UNCTAD database on GSP utilization

Some relevant figures from LDC trade

Way forward on the WTO Ministerial Decision on preferential rules of origin

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Outline

UNCTAD database on GSP utilization
 Some features & trends in Quad markets
 Conclusion



Why preferential trade data?

RoO depends on preferences

How preferential are the LDC exports?
How much preferences are actually used?
Which products are most sensitive to RoO?

Low utilization as a preliminary evidence for the need for RoO improvements

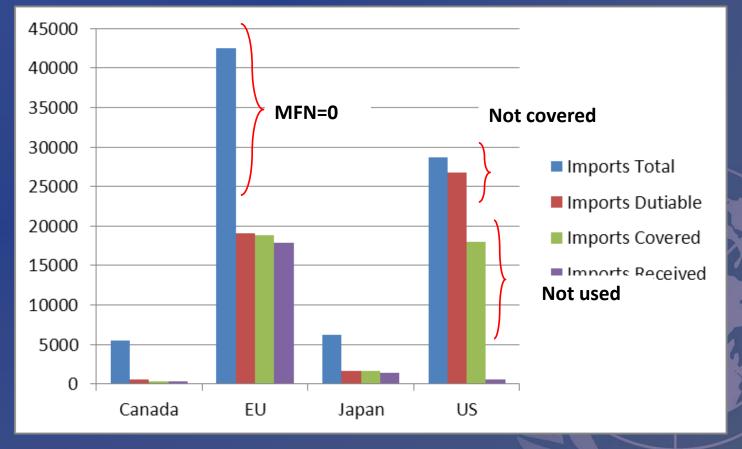
UNCTAD GSP Database

(1)	(2)	(3)	(4)	(5)
Product	Total Imports	Dutiable Imports	Imports covered	Imports receiving preferences
А	100 🗖	→ 0	0	0
В	200	200	→ 0	0
С	300	300	300	150
Total	600	500	300	150

Coverage rate = Imports covered / Dutiable imports*100 = 300/500*100 = 60% Utilization rate= Imports received/ Imports covered*100 = 150/300*100 = 50%

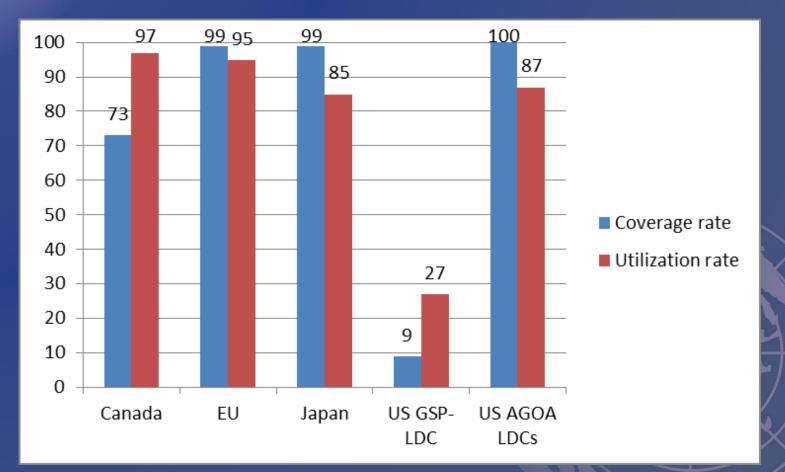
Quad markets:

Imports from LDCs by tariff treatment (2011, \$million)

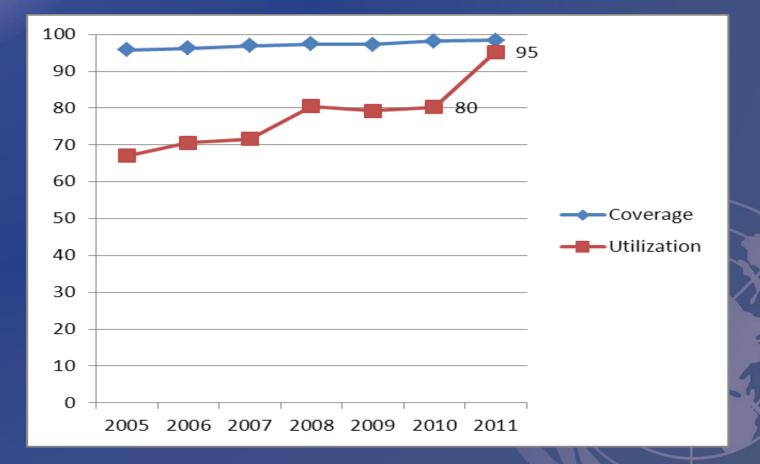


Quad markets:

Coverage & utilization rates (2011)



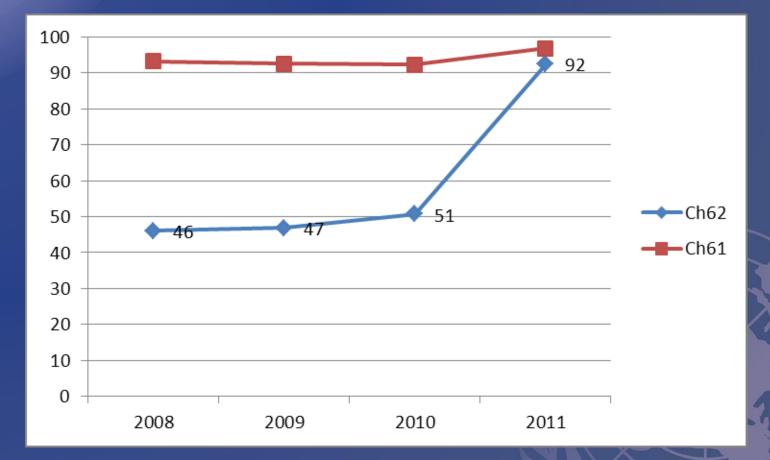
EU: Coverage & utilization rates (2005-2011)



