gas emitters in the world – growing at about 5 percent annually. Demand for water continues to increase, while water productivity is low, about 12 percent of global benchmarks. Unsustainable exploitation of natural assets such as sand, fisheries, and timber could negatively affect prospects for long-term growth. Compounding the problem is the reality that much of Vietnam's population and economy is highly vulnerable to climate impacts.

Urbanization and strong economic and population growth are causing rapidly increasing waste management and pollution challenges. Waste generation in Vietnam is expected to double in less than 15 years. Linked to this is the issue of marine plastics: ninety percent of global marine plastic pollution is estimated to come from just 10 in-land rivers, and the Mekong river is one of them. Vietnam is among the 10 countries worldwide that are most affected by air pollution. Water pollution has significant costs on productivity of key sectors and human health.

IV Trade Policy

Implementing its membership obligations with WTO, Vietnam conducted its first TPR session in September 2013 and its second TPR session at the WTO in December 2020.

Vietnam began 2020 following a prolonged period of high growth. The last three decades of market-oriented reform supported a structural transformation from agriculture to a modern economy based on FDI-led manufacturing, lifting Vietnam from one of the poorest countries in the world to lower middle-income status. In recent years, growth averaged 7 percent, and the emphasis on “leaving no one behind” boosted living standards, contributing to notable progress towards the Sustainable Development Goals. Economic activity remained strong with stable inflation in 2019, as the rate of new business creation reached a six-year high. Fiscal consolidation efforts helped contain public and publicly guaranteed debt to 43 percent of GDP, well below the 65 percent statutory limit. Despite moderating trade flows on account of U.S.-China trade tensions, the current account surplus rose to 3.8 percent of GDP as a result of sharply slowing imports of raw materials and intermediate goods, record tourist arrivals, and large remittance flows. Vietnam's external position in 2019 was assessed

to be substantially stronger than warranted by fundamentals due to structural features. Following the onset of the COVID-19 crisis, decisive measures were taken to limit the health and economic fallout. Early and concerted efforts helped ease lockdown restrictions and contain the associated policy support package relative to other countries. Fiscal policy focused on temporary support to firms and vulnerable households, while monetary policy was eased to maintain abundant liquidity in the banking system. Real GDP growth in 2020 was 2.9 percent, among the highest in the world. The current account surplus is projected to narrow to 2.2 percent in 2020, as collapsing tourism receipts and weaker remittances are only partially offset by subdued imports and lower income payments. Despite some economic scarring, a strong recovery is expected in 2021 as normalization of domestic and foreign activity continues. Fiscal and monetary policies are expected to remain supportive, although to a lesser extent than in 2020, and inflation is projected to remain close to the authorities' target at 4 percent.

Vietnam has been a member of the WTO since 11 January 2007. The following Regional Trade Agreements (RTAs) are in force for the time being:

- ASEAN - Australia - New Zealand
- ASEAN - China
- ASEAN - Hong Kong, China
- ASEAN - India
- ASEAN - Japan
- ASEAN - Korea, Republic of
- ASEAN Free Trade Area (AFTA)
- Chile - Viet Nam
- Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP)
- EU - Viet Nam
- Eurasian Economic Union (EAEU) - Viet Nam
- Global System of Trade Preferences among Developing Countries (GSTP)
- Japan - Viet Nam
- Korea, Republic of - Viet Nam
- United Kingdom - Viet Nam

RTAs for which an early announcement has been made:

- EFTA - Viet Nam

V Trade Analysis

While presenting the overview of Vietnam's international trade data, this section will particularly focus on the bilateral trade between Vietnam and India in details.

1. Vietnam's Imports and Exports

Tables 1.1 to 1.4 show the list of Vietnam's top 20 source countries and destination countries for merchandise trade. From tables 1.1 and 1.2, it is manifest that China, South Korea and Japan are the top 3 countries accounting for 57% in Vietnam's imports of merchandise in 2019. India accounts for

1.78% in Vietnam's goods' imports in 2019, with an average hovering around 1.73% from 2015 to 2019.

Table 1.1: Vietnam's Imports of Merchandise in billion US dollars

Partner Country	2015	2016	2017	2018	2019	Grand Total
World	165.78	174.98	213.22	236.87	253.44	1,044.28
China	49.44	50.04	58.53	65.52	75.59	299.11
Rep. of Korea	27.58	32.19	46.94	47.58	46.94	201.24
Japan	14.18	15.10	16.92	19.04	19.53	84.77
Other Asia, nes	10.94	11.24	12.71	13.23	15.18	63.31
USA	7.79	8.71	9.34	12.76	14.38	52.98
Thailand	8.27	8.86	10.70	12.04	11.68	51.55
Malaysia	4.18	5.17	5.95	7.45	7.29	30.04
Singapore	6.03	4.77	5.32	4.53	4.07	24.72
Indonesia	2.74	2.99	3.66	4.94	5.71	20.03
India	2.66	2.75	3.95	4.15	4.52	18.02
Germany	3.20	2.85	3.20	3.81	3.70	16.77
Australia	2.02	2.44	3.20	3.75	4.48	15.89
Argentina	2.16	2.67	2.55	2.45	3.25	13.09
Areas, nes	1.94	1.46	1.98	3.05	3.35	11.79
Brazil	2.44	1.72	1.84	2.39	2.75	11.13
Italy	1.45	1.43	1.65	1.77	1.88	8.19
China, Hong Kong SAR	1.32	1.50	1.66	1.54	1.32	7.35
Russian Federation	0.74	1.14	1.39	2.13	1.84	7.24
Ireland	0.29	1.03	1.38	1.79	2.50	6.98
Kuwait	0.13	0.11	0.29	2.60	3.65	6.78
Others	16.27	16.81	20.04	20.35	19.85	93.31
Total	331.55	349.96	426.43	473.74	506.88	2,088.56

Source: UN Comtrade database

Table 1.2: Shares (%) of countries in Vietnam's Imports of Merchandise

Partner Country	2015	2016	2017	2018	2019	Share (%)
China	29.82	28.60	27.45	27.66	29.82	28.64
Rep. of Korea	16.64	18.40	22.02	20.09	18.52	19.27
Japan	8.55	8.63	7.93	8.04	7.71	8.12
Other Asia, nes	6.60	6.42	5.96	5.59	5.99	6.06
USA	4.70	4.98	4.38	5.39	5.67	5.07
Thailand	4.99	5.06	5.02	5.08	4.61	4.94
Malaysia	2.52	2.96	2.79	3.15	2.87	2.88
Singapore	3.64	2.73	2.49	1.91	1.61	2.37
Indonesia	1.65	1.71	1.71	2.08	2.25	1.92
India	1.60	1.57	1.85	1.75	1.78	1.73

Germany	1.93	1.63	1.50	1.61	1.46	1.61
Australia	1.22	1.40	1.50	1.58	1.77	1.52
Argentina	1.30	1.53	1.20	1.04	1.28	1.25
Areas, nes	1.17	0.84	0.93	1.29	1.32	1.13
Brazil	1.47	0.98	0.86	1.01	1.08	1.07
Italy	0.88	0.82	0.77	0.75	0.74	0.78
China, Hong Kong SAR	0.80	0.86	0.78	0.65	0.52	0.70
Russian Federation	0.45	0.65	0.65	0.90	0.72	0.69
Ireland	0.17	0.59	0.65	0.76	0.99	0.67
Kuwait	0.08	0.06	0.14	1.10	1.44	0.65
Others	9.81	9.61	9.40	8.59	7.83	8.94
Total	100	100	100	100	100	100

Source: UN Comtrade database

Table 1.3: Vietnam's Exports of Merchandise in billion US dollars

Partner Country	2015	2016	2017	2018	2019	Grand Total
World	162.02	176.58	215.12	243.70	264.61	1,062.03
USA	33.48	38.47	41.55	47.58	61.40	222.48
China	16.57	21.95	35.39	41.37	41.43	156.71
Japan	14.10	14.67	16.79	18.83	20.43	84.82
Rep. of Korea	8.92	11.41	14.81	18.24	19.73	73.10
China, Hong Kong SAR	6.96	6.09	7.57	7.96	7.16	35.74
Netherlands	4.76	6.01	7.10	7.09	6.88	31.84
Germany	5.71	5.96	6.35	6.87	6.56	31.45
United Kingdom	4.65	4.90	5.42	5.78	5.76	26.50
United Arab Emirates	5.69	5.00	5.03	5.23	4.79	25.73
India	2.47	2.69	3.76	6.54	6.68	22.13
Thailand	3.18	3.69	4.80	5.27	5.05	21.99
Malaysia	3.58	3.34	4.20	4.06	3.79	18.98
France	2.98	3.02	3.37	3.70	3.71	16.78
Australia	2.91	2.86	3.27	3.97	3.50	16.50
Austria	2.19	2.63	3.71	4.08	3.27	15.87
Cambodia	2.40	2.20	2.76	3.79	4.31	15.46
Indonesia	2.85	2.62	2.86	3.53	3.37	15.23
Italy	2.85	3.26	2.73	2.89	3.44	15.18
Singapore	3.26	2.42	2.98	3.20	3.17	15.03
Canada	2.41	2.65	2.71	3.01	3.97	14.75
Others	30.14	30.73	37.95	40.71	46.22	185.75
Total	324.03	353.16	430.24	487.40	529.22	2,124.05

Source: UN Comtrade Database

Table 1.4: Shares (%) of countries in Vietnam's Exports of Merchandise

Partner Country	2015	2016	2017	2018	2019	Share (%)
USA	20.66	21.79	19.31	19.52	23.21	20.95
China	10.23	12.43	16.45	16.97	15.66	14.76
Japan	8.70	8.31	7.81	7.73	7.72	7.99
Rep. of Korea	5.50	6.46	6.88	7.48	7.46	6.88
China, Hong Kong SAR	4.30	3.45	3.52	3.27	2.71	3.37
Netherlands	2.94	3.40	3.30	2.91	2.60	3.00
Germany	3.52	3.38	2.95	2.82	2.48	2.96
United Kingdom	2.87	2.77	2.52	2.37	2.18	2.50
United Arab Emirates	3.51	2.83	2.34	2.14	1.81	2.42
India	1.52	1.52	1.75	2.69	2.52	2.08
Thailand	1.96	2.09	2.23	2.16	1.91	2.07
Malaysia	2.21	1.89	1.95	1.67	1.43	1.79
France	1.84	1.71	1.57	1.52	1.40	1.58
Australia	1.79	1.62	1.52	1.63	1.32	1.55
Austria	1.35	1.49	1.72	1.67	1.23	1.49
Cambodia	1.48	1.25	1.28	1.56	1.63	1.46
Indonesia	1.76	1.48	1.33	1.45	1.27	1.43
Italy	1.76	1.85	1.27	1.19	1.30	1.43
Singapore	2.01	1.37	1.38	1.31	1.20	1.41
Canada	1.49	1.50	1.26	1.24	1.50	1.39
Others	18.61	17.40	17.64	16.71	17.47	17.49
Total	100	100	100	100	100	100

Source: UN Comtrade database

From tables 1.3 and 1.4, it is seen that USA, China and Japan are the top 3 export destinations of Vietnam. With India, the export share of Vietnam is 2.08% from 2015 to 2019.

Using the ITC HS commodity codes, tables 1.5 and 1.6 highlight the top 10 commodities, at the double digit aggregation, that comprises Vietnam's imports and exports respectively.

Table 1.5: Shares (%) of top 10 Commodities in Vietnam's Imports of Merchandise

ITC-HS Chapter	Commodity Description	2015	2016	2017	2018	2019
HS-85	Electrical machinery and equipment and parts thereof; sound recorders and reproducers; television image and sound recorders and reproducers, parts and accessories of such articles	25.25	27.28	29.91	28.67	30.69
HS-84	Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof	12.74	11.84	10.62	9.14	9.25

HS-39	Plastics and articles thereof	5.98	6.26	6.24	6.46	6.26
HS-27	Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral waxes	4.78	4.42	5.18	6.34	6.14
HS-72	Iron and steel	5.26	5.21	5.01	5.07	4.47
HS-90	Optical, photographic, cinematographic, measuring, checking, medical or surgical instruments and apparatus; parts and accessories	2.17	2.65	3.92	3.94	3.54
HS-87	Vehicles; other than railway or tramway rolling stock, and parts and accessories thereof	3.27	2.83	2.17	1.90	2.50
HS-60	Fabrics; knitted or crocheted	2.15	2.22	2.08	2.11	2.15
HS-52	Cotton	2.05	1.93	1.90	2.01	1.73
HS-73	Iron or steel articles	2.28	1.70	1.48	1.55	1.61
Others		34.06	33.66	31.49	32.81	31.67
Total		100	100	100	100	100

Source: UN Comtrade database

Table 1.6: Shares (%) of top 10 Commodities in Vietnam's Exports of Merchandise

ITC- HS Chapter	Commodity Description	2015	2016	2017	2018	2019
HS-85	Electrical machinery and equipment and parts thereof; sound recorders and reproducers; television image and sound recorders and reproducers, parts and accessories of such articles	29.26	32.39	35.01	35.54	36.72
HS-64	Footwear; gaiters and the like; parts of such articles	7.68	7.63	7.07	6.90	7.18
HS-62	Apparel and clothing accessories; not knitted or crocheted	6.99	6.57	5.74	5.87	5.73
HS-61	Apparel and clothing accessories; knitted or crocheted	6.24	6.12	5.61	5.68	5.63
HS-84	Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof	6.20	5.49	5.22	4.81	4.95
HS-94	Furniture; bedding, mattresses, mattress supports, cushions and similar stuffed furnishings; lamps and lighting fittings, n.e.c.; illuminated signs, illuminated name-plates and the like; prefabricated buildings	3.38	3.32	3.08	3.04	3.59
HS-03	Fish and crustaceans, molluscs and other aquatic invertebrates	2.99	2.94	2.86	2.63	2.35
HS-90	Optical, photographic, cinematographic, measuring, checking, medical or surgical instruments and apparatus; parts and accessories	2.15	2.46	3.47	3.17	1.99

HS-08	Fruit and nuts, edible; peel of citrus fruit or melons	2.02	2.61	2.87	2.46	2.16
HS-27	Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral waxes	3.08	2.03	2.25	1.62	1.38
Others		30.01	28.44	26.82	28.29	28.34
Total		100	100	100	100	100

Source: UN Comtrade database

The top 5 highest imported products of Vietnam constitute HS-85, HS-84, HS-39, HS-27 and HS-72 (from table 1.5) and the top 5 highest exported products fall under ITC-HS chapters HS-85, HS-64, HS-62, HS-61 and HS-84 (from table 1.6). High technology manufactured goods appear in Vietnam's import basket while its export basket comprises footwear and apparel items (to the tune of 18%).

