Appendix to Chapter 3 (A3)

The provision of trade preferences is embodied in preferential trade arrangements such as customs unions and free trade areas, typically those between developed and developing countries. Such PTAs tend to increase trade between members participating in the arrangement and may also affect trade with non-members. The PTAs can be reciprocal, where members reciprocate the treatment received in equal measure and form, or non-reciprocal, where some (typically lower-income) members are under no obligation to reciprocate the preferential treatment they receive from other members. A particular widespread non-reciprocal PTA is the generalised system of preferences, whereby developed countries (notably the QUAD) grant differential preferential tariffs to imports from developing, least developed and small and vulnerable countries. GSP preferences are granted unilaterally, without legal obligation on the part of the GSP-giving country, and as such may be withdrawn at any time. In cases where beneficiaries cannot be certain that the preferences will continue in the future, the potential benefits are less valuable, for example because there is less incentive for producers to invest in the production of goods that can benefit from such preferences.

Article XXIV of the GATT (1994) provides for the formation and operation of customs unions and free trade areas (forms of preferential trade arrangement) covering trade in goods. The so-called Enabling Clause (the 1979 Decision on Differential and More Favourable Treatment, Reciprocity and Fuller Participation of Developing Countries) refers to preferential trade arrangements in trade in goods between developing country members, and Article V of GATS provides for preferential treatment concerning trade in services for both developed and developing countries.

There is now considerable evidence that trade preference schemes do increase exports from beneficiary countries (see Table A3.1 below). Much of the evidence is from studies using gravity models of bilateral trade flows. A gravity model explains the volume of trade between countries in terms of economic mass (generally measured by GDP) and the distance between trading partners; that is, bilateral trade increases with economic mass and decreases with distance between partners, where distance is defined broadly to include geographical, cultural, historical and political dimensions of distance. This formulation can be extended to include other variables to represent characteristics of the countries covered, such as a measure of whether or not the trade partners participate in the same preferential scheme, measures of quality of infrastructure and measures of other impediments to trade. Gravity models have been used to answer questions such as whether or not PTAs lead to increased trade between members only, isolating non-members ('regional trade bias'), how much more trade is stimulated ('trade potential') and whether preferential arrangements stimulate non-members to join or form their own preferential arrangements among themselves (the 'domino' effect). We abstract here from any welfare evaluation of the balance of trade creating and diverting effects of trade preference schemes. In the case of non-reciprocal preferences, the preference provider is

clearly aware of the potential for diversion of imports from more competitive sources to recipient sources. The purpose of the preference is to promote the exports of these specific countries.

Many studies have analysed the trade effects of the major preferential arrangements involving developed countries (e.g. the EU or more recently NAFTA), because these arrangements have been in existence for a long time, are deeply integrated and have experienced tremendous internal expansion and also expanded their linkages with other countries, with some of which they share no common borders. Cases of preferential arrangements involving developed countries, on the one hand, and developing and least developed countries, on the other (e.g. EU-ACP arrangements), have been investigated. PTAs are a potentially important way of boosting trade between members participating in the arrangement. PTAs can be reciprocal, where members reciprocate the treatment received in equal measure and form, or non-reciprocal, where one or more members are under no obligation to reciprocate the preferential treatment received from one or more other members. Non-reciprocal preferential agreements (typically involving countries at different levels of development) require participating members to seek a waiver from WTO rules. Such waivers require the approval of three-quarters of WTO members. Examples of such agreements include the EC-ACP Lomé Conventions, the US-Caribbean Basin Economic Recovery Act, the CARIBCAN agreement, under which Canada offers duty free non-reciprocal access to most Caribbean countries, and Turkey's preferential treatment arrangement for Bosnia-Herzegovina.

The QUAD countries offer GSP in the form of standard GSP schemes for all developing and least developed countries, and special GSP schemes for least developed countries only (for example, the EU's EBA). There are also some specific schemes, such as those to encourage economic agents away from engaging in the production of drugs and narcotics in certain countries.

There is a substantial amount of evidence of the potential positive trade effects of preferential schemes, provided by numerous studies of the trade effects of PTAs. This is in spite of the fact that preference rents are concentrated on a few export products and the value of preferences in total exports is greater than 10 per cent for only a handful of LDCs (for example, in the case of Africa as reported in Brenton and Ikezuki, 2006). A number of the more important studies are summarised in Table A3.1. Many of these studies are based on the gravity modelling of bilateral trade flows, following the original work by Tinbergen (1962). The gravity model has performed extremely well in explaining bilateral trade flows, and is suitable for identifying if the presence of a PTA has an impact in addition to the other factors that help explain levels of bilateral trade. Studies have analysed the trade effects of the major preferential arrangements involving developed countries (e.g. the EU and more recently NAFTA) and preferential arrangements involving developed and developing and least developed countries (e.g. EU-ACP arrangements).

Table A3.1 Studies on the trade effects of preferential trade arrangements

Study	Countries/ PTA	Study period	Trade effects	Regional trade bias	Trade potential	Domino effect
Gamberoni (2007)	ACP, EU, GSPs, MED, drug scheme	1994–2005	✓			
Agostino, Aiello and Cardamone (2007)	All non-reciprocal RTAs	1995–2003	✓			
Milner (2007)	All RTAs used by Commonwealth countries	2005	✓			✓
Persson and Wilhelmsson (2006)	ACP, EU, GSPs, MED, drug-scheme	1960–2002	✓	✓		
Benedictis and Vicarelli (2004)	All RTAs	1991–2000			✓	
Rose (2004)	All GSPs, WTO	1948–99	✓			
Zarzoso (2003)	CACM, CARICOM, EU, MEDIT, NAFTA	1980–99	✓		✓	
Egger (2002)	OECD, CEECs	1986–97			✓	
Nilsson (2002)	EU, ACP	1973–92	✓			
Hassan (2001)	ASEAN, EEC, NAFTA, SAARC	1996, 1997	✓	✓		
Sapir (2001)	EU, EFTA	1960–92	✓			✓
Soloaga and Winters (2001)	All RTAs	1980–96	✓			
Nilsson (2002)	EU, CEECs	1989, 1992	✓		✓	
Greenaway (2000)	All RTAs	1965–93	✓	✓		
Sharma and Chua (2000)	ASEAN, APEC	1980–95	✓	✓		
Dhar and Panagariya (1999)	EC, East Asia, NAFTA	1980–91	✓	✓		
Endoh (1999)	EEC, CMEA, NAFTA	1960–94	✓	✓		
Finger, Ng and Sloaga (1998)	CARICOM, NAFTA, MERCOSUR	1988–96	✓			
Gros and Gonciarz (1996)	EU, CEECs	1992	✓		✓	
Bayoumi and Eichengreen (1995)	EEC, EFTA	1956–92	✓	✓		
Frankel, Stein and Wei (1995)	All RTAs	1965–90	✓	✓		
McCallum (1995)	CUSTA, NAFTA	1988	✓		✓	
Frankel and Wei (1993)	All RTAs	1965–90	✓	✓		
Brada and Mendez (1985)	All RTAs	1970,73,76	✓			
Aitken (1973)	EEC, EFTA	1951–67	✓	✓		

