



LITHUANIA – MOROCCO BILATERAL TRADE

Review

2018.04.06

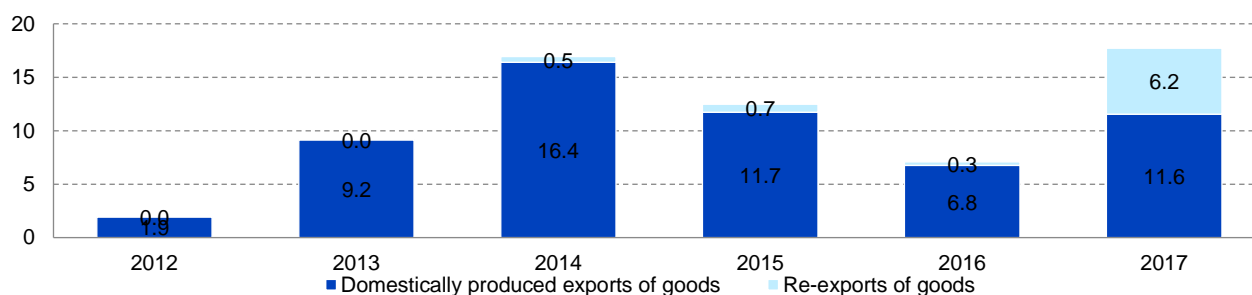
Enterprise
Lithuania



SUMMARY

- In 2017 the Morocco was Lithuania's 60th largest export partner and 69th largest import partner. Since 2010 Lithuania had a trade deficit with Morocco but the trend reversed in 2017. In 2017 the trade surplus in goods was approximately 12.6 million euro.
- In 2017 exports of domestically produced goods to the Morocco increased by 70,9% and amounted to 11.6 million EUR. If compared with 2016, the largest growth in exports of domestically produced goods was recorded in mineral fuels, mineral oils and products of their distillation, salt, earths and stone, vehicles other than railway or tramway rolling-stock, and parts and accessories thereof. Largest decrease was observed in the exports of edible vegetables and certain roots and tubers, residues and waste from the food industries and products of the milling industry. Most of exported goods in 2017 consisted of mineral fuels, mineral oils and products of their distillation (45.9%), salt, sulphur, earths and stone (16.2%), vehicles other than railway or tramway rolling-stock (8.8%), electrical machinery and equipment and parts thereof (6.5%).
- In 2017 Lithuania exported services to the Morocco for an amount of 0.18 million EUR, which was twice more than in 2016. The largest share in exports of services to the Morocco was accounted for by transport services (61.1%).
- In 2017 Lithuania imported goods from the Morocco for an amount of 5.1 million EUR, which was 56,7% less than in 2016. Most of imported goods in 2017 consisted of edible fruit and nuts (77.1%), copper and articles thereof (11.7%), edible vegetables and certain roots and tubers (6.6%). In 2017 the largest decrease was recorded in the imports of salt, sulphur, earths and stone, plastering materials, lime and cement product category.
- In 2017 Lithuania imported services from the Morocco for an amount of 1.7 million EUR, which was 45.0% more than in 2016. In 2017 the largest share in imports of services from the Morocco was accounted by other business services (68.4%), followed by travel services (26.4%).
- The Decision Support Model (DSM) identified 138 product group (on 6-digit Combined Nomenclature level) with potential opportunities for Lithuanian exporting companies in the Morocco. Most potential export opportunities were identified for the machinery and equipment n.e.c. (26), textiles (20), chemicals and chemical products (17), electrical equipment (14), computer, electronic and optical products (11).
- In 2016 Lithuania was the 58th largest import partner for the Morocco.

Figure 1. Lithuanian exports of goods to the Morocco 2012-2017 million EUR



Source: Statistics Lithuania and Enterprise Lithuania calculations.

Table 1. Bilateral trade between Lithuania and the Morocco 2015-2017.

