



Rethinking LDC trade priorities

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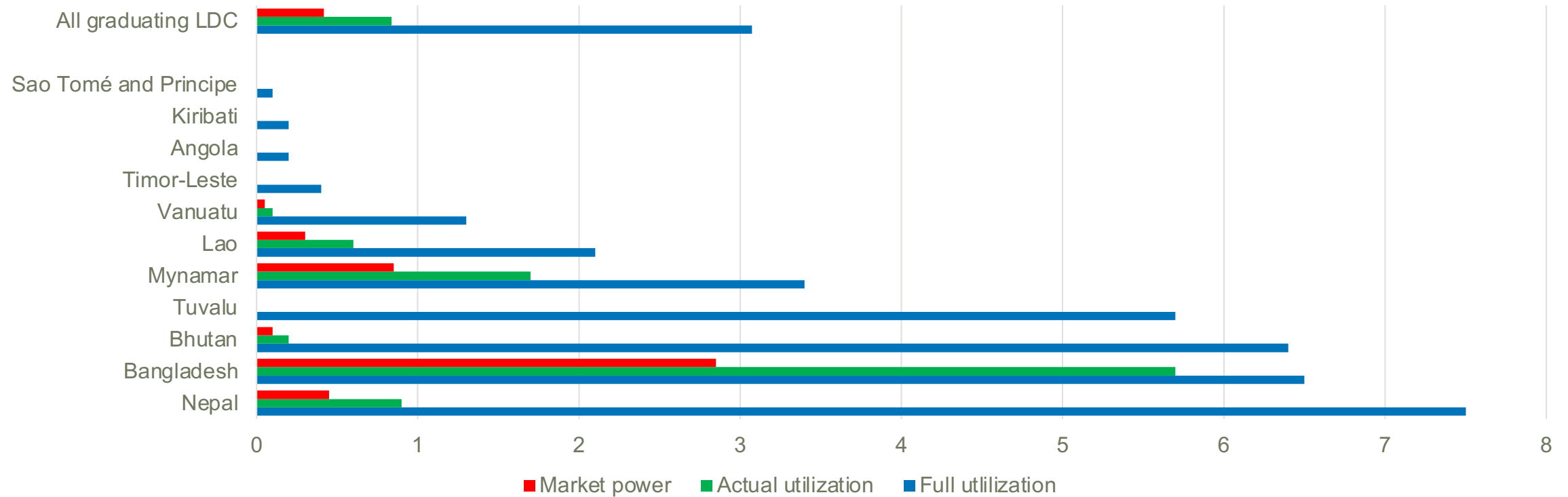
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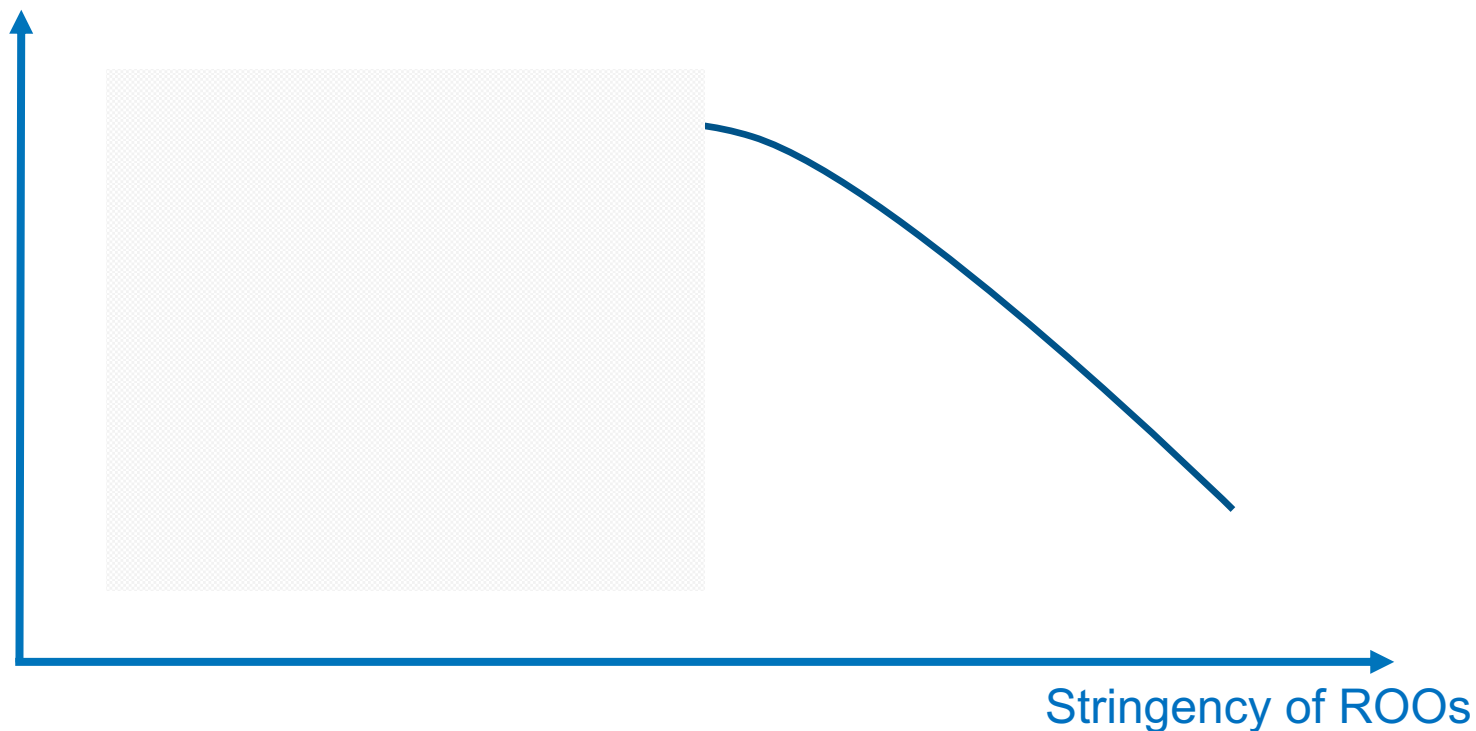
Looking backwards