Ineffective PTAs (with no positive trade effects) have been found in the case of ASEAN by Sharma and Chua (2000), and in the case of MERCOSUR by Finger, Ng and Soloaga (1998) and Soloaga and Winters (2001). Perverse (reducing) trade effects have been reported by Hassan (2001) for both ASEAN and the South Asian Association for Regional Cooperation (SAARC). The weak or perverse trade effects in ASEAN and SAARC have also been established in a later study by Milner (2007), where they are attributed to significant but still under-liberalised (not as open as they might be) trade regimes (e.g. India) in the south Asian region. As a result, the countries show evidence of trading below their potential (at least as implied by the parameters of a gravity model).

Nilsson (2002) finds that the Lomé Convention preferences had a greater effect in stimulating the growth of ACP exports to the EU than had EU provision of GSP to ACP countries. Persson and Wilhelmsson (2006) confirm the strong positive effect of Lomé preferences, but find that the broad GSP of the EU had a rather marginal effect on beneficiary exports. However, GSP targeted at LDCs were found to have a significant and large effect on LDC exports. Persson and Wilhelmsson (2006) also find evidence showing that Mediterranean preferences from the EU led to gross trade creation estimated at 14 per cent of actual exports from the end of the 1960s onwards; Péridy (2005) found higher incidence of trade creation of 20–27 per cent occasioned by EU preferences to its Mediterranean beneficiaries from 1975 onwards. There is also evidence that preferential schemes have not only led to bilateral trade (export) growth but also brought about additional intra-regional trade involving some developing and least developed countries (Milner, 2007; Benedictis and Vicarelli, 2004; Zarzoso, 2003).

Table A3.2 Effects of preference erosion on exports (percentage losses) from a 40 per cent reduction in the average preference margin

	Percentage export losses for assumed supply elasticities		
Most vulnerable[a]	**e = 0**	**e = 1.0**	**e = 1.5**
Mauritius	−11.5	−19.6	−23.7
St Lucia	−9.8	−17.2	−20.9
Belize	−9.1	−16.1	−19.6
St Kitts and Nevis	−8.9	−15.9	−19.3
Guyana	−7.9	−14.2	−17.3
Fiji Islands	−7.8	−14.0	−17.2
Dominica	−5.5	−10.2	−12.6
Seychelles	−4.2	−7.7	−9.5
Jamaica	−3.5	−6.8	−8.4
St Vincent and the Grenadines[b]	−3.4	−6.6	−8.2
Albania	−3.3	−6.3	−7.7
Swaziland	−3.0	−5.8	−7.2
Serbia and Montenegro	−2.8	−5.4	−6.8
Tunisia	−2.2	−4.3	−5.3
Côte d'Ivoire	−2.2	−4.2	−5.2
Morocco	−2.1	−4.1	−5.1
Dominican Republic	−2.1	−4.0	−5.0
Honduras	−2.1	−4.2	−5.2
Suriname	−1.7	−3.4	−4.2
Bosnia and Herzegovina	−1.7	−3.4	−4.2
Brazil	−1.7	−3.3	−4.1
Region averages			
Africa	−2.2	−4.0	−4.9
Caribbean	−4.8	−8.8	−10.8
Pacific	−2.7	−4.8	−5.9
Latin America	−0.7	−1.4	−1.8
India	−0.3	−0.6	−0.7
Southeast Asia	−0.2	−0.4	−0.5
China	−0.1	−0.2	−0.3
Other middle-income countries	−0.7	−1.4	−1.7

[a]Countries for which the potential export loss from preference erosion under an export elasticity of zero is 1.7 per cent or greater of total exports.
[b]For St Vincent and the Grenadines, the percentage loss is for exports including re-exports. Excluding the latter, the percentage loss is considerably larger, although the absolute value remains at similar levels.
Source: Alexandraki and Lankes (2004).

Table A3.3 QUAD preference schemes given to middle-income developing countries (Analysed in Alexandraki and Lankes, 2004)

	EU	USA	Japan	Canada
Albania	EU-Albania	GSP	GSP	MFN
Argentina	GSP (excl. I,III, XI, XVII)	GSP	GSP	GPT
Armenia	GSP (excl. II, XXVI)	GSP	GSP	GPT
Belarus	GSP (excl. II, XV, XXV, XXVI, XXVII)	GSP	GSP	GPT
Belize	Cotonou	CBI	GSP	CARIBCAN
Bolivia	GSP-Drugs	ATPA	GSP	GPT
Bosnia and Herzegovina	EU-Bosnia and Herzegovina	GSP	GSP	GPT
Botswana	Cotonou	AGOA – Wearing Apparel Provision	GSP	GPT
Brazil	GSP	GSP	GSP	GPT
Bulgaria	Europe Agreement	GSP	GSP	GPT
Cameroon	Cotonou	AGOA – Wearing Apparel Provision	GSP	GPT
Chile	GSP (excl. V, IX, XV)	FTA	GSP	FTA
China	GSP (excl. IV, VIII, XIV, XXVI, XVIII, XXII, XXIII, XXIV, XXVII, XXXIII)	MFN	GSP	GPT
Colombia	GSP-Drugs	ATPA	GSP	GPT
Costa Rica	GSP	CBI	GSP	FTA
Côte d'Ivoire	Cotonou	AGOA	GSP	GPT
Croatia	SAA Croatia	GSP	GSP	GPT
Dominica	Cotonou	CBI	GSP	CARIBCAN
Domincan Rebuplic	Cotonou	CBI	GSP	GPT
Ecuador	GSP-Drugs	ATPA	GSP	GPT
Egypt	Coop Agreement	GSP	GSP	GPT
El Salvador	GSP	CBI	GSP	GPT
Fiji Islands	Cotonou	GSP	GSP	GPT
Georgia	GSP	MFN	GSP	GPT
Ghana	Cotonou	AGOA	GSP	GPT
Grenada	Cotonou	CBI	GSP	CARIBCAN
Guatemala	GSP-Drugs	CBI	GSP	GPT
Guyana	Cotonou	CBI	GSP	CARIBCAN
Honduras	GSP-Drugs	CBI	GSP	GPT
India	GSP	GSP	GPT	
Indonesia	GSP	GSP	GSP	GPT
Jamaica	Cotonou	CBI	GSP	CARIBCAN
Jordan	GSP	FTA	GSP	GPT
Kazakhstan	GSP (excl. II, XV, XXV, XXVI, XXVII)	GSP	GSP	GPT
Kenya	Cotonou	AGOA – Wearing Apparel Provision	GSP	GPT
Kyrgyz Republic	GSP	GSP	GSP	GPT
Lebanon	GSP	GSP	GSP	GPT
Macedonia, FYR	EU-FYROM	GSP	GSP	GPT
Malaysia	GSP (excl. VII, X, XVI, XIX, XXII, XXIX)	MFN	GSP	GPT

