

Can the Commonwealth help developing countries trade out of poverty?

Submission by Justin Moore

What challenges do developing countries (particularly least developed countries and small island states) in the Commonwealth face in terms of harnessing trade and investment as tools to meet their development objectives? Please provide examples (personal experience and/or research findings)?

Summary

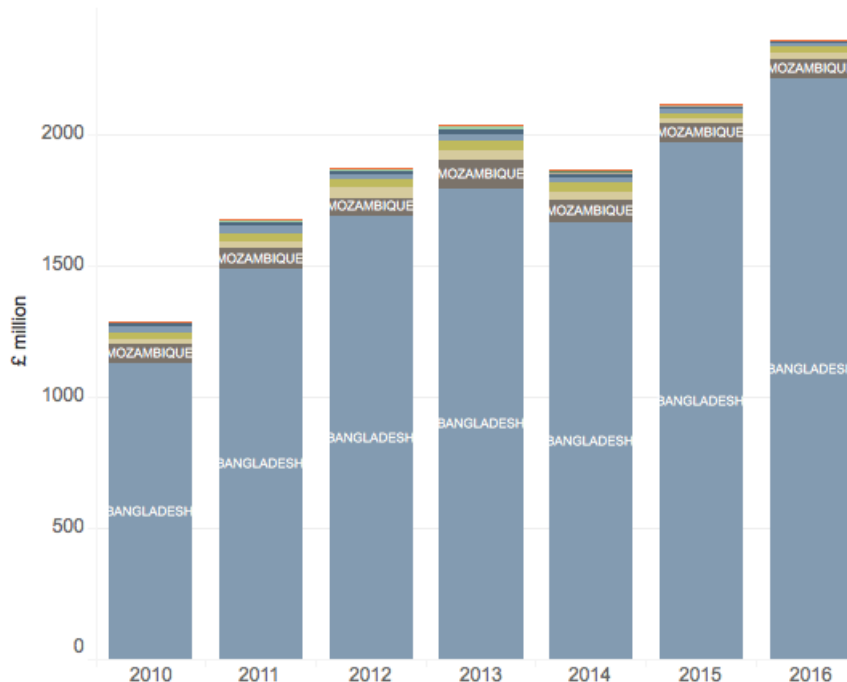
Least Developed Countries (LDCs) in the Commonwealth, perhaps except Bangladesh, appear to face challenges in trading with the UK. The value of UK imports from Commonwealth LDCs, excluding Bangladesh, has been falling over the last 3 years. The UK imported £93m less from these countries in 2016 than in 2013, a 39% fall.

UK imports from Least Developed Countries in the Commonwealth

Development Monitor (www.developmentmonitor.org.uk) has analysed financial flows between the UK and Commonwealth countries.

UK imports from Least Developed Countries (LDCs) in the Commonwealth have increased significantly since 2010, rising 83% from £1.29bn to £2.36bn. However, these figures are dominated by imports from Bangladesh which comprised 94% of UK imports from these countries in 2016.

Figure 1: UK imports (goods) from Least Developed Countries in the Commonwealth

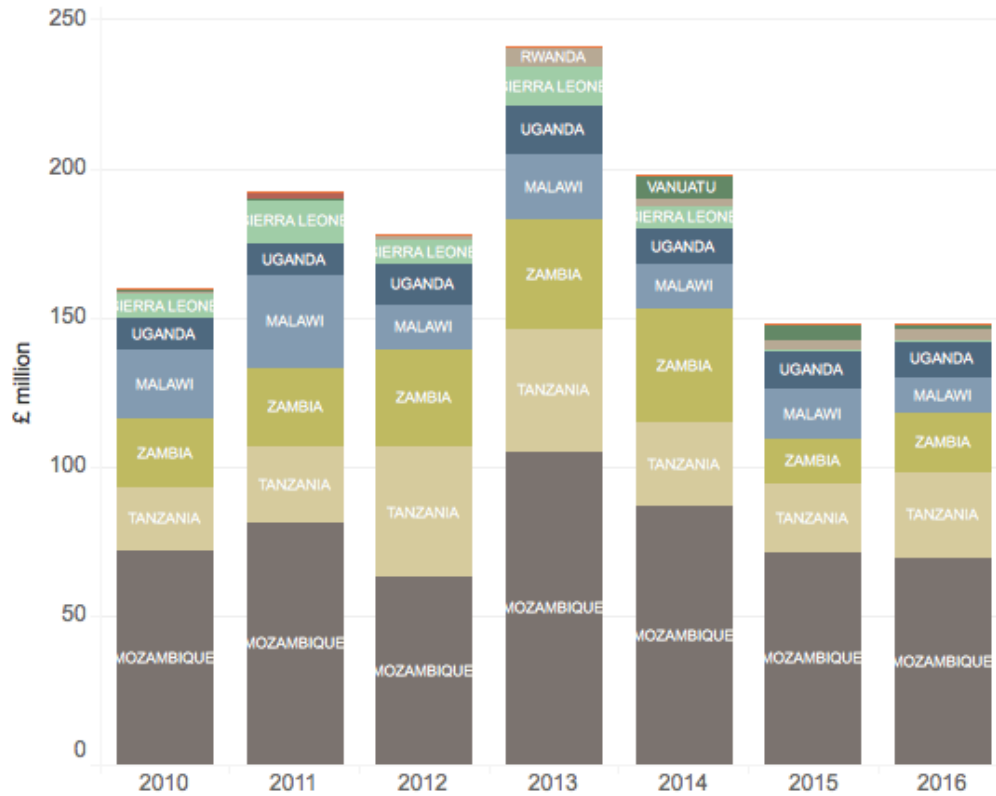


Source: HMRC

UK imports from Least Developed Countries in the Commonwealth excluding Bangladesh

If Bangladesh is excluded then a very different picture appears for the other Commonwealth LDCs such as Mozambique, Tanzania and Malawi. The total value of UK imports from these countries fell by 39% (£93m) from 2013-2016, and is now below the levels seen in 2010.

Figure 2: UK imports (goods) from Least Developed Countries in the Commonwealth exc. Bangladesh



Source: HMRC

Justin Moore

I run an initiative called Development Monitor which promotes transparency and accountability for the UK's interactions with developing countries, beyond aid spending. Development Monitor (www.developmentmonitor.org.uk) currently provides a data dashboard that allows easy analysis of financial flows between the UK and all developing countries.

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