
Sub-Committee on Least-Developed Countries

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

Note by the Secretariat¹

I.	INTRODUCTION.....	3
II.	LDC EXPORT PROFILE.....	4
A.	TRENDS IN LDC TRADE IN GOODS AND SERVICES	4
B.	LDC PARTICIPATION IN WORLD TRADE IN SERVICES	13
1.	Global Trends.....	13
2.	Tourism.....	14
C.	TRADE BALANCES	16
1.	Evolution by Product Groups	16
2.	Evolution by Export Specialization.....	17
III.	TRENDS IN MARKET ACCESS FOR PRODUCTS OF EXPORT INTEREST TO LDCs.....	18
A.	MARKET ACCESS IN DEVELOPED COUNTRIES	18
B.	MARKET ACCESS IN DEVELOPING ECONOMIES	21
C.	TARIFF TREATMENT OF LDC EXPORTS IN SELECTED MARKETS	22
IV.	RECENT INITIATIVES TO IMPROVE MARKET ACCESS FOR LDC PRODUCTS	30
V.	CONCLUSIONS	32
ANNEX	34

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

List of Tables

Table 1:	Trends in LDC exports of goods and commercial services, 2000-2010.....	5
Table 2:	LDCs and world trade in goods and commercial services, 1980-2010.....	6
Table 3:	Export prices of primary commodities, 2000-2011.....	8
Table 4:	Top 20 LDC merchandise exports by market share, 2010.....	11
Table 5:	Commercial services exports by LDCs, 2000-2010.....	14
Table 6:	Classification of LDCs according to the importance of the tourism sector in their balance of payments.....	15
Table 7:	LDCs' merchandise trade balance by product groups, 2000-2010.....	17
Table 8:	LDCs' coverage of imports by exports, 2000-2010.....	17
Table 9:	Trends in tariff treatment on merchandises imported by developed countries, 1996-2009.....	19
Table 10:	Tariff treatment on merchandises imported by selected developing countries, 2005 and 2009	21
Table 11:	Tariff treatment of LDC exports in selected developed markets, 2009.....	24
Table 12:	Tariff treatment of LDC exports in selected developing markets, 2009.....	27
Table 13:	DFQF access in GSP schemes of developed Members, 2009.....	31
Table 14:	DFQF access for LDC products in selected developing countries.....	31

List of Charts

Chart 1:	Evolution of LDCs' exports of goods and commercial services, 2000-2010.....	4
Chart 2:	Export prices of primary commodities, 2000-2010.....	7
Chart 3:	Development in merchandise trade volume of LDCs and developing economies, 2000-2010.....	9
Chart 4:	Composition of LDC merchandise exports by major products, 2000-2010.....	10
Chart 5:	Top 20 markets for LDC exports of goods, 2000-2010.....	12
Chart 6:	Composition of imports from LDCs by region, 2010 or most recent year.....	13
Chart 7:	International tourist arrivals in selected LDCs and world exports of travel, Q1 2008-Q1 2011.....	16
Chart 8:	Effective preference margin of LDCs' exports for selected product groups (developed markets), 1996-2009.....	20

List of Boxes

Box 1:	The utilization of preferences, 2009.....	22
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List of Annex Tables

Annex Table 1:	Merchandise exports and imports of LDCs by selected country grouping, 2010...	34
Annex Table 2:	Export prices of primary commodities, 2000-2011.....	36
Annex Table 3:	Leading merchandise exports of LDCs in 2010.....	38
Annex Table 4:	Imports from LDCs by major markets and product groups, 2000-2010.....	40
Annex Table 5:	Coverage ratios of imports by exports of the LDCs, 2000-2010.....	42
Annex Table 6:	Major multilateral non-reciprocal LDC preference schemes undertaken by Members.....	44

I. INTRODUCTION

1. This note prepared by the Secretariat responds to paragraph 7 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). It builds on previous Secretariat studies by updating the information on trends in LDC trade and market access conditions, covering goods and, to some extent, trade in services.

2. The note is divided into three main parts, in addition to this introduction. Chapter II, on export profile, provides a description of the recent trends of LDC trade flows, both in goods and commercial services. It includes an analysis of LDC exports by main products and market destination and includes specific information on trade in services with special emphasis on tourism. Chapter III is devoted to market access conditions facing LDC exports. A concluding section summarizes the findings of the note, while a series of annex tables provides Members with additional background information and references. The note does not pretend to be comprehensive in covering all aspects that condition market access for LDC 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.²

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 and their compilation by the Secretariat. In many cases, the note has had to rely on mirror statistics, using imports reported by LDC partners, while remaining data gaps have had to be imputed. 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. This is a serious handicap, especially when South-South trade is becoming one of the most dynamic dimensions of international trade. In addition, the total figures based on mirror data may differ from figures reported by the LDCs. Consequently, the Secretariat has made a special effort to use national reported figures for total trade, and presents in this issue some new data relating to market access in developing countries (Chapter III).³

² Since 2005, the following special topics have been covered: (i) textiles and clothing (WT/COMTD/LDC/W/37); (ii) non-tariff measures (NTMs) (WT/COMTD/LDC/W/39 and its addenda); (iii) LDC trade in services (JOB(07)/32/Rev.1 and JOB(07)/148); (iv) LDC trade in food and agricultural products (WT/COMTD/LDC/W/43 and JOB(08)/49); (v) preference utilization (WT/COMTD/LDC/W/41/Rev.1); and (vi) impact of the global financial crisis (WT/COMTD/LDC/W/46/Rev.1); and LDCs' trade balances (WT/COMTD/LDC/W/48/Rev.1).

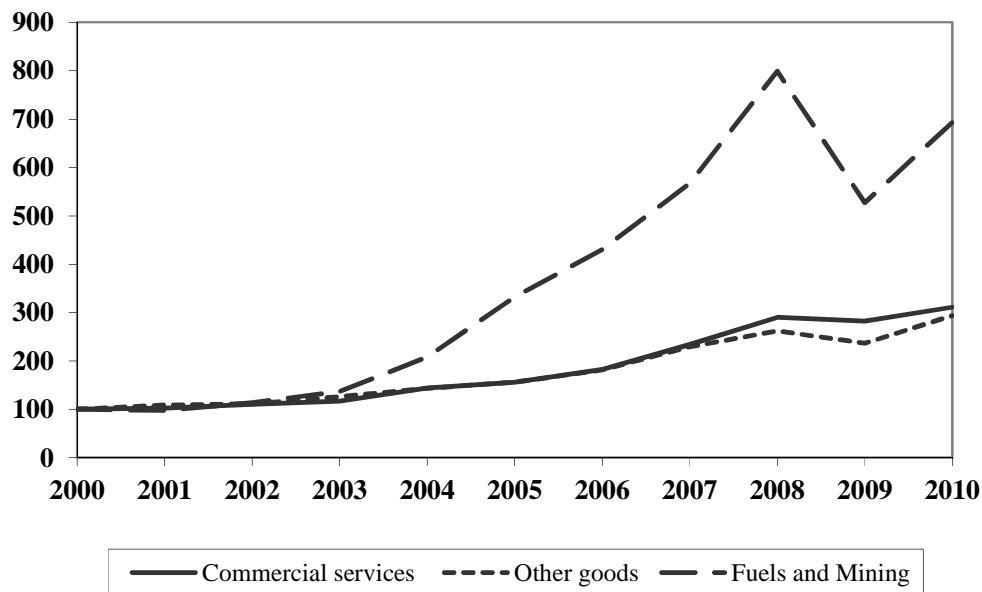
³ The Secretariat wishes to acknowledge the collaboration received from the International Trade Centre (ITC) and the United Nations Conference on Trade and Development (UNCTAD) in devising some of these new indicators.

II. LDC EXPORT PROFILE

A. TRENDS IN LDC TRADE IN GOODS AND SERVICES

4. The global financial crisis abruptly stopped the accelerated growth that LDCs' exports had registered since 2003, largely due to the rise in oil and commodity prices, but attributable also to the dynamism of the exports of services after 2006 (see Chart 1). After a drop of 24 per cent in 2009, total exports of goods and services rebounded by 26.5 per cent in 2010. Overall, these exports grew at an average annual rate of 16 per cent over the 2000-2010 period (Table 1).

Chart 1: Evolution of LDCs' exports of goods and commercial services, 2000-2010
(Index, 2000=100)



Source: WTO Secretariat.

5. Despite the robust recovery, the total exports of LDCs in 2010 remained below the value of its pre-crisis level, due to the prices of fuels and minerals which were still significantly below the high prices registered in 2008. In contrast, the upward trend in the exports of other goods (principally, agriculture and manufacture) and of commercial services was only slightly dented by the crisis, and the export values recorded in 2010 were the highest recorded over a long period.

Table 1: Trends in LDC exports of goods and commercial services, 2000-2010
(billion dollars and percentage)

	Values		Annual rate of growth										
	2000	2010 ^a	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010 ^a	2000-2010 ^a
Total goods and commercial services	42.0	182.9	3.9	7.9	14.8	29.0	31.0	23.4	29.7	30.3	-24.1	26.5	15.9
Total goods	35.9	164.0	4.1	8.0	16.2	29.9	34.2	24.1	29.9	31.0	-26.2	28.7	16.4
Fuels and Mining	14.7	101.6	-2.5	16.5	20.3	52.2	59.7	29.5	31.9	40.8	-34.1	31.6	21.4
Other goods	21.3	62.4	8.6	2.7	13.4	13.4	8.8	16.2	26.6	14.3	-9.8	24.2	11.4
Commercial services	6.1	18.9	2.7	7.3	6.3	23.1	8.3	16.9	28.1	24.0	-2.6	10.1	12.0

^a Preliminary estimate.

Source: WTO Secretariat.

6. LDCs remain heavily dependent on the export of 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 clothing. On average, almost three quarters of total merchandise exports depended only on three main products (composition varies from LDC to LDC). For instance, in 2009, nine LDCs derived between 95 and 100 per cent of their total export receipts from only three products, showing their dependence on very few goods (usually oil and minerals) whose international prices tend to fluctuate considerably. A number of LDCs rely heavily on services' exports for a sizeable share of their total export receipts (tourism receipts, in particular, represent the main source of export revenues for small islands).

7. Between 2000 and 2010, the share of LDCs in world trade (exports plus imports) increased, from 0.6 per cent to 1.1 per cent, a positive development in a period marked by a favourable orientation for total international trade, which increased at an average annual growth rate of 9 per cent during the decade (see Table 2). LDCs' share in world trade in goods stood at 1.12 per cent, while their share of world services trade declined slightly to 1.04 per cent.

8. Exports of goods did relatively better than imports, contrary to what happened during the crisis, and LDC exports of goods returned to their pre-crisis share of 1.08 per cent of world exports in 2010, while the share of services' exports remained constant at 0.51 per cent. The weight of LDCs in world imports retreated relative to the high level they had registered in 2009. However, imports still outpaced exports in the LDCs in 2009 and 2010. As a result, the group continued recording a large trade deficit in 2010, albeit somewhat lesser than the high level registered during the crisis.

Table 2: LDCs and world trade in goods and commercial services, 1980-2010
(billion dollars and percentage)

	Value										Annual percentage change
	1980	1990	1995	2000	2005	2006	2007	2008	2009	2010	2000-2010
Total trade in goods and commercial services ^a											
World	2,314	4,209	6,226	7,865	12,785	14,681	17,078	19,622	15,582	18,569	9.0
LDC	49	57	74	95	202	240	308	403	344	409	15.8
Share in world	1.05	0.68	0.59	0.60	0.79	0.82	0.90	1.03	1.11	1.10	...
Total trade in goods ^a											
World	1,929	3,408	5,047	6,395	10,353	11,941	13,802	15,909	12,301	14,986	8.9
LDC	39	45	57	75	166	199	253	330	276	334	16.0
Share in world	1.01	0.66	0.56	0.59	0.80	0.83	0.92	1.04	1.12	1.12	...
Total trade in commercial services ^a											
World	385	801	1,179	1,470	2,431	2,741	3,276	3,712	3,280	3,583	9.3
LDC	10	12	17	19	36	41	55	73	69	74	14.5
Share in world	1.26	0.76	0.71	0.65	0.74	0.75	0.83	0.98	1.05	1.04	...
Goods exports											
World	1,940	3,434	5,106	6,395	10,373	11,996	13,895	15,974	12,407	15,128	9.0
LDC	16	20	25	36	82	102	132	173	127	164	16.4
Share in world	0.82	0.57	0.48	0.56	0.79	0.85	0.95	1.08	1.03	1.08	...
Commercial services exports											
World	367	781	1,175	1,483	2,496	2,831	3,408	3,842	3,386	3,692	9.6
LDC	2	3	5	6	9	11	14	18	17	19	12.0
Share in world	0.68	0.42	0.45	0.41	0.38	0.39	0.42	0.46	0.51	0.51	...
Goods imports											
World	1,917	3,383	4,989	6,395	10,334	11,885	13,708	15,845	12,196	14,845	8.8
LDC	23	25	32	40	84	97	121	157	148	170	15.7
Share in world	1.21	0.75	0.65	0.62	0.81	0.82	0.88	0.99	1.21	1.15	...
Commercial services imports											
World	403	820	1,182	1,457	2,367	2,650	3,145	3,582	3,175	3,474	9.1
LDC	7	9	11	13	26	30	40	55	51	55	15.6
Share in world	1.79	1.09	0.97	0.90	1.11	1.14	1.29	1.54	1.62	1.60	...

^a World total trade is calculated as the average of world exports and imports. Total LDC trade in this table is approximated as the sum of their exports and imports. This measure thus inflates the data by double counting trade among LDCs, which could not be removed owing to the absence of data broken down by origin and destination. "Intra-LDC trade" is however not so large so as to affect the analytical value of the data. Total trade shares are calculated in relation to the corresponding world exports plus imports.

Source: WTO Secretariat.

(a) Trends in LDC Exports

9. Both the trends and the composition of LDC exports are strongly influenced by the developments in international prices for commodities. The demand for commodities, especially from emerging countries, witnessed a phenomenal growth over the past few years. As a result, emerging countries offered new markets of destinations for LDC products. Chart 2 presents the evolution of prices over the 2000-2010 period.⁴

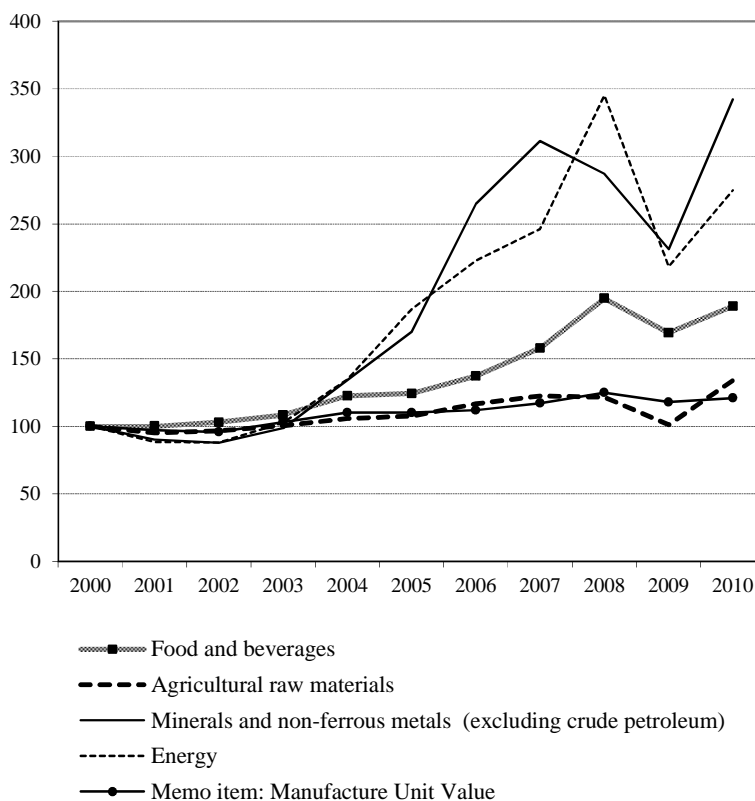
10. The most dynamic group of products is constituted by energy (principally oil and coal) and minerals. The price of these commodities experienced a rapid growth since 2003, and peaked in 2007 (minerals) and 2008 (energy), before dropping abruptly during the crisis. The price of minerals

⁴ Prices are normalized at 100 in year 2000 in order to facilitate comparisons.

rebounded vigorously in 2010, surpassing its pre-crisis peak, while the recovery of oil prices, albeit higher than 2007, remained modest relative to the peak recorded in 2008.

