



**Sub-Committee on Least-Developed Countries**

**MARKET ACCESS FOR PRODUCTS AND SERVICES OF EXPORT INTEREST  
TO LEAST-DEVELOPED COUNTRIES**

NOTE BY THE SECRETARIAT<sup>1</sup>

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

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## 1 INTRODUCTION

1.1. This Note prepared by the Secretariat responds to paragraph 8 of the WTO Work Programme for Least-Developed Countries (LDCs), which mandates an annual review of market access for products originating from LDCs (WT/COMTD/LDC/11/Rev.1). It builds on previous Secretariat studies by updating the information on trends in LDCs' trade and market access conditions. This year's edition gives a special focus on LDC trade in commercial services, and introduces new statistics on non-tariff measures (NTMs).

1.2. The Note is divided into four main parts, in addition to this introduction. Chapter 2, on trade profile, provides a description of the recent trends of LDCs' trade flows, both in goods and commercial services. It includes an analysis of LDC exports by main products and market destinations and specific information on trade in services. Chapter 3 is devoted to market access conditions facing LDC exports. Chapter 4 covers recent initiatives to improve market access for LDCs' products. A concluding section summarizes the findings of the Note, while a series of annex tables provide Members with additional background information and references. The Note does not attempt to be comprehensive in covering all aspects that condition market access for LDCs' products. It should therefore be read in conjunction with previous Secretariat notes prepared on this topic, to gauge the different factors that determine market access for LDCs.

1.3. A few words of caution are required about the statistical coverage of LDCs, which is characterized by its incompleteness and often not the most up to date despite improvements in the production of national data. The Secretariat has been using reported national figures whenever available; however, in many instances, it is still necessary to rely on mirror statistics i.e. data reported by LDCs' trading partners. The disadvantage of using mirror data is that it does not allow taking into consideration intra-trade among the LDCs, as well as trade with non-reporting developing economies.

1.4. For the sake of statistical coherence (most recent reference year 2013), this Note still refers to Samoa as part of the LDCs even though Samoa graduated from LDC status as of the start of 2014. Due to non-availability of national data, South Sudan is not covered adequately in this Note.

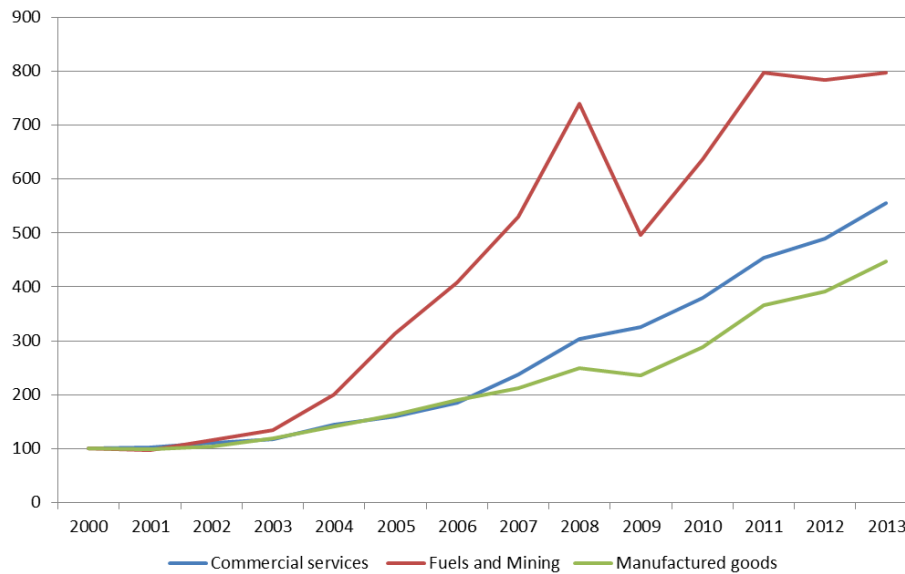
## 2 LDCS' TRADE PROFILE

### 2.1 Trends in Goods and Commercial Services

2.1. In 2013, the LDC exports of goods and commercial services rebounded (by 5.2%) after a decrease in the previous year (-1.6%), reaching an overall high value of US\$250.0 billion in 2013 (US\$237.7 billion in 2012). Over the 2000-2013-period, LDC exports grew by an annual average of 14.8%, markedly higher than the 11.2% average for other developing economies (excluding LDCs). LDCs' imports of goods and commercial services increased by 6.6% in 2013 (versus 9.2% in 2012) to US\$310.6 billion (US\$291.3 billion in 2012). As imports increased more than exports, the overall trade deficit of LDCs also increased during this period, from US\$ 53.6 billion in 2012 to US\$ 60.6 billion in 2013.

**Chart 1: Evolution of LDC exports of goods and commercial services, 2000-2013**

(Index, 2000=100)

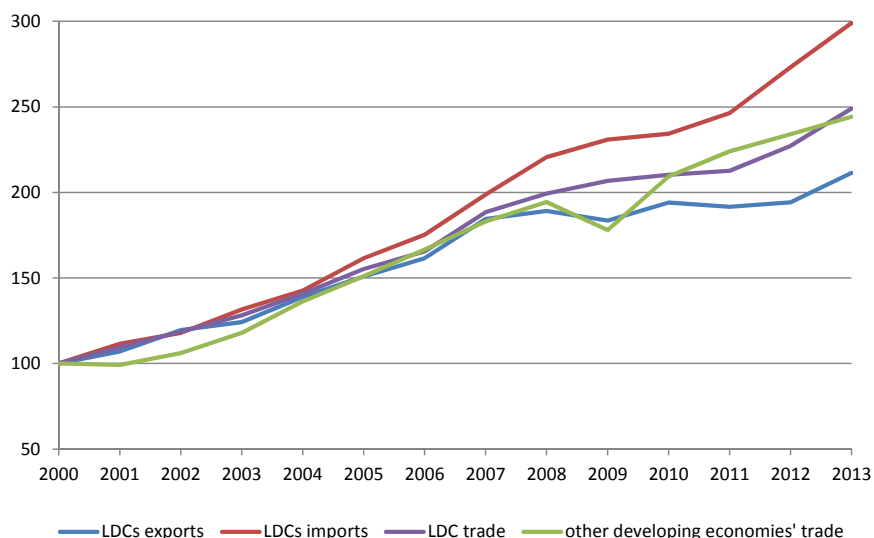


Source: WTO Secretariat.

2.2. Prices for primary commodities decreased in 2013 (-2.7%), in particular petroleum/minerals and non-ferrous metals (-3.0% and -4.3%, respectively). Yet, LDC exports of fuels and mining products still showed an increase of 1.6% in value terms - thanks to an increase in trade volume. Similarly, exports of agricultural products increased by 6.6%, even though prices of food and non-food agricultural raw materials did not change much (-0.1% and 1.8% respectively) in 2013. Exports of manufactured products expanded by 14.3%, thus more markedly than world trade for this product group (3.2%). Exports of commercial services increased at a rate of 13.4%, while sales of other products grew at 7.7% (see Chart 1).

2.3. In volume terms, LDC exports grew by 8.8% while their imports expanded by 9.4%, the highest increase recorded since 2008. In comparison to 2000, exports more than doubled while imports almost tripled (see Chart 2).

**Chart 2: Development in merchandise trade volume of LDCs and developing economies**  
(Indices, 2000=100)



Source: WTO Secretariat. LDCs' data are computed based on deflators sourced from UNCTAD.

**Table 1: Trends in LDC exports of goods and commercial services, 2000-2013 (BOP)**  
(Billion dollars and percentage)

	Values							Annual rate of growth				
	2000	2013	2005	2006	2007	2008	2009	2010	2011	2012	2013	2000-2013
Total goods and commercial services	41.5	250.0	32.2	23.3	26.9	37.5	-23.9	27.5	23.0	-1.6	5.2	14.8
Total goods	35.8	218.3	34.9	24.2	26.7	38.5	-26.8	28.9	23.4	-2.7	4.1	14.9
Fuels and Mining	16.0	127.0	56.3	30.4	30.1	39.3	-32.9	28.4	25.1	-1.6	1.6	17.3
Other goods	19.8	91.3	12.9	15.4	21.2	37.2	-16.1	29.6	21.1	-4.3	7.7	12.5
Commercial services	5.7	31.7	11.3	15.0	29.1	27.6	7.1	16.9	19.4	8.0	13.4	14.1

Source: WTO Secretariat.

2.4. In 2013, LDCs' integration in global trade improved as the total value of their imports and exports of goods and commercial services grew 6%, more than twice the world average (2.6%). The share of LDCs in world trade increased from 1.19% in 2012 to 1.23% in 2013. The contribution of LDCs in world trade in goods is now more than double (1.24%) that that of 2000 when their share was only 0.58%. The share of LDCs in world trade of commercial services also increased from 0.64% in 2000 to 1.18% in 2013.

2.5. While LDCs' total trade in goods increased by 6.1% in 2013, well above the 3.7% posted in 2012, their exports of goods increased much less (4.1%) than their imports (8.0%), leading to a higher trade deficit. A contrasting situation was observed for total trade in commercial services. It increased by 4.1%, almost double the rate of the world average (2.2%), due mainly to a strong growth in LDC exports (13.4%, more than double of the world average of 5.6%) while imports grew by only 2.4%.

**Table 2: LDCs and world trade in goods and commercial services, 1980-2013**

(Billion dollars and percentage)

	Value													Annual percentage change 2000-2013
	1980	1990	1995	2000	2005	2006	2007	2008	2009	2010	2011	2012	2013	
Total trade in goods and commercial services <sup>a</sup>														
World	2304	4199	6231	7885	12782	14673	17064	19608	15663	18663	22090	22319	22898	8.5
LDC	48	57	73	94	204	243	308	418	350	413	508	529	561	14.7
Share in world	1.05	0.68	0.59	0.59	0.80	0.83	0.90	1.07	1.12	1.11	1.15	1.19	1.23	...
Total trade in goods <sup>a</sup>														
World	1919	3393	5047	6408	10331	11917	13766	15867	12268	14942	17914	18034	18385	8.4
LDC	39	45	57	75	168	202	254	345	280	336	414	429	455	14.9
Share in world	1.02	0.66	0.56	0.58	0.81	0.85	0.92	1.09	1.14	1.12	1.16	1.19	1.24	...
Total trade in commercial services <sup>a</sup>														
World	385	806	1184	1478	2450	2756	3298	3741	3394	3721	4176	4285	4513	9.0
LDC	9	12	16	19	35	41	54	73	70	77	94	100	105	14.1
Share in world	1.19	0.74	0.69	0.64	0.73	0.75	0.83	0.99	1.04	1.05	1.15	1.18	1.18	...
Goods exports														
World	1940	3418	5103	6406	10349	11972	13854	15934	12375	15085	18087	18204	18609	8.5
LDC	16	19	25	36	85	105	134	185	136	175	216	210	218	14.9
Share in world	0.82	0.57	0.48	0.56	0.82	0.88	0.96	1.16	1.10	1.16	1.19	1.15	1.17	...
Commercial services exports														
World	367	789	1179	1491	2516	2845	3421	3847	3489	3828	4295	4397	4644	9.1
LDC	2	3	5	6	9	11	14	17	19	22	26	28	32	14.1
Share in world	0.66	0.41	0.42	0.38	0.36	0.37	0.40	0.45	0.53	0.57	0.60	0.64	0.68	...
Goods imports														
World	1899	3368	4991	6409	10313	11862	13679	15800	12162	14800	17742	17863	18161	8.3
LDC	23	25	32	39	83	96	120	160	145	161	198	219	237	14.9
Share in world	1.22	0.75	0.64	0.61	0.81	0.81	0.88	1.01	1.19	1.09	1.12	1.23	1.31	...
Commercial services imports														
World	404	823	1189	1464	2384	2666	3174	3635	3300	3613	4056	4174	4381	8.8
LDC	7	9	11	13	26	30	40	55	51	55	68	72	74	14.2
Share in world	1.72	1.08	0.96	0.90	1.10	1.13	1.26	1.52	1.55	1.52	1.69	1.72	1.68	...

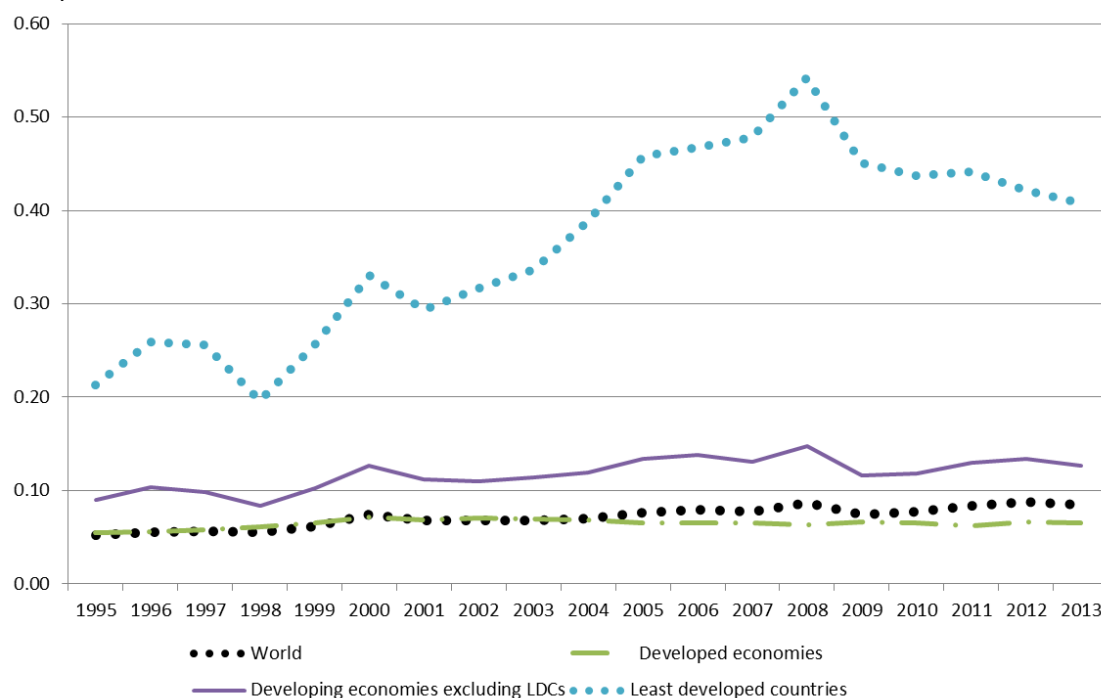
a World total trade is calculated as the average of world exports and imports, according to the balance-of-payments presentation (excluding Mode 3 for trade in services). Total LDC trade in this table is approximated as the sum of their exports and imports. Total trade shares are calculated in relation to the corresponding world exports plus imports.

Source: WTO Secretariat.

2.6. Export concentration has been a structural characteristic of LDC economies. Due to a lower degree of development of their productive sectors, LDCs are heavily dependent on a few products where they enjoy some degree of comparative advantage (primary commodities as far as trade in goods is concerned, and tourism for services exporters). Even when LDCs were able to diversify into manufacturing, the range of exported products was usually limited to a few labour-intensive industries, mostly in clothing. Nevertheless, LDCs in Asia showed the lowest concentration index within this group of economies.

**Chart 3: Concentration indices (Herfindahl-Hirschmann) of merchandise exports of selected regions, 1995-2013**

(Indices)



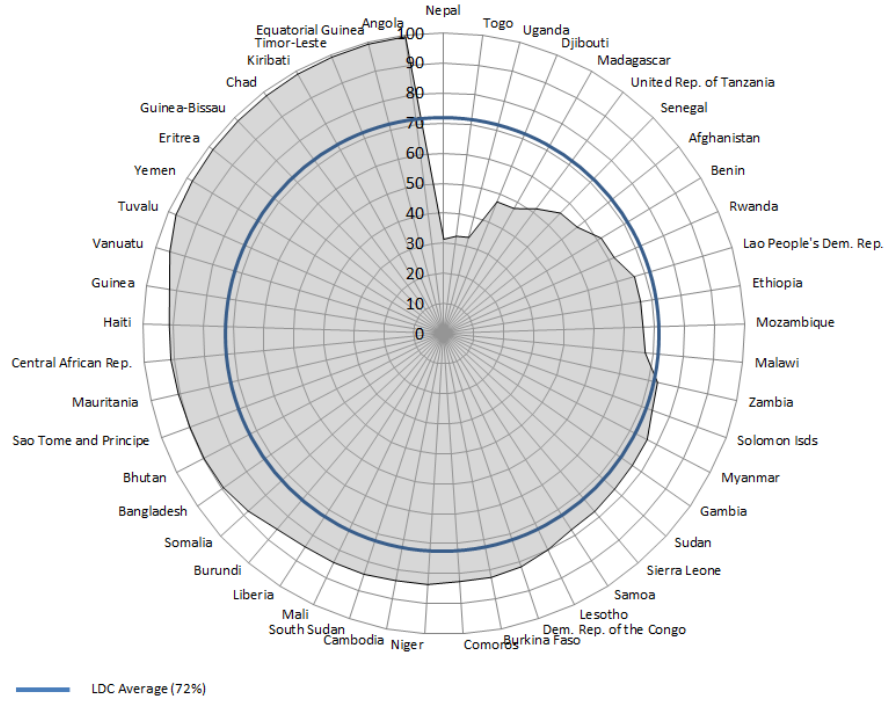
"The Herfindahl-Hirschmann index shows the degree of market concentration. Its (normalized) values range from 0 to 1 (maximum concentration). An index value that is close to 1 indicates a very concentrated market, while a value closer to 0 demonstrates a homogeneous market between the exporters or importers."

Source: UNCTAD database.

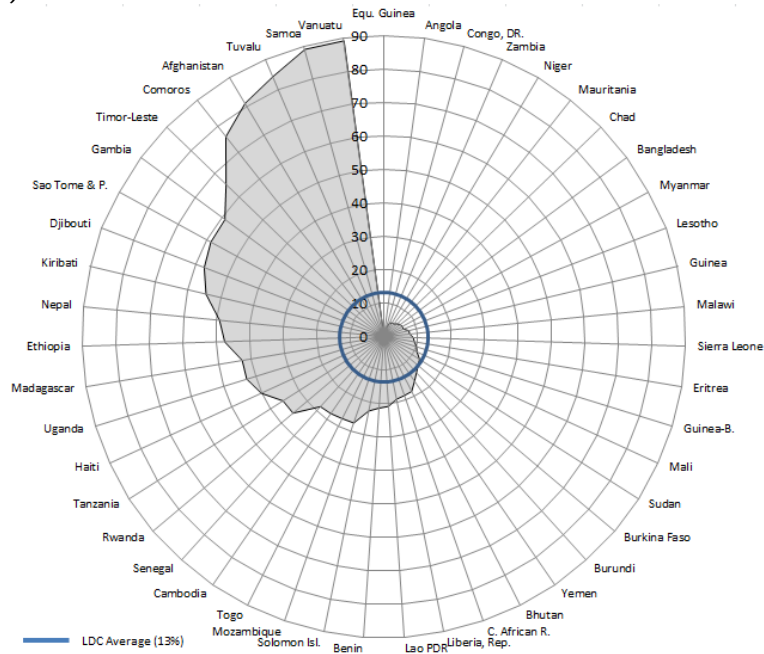
2.7. On average, more than 70% of total merchandise exports depended only on three main products (composition varies from LDC to LDC) in 2013. For instance, for ten LDCs, the top three products accounted for more than 95% of their export receipts, illustrating the vulnerability of these economies to fluctuations in international trade. Export dependence on services is usually lower, but some LDCs – such as Afghanistan, Samoa and Vanuatu - also depended on services for a sizeable share of their total export receipts. Travel, a close proxy of tourism receipts, is the dominant sector, especially for small islands where it represents the main source of export revenues.



**Chart 4: Share of top three LDC products in their total merchandise exports, 2013**  
(Percentage shares)



**Chart 5: Share of commercial services in total exports by LDCs, 2013**  
(Percentage shares)



Source: WTO Secretariat.

## 2.2 Merchandise Trade Developments

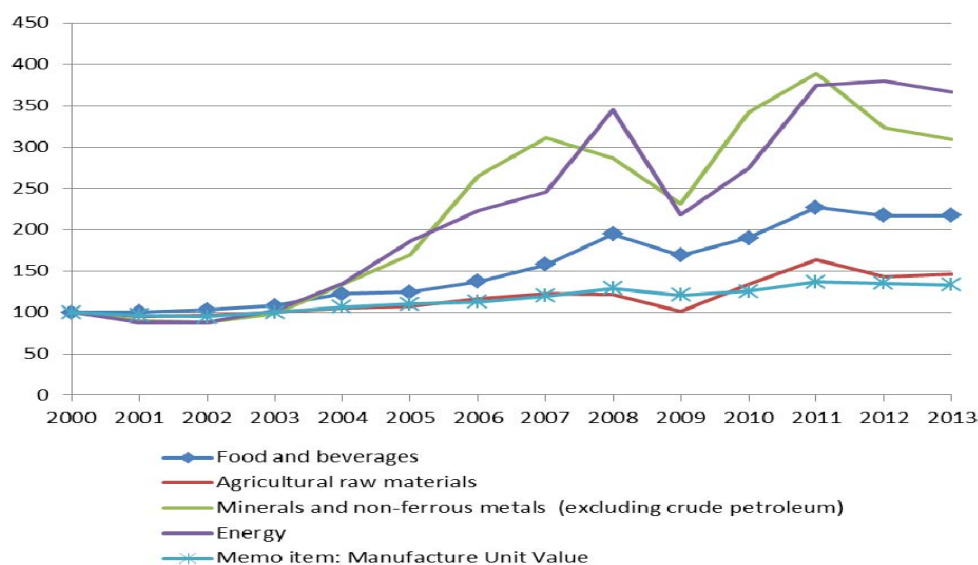
### 2.2.1 Commodity price movements

2.8. The average price of primary commodities continued to decrease in 2013 (-2.7%, almost the same rate of -2.6% in 2012). Reasons for this overall price trend for commodities were however different between 2012 and 2013. While petroleum prices had remained at historically high levels in the preceding year, they finally started to fall in 2013, with an average price decrease of 3.0%. Whereas the average price of food and beverages remained quite stable with only a slight decline of 0.1% in 2013, with the price of non-food agricultural raw materials increasing by 1.8% against 2012. However, the price developments varied quite markedly by product; while cocoa and cotton prices stabilized (+2.6% and +1.3%, respectively), prices of coffee and tea continued to fall (-18.2% and -23.8%, respectively). Similarly, prices of maize (-13.2%) and rice (-10.6%) dropped in 2013, as well as those of bananas (-5.9%) and sugar (-15.9%). On the other hand, distinct increases in prices were observed for fish (+41.9%), shrimp (+39.9%) and seafood (+41.3%).

2.9. In this overall context of declining prices, preliminary statistics show decreases in LDC exports of coffee (-12%) and cocoa (-24%). Despite stabilized cotton prices, the previous year's distinct expansion of LDC exports of cotton (+20%) did not continue in 2013, they even decreased by 7.8% in value terms. LDC exports of fish and crustaceans slightly increased (+0.5%) in value terms, but distinctly less than those of the corresponding prices.

**Chart 6: Export prices of primary commodities, 2000-2013**

(Indices, 2000=100)



Source: WTO Secretariat and World Bank.

**Table 3: Export prices of primary commodities, 2000-2013**  
(Annual and quarterly percentage changes)

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2013 Q-o-Q				2014		Annual average 2000-2013
															Q1	Q2	Q3	Q4	Q1	Q2	
Food and beverages	-0.4	0.4	2.7	5.1	13.2	1.5	10.3	15.1	23.3	-13.1	12.2	19.5	-4.2	-0.1	0.7	0.9	-4.0	-2.8	4.7	3.0	6.2
Agricultural raw materials	4.7	-5.0	1.8	3.8	5.4	1.6	8.6	5.0	-0.8	-16.8	32.3	22.7	-12.6	1.8	0.8	3.0	-1.3	3.5	1.3	0.2	3.0
Minerals and non-ferrous metals (excluding crude petroleum)	12.1	-9.7	-2.7	12.3	36.2	26.5	55.9	17.5	-7.8	-19.4	48.1	13.6	-16.9	-4.3	7.1	-11.5	0.3	0.9	-4.2	-3.3	9.1
Total of above	4.5	-4.0	0.8	6.9	18.6	10.3	23.1	14.1	7.5	-15.7	26.4	17.9	-10.0	-1.1	2.7	-2.8	-2.3	-0.6	1.3	0.6	6.6
Energy	56.1	-11.6	-0.4	16.7	31.1	38.7	19.2	10.5	40.2	-36.8	25.9	36.4	1.4	-3.5	1.7	-7.0	4.5	0.3	-1.4	1.1	10.5
All primary commodities	32.6	-8.9	0.1	13.0	26.6	29.1	20.6	11.8	27.7	-30.0	26.1	29.2	-2.6	-2.7	2.0	-5.6	2.1	0.0	-0.5	0.9	9.2
Memo item: Manufacture Unit Value	-1.3	-3.8	-1.2	5.2	6.8	3.2	2.5	6.1	7.8	-6.2	3.7	8.9	-1.2	-1.4	...	...	...	...	...	...	2.2

Note: Period averages calculated from IMF indices based on dollar prices. The data for manufacture corresponds to unit values. The quarterly figures are not seasonally adjusted.