<u>EU</u>: Preferential imports form LDCs by HS Chapter (2011)

						Coverage	Utilization	% of total
HS2	Description	Total	Dutiable	Covered	Received	Rate	Rate	covered
61	Art of apparel & clothing acce	8428590	8253818	8240004	7968046	100	97	43.8
62	Art of apparel & clothing acce	4197012	4126415	3956141	3657420	96	92	21.0
76	Aluminium and articles thered	1391461	1385837	1385836	1383209	100	100	7.4
3	Fish & crustacean, mollusc &	1363992	1352765	1332930	1322663	99	99	7.1
64	Footwear, gaiters and the like	595426	591407	585987	554984	99	95	3.1
24	Tobacco and manufactured to	595542	545243	545243	524076	100	96	2.9
63	Other made up textile articles	489634	484681	484645	469061	100	97	2.6
17	Sugars and sugar confectione	353981	341445	341448	340557	100	100	1.8
6	Live tree & other plant/ bulb, r	310310	308778	308783	298693	100	97	1.6
27	Mineral fuels, oils & product o	15790537	233853	233853	179051	100	77	1.2
29	Organic chemicals.	210248	210164	210158	47450	100	23	1.1
								93.6

EU: Utilization rates for Ch61 & Ch62



Single transformation rules since 2011 for both chapters ("manufacture from fabric", not yarn)

<u>United States</u>: Preferential imports form LDCs under GSP-LDC by HS Section (2011)

HS Section	Total Im ports	lm ports dutiable	Im ports Covered	lm ports Received	Coverage rate (%)	Utilization rate (%)	% of total covered
Mineral products	1'156	7 06	7 06	162	100	23	88.2
Plastics & rubber	31	31	31	10	100	32	3.9
Prepared foodstuffs, beve	28	13	13	11	100	85	1.6
Miscellaneous manufact.	25	13	13	8	100	66	1.6
Transport equipment	8	8	8	8	100	92	1.0
Articles of stone, cement,	7	7	7	7	100	93	0.9
Vegetable products	12	5	5	3	100	58	0.6
Textile & textile articles	7'551	7'456	5	3	0	54	0.6
							98.5

United States: Preferential imports from LDCs under AGOA by HS Section (2011)

HS Section	Total Imports	lm ports dutiable	lm ports Covered	lm ports Receive d	Coverage rate (%)	Utilization rate (%)	% of total covered
Mineral products	17'468	17'092	1 7' 091	14'793	100	87	97.7
Textile & textile articles	359	359	359	356	100	99	2.0
Prepared foodstuffs,bev	84	49	44	41	90	92	0.3
Vegetable products	2 7 6	11	6	5	51	93	0.0
							100.0

Canada: Preferential imports form LDCs by HS Chapter (2011)

						Coverage	Utilization	% of total
HS2	Description	Total	Dutiable	Covered	Received	Rate	Rate	covered
61	Art of apparel & clothing acce	857346	229990	152030	151884	66	100	39.1
62	Art of apparel & clothing acce	630880	189578	128141	128028	68	100	33.0
63	Other made up textile articles	77571	57651	53792	53761	93	100	13.8
64	Footwear, gaiters and the like	31315	18457	15549	15544	84	100	4.0
57	Carpets and other textile floor	7031	6935	6935	4113	100	59	1.8
65	Headgear and parts thereof.	17626	6301	6190	1620	98	26	1.6
3	Fish & crustacean, mollusc &	15823	6169	6148	6145	100	100	1.6
66	Umbrellas, walking-sticks, se	4801	4801	4801	4801	100	100	1.2
								96.1

Japan: Preferential imports form LDCs by HS Chapter (2011)

						Coverage	Utilization	% of total
HS2	Description	Total	Dutiable	Covered	Received	Rate	Rate	covered
62	Art of apparel & clothing acce	661196	661052	661052	624341	100	94	39.9
3	Fish & crustacean, mollusc &	350995	350995	348085	253693	99	73	21.0
64	Footwear, gaiters and the like	325746	325746	318815	314137	98	99	19.2
61	Art of apparel & clothing acce	210156	210156	210156	128738	100	61	12.7
41	Raw hides and skins (other th	21035	18876	18876	18441	100	98	1.1
27	Mineral fuels, oils & product o	3953614	11831	11831	0	100	0	0.7
63	Other made up textile articles	14707	11151	11151	6491	100	58	0.7
7	Edible vegetables and certain	22280	9643	9643	9612	100	100	0.6
								95.8

Double transformation for HS61 ("manufactured from textile yarn"), single transformation for HS62ex ("manufactured from woven fabrics..")

Conclusions

- Generally high utilization in all Quad (but the US GSP), including for preference-dependent apparels
- Recent supply response from EU RoO reform appears to evidence RoO potential to facilitate LDC exports
- Low utilization of specific products can indicate areas of possible RoO improvements (e.g., fish, apparel in JPN)
- Importance of greater transparency & data on preference utilization beyond Quad markets & GSP in view of continued importance of preferences for LDCs under DFQF initiatives & proliferating FTAs



Thank You

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