11. The international prices for food products and beverages started to accelerate in 2006. While prices of this product group declined during the crisis, the drop was less accentuated than for oil and minerals. At the worst of the crisis, food prices were still higher than in 2007; similarly, the recovery after the crisis was moderate and, in 2010, prices of food and beverages were slightly lower than their pre-crisis peak.

Chart 2: Export prices of primary commodities, 2000-2010
(Indices, 2000=100)



Source: WTO Secretariat.

12. The average prices of non-food agricultural commodities and the average unit value of manufacture share very similar patterns.⁵ They increased very slowly during the 2000s; but while the price of manufactures was only slightly affected by the crisis, those of raw materials dropped down almost back to their 2000 values, before rebounding vigorously in 2010 to surpass the pre-crisis levels.

⁵ Unit values, as in the case of manufacture, are influenced by the evolution of both the prices and the composition of trade flows. For example, the drop of unit value observed during the crisis could be explained either by lower prices and/or by demand switching towards cheaper options for the same range of products.

Table 3: Export prices of primary commodities, 2000-2011
(Annual and quarterly percentage changes)

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2010 Q-o-Q				2011		Annual average 2000-2010
												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	11.8	1.3	1.0	7.2	10.8	11.0	0.2	6.6
Agricultural raw materials	4.7	-5.0	1.8	3.8	5.4	1.6	8.6	5.0	-0.8	-16.8	32.6	8.3	6.3	0.6	13.9	15.2	1.0	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	33.1	5.0	-3.7	16.0	10.9	-2.8	13.1
Total of above	4.5	-4.0	0.8	6.9	18.6	10.3	23.1	14.1	7.5	-15.7	26.2	12.2	3.3	2.1	13.1	11.7	-0.7	8.1
Energy	56.1	-11.6	-0.4	16.7	31.1	38.7	19.2	10.5	40.2	-36.8	25.9	4.1	1.8	-3.2	12.4	16.4	9.8	10.6
All primary commodities	32.6	-8.9	0.1	13.0	26.6	29.1	20.6	11.8	27.7	-30.0	26.0	7.1	2.4	-1.2	12.7	14.5	5.7	9.9
Memo item: Manufacture Unit Value	-2.1	-2.9	-1.3	7.5	6.9	0.0	1.6	4.7	6.7	-5.6	2.5	1.9

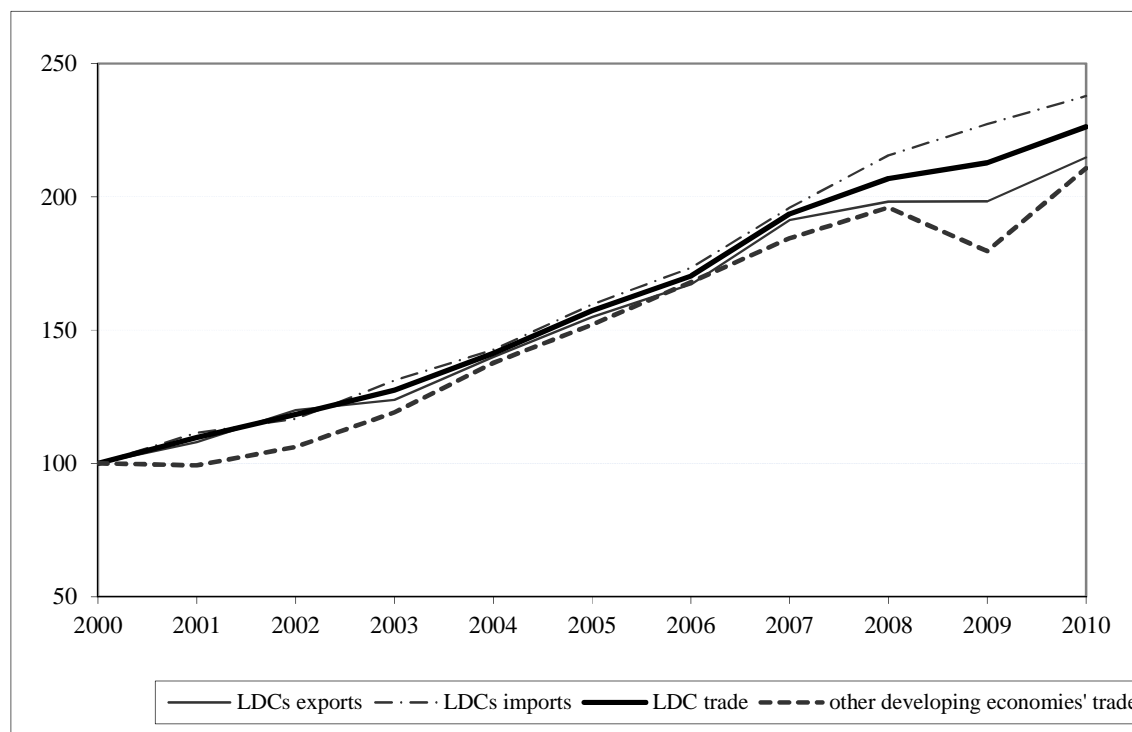
Note: Period averages calculated from IMF indices based on dollar prices. The data for manufacture corresponds to unit values. The quarterly figures are not seasonally adjusted.

Source: WTO Secretariat.

13. The annual average variations in export prices shown in Table 3 illustrate the large year-to-year fluctuations observed for primary commodities over the 2000-2010 period. The table also provides disaggregated quarterly price developments in percentage change over the previous quarter for 2010 and the first semester of 2011. They indicate that the recovery in prices was particularly strong in the last quarter of 2010, and that it continued in the earlier part of 2011.

14. Finally, Chart 3 shows that the 2008-2009 crisis affected LDC trade more in terms of prices than in quantities. Trade volumes slowed down, but kept increasing by nearly 3 per cent in 2009, as a result of both stagnating exports and growing imports (5.4 per cent). The combination of stagnating exports and rising imports led to a huge trade deficit in 2009.⁶

Chart 3: Development in merchandise trade volume of LDCs and developing economies, 2000-2010
(Indices, 2000=100)



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

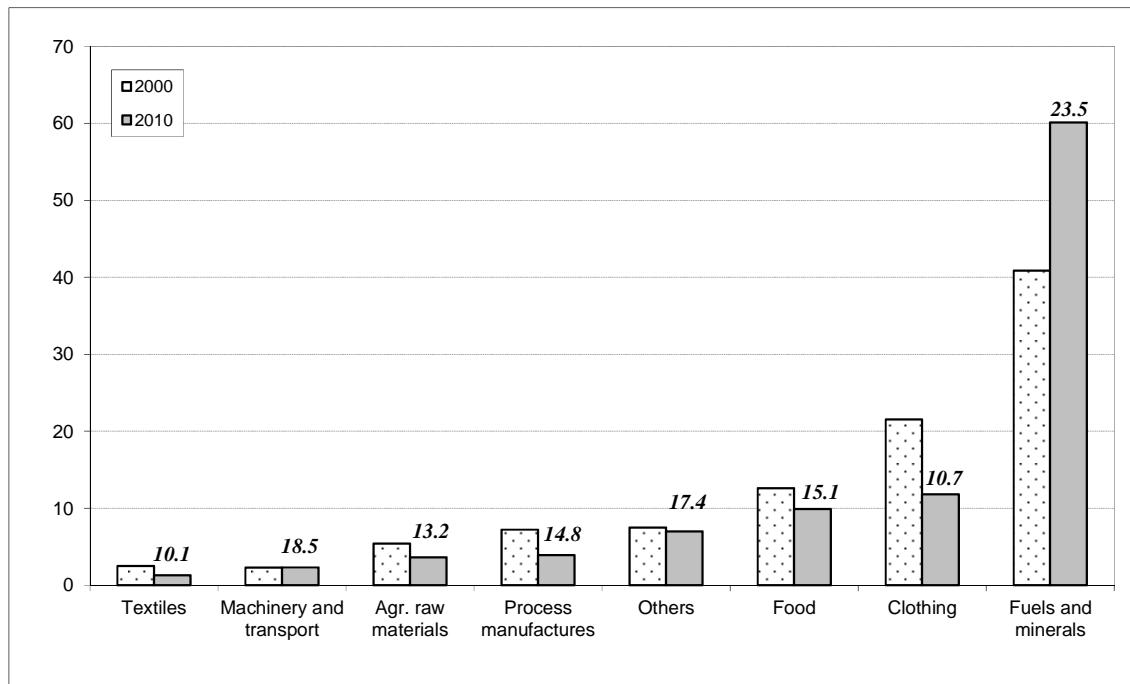
(b) Major Products

15. Chart 4 shows clearly that the dominance of extractive activities, already evident in 2000, gained in strength during the decade, with fuels and minerals representing nearly 60 per cent of all LDC exports in 2010. Its dynamism, driven principally by better prices and by an increase in capacity, dwarfed all other products. Clothing is the second category of exports representing about 12 per cent of all LDCs' merchandise export revenues. Over the period, this group increased its exports by an annual rate of close to 11 per cent. Considering the quasi-stability of the prices of textile and clothing products over the whole period, it indicates that almost all progress in exports was due to larger exported volumes. Food, the third important category of LDC products, accounted for

⁶ See WT/COMTD/LDC/W/48/Rev.1, Chapter III, for an analysis of LDCs' trade balance through the decade.

10 per cent of LDCs' total exports in 2010. Higher international prices for food products explain in part the sustained annual rate of growth (15 per cent) over the 2000-2010 period.

Chart 4: Composition of LDC merchandise exports by major products, 2000-2010
(percentage)



Note: Data may include re-exports. The number over 2010 bar indicates average annual growth rate for the period 2000-2010. In addition to minor differences in composition, data for textiles and clothing here differ from (HS 61 and 62) 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.

16. The concentration of LDC exports on a few product groups is clearly apparent when looking at more disaggregated figures (Table 4 and Annex Table 3). Chapter 27 of the HS nomenclature (mineral fuels, mineral oils and derivatives) made up 57 per cent of total exports in 2010. Its weight was even much higher (77 per cent) in 2008, when oil prices reached a peak. Textiles and clothing (HS 61 and 62), the second activity in order of importance, represented only 17 per cent of their total merchandise exports in 2010. Copper and articles of copper (HS74) followed with a share of 4.3 per cent. Food and agricultural exports were more diversified. While clubbed together they represented about 15 per cent of total LDCs exports (see Chart 4 above), the most important product within this sub-category (coffee) only represented 1 per cent of total LDCs exports. As mentioned previously, most LDCs are highly dependent on a few products: some are heavily dependent on oil, while others rely more on agriculture or manufacture. Services also constitute an important export activity for a good number of LDCs. In general, one could say that country specificities and endowment in natural resources often influence the evolution of LDCs' trade performance.

17. Despite the low rate of participation in world trade on the average, for some products the LDCs maintain a considerable market share. This is mainly due to the absolute advantage that some exporters enjoy for rare metals, such as cobalt and derivatives or to the abundance of non-renewable natural resources, such as oil. For other products, as in the case of clothing, some LDC exporters have been able to successfully compete in low-cost segments of the markets.

Table 4: Top 20 LDC merchandise exports by market share, 2010
(million dollars and percentage)

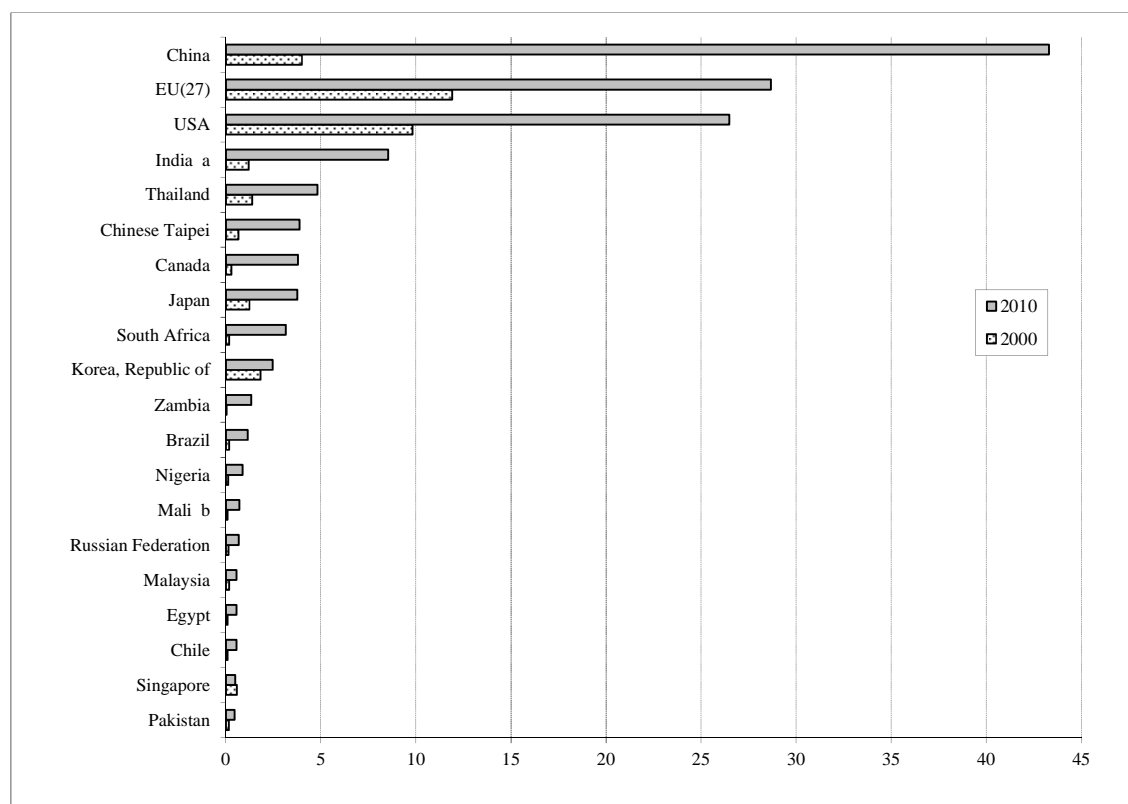
HS07	Product Description (HS04)	LDC exports		World exports	
		Value	Share in Total Exports	Value	LDCs' Share in Total
2709	Petroleum oils and oils obtained from bituminous minerals, crude.	62,306	50.9	916,530	6.8
2711	Petroleum gases and other gaseous hydrocarbons.	4,374	3.6	237,627	1.8
6110	Jerseys, pullovers, cardigans, waistcoats and similar articles, knitted or crocheted.	4,078	3.3	43,278	9.4
6109	T-shirts, singlets and other vests, knitted or crocheted.	3,436	2.8	26,096	13.2
6203	Men's or boys' suits, ensembles, jackets, blazers, trousers, bib and brace overalls, breeches and shorts (other than swimwear).	3,293	2.7	30,139	10.9
7403	Refined copper and copper alloys, unwrought.	3,102	2.5	5,1674	6.0
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, these oils being the basic	2,136	1.7	450,734	0.5
6204	Women's or girls' suits, ensembles, jackets, blazers, dresses, skirts, divided skirts, trousers, bib and brace overalls, breeches and shorts (other than swimwear).	2,040	1.7	41106	5.0
7601	Unwrought aluminium.	1,550	1.3	38,188	4.1
2603	Copper ores and concentrates.	1,389	1.1	32,186	4.3
6205	Men's or boys' shirts.	1,386	1.1	10,994	12.6
2601	Iron ores and concentrates, including roasted iron pyrites.	1,251	1.0	116,618	1.1
0901	Coffee, whether or not roasted or decaffeinated; coffee husks and skins; coffee substitutes containing coffee in any proportion.	1,180	1.0	20,787	5.7
4403	Wood in the rough, whether or not stripped of bark or sapwood, or roughly squared.	1,056	0.9	11,857	8.9
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.	1,046	0.9	14,883	7.0
2605	Cobalt ores and concentrates.	961	0.8	1,135	84.7
7102	Diamonds, whether or not worked, but not mounted or set.	787	0.6	75,468	1.0
1207	Other oil seeds and oleaginous fruits, whether or not broken.	768	0.6	2,230	34.4
8105	Cobalt mattes and other intermediate products of cobalt metallurgy; cobalt and articles thereof, including waste and scrap.	714	0.6	2,405	29.7
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	713	0.6	14,280	5.0

Source: Annex Table 3.

