
**Sub-Committee on Least-Developed Countries
Negotiating Group on Market Access**

**MARKET ACCESS ISSUES RELATED TO PRODUCTS OF EXPORT INTEREST
ORIGINATING FROM LEAST-DEVELOPED COUNTRIES**

Note by the Secretariat¹

Table of Contents

I.	INTRODUCTION	3
II.	METHODOLOGY	3
III.	LDC EXPORT PROFILE.....	4
A.	MAJOR PRODUCTS	7
B.	MAJOR MARKETS.....	9
IV.	TARIFF MEASURES	15
V.	THE UTILIZATION OF PREFERENCES	19
A.	PREFERENCE UTILIZATION IN CANADA, THE EUROPEAN COMMUNITIES, JAPAN AND THE UNITED STATES	21
(i)	<i>The utilization of non-reciprocal preferences is less than 100 per cent.</i>	<i>21</i>
(ii)	<i>The utilization of preferences varies by product within a scheme</i>	<i>22</i>
(iii)	<i>The utilization of preferences varies across beneficiaries within a scheme</i>	<i>22</i>
(iv)	<i>The utilization of preferences varies within a market for given LDCs</i>	<i>22</i>
B.	SUMMARY OBSERVATIONS	23
VI.	RECENT INITIATIVES TO IMPROVE MARKET ACCESS	23
VII.	REFERENCES.....	25

¹ This document has been prepared under the Secretariat's own responsibility and without prejudice to the positions of Members and to their rights and obligations under the WTO.

List of Tables

Table 1: Merchandise exports and imports of least-developed countries by selected country grouping, 2003.....	5
Table 2: Exports of commercial services of least-developed countries by category, 2002.....	6
Table 3: Leading merchandise exports of least-developed countries in 2003	7
Table 4: Merchandise exports and imports of least-developed countries by selected country grouping, 2003.....	10
Table 5: Imports of agricultural products, fuels and manufactures of the European Communities, Asia and North America from least-developed countries, 2002	12
Table 6: Imports of the five major traders by major product group from least-developed countries, 2002-03	13
Table 7: Proportion of developed country imports from developing countries and LDCs entering duty-free	17
Table 8: Tariff profile for LDC exports in developed country markets, 2002.....	17
Table 9: Tariff profile of MFN and preferential duties in selected developed country markets, 2002	18
Table 10: Number of international peaks facing LDCs exporters in major markets, 2002	19

List of Annex Tables

Annex Table 1: Leading exports of selected least-developed countries	26
Annex Table 2: China imports from least-developed countries, 2003.....	30
Annex Table 3: European Communities (15) imports from least-developed countries, 2003.....	31
Annex Table 4: India imports from least-developed countries, 2002.....	32
Annex Table 5: Japan imports from least-developed countries, 2003	33
Annex Table 6: Republic of Korea imports from least-developed countries, 2002.....	34
Annex Table 7: Chinese imports from least-developed countries, 2002	35
Annex Table 8: Thailand imports from least-developed countries, 2003.....	36
Annex Table 9: United States imports from least-developed countries, 2003.....	37
Annex Table 10: Measures in favour of exports originating from LDCs	38

List of Charts

Chart 1: LDCs participation in world merchandise trade, 1990-2003.....	4
Chart 2: Share of leading products in total merchandise exports for LDCs	8
Chart 3: Exports of least-developed countries by major product, 1995 and 2002.....	9
Chart 4: Merchandise exports of least-developed countries by selected product group and destination, 2002.....	11
Chart 5: Share of developing countries in merchandise exports of LDCs, 2002	14

I. INTRODUCTION

1. This Note by the Secretariat has been prepared in response to paragraph 7 of the Least-Developed Countries' (LDCs) Work Programme, which mandates an annual review of market access for products originating from LDCs (WT/COMTD/LDC/11). It builds on previous Secretariat studies by updating the relevant data on trends in LDC trade and market access conditions.² The Note also presents as its special topic the issue of preference utilization.

2. The next section presents introductory remarks concerning methodological issues. It is followed by an examination of the LDC export profile (Section III) for the purpose of identifying the major markets and products of export interest to LDCs. Section IV reviews the market access landscape for products originating from LDCs, based on available tariff data. Section V presents the special topic for this study, which is the utilization of preferences. Recent initiatives by Members to improve market access for LDCs, especially those that are not taken into account in the available data, are reported in Section VI.

II. METHODOLOGY

3. Research work on issues of market access is difficult due to a significant number of data and methodological problems. The purpose of this section is to outline some of the data difficulties that have been encountered and the general approaches that have been taken to resolve them. Where necessary, specific actions relating to specific problems are outlined in the text.

4. Data difficulties associated with this Note can be divided into two parts; those relating to trade data and those related to market access data. With respect to trade data, the main difficulty is lack of available reported data. The principal source for trade data is the United Nations Statistical Database. Only 21 out of 50 LDCs regularly report their data, making it difficult to construct a full dataset. In order to circumvent this problem this study uses 'mirror' data when reported data is not available. This methodology involves estimating the total exports of a country by summing the imports from that country in all markets for which data is available. While effective in yielding a value, this approach does not work if trade is conducted predominantly between non-reporting countries. In such a case, no trade data can be made available.

5. Since the landscape of market access for LDC exporters is conditioned by a combination of most-favored-nation (MFN) duties and duties determined by reciprocal and non-reciprocal schemes, a variety of tariff data is required for an effective analysis of border barriers. The WTO's tariff database, the Integrated Data Base (IDB), contains MFN applied data for most WTO Members. However, since it is not a requirement for Members to notify preferential tariff data to the IDB, this database is not comprehensive on two accounts: market coverage and data coverage. As a result, this Note uses data from a number of other sources.³

6. Another difficulty related to tariff data is the time interval between a policy announcement and the availability of relevant data. In this respect, market analysis related to barriers facing exports from LDCs is slightly easier due to the fact that many recent initiatives are predominantly duty- and quota-free. In such cases, as was done in the *World Trade Report 2004* (WTO, 2004), duty rates can be set to zero. However, this cannot be done for all cases. The approach taken in this Note is to use only the reported tariff data for a given year. No adjustments were made to take into account policies announced after the relevant time period for the data.

² The previous studies are contained in document WT/COMTD/LDC/W/31 and WT/COMTD/LDC/W/28.

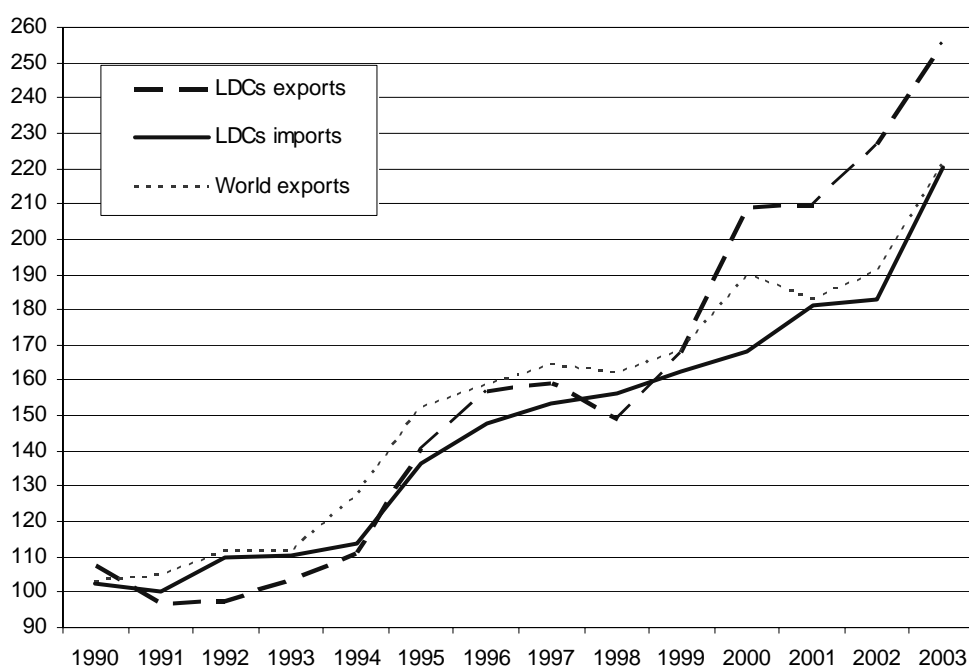
³ In this regard, the assistance of the United Nations Conference on Trade and Development is gratefully acknowledged.

III. LDC EXPORT PROFILE

7. This section provides background trade data for the analysis on market access in the next section. It identifies the principal products that are exported by LDCs and the principal markets for these products. Chart 1 provides a picture of the overall performance of LDCs in world merchandise trade. It shows that LDCs have posted stronger growth rates in their exports than the world figure, resulting in an increase in their share of world trade. In 2003, LDCs accounted for 0.67 per cent of world exports (Table 1). The chart also shows that over the past five years export growth rates have exceeded that of import growth rates. Table 1 breaks down the aggregate merchandise exports at the country level into three broad categories of exporters: oil exporters, exporters of manufacturers and exporters of non-fuel primary commodities. It shows that the aggregate export performance of LDCs in 2002 and 2003 has been positive with growth rates of 8 and 13 per cent, respectively. Between 1995 and 2000 the average growth rate of exports was 8 per cent, whereas the growth rate of imports was 4 per cent. This trend, however, appears to be reversing, since the growth rates for imports exceed that of exports in the years 2001 and 2003. In 2003, imports grew at 20 per cent, compared to a growth rate of 13 per cent for exports.

Chart 1: LDCs participation in world merchandise trade, 1990-2003

(Indices 1989-91 = 100)



Source: WTO.

8. The aggregate growth rates hide a substantial variation in the export performance across LDCs. Table 1 shows that the growth rate of oil exports, the most important export in terms of value, was 16 per cent and that of manufactures and commodities was 9 and 12 per cent, respectively. The table also shows that the growth rate of commodities exports varied considerably across commodity exporters. Sierra Leone posted an 88 per cent growth rate, whereas exports from the Democratic Republic of Congo shrunk by 28 per cent. In contrast, among oil and manufactures exporters, only Yemen (10 per cent) and Myanmar (-15 per cent) posted lower growth rates than the LDC average.

9. Data on the exports of commercial services originating from LDCs is not widely available. Table 2 presents data based on estimations for many LDCs. It shows that in 2002, LDCs account for

0.4 per cent of world trade in commercial services. Seventy per cent of this value was in the transport and travel sectors. In 1995, these two sectors accounted for 62 per cent of total services exports.

Table 1: Merchandise exports and imports of least-developed countries by selected country grouping, 2003

(Million dollars and percentage)

	Exports					Imports				
	Value	Annual Percentage Change				Value	Annual Percentage Change			
	2003	1995-00	2001	2002	2003	2003	1995-00	2001	2002	2003
Total LDCs	43657	8	0	8	13	55522	4	8	1	20
Oil exporters	17592	19	-11	14	16	11210	11	16	-1	32
Angola	8790	17	-18	15	17	4130	16	5	-7	40
Yemen	3802	16	-21	7	10	3390	8	-1	13	30
Equatorial Guinea	2640	54	67	21	19	1020	30	58	-38	132
Sudan	2360	27	-6	15	21	2670	5	51	6	7
Exporters of manufactures	13751	11	6	2	9	19468	5	2	-6	20
Bangladesh	6942	11	-5	0	14	9476	5	0	-5	20
Myanmar	2600	14	45	28	-15	2600	12	20	-18	11
Cambodia	1690	6	15	11	17	1715	4	2	11	6
Nepal	662	18	-8	-23	17	1754	3	-6	-4	24
Madagascar	655	10	13	-48	35	1190	10	-4	-37	97
Lesotho	477	7	28	29	31	1021	-6	-6	15	30
Lao People's Dem. Rep.	378	1	0	-10	27	524	-2	-1	-18	22
Haiti	347	24	-14	2	24	1188	10	-2	12	5
Exporters of commodities	12314	-3	12	8	12	24845	1	10	8	16
Senegal	1331	-2	9	6	25	2364	1	14	13	21
Tanzania	1222	-1	17	13	40	2193	-2	12	-1	30
Zambia	940	-9	48	-6	1	1503	7	32	-4	20
Mali	930	5	32	22	5	1251	1	23	-12	44
Mozambique	880	17	93	-3	29	1365	10	-8	27	1
Guinea	824	3	10	21	-7	820	-6	-2	19	15
Congo, Dem. Rep. of	815	-14	24	20	-28	1750	-2	16	37	20
Uganda	562	0	-1	-3	27	1252	8	4	-30	13
Benin	541	-1	-5	20	21	758	-4	-10	23	12
Ethiopia	535	3	-6	5	11	2015	2	44	-8	21
Malawi	463	-1	18	-9	14	702	2	6	19	5
Togo	440	-1	-2	20	3	568	-1	-2	7	-4
Mauritania	420	-6	-3	11	9	500	-9	20	19	12
Niger	339	0	-4	3	22	551	1	-6	8	38
Burkina Faso	315	5	12	1	33	855	6	7	13	16
Chad	260	-6	3	-2	41	852	-3	114	47	-15
Liberia	230	-17	-26	-7	1	560	6	-7	-5	-5
Somalia	202	-1	5	15	20	180	3	-6	8	-20
Afghanistan	135	3	-49	-5	50	1190	8	0	73	25
Central African Republic	130	-1	-12	4	-12	115	-8	-9	12	-4
Bhutan	120	2	-12	10	11	200	13	-6	-14	21
Maldives	113	9	0	18	26	471	8	1	0	20
Sierra Leone	92	-21	123	69	88	303	2	22	45	15
Djibouti	85	15	1	9	2	305	5	-6	6	13
Solomon Islands	75	-16	-32	23	29	67	-10	-12	-42	43
Guinea-Bissau	69	21	2	-14	28	140	-15	25	41	35
Rwanda	60	-1	63	-34	7	240	-2	18	-19	18
Eritrea	56	-16	-49	174	8	670	1	-10	27	25
Burundi	38	-14	-22	-23	27	157	-9	-6	-7	22
Vanuatu	27	-1	4	-26	35	105	-1	4	-4	18
Samoa	15	9	14	-13	7	137	2	23	4	1
Comoros	15	-9	71	8	15	125	3	18	11	33
Gambia	13	-1	-33	30	0	185	1	-28	10	25
Cape Verde	12	7	-9	10	9	305	-2	2	18	11
Sao Tome and Principe	7	-10	0	67	40	42	1	-7	11	35
Kiribati	3	-11	25	-40	0	40	3	2	5	-7
Tuvalu	0	0	...	...	...	9	-11	-20	175	-18
Timor Leste	...	...	...	...	...	...	...	...	...	...
Memorandum item:										
	648100					67140				
World a	0	5	-4	5	16	00	5	-4	4	16

a Includes significant re-exports or imports for re-export.

Note: Data for 2003 are largely estimated.