2. Export Trade Intensity Index

Export Trade Intensity Index (ETII) of a country (here, India) with respect to an importing country (here, Vietnam) is the share of the exporting country's merchandise going to that particular importing country divided by the share of world exports going to that importing country. In other words, it is the importance of that importing country as a destination for the exporting country's merchandise outflow, as compared to the importance that importing country enjoys as a destination of world exports. But algebraically, it is equal to the exporting country's share in the importer's market as compared to the importing country's market share in the world market.² Table 2.1, which states the ETII of BRICS countries and USA with respect to Vietnam, shows that none of the countries listed have consistently high trade intensity indices (all ETIIs in 2019 < 1). There may be a scope to view Vietnam as a relatively important destination for exports, as it is a fast growing economy, clocking a growth rate of around 7%. Therefore, Vietnam's import market may have to be targeted for more intense penetration by the large trading countries.

Table 2.1: Export Intensity Indices (ETIIs) of BRICS Countries and USA w.r.t. Vietnam

Countries	2015	2016	2017	2018	2019
India	1.83	1.76	2.16	1.70	0.84
Brazil	1.00	0.58	0.62	0.66	0.65
China	2.62	2.24	2.48	2.76	2.63
South Africa	0.25	0.22	0.22	0.29	0.17
USA	0.40	0.54	0.41	0.46	0.43
Russia	0.22	0.37	0.27	0.45	0.18

Source: UN Comtrade database

Elaborating on the ETII, table 2.2 shows the disaggregated value of this index for India with respect to Vietnam. The index is calculated for each of the 2-digit ITC HS commodity codes and a higher value, greater than 1, represents that the Indian exports, of those specific chapters, to Vietnam are relatively performing better than the world averages.

² See Appendix D for the formula of Export Intensity Index.

Table 2.2: ITC-HS Chapter-wise Export Intensity Indices for India w.r.t Vietnam in 2019

ITC-HS Chapter	Trade Intensity Index (TII)	ITC-HS Chapter	Trade Intensity Index (TII)	ITC-HS Chapter	Trade Intensity Index (TII)	ITC-HS Chapter	Trade Intensity Index (TII)
36	10.05	39	0.79	73	0.32	64	0.03
37	7.84	29	0.78	95	0.32	65	0.03
12	6.92	86	0.76	49	0.29	61	0.02
81	6.20	40	0.74	82	0.28	63	0.02
68	4.13	84	0.72	17	0.27	50	0.02
72	3.70	96	0.64	75	0.25	10	0.01
25	3.52	43	0.61	54	0.23	99	0.01
87	2.99	70	0.53	92	0.21	62	0.01
18	2.92	33	0.53	19	0.20	66	0.00
23	2.55	15	0.49	56	0.20	46	0.00
67	2.54	85	0.49	13	0.20	80	0.00
78	2.42	14	0.49	59	0.18	01	0.00
28	2.16	24	0.45	44	0.17	02	0.00
30	2.06	79	0.45	83	0.15	03	0.00
31	1.95	52	0.44	71	0.14	04	0.00
38	1.92	90	0.44	45	0.14	05	0.00
41	1.86	88	0.43	57	0.13	06	0.00
91	1.19	97	0.41	20	0.12	07	0.00
48	1.18	69	0.40	60	0.07	08	0.00
89	1.13	11	0.40	74	0.07	09	0.00
34	1.10	26	0.40	42	0.06	47	0.00
21	1.06	55	0.36	53	0.06	93	0.00
22	1.00	94	0.35	58	0.06		
35	0.92	51	0.35	16	0.04		
32	0.92	76	0.33	27	0.03		

Source: Computed from UN Comtrade Database

In Table 2.2, the chapters are arranged in order of magnitude from largest to smallest values of ETII. From the above table, it is clear that there are several chapters which have an index value greater than 1 which are as under:

- 12 Oil seeds and oleaginous fruits; miscellaneous grains, seeds and fruit, industrial or medicinal plants; straw and fodder
- 18 Cocoa and cocoa preparations
- 21 Miscellaneous edible preparations
- 23 Food industries, residues and wastes thereof; prepared animal fodder
- 25 Salt; sulphur; earths, stone; plastering materials, lime and cement
- 28 Inorganic chemicals; organic and inorganic compounds of precious metals; of rare earth metals, of radio-active elements and of isotopes

30	Pharmaceutical products
31	Fertilizers
34	Soap, organic surface-active agents; washing, lubricating, polishing or scouring preparations; artificial or prepared waxes, candles and similar articles, modelling pastes, dental waxes and dental preparations with a basis of plaster
36	Explosives; pyrotechnic products; matches; pyrophoric alloys; certain combustible preparations
37	Photographic or cinematographic goods
38	Chemical products n.e.c.
41	Raw hides and skins (other than furskins) and leather
48	Paper and paperboard; articles of paper pulp, of paper or paperboard
67	Feathers and down, prepared; and articles made of feather or of down; artificial flowers; articles of human hair
68	Stone, plaster, cement, asbestos, mica or similar materials; articles thereof
72	Iron and steel
78	Lead and articles thereof
81	Metals; n.e.c., cermets and articles thereof
87	Vehicles; other than railway or tramway rolling stock, and parts and accessories thereof
89	Ships, boats and floating structures
91	Clocks and watches and parts thereof

3. Trade Complementarity Index

The ITC-HS chapters identified in the previous section is only a short-list, for it narrates half the story. Trade takes place when there is a complementarity of demand and supply, in the present case, between the demand of Vietnam and the supply of India. The Trade Complementarity Index (TCI) is a measure of this match, and the value of the index between Indian exports and Vietnamese imports in 2019 stood at 0.28, which is lower than the index between Indian exports and world imports was 0.39. Hence, the Relative Trade Complementarity Index is 0.72 (i.e. < 1), meaning that India's exports have less complementarity with Vietnamese imports than with world imports.³ India may explore the possibility of increasing trade complementarity with Vietnam in bilateral trading pacts by zeroing in on the potential commodity groups (that we shall discuss a bit later in this section) and then the next step would be to brainstorm ways of increasing trade intensity between the two countries.

TCI is computed by taking the shares of each commodity (here, at the ITC-HS 6-digit level) in the export basket of India, and then the corresponding shares of these commodities in the import basket of Vietnam, calculating the absolute value of the difference between the two for each 6-digit level commodity, summing the differences up, dividing the sum by 2, and subtracting what we get from 1. So, the differences in the shares are the major determinants.

3 See RTCI in Appendix D.

Table 3.1: Trade Complementarity Index (including Relative) between India and Vietnam

	2015	2016	2017	2018	2019
TCI Between India and Vietnam⁴	0.29	0.50	0.50	0.28	0.28
TCI Between India⁵ and World	0.41	0.38	0.40	0.41	0.39
RTCPI⁶	0.71	1.32	1.26	0.68	0.72

Table 3.2: Trade Complementarity Index (including Relative) between selected countries (largest exporters to Vietnam) and Vietnam in 2019

Countries	TCI	TCIW	RTCI
China	0.41	0.51	0.80
Rep. of Korea	0.44	0.46	0.96
Japan	0.37	0.47	0.80
Other Asia, nes	0.45	0.39	1.16
USA	0.41	0.67	0.62

Source: Computed from UN Comtrade Database

From table 3.2, we see that South Korea and Other Asia, nes good trade complementarity with Vietnam (RTCI nearing/exceeding 1). For India, the differences at the individual ITC-HS 2-digit level are examined to find out at which products the complementarities lie and there is a greater match between demand (imports) and supply (exports).

The ITC-HS 2-digit code-wise composition of Indian exports and Vietnamese imports is given in table 3.3 below.

Table 3.3: Composition of India's Exports and Vietnam's Imports in 2019 (ITC-HS chapter-wise)

ITC-HS Chapter	India		Vietnam	
	Exports(Bn \$)	Share of Chapters (%)	Imports(Bn \$)	Share of Chapters (%)
HS-01	0.02	0.01	0.65	0.26
HS-02	3.45	1.07	0.79	0.31
HS-03	6.30	1.95	1.57	0.62
HS-04	0.45	0.14	0.67	0.26
HS-05	0.10	0.03	0.45	0.18
HS-06	0.08	0.02	0.11	0.04
HS-07	1.09	0.34	0.69	0.27
HS-08	1.49	0.46	2.92	1.15
HS-09	3.30	1.02	0.23	0.09
HS-10	7.07	2.19	3.13	1.24

4 Trade Complementarity Index between India and Vietnam.

5 Trade Complementarity Index between India and World.

6 Relative Trade Complementarity Index between India and Vietnam.

HS-11	0.31	0.10	0.32	0.13
HS-12	1.70	0.53	1.00	0.40
HS-13	0.94	0.29	0.09	0.04
HS-14	0.05	0.02	0.01	0.00
HS-15	1.17	0.36	0.75	0.29
HS-16	0.47	0.14	0.04	0.02
HS-17	1.97	0.61	0.38	0.15
HS-18	0.19	0.06	0.06	0.02
HS-19	0.54	0.17	0.69	0.27
HS-20	0.61	0.19	0.12	0.05
HS-21	0.83	0.26	1.01	0.40
HS-22	0.28	0.09	0.31	0.12
HS-23	1.45	0.45	3.64	1.44
HS-24	0.96	0.30	0.26	0.10
HS-25	2.01	0.62	0.33	0.13
HS-26	3.03	0.94	1.24	0.49
HS-27	44.53	13.78	15.56	6.14
HS-28	1.82	0.56	1.52	0.60
HS-29	18.25	5.64	3.81	1.50
HS-30	16.26	5.03	3.32	1.31
HS-31	0.13	0.04	1.02	0.40
HS-32	3.50	1.08	1.81	0.71
HS-33	2.36	0.73	0.86	0.34
HS-34	0.64	0.20	0.79	0.31
HS-35	0.23	0.07	0.86	0.34
HS-36	0.12	0.04	0.01	0.00
HS-37	0.01	0.00	0.14	0.06
HS-38	5.14	1.59	2.92	1.15
HS-39	7.35	2.27	15.87	6.26
HS-40	3.23	1.00	2.55	1.01
HS-41	0.55	0.17	1.71	0.67
HS-42	2.51	0.78	0.20	0.08
HS-43	0.01	0.00	0.20	0.08
HS-44	0.48	0.15	2.05	0.81
HS-45	0.00	0.00	0.00	0.00
HS-46	0.05	0.01	0.02	0.01
HS-47	0.01	0.00	0.66	0.26
HS-48	2.06	0.64	2.52	0.99
HS-49	0.37	0.11	0.15	0.06
HS-50	0.08	0.03	0.05	0.02

HS-51	0.18	0.06	0.32	0.13
HS-52	6.00	1.86	4.37	1.73
HS-53	0.45	0.14	0.11	0.04
HS-54	2.34	0.72	3.40	1.34
HS-55	1.75	0.54	2.96	1.17
HS-56	0.42	0.13	0.91	0.36
HS-57	1.71	0.53	0.07	0.03
HS-58	0.41	0.13	1.08	0.43
HS-59	0.28	0.09	1.47	0.58
HS-60	0.44	0.14	5.45	2.15
HS-61	7.88	2.44	0.22	0.09
HS-62	8.36	2.59	0.27	0.11
HS-63	5.16	1.60	0.15	0.06
HS-64	2.81	0.87	1.09	0.43
HS-65	0.06	0.02	0.04	0.01
HS-66	0.00	0.00	0.01	0.00
HS-67	0.27	0.08	0.06	0.02
HS-68	1.70	0.53	0.55	0.22
HS-69	1.82	0.56	0.45	0.18
HS-70	0.91	0.28	1.30	0.51
HS-71	36.73	11.36	0.61	0.24
HS-72	9.77	3.02	11.33	4.47
HS-73	7.25	2.24	4.09	1.61
HS-74	0.90	0.28	3.09	1.22
HS-75	0.09	0.03	0.12	0.05
HS-76	5.24	1.62	3.62	1.43
HS-78	0.40	0.12	0.47	0.18
HS-79	0.56	0.17	0.49	0.19
HS-80	0.01	0.00	0.10	0.04
HS-81	0.05	0.02	0.08	0.03
HS-82	0.89	0.28	0.64	0.25
HS-83	0.67	0.21	0.97	0.38
HS-84	21.26	6.58	23.44	9.25
HS-85	14.94	4.62	77.77	30.69
HS-86	0.35	0.11	0.03	0.01
HS-87	17.41	5.39	6.33	2.50
HS-88	1.49	0.46	0.67	0.26
HS-89	5.80	1.79	0.21	0.08
HS-90	3.39	1.05	8.96	3.54
HS-91	0.10	0.03	0.15	0.06

HS-92	0.03	0.01	0.03	0.01
HS-93	0.13	0.04	0.00	0.00
HS-94	1.84	0.57	0.96	0.38
HS-95	0.42	0.13	0.32	0.13
HS-96	0.63	0.19	1.05	0.41
HS-97	0.13	0.04	0.00	0.00
HS-99	0.21	0.07	3.60	1.42
Total	323.25	100	253.44	100

Source: Computed from UN Comtrade Database

Complementarity in respect of a particular commodity group (here, ITC-HS two-digit level code) implies that India's exports of the commodity (to the world) is substantial, and so is Vietnam's imports of the commodity (from the world). As it is required to identify the sectors (ITC-HS 2-digit chapters) which have contributed most to the low level of complementarity, the absolute difference in shares – between the share in Indian exports and the share in Vietnam's imports – for each 2-digit code may be computed. Table 3.4 below shows the twenty 2-digit codes which have seen the highest differences. This will be of interest to framers of policy if they need to align India's exports to Vietnam's imports.