Source: WTO Secretariat and World Bank.

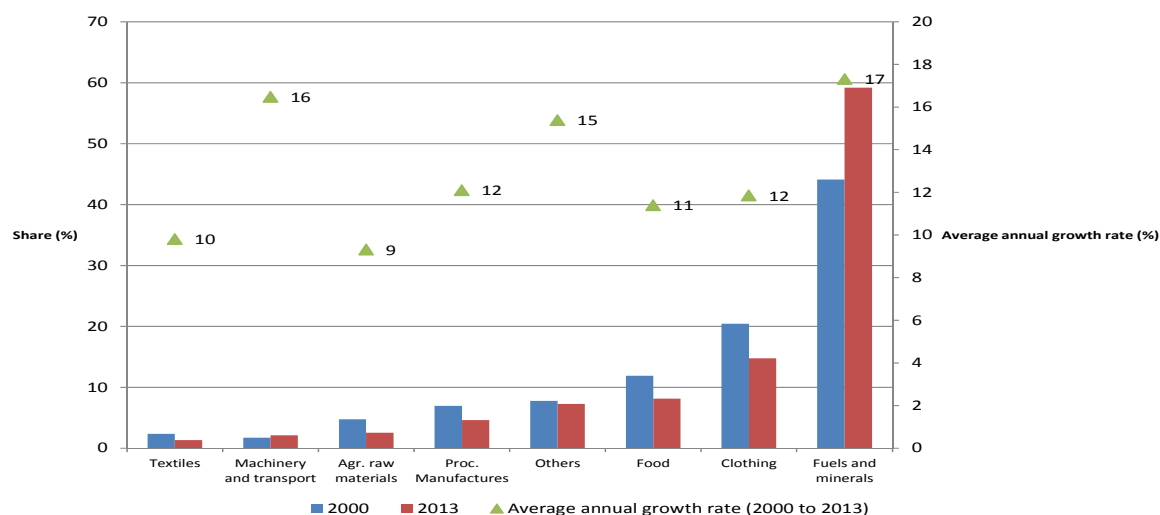
2.10. In 2013, the value of LDCs' merchandise exports amounted to US\$214.6 billion, which was an increase of 5.1% over that of the preceding year. LDCs, as a group, performed better compared to other developing economies' (excluding LDCs) export growth of 2.2%. Their imports, however, expanded by 7.3% to US\$243.8 billion leading to an even higher trade deficit than 2012 (US\$29.2 billion in 2013 versus US\$22.8 billion in 2012). This average hides heterogeneous situations at individual country level: ten LDCs registered double-digit decline in their exports (ranging from -48% to -10%) while, at the other end, fourteen others achieved double-digit growth (ranging from 10% to 74%).

## 2.2.2 Trends in product composition

2.11. The year 2013 confirms the previous years' trends of general decline in the share of most agricultural and manufactured product categories in LDC exports and, on the other hand, the consistent rise in the share of fuels and mining products. The 2000 to 2013 average annual growth rate of LDC exports of fuels and mining products was much higher (17%) than those of manufactured products (12%) and agricultural products (11%). As mentioned, this increase in the weight of extractive commodities was mainly due to a price effect.

**Chart 7: Composition of LDC merchandise exports by major product group, 2000 and 2013**

(Percentage)



Note: Data may include re-exports. In addition to minor differences in composition, data for textiles and clothing here differ from (HS 61 and 62) data in Table 4 and Annex Table 3, mainly due to compilation methods, which in the case of Table 4 and Annex Table 3 are strictly based on imports of trading partners of LDCs.

Source: WTO Secretariat.

2.12. The increasing weight of some commodities underscores the high concentration of LDC exports on a limited number of products. Of the 20 top products exported by LDCs in 2013, petroleum accounted for 55% of the total LDC merchandise exports, clothing for 12% and agricultural products for 6%. The first agricultural product that appears in this list is dried leguminous vegetables, with 1% share in total LDCs' exports. Another noteworthy feature of LDC exports is the considerable market share that some of their products maintain in world trade; LDCs may even achieve a major position in the exports of oil seeds (more than 30% of world exports), dried leguminous (21%) or men's shirts (20%).

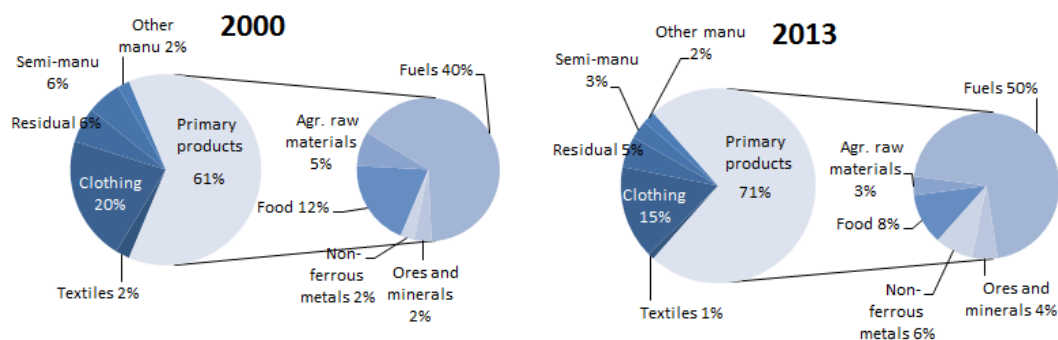
**Table 4: Top 20 export products of LDCs by market share, 2013**

(Million dollars and percentage)

HS07	Product Description	LDC exports		World exports	
		Value	Share in Total Exports	Value	LDCs' Share in Total
2709	Petroleum oils and oils obtained from bituminous minerals, crude.	94,171	47.7	1,547,261	6.1
2711	Petroleum gases and other gaseous hydrocarbons.	11,224	5.7	396,349	2.8
6203	Men's or boys' suits, ensembles, jackets, blazers, trousers, bib and brace overalls, breeches and shorts (other than swimwear).	5,794	2.9	33,013	17.5
6110	Jerseys, pullovers, cardigans, waistcoats and similar articles, knitted or crocheted.	5,110	2.6	42,193	12.1
6109	T-shirts, singlets and other vests, knitted or crocheted.	4,930	2.5	26,962	18.3
7403	Refined copper and copper alloys, unwrought.	4,255	2.2	54,945	7.7
4403	Wood in the rough, whether or not stripped of bark or sapwood, or roughly squared.	3,713	1.9	19,189	19.3
6204	Women's or girls' suits, ensembles, jackets, blazers, dresses, skirts, divided skirts, trousers, bib and brace overalls, breeches and shorts (other than swimwear).	3,656	1.9	41,219	8.9
2601	Iron ores and concentrates, including roasted iron pyrites.	3,405	1.7	149,724	2.3
2710	Petroleum oils and oils obtained from bituminous minerals, other than crude; preparations not elsewhere specified or included, containing by weight 70% or more of petroleum oils or of oils obtained from bituminous	2,809	1.4	602,214	0.5
2603	Copper ores and concentrates.	2,604	1.3	59,494	4.4
6205	Men's or boys' shirts.	2,333	1.2	11,893	19.6
0713	Dried leguminous vegetables, shelled, whether or not skinned or split.	1,949	1.0	9,557	20.4
6104	Women's or girls' suits, ensembles, jackets, blazers, dresses, skirts, divided skirts, trousers, bib and brace overalls, breeches and shorts (other than swimwear), knitted or crocheted.	1,810	0.9	18,075	10.0
5201	Cotton, not carded or combed.	1,649	0.8	15,651	10.5
7102	Diamonds, whether or not worked, but not mounted or set.	1,481	0.8	121,484	1.2
1207	Other oil seeds and oleaginous fruits, whether or not broken.	1,457	0.7	3,877	37.6
2401	Unmanufactured tobacco; tobacco refuse.	1,239	0.6	9,270	13.4
0901	Coffee, whether or not roasted or decaffeinated; coffee husks and skins; coffee substitutes containing coffee in any proportion.	1,181	0.6	23,387	5.1
0801	Coconuts, Brazil nuts and cashew nuts, fresh or dried, whether or not shelled or peeled.	1,014	0.5	4,461	22.7

Source: Annex Table 3.

**Chart 8: Evolution of merchandise export structure of LDCs, 2000 and 2013**  
(Percentage shares)



Source: WTO Secretariat.

2.13. Chart 8 shows the evolution in the commodity mix of the LDCs in the last thirteen years. The pattern of demand from emerging economies and rising commodity prices, led to a shrinking share of manufactured products in total exports of LDCs from 30% in 2000 to 21% in 2013. The share of fuels and mining products, on the other hand, increased from 44% in 2000 to 59% in 2013.<sup>2</sup> Meanwhile, with 11% share in 2013, exports of agricultural products lost ground from the 17% share they recorded in 2000. Overall, the share of primary commodities in LDCs' merchandise exports increased from 61% in 2000 to 71% in 2013.

2.14. LDC exports of manufactures are dominated by textile and clothing products which accounted for 64% of their manufactures exports to the world in 2013. The 5 percentage point decline in the share of clothing in LDCs' total exports from 20% in 2000 to 15% in 2013 is not the result of weak export performance of LDCs in the sector but of the strong growth in the exports of extractive resources in the recent past. In fact, in the last thirteen years, LDC exports of clothing registered average annual growth of 12% compared to the world average of 7%. The other important exports of manufactures include semi-manufactures, such as leather and rubber, diamonds and footwear which accounted for 11% of LDCs' manufactures exports in 2013.

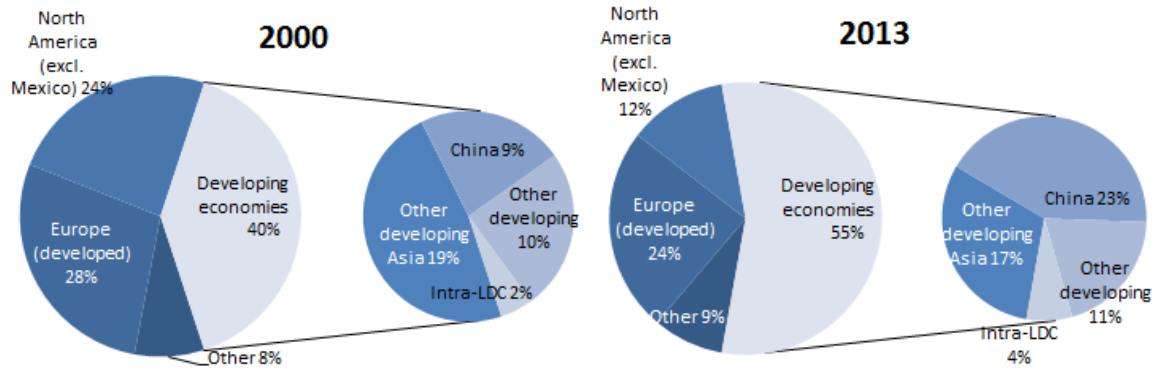
### 2.2.3 Geographic diversification of trade

2.15. LDC exports to developing economies increased by 6% in 2013, those to developed countries declined by 1% reflecting in particular the economic slowdown observed in Europe and reduced imports of fuels by the United States. Developing economies now absorb 55% of LDCs', and up from 40% in 2000. The share of developed economies as destination markets for products originating from LDCs continued to shrink and represented 39% in 2013 compared to 54% in 2000. The share of the United States as destination market for LDC products was 10% in 2013 - half of the 2000 share, the share of the European Union was 20% (27% in 2000). As seen in Chart 9, this growing importance of developing economies is mainly attributable to China (with a share of 23% in 2013), which alone was responsible for practically all the increase in the share of developing economies as markets for products originating from LDCs.

<sup>2</sup> These shares are derived from the WTO network of LDCs by product and destination compiled according to the United Nations Standard International Trade Classification (SITC). According to this classification, diamonds and non-monetary gold are not part of mineral products, the difference of the Harmonized System in use at the WTO. As a result, the shares of fuels and mining product in total LDCs' exports derived from the LDC network differ from the shares of exporters of fuels and mining products discussed elsewhere in this report.

**Chart 9: LDC merchandise exports by destination, 2000 and 2013**

(Percentage shares)



Source: WTO Secretariat.

2.16. Intra-LDC trade is notoriously under-recorded; it is estimated to account for 4% of LDCs' total exports and most of it takes place within Africa.<sup>3</sup> Data, based mainly on available and partially estimated cross-border trade, indicate an average annual increase of 20% of intra-LDC trade between 2000 and 2013.

**Table 5: Product composition of LDC exports by destination, 2000-2013**

(Billion dollars and percentages)

	Value	Share in LDC exports		Annual % change		
	2013	2000	2013	2012	2013	2000-2013
<b>Agriculture</b>						
World	22.9	100	100	6	7	11
Asia	9.1	30	40	7	10	13
Africa <sup>a</sup>	5.3	16	23	17	0	14
Europe	4.6	37	20	-5	-2	6
Middle East	2.2	7	10	-11	19	13
North America	0.6	7	3	-2	4	2
CIS	0.3	0	1	-12	65	23
South and Central America	0.1	1	1	14	28	7
<b>Fuels and mining products</b>						
World	127.0	100	100	-2	2	17
Asia	72.7	46	57	11	3	19
Europe	24.0	16	19	-5	8	19
North America	13.3	25	10	-23	-15	10
Africa <sup>a</sup>	6.3	4	5	31	5	20
South and Central America	1.9	1	1	4	-2	21
Middle East	1.4	1	1	-21	25	24
CIS	0.0	0	0	-48	-70	28
<b>Manufactures</b>						
World	54.0	100	100	7	14	12
Europe	20.4	41	38	7	10	11
Asia	11.1	14	21	12	12	16
North America	11.0	35	20	-1	9	8
Africa <sup>a</sup>	6.7	6	12	12	8	19
Middle East	1.0	1	2	5	5	16
CIS	0.6	1	1	9	110	19
South and Central America	0.5	0	1	1	8	25

a Includes re-exports.

Source: WTO Secretariat.

<sup>3</sup> Considering that informal cross-border trade especially in Africa is not reported or under-recorded, these figures obviously represent lower-end estimates.

#### 2.2.4 Major markets and their imports structure

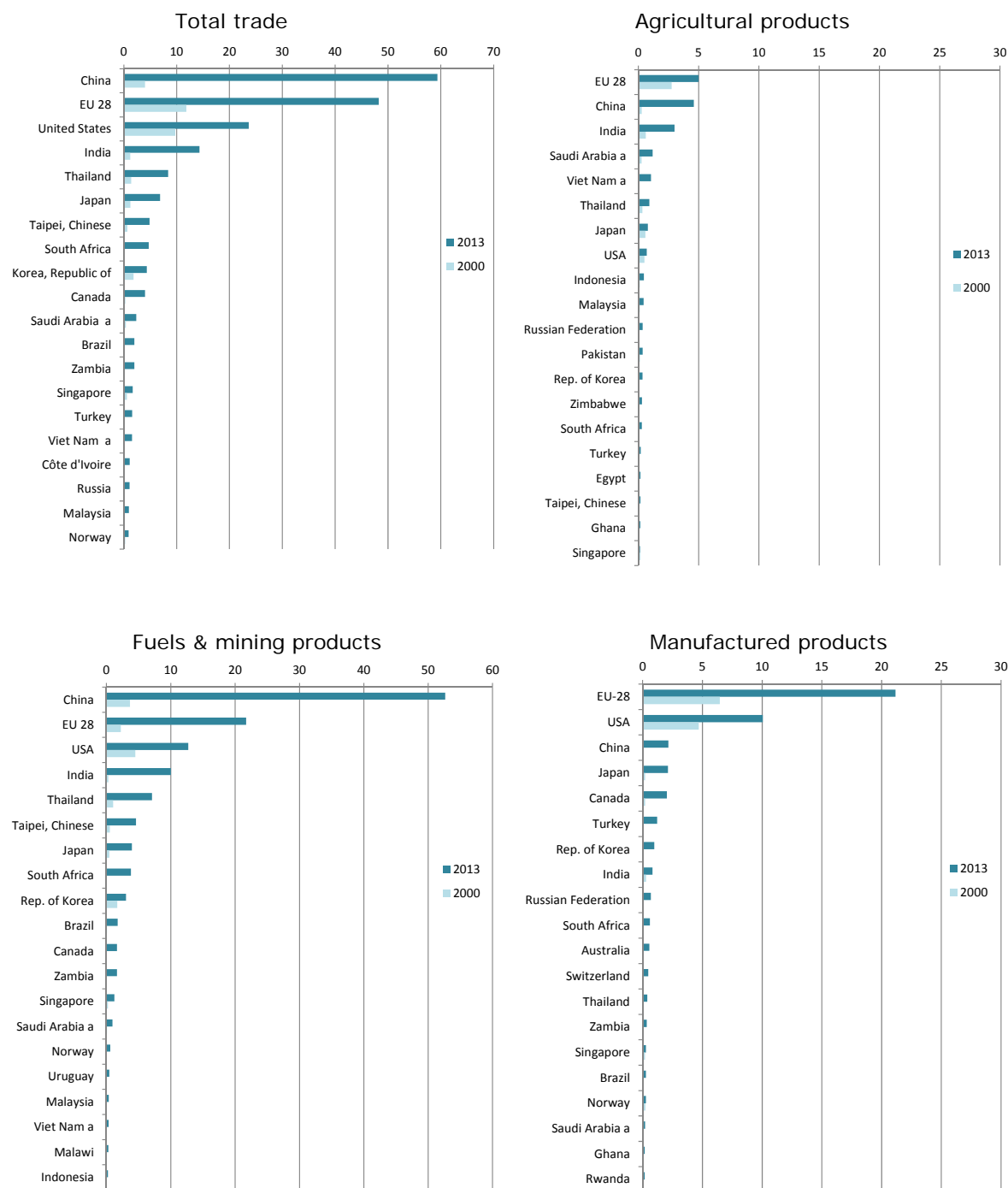
2.17. The product composition of LDC exports by destination indicates that – as in the preceding years - Asia dominates the destination market for primary commodities, both agricultural and fuels and mining products. Fifty-seven per cent of LDC exports of fuels and mining products were destined to Asia in 2013. In the last thirteen years, exports of agricultural products to Africa and Asia grew on average by two-digit rates and thereby contributed to the increase in the shares of these two regions as destination markets for agricultural products. For manufactured products, Europe (38%) and Asia (21%) are the major destination markets. Asia overtook North America in 2013 as second-most-important destination for manufactured products; China's imports of these products from the LDCs increased by 87% in 2013, Japan's imports by 23% and Korea's imports by 37%.

2.18. Chart 10 is based on partner import statistics and shows the top 20 markets for products originating from LDCs. In 2013, the top, three developing partners - China, India and Thailand - registered 7.1%, -3.8% and 10.5% of annual percentage change in their imports from LDCs; the annual percentage change for the top, three development partners were: the European Union (15.4%), Japan (-4.2%) and the United States (-5.4%). As mentioned earlier, the continuous decline in the imports of the United States is linked to the drop in the US-imports of crude oil from LDCs, subsequent to an upsurge in domestic production. In 2013, 3% of the total imports of China, India and Thailand originated from LDCs. The corresponding figures for the European Union, Japan and the United States, were 0.9%, 0.8% and 1.0%, respectively.

2.19. LDCs most important markets for agricultural products in 2013 were the European Union (imports of US\$5.0 billion of agricultural products; average annual percentage change of 4.7% for 2000 to 2013), followed by China (US\$4.6 billion; 24.2% average annual growth) and India (US\$3.0 billion; 12.9% average annual growth). In 2013, the top three importers of fuels and mining products were China (US\$52.6 billion; 22.8% annual growth), the European Union (US\$21.7 billion; 19.1% average annual growth) and the United States (US\$12.7 billion; 8.3% average annual growth). The top three importers of manufactured products originating from the LDCs were the European Union (US\$21.2 billion, 9.5% average annual growth), the United States (US\$10.0 billion, 6.0% average annual growth) and China (US\$2.1 billion, 28.4% average annual growth).



**Chart 10: Top 20 markets for LDC merchandise exports, 2000 and 2013**  
(Billion dollars)



a 2012 instead of 2013.

Source: UN Comtrade database.

### 2.2.5 Differentiation by export specialization

2.20. Table 6 once again confirms the heterogeneous characteristics of LDCs. In the last 13 years, the LDCs that are exporters of fuels and mining products expanded their exports by an annual average of 16%, compared to the 12% increase for exporters of manufactured or agricultural products. Since most of the mineral exporters are in Africa, the weight of this region in the LDC group increased during the period. Nevertheless, in the backdrop of stagnant commodity prices in recent years, exporters of manufactured products registered the highest annual growth (15%) in 2013, while the other two sub-groups, exporters of agricultural and fuels and mining products, recorded more modest growth rates of 2% and 3% in their exports. Imports of LDCs, as a group, grew by an average of 14% per year between 2000 and 2013. Here again, since the import capacity is closely related to export performance, the imports of fuel and mineral exporters grew at a higher pace over the period (16%) than those of exporters of manufactured (12%) and agricultural products (14%).

**Table 6: LDCs' merchandise trade by export specialization, 2000-2013**  
(Billion dollars and percentage)

	Exports					Imports				
	Value	Share in LDCs' exports		Annual percentage change		Value	Share in LDCs' imports		Annual percentage change	
	2013	2000	2013	2013	2000-13	2013	2000	2013	2013	2000-13
LDCs	214.6	100.0	100.0	5	15	243.8	100.0	100.0	7	14
Exporters of fuels and minerals	154.1	60.4	71.8	3	16	124.4	41.3	51.0	9	16
Fuel exporters	115.5	46.5	53.8	2	16	69.8	23.6	28.6	7	16
Exporters of non-fuel minerals	38.6	13.9	18.0	4	17	54.6	17.7	22.4	10	16
Manufacture exporters	43.0	27.7	20.0	15	12	65.4	35.6	26.8	8	12
Exporters of agricultural products	14.7	9.3	6.9	2	12	46.5	19.2	19.1	3	14
Diversified and others	2.8	2.6	1.3	4	9	7.5	4.0	3.1	6	12
African LDCs	150.1	57.6	70.0	1	16	144.6	53.1	59.3	5	15
Fuel exporters	94.6	30.5	44.1	-1	18	44.2	12.4	18.1	1	18
Exporters of non-fuel minerals	36.4	13.0	16.9	4	17	51.5	16.5	21.1	11	16
Exporters of agricultural products	13.7	8.6	6.4	3	12	36.0	15.9	14.8	5	14
Diversified and others	2.8	2.6	1.3	4	9	7.4	4.0	3.1	6	12
Manufacture exporters	2.7	2.9	1.3	10	8	5.4	4.4	2.2	-5	8
Asian LDCs	54.4	30.3	25.3	17	13	83.0	39.1	34.0	10	13
Manufacture exporters	39.4	23.9	18.3	16	12	56.3	28.8	23.1	9	12
Exporters of fuels and minerals	11.7	4.8	5.5	25	16	13.1	5.9	5.4	29	13
Exporters of agricultural products	1.0	0.7	0.5	0	12	10.5	3.2	4.3	-1	17
Diversified and others	0.0	0.0	0.0	0	30	0.0	0.0	0.0	-47	9
Middle East and Caribbean										
Yemen (fuel exporter)	9.2	11.3	4.3	14	6	12.5	5.4	5.1	11	14
Haiti	0.9	0.9	0.4	10	8	3.7	2.4	1.5	17	10
<i>Memorandum items:</i>		<b>Share in world exports</b>					<b>Share in world imports</b>			
World	18816	100.0	100.0	2	9	18890	100.0	100.0	2	8
Developing economies excluding LDCs	7989	29.7	42.5	2	12	7598	27.1	40.2	3	12

Source: WTO Secretariat.