(c) Geographical Distribution of Exports and Major Markets

18. The geographical landscape of exports changed dramatically during the first decade of the 21st century, especially with regard to the top five markets of destination. Chart 5 shows that China moved to the first place, followed by the EU and the US. These three economies clearly dominated as market destinations for LDC exports in 2010, with imports from LDCs ranging from more than US\$25 billion each by US and the EU to US\$43 billion (China). India's imports from LDCs have been increasing rapidly during the period, placing it in the fourth position in 2010 (US\$8.5 billion)⁷, while Thailand stands at the fifth position, mainly due to large imports of energy products from Myanmar.

Chart 5: Top 20 markets for LDC exports of goods, 2000-2010
(billion dollars)



^a 2000-2009 only.

^b 2000-2008 only.

Source: WTO, based on UN Comtrade Database.

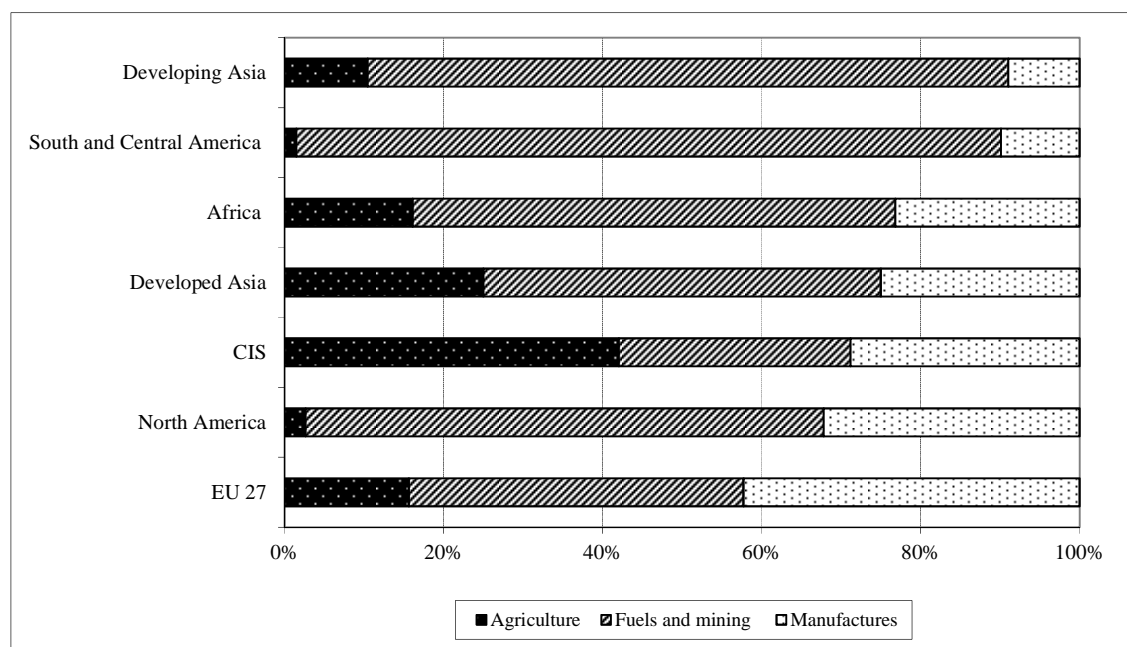
19. It is worthwhile to note that Zambia and Mali are ranked eleventh and fourteenth, respectively, among the top 20 markets for LDC exports. While Zambia mainly imported minerals, such as copper and cobalt ores, from the Democratic Republic of Congo worth around US\$800 million in 2010, Mali has been importing petroleum and cement from Senegal which stood at US\$500 million in 2008. The existence of these LDCs in the top market destinations for the LDCs, as a group, indicates the importance of intra-LDC trade.

⁷ 2009 figure.

20. The product composition of LDC exports varies widely according to markets of destination. Developing economies, with a 51 per cent share (based on mirror data), have now become the main destination of LDCs' exports.⁸ The composition of trade to developing economies by product groups varies from region to region, and from country to country, depending on the degree of complementarity between LDCs' supply and importers' demand and the relative advantages (see Annex Table 4).

21. The Commonwealth of Independent States (CIS), the EU and developed Asia have a more balanced composition of imports from LDC, between agricultural, mining and manufacture products.⁹ LDCs' exports to developing Asia and South and Central America exhibit a high concentration in fuels and mining products, with the remaining imports of developing Asia being mainly agricultural products. Africa and North America stand in the middle. North America's imports from LDCs are predominantly manufactures. Although, the level of development of the importing market is not the only determinant for the structure of imports from LDCs, it can be said that the higher the income in the importing market, the larger the share of manufacture goods imported from the LDCs (see Chart 6).

Chart 6: Composition of imports from LDCs by region, 2010 or most recent year



Source: Annex Table 4.

B. LDC PARTICIPATION IN WORLD TRADE IN SERVICES

1. Global Trends

22. Although exports increased by 12 per cent annually over the 2000-2010 period and imports increased by 16 per cent, the participation of LDCs in international trade in commercial services

⁸ Considering that some regional transactions, in particular cross-border trade, are under-reported in official statistics, it is possible that this share could even be higher.

⁹ A balanced composition is measured by a low variance between product groups.

remained limited (1 per cent). The share of LDC exports in services trade was estimated to be 0.5 per cent in 2010, only marginally improved from the level in 2000 (0.4 per cent).¹⁰

23. Commercial services exports have sustained high rates of growth during 2007 and 2008 (see Table 5). The rise was particularly strong in the exports of travel (a close indicator of tourism receipts). The 2008-2009 crisis affected only marginally LDCs' commercial services exports and the drop was limited to less than 3 per cent, before rebounding to 10 per cent in 2010. Transport services, closely related to the evolution of merchandise trade, were relatively more volatile during the past years, falling 8.5 per cent during the crisis before rising by a hefty 18 per cent in 2010.

Table 5: Commercial services exports by LDCs, 2000-2010

<i>Value</i>	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010 ^a
Commercial services	6,077	6,244	6,700	7,121	8,766	9,496	11,100	14,219	17,627	17,165	18,892
Transport	1,202	1,245	1,332	1,467	1,696	2,111	2,414	2,816	3,495	3,199	3,777
Travel	2,853	3,156	3,444	3,711	4,612	5,053	5,824	7,753	9,715	9,593	10,198
Other commercial services	2,021	1,843	1,924	1,943	2,458	2,332	2,861	3,650	4,418	4,372	4,917
<i>Growth Rate</i>	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010 ^a
Commercial services	...	2.7	7.3	6.3	23.1	8.3	16.9	28.1	24.0	-2.6	10.1
Transport	...	3.5	7.0	10.1	15.6	24.5	14.4	16.6	24.1	-8.5	18.1
Travel	...	10.6	9.1	7.7	24.3	9.6	15.3	33.1	25.3	-1.3	6.3
Other commercial services	...	-8.8	4.4	1.0	26.5	-5.2	22.7	27.5	21.0	-1.0	12.5
<i>Composition</i>	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010 ^a
Commercial services	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Transport	19.8	19.9	19.9	20.6	19.3	22.2	21.8	19.8	19.8	18.6	20.0
Travel	47.0	50.5	51.4	52.1	52.6	53.2	52.5	54.5	55.1	55.9	54.0
Other commercial services	33.3	29.5	28.7	27.3	28.0	24.6	25.8	25.7	25.1	25.5	26.0

^a Preliminary estimate.

Source: WTO Secretariat.

2. Tourism

24. Tourism, measured as trade in "travel" services, is the leading sector of LDC services exports, representing 54 per cent of commercial services revenues in 2010.¹¹ Based on available data, between 2000 and 2010, receipts from international tourism in LDCs expanded by more than 14 per cent annually, higher than the growth rate observed for other developing economies (10 per cent) and double the total world average (7 per cent). Their market share (1.1 per cent of the respective world total in 2010), almost doubled in ten years, and is growing rapidly, indicating the existence of comparative advantage in this area of export activity.

¹⁰ Trade in services in this note refers only to commercial services.

¹¹ A recent inter-agency study published by UNDP (Tourism and Poverty Reduction Strategies in the Integrated Framework for Least Developed Countries, 2011) sheds light on how LDCs can maximize pro-poor gains from tourism. It analyses LDCs' tourism development aspirations as set out in the Diagnostic Trade Integration Studies that were completed under the Integrated Framework for Trade-Related Technical Assistance to Least-Developed Countries, predecessor to the Enhanced Integrated Framework (EIF).

Table 6: Classification of LDCs according to the importance of the tourism sector in their balance of payments (per cent)

LDCs in which tourism remained or became the largest export sector, 2000–2008	LDCs in which tourism remained or became the second or third largest export sector, 2000–2008	LDCs with a comparatively smaller tourism sector, but demonstrating progress in tourism performance, 2000–2008	LDCs without significant tourism up to 2008
Maldives (76.6) Samoa (69.8) Vanuatu (52.1) Eritrea (51.4) Comoros (42.6) Tuvalu (34.8) Gambia (32.8) Rwanda (30.4) Tanzania (26.0) Uganda (20.0) Nepal (19.6) Senegal (18.7)	Sao Tome & Príncipe (34.7) Haiti (33.5) Liberia (25.5) Cambodia (19.2) Benin (15.3) Madagascar (12.1) Mali (11.5) Ethiopia (10.7) Yemen (8.7) Mozambique (5.9) Sudan (2.7)	Sierra Leone (10.4) Kiribati (6.3) Lao PDR (5.4) Niger (5.2) Togo (3.8) Malawi (3.6) Lesotho (3.5) Zambia (2.8) Djibouti (2.1) Myanmar (0.8) Bangladesh (0.5) Bhutan (...) Burkina Faso (...) Mauritania (...)	Guinea-Bissau (1.1) Burundi (1.0) Solomon Islands (0.7) Angola (0.4) Afghanistan (...) Central African Republic (...) Chad (...) Congo (Dem. Rep. of the (...) Equatorial Guinea (...) Guinea (...) Somalia (...) Timor-Leste (...)

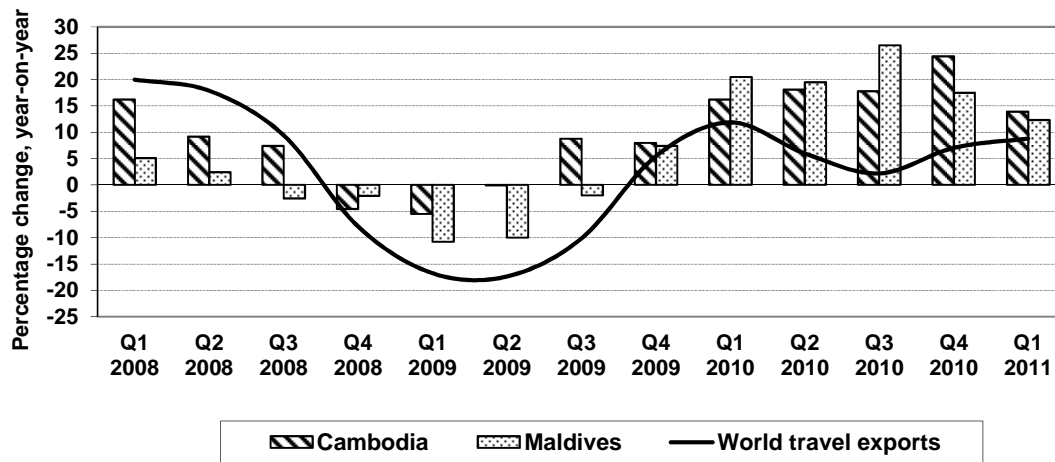
Note: Gross tourism earnings in percentage of total exports of goods and services in 2008.

Sources: UNCTAD, based on UNCTAD, IMF and national sources.

25. Table 6 provides a classification of LDCs according to the role of tourism in their balance-of-payment receipts. As can be observed, in many countries, tourism is now among the top-3 export sector in revenue generation (two first columns of Table 6). Tourism is also labour-intensive, which makes it very relevant when it comes to strengthening the trade-development relationship.

26. The 2008-2009 crisis did not spare the tourism industry, but affected it by a lesser degree than the other sectors. The quarterly figures available for selected countries indicate a significant rebound, starting in the third quarter of 2009 and continuing through the first quarter of 2011 (see Chart 7).

Chart 7: International tourist arrivals in selected LDCs and world exports of travel,
Q1 2008-Q1 2011



Source: UNWTO and WTO Secretariat estimates.

C. TRADE BALANCES

1. Evolution by Product Groups

27. The review of trade balances by product groups (see Table 7) shows that LDCs as a group have a surplus in fuels and minerals, and a deficit in agricultural and manufacture products. Between 2006 and 2008, this trend led to an overall positive trade balance. But, as 2009 confirmed, the surplus, based on an increasing reliance on oil exports, is vulnerable to international market fluctuations. Additionally, the evolution in the structure of exports and imports by product groups shows a rising specialization in extractive commodities, and growing imbalances in manufacture and in agricultural products. The deficit in the manufactures trade can be explained by the low level of domestic industrialization and the rising domestic demand - driven by both population and income growth. The agricultural coverage ratio, which was close to 100 per cent in 2000, dropped to 60 per cent in latest years. The deficit in agricultural products reflects basically the fact that household consumption has been rising faster than domestic production. More recently, increases in international food prices have compounded the difficulties for importing countries.

Table 7: LDCs' merchandise trade balance by product groups, 2000-2010
(billion dollars)

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Total merchandise	-7.5	-11.4	-10.0	-14.4	-10.8	-5.2	2.3	3.0	6.6	-27.1	-9.4
Agriculture ^a	-1.0	-1.0	-2.0	-2.0	-3.0	-4.0	-5.0	-6.0	-10.0	-11.0	-12.0
Fuels	9.0	9.0	11.0	14.0	21.0	36.0	46.0	62.0	88.0	51.0	62.0
Non-fuel minerals	2.0	1.0	2.0	1.0	3.0	4.0	5.0	7.0	9.0	7.0	14.0
Manufactures	-17.0	-18.0	-20.0	-25.0	-31.0	-39.0	-48.0	-59.0	-79.0	-76.0	-89.0

^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.

2. Evolution by Export Specialization

28. Table 8 regroups LDCs by their export specialization, differentiating five sub-groups, such as agricultural or fuel exporters. The last sub-group, "diversified and others", includes services exporters as well as those LDCs which did not have a clear export specialization. The data show the appearance of a merchandise trade surplus after 2006, and large deficit in 2009 when exports plunged but imports kept on increasing. The table indicates clearly that this deterioration can be explained by the situation of fuel exporters, whose trade surplus was severely affected and fell below their 2000 level, in relative terms.¹²

29. Besides the year-to-year variation, the striking pattern emerging from Table 8 is the persistent deficit of LDCs which are agricultural and diversified exporters, which barely cover one third of their imports of goods through their merchandise exports. The difference can be partially covered by services exports, as in the case of some small island economies specializing in tourism activities. But for others, the financing of their import bills remains a major challenge.

Table 8: LDCs' coverage of imports by exports, 2000-2010
(percentage)

	2000	2005	2006	2007	2008	2009	2010
Developing economies	105	109	112	111	108	106	106
Least-developed countries	83	94	102	102	104	82	95
Agricultural exporters	40	33	32	33	32	32	33
Fuel exporters	164	195	207	207	215	138	176
Mineral exporters	69	68	84	78	74	73	85
Manufacture exporters	65	61	65	60	56	57	56
Diversified and others	42	36	35	28	28	34	35

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

Source: WTO Secretariat.

¹² The coverage ratio calculates the capacity to finance imports out of export revenues; a value higher/lower than 100 indicates a surplus/deficit.

III. TRENDS IN MARKET ACCESS FOR PRODUCTS OF EXPORT INTEREST TO LDCs

30. The objective of this chapter is to analyse the market access conditions that LDCs face in their main export markets. LDCs continue to benefit from non-reciprocal preferences for their merchandise exports in developed country markets. Emerging countries have also come forward and have undertaken measures to increase imports from LDCs. As mentioned earlier, LDCs' exports to developing countries today represent slightly over half of their total merchandise export revenues. As a result, South-South trade assumes special importance to the LDCs.

A. MARKET ACCESS IN DEVELOPED COUNTRIES

31. Table 9 shows that in 2009, 80 per cent of LDC exports (excluding arms and oil) entered duty free into developed country markets. This percentage is very close to the percentage of exports from developing countries that entered developed country markets without imposition of any duty (77 per cent in 2009).¹³ While the LDC exports still enjoy some margin of preference as compared to exports from developing countries, this preference margin is fast getting eroded.¹⁴ This strengthens the need for an early and expeditious implementation of the Decision on the DFQF market access for LDCs taken at the Hong Kong Ministerial Conference in 2005.