Source: WTO

Table 2: Exports of commercial services of least-developed countries by category, 2002
(Million dollars and percentage)

	Value		Share in commercial services				
	Commercial services 2002	Transport		Travel		Other services	
		1995	2002	1995	2002	1995	2002
Total LDCs	6500	21	21	41	50	38	30
Afghanistan	...	...	...	...	...	...	...
Angola	229	32	...	...	...	68	...
Bangladesh	305	15	30	5	19	80	51
Benin	140	26	...	53	...	21	...
Bhutan	32	...	...	...	...	...	...
Burkina Faso	43	17	...	48	...	35	...
Burundi	4	46	23	32	31	21	46
Cambodia	593	31	15	52	77	18	8
Cape Verde	144	59	43	17	45	24	11
Central African Republic	6	45	8	28	48	27	44
Chad	34	23	3	68	73	9	23
Comoros	23	16	20	77	63	7	17
Congo, Dem. Rep. of	...	...	...	...	...	...	...
Djibouti	79	58	76	16	11	26	13
Equatorial Guinea	18	...	...	...	80	...	...
Eritrea	118	70	...	3	...	27	...
Ethiopia	450	77	56	5	16	18	28
Gambia	56	22	...	73	74	5	...
Guinea	43	75	20	5	0	20	80
Guinea-Bissau	...	18	...	13	...	69	...
Haiti	143	5	2	92	64	3	34
Kiribati	...	...	...	...	...	...	...
Lao People's Dem. Rep.	...	23	...	76	...	1	...
Lesotho	31	7	1	91	64	2	35
Liberia	...	...	...	...	...	...	...
Madagascar	158	30	27	26	23	44	50
Malawi	49	28	33	72	67	0	0
Maldives	352	7	4	92	94	1	1
Mali	150	32	...	37	...	30	...
Mauritania	46	9	0	58	8	33	92
Mozambique	337	25	30	24	19	52	51
Myanmar	...	6	...	43	...	51	...
Nepal	192	9	...	30	...	61	...
Niger	48	3	...	58	...	39	...
Rwanda	48	61	26	22	65	18	9
Samoa	...	3	...	66	...	31	...
Sao Tome and Principe	13	0	2	56	78	44	20
Senegal	389	15	...	46	49	38	...
Sierra Leone	38	14	...	80	...	6	...
Solomon Islands	16	4	6	44	4	52	89
Somalia	...	...	...	...	...	...	...
Sudan	130	1	13	10	83	89	4
Tanzania	609	0	10	89	72	11	18
Togo	72	34	...	20	...	46	...
Tuvalu	...	...	...	...	...	...	...
Uganda	230	18	16	75	76	7	8
Vanuatu	...	15	...	60	...	25	...
Yemen	129	22	16	35	29	43	55
Zambia	...	...	...	...	...	...	...
Memorandum item:							
World	1586400	26	23	34	30	41	47

Note: Data are estimated for most countries. The improvement of the quality of data in recent years may have resulted in changes relating to the breakdown of exports of commercial services by category of series.

A. MAJOR PRODUCTS

10. LDC exports, in addition to their low share of world exports, are characterized by a highly concentrated export profile. Table 3 shows that petroleum products and apparel account for 66 per cent of the total value of all LDC exports in 2003. This fact is also supported by data on the export profile of individual LDCs as shown in Chart 2 and Annex Table 1. The product shares in Annex Table 1 are calculated at the 2 and 3 digit level of the Standard Industrial Trade Classification (SITC) for each LDC for which data is available. Chart 2 identifies a number of countries with a highly concentrated export structure. For example, petroleum exports for Angola and Equatorial Guinea are respectively 92 per cent and 90 per cent of their total exports. Similarly, apparel and clothing account for 86 per cent of Cambodia's total exports and 98 per cent of Lesotho's exports.

Table 3: Leading merchandise exports of least-developed countries in 2003^a

(Million dollars and percentage)

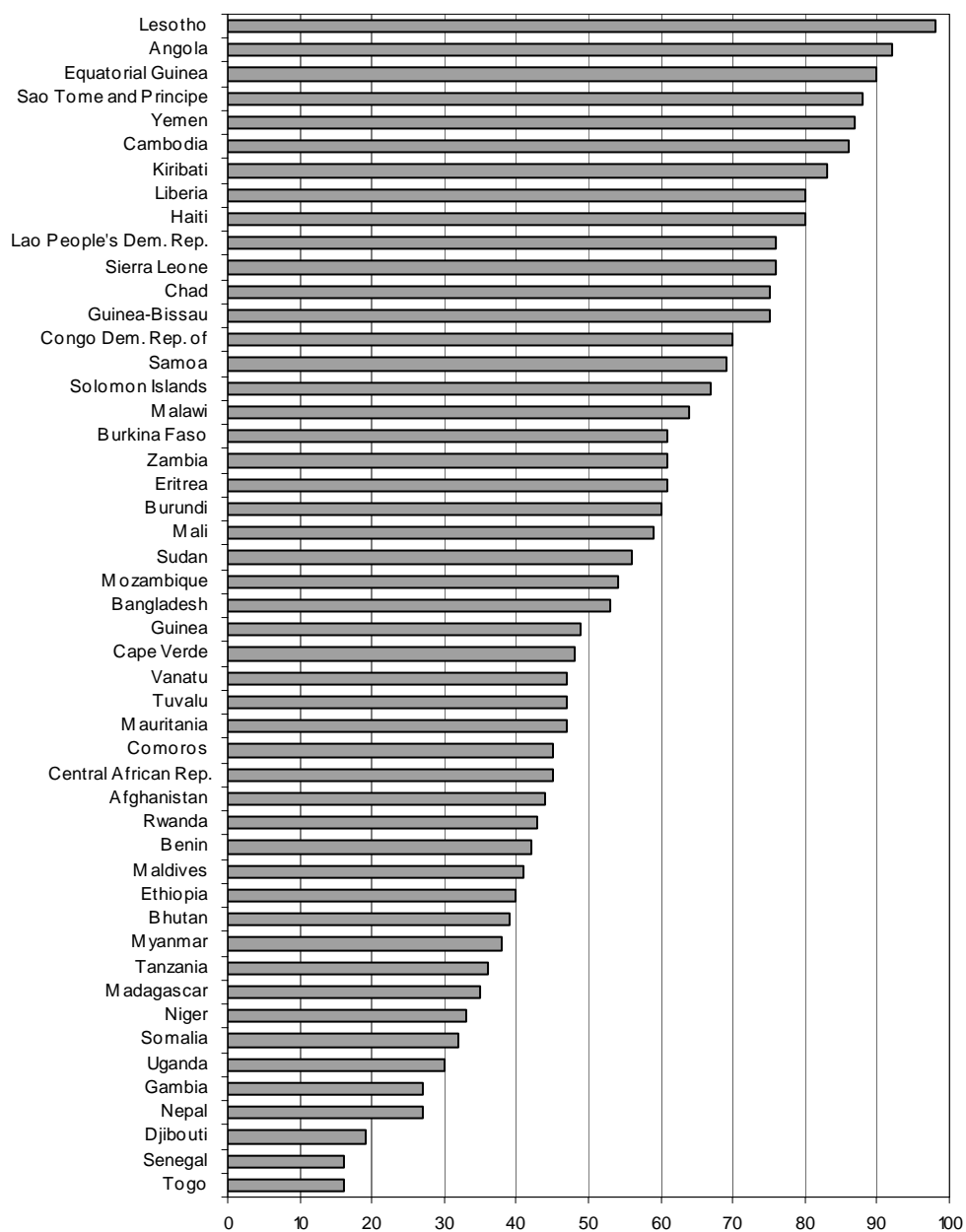
Product description (SITC Rev. 3)	LDCs Exports		World	
	Value	Share in Total Exports	Value	Share in Total World
			548872	
All commodities (0 to 9)	35438	100	4	1
Petroleum, petrol. products (33)	14904	42	440633	3
Petroleum products (334)	14413	41	315934	5
Articles of apparel and clothing accessories (84)	8632	24	191990	4
Men's, boys' clothing, excluding knitted textiles (841)	2102	6	34196	6
Women, girls' clothing, excluding knitted textiles (842)	1876	5	44352	4
Men's, boys' clothing, knitted (843)	508	1	8478	6
Women, girl clothing knitted (844)	730	2	16291	4
Other Textile, Apparel, n.e.s. (845)	3239	9	64912	5
Fish, crustaceans, molluscs and aquatic invertebrates, and preparations thereof (03)	1457	4	47974	3
Fish, fresh, chilled, frozen (034)	500	1	21440	2
Crustaceans, mollusc etc. (036)	819	2	15555	5
Pearls, precious and semi-precious stones (667)	1114	3	46753	2
Coffee, tea, cocoa, spices (07)	905	3	25968	3
Coffee, coffee substitutes (071)	390	1	8267	5
Spices (075)	393	1	2001	20
Non-ferrous metals (68)	845	2	93414	1
Copper (682)	228	1	24357	1
Aluminium (684)	517	1	41908	1
Metalliferous ores, scrap (28)	776	2	52742	1
Aluminium ore, concentrate (285)	337	1	6319	5
Ore, concentrates, base metals (287)	99	0	5341	2
Gas, natural, manufactured (34)	759	2	92946	1
Cork and wood (24)	754	2	32685	2
Wood rough, rough squared (247)	514	1	8108	6
Wood, simply worked (248)	237	1	21719	1
Ships, boats, and floating structures (793) (b)	600	2	16186	4
Textile fibres (26)	624	2	17495	4
Cotton (263)	549	2	5635	10
Textiles, yarn, fabrics, etc... (65)	498	1	118582	0
Textile articles nes (658)	220	1	17975	1
Tobacco, tobacco manufactures (12)	427	1	15965	3
Tobacco, unmanufactured (121)	392	1	4984	8
Footwear (85)	264	1	47740	1
Vegetables and fruit (05)	231	1	69646	0
Vegetables (054)	110	0	19402	1
Fruits, nuts excluding oil nuts (057)	107	0	29192	0
Leather (611)	230	1	13746	2
Crude fertilizer, mineral (27)	230	1	13840	2
Fertilizer crude (272)	41	0	960	4
Natural abrasives, nes (277)	144	0	896	16
Oil seed, oleaginous fruit (22)	184	1	15237	1
Total above	33434	94	135354	2

a Data shown are imports from LDCs' by 124 countries and economies reporting their trade to the UNSD Comtrade Database.

b Data refer to imports flag of convenience by reporting countries and economies from Liberia.

Source: UNSD Comtrade Database.

Chart 2: Share of leading products in total merchandise exports for LDCs
(Percentage)



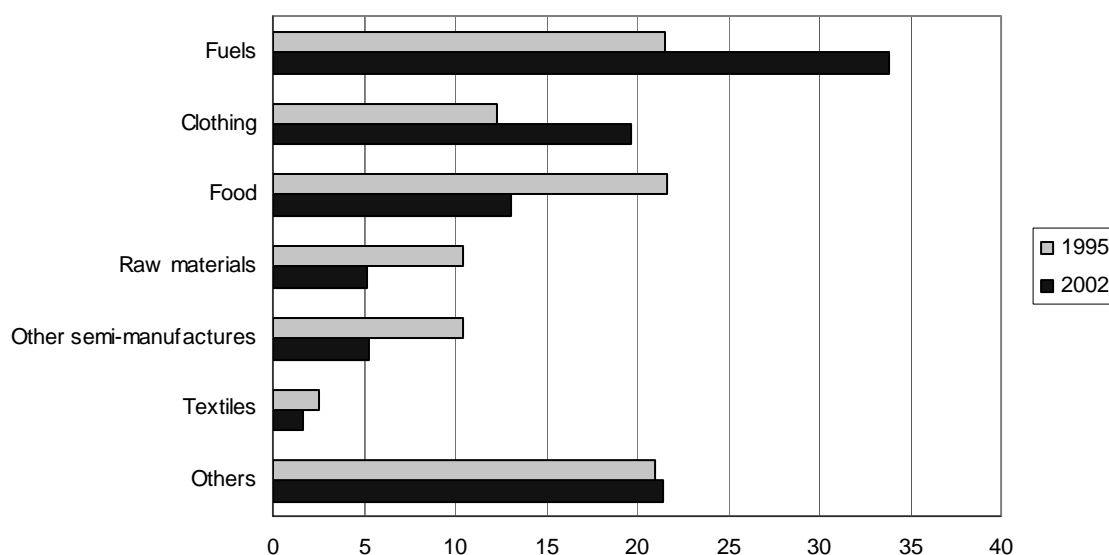
Source: WTO.

11. It is also important to note that, while concentration levels of exports are high, the leading export product for each country differs across LDCs. This implies that the export interests of LDCs as a group are far from identical highlighting the fact that LDCs do not have homogenous market access interests (Annex Table 1), a point that will be taken up in the next section.

12. Chart 3 illustrates a distinct shift in the relative importance of different product groups in the total exports of LDCs. In 1995, food was the most important export, representing 21.7 per cent of total exports, followed closely by fuels representing 21.5 per cent. By 2002, fuel was the most important export representing 33.8 per cent of exports, while clothing became the second most important, representing 19.7 per cent of total exports. Food became fourth, behind the aggregate category of all other products. Much of this significant shift is due to changes in oil prices, but at the same time, it also represents significant increases in LDCs' clothing exports.

Chart 3: Exports of least-developed countries by major product, 1995 and 2002

(Percentage)



Source: WTO.

B. MAJOR MARKETS

13. In terms of specific country markets, Table 4 shows that the EC and the United States continue to be the most important destinations for LDC exports. Although the EC's share of total LDC exports declined in 2003 to 31.6 per cent from 34.5 per cent in 2002, it is still the most important market. The US' share of total LDC exports of around a quarter of LDC exports, is largely unchanged. Table 4 using data for the years 2002 and 2003, as well as the last year's report, indicates that China is the third most important market and after that the top ten markets have approximately the same share. These markets are: Thailand; Japan; India; Republic of Korea; the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu (Chinese Taipei); Canada and Singapore.

14. Western Europe and North America differ in their importance as importers of agricultural products.⁴ In 2002, Western Europe absorbed 36 per cent of total LDC agricultural exports, whereas

⁴ The WTO Agreement on Agriculture definition of agricultural products is used to construct this chart. The regional definitions are contained in the WTO's annual publication *International Trade Statistics*.

North America imported 7 per cent (Chart 4). Western Europe is also an important destination of fish products, absorbing 58 per cent of LDC exports. In comparison, North America imported 34 per cent of total LDC non-agricultural exports.⁵ In terms of broad categories, North America is a more important market than Western Europe for clothing and fuels. The two regions combine together to import 97 per cent of total LDC exports of clothing. The Chart also shows that Asia's importance as a market is predominantly for exports of agricultural and fuel products, accounting for respectively 34 per cent and 47 per cent of total LDC exports. Additional detail in terms of the importance of different individual markets for selected LDCs is contained in Table 5.