2.21. The commodity composition of African LDCs is shown in Table 7. After a slight decrease in 2012, exports of fuels and mining products stabilized again with a small increase of 0.4% in 2013. In the last 13 years, fuels and mining products gained 19 percentage points share in total African LDCs exports. In contrast, the share of African LDCs' agricultural exports dropped by more than half than it was in 2000. Exports of manufactured products lost 6 percentage points of their share against 2000.

**Table 7: Product composition of African LDC exports, 2000-2013**  
(Billion dollars and percentages)

	Value		Share in total exports		Annual percentage change	
	2013	2000	2013	2012	2013	2000-2013
Agriculture	15.9	21.1	10.6	10.7	1.9	10.4
Food	13.2	14.9	8.8	11.9	5.0	11.8
Raw materials	2.7	6.2	1.8	6.1	-10.8	5.9
Fuels and mining products	112.6	55.9	75.0	-0.4	0.4	19.1
Fuels	93.5	48.6	62.3	-0.1	-0.3	18.7
Non-fuel minerals	19.1	7.3	12.7	-1.8	4.0	21.5
Manufactures	12.0	14.4	8.0	13.3	5.4	11.2
Textiles and clothing	1.2	3.0	0.8	-8.5	5.5	5.0
Total merchandise exports	150.1	100.0	100.0	1.5	1.0	16.4

Source: WTO Secretariat.

2.22. The export structure of Asian LDCs is traditionally dominated by manufactures, with a 76% share of their total exports in 2013 (Table 8). Between 2000 and 2013, Asian LDCs' export value of fuels and mining products increased on average by 23% per year while agriculture exports increased with an average rate of 12%. The share of fuels and mining products increased by 7.1 percentage points between 2000 and 2013 while the share of manufactures decreased by 5.1 percentage points.

**Table 8: Product composition of Asian LDC exports, 2000-2013**  
(Billion dollars and percentage)

	Value		Share in total exports		Annual percentage change	
	2013	2000	2013	2012	2013	2000-2013
Agriculture	6.4	13.1	11.8	-3.5	19.3	12.2
Food	3.7	9.4	6.8	-3.9	18.0	10.3
Raw materials	2.7	3.7	5.0	-3.0	21.1	15.9
Fuels and mining products	6.0	3.9	11.0	-3.4	11.7	22.5
Fuels	5.0	3.7	9.1	-3.3	16.3	21.3
Non-fuel minerals	1.0	0.2	1.9	-4.0	-6.0	32.6
Manufactures	41.1	80.8	75.5	5.0	17.2	12.5
Textiles and clothing	32.6	67.5	60.0	4.1	17.3	12.1
Total merchandise exports	54.4	100.0	100.0	3.4	16.5	13.1

Source: WTO Secretariat.

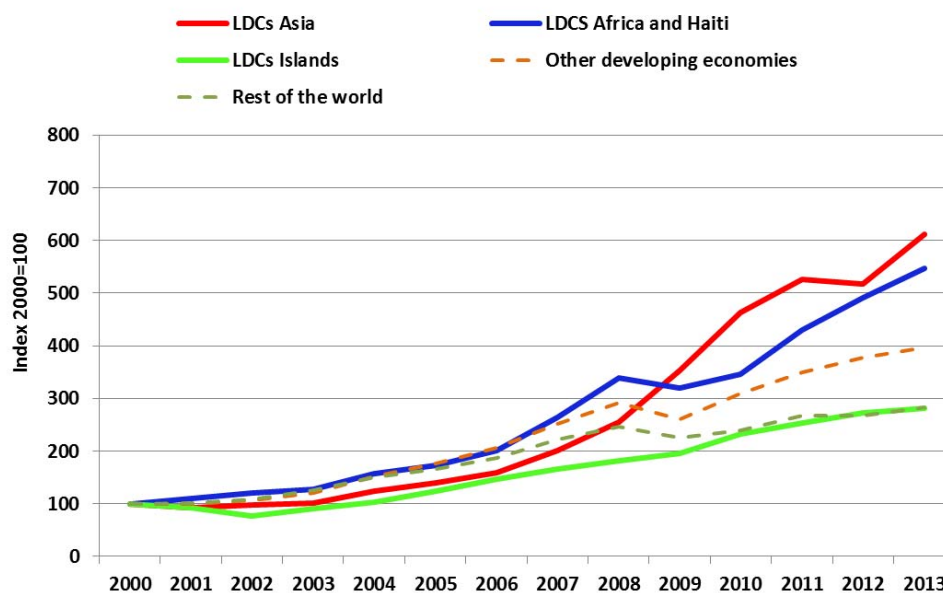
### 2.3 Developments in Trade in Commercial Services

2.23. In 2013, LDC exports of commercial services reached US\$31.7 billion growing by 13%. On the import side, the value reached US\$73.5 billion, growing by a modest rate of 2%. In 2013, the LDCs' accounted for 0.7% of world exports and 1.7% of world imports of commercial services. Although at 0.7%, the overall participation in world exports remains miniscule, the trend is encouraging: since 2000, LDC exports of commercial services have been growing on an annual average of 14%, much more rapidly than other developing economies (11%) and the rest of the world (8%). In more recent years, growth was fuelled by LDCs in Asia, due to the significant performances of Cambodia as a leading tourism destination, of Bangladesh as an emerging ICT exporter and, of Afghanistan as construction supplier.<sup>4</sup> According to Secretariat estimates, in 2013, Afghanistan ranked as the largest LDC exporter of commercial services with a share of 10% of LDCs' total services exports. In 2013, LDCs in Asia exported commercial services worth US\$11.6 billion, up by 18% compared to 2012.

2.24. In African LDCs, the services sector benefitted in particular from Ethiopia's rise as air transportation services supplier and from Tanzania's and Uganda's attraction as tourism exporters. In particular, in the period 2000-2013, Uganda's exports had grown by 20% on average per year. In 2013, the bulk of LDCs' services receipts originated from LDCs in Africa whose exports rose by 11% with earnings worth of US\$19.3 billion. Export expansion, however, was not as rapid in LDCs' Islands whose services sector is less diversified. LDCs' Islands' exports of commercial services increased by 4% in 2013 reaching US\$784 million.<sup>5</sup>

**Chart 11: Commercial services exports by economic grouping, 2000-2013**

(Index 2000=100)



Source: WTO-UNCTAD estimates.

2.25. According to Secretariat estimates, in 2013, "computer and information services" was the LDCs' most dynamic service sector, recording a 23% growth, mirroring trade trends at the global level.<sup>6</sup> Although exports from LDCs' IT services sector are still at a small scale, and concentrated on few economies, it has been expanding, particularly in Asian LDCs, where exports grew by 27% in 2013.

<sup>4</sup> The high value of services export recorded in Afghanistan is largely related to servicing non-resident military and civilian organizations based in the country.

<sup>5</sup> The breakdown of LDCs by region is coherent with UNCTAD's definition.

<sup>6</sup> Preliminary WTO-UNCTAD estimates.

**Table 9: LDCs' commercial services exports by category, 2000-2013**

(Million dollars and percentage)

Value	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Commercial services	5,713	5,870	6,302	6,668	8,220	9,150	10,524	13,588	17,337	18,566	21,699	25,901	27,970	31,705
Transport	1,179	1,224	1,319	1,456	1,679	2,095	2,401	2,778	3,459	3,247	4,190	5,633	6,316	7,504
Travel	2,546	2,841	3,137	3,315	4,146	4,810	5,366	7,246	9,419	9,262	9,838	11,471	12,947	14,203
Other commercial services <sup>7</sup>	1,989	1,805	1,846	1,897	2,394	2,245	2,757	3,564	4,459	6,056	7,671	8,798	8,707	9,998
<b>Growth Rate</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>
Commercial services	3	3	7	6	23	11	15	29	28	7	17	19	8	13
Transport	1	4	8	10	15	25	15	16	25	-6	29	34	12	19
Travel	1	12	10	6	25	16	12	35	30	-2	6	17	13	10
Other commercial services	8	-9	2	3	26	-6	23	29	25	36	27	15	-1	15
<b>Structure</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>
Commercial services	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Transport	20.6	20.9	20.9	21.8	20.4	22.9	22.8	20.4	20.0	17.5	19.3	21.7	22.6	23.7
Travel	44.6	48.4	49.8	49.7	50.4	52.6	51.0	53.3	54.3	49.9	45.3	44.3	46.3	44.8
Other commercial services	34.8	30.8	29.3	28.4	29.1	24.5	26.2	26.2	25.7	32.6	35.4	34.0	31.1	31.5

Source: WTO and UNCTAD Secretariat estimates.

<sup>7</sup> The aggregate "other commercial services" covers communications services, construction, insurance services, financial services, computer and information services, royalties and licence fees, other business services, and personal, cultural and recreational services.

**Box 1: Services value added in LDCs**

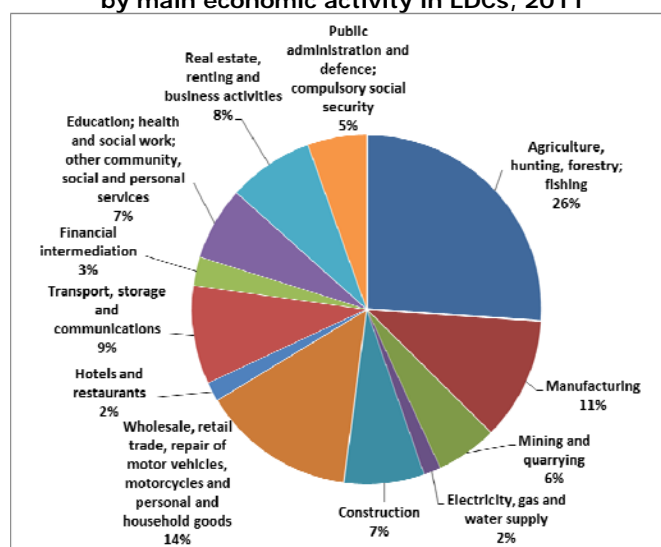
The lower participation of LDCs in services export (0.7% of world trade) compared to goods (1.2%) reflects, among other things, the smaller domestic supply base. According to Secretariat estimates, the share of commercial services in total GDP (excluding public administration and defence and compulsory social security) in LDCs averaged 43% in 2011, significantly less than in higher-income economies (above 70%) and in middle-income economies (over 50%)

In general, most of the economy is dominated by a large agricultural sector which represents more than a quarter of their total value added and employs almost two-thirds of the LDCs' population. It is worth noting that the agricultural sector in high-income economies accounted for less than 2% of value added and 3% of employment.

Among those services, wholesale and retail trade, as well as repairs, totalled 14% of LDCs' total value added, followed by transport and storage (7%) and communications (2%). Financial intermediation activities represented 3%, whereas it represented 6% of world's leading financial services traders. Similarly, value added from real estate, renting and business activities totalled 8% in LDCs compared to over 27% in the European Union.

Despite the importance of tourism in LDCs as key service export sector, the contribution of hotels and restaurants accounted for only 2% of their total GDP. Overall, value added from education, health and social work and other community, social and personal services accounted for 7%. Construction, not included under services in national accounts, represented alone 7% of the total.

**Chart: Estimated breakdown of value added by main economic activity in LDCs, 2011**

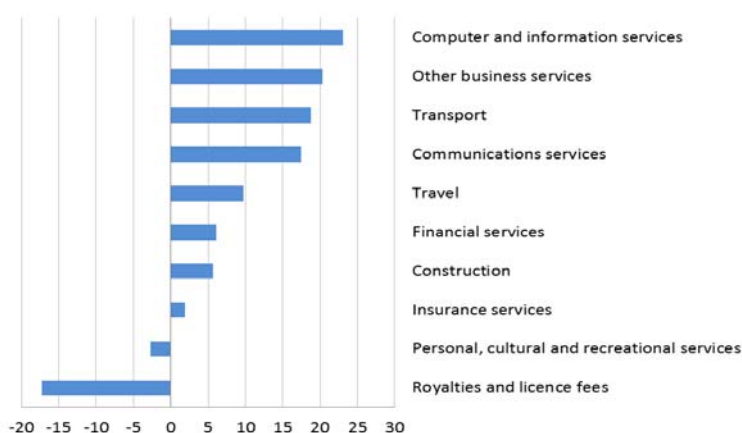


Source: WTO estimates on the basis of LDCs' National Accounts statistics.

2.26. "Other business services", a basket category grouping all business, professional, and technical services, operational leasing services, as well as merchanting and other trade-related services, rose by 20%. Unfortunately, the lack of disaggregated data under this category hinders the identification of the specific type of exported services.

2.27. In 2013, transportation services exports continued to thrive, principally driven by African LDCs, whose transport receipts increased by 20%. After a decline in 2012, LDCs' communications services expanded by 17% in 2013, led by LDCs in Asia. Travel exports which cover the expenditure on goods and services by foreign travellers during their stay in LDCs, increased by 10%. More modest increases were recorded in financial services and construction exports, which increased both by 6%. Finally, in 2013, a negative export growth was recorded for personal, cultural and recreational services, which includes also audio-visual services, and royalties and licence fees.<sup>8</sup>

**Chart 12: LDC exports by main service sector, 2013**  
(Annual percentage change)



Source: WTO-UNCTAD estimates.

2.28. In general, the LDCs' services exports are dominated by low- to middle-skilled services sectors, such as travel (tourism) and transport. Their aggregate contribution, in 2013, reached 68.5% of total services exports compared to 54.4% for other developing economies and 39.9% for the developed countries. However, it should be noted that since these sectors are labour-intensive they reach out to a potentially large share of the population, thus creating employment opportunities in the LDCs. In 2010, in Ethiopia, employment in hotels and restaurants and in transport and storage activities was over 12% of the total employment.<sup>9</sup> In Uganda, according to a recent business census, the accommodation and food services sector alone accounted for 14.3% of total employment in 2011.<sup>10</sup>

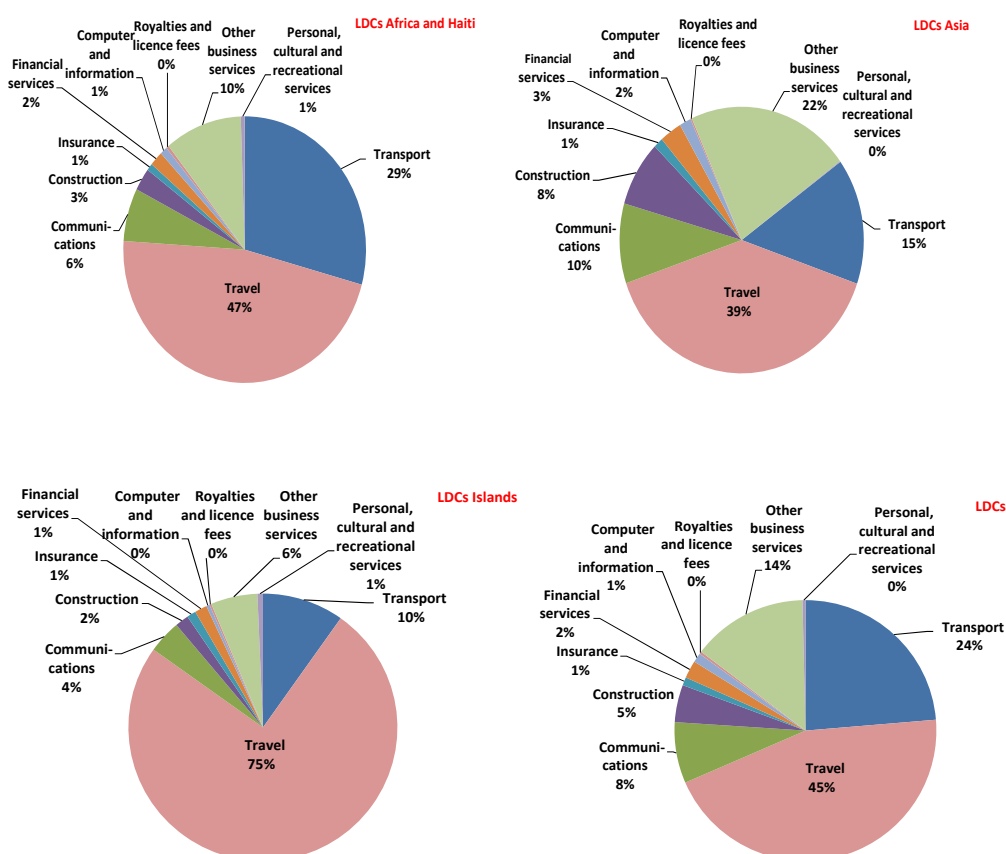
<sup>8</sup> Data quality issues continue to affect import services statistics (except for the categories transport and travel). Thus, at present, it is not possible to provide a similar breakdown by sector for imports for any geographical region/economic grouping.

<sup>9</sup> Source: ILO ILOSTAT database.

<sup>10</sup> Source: Uganda Bureau of Statistics, Statistical Abstract 2012.

2.29. The structure of commercial services exports varies substantially from LDC to LDC. Although travel receipts, estimated at \$14.2 billion in 2013, continue to account for the majority of LDC exports of commercial services, its importance varies across regions. Travel exports were predominant in LDC Islands (75.1%) and accounted for roughly half of African LDCs' exports (46.8%). However, their relative contribution was much smaller in Asian LDCs, totalling 39.4% of their total commercial services exports. An estimated 86% of foreign travellers' expenditure in LDCs related to trips undertaken for personal reasons, essentially for tourism purposes and expatriate workers visiting home, while 14% related to travel to LDCs for business reasons. Overall, in 2012, travel exports contributed to 1.7% of LDCs GDP.

**Chart 13: Estimated structure of LDC commercial services exports by region, 2013**  
(Percentage shares)



Note: The breakdown of LDCs by region is coherent with UNCTAD's definition.

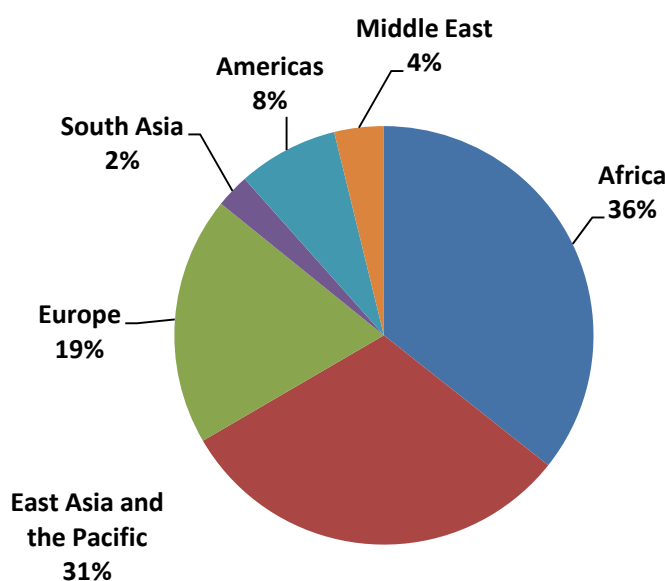
Source: WTO-UNCTAD estimates.

2.30. According to Secretariat estimates based on UNWTO data, in 2011, the latest available year, more than one-third of international tourists to LDCs originated from Africa, while 31% arrived from East Asia and the Pacific. European tourists accounted for 19% of total international arrivals. The Middle East and South Asia contributed, respectively, with 4% and 2% of tourists to the LDCs.



**Chart 14: International tourist arrivals to LDCs by region of origin, 2011**

(Percentage shares)

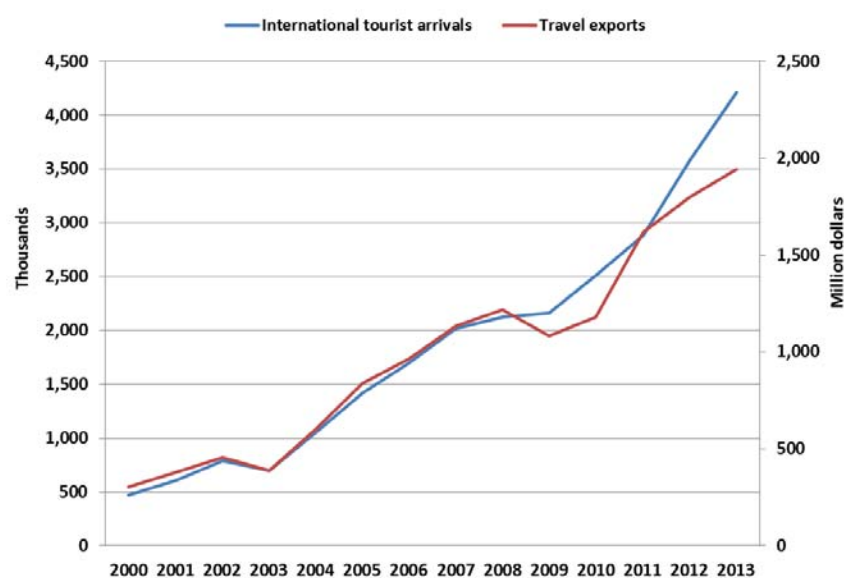


Source: WTO estimates based on UN World Tourism Organization data.

2.31. In 2013, more than 4 million foreign tourist arrivals were recorded in Cambodia, the largest LDCs travel exporter, up from some 460,000 in 2000. Some 20% of foreign tourists originated from Viet Nam, followed by China (11%) and the Republic of Korea (10.3%) International tourists spent on average \$462 during their stay in the country.

**Chart 15: Cambodia: International tourist arrivals and travel exports, 2000-2013**

(Thousands and million dollars)

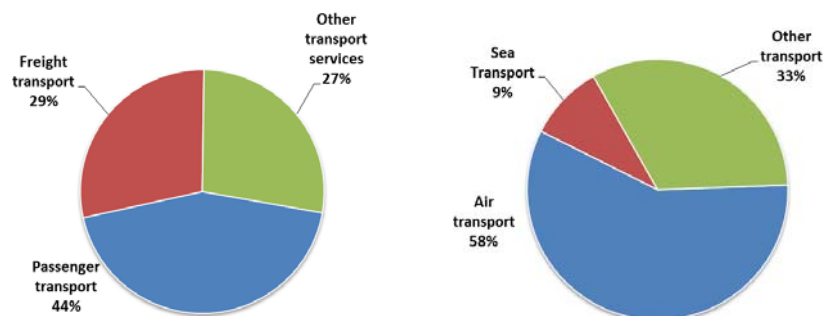


Source: Cambodia Ministry of Tourism, IMF and WTO estimates.

2.32. Transport exports, which attained US\$7.5 billion in 2013, are an important source of revenue in particular for African LDCs, where they accounted for 29% of services exports. This share is particularly high due to Ethiopia and Tanzania the leading LDCs transport exporters, which together made up for 37.8% of LDCs' transport exports in 2013. The contribution of the transport sector was somewhat lower for the Asian LDCs (15%) as well as the LDCs' Islands (10%).

2.33. In 2012, according to Secretariat estimates most LDCs' transport services transactions related to passenger transport (44%), followed by transport of freight (29%) and other transport services (27%). The modal breakdown of transport shows that, in the same year, 58% of LDCs' transport exports related to air transport, mostly passenger transport by air, while "other transport services", which includes, *inter alia*, road and rail transport as well as pipeline transport and electricity transmission, represented 33% of LDCs' transport receipts. Sea transportation services exports accounted for only 9% of total transport exports.

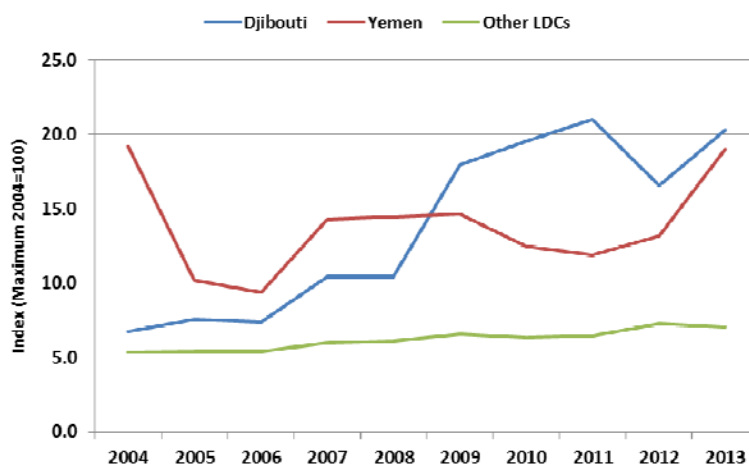
**Chart 16: Estimated structure of LDC transport exports by kind of transport service and by mode of transport, 2012**  
(Percentage shares)



Source: WTO estimates.