32. To disentangle DFQF arising from MFN treatment from preferential duty-free access, Table 9 shows the extension of "true" preferential DFQF treatment. "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. The share of true preferential duty-free access for developing countries has been fluctuating around 20 per cent for the last ten years. The LDCs, however, have been increasingly benefiting from true preferential access, which represented only 35 per cent of their exports in the late 1990s to some 53 per cent in 2009. The share of true preferential duty-free exports was particularly high for textile and clothing products in 2009 (63 and 67 per cent, respectively) as compared to developing countries (27 and 22 per cent, respectively). "True" preferential duty-free exports amounted to 32 per cent for agriculture, six percentage points higher than for other developing countries in 2009. It should be mentioned that those average results for the LDCs as a group may mask large heterogeneities at the individual country level.

¹³ This was mainly because of exports of products on which the MFN rate of duty was zero.

¹⁴ More and more products are now routinely imported duty free under the MFN treatment and includes not only raw products, but also manufactures, such as electronic equipment.

**Table 9: Trends in tariff treatment on merchandises imported by developed countries,
1996-2009 (percentages)**

	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
a. Duty-free treatment of exports (excluding arms and oil)														
Developing countries ^a	53	54	53	63	65	64	68	70	75	74	76	77	79	77
of which true preference ^b	19	20	20	18	16	17	19	19	21	22	20	19	19	19
Least-developed countries	78	77	78	72	70	71	74	78	80	80	79	80	81	80
of which true preference ^b	35	35	40	33	35	40	43	48	51	49	53	52	49	53
Agricultural goods														
Developing countries ^a	64	67	64	62	62	64	61	63	66	58	66	67	70	71
of which true preference ^b	24	26	27	16	16	19	16	18	23	17	24	25	25	26
Least-developed countries	93	92	96	86	88	98	96	94	92	92	93	93	92	93
of which true preference ^b	54	49	53	13	16	29	28	30	26	27	31	33	26	32
Textiles														
Developing countries ^a	16	16	17	24	23	21	25	25	37	41	33	34	34	35
of which true preference ^b	13	13	14	19	19	17	21	21	30	37	26	26	27	27
Least-developed countries	68	66	62	55	50	47	47	57	66	67	71	74	77	74
of which true preference ^b	54	53	50	45	40	38	37	48	51	51	56	59	63	63
Clothing														
Developing countries ^a	5	6	6	12	12	11	20	19	31	25	25	25	23	22
of which true preference ^b	5	6	6	12	12	11	20	19	31	25	25	24	23	22
Least-developed countries	57	53	51	47	45	46	52	60	66	63	63	62	64	67
of which true preference ^b	57	53	51	47	45	46	52	60	65	63	63	62	64	67
b. Average tariff on exports (trade weighted)^c														
Agricultural goods														
Developing countries	10.6	10.0	10.0	9.6	9.4	9.3	9.6	9.6	9.3	9.0	8.7	8.5	8.2	7.9
Least-developed countries	3.8	3.8	3.6	3.7	3.6	2.7	2.8	2.8	3.0	3.0	2.7	1.9	1.6	1.2
Textiles														
Developing countries	7.4	7.3	7.0	6.7	6.6	6.7	6.1	5.9	5.3	5.3	5.3	5.2	5.2	5.2
Least-developed countries	4.6	4.6	4.4	4.3	4.1	3.9	3.8	3.5	3.2	3.2	3.2	3.2	3.2	3.2
Clothing														
Developing countries	11.7	11.6	11.5	11.2	11.0	11.6	10.3	10.0	8.8	8.5	8.5	8.5	8.3	8.3
Least-developed countries	8.2	8.1	8.0	7.9	7.8	7.7	7.4	7.0	6.4	6.4	6.4	6.4	6.4	6.4

^a All developing countries, excluding LDCs.

^b The true preference margin is total duty-free access minus products receiving duty-free treatment under the MFN regime. The indicators are based on the best available treatment, including regional and preferential agreements.

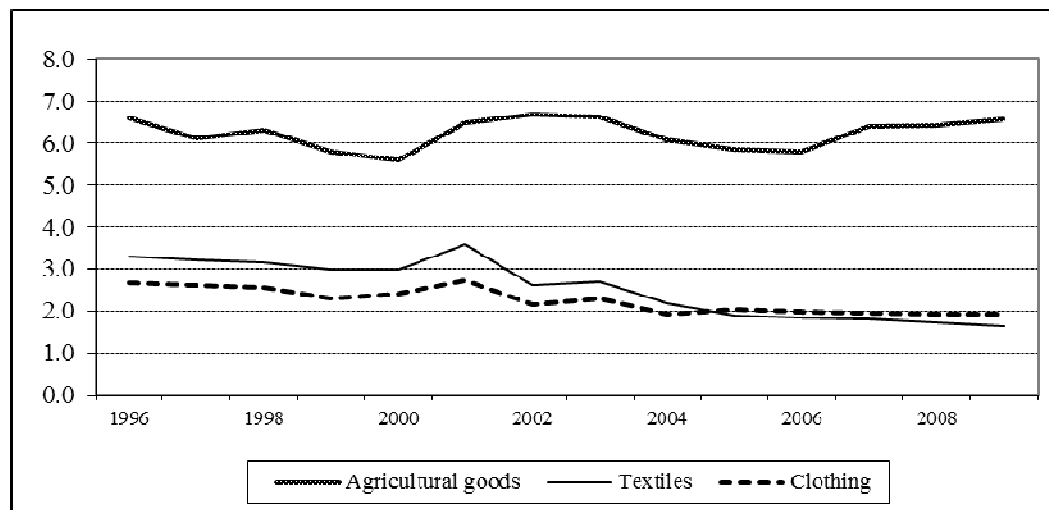
^c The average tariffs are weighted by trade flows and based on best applicable tariffs (MFN and preferential treatments granted to LDCs and developing countries). Average tariffs were weighted using a standard export structure based on 2000-2001 data, to limit the impact of the year-to-year changes in export composition and relative prices on the indicators.

Source: Based on CAMAD compiled by ITC, UNCTAD and WTO.

33. When looking at average tariffs (Table 9), it appears that duties faced by developing countries' exports continued to decrease, albeit at a slow pace, in absence of any major tariff initiative during a period dominated by the global crisis. The decreases observed were due to a few initiatives, such as the implementation of measure concerning some agricultural products by the EU. The LDC group benefited from preferential access in all the key products reviewed and recorded a further reduction in the average preferential tariff applied to their agricultural exports.

34. The average level of tariff paid by LDC exports to developed markets on agriculture in 2009 was slightly above 1 per cent. The tariffs on textile and clothing products were 3 per cent and 6 per cent, respectively. When comparing the specific LDC treatment relative to the overall preferences received by developing countries in general, it appears that the largest difference, in favour of LDC exports, corresponds to agriculture (Chart 8). Here, LDCs' exports to developed markets enjoy a 6.6 per cent advantage compared to the average exports of the larger group of developing countries. It should be noted that this difference may occur either because of differences in preferences received, or because of the assortment of export products. In the case of agriculture, both factors explain the margin, as LDCs benefit from more generous tariff treatments and export mainly tropical products that are generally not levied high duties by the developed countries.

Chart 8: Effective preference margin of LDCs' exports for selected product groups (developed markets), 1996-2009



Note: The effective preference margin is computed as the difference, in percentage points, between the average tariffs faced by LDCs in developed markets and those paid by all developing countries.

Source: Based on CAMAD compiled by ITC, UNCTAD and WTO.

35. These average figures suggest the clear advantage of agricultural exports enjoyed compared to other products. Again, heterogeneities exist at different regions. The average tariffs facing small island LDCs were the lowest, close to zero for agriculture and clothing, and slightly above 1 per cent for textiles. In all three sectors, LDC islands have a competitive margin ranging from 4 to 8 percentage points against similar exports from developing countries. African LDCs benefit also from an almost complete exemption of duties on clothing and a reduced average tariff on their agricultural exports (1 per cent), generating a competitive margin of 8 and 7 percentage points, respectively. The tariffs for their textile exports were close to 3.5 per cent, 1.7 percentage point lower than the average tariffs paid by developing countries. The average tariffs for Asian LDCs were about 3 per cent for agriculture and textiles, and 7 per cent for clothing in 2009. This relatively high tariff was due to the

exclusion of textile and clothing products from the US GSP scheme which is the only preference scheme available to the Asian LDCs.¹⁵

B. MARKET ACCESS IN DEVELOPING ECONOMIES

36. Developing countries have been providing preferential access to LDC products, including a significant degree of duty-free access, through a variety of channels - bilateral, regional and non-reciprocal multilateral schemes. Despite the progress, statistical information on preferences effectively received by LDC exports in developing economies is still sparse. In addition, some preferential schemes, although announced, are still not implemented. The information provided in this section is therefore partial.¹⁶ As a result, Table 10 has indicators available for only two years, 2005 and 2009.

Table 10: Tariff treatment on merchandises imported by selected developing countries, 2005 and 2009 (percentages)

	2005	2009
Average tariffs^a		
Agriculture	17	14
Textile	10	8
Clothing	20	20
Preference Margin^b		
Agriculture	1	2
Textile	2	2
Clothing	3	4

^aWeighted average of best tariff applicable, based on imports of seven developing economies: Brazil, China, India, Mexico, South Africa, Chinese Taipei and Turkey; excluding oil and arms.

^bAs compared to MFN tariffs.

Source: Based on CAMAD compiled by ITC, UNCTAD and WTO.

37. As can be observed from Table 10, tariffs paid by LDCs to other developing countries are still close to their MFN levels, even if the margin of preference has been increasing between 2005 and 2009. The best preference margin is noted for clothing products, largely due to preferences granted by China, India, South Africa and Turkey. In the case of agriculture and textile products, LDCs tended to concentrate their exports in the tariff lines with the lowest tariffs, which are also those with the lower degrees of processing.¹⁷

¹⁵ Nonetheless, the market share of Asian LDC exports of clothing to the US increased from 6 per cent to 8 per cent between 2000 and 2010.

¹⁶ The indicators have been produced thanks to a joint effort by ITC, UNCTAD and WTO Secretariats. In order to minimize the endogeneity bias affecting weighted averages (the lower the tariff, the higher the volume of trade, other things being equal), national tariffs have been weighted by a standard LDC export structure, based on their total exports to developing economies. The same procedure was applied for market access to developed countries.

¹⁷ The simple average of best tariffs in agriculture granted to LDCs exports is 20 per cent, and 12 per cent for textiles. The respective weighted average shown in Table 10 for these products is significantly lower, indicating that the export structure was concentrated in low tariffs.

C. TARIFF TREATMENT OF LDC EXPORTS IN SELECTED MARKETS

38. The information on preferential treatment presented in Table 11 focuses on the GSP treatment specific for LDCs, excluding other preferential agreements. For this reason, it is important to note that data are not always comparable across countries. Some countries, like Australia, Canada, Japan or Switzerland, rely almost exclusively on their GSP-LDC treatment to grant preferences, while others, like the EU and the US also grant preferences to LDCs under other schemes.¹⁸ Some products excluded in the general GSP-LDC treatment may be included in the regional schemes; this is, for example, the case for textile and clothing products in the US.¹⁹ Another factor which affects any inter-country comparison of tariffs comes from different definitions of import values used by customs'

Box 1. The utilization of preferences: The analysis of LDCs' market access presented in this chapter is based on the hypothesis that "best tariffs" (i.e, the lowest tariffs available, either under LDC or other preferential schemes) are fully utilized. This is not always the case, as some preferential regimes may concern products that are not commonly exported by LDCs, or have conditions that impede their use (for example rules of origin or other non-tariff measures).^{1/} They may also be of limited interest for exporters relative to other options; for example, when preferences are granted for a limited period of time and therefore may not justify the administrative costs of shifting from one scheme to another.

Preparing an indicator on the utilization of preferences poses several statistical difficulties. One is the availability of comprehensive and comparable official data on preferential schemes. In addition, a product exported by an LDC can be eligible to more than one preferential regime, a low rate of utilization for one specific regime is not necessarily an indication of a low rate of preference utilization for preferential schemes in general.

The following table presents the aggregate results obtained for four developed economies: Australia, Canada, the EU and the US for 2009. On average, 54 per cent of LDC imports were eligible to some sort of preferential scheme (this indicator excludes duty exemption extended as part of the MFN treatment). The average rate of utilization of the preferential schemes is 87 per cent. As can be seen, rates of utilization vary according to countries, but are over 80 per cent in all cases.

Table Box 1: Utilization of preferences, 2009

Market ^a	Per cent of total LDC imports		Imports entering under preferential regime as a per cent of eligible imports
	Eligible to any preference	Entering under any preference	
Australia	66.1	59.1	89.4
Canada	36.7	32.7	89.1
EU (low estimate) ^{b,c}	48.2	40.1	81.9
EU (high estimate)	49.0	41.4	85.9
US ^d	69.5	60.9	87.5

^a Results are not directly comparable between preferential schemes, due to difference in coverage and reporting.

^b Includes GSP and other preferential schemes.

^c The range depends on the handling of "unknown treatments" that were compiled for the EU countries due to, *inter alia*, the variety of their preferential schemes and the manner of publication of their preference. The higher limit of the interval was obtained when the "unknown treatments" are considered as entering the market under preferential treatment; the lower limit is obtained when "unknown treatments" are treated as MFN treatment.

^d All preferential programmes: AGOA; CBI; Generalized System of Preferences (GSP); and GSP for Least-developed beneficiary developing countries (GSP-LDBC).

Source: WTO.

^{1/} For an overview of non-tariff measures on products of export interest to the LDCs, see WT/COMTD/LDC/W/39 and its addenda; for a review on preference utilization on sectors of interest to LDCs, see WT/COMTD/LDC/W/41/Rev.1.

¹⁸ For example, the Economic Partnership Agreements offer additional trade benefits to the LDCs in the ACP countries. The status of EPA negotiations could be seen at: ec.europa.eu.

¹⁹ The African Growth and Opportunity Act (AGOA) or the Caribbean Basin Initiative (CBI).

administrations to calculate the duty. While the entry price (equivalent to CIF) is used by many customs' authorities to base the import duty, some countries define it as the price actually paid or payable for merchandise when sold for exportation (FOB, or FAS).²⁰

(a) Market Access Conditions Faced by LDC Exports in Selected Developed Countries

39. The first two columns of data in Table 11 present the number of duty-free tariff lines granted to LDCs under GSP-LDC treatment; these can be compared with the MFN regime detailed in the last columns of the table. These statistics are further broken down to tariff lines with actual imports from LDCs, both under MFN and under the GSP-LDC scheme. The second panel of data indicates the resulting average tariffs, weighted by LDC imports. It is important to note that these indicators are based on the preferential tariff, under the assumption that existing preferences are fully utilized by exporters; this is not always the case and Box 1 provides additional information on the extent of actual utilization of the preferential schemes (GSP and other preferential treatment).

40. Most developed countries have been providing total or nearly total duty-free status to LDC exports, both in terms of tariff lines and import value. The exceptions to duty-free treatment are limited to a few sectors and in a few developed countries. For the US, the share of duty-free imports in 2009 was lower (17 per cent) for non-agricultural products (excluding ores and petroleum) since 561 traded tariff lines remain dutiable under the general GSP-LDC scheme.²¹ Positive duty was also found for some agricultural imports from LDCs by the EU and for some non-agricultural imports by Japan in 2009. On the other hand, almost 100 per cent of agricultural imports from LDCs entered duty free in 2009 into the US market (only six tariff lines were dutiable out of a total of 229 registered imports from LDCs).

41. The US also grants duty-free access to AGOA beneficiaries, 24 of which are LDCs (Annex Table 6). As per the US tariff notification to the IDB (2011), 1,683 tariff lines have been designated as AGOA duty-free lines. In addition, the AGOA beneficiaries have access to duty-free lines under GSP (3,431 tariff lines) as well as those granted on an MFN basis (3,738 tariff lines). In total, therefore, the duty-free tariff lines under AGOA constitute around 91.3 per cent (taking into account some 530 tariff lines under HS Chapters 61-62 which could be duty free under certain conditions).²² The duty free status under the US GSP scheme was 82.4 per cent in 2009 (Table 11).

²⁰ Excluding the costs of freight and insurance (as done by some countries, e.g., Australia, Canada, the US) lowers the dutiable amount, and is particularly advantageous to the LDCs which are susceptible to high transportation costs.

²¹ It should be noted that for some tariff lines, imports originating from LDC can be very small and fluctuate from year-to-year. When flows are very low, they are not reported, thus, the number of dutiable lines may vary accordingly from year-to-year, but will not have large economic significance.