Table 3.4: Top Twenty Chapters with highest absolute difference in shares in % (in Indian exports and Vietnamese imports in 2019)

ITC-HS Chapter	Commodity Description	Absolute Value of Difference in Shares (%)	Higher Share in
HS-85	Electrical machinery and equipment and parts thereof; sound recorders and reproducers; television image and sound recorders and reproducers, parts and accessories of such articles	26.07	Vietnam Imports
HS-71	Natural, cultured pearls; precious, semi-precious stones; precious metals, metals clad with precious metal, and articles thereof; imitation jewellery; coin	11.12	Indian Exports
HS-27	Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral waxes	7.64	Indian Exports
HS-29	Organic chemicals	4.14	Indian Exports
HS-39	Plastics and articles thereof	3.99	Vietnam Imports
HS-30	Pharmaceutical products	3.72	Indian Exports
HS-87	Vehicles; other than railway or tramway rolling stock, and parts and accessories thereof	2.89	Indian Exports
HS-84	Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof	2.67	Vietnam Imports

HS-90	Optical, photographic, cinematographic, measuring, checking, medical or surgical instruments and apparatus; parts and accessories	2.49	Vietnam Imports
HS-62	Apparel and clothing accessories; not knitted or crocheted	2.48	Indian Exports
HS-61	Apparel and clothing accessories; knitted or crocheted	2.35	Indian Exports
HS-60	Fabrics; knitted or crocheted	2.01	Vietnam Imports
HS-89	Ships, boats and floating structures	1.71	Indian Exports
HS-63	Textiles, made up articles; sets; worn clothing and worn textile articles; rags	1.54	Indian Exports
HS-72	Iron and steel	1.45	Vietnam Imports
HS-99	Commodities not specified according to kind	1.35	Vietnam Imports
HS-03	Fish and crustaceans, molluscs and other aquatic invertebrates	1.33	Indian Exports
HS-23	Food industries, residues and wastes thereof; prepared animal fodder	0.99	Vietnam Imports
HS-10	Cereals	0.95	Indian Exports

Source: Computed from UN Comtrade Database

From table 3.4, it is found that HS-85, HS-39, HS-84, HS-90, HS-60, HS-72, HS-99 and HS-23 are the ITC-HS chapters where India may need to enhance export production to match import demand for Vietnam.

4. RCA and RCII

The earlier approach was one way of looking at things. Another way involves the use of information regarding sectors which have a relative importance, in terms of value, in India's exports (relative to the importance in world exports), and which enjoy a similar relative importance in Vietnam's imports. The first is known as Revealed Comparative Advantage (RCA) and the second Revealed Comparative Import Inclination (RCII). RCA index for a commodity (or commodity group) exported from India is higher than 1 if its importance is more in India's exports than in world exports, and vice versa. Similarly, RCII index for Vietnam's imports for a commodity (or commodity group) imported to Vietnam is higher than 1 if its importance is more in Vietnam's imports than in world imports, and vice versa.

Hence, those sectors – we analyse at the ITC-HS two-digit code level – which have both RCA for India and RCII for Vietnam higher than 1 are the sectors which India's exports and Vietnam's imports to an extent more than overall world trends warrant. Hence these are the sectors which are expected to see substantial Indian exports to Vietnam. Tables 4.1 and 4.2 shows values of RCA for Indian exports and of RCII for Vietnam's imports for 2019. Those chapters for which the values are above 1 are in red.

Table 4.1: RCA of Indian exports in 2019 – ITC-HS chapter-wise

ITC-HS Chapter	RCA	ITC-HS Chapter	RCA	ITC-HS Chapter	RCA	ITC-HS Chapter	RCA
13	6.88	42	1.67	70	0.69	95	0.20
57	6.47	72	1.62	96	0.68	97	0.17
52	6.45	36	1.54	87	0.67	81	0.16
53	6.12	30	1.52	59	0.63	80	0.14
63	4.59	67	1.50	21	0.61	31	0.13
10	4.12	38	1.43	34	0.60	22	0.13
78	3.33	73	1.37	49	0.57	91	0.10
71	3.17	27	1.31	20	0.56	45	0.10
14	3.02	24	1.26	84	0.55	43	0.08
17	2.96	23	1.15	16	0.54	66	0.05
89	2.91	64	1.12	86	0.53	37	0.04
55	2.83	12	1.08	83	0.53	99	0.03
25	2.76	46	1.03	35	0.44	47	0.01
54	2.63	40	1.01	93	0.43	01	
29	2.63	11	0.93	94	0.41	02	
32	2.50	28	0.92	19	0.40	03	
50	2.46	56	0.92	74	0.38	04	
62	2.30	33	0.89	65	0.33	05	
61	2.14	51	0.84	90	0.31	06	
58	1.91	15	0.83	85	0.31	07	
79	1.85	26	0.81	88	0.24	08	
68	1.84	82	0.77	18	0.22	09	
76	1.79	60	0.71	75	0.22		
69	1.77	48	0.71	44	0.21		
41	1.70	39	0.69	92	0.21		

Source: Computed from UN Comtrade Database

Table 4.2: RCII of Vietnam's imports in 2019 – ITC-HS chapter-wise

ITC-HS Chapter	RCII	ITC-HS Chapter	RCII	ITC-HS Chapter	RCII	ITC-HS Chapter	RCII
60	14.97	11	1.32	46	0.67	22	0.19
58	8.17	70	1.25	15	0.65	42	0.18
52	8.03	48	1.13	29	0.63	20	0.15
55	6.45	31	1.13	64	0.55	36	0.13
41	6.26	44	1.07	27	0.49	45	0.09
54	6.22	90	1.07	25	0.48	62	0.09
59	4.86	38	1.02	24	0.45	18	0.09
78	4.40	73	1.02	33	0.44	86	0.08
23	3.45	40	1.00	57	0.38	61	0.08

43	2.95	21	0.97	30	0.38	71	0.07
56	2.77	34	0.96	26	0.33	16	0.07
50	2.54	83	0.95	87	0.31	97	0.00
10	2.31	99	0.93	75	0.30	93	0.00
72	2.23	47	0.90	14	0.30	01	
35	2.01	28	0.87	94	0.30	02	
85	1.98	13	0.86	49	0.28	03	
79	1.97	68	0.83	66	0.28	04	
51	1.89	84	0.76	92	0.27	05	
39	1.87	17	0.76	65	0.27	06	
53	1.78	82	0.74	81	0.26	07	
32	1.65	69	0.73	89	0.25	08	
96	1.59	12	0.73	91	0.22	09	
76	1.53	37	0.69	88	0.20		
74	1.49	67	0.68	95	0.19		
80	1.34	19	0.68	63	0.19		

Source: Computed from UN Comtrade Database

Policymakers' focus should be to zero in on commodity groups for which RCA of Indian exports >1 and RCII of Vietnamese imports >1 as these commodity groups have good potential for bilateral trade between India and Vietnam with India having a relatively superlative standing in production/supply of these commodities, which then have a larger than average import demand in Vietnam. These commodities should be the intersection set of ITC-HS chapters with RCA >1 and RCII >1 (from tables 4.1 and 4.2 respectively), which are:

HS-10 Cereals

HS-23 Food industries, residues and wastes thereof; prepared animal fodder

HS-32 Tanning or dyeing extracts; tannins and their derivatives; dyes, pigments and other colouring matter; paints, varnishes; putty, other mastics; inks

HS-38 Chemical products n.e.c.

HS-41 Raw hides and skins (other than furskins) and leather

HS-50 Silk

HS-52 Cotton

HS-53 Vegetable textile fibres; paper yarn and woven fabrics of paper yarn

HS-54 Man-made filaments; strip and the like of man-made textile materials

HS-55 Man-made staple fibres

HS-58 Fabrics; special woven fabrics, tufted textile fabrics, lace, tapestries, trimmings, embroidery

HS-72 Iron and steel

HS-73 Iron or steel articles

HS-76 Aluminium and articles thereof

HS-78 Lead and articles thereof

HS-79 Zinc and articles thereof

Table 4.3 : RCA of Indian exports to Vietnam in 2019 – ITC-HS chapter-wise

ITC-HS Chapter	RCA Between Countries	ITC-HS Chapter	RCA Between Countries	ITC-HS Chapter	RCA Between Countries	ITC-HS Chapter	RCA Between Countries
78	12.30	34	1.12	73	0.31	65	0.02
41	12.22	60	1.11	82	0.29	27	0.01
72	9.38	96	1.08	94	0.26	71	0.01
23	8.50	21	1.07	14	0.23	62	0.01
12	8.45	59	1.06	83	0.23	16	0.01
37	8.00	36	0.93	95	0.20	61	0.01
68	6.30	79	0.92	13	0.19	97	0.01
52	3.15	69	0.89	44	0.18	99	0.00
28	2.52	51	0.86	19	0.15	66	0.00
31	2.40	70	0.79	53	0.15	46	0.00
55	2.17	40	0.73	92	0.14	80	0.00
38	2.12	84	0.70	26	0.13	47	0.00
35	2.00	91	0.66	49	0.10	93	0.00
25	1.80	30	0.65	74	0.10		
48	1.61	29	0.61	57	0.10		
81	1.60	56	0.56	89	0.09		
32	1.54	90	0.53	50	0.07		
39	1.54	76	0.51	20	0.06		
22	1.42	11	0.49	86	0.05		
54	1.42	18	0.49	75	0.04		
67	1.42	58	0.39	42	0.03		
43	1.27	88	0.35	64	0.03		
24	1.27	33	0.34	10	0.03		
87	1.26	15	0.33	45	0.02		
85	1.13	17	0.32	63	0.02		

Source: Computed from UN Comtrade Database

It can be established that if, for a particular commodity, RCA for India and RCII for Vietnam are both > 1 , it can be expected that RCII for that commodity in Vietnam 's imports from India will be > 1 . If this is not the case, the reasons thereof need to be investigated, and appropriate policy measures taken. Actually it implies that the importers of Vietnam are not importing the particular commodity in sufficient amount (in value terms) while importing from India. It is not necessarily that they are averse to buying from India in general, they may very well purchase other commodities from India, but – for some reason – not this particular product. Policies designed to make these products from India attractive to Vietnam 's importers need to be adopted.

Table 4.4: RCII of Vietnam's imports from India in 2019 – ITC-HS chapter-wise

ITC-HS Chapter	RCII Between Countries	ITC-HS Chapter	RCII Between Countries	ITC-HS Chapter	RCII Between Countries	ITC-HS Chapter	RCII Between Countries
78	11.46	81	1.21	94	0.33	42	0.02
41	9.41	69	1.15	15	0.27	61	0.02
72	9.27	19	1.09	14	0.26	65	0.02
23	8.52	18	1.09	82	0.26	92	0.02
47	5.50	30	1.04	71	0.25	88	0.01
12	5.35	96	1.03	83	0.18	36	0.01
52	4.62	11	0.88	67	0.18	46	0.00
31	3.21	84	0.86	44	0.16	01	
60	3.04	37	0.80	13	0.15	02	
28	2.69	40	0.78	74	0.12	03	
48	2.66	87	0.77	50	0.12	04	
38	2.41	90	0.69	49	0.12	05	
55	2.28	79	0.65	26	0.11	06	
68	2.01	17	0.65	86	0.09	07	
59	1.97	70	0.64	95	0.09	08	
35	1.89	58	0.62	16	0.06	09	
25	1.80	29	0.56	53	0.06	45	
39	1.79	91	0.55	10	0.05	66	
24	1.55	51	0.50	64	0.05	80	
43	1.54	76	0.46	57	0.04	89	
32	1.40	99	0.44	75	0.04	93	
54	1.38	22	0.42	20	0.03	97	
34	1.37	56	0.42	62	0.03		
85	1.24	33	0.40	63	0.02		
21	1.24	73	0.35	27	0.02		

Source: Computed from UN Comtrade Database

Delving deeper in tables 4.3 and 4.4, we find that 26 ITC-HS chapters viz. 78,41,72,23,12,52,31,60,28, 48, 38,55,68,59,35,25,39,24,43,32,54,34,85,21,81,96 have both RCA of Indian exports to Vietnam in 2019 and RCII of Vietnam's imports from India in 2019 greater than 1. This was a sector-wise analysis, and the policies to be adopted need to address the sector at large. There may be, in a particular chapter, 6-digit commodities which may satisfy the conditions satisfied by the chapter as a whole, and there may many which do not. There may even be occasions wherein no 6-digit commodity of a particular chapter individually satisfies the conditions but the chapter as a whole does. This may be because RCA and RCII of some commodities in India's exports to Vietnam

< 1 (which brings down the RCA and RCII of the chapter as a whole), but their RCAs in case of India's exports (to the whole world) or their RCII in case of Vietnam's imports (from the whole world) may also be < 1 . In case of other commodities of the same chapter, both may be > 1 . On the other hand, a chapter as a whole may not satisfy the conditions, but some 6-digit commodities included in it may.

So, ITC-HS 6-digit code-wise analysis is more relevant, because the greater granularity permits better focusing of policy measures. The list of chapters may not be consistent with the list of ITC-HS six-digit commodities, because of the reasons mentioned above. The analytical framework elaborated above, with chapters as the basis, was mainly for the purpose of elucidation of the methodology adopted, but also for giving a sector-wise status. But for policy formulation, the analysis with the highest possible granularity is the best option. Hence, it will be most expeditious to consider the ITC-HS six-digit commodities which emerge, as the candidates for the policies mentioned above, when the methodology set out above is employed at the 6-digit level. This list is given in Appendix B.