Table 4: Merchandise exports and imports of least-developed countries by selected country grouping, 2003

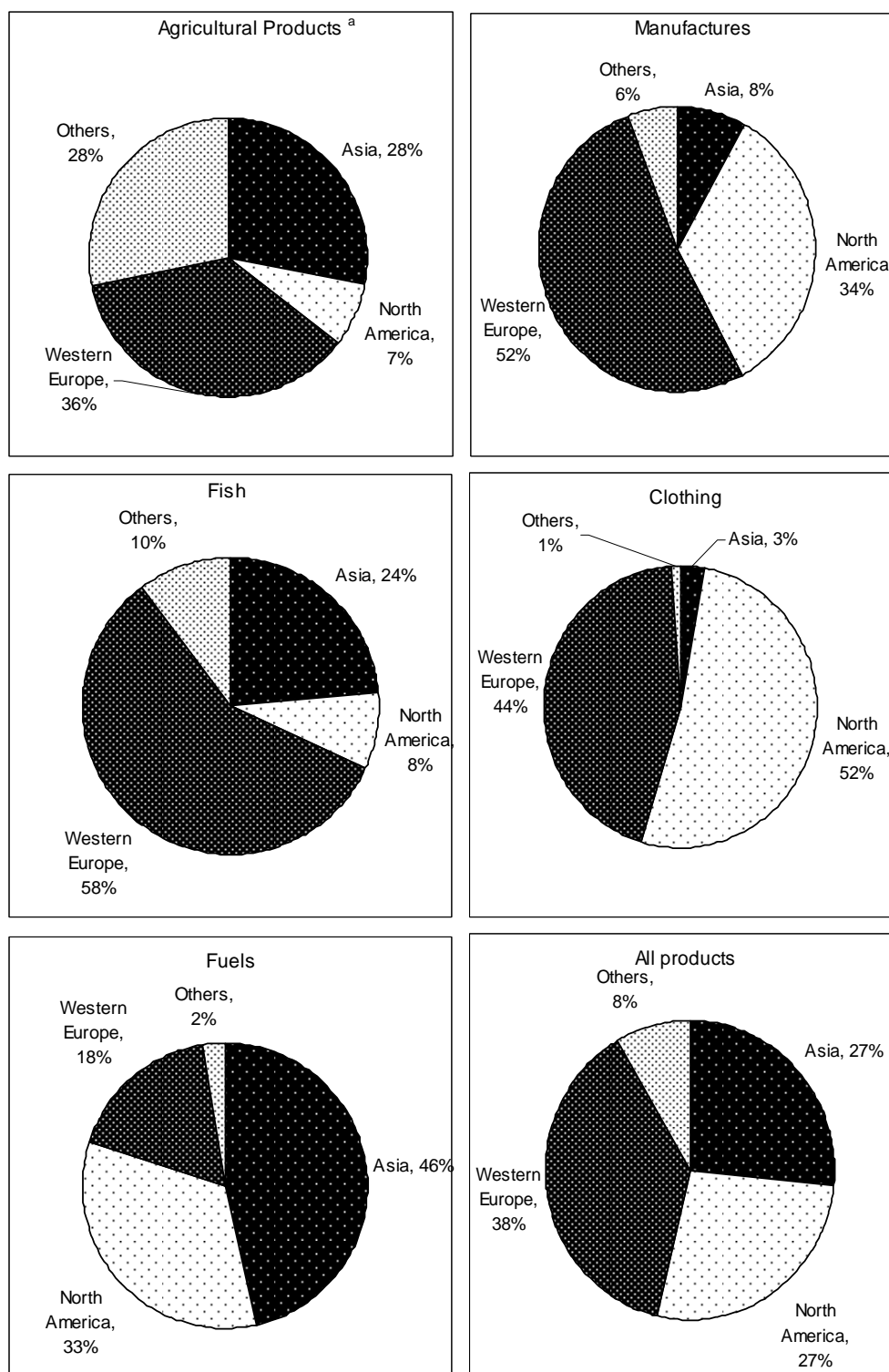
(Million dollars)

Importers	Imports from LDCs		Share in total	
	2002	2003	2002	2003
All reporters (world)	37794	44914	100.0	100.0
EC(15)	13057	14186	34.5	31.6
United States	9591	11525	25.4	25.7
China	3502	6268	9.3	14.0
Thailand	...	2346	...	5.2
Japan	1591	1584	4.2	3.5
India	1312	...	3.5	...
Korea, Republic of	990	...	2.6	...
Chinese Taipei	870	999	2.3	2.2
Canada	403	771	1.1	1.7
Singapore	547	508	1.4	1.1
Saudi Arabia	445	...	1.2	...
Malaysia	438	361	1.2	0.8
Indonesia	221	293	0.6	0.7
South Africa ^a	252	238	0.7	0.5
Hong Kong, China	237	225	0.6	0.5

^a Excluding trade with Lesotho
Source: UNSD Comtrade Database.

⁵ Fish and fish products are not listed in the definition of products covered under the WTO Agreement on Agriculture.

Chart 4: Merchandise exports of least-developed countries by selected product group and destination, 2002



^a Agreement on Agriculture

Note: Estimates are based on import statistics of partners

Source: UNSD/OECD Comtrade database.

Table 5: Imports of agricultural products, fuels and manufactures of the European Communities, Asia and North America from least-developed countries, 2002

(Million dollars and percentage)

	Annual percentage change			Value	Annual percentage change			Value	Annual percentage change		
	2002	2001	2002		2002	2001	2002		2002	2001	2002
European Communities (15)				Asia a				North America			
A. Agricultural Products b											
Total LDCs	1360	-17	3	Total LDCs	1150	17	-6	Total LDCs	302	18	0
Malawi	166	-13	-1	Myanmar	368	140	-4	Madagascar	126	102	42
Uganda	152	-21	6	Tanzania	119	14	-8	Malawi	65	40	-12
Madagascar	145	-6	11	Nepal	96	58	-36	Ethiopia	29	0	-9
Ethiopia	127	-46	31	Benin	69	-18	17	Haiti	15	-40	67
Senegal	108	1	-12	Ethiopia	60	-4	-17	Uganda	12	-18	-14
				Guinea							
Tanzania	103	-9	-11	Bissau	47	-84	370	Tanzania	11	-9	10
				Malawi	45	-20	-15	Mozambique	7	-69	-13
Sudan	101	-10	10	Mozambique	43	-50	291	Chad	6	0	20
Zambia	57	16	12	Madagascar	41	5	-62	Comoros	5	175	-55
Mali	47	-38	68	Mali	39	-25	44	Rwanda	3	100	-25
Chad	38	-4	-24	Togo	36	23	-5	Yemen	3	67	-40
Togo	36	-7	33	Other (38)	57	-14	2	Others (38)	20	-7	-51
Other (38)	280	-23	-6								
B. Fish											
Total LDCs	1054	7	11	Total LDCs	440	-23	6	Total LDCs	153	-26	-7
Senegal	212	1	13	Myanmar	110	-19	10	Bangladesh	93	-37	-7
Bangladesh	183	-5	14	Mauritania	58	-45	21	Myanmar	34	-0	-8
Madagascar	149	7	30	Bangladesh	45	-24	-13	Tanzania	6	67	20
				Mozambique							
Tanzania	133	-10	21	Mozambique	39	-9	34	Haiti	5	0	25
Other (38)	377	25	-1	Other (45)	224	-17	2	Other (45)	139	-27	-7
C. Manufactures											
Total LDCs	6686	6	-4	Total LDCs	1163	14	-8	Total LDCs	4970	4	-4
Bangladesh	2838	6	1	Bangladesh	341	-8	-3	Bangladesh	2295	-2	-9
Congo, Dem.				Nepal	192	-3	3	Cambodia	1155	16	12
Rep. of	975	1	29	Cambodia	179	-16	20	Myanmar	366	-1	-25
Angola	527	-11	-8	Senegal	154	505	34	Lesotho	346	52	50
Cambodia	476	33	10	Myanmar	116	5	1	Haiti	246	-10	-6
Liberia	352	88	-37	Bhutan	27	26	13	Nepal	169	-16	-22
Myanmar	352	18	-7	Zambia	21	27	50	Maldives	122	6	11
Madagascar	174	1	-38								
Central African				Sudan	20	71	67	Madagascar	101	62	-49
Republic	126	-40	25					Equatorial		290	
Lao People's				Samoa	20	12	-57	Guinea	63	0	110
Dem. Rep.	126	9	3					Congo,			
				Vanuatu	19	-98	1800	Dem. Rep.			
Guinea	96	-22	-28	Others (40)	74	186	-70	of	28	18	115
Others (40)	644	-6	-19					Others (40)	79	-25	-11
D. Fuels											
Total LDCs	2360	28	22	Total LDCs	6062	-20	19	Total LDCs	4366	-5	5
Angola	1567	64	33	Angola	2324	-49	64	Angola	3268	-13	-1
Equatorial				Yemen	1573	1	-9	Equatorial			
Guinea	637	-5	4	Sudan	1533	9	11	Guinea	673	219	31
Congo, Dem.											
Rep. of	55	-50	817	Equatorial				Yemen	253	-12	13
				Guinea	397	75	-12	Congo,			
Sudan	52	-23	13	Guinea	104	-43	225	Dem. Rep.			
Yemen	11	-24	-66	Other (44)	131	-68	44	of	172	-29	35
Others (44)	38	108	-30					Other (45)	0	-	-

a China, Japan, Hong Kong, Malaysia, Republic of Korea, Singapore, Chinese Taipei, India, Australia, Indonesia and Philippines.

b Agreement on Agriculture

Source: UNSD Comtrade Database.

15. An interesting and important feature of LDC exports is the diversity of exports to different markets. This point was highlighted earlier with reference to Chart 4. It is further emphasized in Table 6, which presents the structure of imports from LDCs into five major markets. For China, Japan, Thailand and the United States, import structures are heavily dominated by fuels. In 2003, 88 per cent of China's imports from LDCs was fuel and the similar figure for Thailand was 73 per cent. For Japan and the United States, the figures are, respectively, 44 and 48 per cent. The second most important import for these two countries is different. For Japan, it is agricultural products, whereas for the United States, it is clothing. Annex Tables 2 to 9 present, for reference, import data into the top eight markets for LDC products as defined in Table 4.

16. Despite the dominance of the EC and the United States as markets, the importance of developing countries as markets for LDC products should not be underestimated. When export data for individual LDCs are examined, the point can be further emphasized, as illustrated in Chart 5. It shows that 17 LDCs from different regions export more than 50 per cent of their products to developing countries.

Table 6: Imports of the five major traders by major product group from least-developed countries, 2002-03

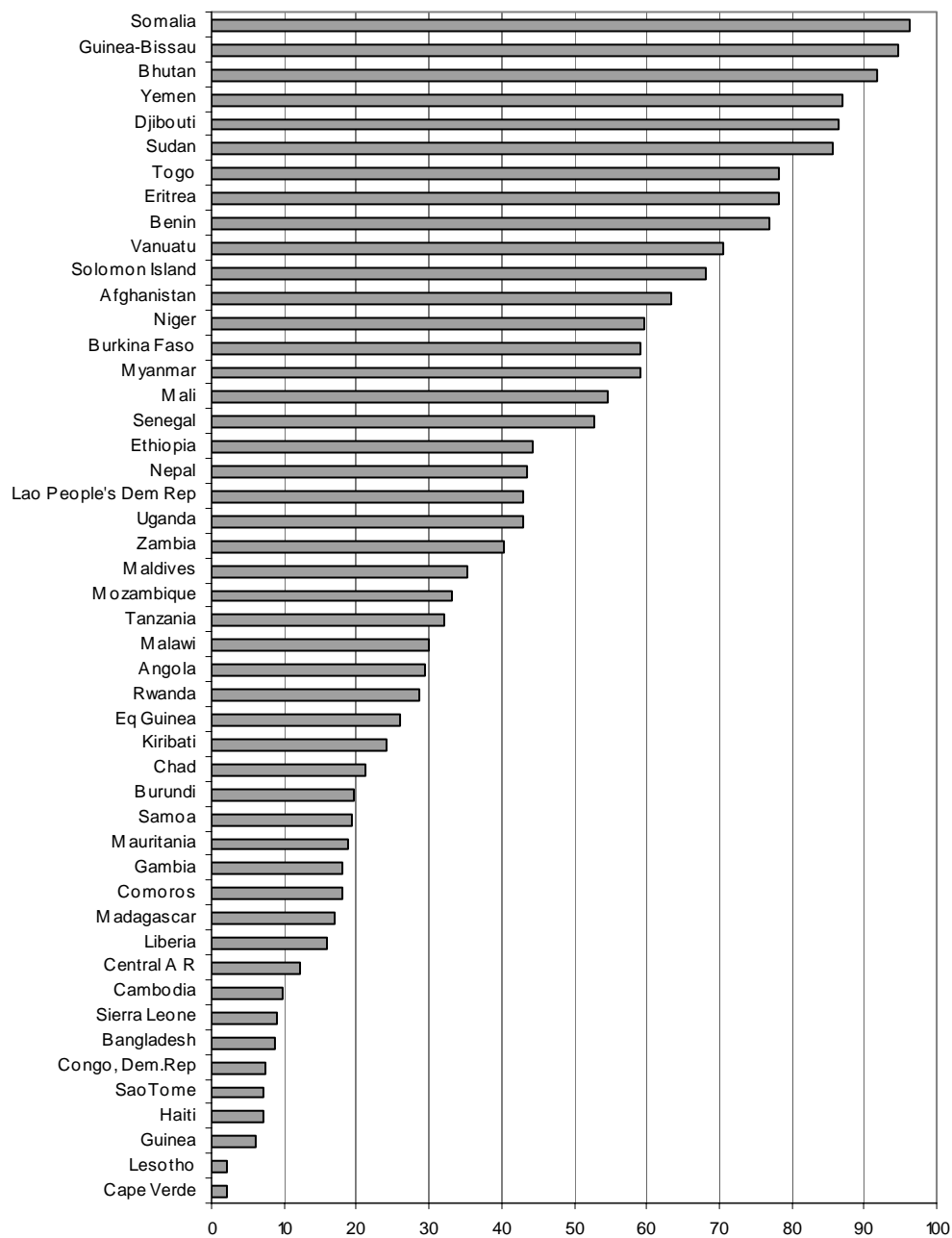
(Million dollars and percentage)

Product group	EC (15)	United States	China	Thailand	Japan
All commodities					
2002	13057	9591	3502	...	1591
2003	14184	11525	6268	2346	1584
Percentage change	9	20	79	...	0
Agricultural products ^a					
2002	2632	483	363	...	407
2003	2980	568	607	420	452
Percentage change	13	18	67	...	11
Fish, crustaceans and molluscs					
2002	1054	143	17	...	241
2003	1173	128	22	...	253
Percentage change	11	-10	29	...	5
Coffee					
2002	406	172	1	...	67
2003	522	259	2	...	78
Percentage change	29	51	100	...	16
Mining products					
2002	3498	4255	3087	...	958
2003	3362	5700	5607	1799	827
Percentage change	-4	34	82	...	-14
Fuels					
2002	2360	4179	2994	...	816
2003	1995	5608	5497	1705	699
Percentage change	-15	34	84	...	-14
Manufactures					
2002	6686	4807	52	...	219
2003	7333	5206	55	69	288
Percentage change	10	8	6	...	32
Textiles					
2002	214	187	2	...	13
2003	222	172	6	...	15
Percentage change	4	-8	200	...	15
Clothing					
2002	3581	4387	2	...	45
2003	4587	4747	1	...	67
Percentage change	28	8	-50	...	49

^a WTO, ITS definition including fish and forestry products.

Source: UNSD Comtrade database and Eurostat data for the EC(15).

Chart 5: Share of developing countries in merchandise exports of LDCs, 2002
(Percentage)



Note: Excluding Tuvalu and Timor Leste.

Source: UN Comtrade; IMF, Direction of Trade Statistics and estimates based on partner statistics.

IV. TARIFF MEASURES

17. A number of different measures, which can be classified as either tariff or non-tariff barriers, combine to determine the market access conditions faced by LDC exporters. Empirical difficulties, however, make it almost impossible to develop an accurate overall measure of market access conditions. Instead, if data permits, the approach that is usually adopted is to focus separately on tariff and non-tariff barriers.