²² This duty-free figure could be higher for LDC AGOA countries, since some dutiable lines in Chapters 50 through 60 and Chapter 63 could become AGOA eligible under certain conditions.

Table 11: Tariff treatment of LDC exports in selected developed markets, 2009

Market		GSP-LDC duty scheme					Imports from UN-LDCs ^b (million US\$ and percentage)				Memo items			
		Number of tariff lines		Number of tariff lines with imports from LDC beneficiaries ^a							Number of MFN tariff lines			Imports from World (million US\$)
		Dutiable	Duty free (%)	Total	Dutiable under MFN	Dutiable under GSP-LDC scheme	TOTAL	Dutiable	Duty free (%)	Weighted applied duty ¹	TOTAL	Duty-free tariff lines (%)	Tariff lines with world imports	
Australia ²	Total	0	100.0	924	580	0	186.6	0.0	100.0	0.0	6,002	46.2	5,517	187,023
	Agriculture	0	100.0	116	37	0	18.3	0.0	100.0	0.0	748	71.3	629	8,370
	Non-agriculture ^c	0	100.0	806	543	0	168.3	0.0	100.0	0.0	5,219	42.2	4,863	163,210
	Ores	0	100.0	2	0	0	0.0	0.0	100.0	0.0	33	100.0	24	424
	Petroleum	0	100.0	0	0	0	0.0	<i>n.a</i>	<i>n.a</i>	<i>n.a</i>	2	100.0	1	15,019
Canada	Total	96	98.8	2,021	1,165	0	2,746.2	0.0	100.0	0.0	8,309	53.6	8,064	312,266
	Agriculture	96	93.0	299	134	0	39.5	0.0	100.0	0.0	1,370	41.5	1,250	24,580
	Non-agriculture ^c	0	100.0	1,712	1,031	0	1,127.6	0.0	100.0	0.0	6,905	55.8	6,782	267,325
	Ores	0	100.0	9	0	0	72.4	0.0	100.0	0.0	33	100.0	31	1,785
	Petroleum	0	100.0	1	0	0	1,506.8	0.0	100.0	0.0	1	100.0	1	18,576
European Union	Total	63	99.3	3,632	2,814	28	26,022.1	429.6	98.3	0.1	9,569	24.3	9,276	1,516,545
	Agriculture	41	97.9	581	437	24	2,857.6	241.8	91.5	0.0	1,990	18.1	1,775	102,912
	Non-agriculture ^c	22	99.7	3,032	2,377	4	13,713.3	187.8	98.6	0.2	7,536	25.5	7,459	1,167,586
	Ores	0	100.0	17	0	0	857.8	0.0	100.0	0.0	41	100.0	40	16,921
	Petroleum	0	100.0	2	0	0	8,593.5	0.0	100.0	0.0	2	100.0	2	229,126
Japan	Total	393	95.6	840	562	22	3,526.7	7.7	99.8	0.0	9,026	40.9	7,855	528,295
	Agriculture	126	93.2	136	76	3	247.5	0.0	100.0	0.0	1,857	25.6	1,417	47,944
	Non-agriculture ^c	267	96.3	700	486	19	1,846.9	7.7	99.6	0.0	7,130	44.6	6,409	380,716
	Ores	0	100.0	3	0	0	47.0	0.0	100.0	0.0	37	100.0	27	19,893
	Petroleum	0	100.0	1	0	0	1,385.3	0.0	100.0	0.0	2	100.0	2	79,742
New Zealand	Total	0	100.0	660	431	0	27.3	0.0	100.0	0.0	7,286	57.7	6,338	24,871
	Agriculture	0	100.0	59	21	0	6.6	0.0	100.0	0.0	1,000	63.6	793	2,631
	Non-agriculture ^c	0	100.0	601	410	0	20.7	0.0	100.0	0.0	6,252	56.6	5,532	20,403
	Ores	0	100.0	0	0	0	0.0	<i>n.a</i>	<i>n.a</i>	<i>n.a</i>	33	100.0	12	1
	Petroleum	0	100.0	0	0	0	0.0	<i>n.a</i>	<i>n.a</i>	<i>n.a</i>	1	100.0	1	1,836

Market	Sector	GSP-LDC duty scheme					Imports from UN-LDCs ^b (million US\$ and percentage)				Memo items			
		Number of tariff lines		Number of tariff lines with imports from LDC beneficiaries ^a							Number of MFN tariff lines			Imports from World (million US\$)
		Dutiable	Duty free (%)	Total	Dutiable under MFN	Dutiable under GSP-LDC scheme	TOTAL	Dutiable	Duty free (%)	Weighted applied duty ¹	TOTAL	Duty-free tariff lines (%)	Tariff lines with world imports	
	Total	1	100.0	689	263	1	494.2	6.3	98.7	2.6	7,042	83.5	6,364	68,444
Norway	Agriculture	1	99.9	77	33	1	14.7	6.0	59.0	86.7	1,351	36.6	1,057	5,013
	Non-agriculture ^c	0	100.0	609	230	0	209.2	0.2	99.9	0.0	5,656	94.6	5,294	62,506
	Ores	0	100.0	2	0	0	12.4	0.0	100.0	0.0	33	100.0	12	346
	Petroleum	0	100.0	1	0	0	257.8	0.0	100.0	0.0	2	100.0	1	578
	Total	6	99.9	818	687	0	252.0	0.0	100.0	0.0	8,373	17.0	7,717	155,500
Switzerland	Agriculture	6	99.7	163	121	0	75.3	0.0	100.0	0.0	2,284	14.9	1,856	10,244
	Non-agriculture ^c	0	100.0	655	566	0	176.7	0.0	100.0	0.0	6,054	17.3	5,841	143,114
	Ores	0	100.0	0	0	0	0.0	<i>n.a</i>	<i>n.a</i>	<i>n.a</i>	33	100.0	19	3
	Petroleum	0	100.0	0	0	0	0.0	<i>n.a</i>	<i>n.a</i>	<i>n.a</i>	2	100.0	1	2,139
	Total	1,834	82.4	1,635	1,077	567	20,661.5	6,509.7	68.5	5.2	10,449	35.8	9,995	1,484,075
United States	Agriculture	278	84.5	229	138	6	351.3	0.5	99.9	0.0	1,792	20.3	1,491	74,880
	Non-agriculture ^c	1,556	81.9	1,398	937	561	7,826.9	6,509.2	16.8	13.8	8,612	38.8	8,464	1,264,331
	Ores	0	100.0	6	0	0	96.5	0.0	100.0	0.0	43	76.7	38	2,468
	Petroleum	0	100.0	2	2	0	12,386.8	0.0	100.0	0.0	2	0.0	2	142,395

^a Beneficiaries are countries eligible for the national GSP-LDC scheme, excluding other preferential agreements; some UN-LDCs may be excluded; on the other hand, some countries not necessarily UN-LDCs may be included.

^b Forty-nine LDCs as listed by the UN.

^c "Non-agriculture" covers NAMA products with the exclusion of ores and petroleum.

¹ Excludes non-ad valorem duties (except for the US).

² Data related to the year 2008.

Source: IDB-WTO Secretariat.

(b) Market Access Conditions Faced by LDC Exports in Selected Developing Countries

42. The information on developing countries' preference schemes for LDCs remains scant. As is evident from Table 12, information on LDC duty scheme is limited to three reporters, the Republic of Korea, Chinese Taipei and Turkey. As a result, analysis of LDCs' market access conditions relies mainly on MFN treatment. India recently made a notification on its duty-free scheme for LDCs which has been in operation since August 2008 (See Section IV).

43. The limited information available on preferences granted by developing countries shows a significant degree of heterogeneity. The extent of preferential duty-free treatment varies from 32 to 79 per cent; thanks to the LDC scheme, the number of dutiable lines drops by more than 90 per cent in Turkey (from 520 to 45 tariff lines), 56 per cent in the Republic of Korea, and 10 per cent in Chinese Taipei. It is to be noted that other than these three reporters of LDC duty schemes, the duty-free import figures in Table 12 refers to MFN duty-free imports by developing countries from LDCs.

44. Table 12 also shows that weighted applied duty on agriculture is close to 11 per cent (after excluding duty-free treatment extended by Hong Kong and Singapore), while it was 6 per cent for manufacture (excluding oil and ores, which are generally levied low duties). In general, LDCs face higher tariffs for their agricultural exports in developing countries as compared to other export items.

Table 12: Tariff treatment of LDC exports in selected developing markets, 2009

Market	Sector	LDC duty scheme					Imports from UN-LDCs ^b (million US\$ and percentage)				Memo items			
		Number of tariff lines		Number of tariff lines with imports from LDC beneficiaries ^a			TOTAL	Dutiable	Duty free (%)	Weighted applied duty ¹	Number of MFN tariff lines			Imports from World (million US\$)
		Dutiable	Duty free (%)	Total	Dutiable under MFN	Dutiable under LDC scheme					TOTAL	Duty-free tariff lines (%)	Tariff lines with world imports	
Brazil	Total	-	-	254	241	-	504.1	108.7	78.4	5.1	9,782	7.4	8,317	126,695
	Agriculture	-	-	12	12	-	8.1	8.1	0.0	13.2	945	8.4	714	6,511
	Non-agriculture ^c	-	-	238	227	-	190.9	99.5	47.9	13.0	8,790	7.3	7,574	110,180
	Ores	-	-	2	2	-	1.0	1.0	0.0	2.0	45	0.0	27	798
	Petroleum	-	-	2	0	-	304.1	0.0	100.0	0.0	2	100.0	2	9,206
Chile	Total	-	-	253	253	-	214.3	214.3	0.0	6.0	7,714	0.5	6,401	38,364
	Agriculture	-	-	15	15	-	0.9	0.9	0.0	6.0	1,048	0.0	780	3,140
	Non-agriculture ^c	-	-	235	235	-	170.7	170.7	0.0	6.0	6,623	0.5	5,599	30,782
	Ores	-	-	2	2	-	0.3	0.3	0.0	6.0	41	0.0	20	488
	Petroleum	-	-	1	1	-	42.5	42.5	0.0	6.0	2	0.0	2	3,954
China ²	Total	-	-	1,123	964	-	27,482.7	3,127.2	88.6	0.8	7,867	8.3	7,264	1,002,618
	Agriculture	-	-	131	123	-	807.7	802.1	0.7	14.1	1,092	6.9	872	47,592
	Non-agriculture ^c	-	-	971	841	-	2,964.5	2,325.1	21.6	3.1	6,735	8.2	6,363	795,783
	Ores	-	-	20	0	-	1,984.9	0.0	100	0.0	39	71.8	28	69,960
	Petroleum	-	-	1	0	-	21,725.5	0.0	100	0.0	1	100.0	1	89,283
Hong Kong, China	Total	-	-	770	0	-	479.4	0.0	100.0	0.0	6,990	100.0	5,961	351,388
	Agriculture	-	-	68	0	-	15.7	0.0	100.0	0.0	942	100.0	798	14,070
	Non-agriculture ^c	-	-	699	0	-	452.5	0.0	100.0	0.0	6,013	100.0	5,144	337,290
	Ores	-	-	3	0	-	11.2	0.0	100.0	0.0	34	100.0	19	28
	Petroleum	-	-	0	0	-	0.0	<i>n.a</i>	<i>n.a</i>	<i>n.a</i>	1	100.0	0	0
India ³	Total	-	-	1,671	1,585	-	6,620.6	6,242.3	5.7	7.6	11,277	2.8	9,495	311,821
	Agriculture	-	-	276	255	-	1,491.3	1,169.9	21.6	14.7	1,431	4.3	946	9,108
	Non-agriculture ^c	-	-	1,383	1,318	-	2,079.1	2,022.1	2.7	6.8	9,785	2.6	8,504	217,826
	Ores	-	-	11	11	-	202.0	202.0	0.0	2.0	60	0.0	44	4,922
	Petroleum	-	-	1	1	-	2,848.3	2,848.3	0.0	5.0	1	0.0	1	79,965
Kenya	Total	-	-	679	543	-	214.3	161.2	24.8	14.2	5,265	22.8	4,407	10,090
	Agriculture	-	-	143	130	-	104.3	92.3	11.5	18.1	704	9.8	541	1,591
	Non-agriculture ^c	-	-	534	412	-	109.4	68.9	37.1	10.7	4,527	24.9	3,855	8,495
	Ores	-	-	2	1	-	0.6	0.1	82.6	2.6	33	9.1	10	3
	Petroleum	-	-	0	0	-	0.0	<i>n.a</i>	<i>n.a</i>	<i>n.a</i>	1	100.0	1	0

Market	Sector	LDC duty scheme					Imports from UN-LDCs ^b (million US\$ and percentage)				Memo items			
		Number of tariff lines		Number of tariff lines with imports from LDC beneficiaries ^a			TOTAL	Dutiable	Duty free (%)	Weighted applied duty ¹	Number of MFN tariff lines			Imports from World (million US\$)
		Dutiable	Duty free (%)	Total	Dutiable under MFN	Dutiable under LDC scheme					TOTAL	Duty-free tariff lines (%)	Tariff lines with world imports	
Korea, Republic of	Total	3,320	72.1	1,093	944	411	1,710.3	1,041.8	39.1	1.4	11,881	16.6	10,684	323,084
	Agriculture	1,309	17.5	129	127	104	77.7	29.5	62.0	4.8	1,586	5.8	1,328	14,923
	Non-agriculture ^c	1,992	80.5	955	816	306	1,586.6	982.1	38.1	1.3	10,237	18.0	9,308	248,651
	Ores	9	81.3	8	0	0	15.7	0.0	100.0	0.0	48	79.2	39	8,753
	Petroleum	10	0.0	1	1	1	30.3	30.3	0.0	3.0	10	0.0	9	50,757
Malaysia ²	Total	-	-	2,075	368	-	502.9	43.1	91.4	1.1	10,389	60.3	9,415	153,248
	Agriculture	-	-	170	63	-	151.4	17.1	88.7	0.3	1,193	71.1	1,078	10,852
	Non-agriculture ^c	-	-	1,902	305	-	238.8	26.0	89.1	2.0	9,146	58.7	8,300	134,667
	Ores	-	-	2	0	-	8.4	0.0	100.0	0.0	48	100.0	35	726
	Petroleum	-	-	1	0	-	104.3	0.0	100.0	0.0	2	50.0	2	7,003
Mexico	Total	-	-	885	738	-	255.4	206.6	19.1	22.8	12,102	22.4	11,020	229,924
	Agriculture	-	-	45	39	-	29.4	26.0	11.7	20.7	1,198	14.9	999	18,559
	Non-agriculture ^c	-	-	832	693	-	225.8	180.5	20.1	23.1	10,858	23.3	9,988	210,864
	Ores	-	-	8	6	-	0.3	0.1	48.5	2.6	44	11.4	32	501
	Petroleum	-	-	0	0	-	0.0	<i>n.a</i>	<i>n.a</i>	<i>n.a</i>	2	0.0	1	0
Pakistan	Total	-	-	514	419	-	376.7	108.9	71.1	4.5	6,803	6.1	5,895	31,697
	Agriculture	-	-	134	91	-	204.3	84.3	58.7	6.0	804	15.2	593	4,212
	Non-agriculture ^c	-	-	379	328	-	172.4	24.6	85.7	2.8	5,965	4.8	5,286	24,276
	Ores	-	-	1	0	-	0.0	0.0	100.0	0.0	33	9.1	15	76
	Petroleum	-	-	0	0	-	0.0	<i>n.a</i>	<i>n.a</i>	<i>n.a</i>	1	100.0	1	3,133
Singapore	Total	-	-	777	1	-	818.8	0.1	100.0	0.0	8,300	99.9	3,630	122,278
	Agriculture	-	-	201	1	-	73.1	0.1	99.8	0.0	1,145	99.5	572	7,766
	Non-agriculture ^c	-	-	574	0	-	624.9	0.0	100.0	0.0	7,118	100.0	3,039	94,340
	Ores	-	-	1	0	-	0.7	0.0	100.0	0.0	34	100.0	18	72
	Petroleum	-	-	1	0	-	120.0	0.0	100.0	0.0	3	100.0	1	20,099
South Africa	Total	-	-	2,113	998	-	2,737.1	292.5	89.3	1.7	6,702	56.1	6,233	60,262
	Agriculture	-	-	222	122	-	132.7	103.4	22.1	5.2	919	41.6	811	4,228
	Non-agriculture ^c	-	-	1,873	876	-	719.6	189.2	73.7	6.5	5,749	58.2	5,394	45,623
	Ores	-	-	17	0	-	17.9	0.0	100.0	0.0	33	100.0	27	116
	Petroleum	-	-	1	0	-	1,866.9	0.0	100.0	0.0	1	100.0	1	10,294