2.34. Although it should be taken into account that many LDCs are landlocked (16), it is also a fact that the LDCs are not yet well integrated into global sea transport services; actually, most of sea transport services are of short-range coastal navigation. The UNCTAD's Liner Shipping Connectivity Index (LSCI), which aims at capturing a country's level of integration into global liner shipping networks<sup>11</sup>, shows very low values for the LDCs. Among the LDCs, in 2013, the highest values were found for Djibouti and for Yemen, followed by a distance by other LDCs (Chart 17). According to available data, Mozambique recorded the highest receipts from sea transportation services among LDCs, at US\$141 million in 2012, up by 65% compared to 2011. Djibouti's exports stood at US\$62.6 million, while Yemen's exports were at US\$41.7 million in 2011.

**Chart 17: Liner Shipping Connectivity Index (LSCI) in selected LDCs**  
Index (Maximum 2004=100)



Source: UNCTAD.

<sup>11</sup> The index base year is 2004 on a country showing a maximum figure (China). The LSCI is generated from five components: (a) the number of ships; (b) the total container-carrying capacity of those ships; (c) the maximum vessel size; (d) the number of services; and (e) the number of companies that deploy container ships on services from and to a country's ports.

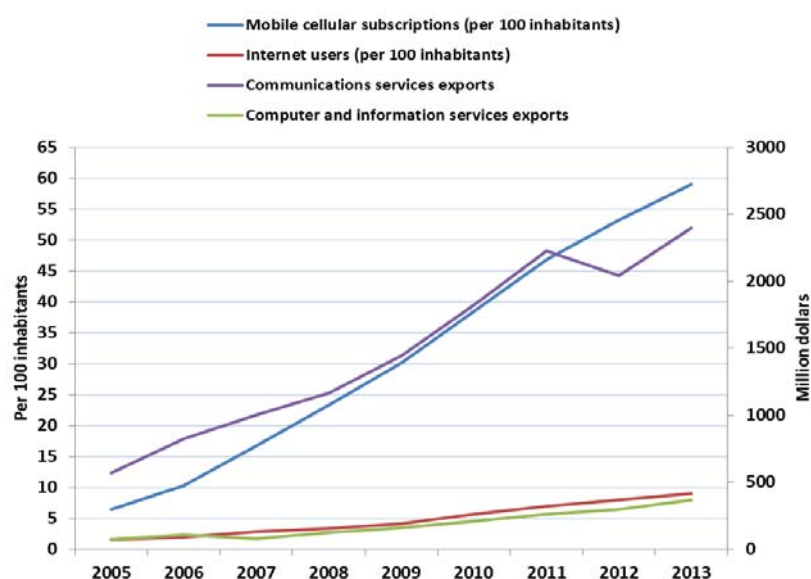
2.35. The LDCs' air transport service sector is witnessing the increasing global participation of Ethiopia; its exports increased by 10% in 2012, the latest available year. According to the International Civil Aviation Organization (ICAO), in 2012, Ethiopia ranked 36<sup>th</sup> for international air passengers transport, and 30<sup>th</sup> for international air freight transport.<sup>12</sup> Ethiopia's international operations made up between 98%-99% of total air transport services provided by the country. Air transportation services exports are also growing rapidly in other LDCs, although at a relatively smaller scale. For example, in 2012, Mozambique's and Tanzania's exports rose by more than 30%.

2.36. The telecommunications sector has been growing very rapidly in LDCs over recent years. In 2013, almost 60% of the LDCs' population had a mobile phone subscription compared to only 6% in 2005.<sup>13</sup> In LDCs, mobile networks are often the main communications network in particular in rural areas, where they replace fixed-telecommunication lines.

2.37. However, differences exist among individual LDCs with respect to access to mobile communications. For example, in Cambodia, mobile phone subscriptions stood at 134%, followed by Mali with 129%, and Mauritania at 103% - meaning that each inhabitant in these countries had at least one subscription, and some had more than one. On the opposite end, in Eritrea, only 6% of the people had subscribed to a mobile phone.

**Chart 18: Mobile cellular subscriptions, internet users and communications services exports in LDCs, 2005-2013**

(Per 100 inhabitants and million dollars)



Source: WTO estimates based on ITU statistics and WTO-UNCTAD estimates.

2.38. Despite these disparities among individual countries, the fast rise of mobile telephony resulted in a dramatic expansion of LDCs' communications services exports. Exports have been growing by 16% on average per year since 2000 reaching a value of around US\$2.4 billion in 2013 and LDCs' participation in world exports of communications services reached 2%, the largest achieved by the group.<sup>14</sup>

2.39. Communications is the largest individual services export sector in the LDCs, after travel and transport, with a share in total commercial services exports of 4% in LDCs' Islands, 6% in LDCs in Africa (and Haiti), and 10% in Asian LDCs with the highest receipts in Bangladesh and Nepal. In the latter, in particular, exports expanded by 54% in 2013, after a 135% surge in 2012.

<sup>12</sup> ICAO, Annual Report of the Council, 2012.

<sup>13</sup> Aggregate calculated by WTO Secretariat on the basis of ITU statistics, on [www.itu.int](http://www.itu.int).

<sup>14</sup> Telecommunications services in Balance-of-Payments statistics encompass the transmission of sound, images or other information by telephone, telex, telegram, radio and television cable and broadcasting, satellite, electronic mail, facsimile services etc. Also included are cellular telephone services, Internet backbone services and on-line access services, including provision of access to the Internet.

2.40. While mobile telecommunications showed a remarkable increase in 2013, only 9% of LDCs' inhabitants used the Internet. By contrast, in developed economies, in the same year, this share rose to 78%.<sup>15</sup> Among the LDCs, the highest Internet penetration rates were found in LDCs' Islands with 16% of individuals using the Internet, pointing to the importance of the Internet as a powerful tool to overcome geographical remoteness. In Asian LDCs on average 12% of individuals used the Internet with the greatest numbers in Bhutan (29.9%) and Yemen (20%). In general, in 2013, Internet penetration rates fell considerably in African LDCs where the Internet was used only by 7% of the inhabitants, with the lowest levels found in Eritrea with less than 1%.

2.41. Infrastructural constraints, limited international Internet bandwidth coupled with high prices and low level of skills may be among the factors hindering access of LDCs' population to the Internet, in particular through broadband. The computer and information services exports account for only 1% of LDCs' total commercial services exports. Internet access is a prerequisite for supplying computer services internationally, which takes place mostly through electronic means. In the future, mobile broadband services could help overcome these difficulties.

2.42. In 2013, construction accounted for 4.6% of total commercial services exports of LDCs with an estimated value of US\$1.5 billion. The share of construction is particularly high in Asian LDCs (8%) mainly due to Afghanistan's surge as construction exporter. Afghanistan alone accounted for more than half of total construction exports by the LDCs. Uganda ranked second with a contribution of over 16%. It should be noted that in balance-of-payments statistics "construction" covers not only work undertaken in foreign economies ("construction abroad") but also the local supply of construction goods and services to foreign building companies present in the territory ("construction in the compiling economy"). The bulk of LDCs' construction exports, such as that of Afghanistan, relate to the latter category. In the case of Uganda, operations were equally split between construction undertaken abroad and work within the country.

2.43. The overall contribution of "other business services" to LDCs' services exports remains low (14.3%) compared to other economies (26.9%). In 2013, in LDCs' Islands and in African LDCs, exports of other business services were estimated at, respectively, 6% and 10%, while in Asian LDCs they totalled 22% mainly due to Afghanistan's and Bangladesh's exports. Exports of higher-skilled services from LDCs (finance, insurance, royalties and licence fees) remained marginal (less than 4% altogether).

#### **2.4 Trade Balance in Goods and Services**

2.44. The structural vulnerability of LDCs is not only related to its high dependence on a few export products, but also from the fact that most of these economies register a balance-of-payment deficit in their trade balances. As shown in chart 19, only five countries had positive trade balances in 2013. In some cases, the deficit is very high in relation to domestic product (GDP) and cannot be sustained without external income flows from official assistance, foreign capital or workers' remittances. For example, the largest gaps registered by Liberia and Tuvalu reflect imports of ships that are financed by foreign investors who operate the ships under flags of convenience. Similarly, greenfield foreign investments (see Box 2) result in imports of capital goods.<sup>16</sup>

<sup>15</sup> On the basis of ITU aggregate "developed economies".

<sup>16</sup> A WTO working paper by Escaith and Tamenu (2013) reviews the role of worker remittances and official assistance in financing part of the trade deficit.

### Box 2: LDCs and Foreign Direct Investment (FDI) inflows

According to UNCTAD, in 2013, LDCs' FDI inflows reached US\$28 billion, up by 14% compared to 2012. Inflows to the LDCs are still relatively small, representing only 1.9% of global inflows but they are rising steadily. In 2013, the main FDI beneficiaries were Mozambique, Sudan, Myanmar, the Democratic Republic of Congo and Equatorial Guinea.

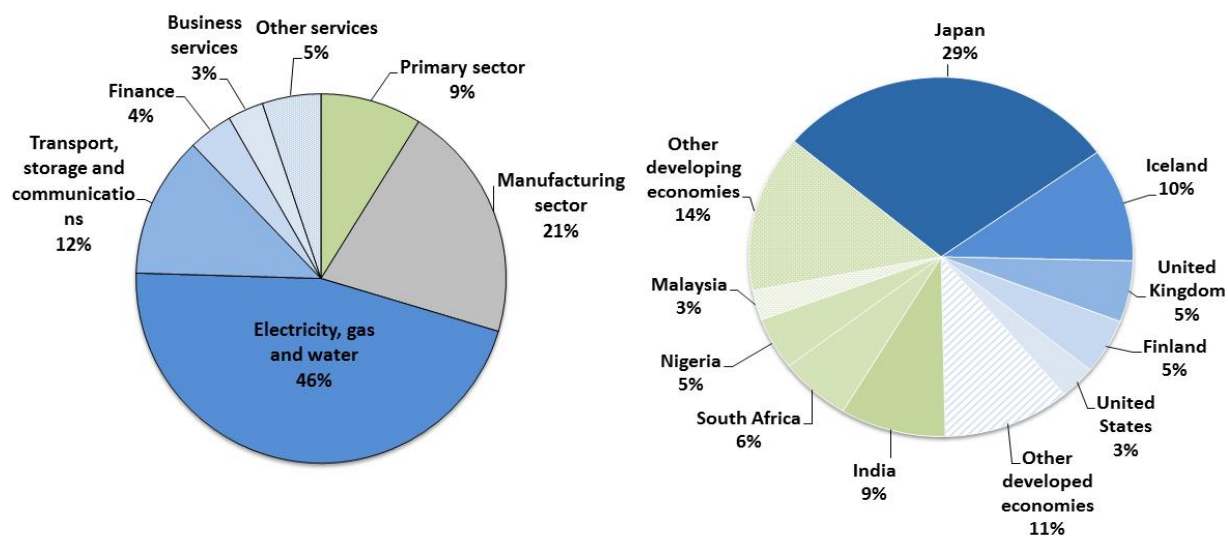
In general, FDI to the LDCs takes the form of greenfield projects. In 2013, around 70% of the projects concentrated in the services sector, in particular, in utilities (46%) and transport, storage and communications (12%). Finance was the third largest group with 3.9% share. Business services accounted for 3.1% of total greenfield projects.

In 2013, investment from developed economies rebounded. They contributed to 64% of all greenfield projects in the LDCs, with Japan ranking as the single largest investor with a share of 29%, followed by Iceland with 10%. Both economies' investment was related to electricity production. Japan targeted mainly Myanmar for the construction of a fossil fuel electric power project, while Iceland announced the building of a geothermal power station in Ethiopia.

India remained the largest investor among developing economies, with investment focused on African LDCs in the energy sector and telecommunications. South Africa and Nigeria ranked second and third, respectively, with announced projects' values tripling compared to 2012. South Africa's investment was concentrated especially in Mozambique while Nigeria targeted five LDCs in Africa and one in Asia (Nepal).

#### Greenfield FDI projects in LDCs by main industry and by origin, 2013

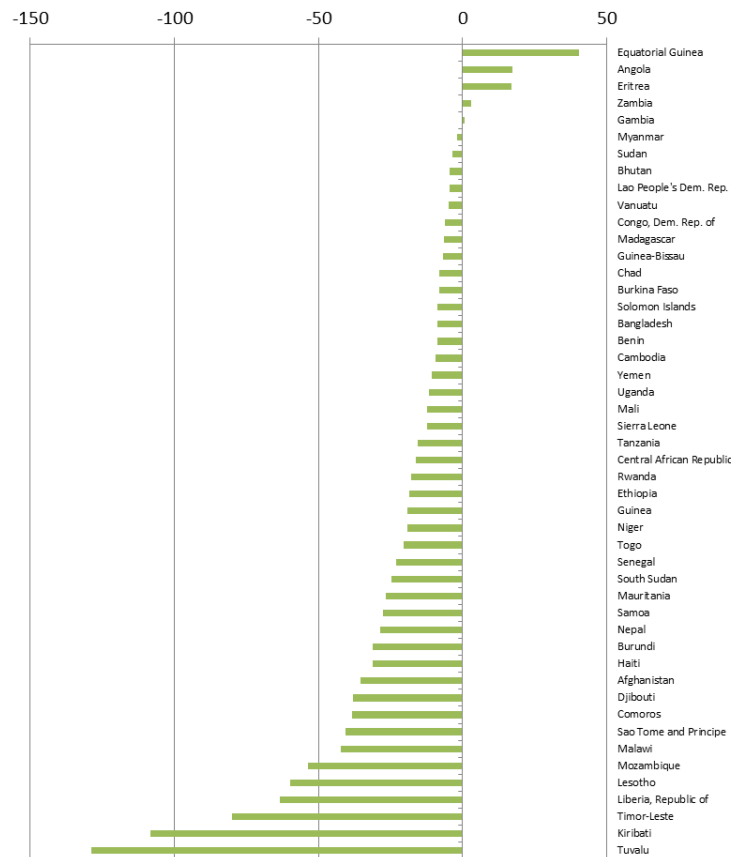
(Percentage shares)



Source: UNCTAD World Investment Report 2014.

**Chart 19: Trade balance of goods & commercial services (BOP), as a percentage of GDP, 2013**

(Percentage)



Source: WTO Secretariat estimates and World Bank (for GDP).

#### 2.4.1 Merchandise trade balance

2.45. As already pointed out in previous reports, with the exception of the three years prior to the global economic crisis (2006, 2007 and 2008), the merchandise trade balance of the LDCs as a group remained in deficit. The overall favourable trade balance recorded in those three years were entirely the result of huge surpluses enjoyed by the fuel exporters which managed to surpass the deficits incurred by non-fuel exporting LDCs. In 2013, the LDCs registered a new high trade deficit of US\$29 billion.

**Table 10: Coverage ratios of merchandise trade of the LDCs, 2000-2013**  
(Ratio of groups' merchandise exports to imports, expressed in percentage)

	2000	2006	2007	2008	2009	2010	2011	2012	2013
Developing economies	105	113	111	109	107	106	107	106	105
Least-developed countries	83	103	103	104	83	96	97	90	88
fuel exporters	164	207	205	214	139	189	196	173	166
non-fuel exporters	58	60	56	52	53	58	59	56	57
agricultural exporters	40	32	33	31	33	34	38	32	32
manufacture exporters	65	65	60	56	57	58	59	62	66
mineral exporters	65	82	77	71	70	81	77	75	71
diversified and others <sup>a</sup>	55	41	32	31	40	43	41	38	37

Source: WTO Secretariat.

2.46. While a few countries dominate the merchandise exports of LDCs (The first ten major exporters account for some 80% of LDCs' total merchandise exports), imports are relatively less concentrated, as the major ten importers account for 62% of the total merchandise imports of LDCs. Once again, differentiation among the LDCs is necessary to gauge the trade balances of different category of exporters. Only the fuel exporters among the LDCs traditionally show up with a positive trade balance (i.e. a coverage ratio of imports by exports above 100), while the non-fuel exporters are characterized by systemic and growing trade deficits. In 2013, fuel exporters recorded a trade surplus of US\$46 billion; while non-fuel exporters registered high trade deficit of US\$75 billion. Agricultural exporters, comprising 20 LDCs, had the largest trade deficit. In 2013, for example, only 32% of their imports were covered by their merchandise exports, with a trade deficit of US\$32 billion. The seven exporters of predominantly manufactured products achieved at least a coverage ratio of 66% in 2013 (trade deficit of US\$22 billion). In the last 13 years, non-fuel exporters' trade deficit increased by 14% per year on average; while the surplus of fuel exporters grew by 16%.

2.47. When considering individual countries, only seven - Angola, Chad, Congo (Democratic Republic), Sierra Leone, Tuvalu and Zambia - posted positive trade balances in 2013. Among them, Angola markedly led with a surplus of US\$44 billion. Ethiopia and Afghanistan, on the other hand, posted the highest trade deficits in 2013 (US\$9.5 billion and US\$8.2 billion, respectively).

2.48. The highest positive trade balances of goods in relation to GDP were observed for Equatorial Guinea (share of +61%), Angola (share of +35%) and Eritrea (+14%) in 2013 (see chart 20). Other LDC economies with positive ratios for merchandise trade were Chad and Zambia. All the other LDCs showed negative shares, with Kiribati (-75%), Liberia (-74%) and Timor-Leste (-52%) at the end of the scale. For Kiribati and Liberia, the main reasons for the high negative shares are the "imports" of ships (often under flag of convenience) which are registered as merchandise trade statistics.

**Table 11: LDCs' merchandise trade balance by product groups, 2000-2013**

(Billion dollars)

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>Total merchandise</b>	<b>-7.3</b>	<b>-11.1</b>	<b>-9.7</b>	<b>-14.1</b>	<b>-10.5</b>	<b>-4.7</b>	<b>2.9</b>	<b>3.6</b>	<b>6.0</b>	<b>-26.0</b>	<b>-7.0</b>	<b>-4.3</b>	<b>-18.4</b>	<b>-29.2</b>
Agriculture <sup>a</sup>	-1.9	-2.3	-3.1	-4.1	-4.5	-5.3	-6.6	-9.3	-15.2	-14.4	-17.6	-23.4	-23.3	-25.7
Fuels	10.5	10.1	12.7	15.1	23.0	37.2	47.5	62.8	87.7	52.3	63.7	75.5	75.2	72.5
Non-fuel minerals	1.1	1.5	1.5	1.6	2.6	3.3	6.6	8.0	10.0	7.8	13.2	16.5	15.9	16.4
Manufactures	-17.5	-18.9	-20.7	-25.0	-31.7	-39.3	-48.6	-59.3	-78.7	-74.8	-89.1	-106.4	-114.7	-115.8

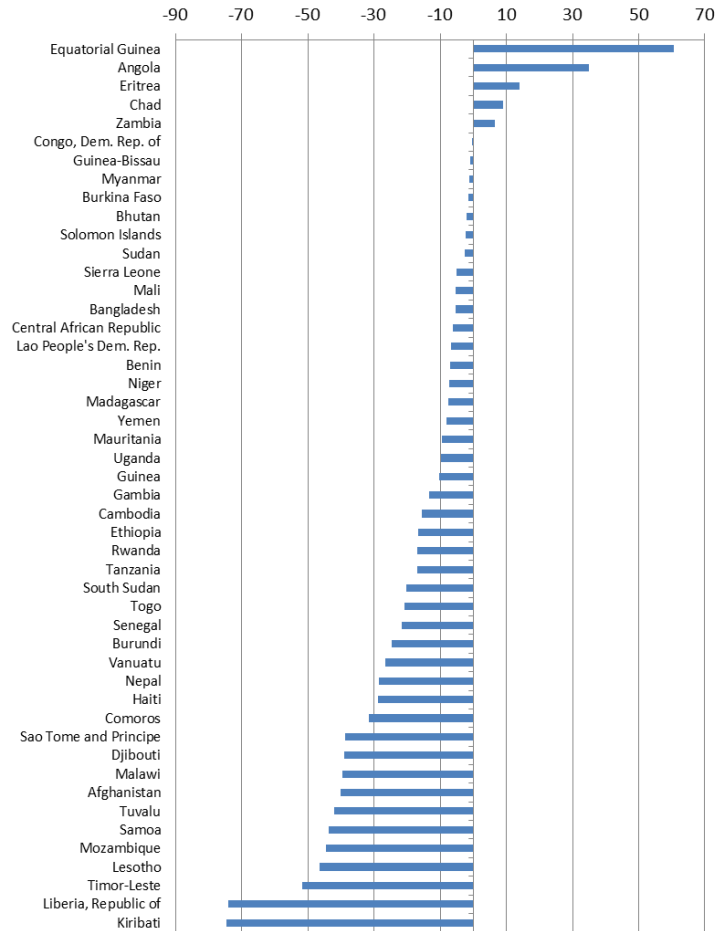
a Includes forestry and fishery products.

Note: Trade balances for the respective product groups are estimated based on WTO network of world merchandise trade by products and regions and refer to FOB valuation on both export and import sides. These estimates do not add up to the total merchandise trade balances, which are calculated from official statistics and calculated as FOB-based exports minus CIF-based imports.

Source: WTO Secretariat.



**Chart 20: Trade balance of goods (BOP), as a percentage of GDP, 2013**  
(Percentage shares)



Source: WTO Secretariat estimates and World Bank (for GDP).

#### 2.4.2 Trade balance in commercial services

2.49. The LDCs, as a group, are net commercial services importers. Over the years, the LDCs' services trade deficit has widened reaching US\$41.8 billion in 2013 up from US\$7.4 billion in 2000. However, while both the transport sector and "other commercial services" sectors have experienced persistent trade deficits, travel (tourism) has been recording an expanding surplus since 2000. In 2013, the travel surplus attained US\$7.1 billion.

**Table 12: LDCs' commercial services trade balance by broad service sector, 2000-2013**  
(Billion dollars)

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>Total commercial services</b>	-7.4	-9.2	-8.5	-9.8	-12.9	-17.0	-19.6	-26.4	-38.0	-32.6	-33.4	-42.5	-43.9	-41.8
Transport	-4.9	-5.3	-5.7	-6.8	-8.5	-10.3	-11.2	-14.4	-19.9	-18.4	-19.7	-22.6	-24.3	-24.3
Travel	0.3	0.7	1.0	1.0	1.3	1.1	0.5	1.7	2.9	3.3	2.9	3.9	5.8	7.1
Other commercial services	-2.8	-4.6	-3.8	-4.0	-5.6	-7.8	-8.9	-13.7	-21.0	-17.5	-16.6	-23.9	-25.4	-24.6

Source: WTO-UNCTAD estimates.

2.50. In 2013, on average, the LDCs could finance only 43.1% of their commercial services imports through exports, while for other developing economies the coverage reached 362%. The import coverage ratio was even lower in LDCs in Africa (and Haiti), at 33.8%, recovering after the recession years. By contrast, in LDCs' Islands, the ratio has declined progressively since 2000 to 67.9% in 2013. In Asian LDCs, exports covered more than 76% of imports, compared to 58.8% in 2000. It is significant that LDCs' travel receipts covered alone 19.3% of LDCs' commercial services imports.