Value of graduating LDC preferences (%)



More lenient ROOs are not helping....

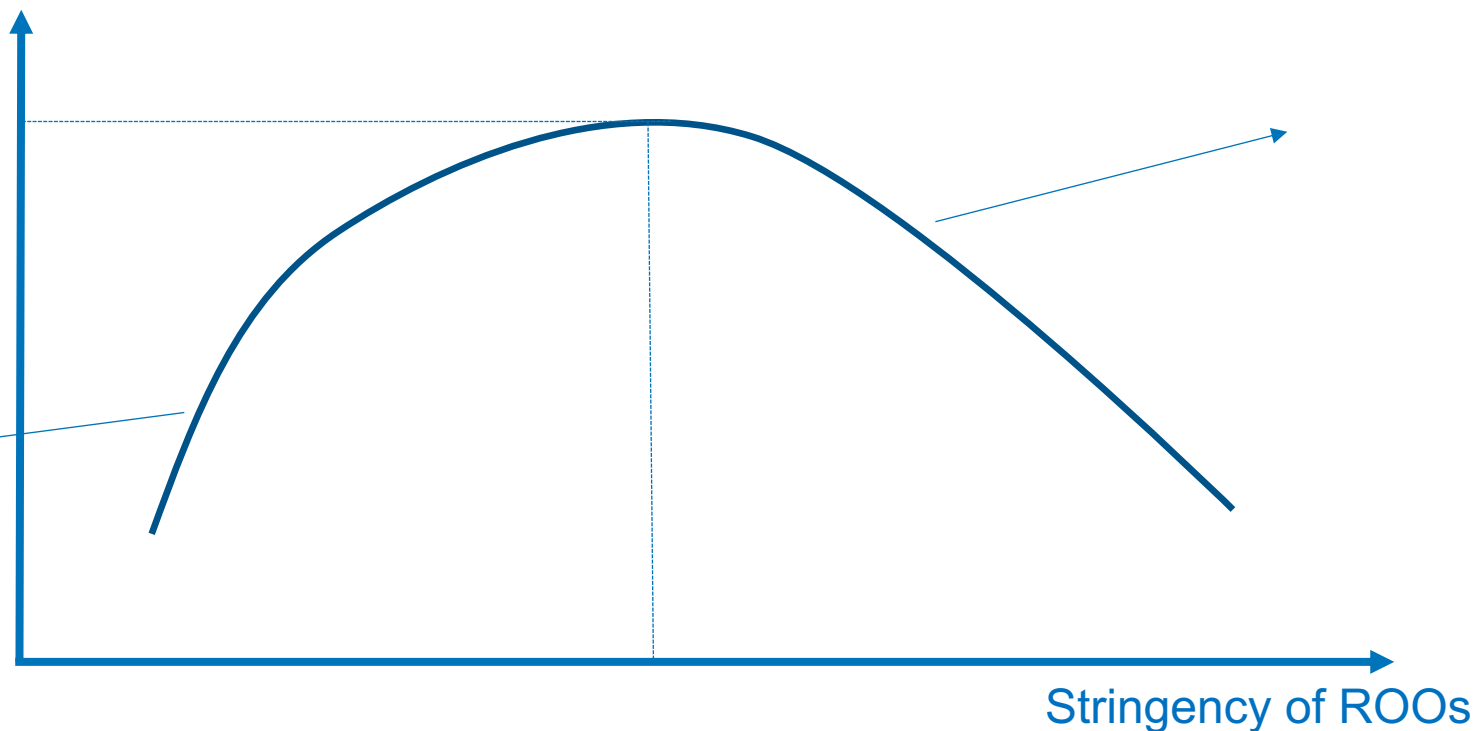
LDC value-added
embedded in
preferential exports



