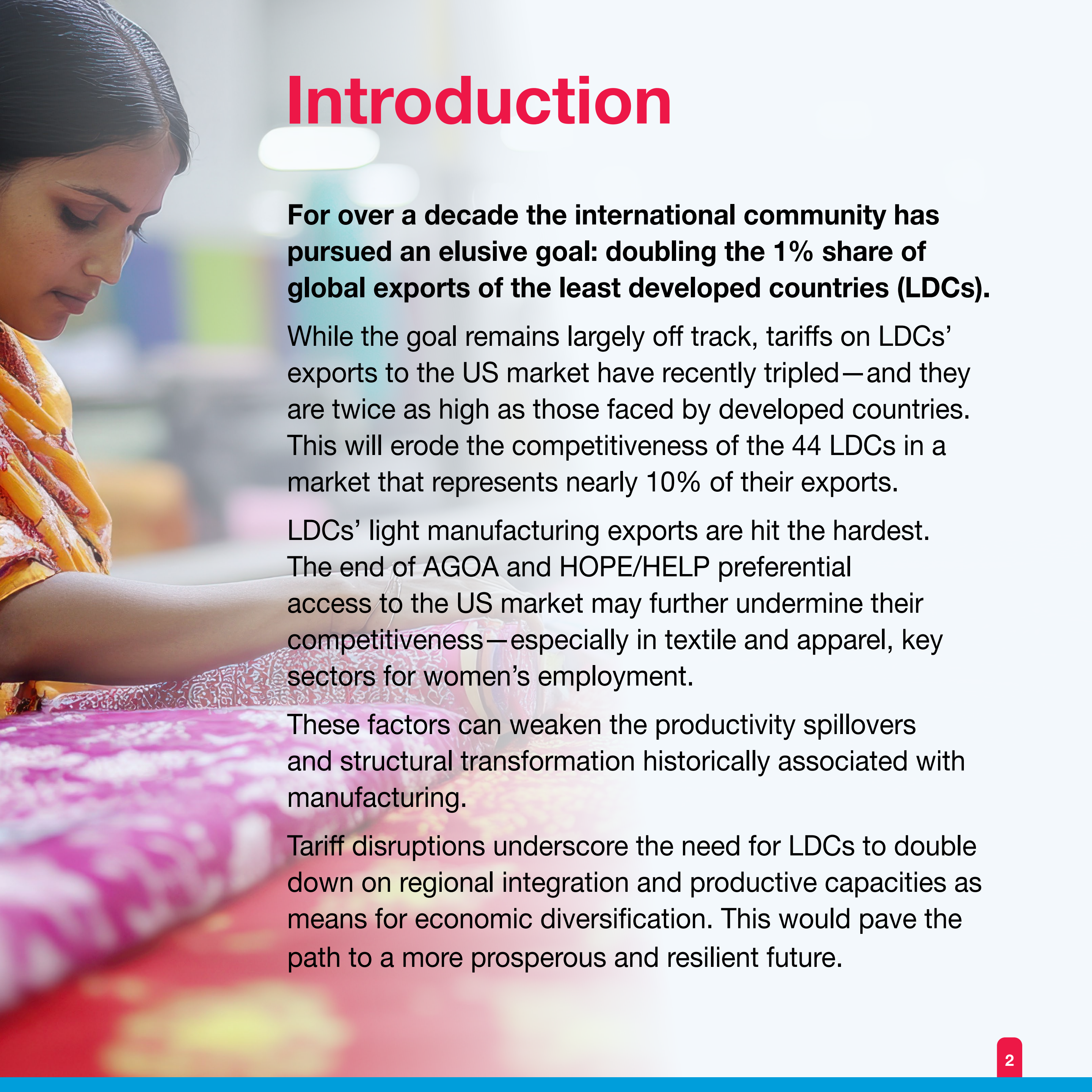


Tariff disruptions

The impact on
least developed countries

A woman with dark hair, wearing a yellow and red sari, is shown in profile, looking down at a piece of pink fabric with a white floral pattern. She appears to be working on it, possibly sewing or stitching. The background is blurred, showing other people and what looks like a market or workshop setting.

Introduction

For over a decade the international community has pursued an elusive goal: doubling the 1% share of global exports of the least developed countries (LDCs).

While the goal remains largely off track, tariffs on LDCs' exports to the US market have recently tripled—and they are twice as high as those faced by developed countries. This will erode the competitiveness of the 44 LDCs in a market that represents nearly 10% of their exports.