Table A3.3 (continued)

	EU	USA	Japan	Canada
Maldives	GSP	MFN	GSP	GPT
Mauritius	Cotonou	AGOA – Wearing Apparel Provision	GSP	GPT
Mexico	FTA	NAFTA	GSP	NAFTA
Moldova	GSP	GSP	GSP	GPT
Mongolia	GSP	MFN	GSP	MFN
Morocco	Association Agreement	GSP	GSP	GPT
Namibia	Cotonou	AGOA – Wearing Apparel Provision	GSP	GPT
Nicaragua	GSP	CBI	GSP	GPT
Pakistan	GSP	GSP	GSP	GPT
Panama	GSP-Drugs	CBI	GSP	GPT
Papua New Guinea	Cotonou	GSP	GSP	GPT
Paraguay	GSP	GSP	GSP	GPT
Peru	GSP-Drugs	ATPA	GSP	GPT
Philippines	GSP (excl. X)	GSP	GSP	GPT
Romania	Europe Agreement	GSP	GSP	GPT
Russian Federation	GSP (excl. II, XIII,XV, XXVI, XXVII)	GSP	MFN	GPT
Serbia Montenegro	EU-SM	MFN	GSP	MFN
Seychelles	Cotonou	AGOA	GSP	GPT
South Africa	GSP (excl. XXVI)+Cotonou	AGOA	GSP	GPT
Sri Lanka	GSP	GSP	GSP	GPT
St Kitts and Nevis	Cotonou	CBI	MFN	CARIBCAN
St Lucia	Cotonou	CBI	GSP	CARIBCAN
St Vincent and Gren.	Cotonou	CBI	GSP	CARIBCAN
Suriname	Cotonou	GSP	GSP	CARIBCAN
Syrian Arab Republic	GSP	MFN	GSP	GPT
Tajikistan	GSP	MFN	GSP	GPT
Thailand	GSP (excl. II, V, XI, XVI, XVIII, XXII, XXIII, XXV, XXXIII)	GSP	GSP	GPT
Tonga	Cotonou	GSP	GSP	GPT
Trinidad and Tobago	Cotonou	CBI	GSP	CARIBCAN
Tunisia	FTA	GSP	GSP	GPT
Turkey	CU (FTA)	GSP	GSP	GPT
Ukraine	GSP (excl. II, VIII, XV, XXVI)	GSP	GSP	GPT
Uruguay	GSP (excl. I)	GSP	GSP	GPT
Uzbekistan	GSP	GSP	GSP	GPT
Vietnam	GSP	MFN	GSP	GPT
Zimbabwe	Cotonou	GSP	GSP	GPT

Source: Alexandraki and Lankes (2004).

Estimates of losses from preference erosion

Table A3.2 reports estimates from Alexandraki and Lankes (2004), applying partial equilibrium techniques to the trade data of middle-income countries, of export losses from preference erosion. Table A3.3 shows the list of middle-income countries and the

preference schemes they benefit from. Using simplified but realistic assumptions, for example that trade liberalisation by QUAD countries causes a 40 per cent reduction in each preference-receiving country's aggregate preference margin and a maximum export supply elasticity of 1.5 per cent, it is found that preference erosion would be small overall – 0.5–1.2 per cent of total exports of middle-income countries, depending on export supply responses.[29] However, the impacts are significant for certain countries with typically heavy reliance on a narrow range of export products, particularly products that benefit from deep preferential access and rely heavily on QUAD markets. The scale of the adverse effects will be greater and more challenging to address for countries with fragile macroeconomic environments, such as small island economies. Table A3.4 presents the estimated export losses for selected most vulnerable countries by region. The results for all the countries covered in the study are reported in Table AT11.

Table A3.4 Income effects of full preference erosion

	Change in annual national income (US$ million)		
	Effects of EU liberalisation	**Effects of other OECD liberalisation**	**Overall preference loss**
African LDCs	**-458.2**	**347.9**	**-110.3**
Madagascar	-7.1	16.9	9.8
Malawi	-22.6	15.6	-7.0
Mozambique	-27.3	13.0	-14.3
Tanzania	4.6	-3.1	1.5
Uganda	-5.9	1.7	-4.2
Zambia	-18.9	-2.4	-21.3
Other sub-Saharan African LDCs	-381.2	289.9	-91.3
Asia/other LDCs	**93.4**	**-180.8**	**-87.4**
Bangladesh	-101.0	-37.2	-138.2
Other central/south Asian LDCs	194.4	-143.6	50.8
Other low-income	**587.4**	**1,463.1**	**2,050.5**
India	174.0	101.8	275.8
Vietnam	413.4	1,361.3	1,774.7
Total	**222.6**	**1,630.2**	**1,852.8**

Source: François *et al.* (2005).

François *et al.* (2005) provide an example of a computable general equilibrium (CGE) model to study the impact of the OECD's MFN liberalisation under Doha on national income and welfare through preference erosion. Using social accounting data from the 2001 GTAP database, which includes bilateral trade flows and national production, they cover most preference schemes, 34 regions and countries and 24 sectors. The analysis assumes full utilisation of EBA and AGOA preferences and full MFN liberalisation by OECD countries, and also eliminates ATC quotas on textiles and clothing on the benchmark.[30] Table A3.4 reports the results for selected sub-Saharan African LDCs, an

Asian LDC and two Asian low-income countries. The results support the evidence found in other studies indicating that generally African and a few non-African preference-receiving countries stand to be worse off post-Doha MFN liberalisation. Given the relative importance (in terms of numbers and depth) of EU preference schemes to the beneficiary LDCs and non-LDCs, it is not surprising that the EU's MFN liberalisation will be associated with significant adjustment costs, whereas MFN liberalisation in most other OECD countries will offer beneficial increased market access at reduced or zero MFN tariffs, other things remaining the same.