**Table 13: Coverage ratios of commercial services trade of the LDCs, 2000-2013**  
(Ratio of groups' total exports to imports, expressed in percentage)

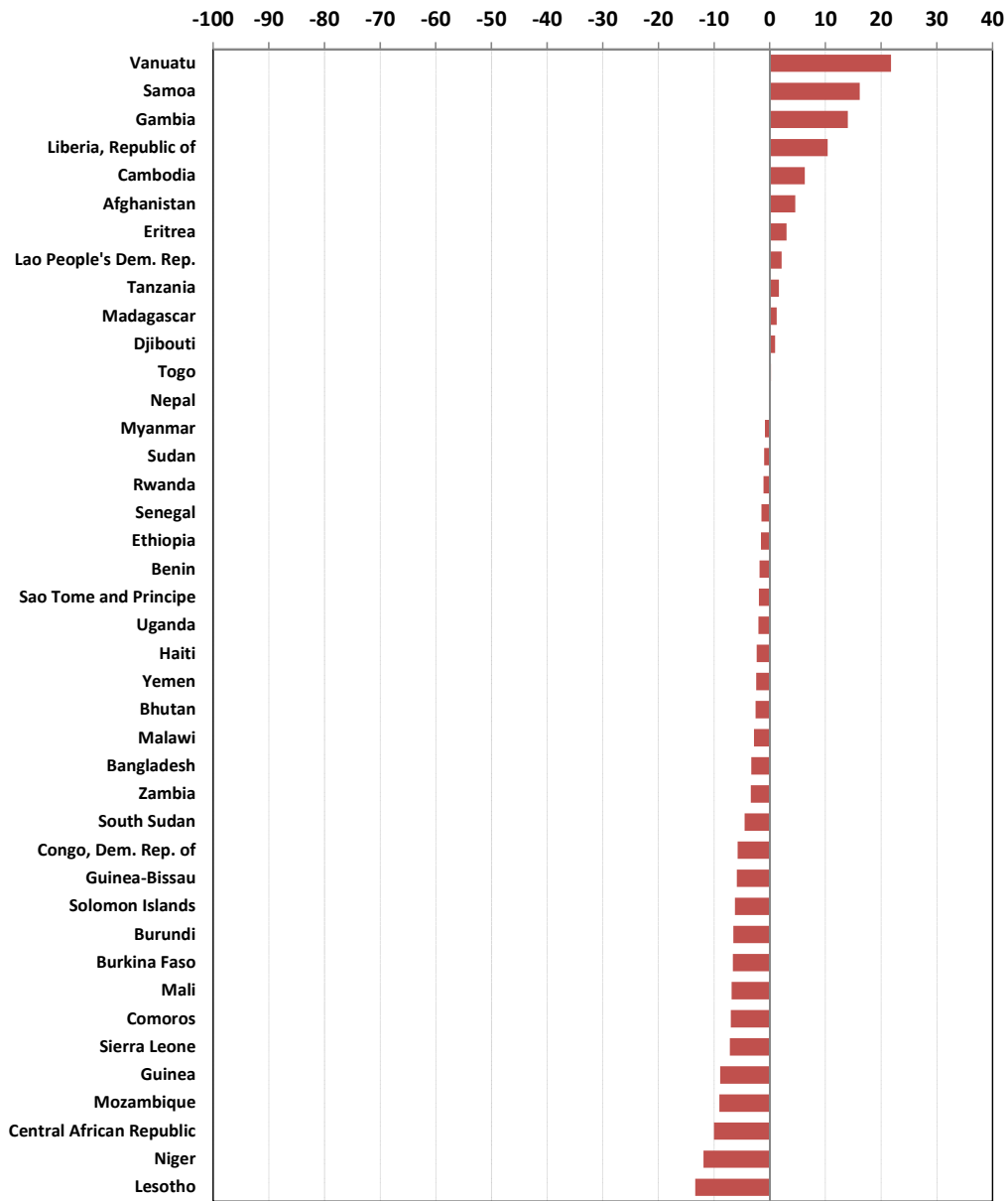
	2000	2005	2006	2007	2008	2009	2010	2011	2012	2013
Least-Developed countries	43.5	38.9	34.9	34.0	31.3	36.3	39.4	37.9	38.9	43.1
LDCs in Africa (and Haiti)	36.6	29.4	29.7	28.5	25.9	27.0	28.2	27.7	30.6	33.8
LDCs in Asia	58.8	53.5	51.4	55.4	57.4	78.9	82.9	82.7	70.6	76.2
LDCs Islands	122.2	120.3	119.4	110.6	88.7	74.8	64.3	48.1	67.9	67.9
Other developing economies	91.2	161.1	187.8	229.8	265.7	237.1	282.5	318.3	344.3	362.0

Note: Indicators based on total exports and imports for the reference group.

Source: WTO-UNCTAD estimates.

2.51. In 2013, the ratio of commercial services trade balance as a proportion of GDP was negative for most LDCs (see chart 21). The highest deficits, according to available data, were found in Tuvalu (-86%), Kiribati (-34%), Timor-Leste (-28%), Equatorial Guinea (-20%), and Angola (-18%). By contrast, some LDCs islands ranked at the top of the scale with a positive ratio to GDP. In Vanuatu and Samoa the ratios reached 22% and 16%, respectively. These two economies have been running positive ratios from 2000. Other LDCs with traditionally positive ratios over the years were Gambia, Cambodia, Lao People's Democratic Republic, Tanzania and Afghanistan.

**Chart 21: Trade balance of services (BOP) as a percentage of GDP in selected LDCs, 2013**  
(Percentage)



Source: WTO Secretariat estimates and the World Bank (for GDP).

### 3 TRENDS IN MARKET ACCESS FOR PRODUCTS OF EXPORT INTEREST TO LDCS

3.1. As in previous issues, the objective of this chapter is to monitor the evolution of market access conditions for LDCs' export along two tariff related dimensions: the share of LDC exports benefiting from duty-free status in the importing markets and the average tariffs paid on dutiable products. For both indicators, the report identifies preferential treatments that exporters may receive under existing LDC or other preferential schemes. The review includes LDCs' market access conditions in both developed and in selected developing country markets; in the latter case, the coverage is still limited by data availability. In addition, the chapter also provides new indicators on NTM that may be affecting LDC exports.

#### 3.1 Market Access in Developed Economies

3.2. The first indicator analyses the proportion of the exports from developing countries and LDCs imported free of duty in developed markets. Two distinctive trends can be observed. On the one hand, developed countries have increased their offer of duty-free treatment to LDCs; on the other hand, the LDCs have also been able to increase their exports of dutiable textile and agricultural products. Nevertheless, an increasing share of these dutiable products has been gradually incorporated in the preferential duty-free schemes. In 2012, almost 100% of agricultural products and manufactures (excluding textile and clothing products) received duty-free treatment. This percentage drops to around 70% in the case of textile and clothing products, but this duty-free treatment is higher than what is observed in the case of the developing countries for these two products (35% and 28%, respectively). As a result, the proportion of developed country duty-free imports from LDCs has always been higher than the developing countries (see Table 14). Moreover, most of the duty-free treatment enjoyed by the LDCs (54%) is of "true preferential" in nature in 2012, whereas the percentage of true preferential duty-free access for developing countries was 20% in 2012.<sup>17</sup> The proportion of true preferences for LDCs has increased since 2000, confirming the fact that more products of LDCs' export interest have been integrated in developed countries' duty-free and quota-free (DFQF) market access schemes.

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<sup>17</sup> True preferential duty-free access is defined as the percentage of exports offered duty-free treatment under the GSP-LDC and other preferential schemes, as compared to products offered duty-free entry under the MFN treatment.

**Table 14: Proportion of developed-country imports from developing countries and LDCs admitted free of duty, by value, 1996-2012 (excluding arms and oil)**

(Percentage of total value)

	1996	2000	2005	2010	2011	2012
<b>Total Duty Free</b>						
Developing countries <sup>a</sup>	53.8	64.8	74.9	78.8	79.7	79.6
Least-Developed Countries	77.6	69.8	80.4	80.4	83.4	83.7
<b>"True" Preferential Duty Free<sup>b</sup></b>						
Developing countries <sup>a</sup>	19.3	16.7	21.1	19.1	19.7	19.7
Least-Developed Countries	34.9	35.0	49.0	53.6	52.7	54.0

a Including LDCs.

b The true preferential portion is calculated by subtracting from the total duty-free access the value of all products receiving duty-free treatment under the MFN regime. The indicators are based on the best available treatment, including regional and preferential agreements.

Source: WTO-ITC-UNCTAD and based on CAMAD database compiled by ITC, UNCTAD and WTO.

3.3. As indicated in Chart 22, almost 100% of agricultural products originating from LDCs are imported duty free by developed countries. This is 26 percentage points higher than what all developing countries were able to export under duty-free treatment for similar products. While the share of duty-free imports by developed countries from LDCs is lower in the case of clothing (71%), the LDCs enjoy a differential with competing products from developing countries whose share of duty-free imports by developed countries is 43 percentage points lower than the LDCs.

**Chart 22: Share of agricultural and clothing duty free imports by developed economies originating from LDCs and comparison with total developing countries**

(Percentage shares)



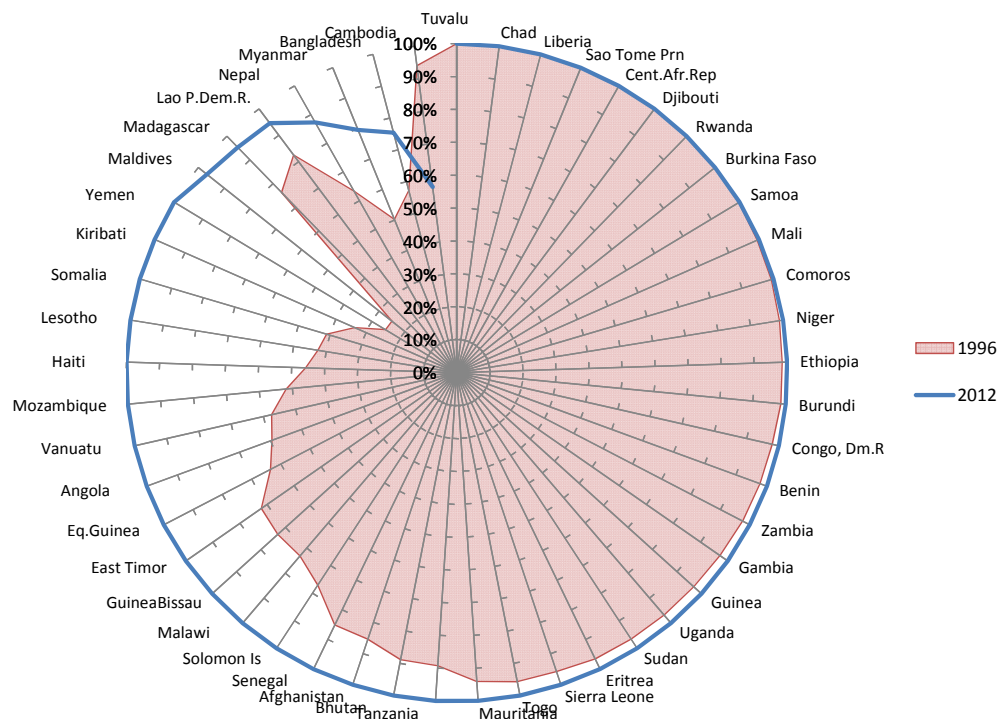
Note: Left-hand scale: Percentage of LDCs' exports imported duty free by developed countries (shown as a line).

Right-hand side: Percentage point difference with similar imports originating from all developing countries; a positive difference shows an advantage for LDCs.

Source: WTO-ITC-UNCTAD and based on CAMAD database compiled by ITC, UNCTAD and WTO.

**Chart 23: Share of export value imported duty free by developed economies originating for individual LDCs, 1996-2012**

(Percentage shares)



Note: Excluding arms and oil.

Source: WTO-ITC-UNCTAD and based on CAMAD database compiled by ITC, UNCTAD and WTO.

3.4. The evolution of duty-free coverage over time indicates that for about half the LDCs, their exports (excluding arms and oil) were already receiving close to 100% duty-free access in 1996, after the conclusion of the Uruguay Round. For other LDCs, the extension of duty-free treatment has been very significant. The gains have been in the range of 50% to 60% for Haiti, Lesotho and Somalia, more than 65% for Kiribati and up to 75% in the case of Yemen. The case of Cambodia is particular, in the sense that this is the sole LDC that recorded a decrease (34 percentage points) in the coverage of its duty-free treatment. This is caused by its successful diversification out of traditional exports and towards apparels, a large share of them being exported to the United States.

3.5. Table 15 provides information on the average tariffs levied on labour-intensive merchandises exported by the LDCs to developed countries. The average tariffs faced by LDCs on their key products declined rapidly during 1996-2000. Thereafter, average tariffs decreased only slowly in recent years. They are now close to zero in the case of agriculture and manufactures (other than textile and clothing products). Tariffs paid on clothing products from LDCs increased to 6.7% in 2010 and remained at this level in 2012. As usual when it comes to analysing the competitive advantage provided by preferences, those tariffs need to be compared with the tariffs faced by exporters in other developing countries. The largest difference in favour of LDC exports corresponds to agriculture (almost 7 percentage points). It is much lower for textiles, clothing and other industries (between 1.8 and 0.6 percentage point). The LDC averages conceal important differences at various regions. The average tariff on clothing exports from African LDCs was almost zero in 2010. On the contrary, the average tariff faced by Asian LDCs on their clothing exports was 6.7%. Since those Asian LDCs are by far the largest exporters of apparel, the group average reflects largely their particular situation.

**Table 15: Average tariffs levied by developed countries on key products from developing countries and LDCs, 2000-2012**(Percentage *ad valorem*)<sup>a</sup>

<b>All developing countries<sup>b c</sup></b>						
	<b>1996</b>	<b>2000</b>	<b>2005</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
Agriculture	10.4	9.2	8.8	7.3	7.2	7.7
Clothing	11.5	10.8	8.4	8.0	7.9	7.9
Textile	7.3	6.6	5.3	5.0	4.9	4.9
Other industries	2.0	1.4	1.1	0.9	0.8	0.9
<b>LDCs</b>						
	<b>1996</b>	<b>2000</b>	<b>2005</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
Agriculture	6.6	3.6	3.0	1.0	1.0	0.9
Clothing	3.3	7.8	6.4	6.7	6.7	6.7
Textile	2.7	4.1	3.2	3.2	3.2	3.1
Other industries	0.9	0.3	0.3	0.2	0.2	0.3

a Average tariffs are based on best applicable tariffs (MFN and preferential treatments granted to LDCs and developing countries), preference utilization is usually lower (about 80% to more than 90%), see WT/COMTD/LDC/W/41 for an analysis of the factors affecting those variations.

b Includes LDCs.

c Weighted average using a standard export structure based on 2000-2001 data, to limit the impact of the year-to-year changes in export composition and relative prices on the indicators.

Source: WTO-ITC-UNCTAD based on CAMAD database compiled by ITC, UNCTAD and WTO.

3.6. Table 16 provides more detailed information at tariff line level. Most developed countries have been providing total or nearly total duty-free status to LDC exports under the general GSP-LDC scheme, either in terms of tariff lines (first group of columns of the table) or import value (second panel).<sup>18</sup> Moreover, LDCs may benefit from other types of preferences; this is particularly the case for the US market where other preferential schemes coexist with the GSP-LDC scheme, such as the African Growth and Opportunity Act (AGOA) for the African LDCs.

<sup>18</sup> When 100% of tariff lines are covered, 100% of the imported value will be covered; the reverse is not true as 100% of imported value can be treated as DFQF even if some tariff lines are not duty free, as long as no imports are recorded for those dutiable tariff lines.

**Box 3: Facilitating trade and operationalizing market access preferences**

Trading involves a series of transaction costs that increase the final export price. When these costs are significantly higher than those of the competitors, as it is often the case with the LDCs, they may lead to loss of market share or missed business opportunities. These costs are part of the supply constraints that frequently reduce the international competitiveness of LDCs and limit their trade potential.

The Table below indicates that in 2012, it took an LDC on average 33 days and that it cost almost US\$1,900 to export a container, compared to 18 days and about US\$1,200 on average for other developing countries. The differential - which translates into a loss of competitiveness - is even higher for landlocked LDCs where it took more than 40 days and cost almost US\$4,000 to do the custom formalities in the exporting country and ship a container.

**Cost of exporting a standard container, 2012**

(Dollars)

Cost of exporting goods (2012)	Number of documents	Number of days	Cost per container
<b>LDCs</b>	8	33	1,885
<i>of which:</i>			
- LDC Asia	8	32	1,624
- LDC Africa	8	33	2,016
- Haiti	8	33	1,185
- Yemen	6	29	995
- Landlocked LDCs	9	42	2,977
<i>Memorandum item:</i>			
- Developing countries (excluding LDCs)	7	18	1,212

Source: Based on World Bank "Doing Business" database.

As mentioned by Djankov et al., (2010), each additional day that a product is delayed prior to being shipped reduces trade by more than 1%. The authors find also that delays are particularly damaging for time-sensitive goods, such as perishable agricultural products, which are of particular interest to LDCs as they are both labour-intensive and where value-addition is high.

High international trade costs are usually correlated with poor inland transportation infrastructure which reduces not only the potential for international trade but also dampens the possibility for small producers in remote areas to tap the potential of regional markets. The issue is particularly acute for Sub-Saharan Africa (Buysa et al., 2010), but is also representative of the situation of a considerable number of LDCs.

Cross-border bottlenecks such as border-crossing procedures, cumbersome documentation or complex regulations reduce the competitiveness of LDC exports. They are like a tax on the income of the exporters who are "price takers" and cannot include the higher transaction costs into their bidding prices. The problem, according to Escaith and Tamenu (2013) is compounded when LDCs intend to diversify their exports by joining global value chains. Delays in delivery and the necessity of maintaining high inventory levels to cope with them run against the core management model of international supply chains, based on just-in-time and minimum buffer stocks.

Buysa, P., U. Deichmann and D. Wheeler, (2010). 'Road Network Upgrading: Overland Trade Expansion in Sub-Saharan Africa' *Journal of African Economies* (2010) 19 (3): 399-432.

Djankov, S., C. Freund; C-S. Pham (2010) 'Trading on Time' *The Review of Economics and Statistics* February 2010, Vol. 92, No. 1, Pages 166-173.

Escaith, H. and B. Tamenu (2013). *Least-Developed Countries' Trade During the "Super-Cycle" and the Great Trade Collapse: Patterns and Stylized Facts'* WTO ERSD Working Paper ERSD-2013-12.



Table 16: GSP tariff treatment of LDC exports in selected developed markets, 2012

Market	Sector	GSP-LDC duty scheme					Imports from UN-LDC countries <sup>b</sup> (million US\$ and percentage)			
		Number of tariff lines		Number of tariff lines with imports from LDC beneficiaries <sup>a</sup>			TOTAL	Dutiable	Duty free (%)	Weighted applied duty <sup>c</sup>
Dutiable	Duty free (%)	Total	Dutiable under MFN	Dutiable under GSP- LDC scheme						
Australia	<b>Total</b>	<b>0</b>	<b>100.0</b>	<b>926</b>	<b>588</b>	<b>0</b>	<b>709.9</b>	<b>0.0</b>	<b>100.0</b>	0.0
	Agriculture	0	100.0	116	40	0	40.0	0.0	100.0	0.0
	Non-agriculture <sup>d</sup>	0	100.0	804	548	0	654.8	0.0	100.0	0.0
	Ores	0	100.0	6	0	0	15.1	0.0	100.0	0.0
	Petroleum	0	100.0	0	0	0	0.0	0.0	<i>n.a</i>	<i>n.a</i>
Canada	<b>Total</b>	<b>105</b>	<b>98.6</b>	<b>2,121</b>	<b>1,009</b>	<b>1</b>	<b>5,135.3</b>	<b>0.1</b>	<b>100.0</b>	0.0
	Agriculture	105	92.8	316	144	1	49.1	0.1	99.8	0.0
	Non-agriculture <sup>d</sup>	0	100.0	1,796	865	0	2,445.8	0.1	100.0	0.0
	Ores	0	100.0	8	0	0	145.6	0.0	100.0	0.0
	Petroleum	0	100.0	1	0	0	2,494.7	0.0	100.0	0.0
European Union	<b>Total</b>	<b>91</b>	<b>99.0</b>	<b>3,887</b>	<b>3,003</b>	<b>12</b>	<b>40,448.9</b>	<b>463.8</b>	<b>98.9</b>	0.1
	Agriculture	73	96.5	637	472	8	3,458.3	88.5	97.4	0.1
	Non-agriculture <sup>d</sup>	18	99.8	3,231	2,531	4	21,075.5	375.3	98.2	0.2
	Ores	0	100.0	17	0	0	1,401.3	0.0	100.0	0.0
	Petroleum	0	100.0	2	0	0	14,513.8	0.0	100.0	0.0
Japan	<b>Total</b>	<b>197</b>	<b>97.9</b>	<b>965</b>	<b>645</b>	<b>18</b>	<b>7,023.0</b>	<b>25.2</b>	<b>99.6</b>	0.0
	Agriculture	69	96.5	145	81	4	363.8	2.0	99.4	0.1
	Non-agriculture <sup>d</sup>	128	98.3	813	564	14	5,281.9	23.1	99.6	0.0
	Ores	0	100.0	6	0	0	170.9	0.0	100.0	0.0
	Petroleum	0	100.0	1	0	0	1,206.4	0.0	100.0	0.0
New Zealand	<b>Total</b>	<b>0</b>	<b>100.0</b>	<b>774</b>	<b>498</b>	<b>0</b>	<b>151.9</b>	<b>0.0</b>	<b>100.0</b>	0.0
	Agriculture	0	100.0	79	22	0	14.8	0.0	100.0	0.0
	Non-agriculture <sup>d</sup>	0	100.0	694	476	0	58.4	0.0	100.0	0.0
	Ores	0	100.0	0	0	0	0.0	0.0	<i>n.a</i>	<i>n.a</i>
	Petroleum	0	100.0	1	0	0	78.7	0.0	100.0	0.0
Norway	<b>Total</b>	<b>1</b>	<b>100.0</b>	<b>848</b>	<b>272</b>	<b>0</b>	<b>442.4</b>	<b>0.2</b>	<b>100.0</b>	0.0
	Agriculture	0	100.0	118	49	0	27.7	0.0	100.0	0.0
	Non-agriculture <sup>d</sup>	1	100.0	728	223	0	216.8	0.2	99.9	0.0
	Ores	0	100.0	1	0	0	7.0	0.0	100.0	0.0
	Petroleum	0	100.0	1	0	0	190.9	0.0	100.0	0.0

Market	Sector	GSP-LDC duty scheme					Imports from UN-LDC countries <sup>b</sup> (million US\$ and percentage)			
		Number of tariff lines		Number of tariff lines with imports from LDC beneficiaries <sup>a</sup>			TOTAL	Dutiable	Duty free (%)	Weighted applied duty <sup>c</sup>
		Dutiable	Duty free (%)	Total	Dutiable under MFN	Dutiable under GSP- LDC scheme				
Switzerland	<b>Total</b>	<b>0</b>	<b>100.0</b>	<b>1,217</b>	<b>1,027</b>	<b>0</b>	<b>588.6</b>	<b>0.0</b>	<b>100.0</b>	0.0
	Agriculture	0	100.0	244	179	0	142.9	0.0	100.0	0.0
	Non-agriculture <sup>d</sup>	0	100.0	973	848	0	445.6	0.0	100.0	0.0
	Ores	0	100.0	0	0	0	0.0	0.0	<i>n.a</i>	<i>n.a</i>
	Petroleum	0	100.0	0	0	0	0.0	0.0	<i>n.a</i>	<i>n.a</i>
United States of America	<b>Total</b>	<b>1,873</b>	<b>82.5</b>	<b>1,889</b>	<b>1,286</b>	<b>628</b>	<b>23,916.9</b>	<b>8,375.9</b>	<b>65.0</b>	5.9
	Agriculture	280	85.2	242	147	4	429.4	0.5	99.9	0.0
	Non-agriculture <sup>d</sup>	1,593	81.8	1,640	1,136	624	11,173.8	8,375.4	25.0	12.6
	Ores	0	100.0	5	1	0	124.4	0.0	100.0	0.0
	Petroleum	0	100.0	2	2	0	12,189.3	0.0	100.0	0.0

Notes: While tariff line data is available for more recent years, the latest available import data for most Members was 2012. Results at tariff line level for 2012 may not be comparable with previous years due to changes in the Harmonized System.

- a Beneficiaries are countries eligible to the national LDC scheme; some UN-LDC countries may be excluded; non-UN LDC countries may be included. At the difference of Table 1 and Table 2, the incidence of other preferential schemes such as AGOA or EBA is not included.
- b 48 LDC countries as listed by the UN in 2012.
- c Excludes *non-ad valorem* duties, except for the US.
- d "Non-agriculture" covers NAMA products with the exclusion of ores and petroleum.