So much for product-specific policies. Market (i.e. destination) specific policies need to be taken, too. If India has a market share in the world, for commodity P (say s), which is greater than India's overall market share (for all commodities) in the world (say t), there is no reason to expect that India's market share for P in Vietnam, say $g < s$. g can be $< s$ only when, for some reason, Vietnam imports P, but not sufficiently from India. In such cases, market or destination-specific promotional policies will be needed. The same will be true when Vietnam's share in India's export of P falls below Vietnam's share in total world imports of P. When both coincide, there is an even stronger case for adoption of the market-specific promotional policies. Appendix C shows the list of such commodities in case of India's exports to Vietnam.

For commodities appearing in both the lists – in Appendix B and Appendix C, both product-oriented and market-oriented promotional policies are required to be adopted.

5. Export Concentration

The standard measure of concentration of exports over a range of commodities is the Hirschman-Herfindahl Index (HHI), which is the sum of the squares of the shares of the commodities (in terms of value) in the export basket.⁷ The index has been calculated over all ITC-HS six-digit commodities, the highest level of granularity allowed by comparable international data. The index is more meaningful the more granular the data.

In case of India's exports to Vietnam, table 5.1 shows that the value of the index, between 2015 and 2019, averages around 0.31. It may be noted that the index for India's exports to the world at 0.14 (average) is lower than it is for India's exports to Vietnam. A relatively higher level of concentration of exports means that India's export basket to Vietnam is less diverse than to the world and it may bring forth gains from specialization. However, a more concentrated export also indicates a broader production base and greater concentration (industry specific) risks.

⁷ See Export Concentration Index in Appendix D.

Table 5.1: Hirschman-Herfindahl Index for India to the World and for India to Vietnam

Year	India-Vietnam HHI	India-World HHI
2015	0.37	0.13
2016	0.34	0.13
2017	0.33	0.13
2018	0.28	0.15
2019	0.25	0.14

Source: Computed from UN Comtrade Database

6. Intra-Industry Trade

Intra-industry trade is of importance as it can increase and expand markets. The standard indicator is the Index of Intra-industry Trade (IIT). The index can be calculated within individual sectors as well. Intra-industry trade is generally high in case of the manufacturing sector. An increase in IIT may signify a maturing of this sector, and hence, a regular monitoring of this index may be useful.

Intra-industry trade is a common world-wide phenomenon – export and import of the commodities produced by the same industry or sector. The degree to which this occurs is generally measured by the Grubel-Lloyd Index, which is the difference between the exports of the particular sector to a partner country and imports of the products of the same sector from the same partner, divided by the sum of these two, and whole thing obtained subtracted from 1.⁸

In the present case, the Grubel-Lloyd Index values (computed on exports from India to Vietnam and imports from Vietnam to India) in Table 6.1 show that, in 2019, in case of agricultural products and processed farm products, intra-industry trade between India and Vietnam is generally not very high. Owing to wide differences in soil and climatic conditions, the two countries have little in common as regards crops and food preferences and other agricultural produce and nature of terrain and climatic conditions. However, IIT value is high for ITC-HC chapters HS-08, HS-11, HS-19 and HS-21 as seen from table 6.1 below (above 0.8). The associated commodities are Fruit and nuts, edible; peel of citrus fruit or melons, Products of the milling industry; malt, starches, inulin, wheat gluten, Preparations of cereals, flour, starch or milk; pastrycooks' products and Miscellaneous edible preparations respectively.

Table 6.1: Grubel-Lloyd Index for India and Vietnam in 2019 – Agricultural and Related Products (Chapters 01-24)

ITC-HS Chapter	Commodity Description	Grubel Lloyd Index
HS-01	Animals; live	
HS-02	Meat and edible meat offal	

⁸ See Appendix D for the Index of Intra-Industry Trade.

HS-03	Fish and crustaceans, molluscs and other aquatic invertebrates	0.12
HS-04	Dairy produce; birds' eggs; natural honey; edible products of animal origin, not elsewhere specified or included	0.08
HS-05	Animal originated products; not elsewhere specified or included	0.01
HS-06	Trees and other plants, live; bulbs, roots and the like; cut flowers and ornamental foliage	0.16
HS-07	Vegetables and certain roots and tubers; edible	0.26
HS-08	Fruit and nuts, edible; peel of citrus fruit or melons	0.97
HS-09	Coffee, tea, mate and spices	0.35
HS-10	Cereals	0.01
HS-11	Products of the milling industry; malt, starches, inulin, wheat gluten	0.91
HS-12	Oil seeds and oleaginous fruits; miscellaneous grains, seeds and fruit, industrial or medicinal plants; straw and fodder	0.11
HS-13	Lac; gums, resins and other vegetable saps and extracts	0.70
HS-14	Vegetable plaiting materials; vegetable products not elsewhere specified or included	0.04
HS-15	Animal or vegetable fats and oils and their cleavage products; prepared animal fats; animal or vegetable waxes	0.01
HS-16	Meat, fish or crustaceans, molluscs or other aquatic invertebrates; preparations thereof	
HS-17	Sugars and sugar confectionery	0.10
HS-18	Cocoa and cocoa preparations	
HS-19	Preparations of cereals, flour, starch or milk; pastrycooks' products	0.81
HS-20	Preparations of vegetables, fruit, nuts or other parts of plants	0.32
HS-21	Miscellaneous edible preparations	0.85
HS-22	Beverages, spirits and vinegar	0.24
HS-23	Food industries, residues and wastes thereof; prepared animal fodder	0.57
HS-24	Tobacco and manufactured tobacco substitutes	

Source: Computed from UN Comtrade Database

For ores and minerals as is shown in table 6.2, IIT is high (0.9) for chapter HS-25 (Salt; sulphur; earths, stone; plastering materials, lime and cement).

Table 6.2: *Grubel-Lloyd Index for India and Vietnam in 2019 – Mineral Products (Chapters 25-27)*

ITC-HS Chapter	Commodity Description	Grubel Lloyd Index
HS-25	Salt; sulphur; earths, stone; plastering materials, lime and cement	0.90
HS-26	Ores, slag and ash	0.42
HS-27	Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral waxes	0.61

Source: Computed from UN Comtrade Database

In chemicals and chemical-based industries shown in Table 6.3 below, IIT values are on the lower end except for HS-39 (Plastics) with IIT value at 0.96 and HS-35 (Albuminoidal substances/enzymes/starches), with IIT 0.72.

Table 6.3: *Grubel-Lloyd Index for India and Vietnam in 2019 – Products of Chemical or Allied Industries (Chapters 28-40)*

ITC-HS Chapter	Commodity Description	Grubel Lloyd Index
HS-28	Inorganic chemicals; organic and inorganic compounds of precious metals; of rare earth metals, of radio-active elements and of isotopes	0.23
HS-29	Organic chemicals	0.06
HS-30	Pharmaceutical products	0.00
HS-31	Fertilizers	0.34
HS-32	Tanning or dyeing extracts; tannins and their derivatives; dyes, pigments and other colouring matter; paints, varnishes; putty, other mastics; inks	0.10
HS-33	Essential oils and resinoids; perfumery, cosmetic or toilet preparations	0.31
HS-34	Soap, organic surface-active agents; washing, lubricating, polishing or scouring preparations; artificial or prepared waxes, candles and similar articles, modelling pastes, dental waxes and dental preparations with a basis of plaster	0.55
HS-35	Albuminoidal substances; modified starches; glues; enzymes	0.72
HS-36	Explosives; pyrotechnic products; matches; pyrophoric alloys; certain combustible preparations	
HS-37	Photographic or cinematographic goods	0.51
HS-38	Chemical products n.e.c.	0.50

HS-39	Plastics and articles thereof	0.96
HS-40	Rubber and articles thereof	0.21

Source: Computed from UN Comtrade Database

Again, when it comes to chapters dealing with products of plant and animal parts (leather, wood, paper), as included in the groups shown in Table 6.4 below, the intra-industry trade is low to moderate, with high IIT value (0.74) for Chapter-49(Printed books, newspapers, pictures and other products of the printing industry; manuscripts, typescripts and plans).

Table 6.4: Grubel-Lloyd Index for India and Vietnam in 2019 – Leather, Wood and Paper (Chapters 41-49)

ITC-HS Chapter	Commodity Description	Grubel Lloyd Index
HS-41	Raw hides and skins (other than furskins) and leather	0.47
HS-42	Articles of leather; saddlery and harness; travel goods, handbags and similar containers; articles of animal gut (other than silk-worm gut)	0.40
HS-43	Furskins and artificial fur; manufactures thereof	
HS-44	Wood and articles of wood; wood charcoal	0.06
HS-45	Cork and articles of cork	
HS-46	Manufactures of straw, esparto or other plaiting materials; basketware and wickerwork	0.00
HS-47	Pulp of wood or other fibrous cellulosic material; recovered (waste and scrap) paper or paperboard	
HS-48	Paper and paperboard; articles of paper pulp, of paper or paperboard	0.37
HS-49	Printed books, newspapers, pictures and other products of the printing industry; manuscripts, typescripts and plans	0.74

Source: Computed from UN Comtrade Database

In Table 6.5, IIT for the group comprising textiles and clothing, is shown below. HS-55(Man-made staple fibres) and HS-60(Fabrics; knitted or crocheted) have IIT > 0.7.

Table 6.5: Grubel-Lloyd Index for India and Vietnam in 2019 – Textiles, Textile Articles, Footwear and Headgear (Chapters 50-65)

ITC-HS Chapter	Commodity Description	Grubel Lloyd Index
HS-50	Silk	0.00
HS-51	Wool, fine or coarse animal hair; horsehair yarn and woven fabric	0.44
HS-52	Cotton	0.18

HS-53	Vegetable textile fibres; paper yarn and woven fabrics of paper yarn	0.23
HS-54	Man-made filaments; strip and the like of man-made textile materials	0.58
HS-55	Man-made staple fibres	0.72
HS-56	Wadding, felt and nonwovens, special yarns; twine, cordage, ropes and cables and articles thereof	0.64
HS-57	Carpets and other textile floor coverings	0.28
HS-58	Fabrics; special woven fabrics, tufted textile fabrics, lace, tapestries, trimmings, embroidery	0.39
HS-59	Textile fabrics; impregnated, coated, covered or laminated; textile articles of a kind suitable for industrial use	0.16
HS-60	Fabrics; knitted or crocheted	0.75
HS-61	Apparel and clothing accessories; knitted or crocheted	0.07
HS-62	Apparel and clothing accessories; not knitted or crocheted	0.10
HS-63	Textiles, made up articles; sets; worn clothing and worn textile articles; rags	0.11
HS-64	Footwear; gaiters and the like; parts of such articles	0.01
HS-65	Headgear and parts thereof	0.08

Source: Computed from UN Comtrade Database

The assorted group of commodities in Table 6.6 shows low degree of intra-industry trade between India and Vietnam.

Table 6.6: Grubel-Lloyd Index for India and Vietnam in 2019 – Assorted Group of Items (Chapters 66-71)

ITC-HS Chapter	Commodity Description	Grubel Lloyd Index
HS-66	Umbrellas, sun umbrellas, walking-sticks, seat sticks, whips, riding crops; and parts thereof	0.04
HS-67	Feathers and down, prepared; and articles made of feather or of down; artificial flowers; articles of human hair	0.00
HS-68	Stone, plaster, cement, asbestos, mica or similar materials; articles thereof	0.25
HS-69	Ceramic products	0.29
HS-70	Glass and glassware	0.11

HS-71	Natural, cultured pearls; precious, semi-precious stones; precious metals, metals clad with precious metal, and articles thereof; imitation jewellery; coin	0.07
-------	---	------

Source: Computed from UN Comtrade Database

As regards metals and articles made thereof, there is high intra-industry trade (>0.8) in chapters 78 ('Lead and articles thereof') and 79 ('Zinc and articles thereof'). Table 6.7 shows the index values for chapters 72 to 83.

Table 6.7: Grubel-Lloyd Index for India and Vietnam in 2019 – Base Metals and Articles of Base Metals (Chapters 72-83)

ITC-HS Chapter	Commodity Description	Grubel Lloyd Index
HS-72	Iron and steel	0.18
HS-73	Iron or steel articles	0.21
HS-74	Copper and articles thereof	0.00
HS-75	Nickel and articles thereof	0.60
HS-76	Aluminium and articles thereof	0.48
HS-78	Lead and articles thereof	0.83
HS-79	Zinc and articles thereof	0.93
HS-80	Tin; articles thereof	0.00
HS-81	Metals; n.e.c., cermets and articles thereof	0.23
HS-82	Tools, implements, cutlery, spoons and forks, of base metal; parts thereof, of base metal	0.28
HS-83	Metal; miscellaneous products of base metal	0.31

Source: Computed from UN Comtrade Database

The last group, half of which are high-end manufactures, show varying values of the Grubel-Lloyd Index. HS-84 ('Nuclear Reactors/Appliances') and HS-94 ('Furniture/Beddings/Pre-fabricated buildings') have high intra-industry trade (index value > 0.7). Table 6.8 shows the index values for chapters 84 to 99.

Table 6.8 : Grubel-Lloyd Index for India and Vietnam in 2019 – High-End Manufactured Products, Furniture, Sports Goods and Works of Art (Chapters 84-99)

ITC-HS Chapter	Commodity Description	Grubel Lloyd Index
HS-84	Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof	0.71
HS-85	Electrical machinery and equipment and parts thereof; sound recorders and reproducers; television image and sound recorders and reproducers, parts and accessories of such articles	0.10

HS-86	Railway, tramway locomotives, rolling-stock and parts thereof; railway or tramway track fixtures and fittings and parts thereof; mechanical (including electro-mechanical) traffic signalling equipment of all kinds	0.03
HS-87	Vehicles; other than railway or tramway rolling stock, and parts and accessories thereof	0.27
HS-88	Aircraft, spacecraft and parts thereof	0.05
HS-89	Ships, boats and floating structures	0.00
HS-90	Optical, photographic, cinematographic, measuring, checking, medical or surgical instruments and apparatus; parts and accessories	0.33
HS-91	Clocks and watches and parts thereof	0.26
HS-92	Musical instruments; parts and accessories of such articles	0.63
HS-93	Arms and ammunition; parts and accessories thereof	
HS-94	Furniture; bedding, mattresses, mattress supports, cushions and similar stuffed furnishings; lamps and lighting fittings, n.e.c.; illuminated signs, illuminated name-plates and the like; prefabricated buildings	1.00
HS-95	Toys, games and sports requisites; parts and accessories thereof	0.52
HS-96	Miscellaneous manufactured articles	0.54
HS-97	Works of art; collectors' pieces and antiques	0.69
HS-99	Commodities not specified according to kind	0.01

Source: Computed from UN Comtrade Database

7. Export Similarity

The similarity in the export baskets of two countries, i.e. similarities in the shares of different commodities in the total exports of two countries, is measured by the Export Similarity Index. It is calculated by taking the percentage shares of each commodity (here ITC-HS six digit level commodities have been taken) in both the countries, taking the minimum of the two, and then summing up these minima over all the commodities. The index values vary from 0 to 100, with higher values implying greater export similarity between the countries and thus greater export competition between the two countries.