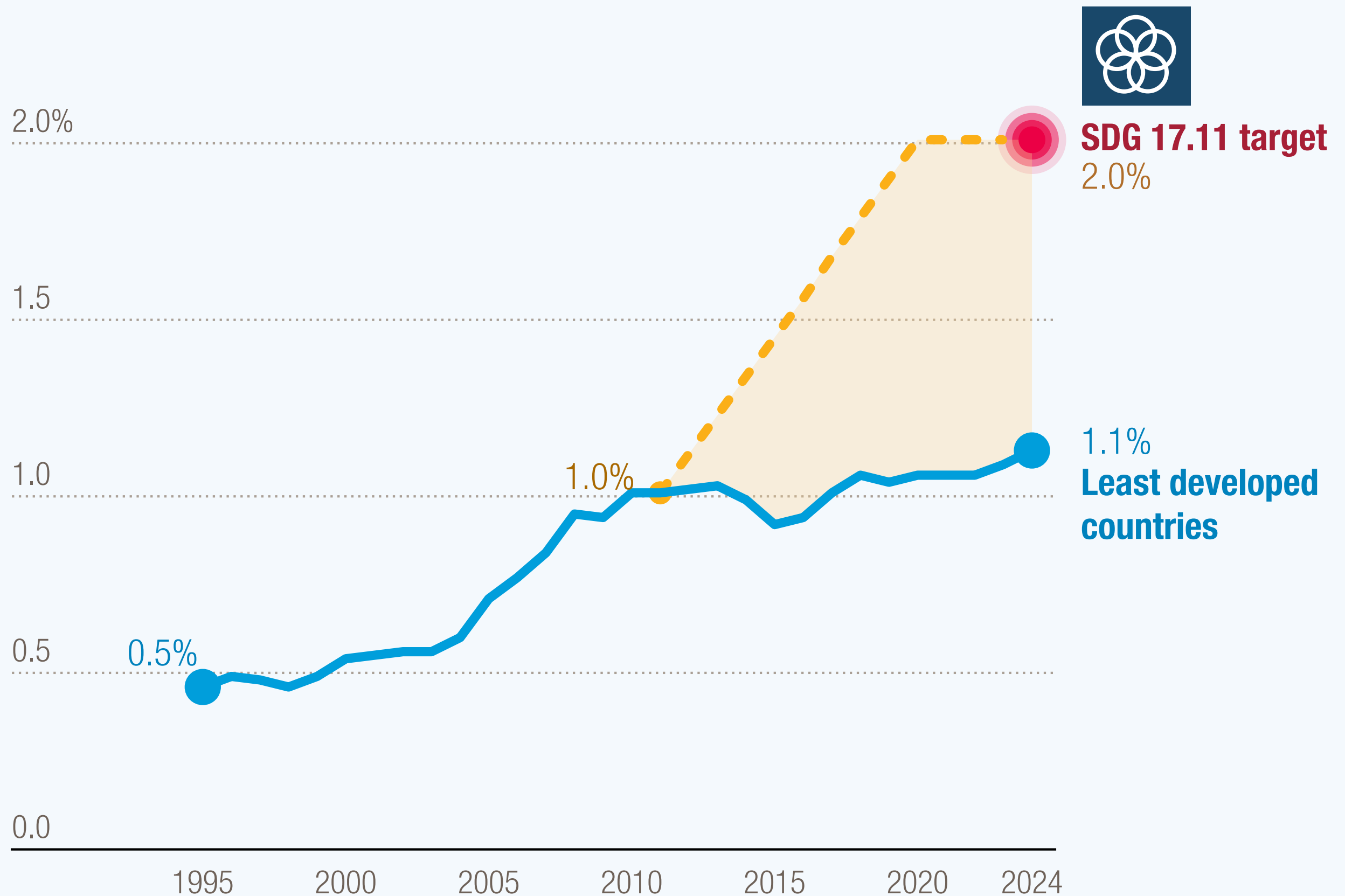
LDCs' light manufacturing exports are hit the hardest. The end of AGOA and HOPE/HELP preferential access to the US market may further undermine their competitiveness—especially in textile and apparel, key sectors for women's employment.

These factors can weaken the productivity spillovers and structural transformation historically associated with manufacturing.

Tariff disruptions underscore the need for LDCs to double down on regional integration and productive capacities as means for economic diversification. This would pave the path to a more prosperous and resilient future.

LDCs remain grossly off track in doubling their share in global exports.

Share of world merchandise exports (%) and Sustainable Development Goal (SDG) 17.11 target