Erosion of preferences in manufacturing (NAMA)

Other studies have concentrated on the preference erosion implied by proposals under the Doha Round of WTO negotiations. Low *et al.* (2005) analyse the impact of MFN liberalisation in the QUAD on preference erosion in NAMA. Low *et al.* use the Swiss formula with a coefficient of 10 for the QUAD to calculate NAMA tariff cuts on 2003 MFN applied rates and through that simulate the effects on the value of preferences.[31] Both traditional and competition-adjusted impacts are estimated.[32] Results show that the estimated losses from preference erosion generally fall when competition from other preference-receiving countries is taken into account. Detailed simulation results for the effects on NAMA preferences are reported in Table A3.5. NAMA simulation results show the effects before and after adjusting for competition. The estimates are also expressed as percentages of each country's exports to the QUAD (summarised in Tables 3.4 and 3.5).

NAMA preference losses before adjusting for competition are estimated at US$3,349 million for non-LDCs (this loss in margins represents a negligible 0.4 per cent of exports) and US$840 million (representing a modest 3.8 per cent of exports) for LDC preference beneficiaries. When the estimates are adjusted for competition, the losses of LDCs are reduced substantially (to US$170 million or 0.8 per cent of exports), but the losses of non-LDCs are reversed, so that they end up with preference gains amounting to US$2,087 million. Some of the gains come at the expense of LDCs, who by and large have better preference arrangements than non-LDCs. This underscores the need for improved measures to assist beneficiaries, particularly LDC beneficiaries, who are likely to be worst off in terms of preference erosion post-Doha.

The need for enhanced measures for LDCs especially is also borne out by evidence which shows that LDCs have less scope for additional preferences (GSP) that Low *et al.* (2005) estimated at only US$217 million compared to US$11,718 million for non-LDC beneficiaries. That non-LDCs have a greater scope should, however, be seen in relation to the fact that only a handful command the bulk of this potential, for example China (which has scope for additional preferences of US$5,930 million), Republic of Korea ($1,292 million), Chinese Taipei ($797 million), India ($569 million), Indonesia ($527 million), Hong Kong, China ($505 million), Malaysia ($303 million), Brazil ($228 million) and Philippines ($188 million). Interestingly, each of these non-LDCs, except the

Philippines, has much larger scope for additional preferences than the additional scope of all LDCs combined ($217 million). Moreover, all these non-LDCs have well developed industrial bases in light manufacturing and in a few cases in heavy manufacturing.

Some of the main non-LDC losers (in relation to total exports, before adjusting for competition) are estimated to be El Salvador (9.1% of exports), Honduras (8.3%), Nicaragua (6.7%), Swaziland (5.8%), Mauritius (5.6%) and Dominican Republic (5.5%). When competition is allowed for, the main losers are El Salvador (5.2%), Honduras (4.6%), Guatemala (4.2%), Swaziland (3.6%) and Nicaragua (3.5%).

Preference losses by LDCs (before adjusting for competition) are much smaller in absolute terms compared to those by non-LDCs. However, in relation to LDCs' exports to the QUAD+, it is found that preference losses represent more significant resource losses. It has been estimated that the following LDCs will experience major losses: Lesotho (12.2% of exports), Haiti (11.3%), Cambodia (11%), Myanmar (9.1%), Bangladesh (5.2%), Madagascar (5%) and Senegal (4.9%).

Adjusting the results for competition reduces the preference losses, but most of these countries still record losses. For example, Lesotho is still projected to have preference losses equivalent to 7.4 per cent of its exports; Haiti has losses equivalent to 6.1 per cent; and Madagascar has losses equivalent to 2 per cent. Unlike for non-LDCs, only two LDCs end up with gains when the estimates are adjusted for competition: Nepal and Maldives, with respective preference gains equivalent to 1.3 and 1.1 per cent of exports, are the only two LDCs that will gain from a 'levelled' preference landscape. The results for other LDCs and non-LDCs show that they will not experience significant changes post-Doha MFN liberalisation by the QUAD+. As stated before, this is mainly because these countries rely on preferences to a limited extent, with a significant proportion of their exports entering the QUAD MFN duty free.

Erosion of preferences in agriculture

Low *et al.* (2006) analyse the impact of MFN liberalisation in the QUAD on preference erosion on agricultural exports of preference-receiving countries. Based on the G-20 proposal in relation to market access, Low *et al.* assume that agriculture bound tariffs within the ranges 0–20, 20–50, 50–75 and above 75 per cent will be cut by 45, 55, 65 and 75 per cent, respectively. They introduce an allowance for 2 and 4 per cent of sensitive tariff lines which they assume will be subject to only half the proposed cuts. Sensitive tariff lines in this case were those that attracted the highest tariffs in the QUAD. A tariff cap of 100 per cent was applied on all other tariffs. Detailed simulation results for the effects on agricultural preferences are reported in Table A3.6; these show the effects in the preference values before and after adjusting for competition and also with and without allowing for 'flexibilities'.

At the aggregate all-beneficiaries level, it is estimated that developing countries will lose US$1,054 million in agricultural preferences (representing 1.9 per cent of their exports to the QUAD) before adjusting for competition and with no flexibilities taken

Table A3.5 Impact of NAMA MFN tariff reduction on preference value and scope for future preferences, 2003

(Swiss formula cut with a =10 applied on MFN applied rates)