More lenient ROOs are not helping....

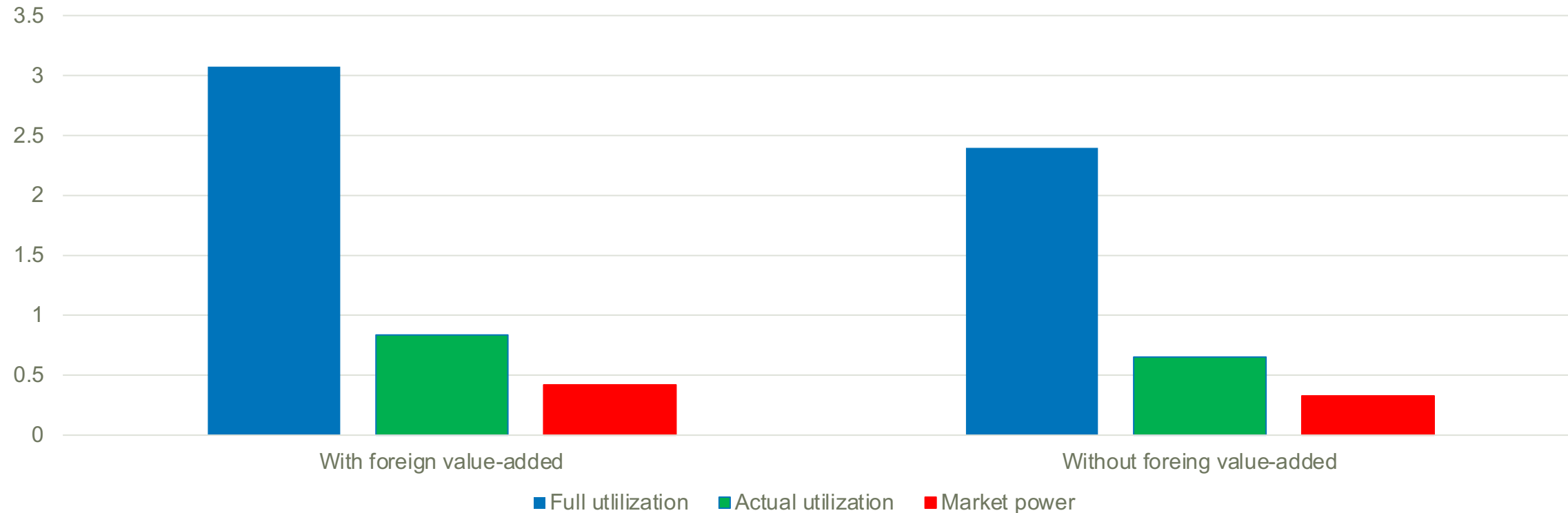
LDC value-added embedded in preferential exports