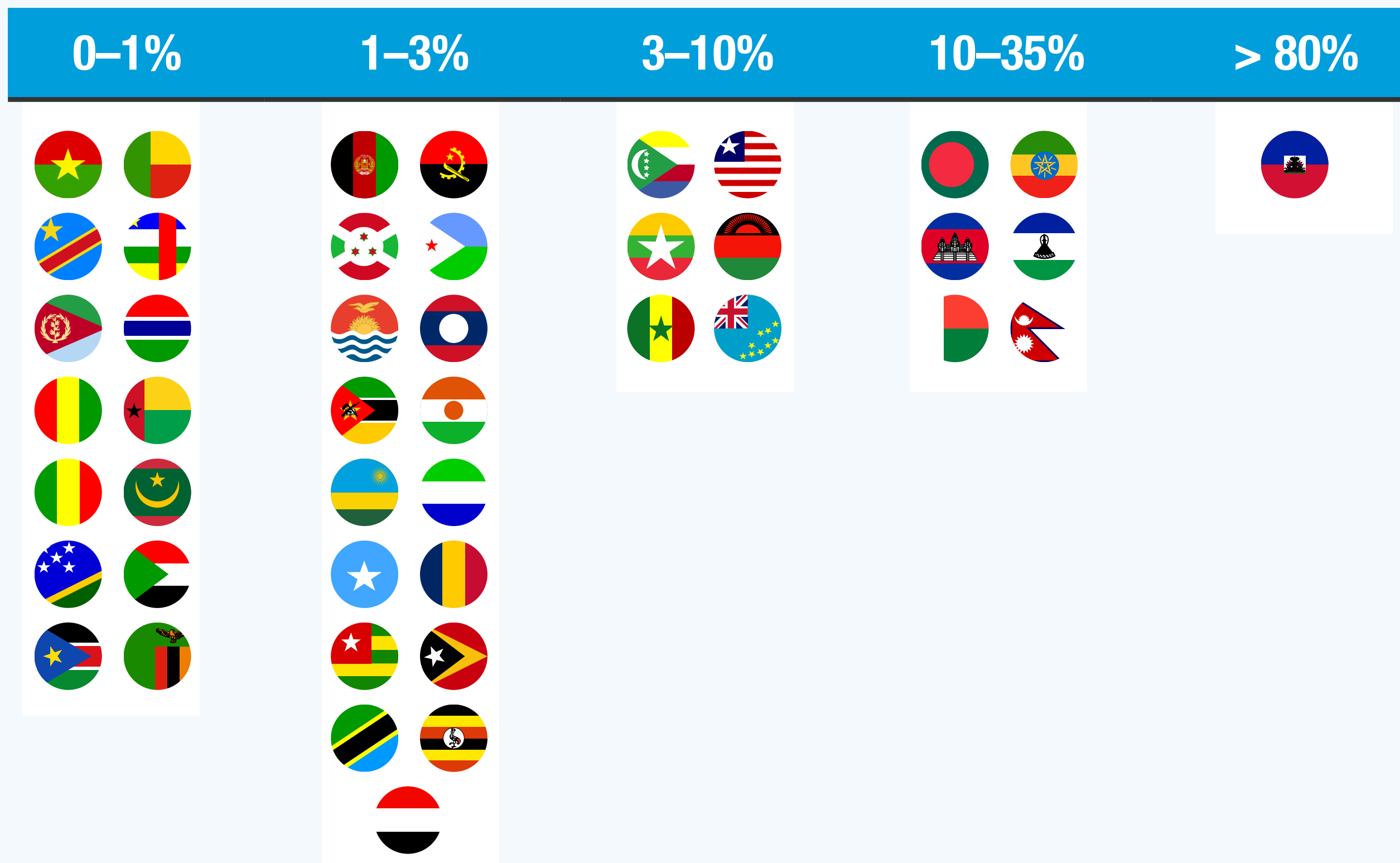


Source: UN Trade and Development (UNCTAD), based on UNCTADstat.

Note: The goal of doubling LDCs' share of world exports was first adopted in the Istanbul Programme of Action for the LDCs (2011), and later incorporated in the SDGs.

The loss of US trade preferences is a challenge for exposed LDCs.

US share in total LDC merchandise exports (%)



Source: UN Trade and Development (UNCTAD), based on UNCTADstat.

Note: Three-year average over the period 2022-2024. Information for Guinea-Bissau based on mirror flows. For further information see [this table](#).

New US tariffs vary substantially among countries.

Additional tariffs based on US presidential actions between February and October 2025

► Country-specific tariffs

 10-41%	ranging from 10% to 41%, amendment of Executive Order 14257, Annex I (7 August 2025)
 10%	on countries that are not covered under the amended Executive Order 14257, Annex I
 0%	exempted products under Executive Order 14257, Annex II, including updates as of 8 September 2025

► Sectoral national security tariffs, section 232 (exempted from new country-specific tariffs)

 50%	 on iron or steel and derivatives of steel (updated in August 2025); on aluminium and derivatives of aluminium (updated in August 2025); on copper and derivatives (in August 2025)
 25%	 on automobiles and parts (updated in May 2025)
 10-25%	 on timber and derivatives (in October 2025)

► Other tariff treatment pursuant to "deals" and international emergency measures (IEEPA)

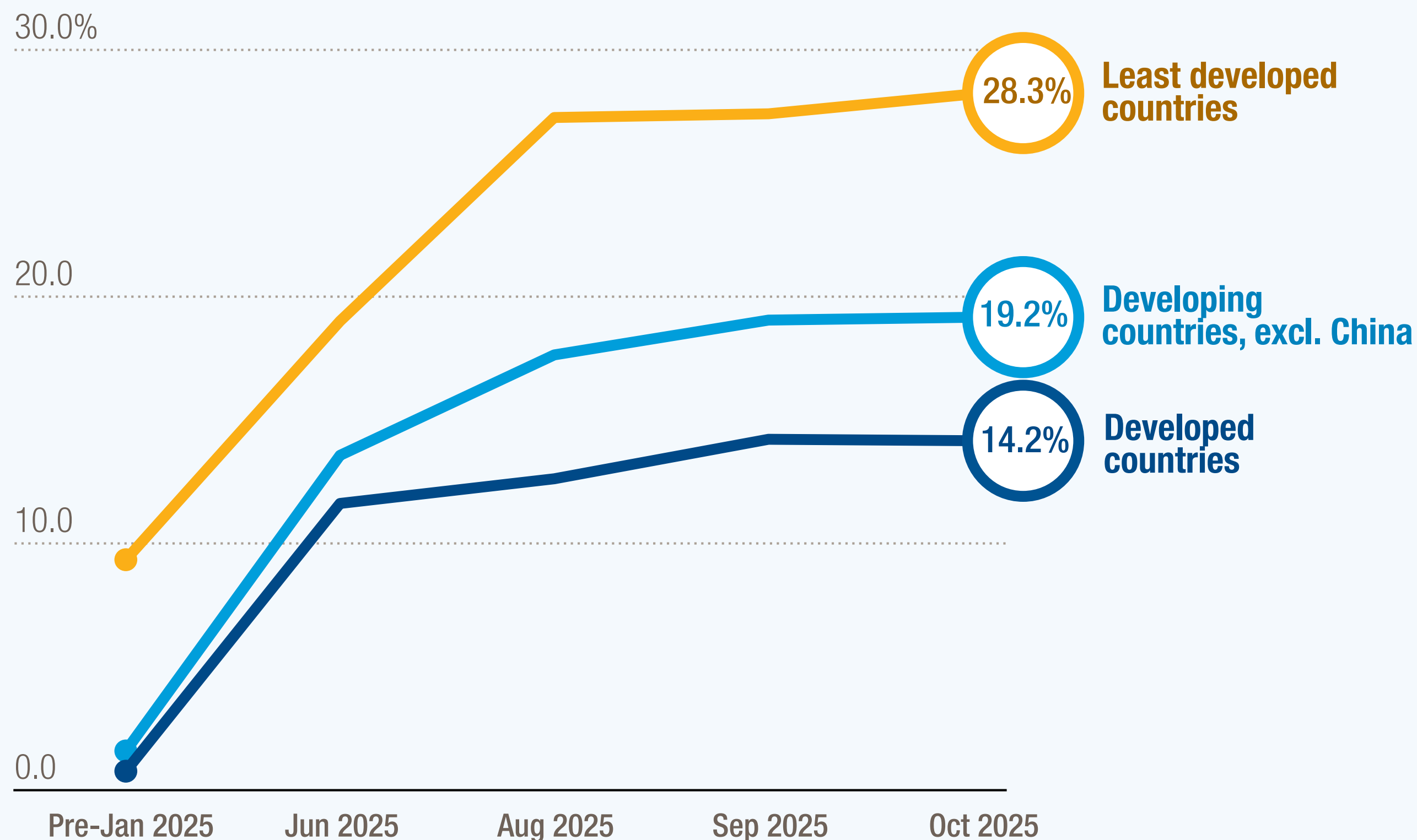
● expiry of trade preferences under AGOA for sub-Saharan African countries and the HOPE/HELP scheme for Haiti on the 30th of September 2025	
● additional tariffs apply to  Mexico,  Canada,  India,  Brazil,  China, including Hong Kong SAR and  the Russian Federation	
● lower tariffs were negotiated by  the European Union,  the United Kingdom and  Japan	