Source: IDB-WTO

### 3.2 Market Access in Developing Economies

3.7. Compiling statistical indicators on preferential market access to developing countries remains challenging, due to the scarcity of data. Table 17 uses the available information for a select group of 12 developing countries to replicate the methodology used for tracking policy changes through time in developed countries.<sup>19</sup> In particular, the indicators produced in this exercise are not actual trade-weighted averages (tariffs weighted by actual bilateral trade flows for a given year) but are based on a fixed Standard Import Structure (SIS). This SIS corresponds to a fixed basket of LDC goods imported by these 12 developing countries between 2009 and 2011. Using the same fixed trade flows as weight across all years allows the indicator to capture only the changes in tariff policy.

**Table 17: Average tariffs imposed by selected developing countries on key products from LDCs, 2002-2012 (preliminary estimates)**  
(Percentage *ad valorem*)<sup>a</sup>

Products	Tariff and preference	2002	2007	2012
Agriculture	Average MFN	31.8	27.5	22.3
	Average Applied	30.9	26.5	19.1
	Average Margin	0.8	1	3.2
Clothing	Average MFN	14	15.3	13.7
	Average Applied	13.4	13.6	6.6
	Average Margin	0.6	1.7	7.1
Textile	Average MFN	11.1	9.9	7.3
	Average Applied	10.5	9	2.1
	Average Margin	0.5	0.9	5.2
Other	Average MFN	6	5.5	3.6
	Average Applied	5.6	5.2	2
	Average Margin	0.4	0.4	1.6
<b>Total<sup>b</sup></b>	Average MFN	12.8	11.1	8.7
	Average Applied	12.3	10.5	6.1
	Average Margin	0.5	0.6	2.6

a Average applied tariffs are based on best applicable tariffs (MFN and preferential treatments granted to LDCs), and weighted using a standard export structure based on the three years average. This indicator is still under construction and results may not be comparable with previous reports due to changes in methodology and coverage.

b Excluding oil.

Source: WTO Secretariat.

<sup>19</sup> Namely; Brazil; China; India; Indonesia; Korea, Rep. of; Mexico; Philippines; South Africa; Sri Lanka; Chinese Taipei; Turkey and Viet Nam. Hong Kong, China; and Singapore were not considered in the sample because their MFN duty is already zero (see Table 18).

3.8. Up to the beginning of the present decade, actual preference granted by developing countries to LDCs was very limited. Data for 2012 show a change in this situation, with a deepening of preferences granted to apparels (8.5 percentage points over the applied MFN tariff of 15.3%) but also preference being granted in textile products (about 4 percentage points). The margin of preference on agriculture is among the smallest at 3 percentage points. In a weighted average of all products, except oil, the preference margin granted to LDCs is 2.1%.

3.9. Table 18 presents available data for selected developing countries for the year 2012. Hong Kong, China, and Singapore are special cases as 100% of all products are duty free on an MFN basis. For a number of other importers, the duty-free imports from LDCs have been significant; over 98% for China and Chinese Taipei; over 90% for Korea and Turkey or close to 80% for South Africa. Yet, a large part of this result is attributable to imports of non-agricultural primary products (ores and petroleum) that are not dutiable under MFN. The "true" duty-free treatment granted to LDCs on tariff lines that are dutiable under MFN is still considerably lower; this is largely due to the fact that information on preferential tariffs enjoyed by LDCs in developing markets is still limited. Based on the available information, it is found that Korea and Turkey have granted preferential treatment on about 90% of their dutiable products under MFN; China has done the same for more than 70% of their MFN dutiable products.

3.10. Weighted applied duties vary markedly from importer to importer as a result of the differences in their tariff schedules, including LDC preferences, and the composition of their imports from LDCs. Average duties on agricultural imports, in particular, remained over 15% (this threshold is considered as tariff peaks) in one third of the surveyed importing countries, even without considering the incidence of *non ad valorem duties*. Little changes on the average duties collected on dutiable products were observable between 2011 and 2012. Most of them were due to changes either in the structure of imports or due to drop in the international price of ores and oil or due to change in the volume of imports (for example, a reduction of more than ten percentage point were observed for agricultural imports by Korea).

Table 18: Tariff treatment of LDC exports in selected developing markets, 2012

Market	Sector	LDC duty scheme					Imports from UN-LDC countries <sup>b</sup> (million US\$ and percentage)			
		Number of tariff lines		Number of tariff lines with imports from LDC beneficiaries <sup>a</sup>			Total	Dutiable	Duty free (%)	Weighted applied duty
		Dutiable	Duty free (%)	Total	Dutiable under MFN	Dutiable under LDC scheme				
Brazil	<b>Total</b>	-	-	<b>763</b>	<b>713</b>	-	<b>998.8</b>	<b>330.2</b>	<b>66.9</b>	<b>8.3</b>
	Agriculture	-	-	48	40	-	36.8	34.8	5.5	12.1
	Non-agriculture <sup>c</sup>	-	-	710	669	-	412.4	287.8	30.2	19.0
	Ores	-	-	4	4	-	7.7	7.7	0.0	2.0
	Petroleum	-	-	1	0	-	542.0	0.0	100.0	0.0
Chile	<b>Total</b>	-	-	<b>309</b>	<b>309</b>	-	<b>284.8</b>	<b>284.8</b>	<b>0.0</b>	<b>6.0</b>
	Agriculture	-	-	9	9	-	0.3	0.3	0.0	6.0
	Non-agriculture <sup>c</sup>	-	-	299	299	-	283.3	283.3	0.0	6.0
	Ores	-	-	1	1	-	1.2	1.2	0.0	6.0
	Petroleum	-	-	0	0	-	0.0	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>
China <sup>d</sup>	<b>Total</b>	<b>3,150</b>	<b>60.5</b>	<b>1,372</b>	<b>1,169</b>	<b>311</b>	<b>52,684.4</b>	<b>958.4</b>	<b>98.2</b>	<b>0.1</b>
	Agriculture	491	55.2	156	146	53	1,267.2	636.9	49.7	3.2
	Non-agriculture <sup>c</sup>	2,659	61.1	1,194	1,023	258	8,817.9	321.5	96.4	0.1
	Ores	0	100.0	21	0	0	3,606.3	0.0	100.0	0.0
	Petroleum	0	100.0	1	0	0	38,992.9	0.0	100.0	0.0
Egypt <sup>d</sup>	<b>Total</b>	-	-	<b>414</b>	<b>371</b>	-	<b>874.6</b>	<b>771.8</b>	<b>11.8</b>	<b>2.2</b>
	Agriculture	-	-	72	53	-	203.3	116.4	42.7	0.9
	Non-agriculture <sup>c</sup>	-	-	340	316	-	671.1	655.1	2.4	2.5
	Ores	-	-	2	2	-	0.2	0.2	0.0	2.0
	Petroleum	-	-	0	0	-	0.0	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>
Hong Kong, China	<b>Total</b>	-	-	<b>921</b>	<b>0</b>	-	<b>1,308.6</b>	<b>0.0</b>	<b>100.0</b>	<b>0.0</b>
	Agriculture	-	-	102	0	-	41.8	0.0	100.0	0.0
	Non-agriculture <sup>c</sup>	-	-	816	0	-	1,262.2	0.0	100.0	0.0
	Ores	-	-	3	0	-	4.6	0.0	100.0	0.0
	Petroleum	-	-	0	0	-	0.0	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>
India <sup>e</sup>	<b>Total</b>	-	-	<b>1,646</b>	<b>1,579</b>	-	<b>14,874.4</b>	<b>4,985.1</b>	<b>66.5</b>	<b>5.3</b>
	Agriculture	-	-	285	266	-	2,202.0	1,508.5	31.5	25.7
	Non-agriculture <sup>c</sup>	-	-	1,338	1,291	-	3,540.8	3,286.0	7.2	6.2
	Ores	-	-	22	22	-	190.6	190.6	0.0	2.5

Market	Sector	LDC duty scheme					Imports from UN-LDC countries <sup>b</sup> (million US\$ and percentage)			
		Number of tariff lines		Number of tariff lines with imports from LDC beneficiaries <sup>a</sup>			Total	Dutiable	Duty free (%)	Weighted applied duty
		Dutiable	Duty free (%)	Total	Dutiable under MFN	Dutiable under LDC scheme				
	Petroleum	-	-	1	0	-	8,941.0	0.0	100.0	0.0
Kenya <sup>f</sup>	<b>Total</b>	-	-	<b>988</b>	<b>722</b>	-	<b>315.6</b>	<b>212.7</b>	<b>32.6</b>	<b>16.0</b>
	Agriculture	-	-	166	144	-	162.4	155.4	4.3	23.7
	Non-agriculture <sup>c</sup>	-	-	819	578	-	150.1	57.3	61.8	8.5
	Ores	-	-	3	0	-	3.1	0.0	100.0	0.0
	Petroleum	-	-	0	0	-	0.0	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>
Korea, Republic of	<b>Total</b>	<b>1,170</b>	<b>90.4</b>	<b>1,302</b>	<b>1,140</b>	<b>161.0</b>	<b>3,349.7</b>	<b>298.8</b>	<b>91.1</b>	<b>1.3</b>
	Agriculture	695	59.7	197	188	90.0	141.8	45.1	68.2	18.9
	Non-agriculture <sup>c</sup>	465	95.6	1,092	951	70.0	3,018.9	67.5	97.8	0.4
	Ores	0	100.0	12	0	0.0	2.8	0.0	100.0	0.0
	Petroleum	10	0.0	1	1	1.0	186.2	186.2	0.0	3.0
Mexico	<b>Total</b>	-	-	<b>1,169</b>	<b>647</b>	-	<b>379.2</b>	<b>325.5</b>	<b>14.2</b>	<b>20.3</b>
	Agriculture	-	-	46	32	-	23.3	21.8	6.5	19.5
	Non-agriculture <sup>c</sup>	-	-	1,117	615	-	350.1	303.8	13.2	20.7
	Ores	-	-	6	0	-	5.8	0.0	100.0	0.0
	Petroleum	-	-	0	0	-	0.0	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>
Pakistan	<b>Total</b>	-	-	<b>595</b>	<b>488</b>	-	<b>528.8</b>	<b>116.9</b>	<b>77.9</b>	<b>3.5</b>
	Agriculture	-	-	168	121	-	283.2	97.9	65.4	5.6
	Non-agriculture <sup>c</sup>	-	-	424	365	-	245.0	18.9	92.3	1.1
	Ores	-	-	3	2	-	0.7	0.1	91.4	0.4
	Petroleum	-	-	0	0	-	0.0	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>
Singapore	<b>Total</b>	-	-	<b>1,622</b>	<b>2</b>	-	<b>1,412.4</b>	<b>0.2</b>	<b>100.0</b>	<b>0.0</b>
	Agriculture	-	-	315	2	-	150.6	0.2	99.9	0.0
	Non-agriculture <sup>c</sup>	-	-	1,302	0	-	829.3	0.0	100.0	0.0
	Ores	-	-	3	0	-	1.9	0.0	100.0	0.0
	Petroleum	-	-	2	0	-	430.7	0.0	100.0	0.0
South Africa	<b>Total</b>	-	-	<b>2,265</b>	<b>1,104</b>	-	<b>4,897.3</b>	<b>1,072.9</b>	<b>78.1</b>	<b>2.1</b>
	Agriculture	-	-	273	162	-	243.6	157.4	35.4	4.6
	Non-agriculture <sup>c</sup>	-	-	1,973	942	-	1,791.2	915.4	48.9	7.0
	Ores	-	-	18	0	-	22.5	0.0	100.0	0.0

Market	Sector	LDC duty scheme					Imports from UN-LDC countries <sup>b</sup> (million US\$ and percentage)			
		Number of tariff lines		Number of tariff lines with imports from LDC beneficiaries <sup>a</sup>			Total	Dutiable	Duty free (%)	Weighted applied duty
		Dutiable	Duty free (%)	Total	Dutiable under MFN	Dutiable under LDC scheme				
Chinese Taipei	Petroleum	-	-	1	0	-	2,840.1	0.0	100.0	0.0
	<b>Total</b>	<b>5,961</b>	<b>31.7</b>	<b>720</b>	<b>551</b>	<b>498</b>	<b>6,017.2</b>	<b>112.0</b>	<b>98.1</b>	<b>0.2</b>
	Agriculture	1,069	24.2	101	69	65	60.6	29.7	51.0	6.8
	Non-agriculture <sup>c</sup>	4,892	32.7	616	482	433	519.7	82.3	84.2	1.6
	Ores	0	100.0	2	0	0	1.0	0.0	100.0	0.0
Thailand <sup>d</sup>	Petroleum	0	100.0	1	0	0	5,435.9	0.0	100.0	0.0
	<b>Total</b>	<b>-</b>	<b>-</b>	<b>1,815</b>	<b>1,625</b>	<b>-</b>	<b>6,498.7</b>	<b>4,324.5</b>	<b>33.5</b>	<b>2.0</b>
	Agriculture	-	-	210	200	-	261.3	144.6	44.7	12.6
	Non-agriculture <sup>c</sup>	-	-	1,594	1,417	-	4,761.9	4,164.1	12.6	2.4
	Ores	-	-	10	8	-	17.2	15.9	7.4	0.9
Turkey <sup>d</sup>	Petroleum	-	-	1	0	-	1,458.4	0.0	100.0	0.0
	<b>Total</b>	<b>2,384</b>	<b>79.7</b>	<b>793</b>	<b>647</b>	<b>67</b>	<b>1,483.4</b>	<b>103.5</b>	<b>93.0</b>	<b>1.7</b>
	Agriculture	1,605	26.3	76	48	42	145.7	91.0	37.6	15.2
	Non-agriculture <sup>c</sup>	776	91.9	716	598	24	1,337.5	12.4	99.1	0.2
	Ores	3	92.3	1	1	1	0.1	0.1	0.0	1.5
	Petroleum	0	100.0	0	0	0	0.0	0.0	<i>n.a.</i>	<i>n.a.</i>

Notes: Results at tariff line level for 2012 may not be comparable with previous years due to changes in the Harmonized System.

a Beneficiaries are countries eligible to the national LDC scheme; some UN-LDC countries may be excluded; non-UN LDC countries may be included.

b 48 LDC countries as listed by the UN in 2012. Weighted applied duty excludes *non ad valorem* duties.

c "Non Agriculture" covers NAMA products with the exclusion of ores and petroleum.

d Year 2011. It is noted that China has extended DFQF coverage for LDCs to 95% of its tariff lines in 2013 (WT/COMTD/LDC/M/71).

e While preferential data were not available in the IDB for 2012, it is noted that India has attained DFQF coverage of 85% of its tariff lines for LDCs by October 2012 (<http://www.cbec.gov.in>).

f Year 2010.

Source: IDB-WTO.

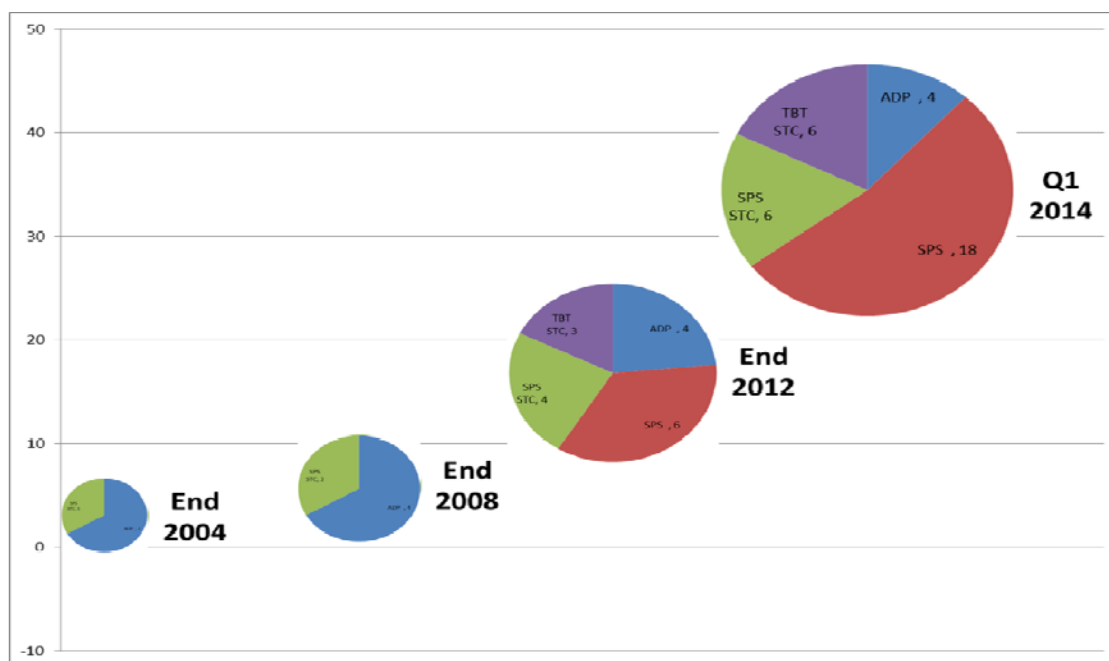
### 3.3 Non-Tariff Measures affecting Market Access for LDC exports

3.11. With the lowering of tariff duties in developed and – increasingly - developing countries, the attention of market access analysts has been focusing on NTMs and their possible incidence on trade. The Integrated Trade Intelligence Portal (I-TIP), the most recent market access database developed by the WTO Secretariat, seeks to provide comprehensive information on NTMs applied by WTO Members in merchandise trade. The information includes Members' notifications of NTMs as well as information on Specific Trade Concerns (STCs) raised by Members at WTO committee meetings.

3.12. Using I-TIP information, it appears that over the last 20 years, some 37 measures have been identified as specific to the LDCs, which is a low number compared to some 40,000 to 50,000 measures notified to the WTO. Seven of these 37 are anti-dumping measures; five of them are not in force today. No countervailing measure has been applied to imports from LDCs. Other type of NTMs applied on a bilateral basis relates to Sanitary and Phytosanitary measures (SPS); ten out of 19 SPS measures have been applied under the emergency procedure (10 out of 19). All of these measures have been applied in the last five years; more than half of them have been applied by developing countries.

3.13. Taking into account only notified measures affecting merchandise trade (and without considering licensing, quantitative restrictions and a few agricultural measures), Chart 24 shows that NTMs have been on the rise since 2008. Most of these measures are applied on an MFN basis, and the overall picture does not indicate that the LDC products face targeted NTMs. In particular, no anti-dumping measure has been applied since 2008. It is to be noted that the frequency of NTMs has increased lately: in 2013 and during the first quarter of 2014, 12 SPS measures taken by Members are of direct relevance to the LDCs.

**Chart 24: Number of bilateral NTMs faced by LDCs (all markets of destination)**



Source: Based on WTO I-TIP database.



3.14. Based on the notifications received, no safeguard measure has been taken on products exported by LDCs. The available information indicates a relatively low incidence of trade-defence measures against LDCs. Therefore, LDC exports are probably more concerned by the NTMs that are taken on an MFN basis.

3.15. In order to better gauge the effects on LDCs of NTMs taken on an MFN basis, 22 products of special interest to LDCs' exports covering more than 80% of their total merchandise exports have been analysed. As can be seen from Table 19, the prevalence of NTMs affecting LDC exports directly is relatively low (between 2% and 11% depending on the particular measure). In the cases of both TBT and SPS measures, around 10% of those measures taken apply to products of export interest to the LDCs. With regard to STCs, seven measures relate to tobacco.<sup>20</sup> Similarly, most quantitative restrictions taken on an MFN basis apply to tobacco and tobacco products; other bilateral quantitative restriction measures are related to global security concerns.<sup>21</sup> Most of the 13 special agricultural safeguards (SSG) relate to beans.

**Table 19: Non-Tariff Measures on selected products of export interest to LDCs, 2013**

	1. Measures applying to HS4 headings exported by LDCs	2. Total number of measures in force (All HS4 headings)	Prevalence ([1]/[2] in %)
Safeguards	0	114	-
TBT	153	1456	10.5
TBT STC	7	422	1.7
SPS	240	2562	9.4
SPS STC	6	206	2.9
SSG	13	569	2.2

Note: Based on 22 products at HS4 digit. Agriculture (AoA plus other related products): cotton, tobacco, beans, coffee, fish, meat, wood; Minerals: crude oil and gas, gold, iron ore, copper and aluminium; Manufacture: suits, jackets and trousers, knitted or not.

Source: WTO I-TIP database.

<sup>20</sup> The economic implications for some exporters may be more important if exports are concentrated on the few products like tobacco that are covered by such MFN measures.

<sup>21</sup> The 13 measures applied on bilateral basis cover mostly arms to/from countries in conflict and some chemicals used as precursors in drug production.

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#### 4 RECENT INITIATIVES TO IMPROVE MARKET ACCESS FOR LDC PRODUCTS

4.1. Annex Table 7 provides a non-exhaustive list of major multilateral non-reciprocal market access schemes undertaken by Members in favour of LDCs. It updates the previous year's information based on Members' notifications made to the WTO as well as submissions made to WTO's IDB. The Table does not include regional or bilateral agreements/initiatives under which, too, LDCs receive preferences.

4.2. Progress has continued in advancing market access opportunities for LDCs. Since the last report, one developing country Member – Chile- has undertaken a DFQF scheme in favour of LDCs (WT/COMTD/N/44 and WT/COMTD/N/44/Add.1). The scheme, which came into effect in February 2014, provides DFQF coverage to 99.5% of Chile's tariff lines.

4.3. While formal notifications have been limited over the reporting period, a number of Members indicated progress in their market access schemes related to LDCs. At the meeting of the Sub-Committee on LDCs in April 2014, China reported that it had already extended DFQF coverage for LDCs for 95% of its tariff lines and that this coverage would soon be extended to 97%. At the same meeting, the United States reiterated that it provided 97.5% DFQF access for LDC beneficiaries of the AGOA. The current duty-free status under the United States' GSP scheme for LDCs is 82.6%.

4.4. As has been reported in the past, most of the developed Members grant either full or nearly full DFQF access. A number of developing countries have also taken concrete steps to provide duty-free access to LDC products. In this regard, five developing countries have made notifications pursuant to the established procedure including under the Transparency Mechanism for the Preferential Trade Arrangements. These countries are: Chile, China, India, Korea and Chinese Taipei.<sup>22</sup> Most of them grant a significant degree of DFQF market access to LDC products, and a number of them have reached or are in the process of attaining comprehensive DFQF coverage for LDCs.

4.5. It may be noted that the Bali package adopted at the Ninth WTO Ministerial Conference (MC9) in Bali in December 2013 contains decisions aimed at enhancing market access opportunities for LDC products. First, the Bali Decision on DFQF market access for LDCs (WT/L/919) brings, *inter alia*, enhanced transparency in reviewing the steps taken by Members to provide DFQF market access to the LDCs. Second, the Decision on preferential rules of origin applicable to imports from LDCs (WT/L/917) provides a set of multilateral guidelines which Members may wish to draw upon as they develop or improve upon their rules of origin in favour of LDCs. The Decision also provides for greater transparency, including requiring the Committee on Rules of Origin to annually review the developments in preferential rules of origin according to the guidelines contained in the Decision. Third, the Decision relating to the operationalization of the LDC Services Waiver (WT/L/918) sets out a process to help LDCs benefit from the Waiver Decision (WT/L/847) which was adopted in 2011 to enable Members to provide preferential treatment to services and service suppliers of LDCs.

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<sup>22</sup> The references to their notifications can be found in Annex Table 7.

## 5 CONCLUSION

5.1. During 2013, LDC exports of goods and services continued to grow at a slightly higher rate than in the previous year (5.2% versus 4.7% in 2013), reaching an overall high value of US\$250 billion (US\$237.7 billion in 2012). However, the growth rate of imports outpaced that of exports, leading to a new high overall trade deficit of US\$60.6 billion in 2013, up from US\$53.6 billion in 2012.

5.2. The share of LDC exports in world merchandise trade stood at 1.17% in 2013 – a very modest improvement from 1.15% in the previous year. The participation of LDCs in services exports is still very low compared to their participation in merchandise trade. The share of LDC exports in commercial services trade in 2013 was 0.68% – which also represented a marginal improvement from 0.64% in the previous year.

5.3. LDC exports remain highly concentrated on a few products, mainly primary commodities for merchandise exporters and tourism receipts for commercial services exporters. Primary commodities (which include fuels and minerals) accounted for 71% of LDC merchandise exports in 2013, up from 60% in the year 2000. In fact, there has been a consistent rise in the share of fuels and mining products in LDC merchandise exports accompanied with a gradual decline in the share of agricultural and manufacture products. Similarly, travel and transport comprised nearly 70% of LDCs' commercial services exports in 2013. Of note is that the communication services sector has been expanding in a few LDCs, though on a small scale.