18. This split is done for practical reasons. *Ad valorem* tariffs give a precise measure of market access conditions and under certain assumptions non-*ad valorem* tariffs can be converted into *ad valorem* equivalents. The estimation of *ad valorem* equivalents of non-tariff barriers on the other hand is difficult, due to a range of assumptions that are required to facilitate the task. These assumptions, in some cases, can be so rigid as to raise doubt about the validity of the estimate.

19. For these reasons the focus of this section will be on tariffs. This approach should not in any way be interpreted as concluding that tariffs are more important than non-tariff barriers, or that non-tariff barriers are not important. WTO Secretariat documents WT/COMTD/LDC/W/28 and WT/COMTD/LDC/W/31 highlighted some of the non-tariff barriers that LDC exporters face.

20. Annex Table 10 presents a non-exhaustive list of non-reciprocal preferences granted to exports originating from LDCs. The list includes initiatives by both developed and developing countries, most of which have been notified to the GATT/WTO under the Enabling Clause. It shows a wide variety of measures that are implemented under different institutional arrangements. Some countries use existing schemes such as the Generalized System of Preferences (GSP) whereby developed countries grant non-reciprocal preferences to developing countries, while others have specific and dedicated schemes for LDCs. Some developing countries also grant preferences within the context of the Global System of Trade Preferences (GSTP)⁶, as well as within preferential regional trading agreements. While the table makes no attempt to quantify the value of these preferences, it does indicate that a certain degree of importance has been attached to continuing efforts to improve and expand market access opportunities for LDC exporters.

21. In the process of continuing these efforts, the international community has placed a greater burden on developed countries. In this context, an official indicator of Goal 8 of the United Nations Millennium Development Goals is achieving duty-free and quota-free market access into developed country markets.⁷ Data indicating the extent that this objective has been achieved is presented in Table 7. It shows an overall upward trend for non-arms exports from LDCs between 1996 and 2002. By 2002, 81 per cent of LDC exports (excluding arms) is assumed to enter developed country markets duty-free. When these imports are adjusted for oil the figure drops to 75 per cent.

22. The principal mechanisms by which developed countries improve access into their markets for LDC products is through non-discriminatory MFN treatment and non-reciprocal market schemes that discriminate in favour of LDC products. The data in Table 7 includes the net effect of both

⁶ The first round of negotiations within the context of the GSTP took place in 1988. At the conclusion, 48 countries exchanged concessions and ratified the agreement. A new round of negotiations under the GSTP framework was launched in June 2004.

⁷ The data presented in Table 7 is calculated by a number of international organizations, including the WTO Secretariat. It is an official indicator of progress by the international community towards meeting Goal 8 of the United Nations Millennium Development Goals. Although official, it should be noted that the methodology used to calculate these indicators differs from the general methodology used in this Note. Therefore, caution should be exercised in comparing the data in this table against the results in other tables presenting tariff data. Despite this caveat, it is important to note that the general conclusions about market access are not sensitive to the different methodologies.

mechanisms. In order to gauge the effect of schemes specific to LDCs, Tables 8 and 9 present, respectively, tariff profiles of selected developed country Members.

23. The data in Table 8 presents the progress of selected developed countries in meeting the objective of duty-free and quota-free access for imports originating from LDCs. The table is based on 2002 data, hence does not take into account recent changes in the tariffs and quota regimes that countries have made in favor of LDCs from 2003 and beyond. Despite this caveat, the table is instructive in a number of ways, since it provides a breakdown of progress based on the WTO agriculture definition. Second, it indicates the extent to which a significant proportion of LDC market access to developed countries is based on MFN duty-free rates. For example, the EC's exceptions to full access are in agriculture, whereas for Canada, Japan and the United States the exceptions are also predominantly in the agriculture sector.

24. Table 9 presents a comparison of the average MFN duty rates and the preferential duty rates by sector for a number of major developed country markets. Again, as with Table 8, the data in Table 9 is for the year 2002, hence it does not take into account recent initiatives. The table provides a significant amount of data related to the tariff profile of these markets, including the number of national and international peaks.⁸ The table also includes a column that provides the percentage of non *ad valorem* lines. This column is important, since the *ad valorem* equivalents have not been calculated. As can be noticed from the table, the percentage is quite high (above 10 per cent) for agricultural lines in some markets. This observation means that the tariff averages computed in the table are biased.

25. Even with the caveat regarding non *ad valorem* duties, the principal point is that the average LDC duty of developed countries indicated in Table 9 is less than the MFN duty. This implies that when examining market access for these countries, the relevant indicator is the preferential duty rate, not the MFN duty rate.

26. In contrast, although a number of developing countries have some measures in favor of LDCs, as described in Annex Table 10, the depth of these preferences is not substantial. As such, for developing countries that are major markets for LDC products, the relevant tariff indicator is the MFN rate. The only means of comparing two markets with different regimes is to find a common indicator. In this case, the number of international peaks can be indicative, since it counts the number of tariff lines above a value of 15 per cent. Table 10 shows the frequency count of international peaks by sector, in the order of market importance to LDC exports.⁹ While instructive, it should be noted that Table 10 is only a frequency count and does not take into account the value and volume of imports affected by these measures.

⁸ A national peak is defined as the number of tariff lines above three times the national average (see Technical Notes). An international peak is defined as tariffs above 15 per cent.

⁹ It should be noted that the agriculture sector has fewer tariff lines than the non-agricultural sector.

Table 7: Proportion of developed country imports from developing countries and LDCs entering duty-free

(Percentage)

	1996	2000	2001	2002
(a) Excluding arms				
Developing countries	46	62	61	57
Least-developed countries	68	77	77	81
(b) Excluding arms and oil				
Developing countries	47	61	59	56
Least-developed countries	77	70	70	75

Source: WTO, UNCTAD and ITC.

Table 8: Tariff profile for LDC exports in developed country markets, 2002

Market	Sector	Number of Tariff Lines					Imports (000'000s US \$)		
		MFN		LDC			Total	LDC	
		Total	With imports	Dutiable	With imports	Dutiable imports		Total	Dutiable
Australia	Agri	6,103	5,696	938	632	167	68,941	103	5
	NonAg	773	646	5	66	0	3,092	8	...
Canada	Agri	8,523	8,293	880	1361	265	217,886	372	119
	NonAg	5,330	5,050	933	566	167	65,849	95	5
European Communities	Agri	10,400	10,137	67	3496	17	813,400	12,448	56
	NonAg	2,113	1,931	42	510	13	55,403	1,186	56
Japan	Agri	9,303	8,199	1,340	789	90	330,856	1,579	964
	NonAg	1,856	1,436	1,040	107	34	33,973	141	4
New Zealand	Agri	7,432	6,570	...	457	...	14,967	12	...
	NonAg	1,026	817	...	64	...	1,326	5	...
Norway	Agri	7,133	6,548	293	485	2	34,393	198	0
	NonAg	1,337	1,076	290	66	2	2,185	22	0
Switzerland	Agri	8,477	7,815	1,173	627	20	83,500	94	5
	NonAg	2,227	1,771	1,162	122	20	5,337	32	5
United States	Agri	10,493	10,109	1,914	1387	570	1,102,069	8,392	3,841
	NonAg	1,808	1,553	274	171	3	45,378	263	1
		8,685	8,556	1,640	1216	567	1,056,691	8,128	3,841

Source: WTO-IDB.

Note: The tariff calculations are based on data available in the Integrated Data Base (IDB), complemented by UNCTAD's TRAINs database. Only tariff lines in chapter 01 to 97 are taken into account in the calculations. Tariff suffixes are not included.

Important data refer to figures to the WTO Secretariat for inclusion in the IDB; total imports may not be fully in line with national or other international sources as they do not include all products (chapters 98 and 99 are excluded) or some trade flows may not be included for confidentiality reasons.

Table 9: Tariff profile of MFN and preferential duties in selected developed country markets, 2002

MFN	All							Agriculture							Non-agriculture						
	% of non Ad-valorem subheadings	Duty averages				Number of peaks		% of non Ad-valorem subheadings	Duty averages				Number of peaks		% of non Ad-valorem subheadings	Duty averages				Number of peaks	
		Simple	Weighted	Dutiable		International	National		Simple	Weighted	Dutiable		International	National		Simple	Weighted	Dutiable		International	National
				Simple	Weighted						Simple	Weighted						Simple	Weighted		
Australia	0.33	4.2	3.9	7.8	6.9	215	541	1.30	1.2	2.1	4.7	4.7	.	.	0.18	4.6	3.9	8.0	7.0	215	541
Canada	2.95	4.1	3.1	6.9	5.1	419	495	20.12	3.1	3.7	7.1	7.1	9	22	0.33	4.2	3.0	6.9	5.0	410	473
Japan	6.22	3.2	2.5	6.0	6.8	149	447	22.58	7.3	7.3	10.9	10.8	114	187	3.73	2.7	1.9	5.1	5.8	35	260
New Zealand	3.83	3.2	4.0	7.2	7.1	241	319	0.29	1.7	2.7	5.0	5.4	.	.	4.37	3.5	4.1	7.4	7.2	241	319
Norway	9.40	2.2	1.5	12.5	10.6	124	582	70.33	8.4	10.8	52.2	48.5	18	37	0.11	1.7	1.1	9.6	8.1	106	545
United States	0.31	3.9	2.9	5.6	4.6	226	411	1.45	5.1	4.8	7.0	6.6	55	85	0.13	3.7	2.8	5.4	4.5	171	326
European Communities	5.90	4.4	3.2	5.4	5.4	101	135	39.94	5.9	5.3	9.6	9.7	57	74	0.71	4.2	3.0	5.1	5.2	44	61

LDC	All							Agriculture							Non-agriculture						
	% of non Ad-valorem subheadings	Duty averages				Number of peaks		% of non Ad-valorem subheadings	Duty averages				Number of peaks		% of non Ad-valorem subheadings	Duty averages				Number of peaks	
		Simple	Weighted	Dutiable		International	National		Simple	Weighted	Dutiable		International	National		Simple	Weighted	Dutiable		International	National
				Simple	Weighted						Simple	Weighted						Simple	Weighted		
Australia	0.25	1.7	1.4	10.3	6.8	202	559	0.72	0.0	0.0	.	.	.	.	0.18	2.0	1.4	10.3	6.8	202	559
Canada	1.88	1.6	0.5	12.9	14.0	341	544	12.16	0.4	0.8	16.0	12.3	5	11	0.31	1.8	0.5	12.8	14.2	336	533
Japan	2.83	0.9	0.9	10.2	7.5	103	412	20.98	5.8	5.6	11.8	9.7	100	299	0.07	0.2	0.3	6.2	4.7	3	113
New Zealand	0.00	0.0	0.0	.	.	.	.	0.00	0.0	0.0	.	.	.	.	0.00	0.0	0.0	.	.	.	.
Norway	0.34	0.1	0.1	3.5	3.8	12	183	2.46	1.0	1.2	3.6	3.8	12	181	0.02	0.0	0.0	0.6	0.6	.	2
United States	0.00	1.9	1.2	10.5	11.0	187	733	0.00	1.9	2.3	14.2	9.5	24	60	0.00	1.9	1.1	10.1	11.1	163	673
European Communities	0.17	0.0	0.0	3.1	2.7	.	17	1.30	0.0	0.0	7.7	7.7	.	1	0.00	0.0	0.0	2.8	2.6	.	16

Note: The first step in the calculations consisted of aggregating all tariff line duties up to the level of HS 6-digit subheadings of the Harmonized System (HS) which offers a common structure that is not biased by the different levels of disaggregation in Members' tariffs. For the calculation of HS 6-digit duty averages only *ad valorem* duties have been considered. All subsequent steps in the calculations were based on these 'pre-aggregated' HS 6-digit duty averages.

The number of international speaks refers to the number of 6-digit subheadings where the duty rate is higher than 15%, while the number of national peaks are based on HS 6-digit duties that are three times higher than the Member's overall simple average. The same threshold (three times the national average) has been used, both for agricultural and non-agricultural sectors.

Percentage of non *ad valorem* subheadings relates to the number of HS 6-digit subheadings having at least one *ad valorem* duty that is not expressed in *ad valorem* terms, divided by the total number of 6-digit subheadings. Duties not provided were treated as non *ad valorem*.

Table 10: Number of international peaks facing LDCs exporters in major markets, 2002

	Agriculture	Non-Agriculture
European Communities	0	0
United States	24	163
China	385	1195
Thailand	476	1924
Japan	100	3
India	27	119
Korea, Rep.	340	74
Chinese Taipei	248	178
Canada	9	410
Singapore	0	0
Saudi Arabia	9	116
Malaysia	37	1323
Indonesia	27	119
South Africa	150	471
Hong Kong, China	0	0

Source: WTO

V. THE UTILIZATION OF PREFERENCES

27. The previous section mapped the duties faced by exports of LDCs in their major markets. It highlighted the fact that market access in developed country markets is determined primarily through preferential agreements. In contrast, in developing country markets, market access for LDC exports is determined primarily through most-favoured-nation tariffs and in some cases reciprocal agreements. If preferential duties are fully utilized, then the preferential duty is an accurate market access indicator. If not, then they underestimate the impediments to market access. In the extreme case, where the utilization rate is zero, it follows that the accurate market access indicator would be the MFN tariff. Therefore, when comparing market access conditions across various markets, the utilization rate could dictate whether or not the MFN rate or the preferential rate should be the comparative indicator.

28. While this description of market access in the presence of preferential rates is fine in theory, in practice, it is very difficult to estimate the degree of preference utilization. Preferential duty rates are public information, since these are the statutory applied border tax rates. The search costs for retrieving this information depends on the willingness of a national government to make the information available.¹⁰ Utilization data, however, is different. When a good enters a market, there is a possibility of either the MFN duty or the preferential duty being applied. The actual duty that is applied depends upon a range of factors in both the importing and exporting countries. A precise record is required as to the application of the duty, and in many cases, this data is either not collected, nor made publicly available.

¹⁰ Notification of preferential duty rates to the WTO Secretariat is currently not required. Only the notification of MFN rates is required. Therefore, in the first instance all available data from the WTO Integrated Database is used. This information is then supplemented with public available data from other sources including the United Nations Conference on Trade and Development (UNCTAD) and the International Trade Centre (ITC).

Box 1 Measuring the utilization of preferences

Two methods for measuring the utilization of preferences currently exist. Each has different data requirements. The first, which is the most common, is based on customs data, trying to estimate the value of imports upon which the preferential duty is applied. The second is based on the total customs revenue collected.

The methodology for calculating the first indicator is straight forward; the estimated value of imports receiving preferential treatment is divided by the total value of imports from preference receiving countries that are eligible for preferences. This figure, or ratio, is the preference utilization rate.

Despite the simplicity of this methodology, implementing it in practice is quite difficult. Official data on the exact duty levied on a specific import originating from a specific exporter is rarely available. If it is available, it is usually based on exporter request information. This means, an exporter submits a request for a preferential duty to be applied to his product. Whether or not this duty is applied depends upon a custom official's evaluation of the request. This 'request' data, therefore, could severely bias an estimate of preference utilization. The assumption is that the exporter has full information about the preference scheme he is requesting to be applied to his product. This may not necessarily be the case. It is also possible for a customs official to apply a preferential duty on an import, when a MFN duty has been requested. Again, however, such detailed information is not available.