Source: UN Trade and Development (UNCTAD), based on [US presidential actions](#).

Note: Section 232 tariffs on medium- and heavy-duty vehicles, their parts, and buses have not been considered, as they will come into effect on 1 November 2025. IEEPA refers to the US International Emergency Economic Powers Act, and Section 232 is a provision of the Trade Expansion Act of 1962. African Growth and Opportunities Act of 2000 (AGOA), Haitian Hemispheric Opportunity through Partnership Encouragement Act of 2006 (HOPE), Food Conservation and Energy Act of 2008 (HOPE II) and Haiti Economic Lift Program of 2010 (HELP).

LDCs face tariffs twice as high as those imposed on developed countries.

Trade-weighted applied US tariffs

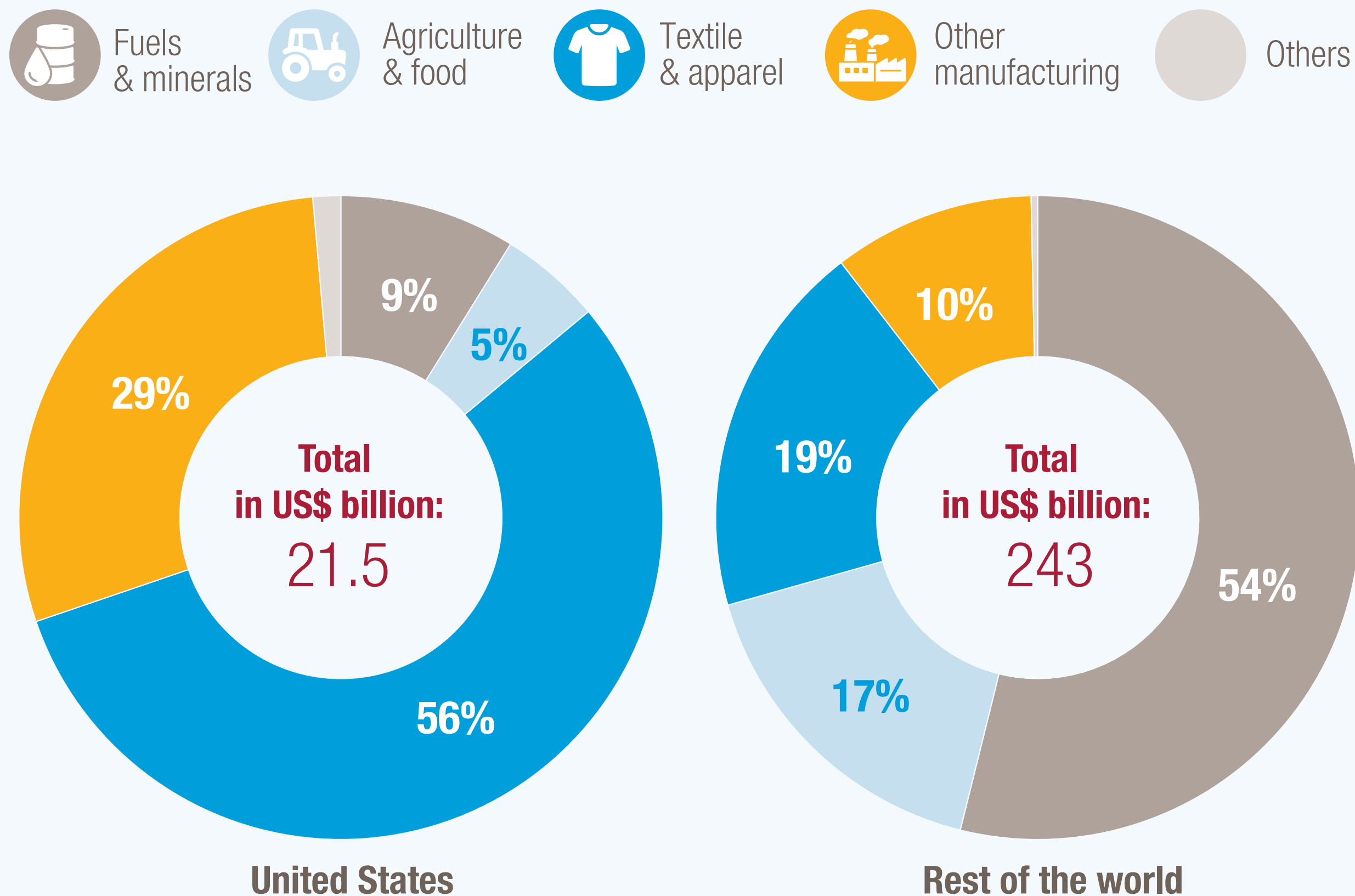


Source: UN Trade and Development (UNCTAD), based on [US presidential actions](#).