	QUAD + Australia					
	Change in the preference value for unadjusted and adjusted preference margin				Scope for additional preferences (US$ m)	Exports to QUAD+ Australia in % of total exports
	No adjustment		With adjustment			
	US$ m	% of imports	US$ m	% of imports		
Developing	**1**	**2**	**3**	**4**	**5**	**6**
Albania	-4.0	-1.9	-1.2	-1.6	0	46
Antigua and Barbuda	-0.3	-0.1	0.0	0.0	0	100[a]
Argentina	-40.6	-0.4	0.3	0.0	51	35
Armenia	-1.1	-0.5	0.1	0.0	1	30
Bahrain	-5.0	-0.7	8.3	1.1	20	12
Barbados	-0.2	-0.2	-0.1	-0.1	0	40
Belize	-1.3	-0.7	-0.7	-0.3	0	98
Bolivia	-1.5	-0.5	0.8	0.3	2	19
Botswana	-1.7	-0.1	-0.8	0.0	0	61
Brazil	-100.3	-0.2	7.3	0.0	228	55
Brunei Darussalam	-0.1	0.0	8.5	0.3	14	62
Cameroon	-2.8	-0.1	-1.0	0.0	1	96
China	-810.3	-0.2	1,274.6	0.4	5,930	80
Colombia	28.7	-0.3	19.5	0.2	36	70
Congo	-0.4	0.0	0.0	0.0	0	30
Côte d'Ivoire	-25.3	-0.7	-6.0	-0.2	0	59
Cuba	-3.2	-0.5	-0.4	-0.1	2	39
Dominica	-0.1	-0.3	0.0	-0.1	0	75
Dominican Republic	-262.4	-5.5	-139.2	-2.9	3	88
Ecuador	-43.7	-1.1	-6.8	-0.2	12	68
Egypt	-49.4	-1.1	5.8	0.1	42	75
El Salvador	-193.3	-9.1	-110.5	-5.2	4	67
Gabon	-3.5	-0.2	-0.5	0.0	0	68
Georgia	-0.7	-0.2	-0.1	0.0	5	79
Ghana	-19.9	-1.4	-4.4	-0.3	0	59
Grenada	-0.1	-0.6	0.0	-0.1	0	59
Guatemala	-220.5	-6.5	-141.7	-4.2	4	100[a]
Guyana	-1.6	-0.3	-1.0	-0.2	0	88
Honduras	-303.2	-8.3	-167.0	-4.6	4	100[a]
Hong Kong, China	-2.4	0.0	264.2	1.3	505	9
India	-226.7	-0.7	94.8	0.3	569	55
Indonesia	-159.1	-0.4	105.9	0.3	527	65
Jamaica	-17.8	-1.7	-6.4	-0.6	0	91
Kenya	-26.4	-2.2	-14.0	-1.2	0	49
Korea, Rep. of	-19.5	0.0	382.3	0.4	1,292	44
Kuwait	-9.7	-0.1	1.4	0.0	54	42
Kyrgyz Republic	-0.2	-0.3	0.4	0.7	1	9

Table A3.5 (continued)

	QUAD + Australia					
	Change in the preference value for unadjusted and adjusted preference margin				Scope for additional preferences US$ m	Exports to QUAD+ Australia in % of total exports
	No adjustment		With adjustment			
	US$ m	% of imports	US$ m	% of imports		
Developing	**1**	**2**	**3**	**4**	**5**	**6**
Macao, China	-8.7	-0.4	72.6	3.3	123	85
Malaysia	-70.1	-0.1	46.6	0.1	303	53
Mauritius	-81.9	-5.6	-31.0	-2.1	1	77
Moldova	-1.5	-0.6	1.5	0.6	5	31
Mongolia	-0.2	-0.1	6.9	3.0	12	37
Namibia	-19.7	-2.9	-10.7	-1.6	0	53
Nicaragua	-59.2	-6.7	-31.1	-3.5	1	100[a]
Nigeria	-6.6	0.0	-1.3	0.0	5	90
Oman	-3.3	-0.1	5.7	0.2	12	28
Pakistan	-139.7	-2.2	3.3	0.1	138	52
Panama	-3.9	-0.5	-0.4	-0.1	4	94
Paraguay	-0.3	-0.1	0.1	0.0	0	33
Peru	-14.9	-0.3	17.2	0.3	36	61
Philippines	-46.9	-0.2	66.0	0.3	188	66
Qatar	-2.1	0.0	3.0	0.0	19	55
St Kitts and Nevis	-0.2	-0.4	-0.1	-0.1	0	100[a]
St Lucia	-0.4	-1.1	-0.3	-0.7	0	95
Sri Lanka	-22.3	-0.6	56.7	1.6	137	69
St Vincent and Gren.	-0.1	-0.1	0.0	0.0	0	100[a]
Suriname	-2.4	-0.7	-0.2	-0.1	0	55
Swaziland	-19.2	-5.8	-11.9	-3.6	0	23
Taipei, Chinese	-6.0	0.0	245.2	0.3	797	47
Thailand	-182.5	-0.4	69.2	0.2	502	51
Trindad and Tobago	-15.6	-0.3	-2.8	-0.1	1	94
United Arab Emirates	-21.7	-0.1	13.3	0.1	78	30
Uruguay	-4,1	-0.4	-0.2	0.0	7	46
Venezuela	-22.6	-0.1	-3.7	0.0	33	70
Zimbabwe	-5.5	-0.7	-1.9	-0.3	4	62
Developing total	**-3,348.9**	**-0.4**	**2,087.1**	**0.2**	**11,718.5**	**53.5**
LDCs						
Angola	-0.9	0.0	-0.3	0.0	0	52
Bangladesh	-335.2	-5.2	-61.6	-1.0	111	93
Benin	-0.3	-0.7	0.0	-0.1	0	7
Burkina Faso	-0.1	-0.1	0.0	0.0	0	17
Burundi	0.0	0.0	0.0	0.0	0	81
Cambodia	-215.6	-11.0	-18.8	-1.0	74	96
Central Afrcian Rep.	0.0	0.0	0.0	0.0	0	87
Chad	-0.1	-0.1	0.0	0.0	0	15
Congo (DRC)	-0.1	0.0	0.0	0.0	0	

Table A3.5 (continued)

	QUAD + Australia					
	Change in the preference value for unadjusted and adjusted preference margin				Scope for additional preferences US$ m	Exports to QUAD+ Australia in % of total exports
	No adjustment		With adjustment			
	US$ m	% of imports	US$ m	% of imports		
Developing	**1**	**2**	**3**	**4**	**5**	**6**
Djibouti	0.0	−0.3	0.0	−0.2	0	6
Gambia, The	−0.2	−1.8	0.0	−0.4	0	80
Guinea	−2.1	−0.4	−0.2	0.0	0	84
Guinea-Bissau	−0.3	−3.2	0.0	−0.5	0	15
Haiti	−40.3	−11.3	−21.7	−6.1	0	100[a]
Lesotho	−49.6	−12.2	−30.1	−7.4	0	85
Madagascar	−48.7	−5.0	−19.1	−2.0	0	100[a]
Malawi	−3.3	−1.0	−2.0	−0.6	0	70
Maldives	−3.5	−2.5	1.6	1.1	5	91
Mali	−0.1	−0.1	0.0	−0.1	0	6
Mauritania	−9.3	−2.3	−1.7	−0.4	0	100[a]
Mozambique	−17.1	−2.5	−5.5	−0.8	0	81
Mynamar	−79.7	−9.1	−8.3	−1.0	15	35
Nepal	−2.6	−0.9	3.8	1.3	10	43
Niger	0.0	−0.2	0.0	−0.1	0	5
Rwanda	0.0	−0.2	0.0	−0.1	0	39
Senegal	−19.3	−4.9	−3.6	−0.9	0	30
Sierra Leone	−0.6	−0.4	−0.2	−0.2	0	100[a]
Solomon Islands	−0.3	−1.2	−0.1	−0.5	0	32
Tanzania	−7.2	−0.9	−1.2	−0.1	0	67
Togo	−0.6	−0.7	−0.2	−0.2	0	13
Uganda	−3.3	−1.0	−0.7	−0.2	0	57
Zambia	−0.4	−0.2	0.0	0.0	0	21
LDCs	**−840.5**	**−3.8**	**−170.3**	**−0.8**	**216.6**	**61.6**