Despite these difficulties, such 'request' data has recently become available for some major preference granting countries, and has allowed for some general analysis (UNCTAD, 2003; Brenton and Ikezuki, 2004a and 2004b, Candau et. al, 2004).

The second method based on revenue collection is, in practice, more reliable, since it involves a sum of the duties collected for government revenue purposes. Using this method, total customs revenue collected from a preference-beneficiary country is divided by total imports from that country. The result can be called an effective tariff, which is the average *ad valorem* duty paid on imports. This value can then be compared to the average MFN tariff and the average preferential tariff to determine the utilization rate.

29. Lack of widely available data on preference utilization, therefore, makes the study of preference utilization and the broader issue on the value of preferences difficult. Nevertheless, the available data, as limited as it is, has still allowed the research community to identify some stylised characteristics. The purpose of this section is to distil these characteristics. The next sub-section examines preference utilization in selected developed country markets.

30. The stock of knowledge on the topic of preference utilization presented in the Note is based on a number of recently released studies. Before proceeding with this exposition on the utilization of preferences, an important caveat needs to be mentioned. In some cases, utilization data is made available to only selected researchers, which makes it difficult to evaluate and replicate their results. One can only take the results as given, based on an evaluation of the methodology. For example, two researchers analysing the same question with data sets at different levels of aggregation could lead to very different results. Comparing results across researchers should, therefore, be treated with caution. A second important caveat is that the material to be presented should not be interpreted as the total

evidence regarding the value of preferences. The value of preferences is determined by a wide range of factors, of which the utilization rate is but one (Brenton, 2003; Brenton and Ikezuki, 2004a).

31. In addition to data issues, there are a variety of methodologies available to estimate preference utilization (Box 1). This Note reviews only those studies that rely on data about the tariff treatment of exports that is requested by exporters.

A. PREFERENCE UTILIZATION IN CANADA, THE EUROPEAN COMMUNITIES, JAPAN AND THE UNITED STATES

32. The evaluation of LDC preference utilization across markets is difficult due to important differences between the various schemes. Since non-reciprocal schemes are autonomous, a preference-granting country has discretion over the design of the scheme, including the rules determining product and country eligibility, and the depth of preference afforded to eligible exporters. This implies that differences across markets for a given exporting country in the same product should be expected.

33. The purpose of this section is to review the available evidence about preference utilization in the four largest developed country markets for LDC exports that offer non-reciprocal market access. These are the European Communities, United States, Japan and Canada. Given the diversity of their schemes, the section is structured around four stylised characteristics of non-reciprocal schemes regarding their utilization. By structuring the section in this way, the emphasis is on what policy makers can learn about the effectiveness of the scheme. The structure is also conducive to the fact that much of the research work in this area is preliminary, hence, it is difficult to obtain precise estimates regarding utilization. Nevertheless, the range of markets studied and the increasing number of studies in this area points to the some broad conclusions, each of which will be taken up individually.

(i) *The utilization of non-reciprocal preferences is less than 100 per cent.*

34. The Generalised System of Preferences (GSP), which was developed under the auspices of the United Nations Conference on Trade and Development (UNCTAD) is one of the better known non-reciprocal schemes. Since its inception, GSP beneficiary countries have notified their schemes and their utilization to UNCTAD. A number of recent studies using the data show that GSP utilization is consistently below 100 per cent. UNCTAD (2003) reports that the aggregate utilization of GSP schemes by LDCs across Quad¹¹ members varied from as low as 26 per cent in the EC in 1998 to as high as 96 per cent in the United States in 2001.¹²

35. While the fact that GSP utilization was less than 100 per cent was well known across all GSP granting markets, an outstanding issue was whether or not this conclusion can be extended to other schemes. Recently available data on the utilization of EC's non-reciprocal scheme in favour of African, Caribbean and Pacific countries and from their GSP amendment in favour of LDCs confirm that the utilization rates of these schemes are also less than 100 per cent (UNCTAD, 2003). Preliminary work, by Candau et. al (2004), on the EC's preferential scheme indicates that the utilization rate into the EC for all non-reciprocal schemes was 81.2 per cent in 2001. In contrast, Stevens and Kennan (2004) estimate that only 2.4 per cent of all imports into the EC that were eligible for duty-free treatment paid a tariff.

¹¹ The members of the Quad are Canada, the European Communities, Japan and the United States.

¹² These are aggregate utilization figures, hence do not take into account the value of dutiable imports and product coverage. In some cases, the value of imports eligible for preferences is a low percentage of dutiable imports.

(ii) *The utilization of preferences varies by product within a scheme*

36. Many reasons exist as to why utilization rates vary across products for a given scheme. The most cited reason is differences in product eligibility criteria, such as rules of origin (Brenton, 2003; UNCTAD, 2003). These intrinsic differences make it easier to produce eligible products and in some cases more difficult. For the EC, in 2001, the aggregate utilization rates across all their schemes are estimated to be between 79.6 per cent in textiles and wearing and 93.1 per cent in agricultural products that are neither raw, nor processed. For GSP schemes offered by the Quad, UNCTAD (2003) using HS sections estimates the utilization rate to be above 90 per cent in certain products, but as low as 56 per cent in others for some LDC beneficiaries.

(iii) *The utilization of preferences varies across beneficiaries within a scheme*

37. The proposition that aggregate utilization rates for all beneficiaries of the same scheme should be different makes economic sense, since their export profiles differ. As outlined in the previous section, there is a wide range of products that are the principal export of LDCs. Moreover, some of the key factors that determine preference utilization, such as information about the benefits of a scheme and also the eligibility conditions of a scheme, could vary across beneficiaries and sectors.

38. To illustrate this point by way of example, Brenton and Iktezuki (2004b) show that in 2002 Madagascar and Ivory Coast exported similar amounts of products that are eligible for preferences (about US\$95 million). However, while 85 per cent of the exports from Madagascar that are eligible actually requested preferential access, only 51 per cent of eligible exports from Ivory Coast requested such access. Lesotho, on the other hand, has a utilization rate of almost 100 per cent.

(iv) *The utilization of preferences varies within a market for given LDCs*

39. A common misperception about non-reciprocal market access schemes for LDCs is that they face the exact same market access conditions in a given market. The reality is that some countries offer schemes, which can discriminate across beneficiaries even if they meet the criteria for LDC status as defined by the United Nations. Two examples of such schemes are the EC's Everything But Arms (EBA) initiative and the United States' African Growth and Opportunity Act (AGOA). In the context of this sub-section, however, it is important to note that the type of discrimination applied to LDCs by these markets differ in one significant respect. AGOA is regionally based, as its name suggests, and its beneficiaries are those countries located in Sub-Saharan Africa. Non-African LDCs are not eligible to benefit from improved market access offered by the United States under that scheme, although many of them are eligible for LDC-specific preferences granted under the US' GSP scheme. This form of discrimination is different from that applied by the EC, which offers the same level of access to all LDCs, as measured by the preferential duty, but applies different rules governing how products are eligible for that access. This, therefore, is not discrimination on the basis of eligible exporter, but on the basis of eligible product.

40. The EC's EBA programme is an amendment of their GSP scheme, which is available to all LDCs (Brenton, 2003). However, LDCs that meet the EC eligibility criteria for the Cotonou Arrangement, which applies to countries from the ACP region, are eligible to export to the EC under either scheme.¹³ Non ACP-LDC countries can export only under the GSP scheme. Both schemes provide essentially duty-free and quota-free access into the EC, however, the rules governing this access differ. Therefore, a priori, it is not surprising for utilization rates to differ across beneficiaries that have the same preferential duty rate and preferential margin. This reasoning is confirmed by the available data, which shows that the utilization rate for textiles and apparel into the EC for ACP-LDC

¹³ Forty of the 79 ACP States are LDCs.

countries is approximately 95 per cent, whereas for non ACP-LDC countries it is approximately 50 per cent.

B. SUMMARY OBSERVATIONS

41. This section has highlighted four stylised characteristics of the utilization of non-reciprocal schemes. Its purpose is to inject another dimension into the issue of market access for products originating from LDCs. Together they make it clear that comparing the preferential duty rate to the MFN rate, while instructive, is unsatisfactory.

42. Unfortunately, data limitations in terms of quality and availability make it difficult to estimate with any degree of precision, the effectiveness and impact of such schemes. Numerous research studies on multilateral trade policy often fail to take non-reciprocal preferences into account in the context of their simulations. Furthermore, where they do, they do not take into account the fact that available preferences are not utilized to their complete potential.

43. The section has not conducted an analysis as to why preference rates are low. As shown in WTO (2004) and the previous report WT/COMTD/W/31, the margin of preferences can sometimes be greater than 10 per cent, as in the case of prepared fruits and vegetables (12.9 per cent), footwear (11.8 per cent) and tobacco (10.8 per cent) in the Quad markets in 2002. In other cases, however, the margin can be as little as 5 per cent. The margin of preferences could be considered as the commercial advantage provided to an exporter. Not utilising this advantage makes little commercial sense.

VI. RECENT INITIATIVES TO IMPROVE MARKET ACCESS

44. Annex Table 10 provides a non-exhaustive list of market access initiatives granted to products originating from LDCs. Since the last Secretariat report, the following notifications have been received on improvements in market access for products originating from the LDCs:

- (a) Canada notified its decision to extend the General Preferential Tariff (GPT) and Least-Developed Country Tariff (LDCT) for a further ten years, to 30 June 2014. It also made notification with respect to changes to the list of beneficiaries to the LDCT (i.e. addition of Senegal effective 30 May 2002);¹⁴
- (b) Switzerland notified that as part of the market access initiative announced in 2002¹⁵, the second stage of tariff reduction of an average 30 per cent applicable to the 50 LDCs in the agricultural section had been implemented on 1 April 2004;¹⁶
- (c) Australia submitted a written notification, in January 2004, of its duty-free and quota-free entry initiative for LDCs, which had come into force on 1 July 2003;¹⁷
- (d) China notified its accession to the Bangkok Agreement, which entered into force on 1 January 2002. China offers tariff concessions on 739 lines at the HS 6 digit level to the participating states (Bangladesh, India, the Lao People's Democratic Republic, the Republic of Korea and Sri Lanka). Special 18 additional tariff concessions are exclusively granted to Bangladesh.¹⁸

¹⁴ The notification is contained in document WT/COMTD/N/15/Add.2.

¹⁵ The initiative is contained in document WT/COMTD/N/7/Add.1.

¹⁶ The notification is contained in WT/COMTD/N/7/Add.2.

¹⁷ The notification is contained in document WT/COMTD/N/18.

¹⁸ The notification is contained in document WT/COMTD/N/19.

45. In addition to the above notifications made to the WTO, the following developments have been noted since the last report issued in October 2003. With regard to preference beneficiaries, Timor Leste was added to the LDC list on 17 December 2003, bringing the total number of LDCs to 50.

46. With regard to preference-granting countries, the expansion of the European Communities, which came into force 1 May 2004, has effectively enlarged the market destination from 15 to 25 countries for LDC exports which enjoy duty-free and quota-free access under the EBA initiative. According to the notifications made before their accession to the EC, the Czech Republic, Hungary, Poland and the Slovak Republic had previously offered duty-free and quota-free access for all or a range of LDC exports under their respective GSP schemes.¹⁹ In addition to the expansion of the market destination for LDC products, the EC expansion would bring together the rules and regulations governing various preference schemes into a single set of rules, such in the origin and other administrative requirements.

47. The United States extended provisions of the African Growth and Opportunities Act (AGOA) by signing the AGOA Acceleration Act (AGOA III) in July 2004.²⁰ In 2004, twenty-five of the 37 Sub-Saharan African beneficiaries are LDCs.²¹ AGOA III has extended, *inter alia*, the overall programme from 2008 until 2015 and the third country fabric provision for three years, from September 2004 until September 2007.²²

¹⁹ According to other sources of information, Estonia had offered duty-free and quota-free access for all LDC exports.

²⁰ The notification on AGOA is contained in document WT/COMTD/N/1/Add.3.

²¹ In 2004, the number of the AGOA beneficiaries changed to 37 from 38 in 2003 (of which LDC beneficiaries to 25 from 26) by adding Angola and removing Eritrea and the Central African Republic on the list.

²² For more details, see the official AGOA website at <http://www.agoa.gov/index.html>.

VII. REFERENCES

Brenton, P (2003), "Integrating the Least Developed Economies into the World Trading System: The Current Impact of EU Preferences under Everything but Arms", *Journal of World Trade*, 37, 623-46.

Brenton, P and T. Ikezuki (2004a), "The Initial and Potential Impact of Preferential Access to the U.S. Market under the African Growth and Opportunity Act", Policy Research Working Paper 3262, World Bank.

Brenton, P and T. Ikezuki (2004b), "The Impact of Agricultural Trade Preferences, with Particular Attention to the Least Developed Countries", A. Aksoy and J. Beghin (eds) *Global Agricultural Trade and Developing Countries*, Oxford University Press and the World Bank, Washington D.C., (forthcoming).

Candau, F, L Fontagne, and S. Jean (2004), "The utilisation rate of preferences in the EU", mimeo, CEPII, Paris.

Stevens, C. and J. Kennan (2004), "The utilization of EU preferences to the ACP", mimeo, U. of Sussex, Institute for Development Studies.

United Nations Conference on Trade and Development (2003), "Trade Preferences for LDCs: An Early Assessments of Benefits and Possible Improvements", UNCTAD/ITCD/TSB/2003/8, UNCTAD, World Bank.

World Trade Organization (2004), *World Trade Report 2004*, Geneva, World Trade Organization.