Note: Trade weights for the year 2024. Trade weights give greater emphasis to larger exporters to the US in aggregate results. For country-specific results see UNCTAD's [tariff tracker](#).

LDC exporters of manufactured goods are more exposed to US trade policy.

Composition of LDCs' exports to the US and the rest of the world



Source: UN Trade and Development (UNCTAD), based on UNCTADstat.

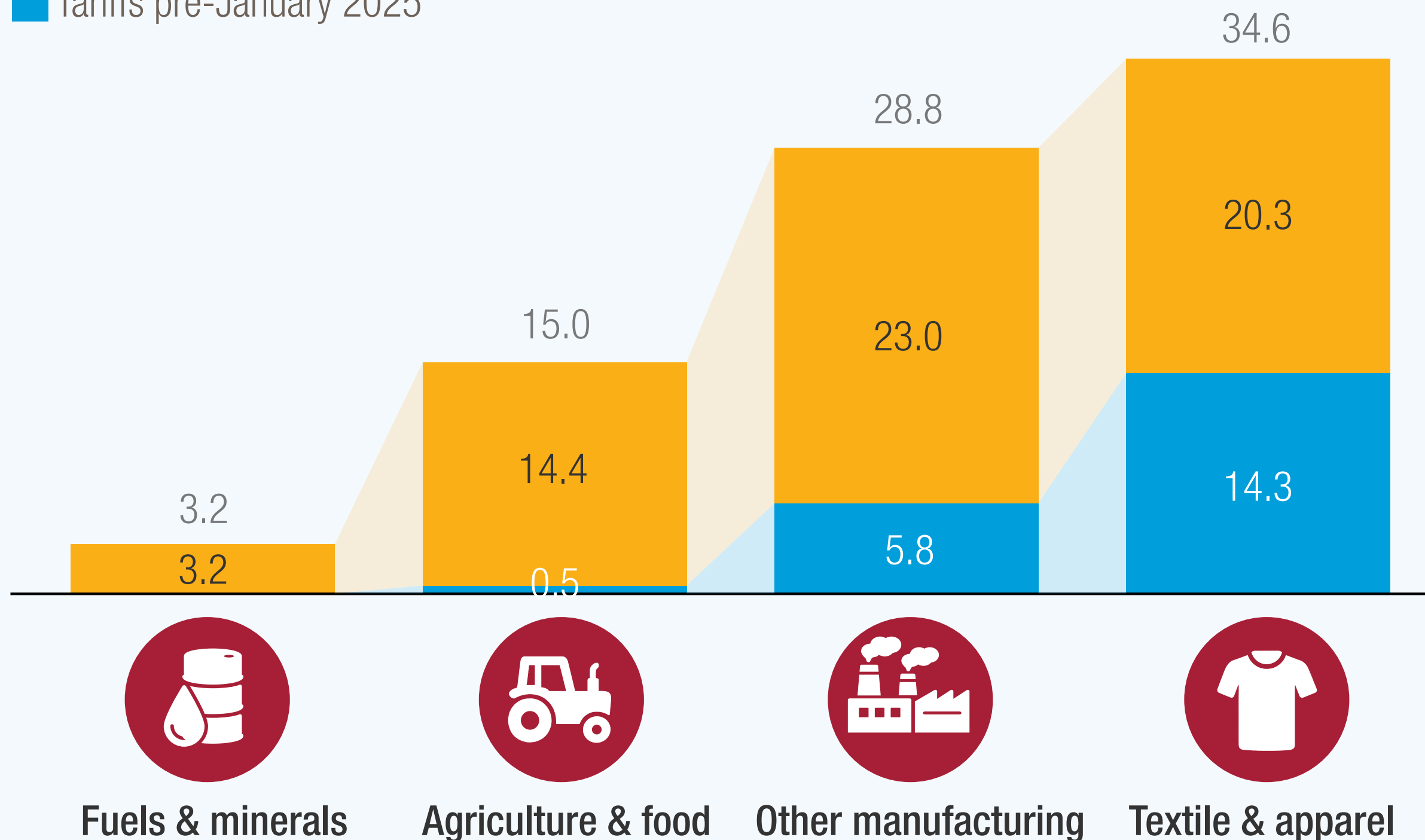
Note: Three-year average over the period 2022-2024. For country-specific results by sectoral groups see UNCTAD's [tariff tracker](#).

➤ Tariffs have risen sharply on LDCs' light-manufacturing exports.

Trade-weighted applied US tariffs by sector, percentage

■ Tariff increases as of October 2025

■ Tariffs pre-January 2025



Source: UN Trade and Development (UNCTAD), based on [US presidential actions](#).