5.4. The direction of merchandise trade in 2013 exhibited the same trend as before, with developing countries absorbing 55% of LDC exports, while developed countries accounted for 39%. China was the top destination for total LDC exports, accounting for 23% of LDC exports in 2013.

5.5. After significant improvements in market access opportunities for LDC exports to developed countries over the past decade, additional progress remained somewhat limited in the recent years. As has been reported in the past, most developed Members today grant either full or nearly full duty-free access to LDC products. In fact, almost 100% of agricultural products exported by the LDCs are imported free of duty by the developed countries. However, in case of manufacturing exports from LDCs, in particular clothing exports - which is the most dominant manufacturing item for the Group – the proportion of duty-free imports by developed countries was around 70% over the past few years. The average tariffs faced by the LDCs in developed markets in the past few years show that the margin of preference for LDCs was higher for agricultural products (nearly 7%) as compared to their manufacturing exports; in particular, the margin for clothing products was insignificant (1.2%).

5.6. An increasing number of developing countries have also taken concrete steps to improve market access opportunities for LDC exports. So far, China, Chile, India, Korea and Chinese Taipei have made notifications of their LDC DFQF schemes. Most of these countries' DFQF coverage in favour of LDCs is significant. However, overall information on developing countries' preference schemes remains limited.

5.7. Trends in LDC merchandise exports to developing countries point to a significant reduction of tariffs since 2005. Excluding oil, one of the main LDC export items to other developing countries where it is mostly MFN duty free, the average applied duty on LDC products stood at 5.5% in 2012. More than half of this reduction was due to improved preferences granted to the LDCs over MFN treatment.

5.8. The WTO's MC9 adopted a number of decisions aimed at improving the market access opportunities for LDCs, both in the area of goods and services. The Bali Decisions relating to DFQF market access as well as preferential rules of origin mark a step forward towards providing increasingly greater market access for LDC products. The Decision relating to the operationalization of the LDC Services Waiver initiates a process with a view to increasing the participation of LDCs in world services trade.

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## ANNEX

**Annex Table 1: Merchandise exports and imports of LDCs by selected country grouping, 2013**

(Million dollars and percentage)

	Exports					Imports				
	Value		Annual percentage change			Value		Annual percentage change		
	2013	2000-13	2011	2012	2013	2013	2000-13	2011	2012	2013
<b>LDCs</b>	<b>214,622</b>	<b>14.7</b>	<b>24.5</b>	<b>1.1</b>	<b>5.1</b>	<b>243,788</b>	<b>14.2</b>	<b>22.6</b>	<b>9.3</b>	<b>7.3</b>
<b>Exporters of agricultural products</b>	14,710	12.0	29.8	1.1	2.4	46,513	14.0	17.5	19.9	3.2
Afghanistan	515	10.7	-3.3	14.1	20.1	8,724	16.7	26.4	39.2	-3.8
Benin	1,500	10.9	-2.4	7.9	11.1	2,400	11.1	3.6	3.3	9.1
Burkina Faso	2,160	19.7	50.8	-9.0	-1.1	3,600	14.6	17.5	33.0	12.5
Burundi	99	5.4	22.0	8.1	-25.7	811	14.0	47.9	-0.2	8.0
Central African Republic	150	-0.5	35.7	5.3	-25.0	250	6.0	3.3	3.2	-21.9
Comoros	20	2.6	25.2	-24.4	0.6	284	15.6	18.9	-1.2	4.1
Ethiopia	2,700	14.1	23.4	0.6	-6.6	12,200	19.1	3.4	33.9	2.4
Gambia	90	14.8	170.8	5.6	-10.0	350	4.9	20.6	17.1	-13.0
Guinea-Bissau	190	9.0	91.2	-46.3	46.2	240	11.4	22.2	-8.4	9.1
Kiribati	8	5.8	120.8	-32.4	29.0	112	8.2	25.5	18.3	3.2
Liberia	559	4.2	65.3	25.2	21.7	1,150	4.3	47.1	-3.8	14.4
Malawi	1,208	9.3	33.7	-17.0	2.1	2,845	13.8	11.7	-2.8	20.5
Rwanda	703	22.2	56.2	27.3	19.0	2,302	20.2	42.5	12.8	0.1
Sao Tome and Principe	16	13.7	1.0	36.8	6.0	152	13.3	19.2	-1.8	15.8
Solomon Islands	440	15.3	85.6	18.8	-10.8	519	14.2	16.7	6.0	3.8
Somalia	540	8.2	15.6	3.8	0.0	1,300	10.8	42.9	0.0	8.3
Timor-Leste <sup>a</sup>	16	7.2	-19.5	133.2	-47.9	843	20.6	29.4	108.3	26.9
Togo	1,350	10.6	20.7	1.8	12.5	2,300	11.4	22.6	1.8	9.5
Uganda	2,408	14.7	33.4	9.2	2.1	5,818	10.8	20.7	7.3	-3.7
Vanuatu	39	3.1	38.1	-18.7	-29.6	313	10.4	6.7	-2.6	5.7
<b>Fuel exporters<sup>b</sup></b>	<b>115,529</b>	<b>16.0</b>	<b>23.6</b>	<b>-1.8</b>	<b>2.4</b>	<b>69,801</b>	<b>15.9</b>	<b>19.5</b>	<b>10.8</b>	<b>7.2</b>
Angola	68,800	18.1	33.0	5.6	-3.2	24,500	17.4	21.4	17.2	3.3
Bhutan	510	13.1	5.2	-17.8	-8.0	1,040	14.7	23.2	-6.3	5.5
Chad	4,200	27.3	33.3	-4.2	-8.7	2,800	18.2	12.5	11.1	-6.7
Equatorial Guinea	14,500	22.0	35.0	14.8	-6.5	7,000	23.5	25.0	15.4	-6.7
Myanmar	11,233	16.1	6.7	-3.9	26.5	12,043	13.3	89.5	1.8	31.2
Sudan	7,086	11.1	-15.0	-58.0	74.3	9,918	15.3	-8.1	2.6	4.7
Yemen	9,200	6.5	19.8	-16.5	13.6	12,500	13.8	8.4	12.2	11.0

	Exports					Imports				
	Value		Annual percentage change			Value		Annual percentage change		
	2013	2000-13	2011	2012	2013	2013	2000-13	2011	2012	2013
<b>Manufacture exporters</b>	43,006	11.9	27.9	4.5	15.4	65,447	11.7	24.9	0.6	8.3
Bangladesh	29,114	12.4	27.3	2.8	15.9	36,377	11.5	30.2	-5.6	6.4
Cambodia	9,300	15.8	30.3	16.9	18.7	13,000	15.8	37.0	18.3	18.2
Haiti	900	8.3	32.4	6.3	10.4	3,700	10.3	-4.0	5.0	16.7
Lesotho	847	10.9	33.6	-17.0	-12.9	2,200	8.0	8.7	4.0	-15.4
Madagascar	1,900	6.6	38.3	-4.7	25.3	3,200	8.6	12.4	6.5	3.4
Nepal	883	0.7	7.4	-0.9	-3.0	6,604	11.7	12.5	5.0	8.9
Samoa	62	-0.3	-5.7	14.8	-18.4	367	10.0	11.6	-0.1	6.1
<b>Exporters of non-fuel minerals<sup>c</sup></b>	38,618	17.0	22.6	7.2	3.7	54,561	16.3	28.4	10.1	10.2
Congo, Dem. Rep. of	6,300	17.1	24.5	-4.5	0.0	6,300	18.6	22.2	10.9	3.3
Eritrea	330	18.3	3207.7	11.6	-31.3	1,030	6.2	43.9	2.1	6.2
Guinea	1,300	5.3	-2.6	-9.3	0.0	2,100	9.9	49.9	7.0	-6.8
Lao People's Dem. Rep.	2,264	16.0	25.4	3.7	-0.3	3,020	14.2	16.7	27.1	-1.2
Mali	2,339	11.9	18.9	9.9	-10.4	3,900	12.9	-2.2	3.3	12.6
Mauritania	2,674	16.8	33.9	-4.9	1.3	3,250	16.3	27.5	28.5	2.5
Mozambique	4,300	20.9	20.1	13.8	4.9	8,800	16.9	37.1	7.8	29.4
Niger	1,550	14.0	8.7	20.0	3.3	2,100	13.7	-11.5	-11.9	8.8
Sierra Leone	1,917	46.8	2.5	220.8	70.9	1,780	21.0	122.9	-6.6	11.0
Tanzania	5,050	16.0	16.9	17.2	-9.0	12,120	17.3	37.1	5.1	6.8
Zambia	10,594	21.0	25.0	4.0	13.1	10,162	20.6	34.9	22.7	15.4
<b>Diversified and others<sup>d</sup></b>	2,760	8.5	17.3	0.6	4.1	7,465	11.9	24.6	9.1	6.2
Djibouti	120	10.8	8.9	27.3	1.4	719	10.1	36.6	10.5	27.5
Senegal	2,640	8.4	17.6	-0.4	4.3	6,730	12.1	23.6	8.9	4.6
Tuvalu	0	29.9	0.0	0.0	0.0	16	9.4	56.3	20.0	-46.7
<b>World<sup>e</sup></b>	<b>18,816,339</b>	<b>8.6</b>	<b>19.8</b>	<b>0.4</b>	<b>2.2</b>	<b>18,890,065</b>	<b>8.3</b>	<b>19.3</b>	<b>0.6</b>	<b>1.5</b>

a 2003-2013, as no 2000-2002 data were available.

b Includes exporters of electricity (Bhutan).

c Includes exporters of gold (normally classified in n.e.s. according to the UN Standard International Trade Classification) and diamonds (normally included in manufactures according to the UN classification).

d Includes exporters without a clear specialization in a specific category of goods.

e Includes significant re-exports and imports for re-export.

Source: WTO Secretariat.

**Annex Table 2: Export prices of primary commodities, 2000 – 2014, Q2**  
(Indices 2005=100)

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2013				2014	
															Q1	Q2	Q3	Q4	Q1	Q2
Food and beverages	80	81	83	87	98	100	110	127	157	136	153	182	175	175	178	180	173	168	176	181
Food	81	82	84	88	100	100	111	127	157	134	150	180	176	178	181	183	176	170	177	181
Cereals	78	82	94	95	102	100	122	159	222	161	166	230	236	218	240	231	209	191	191	198
Wheat	75	83	97	96	103	100	126	167	214	147	147	207	206	205	211	206	201	202	195	211
Maize	90	91	101	107	114	100	124	166	227	168	189	297	303	263	310	296	244	203	214	217
Rice	71	60	67	69	85	100	106	116	243	205	181	192	202	180	198	191	175	156	153	142
Barley	81	99	115	110	104	100	123	181	211	135	167	218	251	217	252	244	207	166	171	176
Vegetable oils and protein meals	72	70	82	96	111	100	103	143	193	154	170	209	216	206	212	213	204	198	203	212
Meat	79	85	80	82	100	100	95	99	103	98	117	134	132	136	135	136	139	135	143	156
Beef	74	81	80	76	96	100	97	99	102	101	128	154	158	155	163	153	149	154	162	165
Lamb	70	81	91	99	103	100	96	101	106	91	91	93	63	66	60	65	68	72	77	84
Swine meat	88	91	70	79	105	100	94	94	96	82	110	132	122	128	118	131	141	122	137	170
Poultry	80	86	85	90	102	100	94	106	115	116	116	118	128	141	136	141	144	142	142	148
Seafood	112	99	85	84	88	100	121	113	113	114	140	139	113	160	149	166	159	168	186	171
Fish	90	71	72	74	82	100	125	112	119	121	151	146	117	166	159	177	161	169	191	171
Shrimp	180	181	124	117	105	100	105	116	91	85	98	115	97	136	109	123	151	161	166	172
Sugar	81	82	70	77	83	100	133	102	117	152	172	211	175	148	153	145	145	149	144	154
Bananas	73	101	91	65	91	100	118	117	146	147	153	169	171	161	162	158	162	161	164	161
Oranges	43	71	67	81	101	100	98	114	132	108	118	102	99	111	94	122	131	95	92	94
Beverages	78	66	76	80	83	100	108	123	152	154	176	206	167	147	152	147	145	146	168	181
Coffee	76	54	54	59	70	100	112	129	150	132	165	231	180	147	161	153	143	132	168	193
Cocoa beans	59	70	115	114	100	100	103	127	167	187	203	193	154	158	143	149	160	179	191	200
Tea	115	92	83	90	92	100	112	98	125	145	146	160	161	123	148	122	113	108	115	103
Agricultural raw materials	93	88	90	93	98	100	109	114	113	94	124	153	133	136	133	137	135	139	141	141
Timber	90	83	82	86	96	100	108	107	109	102	101	111	107	107	104	109	107	109	110	110
Cotton	107	87	84	115	112	100	105	115	129	114	188	280	162	164	163	168	166	158	170	168
Wool	83	78	101	113	105	100	104	144	138	115	153	234	215	196	218	190	179	199	186	182
Rubber	46	40	51	72	87	100	140	153	174	128	243	321	225	186	210	193	173	168	150	141
Hides and skins	122	129	123	104	102	100	105	110	98	68	110	125	127	144	131	143	146	157	164	167
Minerals and non-ferrous metals (excluding crude petroleum)	59	53	52	58	79	100	156	183	169	136	202	229	190	182	199	176	176	178	171	165
Copper	49	43	42	48	78	100	183	194	189	141	205	240	217	199	216	195	193	195	191	185
Aluminum	82	76	71	75	90	100	135	139	136	88	114	126	106	97	105	97	94	93	90	95

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2013				2014	
															Q1	Q2	Q3	Q4	Q1	Q2
Iron ore	44	46	45	49	58	100	119	130	219	285	522	597	457	482	528	446	473	480	429	365
Tin	74	61	55	66	115	100	119	196	250	184	276	353	286	302	326	283	289	310	307	313
Nickel	58	40	46	65	94	100	163	251	143	99	148	155	119	102	117	101	94	94	99	125
Zinc	82	64	56	60	76	100	237	235	137	120	157	159	141	138	147	133	135	138	147	150
Lead	47	49	46	53	91	100	132	265	215	177	221	246	212	220	235	211	216	217	216	215
Uranium	30	31	35	40	65	100	171	355	230	167	165	201	175	138	153	146	128	125	126	107
<b>Total of above</b>	<b>74</b>	<b>71</b>	<b>72</b>	<b>76</b>	<b>91</b>	<b>100</b>	<b>123</b>	<b>140</b>	<b>151</b>	<b>127</b>	<b>161</b>	<b>190</b>	<b>171</b>	<b>169</b>	<b>175</b>	<b>170</b>	<b>166</b>	<b>165</b>	<b>167</b>	<b>168</b>
Energy	54	47	47	55	72	100	119	132	185	117	147	201	203	196	203	188	197	197	195	197
Natural gas	60	60	48	63	70	100	115	117	174	110	113	154	171	165	168	168	161	162	169	165
Crude petroleum	53	46	47	54	71	100	121	133	182	116	149	204	208	201	208	192	203	203	200	203
Coal	53	65	54	57	113	100	104	138	266	149	206	254	202	177	193	179	161	174	163	155
<b>All primary commodities</b>	<b>59</b>	<b>54</b>	<b>54</b>	<b>61</b>	<b>77</b>	<b>100</b>	<b>121</b>	<b>135</b>	<b>172</b>	<b>121</b>	<b>152</b>	<b>197</b>	<b>191</b>	<b>186</b>	<b>192</b>	<b>182</b>	<b>185</b>	<b>185</b>	<b>184</b>	<b>186</b>

Note: Beginning with the first quarter of 2011, the crude oil price index is computed excluding West Texas Intermediate (WTI), in order to better reflect prices in international trade. The price of WTI, which accounts for one third of the IMF's original crude oil index, became largely dislocated from international markets in early 2011. Although suited for measuring oil price worldwide, the WTI inclusion in a crude oil price index would however considerably distort an index meant to measure oil prices in international trade.

Source: IMF commodity prices.

**Annex Table 3: Leading merchandise exports of LDCs in 2013<sup>a</sup>**

(Million dollars and percentage)

HS07	Product Description	LDC exports				World exports	
		Value	Share in Total Exports	Exports to Developed Economies	Developing Economies	Value	LDCs' Share in World
TOTAL	All Commodities	197,445	100.0	79,337	117,728	14,089,513	1.4
27	Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral waxes.	109,752	55.6	32,864	76,887	2,742,651	4.0
2709	Petroleum oils and oils obtained from bituminous minerals, crude.	94,171	47.7	28,520	65,651	1,547,261	6.1
2711	Petroleum gases and other gaseous hydrocarbons.	11,224	5.7	3,036	8,188	396,349	2.8
2710	Petroleum oils and oils obtained from bituminous minerals, other than crude; preparations not elsewhere specified or included, containing by weight 70% or more of petroleum oils or of oils obtained from bituminous minerals.	2,809	1.4	1,172	1,636	602,214	0.5
61	Articles of apparel and clothing accessories, knitted or crocheted	16,777	8.5	15,585	1,149	147,367	11.4
6110	Jerseys, pullovers, cardigans, waistcoats and similar articles, knitted or crocheted.	5,110	2.6	4,731	361	42,193	12.1
6109	T-shirts, singlets and other vests, knitted or crocheted.	4,930	2.5	4,582	336	26,962	18.3
6104	Women's or girls' suits, ensembles, jackets, blazers, dresses, skirts, divided skirts, trousers, bib and brace overalls, breeches and shorts (other than swimwear), knitted or crocheted.	1,810	0.9	1,728	80	18,075	10.0
6105	Men's or boys' shirts, knitted or crocheted.	922	0.5	848	71	6,269	14.7
62	Articles of apparel and clothing accessories, not	15,449	7.8	13,603	1,810	151,801	10.2



HS07	Product Description	LDC exports				World exports	
		Value	Share in Total Exports	Exports to Developed Economies	Developing Economies	Value	LDCs' Share in World
	knitted or crocheted.						
6203	Men's or boys' suits, ensembles, jackets, blazers, trousers, bib and brace overalls, breeches and shorts (other than swimwear).	5,794	2.9	5,276	509	33,013	17.5
6204	Women's or girls' suits, ensembles, jackets, blazers, dresses, skirts, divided skirts, trousers, bib and brace overalls, breeches and shorts (other than swimwear).	3,656	1.9	3,352	294	41,219	8.9
6205	Men's or boys' shirts.	2,333	1.2	2,017	309	11,893	19.6
26	Ores, slag and ash.	8,748	4.4	1,579	6,989	262,116	3.3
2603	Copper ores and concentrates.	2,604	1.3	110	2,494	59,494	4.4
2601	Iron ores and concentrates, including roasted iron pyrites.	3,405	1.7	497	2,909	149,724	2.3
2606	Aluminium ores and concentrates.	887	0.4	659	101	5,663	15.7
2605	Cobalt ores and concentrates.	500	0.3	0	500	524	95.5
74	Copper and articles thereof.	7,203	3.6	398	6,806	136,620	5.3
7403	Refined copper and copper alloys, unwrought.	4,255	2.2	319	3,936	54,945	7.7
71	Natural or cultured pearls, precious or semi-precious stones, precious metals, metals clad with precious metal, and articles thereof; imitation jewellery; coin.	4,582	2.3	2,019	2,563	418,736	1.1
7102	Diamonds, whether or not worked, but not mounted or set.	1,481	0.8	1,378	102	121,484	1.2
44	Wood and articles of wood; wood charcoal.	4,421	2.2	175	4,246	106,132	4.2
4403	Wood in the rough, whether or not stripped of bark or sapwood, or roughly squared.	3,713	1.9	55	3,658	19,189	19.3
03	Fish and crustaceans, molluscs and other aquatic invertebrates.	2,254	1.1	1,404	843	77,578	2.9

HS07	Product Description	LDC exports				World exports	
		Value	Share in Total Exports	Exports to Developed Economies	Developing Economies	Value	LDCs' Share in World
0306	Crustaceans, whether in shell or not, live, fresh, chilled, frozen, dried, salted or in brine; crustaceans, in shell, cooked by steaming or by boiling in water, whether or not chilled, frozen, dried, salted or in brine; flours, meals and pellets of crus.	852	0.4	689	160	17,517	4.9
0303	Fish, frozen, excluding fish fillets and other fish meat of heading 03.04.	680	0.3	193	482	16,243	4.2
07	Edible vegetables and certain roots and tubers.	2,236	1.1	198	2,036	52,967	4.2
0713	Dried leguminous vegetables, shelled, whether or not skinned or split.	1,949	1.0	78	1,872	9,557	20.4
08	Edible fruit and nuts; peel of citrus fruit or melons.	1,782	0.9	198	1,581	75,690	2.4
0801	Coconuts, Brazil nuts and cashew nuts, fresh or dried, whether or not shelled or peeled.	1,014	0.5	35	978	4,461	22.7
12	Oil seeds and oleaginous fruits; miscellaneous grains, seeds and fruit; industrial or medicinal plants; straw and fodder.	1,790	0.9	245	1,543	83,284	2.1
1207	Other oil seeds and oleaginous fruits, whether or not broken.	1,457	0.7	182	1,275	3,877	37.6
52	Cotton.	1,769	0.9	66	1,704	41,115	4.3
5201	Cotton, not carded or combed.	1,649	0.8	54	1,596	15,651	10.5
09	Coffee, tea, mate and spices.	1,703	0.9	1,312	391	32,617	5.2
0901	Coffee, whether or not roasted or decaffeinated; coffee husks and skins; coffee substitutes containing coffee in any proportion.	1,181	0.6	1,070	111	23,387	5.1
28	Inorganic chemicals; organic or inorganic compounds of precious metals, of	1,541	0.8	944	597	104,038	1.5

HS07	Product Description	LDC exports				World exports	
		Value	Share in Total Exports	Exports to Developed Economies	Developing Economies	Value	LDCs' Share in World
	rare-earth metals, of radioactive elements or of isotopes.						
64	Footwear, gaiters and the like; parts of such articles.	1,535	0.8	1,311	215	89,052	1.7
6403	Footwear with outer soles of rubber, plastics, leather or composition leather and uppers of leather.	906	0.5	841	62	40,341	2.2
24	Tobacco and manufactured tobacco substitutes.	1,268	0.6	672	521	28,312	4.5
2401	Unmanufactured tobacco; tobacco refuse.	1,239	0.6	665	498	9,270	13.4
76	Aluminum and articles thereof.	1,172	0.6	1,008	164	120,097	1.0
7601	Unwrought aluminium.	1,009	0.5	1,004	5	38,954	2.6
63	Other made up textile articles; sets; worn clothing and worn textile articles; rags.	1,132	0.6	834	298	41,679	2.7
6302	Bed linen, table linen, toilet linen and kitchen linen.	563	0.3	550	13	14,626	3.9
72	Iron and steel.	843	0.4	17	826	293,737	0.3
	Total of above.	185,959	94.2	74,430	111,169	5,005,589	3.7

a Based on imports from LDCs by 84 countries and economies (available reporters) reporting their trade to the United Nations Comtrade database.

Source: WTO, based on UNSD Comtrade database.