Annex Table 1: Leading exports of selected least-developed countries

(Millions dollars and percentage)			
Country	Product description (SITC Rev. 3)	Exports	
		Value Total	Share in Total exports
Afghanistan 2002 ^a	Vegetables and fruit (05)	43	44
	Fruits, nuts excluding oil nuts (057)	37	38
	Furskins, raw (212)	9	10
Angola, 2002 ^a	Textile fibres (26)	8	9
	Petroleum, petrol. products (33)	7198	92
	Petroleum oils, crude (333)	7060	90
Bangladesh, 2003	Pearls, precious and semi-precious stones (667)	495	6
	Articles of apparel and clothing accessories (84)	3652	53
	Men's, boys' clothing, excluding knitted textiles (841)	972	14
	Women's, girls' clothing, excluding knitted textiles (842)	399	6
	Men's, boys', clothing, knitted (843)	490	7
Benin, 2002	Other Textile, Apparel, Nes (845)	1495	22
	Cotton (263)	128	42
	Other meat, meat offal (012)	67	22
Bhutan, 2002 ^a	Gold, non-monetary excluding ores (971)	27	9
	Inorganic chemical elements (522)	14	39
	Pig iron, spiegeleisen, etc. (671)	11	31
Burkina Faso, 2002	Wood rough, rough squared (247)	2	5
	Cotton (263)	105	61
Burundi, 2002	Coffee, tea, cocoa, spices (07)	18	60
	Coffee, coffee substitutes (071)	17	58
Cambodia, 2002 ^a	Gold, non-monetary excluding ores (971)	3	11
	Articles of apparel and clothing accessories (84)	1641	86
	Men's, boys' clothing, excluding knitted textiles (841)	317	17
	Women's, girls' clothing, excluding knitted textiles (842)	433	23
	Men's, boys', clothing, knitted (843)	121	6
	Women's, girls', clothing, knitted (844)	183	10
	Other Textile, Apparel, Nes (845)	567	30
Cape Verde, 2001	Footwear (851)	145	8
	Articles of apparel and clothing accessories (84)	5	48
	Men's, boys' clothing, excluding knitted textiles (841)	1	7
	Women's, girls' clothing, excluding knitted textiles (842)	3	30
	Men's, boys', clothing, knitted (843)	1	9
Central African Republic, 2001	Footwear (851)	4	41
	Non-metal.minerals manufactured (66)	33	45
	Pearls,precious stones (667)	33	45
	Natural abrasives, nes (277)	15	20
	Cork and wood (24)	14	19
	Wood rough, rough squared (247)	11	15
	Wood, simply worked (248)	3	4
Chad, 2002 ^a	Cotton (263)	50	75
	Crude veg. materials, nes (292)	10	15
	Aircraft associated equipment (792)	3	5
Comoros, 2002 ^a	Ships, boats, and floating structures (793) b	27	45
	Coffee, tea, cocoa, spices (07)	26	43
	Spices (075)	26	43
Congo, Dem. Rep. of, 2002 ^a	Essential oils, perfumes, flavours (551)	4	7
	Pearls, precious and semi-precious stones (667)	993	70
	Petroleum, petrol. products (33)	227	16
	Petroleum oils, crude (333)	166	12
	Petroleum products (334)	61	4
Djibouti, 2002 ^a	Road vehicles (78)	20	19
	Petroleum, petrol. products (33)	13	13
	Petroleum products (334)	8	8
	Residual petroleum products (335)	5	5
	Vegetables and fruit (05)	10	10
Equatorial Guinea, 2002 ^a	Sugars, Molasses, honey (061)	9	9
	Petroleum, petrol. products (33)	1705	90

(Millions dollars and percentage)			
Country	Product description (SITC Rev. 3)	Exports	
		Value Total	Share in Total exports
	Petroleum oils, crude (333)	1705	90
	Cork and wood (24)	76	4
Eritrea, 2002	Sugar, sugar, preparations honey (06)	32	61
	Sugars, Molasses, honey (061)	32	61
Ethiopia, 2002	Coffee, tea, cocoa, spices (07)	165	40
	Coffee, coffee substitutes (071)	160	39
	Leather (611)	53	13
	Crude vegetable materials, nes (292)	46	11
Gambia, 2002 ^a	Fixed veg. fats, oils, soft (421)	10	27
	Vegetables and fruit (05)	7	18
	Fruits, nuts excluding oil nuts (057)	5	13
	Fish, crustaceans, molluscs (03)	4	11
	Fish, fresh, chilled, frozen (034)	2	5
	Crustaceans, molluscs, etc. (036)	2	5
	Ore, concentrate base metals (287)	2	4
Guinea, 2002	Metalliferous ore, scrap (28)	257	49
	Aluminium ore, concentrate etc. (285)	257	49
	Gold, non-monetary excluding ores (971)	130	25
	Inorganic chemical elements (522)	90	17
Guinea-Bissau, 2002 ^a	Fruits, nuts excluding oil nuts (057)	47	75
	Fish, crustaceans, molluscs (03)	6	10
	Fish, fresh, chilled, frozen (034)	4	6
Haiti, 2002 ^a	Articles of apparel and clothing accessories (84)	230	80
	Men's, boys' clothing, excluding knitted textiles (841)	23	8
	Men's, boys', clothing, knitted (843)	13	5
	Women's, girls', clothing, knitted (844)	32	11
	Other Textile, Apparel, Nes (845)	145	50
	Vegetables and fruit (05)	11	4
Kiribati, 2002 ^a	Fish, crustaceans, molluscs (03)	21	83
	Fish, fresh, chilled, frozen (034)	21	82
Lao People's Dem. Rep., 2002 ^a	Articles of apparel and clothing accessories (84)	129	76
	Men's, boys' clothing, excluding knitted textiles (841)	47	28
	Women's, girls' clothing, excluding knitted textiles (842)	20	12
	Men's, boys', clothing, knitted (843)	13	7
	Other Textile, Apparel, Nes (845)	47	28
	Cork and wood (24)	15	9
	Coffee, coffee substitutes (071)	12	7
Lesotho, 2002 ^a	Articles of apparel and clothing accessories (84)	348	98
	Men's, boys' clothing, excluding knitted textiles (841)	70	20
	Women's, girls' clothing, excluding knitted textiles (842)	55	16
	Men's, boys', clothing, knitted (843)	30	9
	Women's, girls', clothing, knitted (844)	54	15
	Other Textile, Apparel, Nes (845)	139	39
Liberia, 2002 ^a	Ships, boats, and floating structures (793) b	967	80
	Cork and wood (24)	147	12
	Wood rough, rough squared (247)	137	11
	Natural rubber, etc. (231)	73	6
Madagascar, 2003	Coffee, tea, cocoa, spices (07)	229	35
	Spices (075)	219	33
	Fish, crustaceans, molluscs (03)	64	10
	Crustaceans, molluscs, etc. (036)	62	9
Malawi, 2001	Tobacco, tobacco manufactures (12)	262	64
	Tobacco unmanufactured (121)	259	64
Malawi, 2002 ^a	Tobacco, tobacco manufactures (12)	312	68
	Tobacco unmanufactured (121)	312	68
	Coffee, tea, cocoa, spices (07)	42	9
	Tea and mate (074)	37	8
Maldives, 2003	Fish, crustaceans, molluscs (03)	46	41
	Fish, fresh, chilled, frozen (034)	17	15
	Fish, dried, salted, smoked (035)	13	12
	Fish etc. prepared, preserved nes (037)	13	11
	Articles of apparel and clothing accessories (84)	36	32
	Men's, boys' clothing, excluding knitted textiles (841)	4	4

(Millions dollars and percentage)			
Country	Product description (SITC Rev. 3)	Exports	
		Value Total	Share in Total exports
Mali, 2002 ^a	Women's, girls', clothing, knitted (844)	28	25
	Cotton (263)	104	59
	Cereals, cereal preparations (04)	8	5
Mauritania, 2002 ^a	Electrical machinery, mechanical apparatus, and parts thereof, nes (77)	7	4
	Metalliferous ores, scrap (28)	269	47
	Iron ores, concentrates (281)	269	47
	Fish, crustaceans, molluscs (03)	259	45
Mozambique, 2001	Fish, fresh, chilled, frozen (034)	135	24
	Non-ferrous metals (68)	383	54
	Aluminium (684)	383	54
	Fish, crustaceans, molluscs (03)	100	14
	Crustaceans, molluscs, etc. (036)	94	13
Mozambique, 2002 ^a	Electric current (351)	57	8
	Non-ferrous metals (68)	533	60
	Aluminium (684)	533	60
	Fish, crustaceans, molluscs (03)	112	13
Myanmar, 2002 ^a	Crustaceans, molluscs, etc. (036)	106	12
	Petroleum products (334)	33	4
	Articles of apparel and clothing accessories (84)	692	38
	Men's, boys' clothing, excluding knitted textiles (841)	156	9
	Women's, girls' clothing, excluding knitted textiles (842)	85	5
	Men's, boys', clothing, knitted (843)	46	3
	Women's, girls', clothing, knitted (844)	64	4
	Other Textile, Apparel, Nes (845)	334	18
	Vegetables and fruit (05)	323	18
	Vegetables (054)	311	17
	Cork and wood (24)	313	17
	Wood rough, rough squared (247)	192	11
	Nepal, 2002 ^a	Articles of apparel and clothing accessories (84)	156	27
Men's, boys' clothing, excluding knitted textiles (841)		39	7
Women's, girls' clothing, excluding knitted textiles (842)		51	9
Other Textile, Apparel, Nes (845)		35	6
Textiles, yarn, fabrics, etc... (65)		129	22
Floor coverings, etc. (659)		87	15
Niger, 2003	Essential oils, perfumes, etc. (55)	52	9
	Metalliferous ore, scrap (28)	112	33
	Uranium, thorium ores, etc. (286)	111	33
	Live animals (001)	40	12
Rwanda, 2003	Coffee, tea, cocoa, spices (07)	26	43
	Coffee, coffee substitutes (071)	14	23
	Tea and mate (074)	12	20
	Metalliferous ore, scrap (28)	12	20
Samoa, 2003	Ore, concentrate base metals (287)	11	19
	Electrical machinery apparatus and appliances, parts thereof, nes (77)	60	69
Sao Tome and Principe, 2003	Equipment for distributing electricity (773)	60	69
	Coffee, tea, cocoa, spices (07)	6	88
	Cocoa (072)	6	88
Senegal, 2002	Inorganic chemical elements (522)	171	16
	Petroleum, petrol. Products (33)	157	15
	Petroleum products (334)	134	13
	Fixed veg. fats, oils, soft (421)	53	5
	Fertilizers, not included in group 272 (562)	38	4
	Essential oils, perfumes, etc. (55)	28	3
	Coffee, tea, cocoa, spices (07)	37	76
Sierra Leone, 2002	Coffee, coffee substitutes (071)	36	73
	Petroleum, petrol. Products (33)	1100	56
Sudan, 2002	Petroleum oils, crude (333)	129	7
	Petroleum products (334)	971	50
	Live animals (001)	125	6
	Oil seed, oleaginous fruit (22)	82	4
	Oil seed (soft, fixed vegetable oils) (222)	72	4
	Gold, non-monetary excluding ores (971)	73	4
	Cotton (263)	55	3

(Millions dollars and percentage)			
Country	Product description (SITC Rev. 3)	Exports	
		Value Total	Share in Total exports
Solomon Islands, 2002 ^a	Cork and wood (24)	55	67
	Wood rough, rough squared (247)	54	65
	Fish, crustaceans, molluscs (03)	16	19
	Fish, fresh, chilled, frozen (034)	8	10
	Fish etc. prepared, preserved nes (037)	6	7
Somalia, 2002 ^a	Pulp and waste paper (251)	20	32
	Live animals (001)	17	28
	Cork and wood (24)	7	11
Tanzania, 2003	Hides, skins (excluding furs) .raw (211)	4	7
	Gold, non-monetary excluding ores (971)	439	36
	Fish, crustaceans, molluscs (03)	135	11
	Fish, fresh, chilled, frozen (034)	117	10
	Crustaceans, molluscs, etc. (036)	18	1
	Coffee, tea, cocoa, spices (07)	94	8
	Coffee, coffee substitutes (071)	50	4
	Cocoa (072)	8	1
	Tea and mate (074)	25	2
	Vegetables and fruit (05)	77	6
	Vegetables (054)	30	2
	Fruits, nuts excluding oil nuts (057)	46	4
	Togo, 2002	Non-metal.minerals manufactured (66)	67	16
Lime, cement, construction material (661)		66	16
Fertilizers, crude (272)		41	10
Textile fibres (26)		40	9
Cotton (263)		40	9
Tuvalu, 2002 ^a	Organic-inorganic compounds (515)	1	47
	General industrial machinery, nes (74)	0	7
	Plastic plate, sheets, etc (582)	0	5
Uganda, 2003	Coffee, tea, cocoa, spices (07)	49	30
	Coffee, coffee substitutes (071)	37	22
	Textile fibres (26)	26	16
	Cotton (263)	25	15
	Fish, crustaceans, molluscs (03)	24	14
Vanuatu, 2002 ^a	Fish, fresh, chilled, frozen (034)	23	14
	Ships, boats, and floating structures (793) b	20	47
	Fish, crustaceans, molluscs (03)	4	10
	Fish, fresh, chilled, frozen (034)	3	8
Yemen, 2002 ^a	Fixed veg. fats, oils, others (422)	4	10
	Petroleum, petrol. products (33)	1878	87
	Petroleum oils, crude (333)	1789	82
	Petroleum products (334)	68	3
Zambia, 2002	Non-ferrous metals (68)	569	61
	Copper (682)	484	52

a Data are based on partner statistics of 124 reporting countries to Comtrade database.

b Data refer to imports flag of convenience by reporting countries and economies from Liberia.

Source: UNSD/OECD Comtrade database.

Annex Table 2: China imports from least-developed countries, 2003

(Million dollars)					
	All commodities	Agricultural products	Manufactures	Mining products	Of which Fuels
Total LDCs	5784	465	54	5265	5181
Afghanistan	1	1	0	...	...
Angola	2206	0	0	2206	2206
Bangladesh	33	9	25	0	...
Benin	68	68	0	...	...
Bhutan	0	...	0	0	0
Burkina Faso	32	32	0	...	...
Burundi	2	0	...	2	...
Cambodia	26	14	12	...	...
Cape Verde	0	...	0	...	...
Central African Republic	...	...	...	...	...
Chad	3	3	0	...	...
Comoros	0	...	0	...	...
Congo, Dem. Rep. of	...	...	...	...	...
Djibouti	0	0	0	...	...
Equatorial Guinea	...	...	...	...	...
Eritrea	0	...	0	...	...
Ethiopia	5	1	3	1	...
Gambia	2	0	0	2	...
Guinea	10	0	0	10	...
Guinea-Bissau	...	...	...	...	...
Haiti	0	...	0	...	...
Kiribati	...	...	...	...	...
Lao People's Dem. Rep.	...	...	...	...	...
Lesotho	0	...	0	...	...
Liberia	42	42	0	...	...
Madagascar	7	6	1	0	...
Malawi	0	0	0	...	...
Maldives	0	0	0	...	...
Mali	28	28	0	...	...
Mauritania	8	8	0	0	...
Mozambique	27	27	0	...	...
Myanmar	170	147	9	13	0
Nepal	5	3	2	0	...
Niger	0	0	...	0	...
Rwanda	7	0	...	7	...
Samoa	0	0	0	...	...
Sao Tome and Principe	...	...	...	...	...
Senegal	6	6	0	0	...
Sierra Leone	0	...	0	...	...
Solomon Islands	...	...	...	...	...
Somalia	7	7	...	...	...
Sudan	1442	10	0	1431	1431
Tanzania	28	26	0	1	...
Timor del Leste	...	...	...	...	...
Togo	22	22	0	0	...
Tuvalu	...	...	...	...	...
Uganda	4	3	0	0	...
Vanuatu	0	0	...	0	...
Yemen	1546	0	0	1545	1545
Zambia	48	2	1	45	...
Memorandum item:					
World	412760	30482	328571	52419	29189

Source: UNSD Comtrade database.