Table 7.1 shows the values of this index for India and a few major countries.

Table 7.1: Export Similarity Index – India and a few countries

	2015	2016	2017	2018	2019
India-Russia	22.53	17.83	25.31	25.28	25.46
India-Singapore	29.80	24.01	28.04	30.80	30.94
India-South Korea	27.05	27.21	28.10	30.32	31.80
India-Thailand	31.46	31.04	0.00	30.30	30.48
India-China	26.77	27.52	26.97	28.06	30.16
India-USA	32.62	32.00	31.74	31.91	32.89
India-UK	30.99	31.94	31.44	31.00	32.89
India-Germany	29.86	29.61	29.88	30.61	32.11
India-Japan	23.03	23.54	23.87	23.62	24.43
India-New Zealand	15.74	14.66	13.88	13.38	17.11
India-Vietnam	22.97	0.00	0.00	21.79	22.31

Source: Computed from UN Comtrade Database

The Export Similarity Index between India and Vietnam in 2019 was 22.31 that is not very high and closer to ESI between India-Japan and India-Russia.

Table 7.2 below shows that Vietnam's Export Similarity Index values with other countries such as Singapore, South Korea, China, USA, UK, Germany and Japan.

Table 7.2: Export Similarity Index – Vietnam and a few countries

	2015	2016	2017	2018	2019
Vietnam-Singapore	17.03	0.00	0.00	18.87	21.74
Vietnam -South Korea	21.54	0.00	0.00	22.43	25.14
Vietnam -China	42.12	0.00	0.00	42.87	44.90
Vietnam -USA	20.88	0.00	0.00	22.88	24.73
Vietnam -UK	18.68	0.00	0.00	18.70	20.41
Vietnam -Germany	19.41	0.00	0.00	21.86	23.66
Vietnam -Japan	14.76	0.00	0.00	17.54	18.39

Source: Computed from UN Comtrade Database

From the above table, the average ESI values are computed between Vietnam and the seven countries, are given as under:

Vietnam -China	25.98
Vietnam -South Korea	13.82
Vietnam -USA	13.70
Vietnam -Germany	12.99
Vietnam -UK	11.56
Vietnam-Singapore	11.53
Vietnam -Japan	10.14

ESI between Vietnam and China is the highest among the seven countries, implying that these two countries are the closest competitors in the world market for exports in the group of seven countries.

VI Resources

- Oracle Business Intelligence Application, DGCIS
- UN Comtrade Database
- Encyclopædia Britannica, <https://www.britannica.com/place/Vietnam>
- IMF's 2020 ARTICLE IV CONSULTATION for VIETNAM—PRESS RELEASE PR 21/55; STAFF REPORT (IMF Country Report No. 21/42)
- World Trade Organization (WTO) Trade Policy Reviews: Vietnam
- Human Development Report 2020

VII Appendix

A. Data on Country Profile

Table A: Country Profile — Vietnam

Country Profile : Vietnam				
	1990	2000	2010	2018
World view				
Population, total (millions)	67.99	79.91	87.97	95.54
Population growth (annual %)	2.1	1.1	1	1
Surface area (sq. km) (thousands)	331	329.2	331	331.2
Population density (people per sq. km of land area)	208.9	256.9	283.7	308.1
Poverty headcount ratio at national poverty lines (% of population)	..	..	20.7	6.7
Poverty headcount ratio at \$1.90 a day (2011 PPP) (% of population)	52.3	37	4	1.8
GNI, Atlas method (current US\$) (billions)	8.53	32.63	110.3	227.81
GNI per capita, Atlas method (current US\$)	130	410	1,250	2,380
GNI, PPP (current international \$) (billions)	58.42	169.1	356.51	696.41
GNI per capita, PPP (current international \$)	860	2,120	4,050	7,290
People				
Income share held by lowest 20%	7.8	7.5	6.5	6.7
Life expectancy at birth, total (years)	71	73	75	75
Fertility rate, total (births per woman)	3.6	2	1.9	2
Adolescent fertility rate (births per 1,000 women ages 15-19)	31	29	34	29
Contraceptive prevalence, any methods (% of women ages 15-49)	53	74	78	76
Births attended by skilled health staff (% of total)	..	59	92	..
Mortality rate, under-5 (per 1,000 live births)	51	30	23	20
Prevalence of underweight, weight for age (% of children under 5)	40.7	26.7	11.7	13.4
Immunization, measles (% of children ages 12-23 months)	88	97	98	97

Primary completion rate, total (% of relevant age group)	..	100	103	110
School enrollment, primary (% gross)	105.2	109.5	105.7	110.6
School enrollment, secondary (% gross)	35	58	..	..
School enrollment, primary and secondary (gross), gender parity index (GPI)	..	1	..	..
Prevalence of HIV, total (% of population ages 15-49)	0.1	0.3	0.4	0.3
Environment				
Forest area (sq. km) (thousands)	93.8	117.8	133.9	144.9
Terrestrial and marine protected areas (% of total territorial area)	..	..	..	2.9
Annual freshwater withdrawals, total (% of internal resources)	15.5	21.1	22.8	22.8
Urban population growth (annual %)	4	3.4	3.2	3
Energy use (kg of oil equivalent per capita)	263	360	670	..
CO2 emissions (metric tons per capita)	0.32	0.67	1.62	2.06
Electric power consumption (kWh per capita)	95	287	1,022	..
Economy				
GDP (current US\$) (billions)	6.47	31.17	115.93	245.21
GDP growth (annual %)	5.1	6.8	6.4	7.1
Inflation, GDP deflator (annual %)	42.1	3.4	12.1	3.4
Agriculture, forestry, and fishing, value added (% of GDP)	39	25	18	15
Industry (including construction), value added (% of GDP)	23	37	32	34
Exports of goods and services (% of GDP)	36	54	72	106
Imports of goods and services (% of GDP)	45	57	80	102
Gross capital formation (% of GDP)	13	30	36	27
Revenue, excluding grants (% of GDP)	..	..	..	..
Net lending (+) / net borrowing (-) (% of GDP)	..	..	..	..
States and markets				
Time required to start a business (days)	..	61	36	17

Domestic credit provided by financial sector (% of GDP)	..	..	..	..
Tax revenue (% of GDP)	..	..	..	..
Military expenditure (% of GDP)	7.9	2.1	2.3	..
Mobile cellular subscriptions (per 100 people)	0	1	126.8	147.2
Individuals using the Internet (% of population)	0	0.3	30.7	69.8
High-technology exports (% of manufactured exports)	..	..	13	41
Statistical Capacity score (Overall average)	..	..	64	83
Global links				
Merchandise trade (% of GDP)	80	97	135	196
Net barter terms of trade index (2000 = 100)	..	100	127	136
External debt stocks, total (DOD, current US\$) (millions)	23,270	12,841	44,940	1,06,859
Total debt service (% of exports of goods, services and primary income)	..	7.5	2.3	7
Net migration (thousands)	-394	-651	-400	-400
Personal remittances, received (current US\$) (millions)	..	1,340	8,260	16,000
Foreign direct investment, net inflows (BoP, current US\$) (millions)	180	1,298	8,000	15,500
Net official development assistance received (current US\$) (millions)	180.6	1,485.30	2,769.90	1,647.80

Source: World Development Indicators database
 Figures in blue refer to periods other than those specified.

Data from database: World Development Indicators
Last Updated: 03/19/2021

B. Commodities requiring product-specific export-promotion policies

Commodity Code (6-digit)	Commodity Code Description
100610	RICE IN HUSK (PADDY OR ROUGH)
291539	OTHER ESTERS OF ACETIC ACID
292419	OTHER ACYCLIC AMIDES AND THRDRTVS,SALTS

320710	PREPRD PIGMNT OPACIFIER COLRS,SMLR PRPTNS
321290	OTHR PIGMNTS DYS AND CLRNG MATR
390761	
391723	TUBES PIPES AND HOSES OF POLYVINYL CHLORDE
392020	PLTES SHTS ETC. OF POLYMRS OF PROPYLN
392062	PLTES SHTS ETC OF PLYETHYLN TEREPH-THALTE
392069	PLTES SHTS ETC OF OTHR POLYESTERS
392190	OTHR PLTS,SHTS,FILM FOIL,STRIP ETC,NON-CLLR
392329	SACKS AND BAGS (INCL CONES)OF OTHR PLASTICS
401039	OTHR TRANSMISSION BLTS/BELTING OF VUL-CANISED RUBBER
420500	OTHR ARTCLS OF LEATHER/OF COMPSTN LEATHER
440399	OTHER WOOD IN ROUGH
442191	
482390	OTHRARTCLS OF PAPR PULP PAPRBORD CELULOSE WADNG OR WEBS OF CEL FIBRS
510710	YARN OF COMBED WOOL CONTNG>=85% WOOL BY WTNOT PUT UP FOR RETAIL SALE
520526	SNGL YRN OF COMBD FBRS MSRNG BETWN 106.38 AND 125.00 DCTX AND 80 TO 94 MTRC NO.
520528	SNGL YRN OF COMBD FBRS MSRNG <83.83 DCTX AND > 120 MTRC NO.
520544	MLTPL(FLDED)/CBLD YRN OF CMBD FBRS MEASURNG PER SNGL YRN<192.31 BUT>=125 DCTX(>52 BUT <=80 MTRC NO PER SNGL Y
520547	MLTPL (FOLDD)/CABLD YRN OF COMBD FBRS MSRNG PER SNGL YRN BETWN 83.33 AND 106.38 DCTX AND BETWN 94 AND 120 MTRC NO.
520622	SNGL YRN OF CMBD FBRS MEASURNG<714.29 BUT>=232.56 DCTX(>14 BUT<=43 MTRC NO)
520623	SNGL YRN OF CMBD FBRS MEASURNG <232.56 BUT >= 192.31 DCTX(>43 BUT <=52 MTRC NO)
520624	SNGL YRN OF CMBD FBRS MEASURNG <192.31 BUT>=125 DCTX (>52 BUT <=80 MTRC NO)

520822	COTN FABRICS CONTNG >=85% BY WT OF COTTON BLEACHD PLAIN WEAVE WEIGNG > 100 G/M2
520942	DENIM
540239	OTHER TEXTURED YARN
540772	WOVEN FABRICS,CNTNG 85% OR MORE BY WT OF OTHR SYNTHETIC FILAMENTS, DYED
550951	OTHR YARN OF POLYSTR STPL FIBRS MIXED MAINLY/SOLELY WITH ARTIFICIAL STAPLE FIBRS
550953	OTHER YARN OF POLYSTER STAPLE FIBRS MIXED MAINLY/SOLELY WITH COTTON
560221	FELT,NOT IMPREGNATED,COATED,COVERED/LAMINATED,OF WOOL/FINE ANIMAL HAIR
560900	ARTCLS OF YRN STRP/THE LKE OF HDNG NO. 5404/5405 TWINE CORDGE-ROP/CBLS N.E.S.
580790	OTHR LABELS BADGES AND SMLR ARTCLS OF TXTL MATRLS (EXCL WOVEN)
590310	FBRCS,IMPRGNTD,COATD,CVRD/LAMNTD WITH PVC
620332	JACKETS AND BLAZERS OF COTTON
620442	DRESSES OF COTTON
620821	NIGHTDRESSES AND PYJAMAS OF COTTON
630520	SACKS AND BAGS OF COTTON
640610	UPPERS AND PRTS THEREOF OTHR THN STIFF-ENERS
681019	OTHER (TILES FLAGSTONES ETC)
690210	GOODS CONTNG BY WT SINGLY/TO-GETHR>50% OF THE ELMNTS MAGNSM,CALSIUM/CHROMIUM EXPRSSDAS MAGNSM OXIDE,CALSIM OXIDE/CHROMIM
690722	
701090	OTHR ARTCLES FOR CNVYNCE/PACKING OF GOODS
721391	BARS AND RODS,HOT RLD OF IRON/NON ALOY STL OF CRCULR CRS SCTN MSRNG <14 MM DIAMTR
732393	OTHR HOUSHOLD ARTICLES OF STAINLESS STEEL
760110	ALUMINIUM-NOT ALLOYED
760692	OTHER PLTS,STRIPS ETC OF ALUMINIUM AL-LOYS