Very lenient LDCs are helping input providers, not LDCs



Taking away foreign value-added

Value of LDC preferences with and without foreign value-added





Looking forward

- **Longer transition periods accompanied by TA and capacity building support should be reinforced (e.g., TFA)**
- **Exemptions from implementation are hurting and setting negotiating agenda away from LDCs interests**

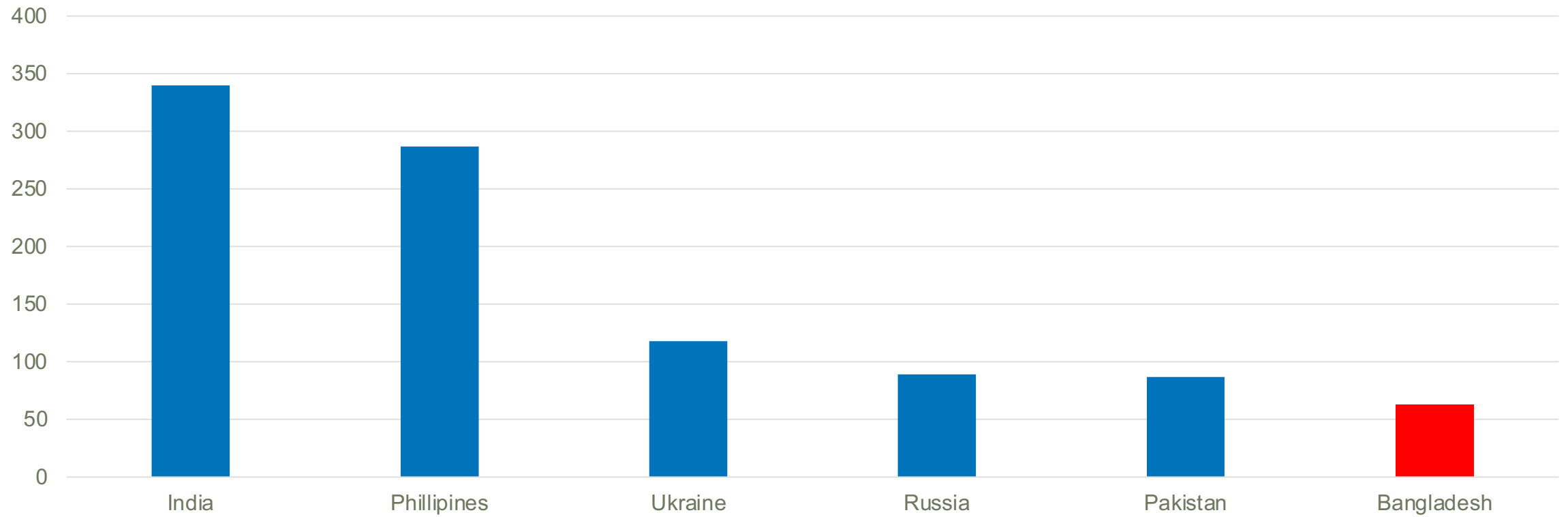


Areas for engagement

- **Services preferences – Mode 4, of course, but also Mode 1**
- E-commerce – economic opportunities versus market concentration
- Environmental goods – GEM versus EPP
- Labour standards – VSS versus government driven
- Readiness for future pandemics - more diversified versus more local GVCs

Mode 1 export potential for LDCs

Export value (millions) of top 6 exporters in Upwork (2006-2014)