Annex Table 3: European Communities (15) imports from least-developed countries, 2003

(Million dollars)					
	All commodities	Agricultural products	Manufactures	Mining products	Of which Fuels
Total LDCs	14184	2980	7333	3362	1995
Afghanistan	59	17	40	1	....
Angola	1284	4	279	1000	988
Bangladesh	4050	244	3801	0	....
Benin	38	32	5	0	0
Bhutan	1	0	1	1	0
Burkina Faso	47	30	15	0	0
Burundi	24	22	2	....	....
Cambodia	553	4	549	0	....
Cape Verde	22	1	21	0	....
Central African Republic	103	46	56	1	0
Chad	45	41	4	0	....
Comoros	22	18	4	0	0
Congo, Dem. Rep. of	818	50	526	241	24
Djibouti	6	1	5	0	....
Equatorial Guinea	1078	22	157	900	900
Eritrea	3	1	2	0	....
Ethiopia	206	150	53	0	....
Gambia	9	8	5	0	0
Guinea	416	66	59	248	1
Guinea-Bissau	9	8	0	....	....
Haiti	16	9	7	0	....
Kiribati	1	0	0	....	....
Lao People's Dem. Rep.	136	6	129	....	....
Lesotho	6	0	6	....	....
Liberia (a)	679	74	582	21	21
Madagascar	568	373	186	0	0
Malawi	215	211	3	....	....
Maldives	24	17	7	....	....
Mali	51	41	9	0	0
Mauritania	344	121	6	217	....
Mozambique	674	116	3	554	1
Myanmar	434	68	366	....	....
Nepal	102	7	95	0	....
Niger	88	3	83	2	....
Rwanda	20	13	2	6	0
Samoa	3	1	1	....	....
Sao Tome and Principe	8	7	4	0	....
Senegal	382	336	25	19	....
Sierra Leone	124	10	103	10	0
Solomon Islands	2	2	0	0	....
Somalia	2	1	1	0	....
Sudan	260	111	44	42	42
Tanzania	690	270	39	11	....
Timor Leste	3	2	1	....	....
Togo	69	54	10	5	....
Tuvalu	1	0	1	....	....
Uganda	267	246	12	1	....
Vanuatu	3	3	0	0	....
Yemen	78	41	15	19	18
Zambia	143	71	17	54	....
Memorandum item					
World	2270576	241096	1696749	248441	183561

a Data refer to imports of ships with flags of convenience from Liberia.

Source: UNSD Comtrade database.

Annex Table 4: India imports from least-developed countries, 2002

(Million dollars)					
	All commodities	Agricultural products	Manufactures	Mining products	Of which Fuels
Total LDCs	1264	716	441	102	45
Afghanistan	18	18	0	0	...
Angola	7	...	...	7	7
Bangladesh	62	36	25	0	...
Benin	38	38	...	0	...
Bhutan	32	4	27	1	0
Burkina Faso	10	9	0	0	...
Burundi	...	...	...	...	...
Cambodia	1	0	0	0	...
Cape Verde	...	...	...	...	...
Central African Republic	...	...	...	...	...
Chad	2	2	...	...	...
Comoros	0	0	0	0	...
Congo, Dem. Rep. of	...	...	...	...	...
Djibouti	1	1	0	0	...
Equatorial Guinea	...	...	...	...	...
Eritrea	...	...	...	...	...
Ethiopia	11	9	1	0	...
Gambia	5	4	0	0	...
Guinea	15	2	0	13	...
Guinea-Bissau	...	...	...	...	...
Haiti	0	...	0	...	...
Kiribati	...	...	...	...	...
Lao People's Dem. Rep.	...	...	...	...	...
Lesotho	0	0	...	...	...
Liberia	2	1	0	1	...
Madagascar	4	4	0	0	...
Malawi	2	2	0	...	...
Maldives	0	0	0	0	...
Mali	20	19	1	0	...
Mauritania	0	0	0	0	...
Mozambique	28	26	0	1	1
Myanmar	334	332	2	0	...
Nepal	280	93	178	10	...
Niger	0	0	0	...	...
Rwanda	...	...	...	...	...
Samoa	0	...	0	...	...
Sao Tome and Principe	...	...	...	...	...
Senegal	172	5	153	13	...
Sierra Leone	4	1	2	1	...
Solomon Islands	...	...	...	...	...
Somalia	27	24	1	2	...
Sudan	24	6	15	3	3
Tanzania	91	73	13	2	...
Timor Leste	...	...	...	...	...
Togo	13	5	...	7	...
Tuvalu	...	...	...	...	...
Uganda	2	1	1	0	...
Vanuatu	4	...	4	...	...
Yemen	42	3	0	39	34
Zambia	14	0	14	0	...
Memorandum item:					
World	61118	5069	29318	22179	19588

Source: UNSD Comtrade database.

Annex Table 5: Japan imports from least-developed countries, 2003

(Million dollars)					
	All commodities	Agricultural products	Manufactures	Mining products	Of which Fuels
Total LDCs	1584	452	288	827	699
Afghanistan	2	0	2	...	...
Angola	84	4	0	80	80
Bangladesh	132	18	103	2	...
Benin	0	0	0	...	...
Bhutan	0	0	0	...	...
Burkina Faso	9	9	0	...	...
Burundi	0	0	0	...	...
Cambodia	89	0	88	0	...
Cape Verde	0	0	0	...	...
Central African Republic	2	2	...	...	...
Chad	0	0	0	...	...
Comoros	1	1	0	...	...
Congo, Dem. Rep. of	14	0	11	3	...
Djibouti	0	0	...	0	...
Equatorial Guinea	0	0	...	...	...
Eritrea	0	0	0	...	...
Ethiopia	45	45	0	...	...
Gambia	0	0	0	...	...
Guinea	1	1	0	...	...
Guinea-Bissau	0	0	...	...	...
Haiti	1	0	0	...	...
Kiribati	20	20	0	...	...
Lao People's Dem. Rep.	7	6	2	...	...
Lesotho	1	...	1	...	...
Liberia	0	...	0	0	...
Madagascar	32	30	2	1	...
Malawi	27	27	0	...	...
Maldives	16	16	0	...	...
Mali	0	0	0	...	...
Mauritania	79	78	1	...	...
Mozambique	14	14	0	...	...
Myanmar	139	71	67	4	...
Nepal	7	1	6	0	...
Niger	6	0	2	...	...
Rwanda	0	0	0	...	...
Samoa	1	1	0	...	...
Sao Tome and Principe	0	...	...	...	...
Senegal	12	12	1	...	...
Sierra Leone	0	0	...	0	0
Solomon Islands	18	18	...	...	...
Somalia	0	0	0	...	...
Sudan	514	6	0	508	508
Tanzania	101	34	2	64	...
Timor Leste	...	...	...	...	...
Togo	1	1	0	...	...
Tuvalu	...	...	...	...	...
Uganda	10	10	0	0	...
Vanuatu	8	8	0	...	...
Yemen	120	8	0	112	112
Zambia	68	10	0	58	...
Memorandum item:					
World	337609	55089	193749	81689	65636

Source: UNSD Comtrade database.

Annex Table 6: Republic of Korea imports from least-developed countries, 2002

(Million dollars)					
	All commodities	Agricultural products	Manufactures	Mining products	Of which Fuels
Total LDCs	971	45	54	872	811
Afghanistan	0	0	0	...	...
Angola	178	0	0	178	178
Bangladesh	22	1	21	1	...
Benin	1	1	0	...	...
Bhutan	...	...	...	...	...
Burkina Faso	5	5	0	...	...
Burundi	0	...	0	...	...
Cambodia	3	1	2	...	...
Cape Verde	0	0	...	...	...
Central African Republic	...	...	...	...	...
Chad	0	0	...	...	...
Comoros	...	...	...	...	...
Congo, Dem. Rep. of	...	...	...	...	...
Djibouti	0	...	0	...	...
Equatorial Guinea	...	...	...	...	...
Eritrea	0	0	0	...	...
Ethiopia	1	1	0	...	...
Gambia	0	0	0	...	...
Guinea	164	6	0	158	104
Guinea-Bissau	...	...	...	...	...
Haiti	0	...	0	...	...
Kiribati	0	...	0	...	...
Lao People's Dem. Rep.	...	...	...	...	...
Lesotho	0	...	0	...	...
Liberia	1	0	0	1	1
Madagascar	0	0	0	0	...
Malawi	0	...	0	...	...
Maldives	0	0	0	...	...
Mali	4	4	0	...	...
Mauritania	1	1	0	...	...
Mozambique	4	4	0	0	...
Myanmar	56	8	18	30	29
Nepal	1	0	1	...	...
Niger	0	0	0	0	...
Rwanda	0	...	0	...	...
Samoa	0	0	0	...	...
Sao Tome and Principe	...	...	...	...	...
Senegal	3	2	0	...	...
Sierra Leone	1	0	0	...	...
Solomon Islands	...	...	...	...	...
Somalia	...	...	...	...	...
Sudan	80	8	0	72	71
Tanzania	1	1	0	0	...
Timor Leste	...	...	...	...	...
Togo	1	1	0	...	...
Tuvalu	...	...	...	...	...
Uganda	0	0	0	0	...
Vanuatu	9	...	9	0	0
Yemen	429	0	0	429	428
Zambia	5	0	0	5	...
Memorandum item:					
World	149572	13358	94221	39999	31846

Source: UNSD Comtrade database.

Annex Table 7: Chinese imports from least-developed countries, 2002

(Million dollars)					
	All commodities	Agricultural products	Manufactures	Mining products	Of which Fuels
Total LDCs	841	94	22	725	685
Afghanistan	0	...	0	...	...
Angola	599	...	...	599	599
Bangladesh	14	1	13	0	...
Benin	1	1	...	...	...
Bhutan	0	...	0	...	...
Burkina Faso	6	6	0	...	...
Burundi	0	...	0	...	...
Cambodia	6	1	5	0	...
Cape Verde	...	...	...	...	...
Central African Republic	...	...	...	...	...
Chad	1	1	...	...	...
Comoros	0	0	0	...	...
Congo, Dem. Rep. of	...	...	...	...	...
Djibouti	0	...	0	...	...
Equatorial Guinea	...	...	...	...	...
Eritrea	0	...	0	...	...
Ethiopia	2	2	0	0	...
Gambia	0	0	0	...	...
Guinea	2	1	0	...	...
Guinea-Bissau	...	...	...	...	...
Haiti	0	...	0	...	...
Kiribati	0	...	0	...	...
Lao People's Dem. Rep.	...	...	...	...	...
Lesotho	0	...	...	...	...
Liberia	0	0	0	...	...
Madagascar	1	0	0	...	...
Malawi	2	2	0	...	...
Maldives	0	0	0	...	...
Mali	9	9	0	...	...
Mauritania	0	...	0	...	...
Mozambique	2	2	...	...	...
Myanmar	34	32	2	0	...
Nepal	1	0	1	0	...
Niger	0	...	0	...	...
Rwanda	...	...	...	...	...
Samoa	0	...	0	...	...
Sao Tome and Principe	...	...	...	...	...
Senegal	1	1	0	...	...
Sierra Leone	0	...	0	...	...
Solomon Islands	...	...	...	...	...
Somalia	0	0	0	...	...
Sudan	12	0	0	12	12
Tanzania	3	3	0	...	...
Timor Leste	...	...	...	...	...
Togo	22	22	0	...	...
Tuvalu	...	...	...	...	...
Uganda	11	10	0	1	...
Vanuatu	0	0	0	...	...
Yemen	76	1	0	75	75
Zambia	38	0	0	38	...
Memorandum item:					
World	112522	7209	86156	16954	11648

Source: UNSD Comtrade database.

Annex Table 8: Thailand imports from least-developed countries, 2003

(Million dollars)					
	All commodities	Agricultural products	Manufactures	Mining products	Of which Fuels
Total LDCs	2346	420	69	1799	1705
Afghanistan	0	0	0	0	...
Angola	2	2	0	...	...
Bangladesh	30	11	16	3	3
Benin	22	22	0	...	...
Bhutan	0	0	0	...	...
Burkina Faso	22	21	0	...	...
Burundi	0	0	0	0	...
Cambodia	12	3	4	4	...
Cape Verde	0	...	0	...	...
Central African Republic	1	1	...	0	...
Chad	1	0	0	...	...
Comoros	0	...	0	...	...
Congo, Dem. Rep. of	0	...	0	...	...
Djibouti	0	1	0	...	...
Equatorial Guinea	...	...	...	...	...
Eritrea	0	0	0	...	...
Ethiopia	1	1	0	...	...
Gambia	1	...	1	...	...
Guinea	0	2	0	...	...
Guinea-Bissau	0	...	0	...	...
Haiti	0	...	0	...	...
Kiribati	1	...	...	...	...
Lao People's Dem. Rep.	104	...	11	5	2
Lesotho	0	0	0	...	...
Liberia	51	1	0	...	...
Madagascar	5	4	1	...	...
Malawi	0	2	0	...	...
Maldives	27	0	0	...	...
Mali	33	19	1	...	...
Mauritania	2	0	0	...	...
Mozambique	4	26	0	0	...
Myanmar	899	332	24	760	729
Nepal	1	93	1	0	...
Niger	1	0	0	1	...
Rwanda	2	...	0	2	...
Samoa	0	...	0	...	...
Sao Tome and Principe	0	...	0	...	...
Senegal	4	5	0	...	...
Sierra Leone	0	1	0	...	...
Solomon Islands	8	...	0	...	...
Somalia	1	24	...	...	...
Sudan	19	6	0	...	...
Tanzania	14	73	6	1	...
Timor Leste	...	...	...	...	...
Togo	5	5	0	0	...
Tuvalu	0	...	0	...	...
Uganda	1	1	1	...	...
Vanuatu	27	...	...	...	...
Yemen	990	3	0	972	972
Zambia	53	0	0	52	...
Memorandum item:					
World	75805	5719	56990	11540	9009

Source: UNSD Comtrade database.

Annex Table 9: United States imports from least-developed countries, 2003

(Million dollars)					
	All commodities	Agricultural products	Manufactures	Mining products	Of which Fuels
Total LDCs	10368	563	5057	4705	4617
Afghanistan	63	1	5	49	49
Angola	4506	0	21	4480	4480
Bangladesh	2213	90	2122	...	...
Benin	1	0	0	...	...
Bhutan	1	0	0	...	...
Burkina Faso	1	0	0	...	...
Burundi	7	7	0	...	...
Cambodia	1336	2	1332	...	...
Cape Verde	6	0	4	...	...
Central African Republic	...	...	...	...	...
Chad	25	4	0	20	20
Comoros	4	4	0	...	...
Congo, Dem. Rep. of	...	...	...	...	...
Djibouti	1	0	0	...	...
Equatorial Guinea	...	...	...	...	...
Eritrea	0	0	0	...	...
Ethiopia	34	30	2	...	...
Gambia	0	0	0	0	...
Guinea	87	1	11	75	...
Guinea-Bissau	...	...	...	...	...
Haiti	341	14	321	1	...
Kiribati	2	1	0	...	...
Lao People's Dem. Rep.	...	...	...	...	...
Lesotho	420	...	419	...	...
Liberia	62	58	1	2	2
Madagascar	401	183	215	1	...
Malawi	83	58	25	...	...
Maldives	98	1	97	...	...
Mali	3	0	2	0	...
Mauritania	1	1	0	0	0
Mozambique	9	6	3	...	...
Myanmar	295	31	263	...	...
Nepal	186	0	183	0	...
Niger	4	2	2	...	...
Rwanda	3	2	0	1	...
Samoa	5	3	1	...	...
Sao Tome and Principe	...	...	...	...	...
Senegal	5	1	3	...	...
Sierra Leone	7	0	6	0	...
Solomon Islands	...	...	...	...	...
Somalia	0	0	0	...	...
Sudan	3	3	0	...	...
Tanzania	26	14	12	0	...
Timor Leste	...	...	...	...	...
Togo	6	1	0	...	...
Tuvalu	0	...	0	...	...
Uganda	38	36	2	0	...
Vanuatu	1	1	0	...	...
Yemen	72	5	0	65	65
Zambia	13	2	1	10	...
Memorandum item:					
World	1305092	77273	989973	185412	163252

Source: UNSD Comtrade database.