	2015		2016		2017	
	Share, %	Rank	Share, %	Rank	Share, %	Rank
Goods						
Share of partner country in total exports of goods	0.1%	64	0.0%	81	0.1%	60
Share of partner country in domestically produced exports of goods	0.1%	57	0.0%	66	0.1%	59
Share of partner country in re-exports of goods	0.0%	83	0.0%	105	0.1%	53
Share of partner country in imports of goods	0.1%	42	0.0%	51	0.0%	69
Services						
Share of partner country in exports of services	0.0%	109	0.0%	118	0.0%	119
Share of partner country in imports of services	0.0%	65	0.0%	71	0.0%	67

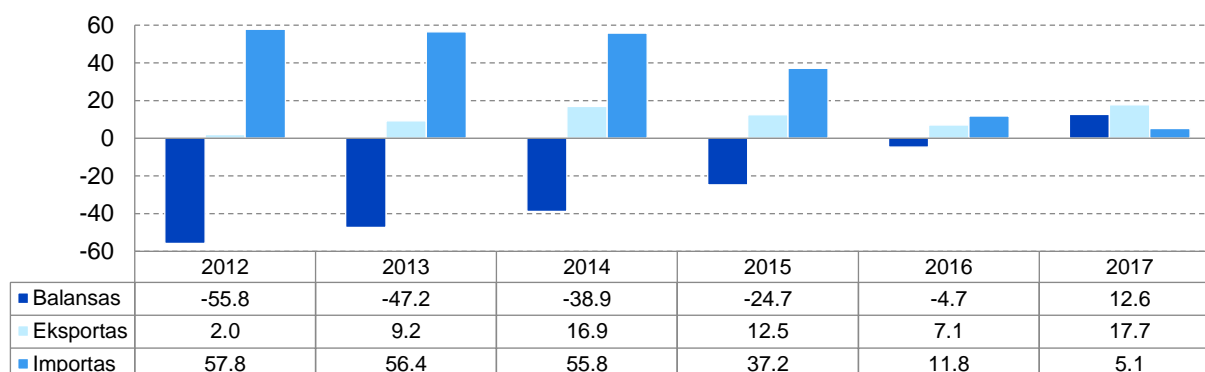
Statistics Lithuania, Bank of Lithuania and Enterprise Lithuania calculations.



I. TRADE BALANCE

Since 2010 Lithuania had a trade deficit with Morocco but the trend reversed in 2017. In 2017 the trade surplus in goods was approximately 12.6 million euro.

Figure 2. Bilateral trade of goods between Lithuania and Morocco in 2012-2017, million euro.



Source: Statistics Lithuania.

II. DOMESTICALLY PRODUCED EXPORTS

In 2017 exports of domestically produced goods to the Morocco increased by 70.9% and amounted to 11.6 million EUR. If compared with 2016, the largest growth in exports of domestically produced goods was recorded in mineral fuels, mineral oils and products of their distillation, salt, earths and stone, vehicles other than railway or tramway rolling-stock, and parts and accessories thereof. Largest decrease was observed in the exports of edible vegetables and certain roots and tubers, residues and waste from the food industries and products of the milling industry. Most of exported goods in 2017 consisted of mineral fuels, mineral oils and products of their distillation (45.9%), salt, sulphur, earths and stone (16.2%), vehicles other than railway or tramway rolling-stock (8.8%), electrical machinery and equipment and parts thereof (6.5%).

In 2017 the largest share in domestically produced exports the Morocco consisted of mineral fuels, oils and products of their distillation which accounted for 45.9% of total domestically produced exports to the Morocco. Lithuania exported mineral fuels, oils and products of their distillation for a value of 5.3 million euro, which was six times more than during the same period in 2016. In this category Lithuania mostly exported petroleum oils and oils obtained from bituminous minerals (83%) and peat (17%).