**Annex Table 4: Imports from LDCs by major markets and product groups, 2000-2013**

(Million dollars and percentage)

Regions and major markets <sup>1</sup>	All Commodities					Agricultural products					Fuels and mining products				Manufactures					
	Value		Share of total 2013	Annual percentage change		Value		Share of total		Annual percentage change 2000-2013	Value		Share of total 2013	Annual percentage change 2013	Value		Share of total		Annual percentage change 2000-2013	
	2000	2013		2013	2000-2013	2000	2013	2013	2013		2000	2013			2000-2013	2000	2013	2013		2013
<b>Africa</b>	<b>1180</b>	<b>11360</b>	<b>100</b>	<b>8</b>	<b>19</b>	<b>425</b>	<b>1823</b>	<b>16</b>	<b>5</b>	<b>12</b>	<b>455</b>	<b>7005</b>	<b>62</b>	<b>2</b>	<b>23</b>	<b>296</b>	<b>2348</b>	<b>21</b>	<b>32</b>	<b>17</b>
South Africa	174	4691	100	-4	29	50	285	6	8	14	47	3795	81	-11	40	78	609	13	62	17
Nigeria <sup>2</sup>	120	203	100	-36	4	86	90	44	-42	0	3	16	8	-21	15	31	97	48	-33	10
Egypt	100	455	100	-21	12	78	176	39	28	6	17	215	47	-47	22	6	36	8	15	15
Mali <sup>2)</sup>	83	1240	100	19	25	3	92	7	49	33	52	779	63	5	25	28	369	30	51	24
Zambia	34	1979	100	38	37	4	18	1	-73	12	25	1628	82	41	38	5	332	17	54	38
Malawi	23	529	100	-	27	9	125	24	-	22	3	294	56	-	41	10	110	21	-	20
Kenya	47	446	100	-2	19	21	285	64	-6	22	11	41	9	11	11	15	119	27	4	17
Côte d'Ivoire <sup>2</sup>	64	584	100	25	20	48	326	56	-4	17	4	67	12	-2	27	11	189	32	233	27
Sudan <sup>2)</sup>	25	266	100	10	22	10	51	19	11	15	2	16	6	-88	18	14	78	29	41	16
Ethiopia <sup>2</sup>	247	90	100	-48	-8	5	13	15	-45	8	236	59	66	-55	-11	5	18	19	14	10
Ghana	137	377	100	12	8	30	163	43	5	14	31	13	3	55	-6	73	178	47	5	7
Morocco <sup>2</sup>	53	105	100	16	6	51	73	69	-3	3	0	9	9	(*)	-	2	23	22	52	25
Tanzania	16	233	100	22	23	2	69	30	-40	30	4	14	6	-16	11	10	148	64	149	23
Senegal <sup>2</sup>	4	75	100	-25	28	2	5	6	45	6	0	57	76	-3	56	2	14	18	-64	20
Mauritius	53	88	100	3	4	25	55	63	2	6	20	1	1	-95	-25	7	30	34	51	11
<b>Americas</b>	<b>10519</b>	<b>31042</b>	<b>100</b>	<b>-3</b>	<b>9</b>	<b>692</b>	<b>906</b>	<b>3</b>	<b>3</b>	<b>2</b>	<b>4811</b>	<b>16896</b>	<b>579153</b>	<b>-8</b>	<b>10</b>	<b>4960</b>	<b>12859</b>	<b>2</b>	<b>8</b>	<b>8</b>
North America	10061	28061	100	-8	8	555	848	3	4	3	4530	14436	51	-17	9	4919	12395	44	7	7
United States	9725	23637	100	-5	7	495	698	3	4	3	4486	12720	54	-13	8	4689	10053	43	7	6
Canada	282	4002	100	-22	23	36	121	3	22	10	44	1642	41	-38	32	201	2024	51	6	19
Mexico	54	422	100	10	17	25	28	7	-28	1	0	74	18	179	52	29	318	75	2	20
South and Central America	458	2982	100	114	15	136	58	2	-11	-6	281	2460	82	159	18	41	464	16	23	21
Brazil	179	2003	100	282	20	80	7	0	-72	-17	85	1734	87	542	26	14	262	13	14	25
Peru	7	240	100	-45	32	2	6	2	181	9	4	211	88	-50	35	1	23	10	54	33
Chile	102	139	100	-51	2	0	1	1	155	35	95	83	59	-67	-1	7	56	40	45	18
Ecuador	19	19	100	335	0	0	5	24	74	23	17	0	1	42	-29	1	14	74	820	23
Uruguay	64	442	100	(*)	16	0	1	0	-17	19	63	432	98	(*)	16	1	8	2	19	20
Venezuela <sup>3</sup>	26	5	100	-83	-13	19	0	6	112	-31	0	0	0	-	-	7	5	94	-84	-3
Argentina	25	44	100	6	4	2	9	21	-22	14	16	1	1	(*)	-22	7	34	78	16	13
Guatemala	0	2	100	59	19	0	1	46	10	14	0	0	0	-	-	0	1	54	158	25
El Salvador	1	14	100	93	20	1	10	72	84	26	0	0	0	-	-100	1	4	28	120	14
Colombia	34	62	100	33	5	33	16	26	7	-5	0	0	0	-100	-100	1	46	74	46	34

Regions and major markets <sup>1</sup>	All Commodities					Agricultural products					Fuels and mining products				Manufactures					
	Value		Share of total 2013	Annual percentage change 2000-2013		Value		Share of total		Annual percentage change 2000-2013	Value		Share of total 2013	Annual percentage change 2013	2000-2013	Value		Share of total		Annual percentage change 2000-2013
	2000	2013				2000	2013	2013	2013		2000	2013				2000	2013	2000	2013	
Costa Rica	2	12	100	-63	16	0	2	13	241	19	0	0	0	-100	-29	2	10	87	-55	16
<b>Asia and Pacific</b>	<b>11869</b>	<b>103927</b>	<b>100</b>	<b>4</b>	<b>18</b>	<b>2687</b>	<b>11454</b>	<b>11</b>	<b>11</b>	<b>12</b>	<b>8042</b>	<b>83540</b>	<b>757994</b>	<b>2</b>	<b>20</b>	<b>1120</b>	<b>8262</b>	<b>1</b>	<b>26</b>	<b>17</b>
China	4007	59368	100	7	23	274	4596	8	21	24	3650	52632	89	4	23	83	2140	4	87	28
India	1202	14333	100	-4	21	617	2990	21	8	13	293	10020	70	-8	31	287	824	6	-25	8
Thailand	1393	8383	100	10	15	331	906	11	20	8	1027	7076	84	8	16	27	397	5	35	23
Japan	1234	6876	100	-4	14	584	786	11	-7	2	448	3964	58	-14	18	200	2115	31	23	20
Chinese Taipei	659	4879	100	-19	17	91	158	3	22	4	539	4573	94	-21	18	29	138	3	25	13
Korea, Republic of	1828	4351	100	30	7	74	335	8	32	12	1691	3033	70	27	5	64	982	23	37	23
Singapore	580	1678	100	18	9	154	149	9	-23	0	239	1247	74	112	14	185	273	16	-9	3
Indonesia	178	798	100	-21	12	121	459	58	20	11	28	247	31	-54	18	29	91	11	12	9
Malaysia	177	969	100	26	14	115	434	45	-20	11	43	362	37	178	18	18	170	18	91	19
Hong Kong, China <sup>2</sup>	226	616	100	37	9	136	162	26	9	1	3	11	2	-56	11	87	443	72	60	15
Pakistan	157	563	100	6	10	131	353	63	5	8	18	165	29	-2	18	7	46	8	79	15
Australia	172	816	100	12	13	27	54	7	-10	5	59	79	10	354	2	86	551	68	16	15
Philippines	43	198	100	148	12	26	44	22	-16	4	4	120	61	(*)	30	13	34	17	25	7
New Zealand	12	98	100	-35	18	6	27	27	28	12	0	12	12	-86	50	6	60	61	20	20
<b>Europe and CIS</b>	<b>12365</b>	<b>51243</b>	<b>100</b>	<b>16</b>	<b>12</b>	<b>2858</b>	<b>5171</b>	<b>10</b>	<b>-5</b>	<b>5</b>	<b>2403</b>	<b>22478</b>	<b>222741</b>	<b>17</b>	<b>19</b>	<b>6766</b>	<b>22730</b>	<b>10</b>	<b>20</b>	<b>10</b>
EU 28	11790	48237	100	15	11	2755	4991	10	3	5	2237	21688	45	15	19	6463	21155	44	20	10
Norway	244	885	100	100	10	12	32	4	-6	8	3	591	67	199	49	227	262	30	24	1
Switzerland	100	628	100	7	15	33	149	24	2	12	3	1	0	301	-11	65	479	76	8	17
CIS	231	1494	100	17	15	59	0				160	198	13	-19	2	11	835	56	39	39
Russian Federation	134	1075	100	17	17	37	361	34	12	19	86	18	2	-81	-11	10	696	65	39	39
Ukraine	62	272	100	17	12	12	63	23	2	14	50	129	47	12	7	0	80	29	41	56
Kazakhstan	4	105	100	56	30	3	15	14	80	13	0	52	49	77	98	0	39	37	29	45
Belarus	7	39	100	-7	14	7	19	48	-35	8	0	2	4	134	-	0	19	48	49	33
Kyrgyzstan <sup>2</sup>	0	1	100	-29	8	0	0	27	-67	0	0	0	0	320	-	0	1	73	25	17
Azerbaijan	24	1	100	-91	-23	0	0	43	-77	10	23	0	3	-100	-42	0	0	55	478	42

Notes: <sup>1</sup>Regional totals are based on the information available, and may not coincide with aggregated trade figures.

<sup>2</sup>2000-2012 only, as no 2013 data were available.

<sup>3</sup>2000-2011 only, as neither 2013 nor 2012 data were available.

(\*) High annual percentage change due to base effect (not shown in table).

Sources: UN Comtrade database and Global Trade Information Services (GTIS).

**Annex Table 5: Coverage ratios of imports by exports of the LDCs, 2000-2013**  
(Percentage)

	2000	2006	2007	2008	2009	2010	2011	2012	2013	Average 2000-2013
<b>LDCs<sup>a</sup></b>	<b>83</b>	<b>103</b>	<b>103</b>	<b>104</b>	<b>83</b>	<b>96</b>	<b>97</b>	<b>90</b>	<b>88</b>	<b>93</b>
<b>Agricultural exporters</b>	<b>40</b>	<b>32</b>	<b>33</b>	<b>31</b>	<b>33</b>	<b>34</b>	<b>38</b>	<b>32</b>	<b>32</b>	<b>34</b>
Afghanistan	12	15	15	18	12	8	6	5	6	9
Benin	64	60	51	56	59	62	59	61	63	59
Burkina Faso	34	45	37	34	48	78	100	68	60	55
Burundi	34	14	18	14	17	20	16	18	12	18
Central African Republic	138	78	71	50	44	47	61	63	60	71
Comoros	33	9	10	4	7	9	9	7	7	11
Ethiopia	39	20	22	19	21	27	32	24	22	24
Gambia	8	4	4	4	22	12	28	25	26	13
Guinea-Bissau	105	58	64	64	60	64	101	59	79	75
Kiribati	9	10	14	10	9	5	9	5	7	8
Liberia	49	34	40	30	27	31	35	46	49	41
Malawi	71	55	63	40	59	49	59	50	42	53
Rwanda	25	25	23	23	18	21	23	26	31	25
Sao Tome and Principe	10	11	9	9	8	10	8	11	11	10
Solomon Islands	75	56	56	64	61	55	88	99	85	73
Somalia	56	37	39	47	56	54	43	45	42	46
Timor-Leste	...	8	5	5	3	7	4	5	2	4
Togo	65	58	55	56	60	58	57	57	59	60
Uganda	26	38	38	38	37	35	38	39	41	38
Vanuatu	30	22	22	18	19	17	22	18	12	20
<b>Fuel exporters</b>	<b>164</b>	<b>207</b>	<b>205</b>	<b>214</b>	<b>139</b>	<b>189</b>	<b>196</b>	<b>173</b>	<b>166</b>	<b>179</b>
Angola	261	363	325	305	180	304	333	300	281	281
Bhutan	59	99	128	96	94	75	64	56	49	71
Chad	58	248	204	208	140	150	178	153	150	161
Equatorial Guinea	243	406	369	402	175	192	208	207	207	257
Myanmar	68	179	193	162	153	182	102	97	93	124
Sudan	116	70	101	125	85	114	105	43	71	88
Yemen	176	110	74	72	68	88	97	72	74	88
<b>Manufacture exporters</b>	<b>65</b>	<b>65</b>	<b>60</b>	<b>56</b>	<b>57</b>	<b>58</b>	<b>59</b>	<b>62</b>	<b>66</b>	<b>61</b>
Bangladesh	72	74	67	64	69	69	67	74	80	70
Cambodia	72	77	75	72	72	76	72	71	72	74
Haiti	31	31	31	21	27	18	25	26	24	26
Lesotho	27	48	48	49	40	38	47	37	39	43
Madagascar	75	55	47	35	33	44	55	49	59	51
Nepal	51	34	28	26	19	17	16	15	13	24
Samoa	61	24	37	25	20	23	19	22	17	30
<b>Mineral exporters</b>	<b>65</b>	<b>82</b>	<b>77</b>	<b>71</b>	<b>70</b>	<b>81</b>	<b>77</b>	<b>75</b>	<b>71</b>	<b>74</b>
Congo, Dem. Rep. of	118	94	91	102	90	118	120	103	100	102

	2000	2006	2007	2008	2009	2010	2011	2012	2013	Average 2000- 2013
Eritrea	8	2	3	2	2	2	45	49	32	17
Guinea	109	108	99	98	99	105	68	58	62	87
Lao People's Dem. Rep.	62	83	86	78	72	85	91	74	75	77
Mali	68	85	71	63	71	58	71	75	60	69
Mauritania	78	117	102	92	91	107	112	83	82	88
Mozambique	31	83	79	66	57	65	57	60	49	61
Niger	72	54	58	54	45	46	57	78	74	58
Sierra Leone	9	59	55	40	44	44	20	70	108	55
Tanzania	48	44	40	41	47	51	44	49	42	46
Zambia	100	123	115	101	113	135	125	106	104	108
<b>Diversified and others</b>	<b>55</b>	<b>41</b>	<b>32</b>	<b>31</b>	<b>40</b>	<b>43</b>	<b>41</b>	<b>38</b>	<b>37</b>	<b>39</b>
Djibouti	15	16	12	12	17	23	18	21	17	17
Senegal	61	43	34	33	43	45	43	39	39	43
Tuvalu	0	0	1	1	2	2	1	1	2	1

a Weighted average.

Note: Coverage ratio of imports by exports = (exports/imports\*100).

Source: WTO Secretariat.

**Annex Table 6: Exports of commercial services of the LDCs by category, 2013**  
(Million Dollars and percentage)

	Value	Share in commercial services					
	Commercial services	Transportation services		Travel		Other commercial services	
	2013	2005	2013	2005	2013	2005	2013
<b>LDCs</b>	<b>31,705</b>	<b>22.9</b>	<b>23.7</b>	<b>52.6</b>	<b>44.8</b>	<b>24.5</b>	<b>31.5</b>
Afghanistan	3,184	30.0	10.5	30.0	1.9	40.0	87.6
Angola	864	10.2	2.8	49.9	90.6	39.9	6.6
Bangladesh	1,876	23.8	28.7	14.8	7.9	61.4	63.5
Benin	437	18.3	26.2	57.7	41.6	24.0	32.2
Bhutan	123	25.0	27.0	25.0	69.0	50.0	4.0
Burkina Faso	437	2.1	13.0	71.2	20.7	26.7	66.4
Burundi	17	25.6	15.9	22.2	9.1	52.2	75.0
Cambodia	2,700	11.9	12.7	78.9	72.0	9.1	15.3
Central African Republic	32	8.0	7.7	47.9	48.3	44.1	44.0
Chad	227	3.2	3.1	73.5	73.7	23.3	23.2
Comoros	62	12.1	5.2	61.0	65.9	27.0	28.9
Congo, Dem. Rep. of	235	12.0	39.6	3.3	3.1	84.7	57.2
Djibouti	161	79.1	74.1	7.5	13.7	13.4	12.2
Equatorial Guinea	35	2.0	1.9	81.2	81.4	16.8	16.7
Eritrea	133	26.8	27.8	64.2	62.6	9.0	9.5
Ethiopia	2,685	59.0	76.5	21.3	15.6	19.7	7.9
Gambia	211	19.4	32.9	70.8	53.0	9.9	14.1
Guinea	94	34.4	3.1	0.0	0.9	65.6	96.0
Guinea-Bissau	22	10.6	1.8	34.9	32.5	54.5	65.7
Haiti	595	0.0	0.0	89.6	95.5	10.4	4.5
Kiribati	6	41.1	11.9	31.8	69.3	27.1	18.7
Lao People's Dem. Rep.	598	17.7	8.1	75.4	82.5	6.9	9.3
Lesotho	57	2.5	0.9	84.8	69.5	12.7	29.6
Liberia, Republic of	226	13.6	36.1	82.9	63.6	3.5	0.3
Madagascar	1,423	28.2	31.6	43.7	45.4	28.2	23.1
Malawi	110	46.0	17.4	45.0	32.9	8.9	49.7
Mali	327	13.8	0.8	58.5	46.2	27.6	53.0
Mauritania	134	2.6	2.6	82.7	82.7	14.7	14.7
Mozambique	1,579	28.3	35.8	41.1	24.7	30.6	39.5
Myanmar	659	50.4	26.8	28.5	51.0	21.1	22.2
Nepal	962	12.0	3.0	48.4	45.0	39.6	51.9
Niger	77	10.1	7.4	51.2	75.3	38.7	17.2
Rwanda	386	36.1	19.0	58.6	76.1	5.3	5.0
Samoa	205	4.2	3.3	69.7	78.7	26.1	18.1
Sao Tome and Principe	18	1.6	1.2	81.2	87.3	17.2	11.4
Senegal	1,225	18.4	11.4	35.1	38.5	46.5	50.1
Sierra Leone	191	14.9	11.3	81.9	26.3	3.2	62.4
Solomon Islands	129	21.8	24.5	4.2	53.6	73.9	21.9
Somalia	...	...	...	...	...	...	...
South Sudan	240	...	1.3	...	90.8	...	7.9
Sudan	1,023	3.4	13.8	88.7	75.6	7.9	10.6
Tanzania	2,979	18.3	26.4	67.8	57.6	13.9	16.0
Timor-Leste	33	...	2.3	...	70.6	...	27.1
Togo	513	55.0	50.9	14.0	21.7	31.0	27.4
Tuvalu	4	12.5	11.2	57.2	68.3	30.3	20.5
Uganda	2,166	2.3	12.5	77.8	54.6	20.0	32.9
Vanuatu	326	19.0	10.2	63.4	82.9	17.6	6.8
Yemen	1,490	16.1	18.4	63.3	71.7	20.6	9.9
Zambia	488	41.4	50.3	47.5	34.0	11.1	15.7
Memorandum item:							
<b>World</b>	<b>4,644,377</b>	<b>23</b>	<b>20</b>	<b>28</b>	<b>25</b>	<b>49</b>	<b>55</b>

Note: Most 2013 data are preliminary Secretariat estimates.

Source: WTO Secretariat.



**Annex Table 7: Major multilateral non-reciprocal LDC preference schemes undertaken by Members<sup>a</sup>**

Preference granting country	Description	Duty-free tariff line coverage <sup>b</sup> (and major exclusions)	References
Australia	Duty- and quota-free entry for LDCs Entry into force: 1 July 2003	100%	WT/COMTD/N/18
Canada	GSP – Least-developed Countries' Tariff Programme (LDCT) Entry into force: 1 January 2003, The scheme expired on 30 June 2014	98.6% (dairy, eggs and poultry).	WT/COMTD/N/15/Add.1 WT/COMTD/N/15/Add.2
China	Duty-free treatment for LDCs Entry into force: 1 July 2010	As per latest IDB submission, the DFQF coverages is 61.5%. The exclusions include chemicals, machinery, paper and wood products, cotton, textiles, steel products, etc. It is noted that the DFQF coverage has been extended to 95% in 2013.	WT/COMTD/N/39 WT/COMTD/N/39/Add.1 WT/COMTD/N/39/Add.1/Rev.1 WT/COMTD/LDC/M/71
Chile	DFQF scheme for the LDCs Entry into force: 28 February 2014	99.5% (wheat, wheat flour and sugar).	WT/COMTD/N/44 WT/COMTD/N/44/Add.1
EU	GSP - Everything But Arms (EBA) initiative Entry into force: 5 March 2001	99% (arms and ammunitions).	WT/COMTD/N/4/Add.2 WT/COMTD/N/4/Add.4 WT/COMTD/N/4/Add.5 WT/COMTD/N/4/Add.6 <a href="http://www.ec.europa.eu">http://www.ec.europa.eu</a>
India	Duty-Free Tariff Preference Scheme (DFTP) Entry into force: 13 August 2008	85%; an additional 9% of tariff lines provide margin of preference to LDCs. The exclusions include chemicals, petroleum products, copper, iron and steel products, coffee, vegetables, beverages and spirits, etc.	WT/COMTD/N/38 <a href="http://www.commerce.nic.in/trade/international_top_DFTP.pdf">http://www.commerce.nic.in/trade/international_top_DFTP.pdf</a> <a href="http://www.cbec.gov.in">http://www.cbec.gov.in</a>
Japan	GSP – Enhanced duty- and quota-free market access Entry into force: 1 April 2007 Extended until 31 March 2021	98% (rice, sugar, fishery products, articles of leather).	WT/COMTD/N/2/Add.14 WT/COMTD/N/2/Add.15

Preference granting country	Description	Duty-free tariff line coverage <sup>b</sup> (and major exclusions)	References
Korea, Rep. of	Presidential Decree on Preferential Tariff for LDCs Entry into force: 1 January 2000	90% (meat, fish, vegetables, food products, etc.).	WT/COMTD/N/12/Rev.1 WT/COMTD/N/12/Rev.1/Add.1
New Zealand	GSP- Tariff Treatment for LDCs Entry into force: 1 July 2001	100%	WT/COMTD/27, WT/GC/36
Norway	GSP – Duty - and quota-free market access Entry into force: 1 July 2002	100%	WT/COMTD/N/6/Add.4 WT/COMTD/N/6/Add.5
Russian Federation	The GSP scheme, in the context of the Customs Union between Belarus, Kazakhstan and the Russian Federation. Entry into force: 1 January 2010	38% (Exclusions cover a wide range of products, including petroleum products, copper, iron ores, Textiles, clothing, leather, footwear, etc.).	WT/COMTD/N/42 G/RO/N/44
Switzerland	GSP – Revised Preferential Tariffs Ordinance Entry into force: 1 April 2007	100%	WT/COMTD/N/7/Add.2 WT/COMTD/N/7/Add.3 WT/COMTD/N/7/Add.4 WT/COMTD/N/7/Add.5
Chinese Taipei	Duty-free treatment for LDCs Entry into force: 17 December 2003	31.7%. Some 131 products enjoy exclusive duty-free access, including selected plastic items, raw hides and skins, textile and clothing articles, parts of vehicles, precious stones, etc. The exclusions cover a wide range of products.	WT/COMTD/N/40 <a href="http://www.doca.mof.gov.tw/public/Data/1101891847152.xls">http://www.doca.mof.gov.tw/public/Data/1101891847152.xls</a>
Turkey	GSP Entry into force: 31 December 2005	79.7% (meat, fish, food, steel products, etc.).	WT/TPR/S/259/Rev.1
United States	GSP for least-developed beneficiary developing countries (LDBDC). Legal authorization of the GSP Programme expired on 31 July 2013. The US Congress is considering legislation that would extend the authorization of GSP beyond this date. (AGOA) Entry into force: 18 May 2000, extended until 30 September 2015	82.6% (dairy products, sugar, cocoa, articles of leather, cotton, articles of apparel and clothing, other textiles and textile articles, footwear, watches, etc.).	WT/COMTD/N/1/Add.7 WT/COMTD/N/1/Add.8 <a href="http://www.ustr.gov">http://www.ustr.gov</a>
		97.5%	WT/COMTD/N/1/Add.3 WT/L/754 WT/L/929 WT/COMTD/LDC/M/71
	Caribbean Basin Trade Partnership Act (CBTPA) Entry into force: 1 October 2000, extended until 30 September 2020	Duty free for most products, including textiles and apparels. The Haitian Hemispheric Opportunity through Partnership Encouragement (HOPE) Act of 2006 provided new trade benefits,	WT/L/753 WT/L/928 <a href="http://www.ustr.gov">http://www.ustr.gov</a>

Preference granting country	Description	Duty-free tariff line coverage <sup>b</sup> (and major exclusions)	References
		<p>especially of apparel imports from Haiti. The HOPE II Act of 2008 enhanced duty-free treatment for qualifying apparel imports from Haiti. The Haiti Economic Lift Program (HELP) Act of 2010 provided duty-free treatment for additional textile and apparel products from Haiti.</p>	

- a This table represents a non-exhaustive list of non-reciprocal multilateral market access initiatives undertaken in favour of LDCs.
- b The DFQF coverage is derived from most recent WTO IDB submissions or taken from most recent notifications by Members. In certain cases, the number differs from Tables 16 and 18 as they relate to different reporting period.

Source: WTO Secretariat.