[a]Imports from beneficiaries into the QUAD + Australia are greater than exports to world due to inconsistencies in data reporting.

into consideration. The results for LDCs show a similar pattern, although the figures involved are much smaller in absolute terms (estimated at US$48 million), but slightly larger in relation to exports to the QUAD (2.9 per cent). In this mode (before allowing for competition and flexibilities) no developing or least developed country makes any gains. Adjusting the results for competition reduces the losses of preference values with some countries ending up making gains from MFN liberalisation in the QUAD. Actually, preference-receiving LDCs (non-LDCs) as a group make net gains, as the remaining preference value losses of US$3.8 million (US$205 million) are exceeded by preference gains of US$14 million (US$461 million), yielding an overall positive net gain of US$267 million for the combined sample.

At country level, the top 10 non-LDCs estimated to record the largest preference value losses in relation to their exports before adjusting for competition are: St Kitts and Nevis (40.5% of exports), Mauritius (38%), Guyana (31.9%), Fiji Islands (31.2%), Swaziland (30.1%), Trinidad and Tobago (22.5%), Barbados (21.3%), Belize (20.8%), Botswana (17.3%) and St Lucia (15.8%).[33]

The major losers share the common characteristic of being beneficiaries of the most lucrative preference arrangements in sugar, bananas and beef. When the competition factor is taken into account, the situation changes markedly, with some countries making preference gains, others facing significantly reduced preference losses and the preference losses of some other countries showing small changes. This alters the list of the most affected countries. Thus the six non-LDCs that face the largest preference losses after adjusting for competition are: Botswana (15.5% of exports), St Lucia (12.1%), St Vincent and the Grenadines (11.9%), Namibia (9.5%), Dominica (8.9%) and Mauritius (7%).

The results for LDCs follow a similar pattern, although the scale of the losses is much lower in terms of preference losses as a ratio of exports before and after adjusting for competition. The eight LDCs estimated to record the largest losses before adjusting for competition are: Malawi (8.4% of exports), Mozambique (6.2%), Tanzania (4.8%), Bangladesh (4.3%), Democratic Republic of Congo (3.4%), The Gambia (2.8%), Senegal (2.8%) and Zambia (2.4%). Adjusting for competition brings dramatic reversals of preference rents for Nepal, whose preference exports increase (by 28.1% of total exports), Zambia (10.6%), Burkina Faso (4.1%) and Mozambique (2.5%); if competition is not taken into account these countries record preference losses: Nepal (–0.4% of exports), Zambia (–2.4%), Burkina Faso (–0.5%) and Mozambique (–6.2%). The gains are made as a result of other countries' losses from preference erosion.

The general trend emerging from the results of the effects of MFN liberalisation on the value of preferences in agricultural products is that it is mostly African and Caribbean LDCs and non-LDCs that fare worst post-Doha; these tend to be beneficiaries of the most generous preference schemes offered by the QUAD. Extending the analyses to allow for flexibilities (exclusion of 2 and 4 per cent of sensitive tariff lines in the preference-giving QUAD and preference-receiving countries) leaves the results largely unchanged, except for Argentina, Brazil, China, Guatemala, Malawi, Thailand and Zimbabwe. For these countries, the preference values appear to be reduced or reversed. The reason offered for this result is that it is likely that the QUAD-sensitive tariff lines (selected on the basis of having the highest MFN tariffs) are likely to be excluded from preference schemes, and available data show that under a number of the sensitive tariff lines there was no trade in 2003.

Table A3.6 Impact of MFN tariff reduction on preference value and scope for future (additional) preferences in agricultural products exported to the QUAD, 2003 (G20 proposal applied on 2003 MFN applied rates)

	Without 'flexibilities'					With 'flexibilities' (2% highest tariff)				
	No adjustment		With adjustment		Additional preferences	No adjustment		With adjustment		Additional preferences
	US$ million	% imports	US$ million	% imports	US$ million	US$ million	% imports	US$ million	% imports	US$ million
Country	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**
Developing countries										
Albania	-0.2	-1.0	0.0	-0.2	0.0	-0.2	-1.0	0.0	-0.2	0.0
Antigua and Barbuda	0.0	-0.4	0.0	-0.2	0.0	0.0	-0.4	0.0	-0.2	0.1
Argentina	-16.5	-0.3	34.9	0.7	190.2	-16.5	0.3	31.0	0.6	248.0
Armenia	0.0	-1.1	0.0	-0.1	0.1	0.0	-1.1	0.0	-0.1	0.1
Bahrain	0.0	-0.4	0.0	-0.1	0.0	0.0	-0.4	0.0	-0.1	0.0
Barbados	-9.5	-21.3	-1.2	-28.0	0.0	-1.0	-21.3	-1.2	-2.8	0.0
Belize	-24.3	-20.8	-9.5	-8.1	0.6	-24.3	-20.8	-9.5	-8.1	0.6
Bolivia	-3.2	-4.5	-0.7	-0.9	0.2	v3.2	-4.5	-0.7	-0.9	0.2
Botswana	-6.5	-17.3	-5.8	-15.5	8.6	-6.5	-17.3	-5.8	-15.5	10.8
Brazil	-39.5	-0.3	242.5	2.1	607.6	-39.5	-0.3	178.9	1.6	1,039.6
Brunei Darussalam	0.0	-0.1	0.0	0.0	0.0	0.0	-0.1	0.0	0.0	0.0
Cameroon	-37.4	-6.1	-29.8	-4.9	0.1	-37.3	-6.1	-29.8	-4.9	0.1
China	-49.6	-0.6	44.3	0.6	282.1	-49.6	-0.6	24.9	0.3	304.5
Colombia	-43.7	-1.8	15.0	0.6	68.1	-43.7	-1.8	14.7	0.6	70.9
Congo	-2.5	-13.7	-0.5	-2.5	0.0	-2.5	-13.7	-0.5	-2.5	0.0
Côte d'Ivoire	-54.9	-2.1	-22.1	-0.8	1.5	-54.9	-2.1	-22.1	-0.8	1.5
Cuba	-13.9	-6.0	12.7	5.5	20.5	-13.9	-6.0	12.7	5.5	20.5
Dominica	-1.3	-12.1	-1.0	-8.9	0.0	-1.3	-12.1	-1.0	-8.9	0.0
Dominican Rep.	-54.0	-8.1	-21.0	-3.1	0.4	-54.0	-8.1	-21.0	-3.1	0.4
Ecuador	-24.4	-1.5	22.2	1.4	81.6	-24.4	-1.5	22.2	1.4	81.6
Egypt	-8.2	-2.0	-1.4	-0.4	15.0	-8.2	-2.0	-1.4	-0.4	15.0
El Salvador	-15.1	-7.7	-2.5	-1.3	0.3	-15.1	-7.7	-2.5	-1.3	0.3