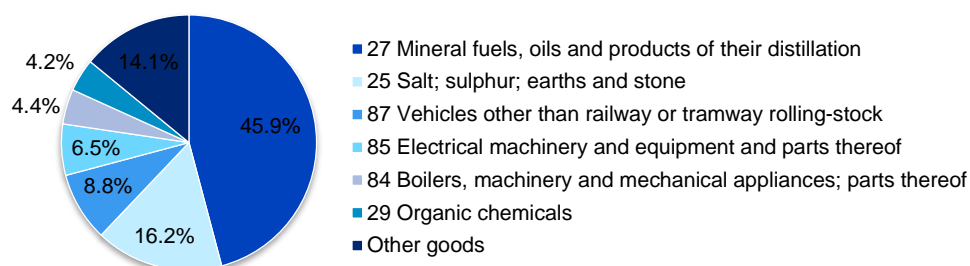
The second largest category in 2017 was salt, sulphur, earths and stone which made up 16.2% of domestically produced exports to the Morocco. The exported value of these goods amounted to 1.9 million euro. In this category Lithuania mostly exported crude or unrefined sulphur (100%).

In 2017 the third largest category was vehicles other than railway or tramway rolling-stock which made up 8.8% of domestically produced exports to the Morocco. The exported value in 2017 was almost 1.0 million euro. In this category Lithuania mostly exported special purpose motor vehicles, other than those principally designed for the transport of persons or goods (97%).

The fourth largest category was electrical machinery and equipment and parts thereof. In 2017 exports in this category amounted to 0.7 million euro and made up 6.5% of total domestically produced exports to the Morocco. The majority of exports in this category consisted of radar apparatus, radio navigational aid apparatus and radio remote control apparatus (84%).



Figure 3. Structure of exports of goods produced in Lithuania to the Morocco in 2017, %



Source: Statistics Lithuania and Enterprise Lithuania calculations.

Table 2. Exports of domestically produced goods to the Morocco, million euro

Commodity category (by CN)	2012	2013	2014	2015	2016	2017	2017 annual growth, %
Total	1.9	9.2	16.4	11.7	6.8	11.6	70.9%
27 Mineral fuels, oils and products of their distillation	0.5	0.6	0.5	0.7	0.7	5.3	662.3%
25 Salt; sulphur; earths and stone	0.0	0.0	1.8	0.8	0.0	1.9	-
87 Vehicles other than railway or tramway rolling-stock	0.0	0.0	0.0	1.0	0.0	1.0	2483.7%
85 Electrical machinery and equipment	0.2	0.3	0.4	0.5	0.7	0.7	7.3%
84 Boilers, machinery and mechanical appliances	0.2	0.2	0.3	0.7	0.9	0.5	-44.9%
29 Organic chemicals	0.0	0.0	0.0	0.0	0.6	0.5	-14.9%
Other goods	1.0	8.1	13.3	8.1	3.8	1.6	-57.6%

Source: Statistics Lithuania and Enterprise Lithuania calculations.

III. EXPORTS OF SERVICES

In 2017 Lithuania exported services to the Morocco for an amount of 0.18 million EUR, which was twice more than in 2016. The largest share in exports of services to the Morocco was accounted for by transport services (61.1%).

Table 3. Exports of services to the Morocco, million EUR.

Category	2016	2017
Total	0.09	0.18
Transport services	0.07	0.11
Travel services	0.00	0.01
Other services	0.02	0.06

Source: Statistics Lithuania and Enterprise Lithuania calculations.

IV. IMPORTS OF GOODS

In 2017 Lithuania imported goods from the Morocco for an amount of 5.1 million EUR, which was 56,7% less than in 2016. Most of imported goods in 2017 consisted of edible fruit and nuts (77.1%), copper and articles thereof (11.7%), edible vegetables and certain roots and tubers (6.6%). In 2017 the largest decrease was recorded in the imports of salt, sulphur, earths and stone, plastering materials, lime and cement product category.