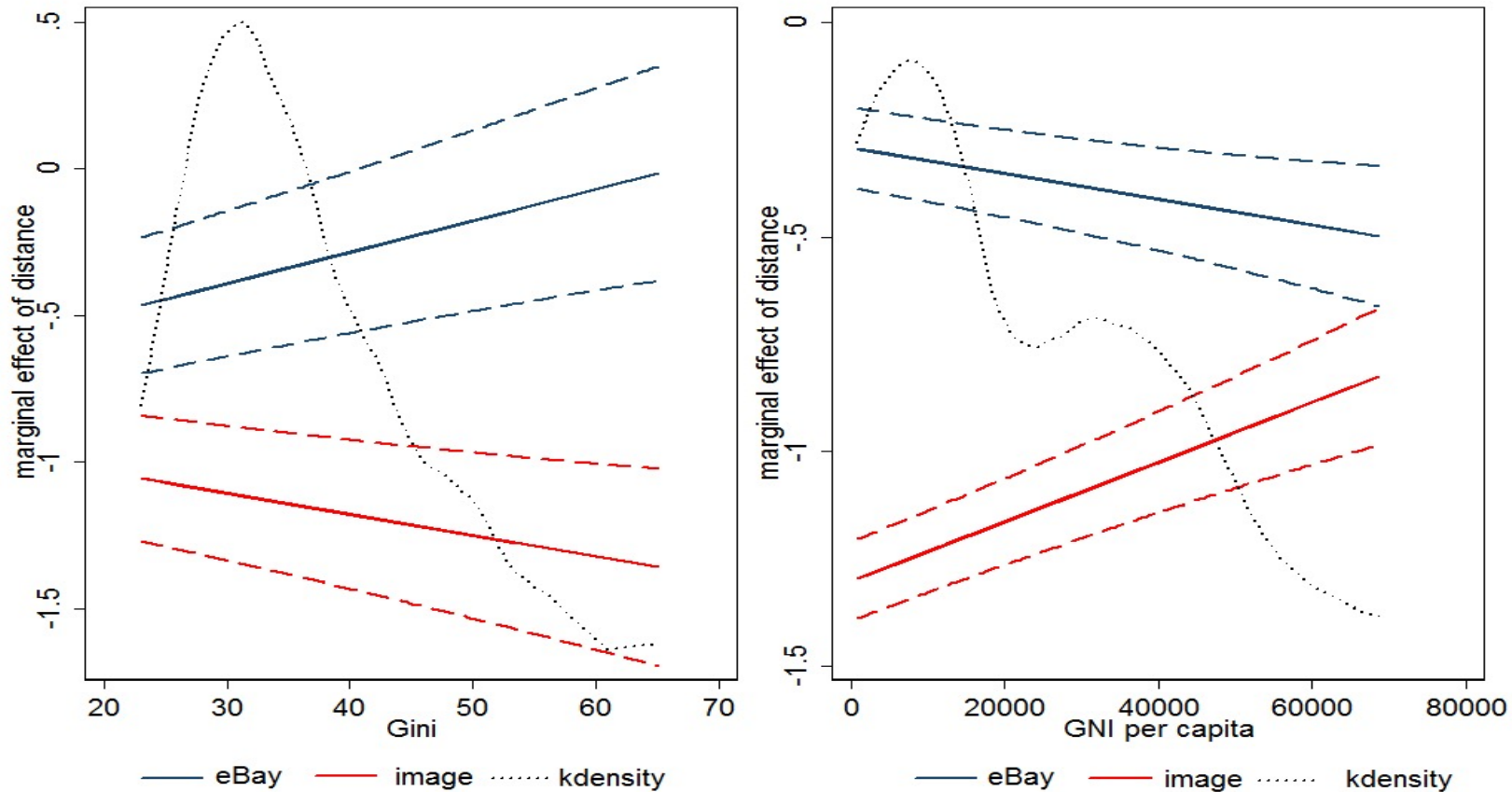




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Where does e-commerce reduce trade costs?





Areas for engagement

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Criteria for LDC status

- **Subcomponents of HA and EV indices are arbitrary**
- **Substitutability or complementarity: arithmetic versus geometric means**
- **Weights are arbitrary: more weight on school enrolment than under five mortality?**
- **Absolute versus relative: there will always be 20 percent of countries in the bottom quintile**



Thank you!

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