Market	Sector	LDC duty scheme					Imports from UN-LDCs ^b (million US\$ and percentage)				Memo items			
		Number of tariff lines		Number of tariff lines with imports from LDC beneficiaries ^a			TOTAL	Dutiable	Duty free (%)	Weighted applied duty ¹	Number of MFN tariff lines			Imports from World (million US\$)
		Dutiable	Duty free (%)	Total	Dutiable under MFN	Dutiable under LDC scheme					TOTAL	Duty-free tariff lines (%)	Tariff lines with world imports	
Chinese Taipei	Total	5,976	31.5	652	504	453	1,779.5	54.9	96.9	0.4	8,730	30.1	7,942	167,977
	Agriculture	1,074	24.2	88	64	61	41.9	22.3	46.8	7.5	1,417	23.6	1,108	8,246
	Non-agriculture ^c	4,901	32.6	558	440	392	532.1	32.6	93.9	0.6	7,271	30.9	6,803	138,942
	Ores	0	100.0	5	0	0	0.4	0.0	100.0	0.0	40	100.0	29	1,180
	Petroleum	1	50.0	1	0	0	1,205.1	0.0	100.0	0.0	2	50.0	2	19,609
Thailand	Total	-	-	1,569	1,401	-	4,711.3	3,431.8	27.2	2.1	8,300	18.3	7,666	131,602
	Agriculture	-	-	197	188	-	200.8	130.3	35.1	9.8	1,145	3.3	950	6,170
	Non-agriculture ^c	-	-	1,363	1,208	-	3,418.2	3,274.4	4.2	3.5	7,118	20.6	6,686	106,182
	Ores	-	-	6	5	-	27.2	27.2	0.0	1.0	34	44.1	27	242
	Petroleum	-	-	3	0	-	1,065.2	0.0	100.0	0.0	3	100.0	3	19,008
Turkey	Total	2,522	79.1	632	520	45	769.2	132.4	82.8	3.9	12,065	23.5	9,664	129,146
	Agriculture	1,779	17.8	51	33	32	123.0	116.4	5.3	22.7	2,164	12.5	1,126	7,521
	Non-agriculture ^c	740	92.5	579	487	13	646.1	16.0	97.5	0.3	9,858	25.6	8,515	114,248
	Ores	3	92.7	2	0	0	0.2	0.0	100.0	0.0	41	92.7	22	962
	Petroleum	0	100.0	0	0	0	0.0	<i>n.a</i>	<i>n.a</i>	<i>n.a</i>	2	100.0	1	6,415

^a Beneficiaries are countries eligible for the national LDC scheme, excluding other preferential agreements.

^b Forty-nine LDCs as listed by the UN.

^c "Non-agriculture" covers NAMA products with the exclusion of ores and petroleum.

¹ Excludes non-ad valorem duties.

² Provisional data.

³ Reference year in 2008.

¹ Data on preferential treatment of LDC exports is not available/not relevant.

Source: IDB-WTO Secretariat.

IV. RECENT INITIATIVES TO IMPROVE MARKET ACCESS FOR LDC PRODUCTS

45. Annex Table 6 provides a succinct, non-exhaustive list of major multilateral non-reciprocal market access schemes undertaken by Members in favour of LDCs. It contains information mostly based on notifications made to the WTO. The Table does not include regional or bilateral agreements/initiatives under which, too, LDCs receive preferences.

46. Since the last report, a number of new notifications have been made by Members relating to market access schemes for LDCs. India has recently made a formal notification of its Duty-Free Tariff Preference (DFTP) scheme for LDCs - the first of its kind by a developing country since the launch of the Doha negotiations in 2001. The scheme, which became operational in August 2008, will provide duty-free access to the LDCs for 85 per cent of its tariff lines over a period of five years through equal annual reductions (WT/COMTD/N/38). In addition, LDCs will receive preferential market access for about 9 per cent of their tariff lines on the basis of a prescribed margin of preference, over a period of five years through equal annual reductions. China has indicated in WTO meetings that it would expand coverage of its duty-free treatment for LDCs to the level of 95 per cent, which at present covers 60 per cent of its tariff lines.

47. Steps have been taken by Members towards enhancing stability, security and predictability of preference schemes provided to the LDCs. For instance, Japan has recently notified its decision to extend the duration of the GSP scheme until 31 March 2021. The notification is contained in document WT/COMTD/N/2/Add.15.

48. There has also been progress in the area of preferential rules of origin. One of the LDCs' major trading partners, the EU, has undertaken reforms to the rules of origin criteria associated with its GSP scheme. The EU's revised GSP rules of origin, which became operational as of January 2011, offers a number of simplifications and relaxations, especially for the LDCs. For example, in the textiles and clothing sector, LDCs are now allowed to use a single stage of transformation in many cases (i.e. manufacturing from fabric), instead of the two stages of transformation required by the previous rules.²³ It is to be noted that the LDCs have continued their efforts for a simplified preferential rules of origin framework under Doha Round of negotiations. To this effect, a revised proposal from the LDC Group was submitted in June 2011 (TN/CTD/W/30/Rev.2).

49. Despite lack of progress in the negotiations, there has been incremental progress in the implementation of DFQF market access for LDC products. In line with the Hong Kong Decision, most developed Members today provide either 100 per cent or close to 100 per cent DFQF access to the LDCs. As a result, product exclusions from duty-free access have narrowed down; with a few developed Members maintaining positive duty on some products of export interest to LDCs (see Table 13).

²³ The new rules of origin applicable within the framework of the EU's GSP were notified by the EU in April 2011, which has been circulated as WT/COMTD/N/4/Add.5.

Table 13: DFQF access in GSP schemes of developed Members, 2009

Country	Duty-free coverage and exclusions	Number of Dutiable lines (national tariff lines)
Australia	100 per cent	None
Canada	98.8 per cent (dairy, eggs and poultry)	93
EU	99.3 per cent (arms and ammunitions, rice and sugar)	63
Japan	95.6 per cent (rice, sugar, fishery products, articles of leather, some textile articles, footwear, etc.)	393
New Zealand	100 per cent	None
Norway	100 per cent (except roses)	1
Switzerland	99.9 per cent (some sugar and cheese items)	6
United States	82.4 per cent (dairy products, sugar, cocoa, articles of leather, cotton, articles of apparel and clothing, other textiles and textile articles, footwear, watches, etc.)	1,834

Note: The full implementation of EU's EBA (i.e. duty-free access to all products other than arms and ammunitions) came into effect on October 2009. The gradual introduction of duty-free access to LDC products had also been completed by Switzerland in September 2009 since when it has been providing duty-free access to all LDC products.

Source: WTO Secretariat.

50. A number of developing countries have also come forward in announcing schemes which grant DFQF market access for LDC products in line with the Hong Kong Decision.²⁴ The depth and coverage of this duty-free access differs from one developing country to another. Moreover, many of these schemes provide for a gradual phasing in of the duty-free access for LDC exports. Table 14 provides some information on the duty-free coverage by emerging markets based on notifications as well as statements made in the WTO.

Table 14: DFQF access for LDC products in selected developing countries

Country	Duty-free coverage
China	60 per cent of all tariff lines are currently covered, with gradual phasing-in of up to 95 per cent
India	85 per cent of tariff lines to be covered under duty-free access by 2012
Korea, Republic of	Nearly 72 per cent of tariff lines (2009)
Chinese Taipei	Nearly 32 per cent of tariff lines (2009)
Turkey	Nearly 80 per cent of tariff lines (2009)

Source: WTO Secretariat.

51. The DFQF market access for LDC products continues to receive priority attention from the international community, including by the G20. Leaders at the G-20 Seoul Summit in November 2010 adopted a Declaration committed to making progress towards DFQF access in line with Hong Kong commitments. The Istanbul Programme of Action for the LDCs for the decade 2011-2020 called for a timely implementation of DFQF access for all LDCs, consistent with the Hong Kong Declaration. A number of studies have shown that full implementation of the Hong Kong Decision on DFQF market access for LDC products, along with simplified rules of origin would further enhance the participation of LDCs in world trade.

²⁴ In addition, these countries continue to offer/improve preferential market access to the LDCs through regional and bilateral initiatives.

V. CONCLUSIONS

52. While it is still too early to claim that the effects of the 2008-2009 global crisis are over, one of the main conclusions that can be drawn from this note is that LDC exports in goods and services have recuperated most of the ground lost during the turmoil. After a drop of 24 per cent in 2009, total exports of goods and services rebounded to 26.5 per cent in 2010. Notwithstanding this recovery, the value of total exports in 2010 remained below the pre-crisis level, due to the international prices of fuels and minerals, which were still significantly below the peak registered in 2008. Nevertheless, in 2010, the value of exports of agriculture, manufacture and commercial services were higher than their pre-crisis levels. Despite some recovery in exports, the trade balance remained negative in 2010 (US\$9 billion). In 2010, the share of LDC exports in world merchandise trade was 1.08 per cent, which represented a marginal increase compared to the previous year (1.03 per cent). The share of LDC exports in world commercial services remained static at 0.51 per cent in 2010 which was also the figure for the previous year.

53. Both the trends and the composition of LDC exports are strongly influenced by the developments in international prices for commodities. The rising demand for commodities, especially from emerging countries, has had a strong influence on their prices. The export structure of LDCs remains concentrated, with fuels and minerals representing 60 per cent of all LDC exports in 2010. Food and agriculture (including raw materials) accounted for 15 per cent of all LDCs' merchandise export revenues in 2010, while clothing represented 12 per cent. Exports of services have been increasing, albeit from a low initial base; in many LDCs, tourism has become one of the top three sources of export revenues. The economic crisis, which principally affected demand from developed countries, reinforced the importance of LDCs' exports to developing countries. China retains its first position as LDCs export destinations, with imports rising to US\$43 billion in 2010, followed by the EU and the US (more than US\$25 billion each). India's imports from LDCs increased rapidly during the period, placing it in the fourth position in 2010 (US\$8.5 billion).

54. LDC exports to developing and developed markets are nevertheless very differentiated. Developing economies have become the major destination for LDC exports of mineral fuels, copper, wood products, cotton and some food products like vegetables and oil seeds. Interestingly, these products, where South-South trade has become particularly important for LDCs, are also those where international prices have been increasing in the past decade. On the other hand, developed economies remain largely a dominant export destination for manufactured articles such as clothing, where changes in prices have been much more moderate. Developed country markets are also the main destination of exports for some agricultural and food products such as fish and crustaceans, beverages and tobacco.

55. Whether in terms of tariff lines or in terms of import value, most of the developed Members of the WTO grant close to 100 per cent DFQF access to LDC products. The duty-free coverage by the US to all LDCs was 82.4 per cent in 2009. This coverage is higher for the LDCs in Africa as they could benefit from AGOA provisions, which offer duty-free access over and above the GSP coverage. The US has reiterated its commitment to implement the Hong Kong Decision on DFQF market access to LDCs with the final results of the Doha negotiations.

56. During the period under review, concrete progress has been made in the area of preferential rules of origin as one of the top trading partners of LDCs - the EU- has made a number of simplifications and relaxations in its rules of origin associated with its GSP scheme. This is expected to further enhance LDC exports to the EU markets as well as increase the preference utilization rate of the LDCs.

57. Emerging countries, in particular China and India have made incremental progress in providing preferential market access including duty-free access to LDC products. India became the

first developing country to notify its preference scheme for the LDCs since the launch of the Doha negotiations in 2001. The DFTP scheme by India will cover 85 per cent of its tariff lines under duty-free access by 2012. China, which has been granting duty-free coverage to 60 per cent of its tariff lines to the LDCs, has indicated its intention to expand this duty-free coverage to 95 per cent. It is also worthwhile to mention that these developing countries are also improving market access opportunities for LDCs, through bilateral and regional channels. However, overall information on developing countries' preference scheme remains limited.

58. Given the continued concentration of LDCs' export structure, enhanced market access opportunities for the LDCs is of significant value to them. Any decisions taken to increase preferential market access for LDCs, including at the Eighth WTO Ministerial Conference, will help increase their share of trade; integrate them more fully into the multilateral trading system; and help them in their economic growth and developmental efforts.

ANNEX

Annex Table 1: Merchandise exports and imports of LDCs by selected country grouping, 2010
(million dollars and percentage)

	Exports					Imports				
	Value	Annual percentage change				Value	Annual percentage change			
	2010	2000-10	2008	2009	2010	2010	2000-10	2008	2009	2010
LDCs	165,163	16.4	31.7	-24.6	29.5	17,4564	14.8	29.6	-4.8	12.9
Exporters of agricultural products	10,286	11.9	22.6	-3.3	15.6	30,896	14.0	27.4	-3.9	12.2
Afghanistan	430	12.1	8.7	-25.3	6.6	4,400	14.1	7.1	10.5	31.9
Benin	1,200	11.8	22.5	-7.1	0.8	2,200	13.6	12.4	-9.8	6.6
Burkina Faso	1,288	19.9	11.3	29.9	43.0	2,048	12.9	20.2	-7.3	9.5
Burundi	100	7.2	-2.4	11.2	57.3	509	13.2	26.2	-0.1	26.6
Central African Republic	140	-1.4	-15.6	-20.0	16.7	340	11.3	20.5	0.0	13.3
Comoros	18	2.5	-34.8	77.8	12.5	190	16.0	26.5	-2.9	11.8
Ethiopia	2,238	16.5	25.4	1.0	38.3	8,552	21.1	42.5	-7.4	11.5
Gambia	15	0.0	9.2	9.7	0.0	276	4.0	0.4	-5.7	-9.3
Guinea-Bissau	125	7.3	19.8	-6.8	4.7	220	14.1	18.4	15.7	-4.3
Kiribati	11	11.9	53.4	40.0	-47.6	100	9.6	-0.2	-2.8	46.9
Liberia	231	-3.5	21.1	-38.6	55.3	700	0.5	62.9	-32.2	26.9
Malawi	1,066	10.9	21.3	25.6	-1.3	1,900	13.6	19.8	9.1	5.6
Rwanda	297	19.0	51.4	-28.0	54.3	1,431	21.1	52.3	11.5	9.4
Sao Tome and Principe	11	13.9	56.4	-23.7	35.5	112	14.1	44.2	-9.4	8.6
Solomon Islands	227	12.6	28.0	-21.7	37.3	405	16.0	11.8	-18.3	51.2
Somalia	410	7.8	20.0	-4.8	2.5	830	9.2	22.2	-15.9	12.2
Timor-Leste ^a	17	11.1	55.4	-34.7	96.3	298	12.6	47.1	9.9	1.0
Togo	800	8.2	33.0	-11.1	0.0	1,550	10.7	22.0	-0.1	2.7
Uganda	1,612	14.9	29.0	-9.1	2.8	4,550	11.5	29.6	-6.2	7.1
Vanuatu	49	6.5	13.8	0.0	-13.6	285	12.6	36.7	-6.2	-3.1
Fuel exporters^b	96,891	19.1	37.8	-33.1	30.6	55,112	18.3	32.3	4.7	2.1
Angola	53,500	21.0	44.0	-36.1	31.0	21,500	21.6	53.6	8.0	-5.1
Bhutan	550	18.2	-22.7	-4.9	10.9	760	15.8	3.3	-2.6	43.6
Chad	3,450	34.1	18.1	-38.8	30.2	2,600	23.4	5.6	21.1	13.0
Equatorial Guinea	10,500	25.3	55.7	-42.8	15.4	5,700	28.9	65.0	33.0	9.6
Myanmar	8,749	18.2	9.5	-3.3	30.4	4,807	7.2	29.5	2.4	9.4
Sudan	11,443	20.3	31.4	-30.2	40.4	10,045	20.5	6.6	3.6	3.7
Yemen	8,700	7.9	20.4	-17.5	39.0	9,700	15.4	23.9	-12.9	5.6
Manufacture exporters	27,630	10.7	18.6	-4.9	22.3	48,909	12.2	26.5	-6.5	23.5
Bangladesh	19,191	11.6	23.4	-1.9	27.2	27,819	12.1	28.3	-8.5	27.4
Cambodia	5,030	13.7	15.2	-8.6	16.9	7,500	14.5	19.7	-9.7	27.6
Haiti	580	6.2	-8.1	20.1	0.6	3,150	11.8	37.7	-8.3	48.3
Lesotho	820	14.1	14.7	-18.9	14.5	2,200	10.5	15.4	-2.7	12.8
Madagascar	1,090	2.8	5.8	-19.7	3.6	2,650	9.2	43.5	-15.3	-17.2
Nepal	860	0.7	8.1	-12.4	4.5	5,280	12.9	15.0	22.1	20.4
Samoa	60	-0.9	-26.1	-36.1	29.4	310	11.3	8.4	-19.9	34.4
Exporters of non-fuel minerals^c	27,888	18.8	23.3	-13.6	42.7	32,643	16.3	31.2	-12.8	21.6
Congo, Dem. Rep. of	5,300	20.7	41.9	-20.5	51.4	4,500	20.8	26.5	-9.3	15.4
Guinea	1,250	6.5	11.6	-21.8	19.1	1,100	6.0	12.2	-22.4	3.8
Lao People's Dem. Rep.	1,600	17.1	18.3	-5.4	54.9	1,800	12.9	31.7	0.6	27.3
Mali	2,350	15.7	34.8	1.1	10.8	2,850	13.5	52.8	-20.8	7.8
Mauritania	2,033	19.1	27.5	-23.4	48.3	1,822	14.9	21.7	-26.3	27.4