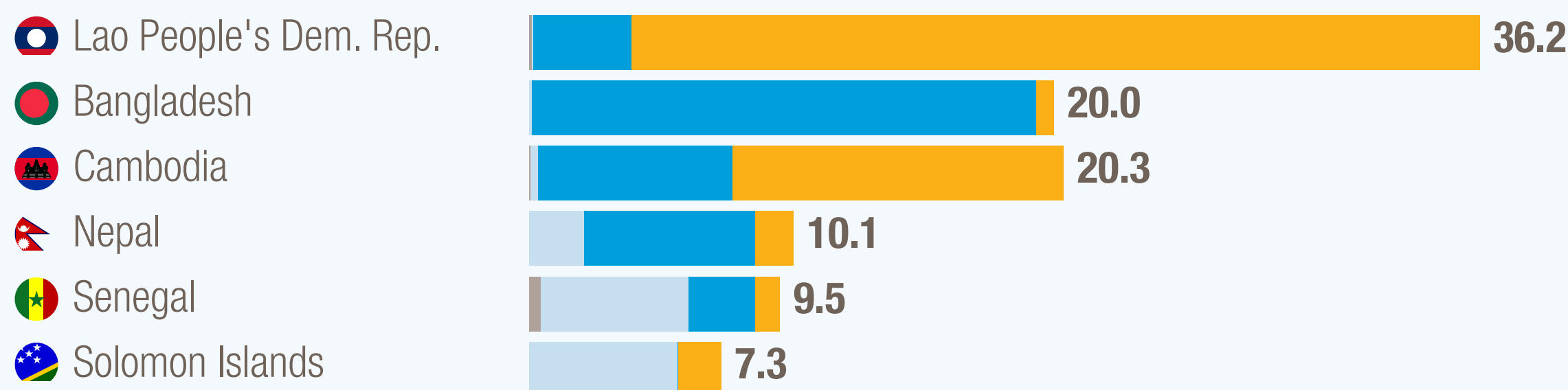
Note: Changes based on trade-weighted results across all least developed countries. Classification of goods according to UNCTAD Handbook of Statistics 2024; textile & apparel refer to product codes 50-67 of the Harmonized System.

Graduating LDCs, especially in Asia, face steep tariff surges.

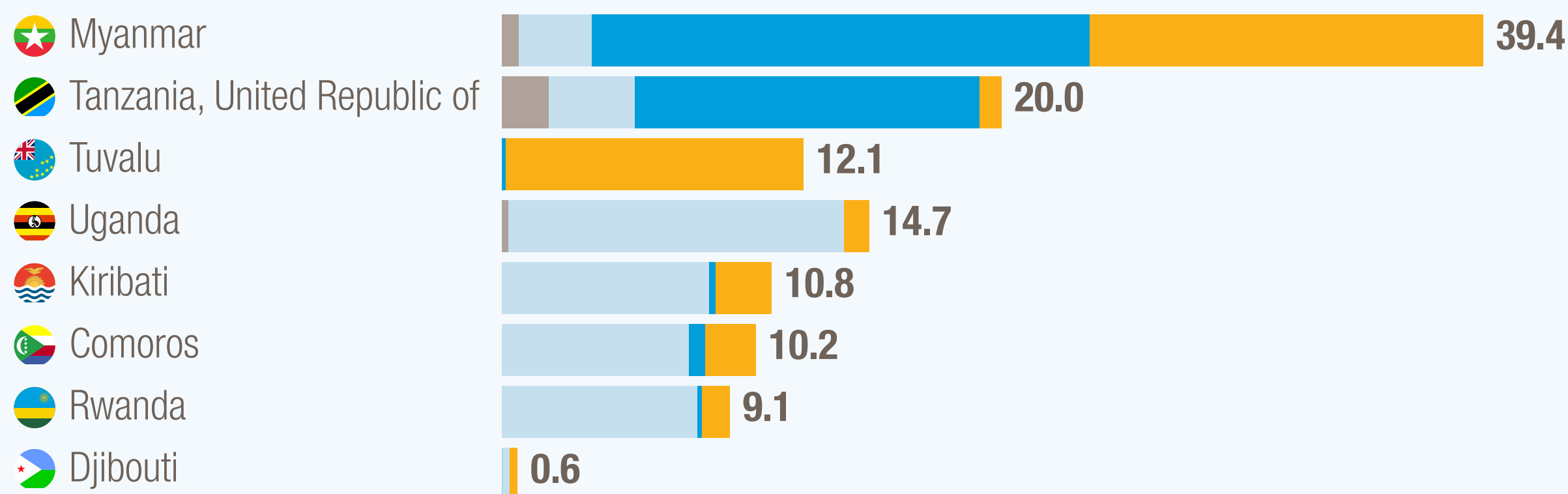
Increase of trade-weighted US tariffs by sector, in percentage points



Scheduled for graduation before 2030



In the graduation pipeline



Source: UN Trade and Development (UNCTAD), based on USITC and [US presidential actions](#).

Note: Trade weights for the year 2024. Classification of goods according to UNCTAD Handbook of Statistics 2024; textile & apparel refer to product codes 50–67 of the Harmonized System.

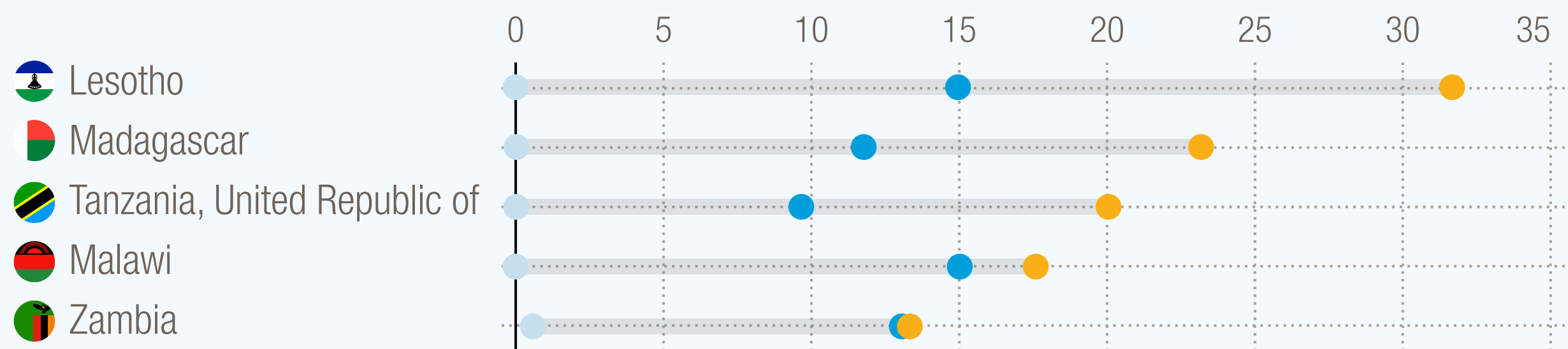


The end of AGOA affects many African countries, primarily apparel exporters.