760719	NT BCKD ALMNM FOIL NOT ROLLD
761699	OTHERS ARTICLES OF ALUMINIUM (OTHERS).
820411	HND-OPRTD SPANERS AND WRENCHS NON-ADJUSTBLE
820510	DRILLING THREADING OR TAPING TOOLS
820520	HAMMERS AND SLEDGE HAMMERS
820890	OTHR KNIVS AND CUTNG BLADES
830241	OTHR MOUNTINGS FITTINGS AND SMLR ARTCLS SUITABLE FOR BUILDINGS
831110	COAT ELCTRD OF BS MTL FR ELCTRC ARC WLDNG
831130	COATED RODS AND CORED WIRE OF BASE METAL FOR SOLDERING BRAZING OR WELDING BY FLAME
840219	OTHER VAPOUR GENERATING BOILERS, INCLUDING HYBRID BOILERS:
843780	OTHER MACHNRY FOR CLNG,SRTNG/GRADNG SEEDS
844820	PRTS AND ACCSSRS OF MCHNS OF HDG NO.8444/OF THEIR AUXLRY MCHNRY
844851	SNKRS,NEDL AND OTHR ARTCLS USD TO FORM STCHS
845190	PARTS OF THE MACHINES OF HDG 8451
846029	OTHR GRNDNG MCHNS IN WHICH THE POSITIONING IN ANY ONE AXIS CAN BE SET UP TO AN ACCURACY OF AT LEAST 0.01 MM
846190	OTHER MACHINE TOOLS OF HDG NO 8461
846599	OTHER MACHINE-TOOLS OF HDG 8465
846890	PARTS OF ARTICLES OF HEADING 8468
847439	OTHR MXNG/KNEADNG MACHINES
852359	OTHER
852873	OTHER, BLACK AND WHITE OR OTHER MONO-CHROME:
853225	OTHR FXD CAPACTRS DIELCTRC OF PAPR/PLSTCS
853610	FUSES OF VOLGATE NOT EXCEEDING 1000 VOLTS
871120	MOTOR CYCL ETC WTH RCPRCTNG INTRNL CMBSTN PSTN ENGN OF CYLNDR CPCTY>50 CC TO 250 CC
871410	OF MOTORCYCLES (INCLUDING MOPEDS):
871491	FRAMES,FORKS AND PRTS THEREOF

871494	BRAKES,INCL COASTER BRAKING HUBS AND HUB BRAKES AND PRTS THEREOF
871499	OTHR PRTSANDACCSSRS OF BICYCLESAND OTHR CYCLES

C. Commodities requiring market-specific export-promotion policies

Commodity Code (6-digit)	Commodity Code Description
100610	RICE IN HUSK (PADDY OR ROUGH)
120241	GROUND-NUT, NOT ROASTED OR OTHERWISE COOKED, WHETHER OR NOT SHELLLED OR BROKEN-IN SHELL
130190	OTHER : NATURAL GUMS :
170199	SUGR REFIND NT CONTNG FRVRNG/COLRNG MATTER
170310	CANE MOLSES RSLTD FRM EXTRCTN/RFNG OF SUGR
230400	OIL-CAKE AND OTHR SOLID RESIDUE W/N GRND/IN PLLTS FORM OBTND FRM SOYA-BEAN OIL EXTRCTN
240130	TOBACCO REFUSE
251690	OTHER MONUMENTAL OR BUILDING STONE :
252010	GYPSUM; ANHYDRITE
282010	MANGANESE DIOXIDE
282300	TITANIUM OXIDES
282410	LEAD MONOXIDE (LITHARGE,MASSICOT)
282710	AMMONIUM CHLORIDE
282810	COMMRCL CAL HYPCHLRTE AND OTHR CAL HYPCHLRTS
283110	DITHIONITES AND SULPHOXYLATES OF SODIUM
283190	OTHER DITHIONITES AND SULPHOXYLATES
283311	DISODIUM SULPHATE
283650	CALCIUM CARBONATE
283990	OTHER SILICATES AND COMMERCL MTL SILICATS
284150	OTHER CHROMATES AND DICHROMATES; PEROXOCHROMATES :
284170	MOLYBDATES
284330	GOLD COMPOUNDS

285210	INORGANIC OR ORGANIC COMPOUNDS OF MERCURY, WHETHER OR NOT CHEMICALLY DEFINED, EXCLUDING AMALGAMS : CHEMICALLY DEFINED
285290	OTHER INORGANIC OR ORGANIC COMPOUNDS OF MERCURY, WHETHER OR NOT CHEMICALLY DEFINED, EXCLUDING AMALGAMS: NT CHEMICALLY DEFINED
290613	STEROLS AND INOSITOLS
291422	CYCLOHEXANONE AND METHYL CYCLOHEXANONES
291539	OTHER ESTERS OF ACETIC ACID
291560	BUTYRIC ACDS, VALERIC ACDS THR SLTS AND ESTRS
291631	BENZOIC ACID ITS SALTS AND ESTERS
291711	OXALIC ACID ITS SALTS AND ESTERS
291739	OTHR ARMTC PLYCRBOXYLC ACIDS THR ANHYDRDS HALIDES PEROXIDES PEROXYACDS AND THR DRVTVS
291816	GLUCONIC ACID ITS SALTS AND ESTERS
292142	ANILINE DERIVATIVES AND THEIR SALTS
292310	CHOLINE AND ITS SALTS
292320	LECITHINS AND OTHER PHOSPHOAMINO-LIPIDS
292419	OTHER ACYCLIC AMIDES AND THR DRVTVS, SALTS
292700	DIAZO-AZO-OR AZOXY-COMPOUNDS
293030	THIURAM MONO-, DI-OR TETRASULPHIDES
293090	OTHER ORGANO-SULPHUR COMPOUNDS
293621	VITAMINS A AND THEIR DERIVATIVES
293622	VITAMIN B1 AND ITS DERIVATIVES
293623	VITAMIN B2 AND ITS DERIVATIVES
293629	OTHER VITAMINS AND THEIR DERIVATIVES :
293980	
300410	MDCMNTS CNTNG PENCLLNS/DRVTVS THROF WTH A PENCLLNC ACID STRCTR/STRPTMYCNS OR THR DERVTVS PUT UP FOR RTL SALE
300450	OTHER MEDICAMENTS CONTAINING VITAMINS OR OTHER PRODUCTS OF HEADING 2936 :
320290	OTHR INORGANIC TANNING SUBSTANCES
320411	DISPERSE DYES AND PREPARATIONS BASED THEREON

320412	ACID DYS W/N PREMETALSD AND PRPTNS BASED THERON MORDNT DYS AND PRPTNS BASED THRON
320413	BASIC DYES AND PRE PARATIONS BASED THEREON
320414	DIRECT DYES AND PREPARATIONS BASED THEREON
320416	REACTIVE DYS AND PREPTNS BASED THEREON
320417	PIGMENTS AND PREPTNS BASED THEREON
320500	COLR LAKES
320620	PIGMNTS AND PRPTNS BASD ON CHROM COMPND
320649	OTHR COLRNG MATR AND OTHR PRPTNS
320710	PREPRD PIGMNT OPACIFIER COLRS,SMLR PRPTNS
321290	OTHR PIGMNTS DYS AND CLRNG MATR
321519	OTHER PRINTING INK
330130	RESINOIDS
330290	OTHER: MIXTURES OF AROMATIC CHEMICALS AND ESSENTIAL OILS AS PERFUME BASE:
330741	AGARBATTI" AND OTHR ODORIFEROUS PRPNS WHICHOPEATE BY BURNI
340213	NON-IONIC W/N FOR RTL SALE
350300	OTHER ALBUMINATES AND OTHER ALBUMIN DRVTVS GELATIN DRVTVS;ISINGLASS; OTHER GLUES OF ANML ORIGIN,EXCL CASEIN GLUES OF HD
380190	OTHER (GRAPHITE BASED PREPARATIONS)
380859	
381210	PREPARED RUBBER ACCELERATORS
381231	
382410	PRPD BINDERS FOR FOUNDRY MOULDS/CORES
390110	POLYETHYLENE HVNG A SPFC GRVTY BELOW 0.94
390761	
390940	PHENOLIC RESINS
391723	TUBES PIPES AND HOSES OF POLYVINYL CHLORDE
392020	PLTES SHTS ETC. OF POLYMRS OF PROPYLN
392049	OTHR PLTES SHTS OF POLYMR OF VINYL CHLORID

392062	PLTES SHTS ETC OF PLYETHYLN TEREPH- THALTE
392069	PLTES SHTS ETC OF OTHR POLYESTERS
392190	OTHR PLTS,SHTS,FILM FOIL,STRIP ETC,NON- CLLR
392329	SACKS AND BAGS (INCL CONES)OF OTHR PLASTICS
400821	PLTS SHTS STRPS OF NON-CELLULAR RUBR
401039	OTHR TRANSMISSION BLTS/BELTING OF VUL- CANISED RUBBER
401310	INNER TUBES OF MTR CARS (INCL STATION WAGONS AND RACING CARS) BUSES /LORIES
401390	OTHER INNER TUBES OF RUBBER
401694	BOAT/DOCK FENDERS W/N INFLATABLE
410719	OTHER WHOLE HIDS/SKINS
410799	OTHER/HIDES/SKINS INCLUDING SIDES
420500	OTHR ARTCLS OF LEATHER/OF COMPSTN LEATHER
430390	OTHER ARTICLES OF FURSKIN
440399	OTHER WOOD IN ROUGH
440831	VNR SHETS,MRNTI(DRK RD,LGHT RD AND BA- KAU)
442191	
482390	OTHRARTCLS OF PAPR PULP PAPRBORD CELU- LOSE WADNG OR WEBS OF CEL FIBRS
500720	OTHER FABRICS, CONTAINING 85% OR MORE BY WEIGHT OF SILK OR OF SILK WASTE OTHER THAN NOIL SILK :
510710	YARN OF COMBED WOOL CONTNG>=85% WOOL BY WTNOT PUT UP FOR RETAIL SALE
510720	YARN OF CMBD WOOL CONTNG < 85% WOOL BY WT
511230	OTHER, MIXED MAINLY OR SOLELY WITH MAN- MADE STAPLE FIBRES :
520100	COTTON, NOT CARDED OR COMBED
520210	YARN WASTE (INCL THREAD WASTE)
520411	SWNG THREAD CNTNG 85% OR MORE BY WEIGHT OFCOTTON NOT PUT UP FOR RETAIL SALE
520420	COTTON SWNG THREAD PUT UP FOR RETAIL SALE

520521	SNGL YRN OF CMBD FBRS MEASURNG 714.29 D CTX/MORE (NT EXCDNG 14 MTRC NO)
520522	SNGL YRN OF CMBD FBRS MEASURNG<714.29 BUT >= 232.56 DCTX(>14 BUT <=43 MTRC NO)
520524	SNGL YRN OF CMBD FBRS MEASURNG<192.31 BUT >=125 DCTX(>52 BUT <=80 MTRC NO)
520526	SNGL YRN OF COMBD FBRS MSRNG BETWN 106.38 AND 125.00 DCTX AND 80 TO 94 MTRC NO.
520527	SNGL YRN OF COMBD FBRS MSRNG BETWN 83.33 AND 106.38 DCTX AND 94 TO 120 MTRC NO.
520528	SNGL YRN OF COMBD FBRS MSRNG <83.83 DCTX AND > 120 MTRC NO.
520543	MLTPL(FLDED)/CBLD YRN OF CMBD FBRS MEASURNG PER SNGL YRN <232.56 BUT >=192.31DCTX(>43 BUT <=52 MTRC NO PER SNGL Y
520544	MLTPL(FLDED)/CBLD YRN OF CMBD FBRS MEASURNG PER SNGL YRN<192.31 BUT>=125 DCTX(>52 BUT <=80 MTRC NO PER SNGL Y
520546	MLTPL (FOLDD)/CABLD YRN OF COMBD FBRS MSRNG PER SNGL YRN BETWN 106.38 AND 125 DCTX AND BETWN 80 AND 94 MTRC NO.
520547	MLTPL (FOLDD)/CABLD YRN OF COMBD FBRS MSRNG PER SNGL YRN BETWN 83.33 AND 106.38 DCTX AND BETWN 94 AND 120 MTRC NO.
520548	MLTPL (FOLDD)/CABLD YRN OF COMBD FBRS MSRNG PER SNGL YRN <83.33 DCTX AND >120 MTRC NO.
520612	SNGL YRN OF UNCMBD FBRS MEASURNG<714.29 BUT >=232.56 DCTX(>14 BUT <=43 MTRC NO)
520614	SNGL YRN OF UNCMBD FBRS MEASURNG<192.31 BUT>125 DCTX(<80 BUT >=52 MTRC NO)
520622	SNGL YRN OF CMBD FBRS MEASURNG<714.29 BUT>=232.56 DCTX(>14 BUT<=43 MTRC NO)
520623	SNGL YRN OF CMBD FBRS MEASURNG <232.56 BUT >= 192.31 DCTX(>43 BUT <=52 MTRC NO)
520624	SNGL YRN OF CMBD FBRS MEASURNG <192.31 BUT>=125 DCTX (>52 BUT <=80 MTRC NO)

520811	COTN FABRICS CONTNG>=85% BY WT OF COTN, UNBLEACHED PLAIN WEAVE WEIGING <=100 G/M2
520813	COTN FABRICS CONTNG>=85% BY WT OF COTN UNBLCHD 3/4 THRED TWILL INCL CROSS TWILL WEIGHNG NOT MORE THN 200 GM PER SQM
520821	BLECHD PLAIN WEAVE WEIGNG <=100 G/M2
520822	COTN FABRICS CONTNG >=85% BY WT OF COTTON BLEACHD PLAIN WEAVE WEIGNG > 100 G/M2
520831	COTN FABRICS CONTNG >=85%BY WT OF COTN DYED PLAIN WEAVE WEIGNG<=100 G/M2
520832	COTN FABRICS CONTNG>=85% BY WT OF COTN DYED,PLAIN WEAVE WEIGHNG >=100 G/M2
520833	COTN FABRICS CONTNG>=85% BY WT OF COTN, DYED,3/4 THRED TWILL INCL CROSS TWILL, WEIGHING NOT MORE THN 200 G/M2
520841	COTN FABRICS CONTNG >=85% BY WT OF COTN PLAIN WEAVE, WEIGHING NOT MORE THAN 100 GM PER SQM OF YARN OF DIFFERENT COLOURS
520842	COTN FABRICS CONTNG >=85% BY WT OF COTN PLAIN WEAVE, WEIGHING MORE THAN 100 GM PER SQM OF YARN OF DIFFERENT COLOURS
520843	COTN FABRICS COMTMG>85% BY WT OF COTN 3-THREAD/4-THREAD TWILL IMCL CROSS TWILL OF YARN OF DIFF CLRS WEIGHNG <=200 G
520852	COTN FABRICS CONTNG >=85% BY WT COTN PRINTED,PLAIN WEAVE WEIGHING >100 G/M2
520859	OTHR COTN FABRICS CONTNG>=85% BY WT OF COTN,PRNTD,WEIGHING 200 G/M2
520911	PLAIN WEAVE,UNBLEACHED COTTON FABRICS WEIGHING MORE THN 200 GM PER SQM
520912	UNBLCHD 3/4 THRED TWILL INCL CROSS TWILL COTTON FABRICS WEIGING MORE THAN 200 GM PER SQM
520921	BLEACHED COTON FABRICS,PLAIN WEAVE WEIGHING MORE THN 200 GM PER SQM