	Exports					Imports				
	Value	Annual percentage change				Value	Annual percentage change			
	2010	2000-10	2008	2009	2010	2010	2000-10	2008	2009	2010
Mozambique	3,200	24.3	10.0	-19.1	49.0	4,500	14.5	31.4	-6.1	19.5
Niger	930	12.6	37.2	-5.5	8.1	2,150	18.5	47.7	12.0	13.2
Sierra Leone	338	38.5	-12.1	7.0	46.4	770	17.9	20.1	-2.6	48.0
Tanzania	3,687	17.5	36.4	-3.6	26.0	7,830	17.8	33.5	-10.0	22.1
Zambia	7,200	23.2	10.4	-15.4	67.0	5,321	19.6	26.3	-25.1	40.3
Diversified and others^d	2,468	8.4	30.8	-11.9	8.5	7,003	10.5	30.8	-26.1	4.0
Djibouti	95	11.6	18.4	12.5	22.8	420	7.4	21.2	-21.4	-6.8
Eritrea	12	-10.6	-16.8	0.0	9.1	690	3.9	17.6	-1.7	16.9
Maldives	200	6.3	45.0	-48.9	18.3	1,095	10.9	26.6	-30.3	13.2
Senegal	2,161	8.9	29.7	-7.1	7.1	4,782	12.2	34.0	-27.8	1.5
Tuvalu	0	40.5	117.4	50.0	0.0	16	12.3	68.9	-47.0	14.3
World^e	15,237,000	9.0	15.1	-22.4	21.7	15,402,000	8.6	15.5	-23.0	21.1

^a 2003-2010, 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.

Note: Groups and countries ranked by value. Data for 2010 are largely estimates.

Source: WTO Secretariat.

Annex Table 2: Export prices of primary commodities, 2000-2011
(Indices 2005=100)

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2010				2011	
												Q1	Q2	Q3	Q4	Q1	Q2
Food and beverages	80	81	83	87	98	100	110	127	157	136	152	142	143	153	170	189	189
Food	81	82	84	88	100	100	111	127	157	134	149	139	140	151	168	186	186
Cereals	78	82	94	95	102	100	122	159	222	161	166	152	140	168	203	230	241
Wheat	75	83	97	96	103	100	126	167	214	147	147	128	116	156	186	217	222
Maize	90	91	101	107	114	100	124	166	227	168	189	165	161	185	245	288	318
Rice	71	60	67	69	85	100	106	116	243	205	181	200	166	171	187	182	176
Barley	81	99	115	110	104	100	123	181	211	135	167	151	155	170	191	208	220
Vegetable oils and protein meals	72	70	82	96	111	100	103	143	193	154	170	157	158	168	199	221	216
Meat	79	85	80	82	100	100	95	99	103	98	117	110	121	120	117	130	136
Beef	74	81	80	76	96	100	97	99	102	101	128	120	131	126	136	156	156
Lamb	70	81	91	99	103	100	96	101	106	91	91	92	87	91	93	93	96
Swine meat	88	91	70	79	105	100	94	94	96	82	110	101	119	120	100	118	137
Poultry	80	86	85	90	102	100	94	106	115	116	116	113	117	119	116	116	117
Seafood	112	99	85	84	88	100	121	113	113	114	136	124	137	139	143	154	154
Fish	90	71	72	74	82	100	125	112	119	121	151	137	154	155	159	173	173
Shrimp	180	181	124	117	105	100	105	116	91	85	76	73	72	78	81	81	81
Sugar	81	82	70	77	83	100	133	102	117	152	172	170	138	164	216	225	192
Bananas	73	101	91	65	91	100	118	117	146	147	153	140	154	160	158	171	175
Oranges	43	71	67	81	101	100	98	114	132	108	122	118	129	138	104	98	102
Beverages	78	66	76	80	83	100	108	123	152	154	176	169	170	180	186	216	213
Coffee	76	54	54	59	70	100	112	129	150	132	165	138	153	179	191	235	246
Cocoa beans	59	70	115	114	100	100	103	127	167	187	203	213	208	198	192	216	199
Tea	115	92	83	90	92	100	112	98	125	145	146	155	133	140	158	162	152
Agricultural raw materials	93	88	90	93	98	100	109	114	113	94	125	115	122	123	140	161	162
Timber	90	83	82	86	96	100	108	107	109	102	102	97	100	104	105	107	107
Cotton	107	87	84	115	112	100	105	115	129	114	188	147	163	169	272	376	331
Wool	83	78	101	113	105	100	104	144	138	115	153	153	144	144	171	223	258
Rubber	46	40	51	72	87	100	140	153	174	128	243	212	249	225	288	380	353
Hides and skins	122	129	123	104	102	100	105	110	98	68	110	103	111	111	115	120	134

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2010				2011	
												Q1	Q2	Q3	Q4	Q1	Q2
Minerals and non-ferrous metals (excluding crude petroleum)	59	53	52	58	79	100	156	183	169	136	202	190	200	193	223	248	241
Copper	49	43	42	48	78	100	183	194	189	141	205	197	191	198	235	262	249
Aluminium	82	76	71	75	90	100	135	139	136	88	114	114	110	110	123	132	137
Iron ore	44	46	45	49	58	100	119	130	219	285	522	466	566	489	566	636	625
Tin	74	61	55	66	115	100	119	196	250	184	276	233	241	278	351	405	390
Nickel	58	40	46	65	94	100	163	251	143	99	148	135	152	144	160	182	165
Zinc	82	64	56	60	76	100	237	235	137	120	157	165	147	146	168	174	163
Lead	47	49	46	53	91	100	132	265	215	177	221	227	200	209	245	267	262
Uranium	30	31	35	40	65	100	171	355	230	167	165	151	147	161	199	230	202
Total of above	74	71	72	76	91	100	123	140	151	127	161	150	155	158	179	200	198
Energy	54	47	47	55	72	100	119	132	185	117	147	143	146	141	159	185	203
Natural gas	60	60	48	63	70	100	115	117	174	110	113	110	113	114	117	129	147
Crude petroleum	53	46	47	54	71	100	121	133	182	116	149	145	147	142	161	188	207
Coal	53	65	54	57	113	100	104	138	266	149	206	196	206	195	226	269	255
All primary commodities	59	54	54	61	77	100	121	135	172	121	152	146	149	147	166	190	201

Note: The indices are period averages based on dollar prices. The quarterly figures are not seasonally adjusted.

Source: WTO Secretariat.

Annex Table 3: Leading merchandise exports of LDCs in 2010^a
(million dollars and percentage)

HS07	Product Description	LDC Exports				World Exports	
		Value	Share in Total Exports	Exports to		Value	LDCs' Share in World
				Developed Economies	Developing Economies		
TOTAL	All Commodities	122,481	100.0	59,430	62,337	11,882,892	1.0
27	Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral waxes	69,496	56.7	27,245	42,251	1,764,359	3.9
2709	Petroleum oils and oils obtained from bituminous minerals, crude.	62,306	50.9	25,602	36,705	916,530	6.8
2711	Petroleum gases and other gaseous hydrocarbons.	4,374	3.6	896	3,479	237,627	1.8
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, these oils being the basic	2,136	1.7	748	1,388	450,734	0.5
61	Articles of apparel and clothing accessories, knitted or crocheted	11,780	9.6	10,932	727	145,011	8.1
6110	Jerseys, pullovers, cardigans, waistcoats and similar articles, knitted or crocheted.	4,078	3.3	3,683	344	43,278	9.4
6109	T-shirts, singlets and other vests, knitted or crocheted.	3,436	2.8	3,227	166	26,096	13.2
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.	1,046	0.9	999	37	14,883	7.0
6105	Men's or boys' shirts, knitted or crocheted.	710	0.6	663	44	6,188	11.5
62	Articles of apparel and clothing accessories, not knitted or crocheted	8,708	7.1	8,051	587	143,608	6.1
6203	Men's or boys' suits, ensembles, jackets, blazers, trousers, bib and brace overalls, breeches and shorts (other than swimwear).	3,293	2.7	3,093	178	30,139	10.9
6204	Women's or girls' suits, ensembles, jackets, blazers, dresses, skirts, divided skirts, trousers, bib and brace overalls, breeches and shorts (other than swimwear).	2,040	1.7	1,899	127	41,106	5.0
6205	Men's or boys' shirts.	1,386	1.1	1,247	130	10,994	12.6
74	Copper and articles thereof	5,235	4.3	197	5,038	130,039	4.0
7403	Refined copper and copper alloys, unwrought.	3,102	2.5	118	2,984	51,674	6.0
26	Ores, slag and ash	4,972	4.1	1,313	3,658	188,147	2.6
2603	Copper ores and concentrates.	1,389	1.1	19	1,370	32,186	4.3
2601	Iron ores and concentrates, including roasted iron pyrites.	1,251	1.0	579	672	116,618	1.1
2605	Cobalt ores and concentrates.	961	0.8	1	961	1,135	84.7
2606	Aluminium ores and concentrates.	439	0.4	437	1	2,730	16.1
03	Fish and crustaceans, molluscs and other aquatic invertebrates	1,993	1.6	1,266	713	68,717	2.9
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	713	0.6	588	114	14,280	5.0
0303	Fish, frozen, excluding fish fillets and other fish meat of heading 03.04.	510	0.4	151	358	14,983	3.4
76	Aluminium and articles thereof	1,587	1.3	1,523	64	113,401	1.4
7601	Unwrought aluminium.	1,550	1.3	1,521	29	38,188	4.1

HS07	Product Description	LDC Exports				World Exports	
		Value	Share in Total Exports	Exports to		Value	LDCs' Share in World
				Developed Economies	Developing Economies		
09	Coffee, tea, mate and spices	1,485	1.2	1,248	208	28,676	5.2
0901	Coffee, whether or not roasted or decaffeinated; coffee husks and skins; coffee substitutes containing coffee in any proportion.	1,180	1.0	1,110	45	20,787	5.7
71	Natural or cultured pearls, precious or semi-precious stones, precious metals, metals clad with precious metal, and articles thereof; imitation jewellery; coin	1,491	1.2	1,142	348	258,876	0.6
7102	Diamonds, whether or not worked, but not mounted or set.	787	0.6	724	62	75,468	1.0
44	Wood and articles of wood; wood charcoal	1,451	1.2	147	1,304	91,794	1.6
4403	Wood in the rough, whether or not stripped of bark or sapwood, or roughly squared.	1,056	0.9	70	986	11,857	8.9
24	Tobacco and manufactured tobacco substitutes	1,126	0.9	540	408	27,794	4.1
12	Oil seeds and oleaginous fruits; miscellaneous grains, seeds and fruit; industrial or medicinal plants; straw and fodder	934	0.8	217	716	58,899	1.6
1207	Other oil seeds and oleaginous fruits, whether or not broken.	768	0.6	162	605	2,230	34.4
64	Footwear, gaiters and the like; parts of such articles	822	0.7	769	48	86,446	1.0
6403	Footwear with outer soles of rubber, plastics, leather or composition leather and uppers of leather.	583	0.5	557	23	42,850	1.4
28	Inorganic chemicals; organic or inorganic compounds of precious metals, of rare-earth metals, of radioactive elements or of isotopes	795	0.6	355	284	93,145	0.9
81	Other base metals; cermets; articles thereof	724	0.6	223	501	12,865	5.6
8105	Cobalt mattes and other intermediate products of cobalt metallurgy; cobalt and articles thereof, including waste and scrap.	714	0.6	218	496	2,405	29.7
52	Cotton	761	0.6	72	689	36,886	2.1
5201	Cotton, not carded or combed.	702	0.6	59	643	11,407	6.2
63	Other made up textile articles; sets; worn clothing and worn textile articles; rags	711	0.6	631	71	37,075	1.9
6302	Bed linen, table linen, toilet linen and kitchen linen.	446	0.4	432	7	13,711	3.3
40	Rubber and articles thereof	542	0.4	240	289	139,244	0.4
4001	Natural rubber, balata, gutta-percha, guayule, chicle and similar natural gums, in primary forms or in plates, sheets or strip.	512	0.4	227	272	19,574	2.6
53	Other vegetable textile fibres; paper yarn and woven fabrics of paper yarn	493	0.4	83	386	2,473	20.0
99	Commodities not specified according to kind	416	0.3	390	25	169,178	0.2
	Total of above	115,522	94.3	56,585	58,314	3,596,631	3.2

^a Based on imports from LDCs by 120 countries and economies reporting their trade to the UN Comtrade database.

Source: WTO, based on UNSD Comtrade database.

Annex Table 4: Imports from LDCs by major markets and product groups, 2000-2010
(million dollars and percentage)

Regions and major markets ¹	All Commodities					Agricultural products					Fuels and mining products					Manufactures				
	Value		Share of total	Annual percentage change		Value		Share of total	Annual percentage change		Value		Share of total	Annual percentage change		Value		Share of total	Annual percentage change	
	2000	2010	2010	2010	2000-2010	2000	2010	2010	2010	2000-2010	2000	2010	2010	2010	2000-2010	2000	2010	2010	2010	2000-2010
Africa	1,181	8,239	100	13	21	425	1,325	16	19	12	455	4,999	61	20	27	297	1,908	23	-6	20
South Africa	174	3,147	100	15	34	50	163	5	11	13	47	2,730	87	14	50	78	252	8	26	12
Zambia	35	1,343	100	137	44	4	20	1	44	17	25	1,085	81	127	46	5	238	18	215	47
Nigeria	120	886	100	-26	22	86	203	23	66	9	3	12	1	-70	14	31	671	76	-35	36
Mali ²	83	713	100	7	31	3	33	5	-54	35	52	514	72	51	33	28	166	23	-35	25
Egypt	100	554	100	41	19	78	171	31	39	8	17	292	53	24	33	6	91	16	166	31
Kenya	47	328	100	328	22	21	171	52	55	23	11	49	15	56	17	15	107	33	36	22
Côte d'Ivoire	64	321	100	0	18	48	276	86	5	19	4	24	7	-16	20	11	21	7	-29	7
Sudan ³	25	247	100	27	29	10	34	14	253	15	2	88	36	-	51	14	122	49	-34	28
Malawi	23	192	100	-54	24	9	103	54	8	27	3	12	6	-94	13	10	77	40	-41	22
Ethiopia	247	142	100	40	-5	5	13	9	98	9	236	119	83	46	-7	5	10	7	-21	7
Ghana ²	137	134	100	8	0	30	17	13	-16	-7	31	23	17	45	-4	73	94	70	7	3
Tanzania	17	97	100	53	19	2	34	35	57	30	4	30	31	40	24	11	34	35	62	12
Morocco	53	60	100	-51	1	51	51	84	-41	0	0	0	0	-	-	2	9	15	-16	19
Mauritius	53	51	100	5	0	25	30	58	-18	2	20	11	21	177	-6	7	11	21	22	4
Senegal	4	23	100	37	19	2	6	28	1	11	0	11	49	614	45	2	5	23	-40	13
Americas	10,625	32,641	100	21	12	692	830	3	15	2	4,811	21,568	66	24	16	5064	9,963	31	16	7
North America	10,167	30,597	100	19	12	556	800	3	17	4	4,530	19,756	65	20	16	5024	9,760	32	17	7
US	9,825	26,488	100	17	10	495	681	3	20	3	4,486	17,389	66	17	15	4788	8,245	31	15	6
Canada	288	3,798	100	38	29	36	83	2	5	9	44	2,315	61	46	49	207	1,297	34	27	20
Mexico	54	312	100	20	19	25	36	11	10	4	0	52	17	35	66	29	218	70	17	23
South and Central America	458	2,044	100	61	16	136	30	1	-26	-14	281	1,812	89	80	20	41	202	10	-9	17
Brazil	179	1,143	100	127	20	80	18	2	106	-14	85	1,023	89	157	28	14	102	9	5	22
Chile	102	553	100	158	18	0	0	0	-74	28	95	536	97	169	19	7	16	3	18	9
Peru	7	229	100	0	43	2	1	0	-30	-6	4	223	97	1	49	1	5	2	-26	25
El Salvador	1	31	100	118	37	1	1	4	329	10	0	28	93	115	98	1	1	3	84	2
Venezuela	26	29	100	-50	1	19	0	1	-63	-38	0	0	1	-51	-	7	29	99	-50	15
Argentina	25	25	100	-24	0	2	4	17	-38	9	16	0	1	-64	-34	7	20	82	-18	11
Colombia	34	22	100	129	-4	33	2	9	-9	-24	0	1	6	-	46	1	19	85	151	34
Costa Rica	2	5	100	7	11	0	0	10	-52	11	0	0	0	-	-	2	4	90	71	11
Uruguay	64	5	100	-94	-23	0	1	12	404	14	63	0	0	-	-	1	4	88	38	19