Table A3.6 (continued)

	Without 'flexibilities'					With 'flexibilities' (2% highest tariff)				
	No adjustment		With adjustment		Additional preferences	No adjustment		With adjustment		Additional preferences
	US$ million	% imports	US$ million	% imports	US$ million	US$ million	% imports	US$ million	% imports	US$ million
Country	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**
Fiji Islands	-49.2	-31.2	-6.7	-4.3	7.7	-49.2	-31.2	-6.7	-4.3	19.1
Gabon	0.0	-0.6	0.0	-0.1	0.0	0.0	-0.6	0.0	-0.1	0.0
Georgia	-0.7	-2.2	-0.1	-0.4	0.9	-0.7	-2.2	-0.1	-0.4	0.9
Ghana	-5.3	-0.7	-0.6	-0.1	0.1	-5.3	-0.7	-0.6	-0.1	0.1
Grenada	-0.1	-0.5	0.0	-0.3	0.0	-0.1	-0.5	0.0	-0.3	0.0
Guatemala	-39.7	-3.5	-1.9	-0.2	8.7	-39.7	-3.5	-2.9	-0.3	21.3
Guyana	-51.5	-31.9	-6.6	-4.1	0.9	-51.5	-31.9	-6.6	-4.1	0.9
Honduras	-9.9	-1.9	0.9	0.2	2.1	-9.9	-1.9	0.1	0.0	2.9
Hong Kong, China	-0.3	-0.2	2.1	1.2	5.1	-0.3	-0.2	2.1	1.2	5.1
India	-13.6	-0.7	2.1	0.1	24.1	-13.6	-0.7	1.9	0.1	25.1
Indonesia	-11.9	-0.5	3.0	0.1	37.1	-11.9	-0.5	2.9	0.1	37.1
Jamaica	-40.8	-12.5	-8.5	-2.6	0.7	-40.8	-12.5	-8.5	-2.6	0.7
Kenya	-27.3	-3.2	-5.8	-0.7	2.0	-27.3	-3.2	-5.8	-0.7	2.0
Korea, Rep.	-0.2	0.0	5.5	0.6	52.4	-0.2	0.0	5.5	0.6	52.4
Kuwait	0.0	-0.6	0.0	-0.1	0.0	0.0	-0.6	0.0	-0.1	0.0
Kyrgyz Rep.	0.0	-0.7	0.0	0.0	0.0	0.0	-0.7	0.0	0.0	0.0
Macao, China	0.0	-0.2	0.0	0.1	0.0	0.0	-0.2	0.0	0.1	0.0
Malaysia	-14.5	-0.8	0.2	0.0	28.4	-14.5	-0.8	0.2	0.0	28.4
Mauritius	-127.6	-38.0	-23.4	-7.0	0.5	-127.6	-38.0	-23.4	-7.0	0.5
Moldova	-0.8	-1.3	0.2	0.3	1.5	-0.8	-1.3	0.2	0.3	1.5
Mongolia	0.0	-0.1	0.0	0.0	0.0	0.0	-0.1	0.0	0.0	0.0
Namibia	-7.5	-11.0	-6.5	-9.5	11.7	-7.5	-11.0	-6.5	-9.5	12.4
Nicaragua	-6.3	-3.0	-1.2	-0.6	4.4	-6.3	-3.0	-1.2	-0.6	4.5

Table A3.6 (continued)

	Without 'flexibilities'					With 'flexibilities' (2% highest tariff)				
	No adjustment		With adjustment		Additional preferences	No adjustment		With adjustment		Additional preferences
	US$ million	% imports	US$ million	% imports	US$ million	US$ million	% imports	US$ million	% imports	US$ million
Country	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**
Nigeria	-1.2	-0.2	-0.1	0.0	0.1	-1.2	-0.2	-0.1	0.0	0.1
Oman	0.0	-0.1	0.0	0.2	0.2	0.0	-0.1	0.0	0.2	0.2
Pakistan	-8.0	-2.4	-2.7	-0.8	0.6	-8.0	-2.4	-2.7	-0.8	0.6
Panama	-6.2	-2.2	7.6	2.7	29.4	-6.2	-2.2	7.6	2.7	29.4
Papua New Guinea	-6.4	-1.8	-4.9	-1.4	0.0	-6.4	-1.8	-4.9	-1.4	0.0
Paraguay	-1.3	-0.4	0.8	0.2	2.3	-1.3	-0.4	0.8	0.2	2.7
Peru	-32.1	-4.2	-8.4	-1.1	4.1	-32.1	-4.2	-8.4	-1.1	4.1
Philippines	-65.1	-4.4	-15.5	-1.0	68.4	-65.1	-4.4	-15.6	-1.1	70.1
Qatar	0.0	-1.9	0.0	-0.2	0.0	0.0	-1.9	0.0	-0.2	0.0
St Kitts and Nevis	-3.9	-40.5	-0.5	-4.7	0.0	-3.9	-40.5	-0.5	-4.7	0.0
St Lucia	-4.0	-15.8	-3.1	-12.1	0.0	-4.0	-15.8	-3.1	-12.1	0.0
St Vincent & Gren.	-2.5	-15.5	-1.9	-11.9	0.0	-2.5	-15.5	-1.9	-11.9	0.0
Sri Lanka	-1.3	-0.7	-0.1	0.0	2.6	-1.3	-0.7	-0.1	0.0	2.6
Suriname	-0.2	-1.9	0.0	-0.4	0.2	-0.2	-1.9	0.0	-0.4	0.2
Swaziland	-39.1	-30.1	-5.6	-4.3	1.9	-39.1	-30.1	-5.6	-4.3	1.9
Taipei, Chinese	0.0	0.0	7.0	1.3	17.5	0.0	0.0	7.0	1.3	17.5
Thailand	-29.0	-0.8	55.7	1.6	312.4	-29.0	-0.8	35.7	1.0	550.5
Trinidad and Tobago	-13.3	-22.5	-1.8	-3.1	0.0	-13.3	-22.5	-1.8	-3.1	0.0
United Arab Emirates	-0.5	-0.3	-0.1	0.0	1.1	-0.5	-0.3	-0.1	0.0	1.1
Uruguay	-1.5	-0.3	4.8	0.9	46.3	-1.5	-0.3	4.8	0.9	57.3
Venezuela	-1.8	-1.1	-0.5	-0.3	1.9	-1.8	-1.1	-0.5	-0.3	2.0
Zimbabwe	-24.4	-5.5	-3.0	-0.7	16.7	-24.4	-5.5	-4.7	-1.1	39.1