Annex Table 10: Measures in favour of exports originating from LDCs²³

Preference granting country	Description	Beneficiary(ies)	Coverage/margin of preference	Reference (latest notification in bold)
Algeria	Global System of Trade Preferences (GSTP) ²⁴ ; Entry into force: 14 April 1989	LDC Participants of GSTP (Bangladesh, Benin, Guinea, Haiti, Mozambique, Sudan and Tanzania)	In addition to 8 tariff concessions available for all GSTP participants, 3 concessions are exclusively granted to LDC participants	L/6564 and Add.1 (25 September 1989)
Argentina	GSTP Entry into force: 19 April 1989	LDC Participants of GSTP	In addition to 4 tariff concessions available for all GSTP participants, one concession is exclusively granted to LDC participants	L/6564 and Add.1 (25 September 1989)
Australia	Duty- and quota-free entry Entry into force: 1 July 2003	LDCs	All products	WT/COMTD/N/18 (21 January 2004)
Bangladesh	GSTP Entry into force: 19 April 1989	LDC Participants of GSTP	In addition to 6 tariff concessions available for all GSTP participants, one concession is exclusively granted to LDC participants	L/6564 and Add.1 (25 September 1989)
Belarus	GSP	LDCs	50% reduction from the MFN rate is granted to all GSP beneficiaries, and duties are exempted for goods originating from LDCs.	
Bulgaria	GSP	LDCs	Concessions of 70% of the MFN rate are granted on 917 tariff (HS 8 digit) for all GSP beneficiaries, duties are exempted for LDCs	WT/TPR/S/121 WT/GC/M/55 WT/LDC/HL/M/1 (1997)
Cameroon	GSTP Entry into force: 19 April 1989	LDC Participants of GSTP	In addition to one bidding concession available to all GSTP participants, 2 binding concessions are exclusively granted to LDC participants	L/6564 and Add.1 (25 September 1989)
Canada	GSP – preferential scheme for LDCs; duty-free and quota-free access Entry into force: January 2003	LDCs	All products except dairy, poultry and egg products	WT/COMTD/N/15/Add.2 (11 May 2004)
China	Bangkok Agreement ²⁵ Entry into force of the accession to the agreement: 1 January 2002	Bangladesh	In addition to 739 tariff concessions (HS 6-digit) available to all Bangkok Agreement members, 18 tariff concessions are exclusively granted to LDC member.	WT/COMTD/N/19 (29 July 2004)
Democratic People's Republic of	GSTP	LDC Participants of GSTP	In addition to 7 tariff concessions	L/6564 and Add.1 (25 September

²³ This table simplifies and updates the information contained in the previous report WT/COMTD/LDC/W/31.

²⁴ Participants to the GSTP include: Algeria, Argentina, Bangladesh, Benin, Bolivia, Brazil, Cameroon, Chile, Colombia, Cuba, Democratic People's Republic of Korea, Ecuador, Egypt, Ghana, Guyana, India, Indonesia, Iran, Libya, Malaysia, Mexico, Morocco, Mozambique, Myanmar, Nicaragua, Nigeria, Pakistan, Peru, Philippines, Republic of Korea, Romania, Singapore, Sri Lanka, Sudan, Thailand, Trinidad and Tobago, Tunisia, Tanzania, Venezuela, Vietnam. Yugoslavia and Zimbabwe.

²⁵ Members of the Bangkok Agreement are: Bangladesh, China, India, Lao PDR, Republic of Korea, and Sri Lanka.

Preference granting country	Description	Beneficiary(ies)	Coverage/margin of preference	Reference (latest notification in bold)
Korea	Entry into force: 19 April 1989		available for all GSTP participants, 9 concessions are exclusively granted to LDC participants	1989)
European Communities	Everything but Arms (EBA) initiative - duty and quota-free market access Entry into force: 5 March, 2001	LDCs	All products except bananas, sugar and rice which are subject to transition periods between 2002 and 2009	WT/COMTD/N/4/Add.2 (5 October 2001) WT/TPR/S/128
	Cotonou Agreement Entry into force: 1 April 2003	79 African, Caribbean and Pacific (ACP) countries, 40 of which are LDCs	Duty-free treatment is granted on industrial, processed agricultural, and fishery products, subject to a safeguard clause. For certain products (bananas, beef and veal, and sugar), special market access is governed by commodity protocols	WT/TPR/S/136
Egypt	GSTP Entry into force: 19 April 1989	LDC Participants of GSTP	In addition to 20 tariff concessions available for all GSTP participants, 4 concessions are exclusively granted to LDC participants	WT/COMTD/W/47& Add.1 (1998/1999)
Iceland	GSP – duty- and quota-free market access Entry into force: 29 January 2002	LDCs	Essentially all products with some exceptions in agricultural products (HS chapters: 04, 15, 18, 19, 21 and 22) and non-agricultural products (HS sub-headings: 3502 and 3823, and all of HS 16 with the exception of sub-headings 1603 to 1605)	WT/COMTD/N/17.Corr.1 (20 January 2004)
India	Bangkok Agreement Entry into force: 16 June 1976	Bangladesh Lao PDR	In addition to 188 tariff concessions (HS 6-digit; 0-35% lower than the base rate) available to all Bangkok Agreement members, 33 tariff concessions (0-35% lower than the standard rate) are exclusively offered to LDC members	L/4418 and Corr.1 (2 November 1976) WT/TPR/S/100
	South Asian Preferential Trade Agreement (SAPTA) ²⁶ Entry into force: 7 December 1995	Bangladesh Bhutan Maldives Nepal	In addition to 475 tariff concessions (HS 6-digit; generally 10% lower than the standard rate) available to all SAPTA members, 2210 concessions (generally, 50% lower than the standard date) are exclusively granted to LDC members	WT/COMTD/10 (22 September 1993) WT/TPR/S/100
	GSTP Entry into force: 19 April 1989	LDC participants of GSTP	Special tariff concessions of 50% apply to specific tariff lines HS 4104.21, 4104.22 and 4104.29, in addition to tariff concessions of 10-	L/6564 and Add.1 (25 September 1989) WT/TPR/S/100

²⁶ Members of SAPTA are: Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan and Sri Lanka.

Preference granting country	Description	Beneficiary(ies)	Coverage/margin of preference	Reference (latest notification in bold)
			50% on 53 tariff lines offered to other GSTP participants.	
	Bilateral agreement	Myanmar	Standard duty of 5% for rice, pulses and beans, Chana, mustard and rapeseed, ground nuts, fresh vegetables and fruit, garlic and onions, reed brooms, sesame seeds, betel nuts, turmeric, dried ginger, coriander, fried chillies, poppy seeds, and wood in the rough.	WT/LDC/HL/M/1 WT/TPR/S/100
	Bilateral agreement	Nepal	In addition to duty exemption on mutually agreed primary products on a reciprocal basis, duty-free entry is granted to most of Nepal's industrial products on a non-reciprocal basis.	WT/LDC/HL/M/1 WT/TPR/S/100 WT/ACC/NPL/16
Iran	GSTP Entry into force: 19 April 1989	LDC participants of GSTP	In addition to 8 tariff concessions available to all GSTP participants, 4 tariff concessions are exclusively granted to LDC participants	L/6564 and Add.1 (25 September 1989)
Japan	GSP - duty and quota-free market access Entry into force: 1 April 2003	LDCs	All products with some exceptions in agricultural products (HS chapters from 01-04 and 07-24) and non-agricultural products (HS chapters: 03, 16, 25, 27, 29, 35, 42, 43, 44, 50, 64, 72, 75, 76, 90 and 91), accounting for 90% LDC products entering Japan	WT/COMTD/N/2/Add.12 (5 October 2001)
Kazakhstan	GSP	LDCs	While goods originating in developing countries are subject to a duty rate which is 50% of the tariff rate, goods produced in and imported from LDCs are free of duty.	WT/ACC/KGZ/26
Korea, Rep. of	Presidential Decree on Preferential Tarriff for LDCs Entry into force: 1 January 2000	LDCs	Duty-free access is granted on 87 tariff items (HS 6-digit).	WT/COMTD/N/12/Rev.1 (28 April 2000) WT/TPR/S/137
	Bangkok Agreement Entry into force: 16 June 1976	Bangladesh	In addition to concessions on 223 tariff items (HS 6-digit) at 62%-78% of the MFN rate available to all Bangkok Agreement members, special concessions on 19 items at 50-80% of the MFN duty are granted to LDC participant.	L/4418 and Corr.1 [2 November 1976] WT/TPR/S/137

Preference granting country	Description	Beneficiary(ies)	Coverage/margin of preference	Reference (latest notification in bold)
		Lao PDR	In addition to concessions on 223 tariff items (6-digit) at 62%-78% of the MFN rate available to all Bangkok Agreement members, special concessions are granted exclusively to LDCs on 8 items at 66-69% of the MFN rate.	L/4418 and Corr.1 [2 November 1976] WT/TPR/S/137
	GSTP Entry into force: 19 April 1989	LDC participants of the GSTP	In addition to 22 tariff concessions available to all GSTP participants, 4 concessions are exclusively granted to LDC participants	L/6564 and Add.1 (25 September 1989)
Mauritius		LDCs	5 tariff lines at the HS 6-digit level, comprising certain crustaceans; guavas, mangoes, mangosteens; axes and billhooks; handsaws and files.	WT/COMTD/W/53 WT/LDC/HL/M/1 (1997)
Moldova	GSP – duty free	LDCs	All products	WT/ACC/MOL/2 and 37
Morocco	Preferential tariff treatment for LDCs (effective 1 January 2001)	33 African LDCs	Duty-free access on 61 products (at the HS 4 to 10 digit level)	WT/LDC/SWG/IF/18 and G/C/6 (2001)
	GSTP Entry into force: 19 April 1989	LDC participants of the GSTP	In addition to 12 tariff concessions available to all GSTP participants, 6 concessions are exclusively granted to LDC participants	L/6564 and Add.1 (25 September 1989)
New Zealand	Duty and quota-free market access Entry into force: 1 July 2001	LDCs	All products	WT/COMTD/27 (20 November 2000) WT/TPR/S/115
Norway	GSP - Duty and quota-free market access Entry into force: 1 July 2002	LDCs	All products, except flour, grains, and feeding stuffs which are subject to a special safeguard mechanism.	WT/TPR/S/138 WT/COMTD/N6/Add.2 (18 January 2001)
Pakistan	Unilateral duty exemptions in excess of 25% <i>ad valorem</i> tariff rates	Afganistan, Nepal (as well as China and Iran)	17 product categories, including all manufactured articles, manufactured tobacco, silk, motor vehicles and parts thereof, tea, apples, etc, which are imported by land only.	WT/TPR/S/95
	SAPTA Entry into force: 7 December 1995	Bangladesh Bhutan Maldives Nepal	In addition to 287 tariff concessions (HS 6-digit; generally 10% lower than the standard rate) available to all SAPTA members, 408 concessions (15-30% lower than the standard date) are exclusively granted to LDC members	WT/COMTD/10 (22 September 1992) WT/TPR/S/95

Preference granting country	Description	Beneficiary(ies)	Coverage/margin of preference	Reference (latest notification in bold)
	GSTP Entry into force: 19 April 1989	LDC participants of GSTP	In addition to 6 tariff concessions available to all GSTP participants, one concession is exclusively granted to LDC participants	L/6564 and Add.1 (25 September 1989)
Romania	GSTP Entry into force: 19 April 1989	LDC participants of GSTP	In addition to 88 tariff concessions available to all GSTP participants, 22 concessions is exclusively granted to LDC participants	L/6564 and Add.1 (25 September 1989)
Singapore	Duty-free	LDCs	In addition to the almost duty-free regime accorded on an MFN basis, 107 items (HS 6 digit) of export interest to LDCs enter duty-free	WT/LDC/HL/M/1 Annex 1
South Africa	Bilateral agreement Entry into force: 1990	Malawi	Duty free for all products, but subject to preferential quotas for some products (e.g. tea)	WT/TPR/S/114
	Bilateral agreement	Mozambique	Duty-free for fish, shrimp, prawns, rock lobsters, cashew nuts, citrus fruit, coconut oil, wooden furniture, cigarettes, tyres and tubes, clothing, textiles, and cotton-seed oilcake, but subject to annual quota	WT/TPR/S/114
Sri Lanka	SAPTA Entry into force: 7 December 1995	Bangladesh Bhutan Maldives Nepal	In addition to 152 tariff concessions (HS 6-digit; generally 10% lower than the standard rate) available to all SAPTA members, 105 concessions (10-50% lower than the standard date) are exclusively granted to LDC members	WT/COMTD/10 (22 September 1992) WT/TPR/S/128
	Bangkok Agreement Entry into force: 16 June 1976	Bangladesh Lao PDR	In addition to concessional entry to 288 items (HS 6 and 8 digit levels) available to all Bangkok Agreement members, concessions are granted to Bangladesh on 30 tariff lines, and to the Lao PDR on seed lac and stick lac (HS 1301.10.01) and cotton linters (HS 1404.20)	L/4418 and Corr.1 (2 November 1976) WT/TPR/S/128
Switzerland	Duty-free for all industrial products and reduction of duties on agricultural products Entry into force: 1 March 1997	LDCs	Agricultural products enter at 55-100% reduction on normal rate, and non-agricultural products enter duty-free with the exception of HS chapters 35 and 38	WT/COMTD/N/7/Add.2 (16 July 2004)

Preference granting country	Description	Beneficiary(ies)	Coverage/margin of preference	Reference (latest notification in bold)
Sudan	GSTP Entry into force: 19 April 1989	LDC participants of GSTP	In addition to 29 binding concessions available to all GSTP participants, two concessions are exclusively granted to LDC participants	L/6564 and Add.1 (25 September 1989)
Tajikistan	GSP	LDCs	All products	
	Bilateral agreement Entry into force: 20 June 1991	Lao PDR	Preferential tariffs are granted on specific goods which are decided by Thailand	L/6949 (29 November 1991)
Tunisia	GSTP Entry into force: 19 April 1989	LDC participants of GSTP	In addition to 7 tariff concessions available to all GSTP participants, one concession is exclusively granted to LDC participants	L/6564 and Add.1 (25 September 1989)
Turkey	GSP Entry into force: 1 January 2002	All LDCs	In addition to duty-free entry on 2,174 items (HS-12 digit), including mainly raw materials and semi-finished products, granted to all GSP beneficiaries, LDCs are granted with duty-free on 710 items where preferences of 3.5% reduction from the MFN rate is granted to others.	WT/TPR/S/125
Russia	GSP – duty free	All LDCs	All goods	
United States	GSP – duty-free market access Entry into force: 30 May 1997	Designated LDCs: 41 LDCs in 2004	In addition the standard approximately 4,650 duty-free tariff items available for all GSP beneficiaries, additional approximately 1,770 tariff items are available for LDC beneficiaries	WT/COMTD/N/1/Add.2 (8 December 1998) WT/TPR/S/126
	African Growth and Opportunities Act (AGOA) Entry into force: December 2000	To be determined by the President every year based on the eligibility criteria; in 2004, there are 37 Sub-Saharan African Countries (including 25 LDCs) beneficiaries	In addition to the standard GSP benefits described above, 1,835 tariff items, including textiles and apparel, are duty free	WT/COMTD/N/1/Add.3 (1 March 2001) WT/TPR/S/126
	U.S.-Caribbean Basin Trade Partnership Act (CBTPA) Entry into force: 1 October 2000	24 designated beneficiaries (including one LDC, i.e. Haiti) in Central America and the Caribbean	Duty free for most products, including textiles and apparels.	WT/TPR/S/126