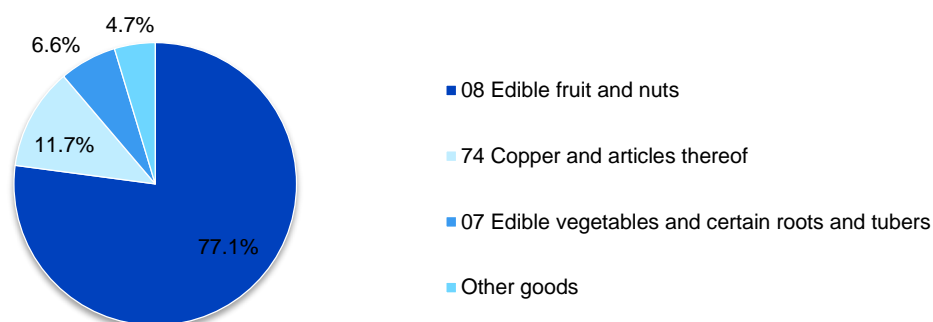
In 2017 the largest category among imports of goods from the Morocco was edible fruit and nuts with a share of 77.1%. In 2017 imports of edible fruit and nuts grew 4,9% and reached the value of 3.9 million EUR.

In 2017 the second largest category among imports of goods from the Morocco was copper and articles thereof, which had a share of 11.7% in total imports of goods from that country. In 2017 imports value of copper and articles reached the value of 0.6 million EUR.



The third largest category among imports from the Morocco consisted of edible vegetables and certain roots and tubers which had a share of 6.6% in total imports from that country. In 2017 imports of edible vegetables and certain roots and tubers reached the value of 0.3 million EUR.

Figure 4. Structure of imports of goods from the Morocco in 2017, %



Source: Statistics Lithuania and Enterprise Lithuania calculations.

Table 4. Imports of goods from the Morocco, million EUR

Commodity category (by CN)	2012	2013	2014	2015	2016	2017	2017 annual growth, %
Total	57.8	56.4	55.8	37.2	11.8	5.1	-56.7%
08 Edible fruit and nuts	2.3	1.6	3.0	4.1	3.7	3.9	4.9%
74 Copper and articles thereof	0.0	0.0	0.0	0.0	0.0	0.6	-
07 Edible vegetables and certain roots and tubers	0.0	0.0	0.2	0.1	0.4	0.3	-24.3%
03 Fish and other aquatic invertebrates	1.6	0.8	0.9	0.2	0.3	0.1	-63.5%
90 Optical, photographic, cinematographic, measuring, medical instruments	0.0	0.0	0.0	0.0	0.0	0.0	43.6%
85 Electrical machinery and equipment	0.0	0.0	0.0	0.2	0.0	0.0	391.2%
55 Man - made staple fibres	0.0	0.0	0.0	0.4	0.0	0.0	2114.3%
62 Articles of apparel and clothing accessories, not knitted or crocheted	0.0	0.0	0.0	0.0	0.0	0.0	2100.0%
39 Plastics and articles thereof	0.0	0.0	0.0	0.0	0.0	0.0	12300.0%
68 Articles of stone	0.0	0.0	0.0	0.0	0.0	0.0	6400.0%
33 Essential oils and resinoids	0.0	0.0	0.0	0.0	0.0	0.0	687.5%
61 Articles of apparel and clothing accessories, knitted or crocheted	0.0	0.0	0.0	0.0	0.0	0.0	940.0%
Other goods	53.8	54.0	51.7	32.2	7.2	0.0	-99.8%

Source: Statistics Lithuania and Enterprise Lithuania calculations.

V. IMPORTS OF SERVICES

In 2017 Lithuania imported services from the Morocco for an amount of 1.7 million EUR, which was 45.0% more than in 2016. In 2017 the largest share in imports of services from the Morocco was accounted by other business services (68.4%), followed by travel services (26.4%).

Table 5. Imports of services from the Morocco by balance of payments category, million EUR.

Category	2016	2017
Total	1.2	1.7
Other business services	•	1.2
Travel services	0.4	0.5
Other services	0.8	0.0

Source: Statistics Lithuania and Enterprise Lithuania calculations.



VI. POTENTIAL EXPORT OPPORTUNITIES

The Decision Support Model (DSM)¹ identified 138 product group (on 6-digit Combined Nomenclature level) with potential opportunities for Lithuanian exporting companies in the Morocco. Most potential export opportunities were identified for the machinery and equipment n.e.c. (26), textiles (20), chemicals and chemical products (17), electrical equipment (14), computer, electronic and optical products (11).