Regions and major markets ¹	All Commodities					Agricultural products					Fuels and mining products					Manufactures				
	Value		Share of total	Annual percentage change		Value		Share of total	Annual percentage change		Value		Share of total	Annual percentage change		Value		Share of total	Annual percentage change	
Guatemala	0	2	100	-93	22	0	1	67	-36	21	0	0	0	-	-	0	1	33	-82	26
Ecuador	19	1	100	-99	-25	0	0	28	-98	0	17	0	3	-	-47	1	1	69	-81	-3
Asia and Pacific	11,886	69,520	100	36	19	2702	7384	11	23	11	8,042	58,676	84	39	22	1,122	3,360	5	18	12
China	4,007	43,309	100	58	27	274	2,445	6	55	24	3,650	40,414	93	58	27	83	448	1	50	18
India ³	1,202	8,540	100	24	24	617	2,114	25	13	15	293	5,583	65	41	39	287	838	10	-20	13
Thailand	1,398	4,827	100	2	13	337	665	14	20	7	1,027	3,971	82	-2	14	27	191	4	74	22
Chinese Taipei	660	3,875	100	115	19	91	121	3	31	3	539	3,698	95	122	21	29	56	1	29	7
Japan	1,239	3,753	100	5	12	588	625	17	9	1	448	2,242	60	-3	17	200	870	23	35	16
Korea, Republic of	1,828	2,465	100	44	3	74	149	6	15	7	1,691	2,015	82	42	2	64	300	12	88	17
Malaysia	177	561	100	15	12	115	302	54	31	10	43	219	39	14	18	18	36	6	-45	7
Singapore	585	495	100	-42	-2	158	98	20	-10	-5	239	248	50	-47	0	186	82	17	-1	-8
Pakistan	157	460	100	22	11	131	370	80	38	11	18	61	13	-28	13	8	29	6	24	14
Indonesia	178	430	100	-49	9	121	248	58	120	7	28	126	29	-82	16	29	55	13	26	7
Hong Kong, China	227	368	100	-23	5	137	140	38	-7	0	3	30	8	59	26	87	197	53	-36	9
Australia	172	302	100	27	6	27	51	17	45	6	59	26	9	570	-8	86	224	74	14	10
Philippines	43	98	100	16	9	26	45	46	-1	6	4	42	43	83	27	13	9	9	-47	-4
New Zealand	12	38	100	38	13	6	12	31	25	7	0	1	3	64	36	6	25	66	44	16
Europe and CIS	12,477	30,093	100	6	9	2872	4,891	16	6	5	2,403	12,109	40	7	18	6863	12,508	42	3	6
EU 27	11,902	28,683	100	7	9	2769	4392	15	5	5	2,237	11,833	41	10	18	6560	11,875	41	2	6
Switzerland	100	295	100	17	11	33	95	32	21	11	3	0	0	5	-31	65	199	68	18	12
Norway	244	215	100	-57	-1	12	25	12	28	8	3	14	6	-95	15	227	174	81	-7	-3
CIS	231	900	100	26	15	59	378	42	17	20	160	262	29	22	5	11	259	29	50	37
Russian Federation	134	677	100	29	18	37	298	44	15	23	86	156	23	35	6	10	223	33	50	36
Ukraine	62	182	100	14	11	12	55	30	8	17	50	106	58	14	8	0	21	12	36	56
Kazakhstan	4	13	100	-29	14	3	6	50	-19	7	0	0	1	-99	28	0	6	50	77	35
Belarus	7	25	100	143	14	7	18	72	226	11	0	0	0	86	-	0	7	28	49	31
Kyrgyzstan	0	2	100	53	19	0	0	0	-	-48	0	0	0	-	-	0	2	100	293	34
Azerbaijan	24	1	100	11	-29	0	1	93	117	22	23	0	1	-	-55	0	0	6	-88	25

¹Regional totals are based on the information available, and may not coincide with aggregated trade figures elsewhere.

²2000-2008 only, as neither 2009 nor 2010 data were available.

³2000-2009 only, as no 2010 data were available.

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

Annex Table 5: Coverage ratios of imports by exports of the LDCs, 2000-2010
(percentage)

	2000	2005	2006	2007	2008	2009	2010	average 2000- 2010
LDC (Least-developed countries)^a	83	94	102	102	104	82	95	92
Agricultural exporters	40	33	32	33	32	32	33	34
Afghanistan	12	16	16	18	18	12	10	12
Benin	64	57	60	51	56	58	55	57
Burkina Faso	34	37	45	37	34	48	63	42
Burundi	34	22	14	18	14	16	20	19
Central African Republic	138	73	78	71	50	40	41	73
Comoros	33	12	9	10	5	9	9	15
Ethiopia	39	22	20	22	19	21	26	23
Gambia	8	3	4	4	4	5	5	5
Guinea-Bissau	105	85	58	64	64	52	57	70
Kiribati	9	6	10	14	21	31	11	12
Liberia	49	42	34	40	30	27	33	40
Malawi	71	44	45	51	52	60	56	56
Rwanda	25	29	27	23	23	15	21	23
Sao Tome and Principe	10	14	11	9	9	8	10	11
Solomon Islands	75	56	56	56	64	62	56	62
Somalia	56	49	44	49	48	54	49	51
Timor-Leste ^b	6	7	8	5	5	3	6	5
Togo	65	62	58	55	60	53	52	60
Uganda	26	40	38	38	38	37	35	37
Vanuatu	30	25	22	22	18	19	17	22
Fuel exporters	164	195	207	207	215	138	176	177
Angola	261	289	363	325	305	180	249	260
Bhutan	59	67	99	128	96	94	72	81
Chad	58	324	248	204	228	115	133	156
Equatorial Guinea	243	539	406	431	407	175	184	302
Myanmar	69	198	179	191	162	153	182	148
Sudan	116	71	70	101	125	84	114	95
Yemen	176	104	110	74	72	68	90	92
Manufacture exporters	65	61	65	60	56	57	56	60
Bangladesh	72	67	74	67	64	69	69	68
Cambodia	72	79	77	75	72	73	67	75
Haiti	31	32	31	31	21	27	18	26
Lesotho	27	46	46	44	44	37	37	42
Madagascar	75	50	55	47	35	33	41	49
Nepal	51	38	34	28	26	19	16	30
Samoa	61	37	24	37	25	20	19	34
Mineral exporters	69	68	84	78	74	73	85	76
Congo, Dem. Rep. of	118	89	94	91	102	90	118	99
Guinea	109	104	108	99	98	99	114	104
Lao People's Dem. Rep.	62	63	83	86	78	73	89	75
Mali	68	71	85	71	63	80	82	75
Mauritania	78	44	117	88	92	96	112	85
Mozambique	31	74	83	79	66	57	71	68
Niger	72	52	54	58	54	45	43	52

	2000	2005	2006	2007	2008	2009	2010	average 2000- 2010
Mineral exporters cont'd								
Sierra Leone	9	46	59	55	40	44	44	42
Tanzania	48	51	45	42	43	46	47	47
Zambia	100	71	123	115	101	114	135	105
Diversified and others	42	36	35	28	28	34	35	35
Djibouti	15	14	16	12	12	17	23	16
Eritrea	8	2	2	3	2	2	2	3
Maldives	28	22	24	21	24	17	18	23
Senegal	61	45	43	34	33	43	45	44
Tuvalu	0	0	0	1	1	2	2	1

^aWeighted average.

^b2003 instead of 2000, as no 2000 data were available.

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

Source: WTO Secretariat.

Annex Table 6: Major multilateral non-reciprocal LDC preference schemes undertaken by Members^a

Preference granting country	Description	Beneficiary(ies)	Coverage/margin of preference	References
Australia	Duty- and quota-free entry. Entry into force: 1 July 2003	LDCs	All products.	WT/COMTD/N/18
Canada	GSP – Least-developed Countries' Tariff Programme (LDCT) Entry into force: 1 January 2003, extended until 30 June 2014	LDCs	With the exception of over-quota tariff items for dairy, poultry and egg products, Canada provides duty-free access under all tariff items for imports from LDCs.	WT/COMTD/W/159 WT/COMTD/N/15/Add.1 and Add.2
China	Duty-free treatment for LDCs	LDCs	As of 1 July 2010, China has granted zero-tariff treatment to 4,762 tariff lines - which accounts for nearly 60 per cent of its total tariff lines. China intends to continue to expand this coverage with the aim of achieving the final objective of reaching 95 per cent of tariff lines under zero-tariff treatment.	WT/COMTD/W/164 WT/COMTD/M/80 WT/COMTD/LDC/M/57
EU	GSP - Everything But Arms (EBA) initiative Entry into force: 5 March 2001	LDCs	Since 1 October 2009, the EBA has been granting DFQF access for all products from all LDCs (except arms and ammunitions). The EU introduced revised rules of origin for the GSP, as of 1 January 2011, simplifying rules specially for the LDCs.	WT/COMTD/N/4/Add.2, Add.4 and Add. 5 WT/TPR/S/214/Rev.1 ec.europa.eu
Iceland	GSP – Tariff Preferences in Regard to the Importation of Products Originating in the World's Poorest Developing Countries Entry into force: 29 January 2002	LDCs	Essentially all products with some exceptions in agricultural products (HS chapters: 04, 15, 18, 19, 21 and 22) and non-agricultural products (HS sub-headings: 3502 and 3823, and all of HS 16 with the exception of sub-headings 1603 to 1605).	WT/COMTD/N/17 and Corr.1 WT/TPR/S/164/Rev.1
India	Duty-Free Tariff Preference Scheme (DFTP) Entry into force: 13 August 2008	LDCs	Duty-free access on 85 per cent tariff lines at HS 6-digit level over a period of five years.	WT/COMTD/N/38
Japan	GSP – Enhanced duty- and quota-free market access Entry into force: 1 April 2007 Extended till 2021	LDCs	Duty-free access on 8,859 tariff lines (or 98 per cent at the tariff line level), covering over 99 per cent in terms of the import value from LDCs.	WT/COMTD/N/2/Add.14 and Add..15
Korea, Rep. of	Presidential Decree on Preferential Tariff for LDCs Entry into force: 1 January 2000	LDCs	As of January 2009, Korea has provided duty-free access to nearly 80 per cent of its tariff lines.	WT/COMTD/N/12/Rev.1 WT/GC/M/120

Preference granting country	Description	Beneficiary(ies)	Coverage/margin of preference	References
Kyrgyz Republic	Harmonized system of preference by the Eurasian Economic Community (EAEC) Entry into force: May 2001	LDCs	Duty free for all imports.	WT/TPR/S/170/Rev.1
Morocco	Preferential tariff treatment for LDCs Entry into force: 1 January 2001	33 African LDCs	Duty-free access on 61 products (at the HS 4 to 10-digit level). Under the Global System of Trade Preferences among Developing Countries (GSTP), signed by Morocco, a special treatment is provided to LDCs.	WT/LDC/SWG/IF/18 and G/C/6 WT/TPR/S/217/Rev.1
New Zealand	GSP- Tariff Treatment for LDCs Entry into force: 1 July 2001	LDCs	All products.	WT/COMTD/27, WT/GC/36 WT/TPR/S/216/Rev.1
Norway	GSP – Duty - and quota-free market access Entry into force: 1 July 2002	LDCs	All products.	WT/COMTD/N/6/Add.4
Switzerland	GSP – Revised Preferential Tariffs Ordinance Entry into force: 1 April 2007	LDCs	Duty-free access for all products originating from all LDCs as of September 2009.	TN/CTD/M/28 WT/COMTD/N/7/Add.2 and Add.3
Chinese Taipei	Duty-free treatment for LDCs	LDCs	Limited duty-free access on items of LDCs.	WT/TPR/S/232/Rev.1
Turkey	GSP Entry into force: 31 December 2005	LDCs	Duties are eliminated for LDCs on the basis of EU's EBA Initiative.	WT/TPR/S/192/Rev.1
United States	GSP for least-developed beneficiary developing countries (LDBDC) Entry into force: 1 January 1976. The GSP reauthorization is awaiting confirmation by the Congress, as it expired on 31 December 2010.	42 designated LDCs ^b	Preferential duty-free treatment for over 3,451 products from 129 designated beneficiary countries (BDCs) and territories, including 42 least developed beneficiary developing countries (LDBDCs). An additional 1,430 products are GSP-eligible for LDBDCs.	WT/COMTD/N/1/Add.7 WT/TPR/S/235/Rev.1 www.ustr.gov
	African Growth and Opportunity Act (AGOA) Entry into force: 18 May 2000, extended until 30 September 2015 ^c	37 designated Sub-Saharan African Countries (including 24 LDCs ^d)	1,835 products, available for duty-free treatment, in addition to products designated for duty-free treatment under GSP. ^e	WT/COMTD/N/1/Add.3 WT/TPR/S/235/Rev.1 WT/L/754 WT/L/818 and Corr.1
	Caribbean Basin Trade Partnership Act (CBTPA) Entry into force: 1 October 2000, extended until 30 September 2020	17 designated beneficiaries (including one LDC, i.e. Haiti) in Central America and the Caribbean	Duty-free for most products, including textiles and apparels. The Haitian Hemispheric Opportunity through Partnership Encouragement (HOPE) Act of 2006 provided new trade	WT/TPR/S/235/Rev.1 WT/L/753 WT/L/817 www.ustr.gov

Preference granting country	Description	Beneficiary(ies)	Coverage/margin of preference	References
			benefits, 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.	

^a This table represents a non-exhaustive list of non-reciprocal multilateral market access initiatives undertaken in favour of LDCs. For those measures taken in favour of exports originating from LDCs prior to 2001, see document WT/COMTD/LDC/W/38.

^b Afghanistan, Angola, Bangladesh, Benin, Bhutan, Burkina Faso, Burundi, Cambodia, Central African Republic, Chad, Comoros, Democratic Republic of Congo, Djibouti, East Timor, Ethiopia, The Gambia, Guinea, Guinea-Bissau, Haiti, Kiribati, Lesotho, Liberia, Madagascar, Malawi, Mali, Mauritania, Mozambique, Nepal, Niger, Rwanda, Samoa, São Tomé and Príncipe, Sierra Leone, Solomon Islands, Somalia, Tanzania, Togo, Tuvalu, Uganda, Vanuatu, Yemen and Zambia.

^c The Africa Investment Incentive Act of 2006 or AGOA IV extended the third-country fabric provision from September 2007 until September 2012; added an abundant supply provision; designated certain denim articles as being in abundant supply; and allows lesser developed beneficiary Sub-Saharan African countries to export certain textile articles under AGOA. See more information on the official AGOA website at: www.agoa.gov

^d Angola, Benin, Burkina Faso, Burundi, Chad, Comoros, Djibouti, Ethiopia, The Gambia, Guinea-Bissau, Lesotho, Liberia, Malawi, Mali, Mauritania, Mozambique, Rwanda, São Tomé and Príncipe, Senegal, Sierra Leone, Tanzania, Togo, Uganda and Zambia.

^e The LDCs eligible for AGOA apparel benefits are: Benin, Burkina Faso, Chad, Ethiopia, The Gambia, Lesotho, Malawi, Mali, Mozambique, Rwanda, Senegal, Sierra Leone, Tanzania, Uganda, Zambia.