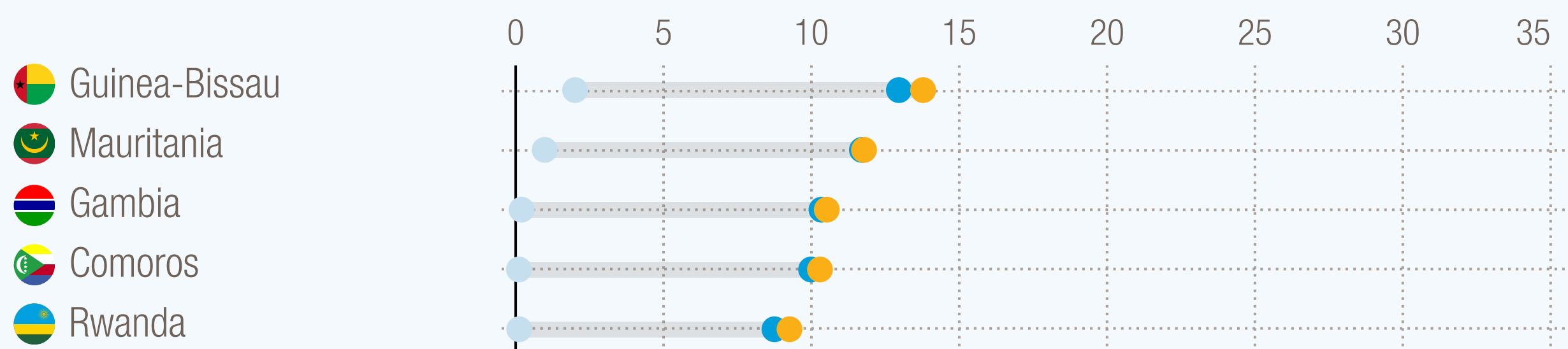
Trade-weighted applied US tariffs for selected LDCs affected by the AGOA expiry

● Tariff before January 2025 ● Current tariff if AGOA still applied ● Current tariff without AGOA

AGOA with special textile/apparel preferences



AGOA without special textile/apparel preferences

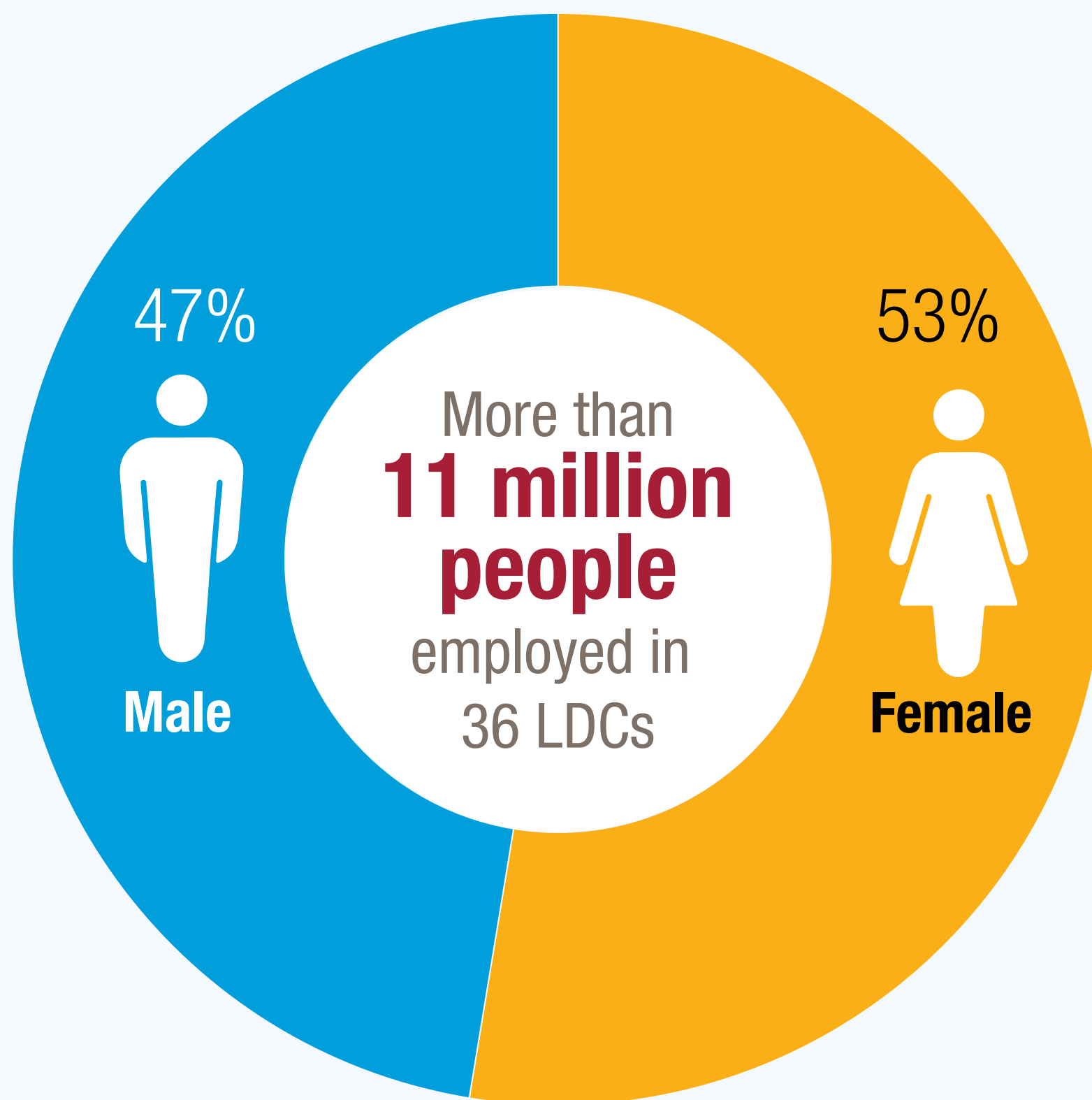


Source: UN Trade and Development (UNCTAD), based on USITC and [US presidential actions](#).