Table A3.6 (continued)

	Without 'flexibilities'					With 'flexibilities' (2% highest tariff)				
	No adjustment		With adjustment		Additional preferences	No adjustment		With adjustment		Additional preferences
	US$ million	% imports	US$ million	% imports	US$ million	US$ million	% imports	US$ million	% imports	US$ million
Country	1	2	3	4	5	6	7	8	9	10
Total positives: Developing countries	0.0		461.3			0.0		353.3		
Total negatives: Developing countries	-1,054.1		-205.1			-1,054.1		-208.0		
Total developing countries	-1,054.1	-1.9	256.2	0.5	1,971.1	-1,054.1	-1.9	145.3	0.3	2,788.8
LDCs										
Angola	0.0	-2.6	0.0	-2.3	0.0	0.0	-2.5	0.0	-2.2	0.0
Bangladesh	-0.8	-4.3	-0.1	-0.5	0.3	-0.8	-4.3	-0.1	-0.6	0.8
Benin	-0.1	-0.3	0.0	-0.1	0.0	-0.1	-0.3	0.0	-0.1	0.0
Burkina Faso	-0.2	-0.5	1.6	4.1	1.0	-0.2	-0.5	1.6	4.1	1.0
Burundi	0.0	-1.0	0.0	0.0	0.0	0.0	-1.0	0.0	0.0	0.0
Cambodia	0.0	-1.2	0.0	-0.3	0.0	0.0	-1.2	0.0	-0.3	0.0
Central African Rep.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Chad	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Congo (DRC)	-0.6	-3.4	-0.1	-0.6	0.0	-0.6	-3.4	-0.1	-0.6	0.0
Djibouti	0.0	-0.8	0.0	-0.1	0.0	0.0	-0.8	0.0	-0.1	0.0
Gambia, The	-0.2	-2.8	0.0	-0.4	0.0	-0.2	-2.8	0.0	-0.4	0.0
Guinea	0.0	-0.1	0.0	0.0	0.0	0.0	-0.1	0.0	0.0	0.0
Guinea-Bissau	0.0	-0.1	0.0	0.0	0.0	0.0	-0.1	0.0	0.0	0.0
Haiti	-0.1	-0.5	0.0	0.0	0.0	-0.1	-0.5	0.0	0.0	0.0

Table A3.6 (continued)

	Without 'flexibilities'					With 'flexibilities' (2% highest tariff)				
	No adjustment		With adjustment		Additional preferences	No adjustment		With adjustment		Additional preferences
	US$ million	% imports	US$ million	% imports	US$ million	US$ million	% imports	US$ million	% imports	US$ million
Country	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**
Lesotho	0.0	-0.7	0.0	-0.6	0.0	0.0	-0.7	0.0	-0.6	0.0
Madagascar	-3.0	-0.8	0.3	0.1	0.7	-3.0	-0.8	0.3	0.1	0.7
Malawi	-24.5	-8.4	-0.8	-0.3	19.5	-24.5	-8.4	-3.1	-1.1	48.1
Maldives	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Mali	-0.1	-0.1	0.0	0.0	0.0	-0.1	-0.1	0.0	0.0	0.0
Mauritania	0.0	-1.6	0.0	-0.2	0.0	0.0	-1.6	0.0	-0.2	0.0
Mozambique	-3.4	-6.2	1.4	2.5	1.4	-3.4	-6.2	1.4	2.5	1.4
Myanmar	0.0	0.0	0.2	0.8	0.5	0.0	0.0	0.2	0.8	0.5
Nepal	0.0	-0.4	2.0	28.1	1.2	0.0	-0.4	2.0	28.1	1.2
Niger	-0.1	-1.1	0.0	-0.7	0.0	-0.1	-1.1	0.0	-0.7	0.0
Rwanda	0.0	-0.1	0.0	-0.1	0.0	0.0	-0.1	0.0	-0.1	0.0
Senegal	-2.7	-2.8	-0.5	-0.6	0.0	-2.7	-2.8	-0.5	-0.6	0.0
Sierra Leone	0.0	-0.1	0.0	0.0	0.0	0.0	-0.1	0.0	0.0	0.0
Solomon Isl.	0.0	-0.3	0.0	-0.2	0.0	0.0	-0.3	0.0	-0.2	0.0
Togo	-0.4	-1.0	-0.1	-0.3	0.0	-0.4	-0.9	-0.1	-0.3	0.0
Uganda	-2.3	-1.1	-0.5	-0.2	0.0	-2.3	-1.1	-0.5	-0.2	0.0
Tanzania	-7.6	-4.8	-1.4	-0.9	0.0	-7.6	-4.8	-1.4	-0.9	0.0
Zambia	-1.9	-2.4	8.6	10.6	5.3	-1.9	-2.4	8.6	10.6	5.3
Total positives: LDCs	**0.0**		**14.1**			**0.0**		**14.1**		
Total negatives: LDCs	**-48.2**		**-3.8**			**-48.2**		**-6.0**		
Total: LDCs	**-48.2**	**-2.9**	**10.4**	**0.6**	**30.0**	**-48.2**	**-2.8**	**8.1**	**0.5**	**59.0**

Table A3.6 (continued)

	Without 'flexibilities'					With 'flexibilities' (2% highest tariff)				
	No adjustment		With adjustment		Additional preferences	No adjustment		With adjustment		Additional preferences
	US$ million	% imports	US$ million	% imports	US$ million	US$ million	% imports	US$ million	% imports	US$ million
Country	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**
Overall:										
Positives: Developing countries and LDCs	0.0		475.4			0.0		367.4		
Negatives: Developing countries	-1,102.3		-208.8			-1,102.2		-214.0		
Total: Developing countries and LDCs	-1,102.3	-1.9	266.6	0.5	2,001.1	-1,102.2	-1.9	153.4	0.3	2,847.8