520922	BLECHD 3/4 THREAD TWILL INCL CROSS TWILL COTTON FABRICS WEING MORE THN 200 GM PER SQM
520929	OTHER FABRICS :
520931	DYED PLAIN WEAVE COTTON FABRICS WEGHNG MORE THAN 200 GM PER SQM
520932	DYED 3/4 THREAD TWILL INCLDNG CROSS TWILL COTTON FABRICS WEIGHING>200 GM PER SQM
520942	DENIM
520943	OTHER FABRICS OF 3-THREAD OR 4-THREAD TWILL, INCLUDING CROSS TWILL :
520952	PRINTD 3/4 THRED TWILL INCLDNG CROSS TWILLCOTTON FABRICS WEIGHING>200 G/SQM
520959	OTHER FABRICS :
521019	OTHER MIXD COTN FABRICS, UNBLEACHED WEGHNGNOT MORE THAN 200 GM PER SQM
521031	DYED PLAIN WEAVE MXD COTN FABRICS WEIGHING NOT MORE THN 200 GM PER SQM
521032	DYED 3/4-THRED TWILL INCLUDNG CROSS TWILL MIXD COTN FABRICS WEGHNG<=200 GSM
521041	PLAIN WEAVE,OF YARNS OF DIFFERENT COL-OURS MIXED COTTON FABRICS WEIGH-ING<=200 GSM
521111	UNBLEACHED PLAIN WEAVE MXD COTN FABRICS WEIGHING MORE THN 200 GM PER SQM
521131	PLAIN WEAVE,DYED,MXD COTN FABRICS WEGHING MORE THAN 200 GM PER SQM
521132	MIXED COTTON FABRICS WEIGHING > 200 G/SQM DYED 3/4 THREAD TWILL INCL CROSS TWILL
521141	MIXED COTTON FABRICS OF YARNS OF DIFFERENTCOLOURS WEIGHING > 200 GM/SQM; PLAIN WEAVE
521142	DENIM OF YARNS OF DIFFERENT COLOUR OF MXD COTN FABRICS WEIGHING>200 GSM
521159	OTHER FABRICS :
521211	OTHR UNBLCHED WOVEN FABRICS OF COTTON WEIGHING NOT MORE THAN 200 G/M2

521213	OTHR DYED WOVEN FBRCS WGHNG <=200 G/M2
521223	OTHR DYED WOVN FBRCS WGHNG >200 G/M2
521224	OTHR WOVN FBRCS OF COTN OF YRNS OF DIFF COLOURS WGHNG MORE THAN 200 GSM
530919	OTHR FLAX WOVN FABRCS CONTNG FLAX>=85%
530929	OTHR WOVN FABRCS CONTNG<85%BY WT OF FLAX
531100	WOVEN FABRICS OF OTHER VEGETABLE TEXTILE FIBRES;WOVEN FABRICS OF PAPER YARN
540233	TEXTURED YARN OF POLYESTERS
540239	OTHER TEXTURED YARN
540247	OTHER, OF POLYESTERS
540251	OTHR YARN OF NYLON OR OTHER POLYMDS SNGL WITH A TWIST EXCEEDING 50 TURNS PER METRE
540252	OTHR YARN OF POLYESTERS,SINGLE,WITH A TWIST EXCEEDING 50 TURNS/PER METRE
540261	OTHR YARN OF NYLON OR OTHER POLYMDS, MULTIPLE(FOLDED)OR CABLED
540262	OTHR YARN OF POLYSTRS,MULTPL OR CABLD
540269	OTHER YARN,MULTIPLE(FOLDED)OR CABLED
540710	WOVN FBRCS OBTND FROM HIGH TENACITY YRN OFNYLON OR OTHR POLYAMIDES,OR OF POLYESTERS
540754	WOVN FABRCS,PRINTED,CNTNG BY WT>=85% TEXTURED POLYESTER FILAMENTS
540771	WOVEN FABRICS CNTNG 85% OR MORE BY WT OF OTHR SYNTHETIC FILAMENTS,UN- BLEACD/BLEACD
540772	WOVEN FABRICS,CNTNG 85% OR MORE BY WT OF OTHR SYNTHETIC FILAMENTS, DYED
540774	WOVEN FABRICS CNTNG 85% OR MORE BY WT OF OTHR SYNTHETIC FILAMENTS, PRINTED
540782	WOVN FBRCS DYD CNTNG<85% BY WT OF SYNTHTC FILMNTS MIXED MAINLY OR SOLELY WTH COTTON
540783	OTHER WOVN FBRCS CONT <85% OF SYNTHTC FILMNT MIXD WTH COTN YRN OF DIFF COLOURS

540784	WOVN FBRCS,PRNTD,CONTAINING<85% BY WT OF SYNTHTC FILAMNTS,MIXD MANLY/SOLY WTH COTON
540792	OTHER SYNTHTC WOVEN FABRICS,DYED
540793	OTHR SYNTHTC WOVN FABRCS OF YARNS OF DIFFERENT COLOURS
540822	OTHER WOVEN FABRICS CNTNG BY WT>=85% OF ARTIFICIAL FILAMENT/STRIP/LIKE,DYED
540824	WOVN FBRICS,PRINTED,CONTAINING 85% OR MOREARTIFICIAL FILAMENTS/STRIP/LIKE
550320	STAPLE FIBRES OF POLYESTER NT CRD/CMBD
550410	VISCOSE RAYON STAPLE FIBRES NT CRD/COMBD
550922	MULTIPLE(FOLDED)/CABLED YRN CNTNG 85% OR MORE BY WT OF POLYESTR STAPLE FI-BRES
550951	OTHR YARN OF POLYSTR STPL FIBRS MIXED MAINLY/SOLELY WITH ARTIFICIAL STAPLE FI-BRS
550952	OTHER YARN OF POLYSTR STPL FIBRS MIXED MAINLY/SOLELY WITH WOOL/FINE ANIMAL HAIR
550953	OTHER YARN OF POLYSTER STAPLE FIBRS MIXED MAINLY/SOLELY WITH COTTON
550959	OTHER YARN OF POLYESTER STAPLE FIBRES
550999	OTHR SYNTHTC YRN MXD MAINLY/SOLELY WTH FBRE OTHR THN COTTON/FINE ANML HAIR AND WOOL
551011	SINGLE YARN CNTNG 85% OR MORE BY WT OF ARTIFICIAL STAPLE FIBRES
551030	OTHER YARN, MIXED MAINLY OR SOLELY WITH COTTON :
551329	OTHER WOVEN FABRICS WHICHEVER IS HIGHER
551339	WOVEN FABRICS OF OTHR SYNTHETIC STA- PLE FIBRES YRN OF DIFFERENT COLOURS
551429	OTHER WOVEN FABRICS WHICHEVER IS HIGHER
551511	FBRCS OF POLYESTR STPL FBRs,MXD MAINLY OR SOLELY WTH VISCOSE RAYON STPL FBRs
551513	FBRCS OF POLYESTR STPL FBRs MXD MAINLY/ SOLELY WTH WOOL/FINE ANIML HAIR

551591	OTHR WOVN FABRCS OF SYN FIBRS MIXD MAINLY OR SOLELY WITH NAM-MADE FILA-MENTS
551599	OTHER SYNTHETIC MIXD WOVEN FABRICS
551624	WVN FBRCS CNTNG<85% BY WT OF ARTFCL STPL FBRs,MXD MAINLY/SOLELY WTH MAN-MADE FILAMENTS,PRINTED
551641	WVN FBRCS CNTNG<85% BY WT OF ARTFCL STPL FBRs,MXD MAINLY/SOLELY WITH COT-TON,UNBLCHD/BLCHD
551692	OTHR MXD WVN FBRCS OF ARTFCL STPL FBRs,DYD
551693	OTHER MXD WOVEN FBRCS OF ARTFCL STPL FBRs,OF YARNS OF DIFFRNT COLOURS
560221	FELT,NOT IMPREGNATED,COATED,COVERED/LAMINATED,OF WOOL/FINE ANIMAL HAIR
560312	MAN-MADE FILMNT WGHNG>25G /SQM
560749	OTHR CORDGE ETC OF POLYETHLN/POLYPRO-PYLN
560790	OTHER TWINE,CORDAGE,ROPE AND CABLES
560811	MADE UP FSHNG NETS OF MAN-MADE TXTL MATRLS
560900	ARTCLS OF YRN STRP/THE LKE OF HDNG NO. 5404/5405 TWINE CORDGE-ROP/CBLS N.E.S.
570330	CARPETS AND OTHR TEXTILE FLOOR COVER-INGS OF OTHR MN-MDE TXTL MATRL TUFTD,W/N MDE-UP
580136	CHENILLE FBRCS OF MAN-MADE FIBRES
580137	WARP PILE FABRICS OF MANMADE FIBRES
580500	HND-WVN TAPESTRIES OF THE TYPE GOBE-LINS, FLNDRS ETC AND NEEDLE-WRKD TAP-ESTRIES (E.G. PETIT POINT CROSS STITCH),W/N MADE U
580620	OTHER WOVEN FABRICS, CONTAINING BY WEIGHT 5% OR MORE OF ELASTOMERIC YARN OR RUBBER THREAD
580639	OTHR NARROW WVN FBRCS OF OTHR TXTL MATRLS
580790	OTHR LABELS BADGES AND SMLR ARTCLS OF TXTL MATRLS (EXCL WOVEN)
580810	BRAIDS IN THE PIECE

580890	ORNMNTL TRMMNGS, TASELS,POMPONS AND THE LIKE
581092	EMBROIDERY OF MAN-MADE FIBRE
581099	EMBRDRY OF OTHR TXTL MATRLS
590310	FBRCS,IMPRGNTD,COATD,CVRD/LAMNTD WITH PVC
590800	TXTL WICKS,WOVEN,PLAITED/KNITTED,FOR LAMPSSTOVES,LIGHERS,CANDLES ETC,IN-CANDESCENT GAS MANTLES ETC,W/N IMPREGNATED
600121	LOOPED PILE FABRICS OF COTTON
600290	OTHR KNITDOR CROCHETED FBRCS OF WIDTH<30CM
600490	OTHR FBRCS OF WIDTH>30CM
600621	OTHR KNITED OR CROCHETD FBRCS OF COTTON , UNBLCHD OR BLCHD
600622	OTHR KNITED OR CROCHETD FBRCS OF COTTON , DYED
600690	OTHR KNITD OR CROCHETD FBRCS OF OTHER FIBRES
620332	JACKETS AND BLAZERS OF COTTON
620422	ENSEMBLES OF COTTON
620442	DRESSES OF COTTON
620821	NIGHTDRESSES AND PYJAMAS OF COTTON
621142	OTHR GRMNTS OF COTTON FR WOMEN'S OR GIRLS'
630520	SACKS AND BAGS OF COTTON
640610	UPPERS AND PRTS THEREOF OTHR THN STIFFENERS
681019	OTHER (TILES FLAGSTONES ETC)
681182	OTHER SHEETS, PANELS, TILES AND SIMILAR ARTICLES
681293	COMPRESSED ASBESTOS FIBRE JOINTING, IN SHEETS OR ROLLS
681299	OTHER:
681320	CONTAINING ASBESTOS:
681599	OTHER ARTCLS OF STONES/OTHR MINRLS
690210	GOODS CONTNG BY WT SINGLY/TO-GETHR>50% OF THE ELMNTS MAGNSM,CALSIUM/CHROMIUM EXPRSSDAS MAGNSM OXIDE,CALSIM OXIDE/CHROMIM

690220	REFRACTORY BRICKS BLOCKS ETC CONTNG BY WT> 50% OF ALUMINA,SILICA/OF MIXTURE OF THESE
690290	OTHER REFRACTORY BRICKS,BLOCKS,TILES ETC
690390	OTHER REFRACTORY CERAMIC GOODS
690722	
690990	CERAMIC TROUGHS,TUBS;POTS JARS AND THE LIKE
700420	GLASS COLORED THROUGHOUT THE MASS(BODY TINTED) OPAQUED FLAT/HAVING A ABSORBENT REFLECTING OR NON REFLECTING LAYER
701010	AMPOULES
701090	OTHER ARTICLES FOR CONVEYANCE/PACKING OF GOODS
720211	FERRO-MANGANESE,CARBON CONTNG>2% BY WEIGHT
720230	FERRO-SILICO-MANGANESE
720299	OTHER FERRO-ALLOYS
720918	FLAT-ROLLED PRODUCTS,IN COILS NOT FURTHER WORKED THAN COLD-ROLLED (COLD REDUCED) OF THICKNESS <0.5 MM
721190	OTHER FLAT-ROLLED PRODUCTS OF IRON/NON-ALLOY STEEL OF WIDTH<600MM,NOT COATED,PLATED/COATED
721391	BAR AND RODS,HOT ROLLED OF IRON/NON ALLOY STEEL OF CIRCULAR CROSS SECTION MEASURING <14 MM DIAMETER
721410	FORGED BAR AND RODS
721922	HOT-ROLLED,PRODUCTS NOT IN COILS OF THICKNESS>= 4.75 MM BUT <10 MM
721923	HT-ROLLED PRODUCTS NOT IN COILS OF THICKNESS OF >=3MM BUT <4.75 MM
721990	OTHER FLAT-ROLLED PRODUCTS OF STAINLESS-STEEL OF WIDTH >=600 MM
722011	HT-ROLLED PRODUCTS OF THICKNESS>=4.75 MM
722100	BAR AND RODS,HT-ROLLED,IN IRREGULARLY WOUND COILS,OF STAINLESS STEEL
722240	ANGLES,SHAPES AND SECTIONS
722300	WIRE OF STAINLESS STEEL
722860	OTHER BAR AND RODS :
730300	TUBES,PIPES AND HOLLOW PROFILES OF CAST IRON
730411	OF STAINLESS STEEL:

730441	OTHR TUBS,PIPE AND HOLO PROFILE OF CIR- CULR CROSS-SECTION OF STAINLES STEEL,COLD DRAWNOR COLD ROLLED
730611	WELDED, OF STAINLESS STEEL
730619	OTHER:
731290	PLAITED BAND,SLINGS AND LIKE OF IRON OR STEEL NT ELECTRCALLY INSULATED
732393	OTHR HOUSHOLD ARTICLES OF STAINLESS STEEL
740919	OTHER PLATES,SHEETS ETC OF REFINED COP- PER
741521	WASHRS(INCL SPRING WASHRS),NOT THREADED
741999	OTHER ARTICLES OF HEADING 7419
760110	ALUMINIUM-NOT ALLOYED
760120	ALUMINIUM ALLOYS
760529	OTHER WIRE OF ALUMINIUM ALLOYS
760692	OTHER PLTS,STRIPS ETC OF ALUMINIUM AL- LOYS
760719	NT BCKD ALNM FOIL NOT ROLLD
761699	OTHERS ARTICLES OF ALUMINIUM (OTHERS).
790111	ZINC,NOT ALLOYD,CONTNG BY WT>=99.99% ZINC
810296	WIRE OF MOLYBDENUM
820411	HND-OPRTD SPANERS AND WRENCHS NON- ADJUSTBLE
820510	DRILLING THREADING OR TAPING TOOLS
820520	HAMMERS AND SLEDGE HAMMERS
820890	OTHR KNIVS AND CUTNG BLADES
821220	SAFETY RAZOR BLADES INCLD RAZOR BLADE/BLANKS IN STRIPS
821599	OTHR ARTICLES NOT IN SETS
830241	OTHR MOUNTINGS FITTINGS AND SMLR ARTCLS SUITABLE FOR BUILDINGS
831110	COAT ELCTR D OF BS MTL FR ELCTRC ARC WLDNG
831130	COATED RODS AND CORED WIRE OF BASE METAL FOR SOLDERING BRAZING OR WELD- ING BY FLAME
840212	WTRTUBE BOILRS WTH A STM PRDCTN<=45T/HR

840219	OTHER VAPOUR GENERATING BOILERS, INCLUDING HYBRID BOILERS:
840290	PARTS OF STM/VAPR GNRTNG BOILRS
840410	AUXLRY PLNT USD WTH BOILRS OF 8402/8403
840420	CONDENSERS FOR STEAM/OTHR VPR POWR UNITS
840490	PARTS OF THE ITEMS OF 840410 AND 840420
840690	PARTS OF TURBINES
841420	HAND OR FOOT-OPERATED AIR PUMPS
841989	OTHR MACHINERY,PLANT AND EQUIPMNT OF HDG8419
842099	OTHER PARTS OF CALENDRNG/OTHR RLNG MACHNS
842320	SCLS FR CNTNUOS WEIGHNG OF GOODS ON CNVEYR
842611	OVERHEAD TRAVELLING CRANES ON FXD SUPPORT
842820	PNEUMATIC ELEVATORS AND CONVEYORS
843710	MACHINES FOR CLEANING, SORTING OR GRADING SEED, GRAIN OR DRIED LEGUMINOUS VEGETABLES
843780	OTHER MACHNRY FOR CLNG, SRTNG/GRADNG SEEDS
843830	MCHNRY FOR SUGAR MANUFACTURE
843910	MCHNRY FR MKNG PULP OF FIBRS CLLSC MTRL
844511	CARDING MACHINES
844519	OTHR MCHNS FR PRPRNG TXTL FIBRES
844530	TXTL DOUBLNG/TWISTNG MCHNS
844590	OTHER TEXTILE MACHINES OF HDG 8445
844819	OTHERS
844820	PRTS AND ACCSSRS OF MCHNS OF HDG NO.8444/OF THEIR AUXLRY MCHNRY
844831	CARD CLOTHING
844832	PRTS AND ACCSSRS OF MCHNS FR PRPRNG TXTL FBRS, EXCL CARD CLOTHING
844833	SPINDLES, SPINDLE FLYERS, SPINNING RINGS AND RING TRAVELLERS
844839	OTHR PARTS AND ACCESSORIES OF HDG 8445
844842	REEDS FR LOOMS, HEALDS AND HEALD-FRAMES

844851	SNKRS,NEDL AND OTHR ARTCLS USD TO FORM STCHS
845190	PARTS OF THE MACHINES OF HDG 8451
845420	INGOT MOULDS AND LADLES
845521	ROLLING MILLS-HOT/COMBINATION HOT AND COLD
845522	ROLLING MILLS-COLD
845590	OTHER PARTS
845819	OTHER HORIZONTAL LATHES
845899	OTHER LATHES
846029	OTHR GRNDNG MCHNS IN WHICH THE POSI- TIONG IN ANY ONE AXIS CAN BE SET UP TO AN ACCURACY OF AT LEAST 0.01 MM
846190	OTHER MACHINE TOOLS OF HDG NO 8461
846599	OTHER MACHINE-TOOLS OF HDG 8465
846890	PARTS OF ARTICLES OF HEADING 8468
847420	CRUSHING/GRINDING MACHINES
847439	OTHR MXNG/KNEADNG MACHINES
847730	BLOW MOULDING MACHINES
847940	ROPE/CABLE-MAKING MACHINES
847960	EVAPORATIVE AIR COOLERS
848079	OTHR MOULDS FOR RUBBER/PLASTICS
850211	GENRRTNG SETS WTH CMPRSSN IGNTN INTRNL CMBSTN PSTN ENGS(DIESL/SEMI-DIESL ENGS) OF AN OUTPUT NT EXCDNG 75 KVA
850212	GENRRTNG SETS WTH CMPRSSN IGNTN INTRNL CMBSTN PSTN ENGS(DSL/SEMI-DSL ENGS)OF AN OUTPUT >75 KVA BUT <=375 KVA
850213	GENRRTNG SETS WTH CMPRSSN IGNTN INTRNL CMBSTN PSTN ENGS(DSL/SEMI-DSL ENGS) OF AN OUTPUT EXCDNG 375 KVA
850300	PARTS SUTBL FR USE SOLELY/PRNCPLLY WTH THEMCHNS OF HDG NO.8501 AND 8502
850423	LQD DIELECTRC TRNSFRMRS HVNG A PWR HNDLNG HNDLNG CAPCITY EXCDNG 10000 KVA
851420	INDCTN/DIELCTRC FURNACES AND OVENS
851430	OTHER FURNACES AND OVENS:
851490	PARTS OF ARTCLS IN HDNG 8514
852359	OTHER
852873	OTHER, BLACK AND WHITE OR OTHER MONO- CHROME:

853225	OTHR FXD CAPACTRS DIELCTRC OF PAPR/PLSTCS
853540	LIGHTNING ARRESTERS,VOLTAGE LIMITERS AND SURGE SUPPRESSORS
853610	FUSES OF VOLGATE NOT EXCEEDING 1000 VOLTS
854419	WINDING WIRES OF OTHR METLS,/SUB- STANCES EXCL COPPER
870192	
871120	MOTOR CYCL ETC WTH RCPRCTNG INTRNL CMBSTN PSTN ENGN OF CYLNDR CPCTY>50 CC TO 250 CC
871410	OF MOTORCYCLES (INCLUDING MOPEDS):
871491	FRAMES,FORKS AND PRTS THEREOF
871493	HUBS,EXCL COASTER BRKNG HUBS AND HUB BRAKES,AND FREE-WHEEL,SPROCKET- WHEELS
871494	BRAKES,INCL COASTER BRAKING HUBS AND HUB BRAKES AND PRTS THEREOF
871499	OTHR PRTSANDACCSSRS OF BICYCLESAND OTHR CYCLES
900110	OPTCL FIBRS,OPTICAL FIBRE BUNDLES AND CABLES
960630	BUTN MOULDS AND OTHR PRTS OF BUTN;BUTN BLNKS
960891	PEN NIBS AND NIB POINTS

D. Trade Indicators

1. Revealed Comparative Advantage Index (RCA): RCA for a commodity exported from a country means the importance of this commodity in the export trade of the country in comparison with the importance of the commodity in world exports. Mathematically,

$$RCA_{ij} = (x_{ij}/X_{it}) / (x_{wj}/X_{wt})$$

where x_{ij} = country i's exports of commodity j

X_{it} = country i's total exports

x_{wj} = world exports of commodity j

X_{wt} = total world exports.

When $RCA_{ij} > 1$, i.e. when j's weight in i's exports (x_{ij}/X_{it}) is more than j's weight in world exports (x_{wj}/X_{wt}), country i is said to have a revealed comparative advantage in commodity j.

There is a revealed comparative disadvantage if $RCA_{ij} < 1$. When $RCA_{ij} = 1$, there is neither comparative advantage or disadvantage.

By studying the RCA for a commodity exported from a country over time, it can be seen whether the country in question is gaining in comparative advantage regarding a particular commodity. If RCA is falling, the reasons require investigation. (x_{ij}/X_{it}) may have risen less or fallen more than proportionately than (x_{wj}/X_{wt}) .

2. One way of checking the reasons for a fall in RCA for a particular commodity is seeing which markets are responsible for this fall. This can be seen from another, slightly different, indicator called Export Specialization Index (ESI).

$ESI = (x_{ij}/X_{it})/(m_{kj}/M_{kt})$, where

m_{kj} = import of commodity j to market k

M_{kt} = world imports of commodity k.

(m_{kj}/M_{kt}) gives the weight of j in market k. So, if RCA_{ij} is seen to fall, then it can be found out for which markets ESI has fallen. Special attention may then be given to those markets regarding the commodity in question.

3. Like RCA, the revealed comparative import intensity (RCII) can also be measured.

$RCII = (m_{ij}/M_{it})/(m_{wj}/M_{wt})$

where m_{ij} = country i's imports of commodity j

M_{it} = country i's total imports

m_{wj} = world imports of commodity j

M_{wt} = total world imports.

This gives an idea whether the proportion of imports of any commodity is more than expected, in terms of the share of that commodity in world imports.

4. Bilateral trade between countries is an important area of trade policy in that bilateral trade agreements are signed to increase trade. However, some points require to be examined before entering into these agreements. Firstly, it is necessary to see whether there is trade complementarity between the two countries. That is, whether the exports of one country match with the imports of the other, and vice versa. Naturally, when trade complementarity is high between two countries, it is beneficial to enter into a trade agreement. If a partner country does not import what India generally exports, there is little point in entering into a trade agreement with that country. The Trade Complementarity Index (TCI) is given as follows:

$TCI = 1 - \sum (|m_{ik} - x_{ij}|/2)$, where

m_{ik} = share of commodity i in the imports of market k

x_{ij} = share of commodity i in the exports of country j.

It is evident that TCI can have values between 0 and 1. When these shares, m_{ik} and x_{ij} are close to each other, (i.e. when trade complementarity increases) TCI is close to 1. As their difference increases, TCI falls.

$TCIW$ = TCI between a country and the World.

$RTCI$ (Relative Trade Complementarity Index) between country k and country j = $(TCI \text{ between country k and country j}) / (TCI \text{ between country k and the world})$

$RTCI$ gives a measure of the complementarity between two countries as compared to the complementarity between the first country and the world.

5. But another fact may be checked while proceeding to enter into a trade agreement. The trade between the two countries may already be quite high. This can be measured by the Export Intensity

Index (EII).

$$TII = (x_{ij}/X_{it})/(x_{wj}/X_{wt})$$

where x_{ij} = country i's exports to country j

X_{it} = country i's exports to the world

x_{wj} = world exports to country j

X_{wt} = total world exports.

This essentially measures the relative importance of country j in country i's export trade, in comparison with country j's importance as world export destination. $EII < 1$ or > 1 implies less than or more than expected bilateral trade, respectively. If EII is already high, there is little scope of further increasing bilateral trade between i and j. But if it is low, and if TCI is high, bilateral trade can very well be increased through trade agreements.

6. A related indicator is the Export Similarity Index (XSI), which helps us identify a country's competitors.

$$XSI = \sum [\min(X_{ij}, X_{ik}) * 100]$$

where X_{ij} = share of commodity i in exports of country j

X_{ik} = share of commodity i in exports of country k

XSI can vary between 0 and 100. It will be seen that when $X_{ij} = X_{ik}$ for all i's, $XSI = 100$, which means complete export similarity between countries j and k. As X_{ij} and X_{ik} start to differ, XSI falls. Countries exporting the same commodities are competitors in the world market, and export strategies, taking in to account such competition, have to be designed accordingly.

7. It is necessary to know whether the exports of a country are concentrated in a few products. A high concentration, while enabling a country to reap the benefits of specialization and economies of scale, also exposes a country to the risks arising from the vicissitudes of global trade. The Hirschman Index (HI), used by UNCTAD, is a handy measure for monitoring export concentration.

$$HI = \sqrt{[\sum S_q(x_i/X_t)]}$$

where x_i is the country's exports of commodity i

X_t is the country's total exports.

HI ranges from $(1/n)$ to 1. The higher the value of HI, the higher the concentration of exports.

8. Intraindustry trade is of importance as it can increase and expand markets. The standard indicator is the Index of Intraindustry Trade (IIT).

$$IIT_{jk} = 1 - [\sum |X_{ijk} - M_{ijk}| / (X_{ijk} + M_{ijk})]$$

where X_{ijk} = exports of products of industry i from country j to country k

M_{ijk} = imports of products of industry i from country k to country j.

IIT can take values from 1 (extremely high intra-industry trade, exports equaling imports) to 0 (no interindustry trade at all).