Note: Top-5 countries according to the highest current tariffs for countries with or without special preferences on textile/apparel.

➤ **Tariff increases strongly impact key sectors for women's employment.**

Share of employment in textile, apparel and leather industries by gender

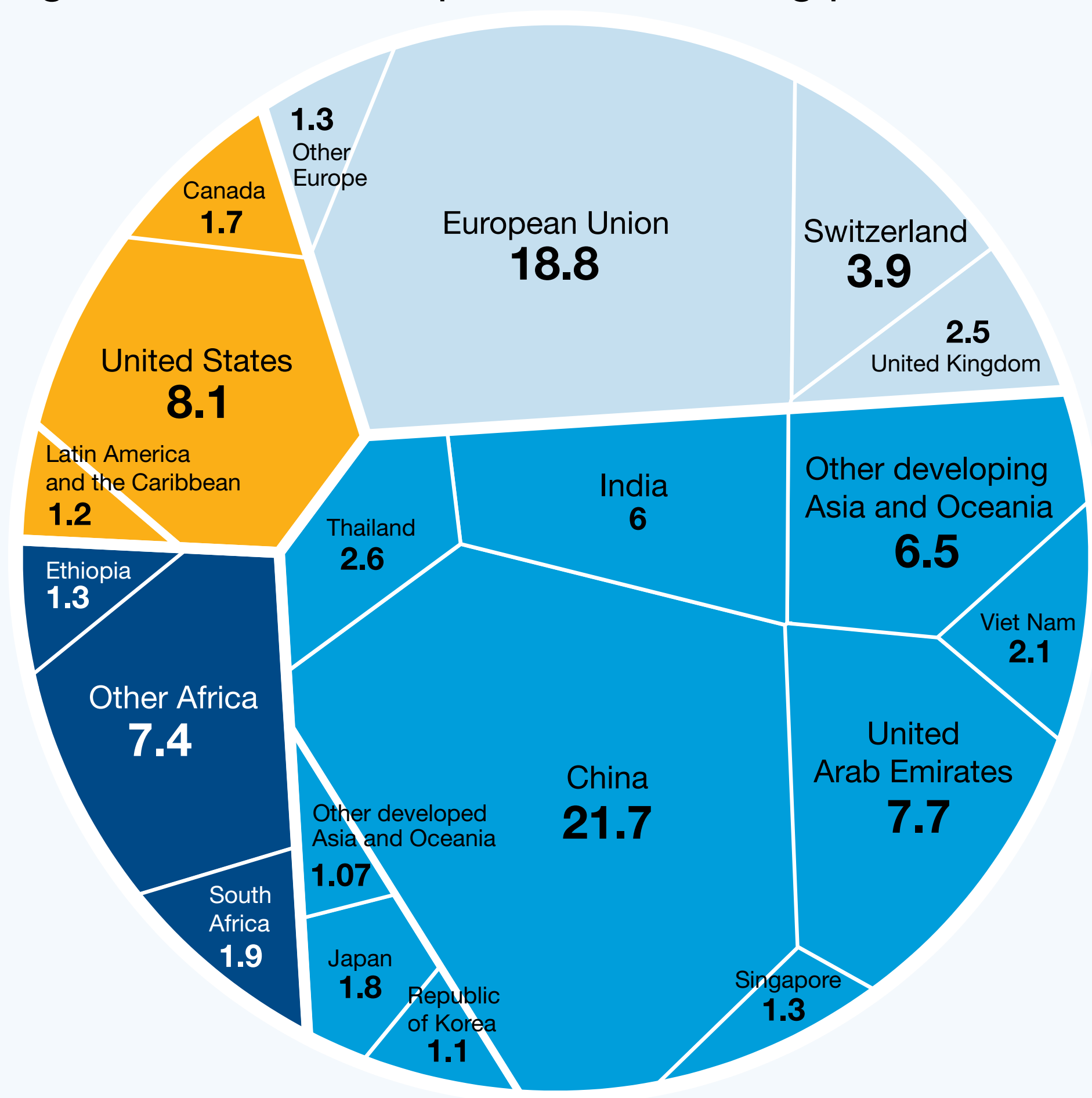


Source: UN Trade and Development (UNCTAD), based on ILOSTAT, employment in the textile, clothing, leather and footwear sector.

Note: Latest available data. No data available for the Central African Republic, Djibouti, Eritrea, Guinea, Haiti, Malawi, South Sudan and Yemen.

➤ There is scope for diversification, especially in the Global South.

Percentage share of LDC exports to all trading partners



Source: UN Trade and Development (UNCTAD), based on UNCTADStat.

Note: Three-year average over the period 2022-2024.



Tariff disruptions

are a stark reminder of the importance of the multilateral trading system, including special and differential treatment for LDCs.



Structural transformation

is more necessary than ever to cope with tariff shocks.



Untapped diversification options

exist within the Global South, notably through regional integration.

**Structural transformation is the goal;
trade and productive capacities
are the means.**



Prepared by:
the Innovation and Research Coordination Unit,
the Division on International Trade and Commodities and
the Division for Africa, Least Developed Countries and Special Programmes