Table 6. TOP export opportunities for Lithuanian companies in Morocco, according to the Decision Support Model.

Sector (according to NACE rev. 2)	Number of potential export opportunities
Machinery and equipment n.e.c.	26
Textiles	20
Chemicals and chemical products	17
Electrical equipment	14
Computer, electronic and optical products	11
Basic metals	11
Other manufactured goods	8
Food products	7
Motor vehicles, trailers and semi-trailers	6
Other non-metallic mineral products	6
Leather and related products	3
Manufacture of fabricated metal products, except machinery and equipment	3
Other transport equipment	2
Beverages	1
Products of agriculture, hunting and related services	1
Rubber and plastics products	1
Wearing apparel	1
Total	138

Source: Eurostat Comext, Statistics Lithuania and Enterprise Lithuania calculations.

VII. MOROCCO IMPORTS OF GOODS

In 2016 Lithuania was the 58th largest import partner for the Morocco.

Table 7. Morocco imports by country, million EUR

Country	2012	2013	2014	2015	2016
Total	34826	34019	34750	33825	37675
Spain	4589	4607	4635	4707	5922
France	4314	4404	4683	4284	4982
China	2308	2362	2639	2840	3437
United States of America	2223	2557	2422	2199	2403
Germany	1663	1632	1804	1964	2216
Italy	1708	1817	1713	1849	2046
Turkey	884	1044	1243	1430	1671
Portugal	568	784	690	923	1108
Russian Federation	1828	1436	1466	1460	922
Saudi Arabia	2202	2095	1892	895	722
Netherlands	518	540	704	626	721
United Kingdom	764	642	625	737	720
Korea, Republic of	463	302	302	366	712

¹ The Decision Support Model (DSM) is used to identify suitable export opportunities. The DSM takes into account Lithuania's revealed comparative advantage (products in which Lithuania is a relatively strong exporter in world markets), short-term and long-term import (value) growth of the product under consideration, the degree of market concentration for this product (an assessment whether it is difficult to enter the market for that product, the lower the index, the least concentrated the import market for this product) and possible barriers to market entry for that product (tariffs). The full list of export opportunities for Lithuanian exporters in the Morocco is available on request from analitikai@verslietuva.lt.



Country	2012	2013	2014	2015	2016
United Arab Emirates	405	230	324	488	602
Brazil	788	606	413	563	591
Belgium	574	609	738	556	580
India	395	474	382	360	573
Algeria	877	967	1002	710	557
Romania	304	350	233	227	535
Japan	508	242	260	258	462
Argentina	490	414	437	371	404
Other countries	6454	5906	6143	6009	5789

Source: Trademap.

Table 8. Morocco imports of goods by commodity group, million EUR

Category	2012	2013	2014	2015	2016
Total	34826	34019	34750	33825	37675
27 Mineral fuels, oils and products of their distillation	9608	9142	8326	6118	5017
84 Machinery, mechanical appliances, boilers	3198	3171	2908	2867	4148
87 Vehicles other than railway or tramway rolling stock	2579	2656	2548	2725	4050
85 Electrical machinery and equipment	2251	2624	2975	3247	3755
10 Cereals	1728	1150	1609	1251	1707
39 Plastics and articles thereof	1296	1372	1463	1560	1504
72 Iron and steel	1099	1157	1083	1189	1153
73 Articles of iron or steel	659	647	671	722	1047
88 Aircraft, spacecraft, and parts thereof	215	270	382	623	690
55 Man-made staple fibres	479	508	587	581	612
48 Paper and paperboard	514	532	563	568	591
28 Inorganic chemicals	498	423	463	529	520
30 Pharmaceutical products	384	422	438	467	503
15 Animal or vegetable fats and oils	492	407	421	416	480
52 Cotton	484	437	385	439	472
Other goods	9342	9101	9927	10523	11424

Source: Trademap.