Taking Stock of the Doha Round Progress vis-à-vis Developing country's Ambitions

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Abstract:

There is consensus that unlike in the previous rounds of trade negotiations, the developing countries have in the current Doha Round enhanced their participation and voice. However, pessimism remains that when the results of the Doha Round are finally audited, they might not measure up to the early ambitions of the round. For Africa for instance, such a verdict would be quite disheartening given the resources that the countries have expended to ensure that this time round, real and credible results are achieved that will enhance the continent's chance of moving out of the margins of the global trade to the centre. It is for this reason that an early audit of the possible results of the Doha Round becomes necessary. Such an audit will point out areas where potential results, based on analysis of current version of negotiations modalities may not match ambition in Doha mandate. This study provides a quantitative evaluation of the Doha Round in terms of the market access for industrial and agriculture products and the possible consequences of the trade liberalization process. It analysis of the impact of the reforms put forward by the July Package concluded in Geneva in July 2008. The tariff reduction scenarios under review fit in with the commitments undertaken in the July Package. and to present the potential economic implications of the unpacked modalities. This includes the review of the most recent works analyzing the Doha results using global general equilibrium models. Depending on the outcome of the review of recent works using global CGE models, further empirical analysis of the modalities (in agriculture, NAMA, services and trade facilitation) are proposed using the recent GTAP version 7 database. The main contribution will be the focus of the empirical analysis on the developing countries, taking advantage of the incorporation of more countries from the region in the new version of the database.

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I. Introduction

It is now increasingly recognized that trade can be an engine of growth and an important driver of development. Furthermore, it is acknowledged that those countries which have been able to take advantage of the forces of globalization and trade liberalization have reaped huge benefits in terms of increased production, employment and export earnings. Nonetheless, it is also acknowledged that the benefits from globalization and liberalization of global trade have been highly skewed, with many developing countries suffering negative gains. Developing countries played a critical role in defining the agenda for the on-going multilateral trade negotiations. These countries were categorical that the Doha Round must have a pro-development agenda in order to ensure that the skewed way in which benefits from multilateralism had been distributed in favour of developed countries was redressed. While developing countries recognize that trade could be an engine of growth and an important driver of development, they have been unable to reap huge benefits from globalization and trade liberalization. Indeed, developing countries has not fared proportionately well in the sharing of benefits even when compared to developed countries.

For many developing countries, the mandate of the Doha Round and its focus on development issues was perceived as an important milestone in efforts to effectively integrate developing countries, and more importantly poorer countries, in the multilateral trading system and global trade. For developing countries, Doha was a qualified success in a number of ways. First, developing countries managed through concerted efforts and creation of negotiating coalitions among groups of developing countries, to ensure that the agenda for the new trade talks would include issues of concern to these countries. Second, developing countries also insisted that the new trade talks would need to address the issue of the interface between "trade" and "development", what has come to be known as the "developmental dimensions" of trade and the multilateral trading system. Accordingly, developing countries were of the view that the Doha mandate needed to address the existing imbalances in the Uruguay Round and WTO Agreements between rights and obligations among WTO Members and also implementation-related issues and concerns. The Doha mandate committed WTO Ministers to try to address some of these issues in the new trade talks[2]. Since Doha, numerous negotiations have been undertaken to reach consensus on new trade agreements within the framework of the Doha Work Programme. The failure of Cancun was indeed a wake-up call for members of the WTO and the adoption of the July 2004 Package was in turn a welcome indication that members were prepared to compromise in order to successfully conclude the current round of trade negotiations. However, recent events once more give cause for concern that significant hurdles

[2] World Trade Organization: Doha WTO Ministerial Declaration on "Implementation Related Issues and Concerns", adopted on 14 November 2001 at Doha, Qatar.

remain before this round can be concluded. The initial progress of the Doha Round was not only slow but the little progress that was made did not give confidence that delivering on development would actually be the overriding concern of the modalities yet to be developed. The commitment to the Doha Declaration and the negotiations mandate was not being translated into action. Developing countries felt that there was backsliding on the commitments that had originally been made to deliver on development. The feeling of the lack of commitment to the Doha mandate and the little progress that was being achieved contributed in part to the failure of the trade talks at Cancun. The conclusion of the Framework Agreement, otherwise known as the July Package in July 2008, was an important development in the negotiations. This agreement managed to re-inject hope in the Doha Round as it moved the negotiations a step forward. The spirit of Doha was re-ignited and developing countries saw some hope that there could be a favourable agreement after all. The Framework Agreement managed to define the principles that should guide the negotiations to ensure that the final modalities would be faithful to the Doha spirit and would deliver on development as defined in the negotiations mandate.

The recent draft Ministerial text submitted by the Chairman of the WTO General Council and the WTO Director general assembles reports already published by the chairmen of the various negotiating groups, adding an overview reaffirming the members "full commitment" to the objectives set out in Doha. In this paper therefore, an attempt is made to assess whether developing countries is likely to benefit from the DDA. WTO members emphasize the central importance of the development dimension and admit that much remains to be done in order to establish modalities and to conclude the negotiations in industrial tariffs where there has been no convergence of views between developed and developing countries. This article proposes a general assessment of the current DDA for developing countries.

The remainder of the paper is organized as follows. After this introduction, Section II presents a general overview of the modalities. Section III underscores the scenarios we have identified to assess the DDA. Section IV presents the CGE framework. Sections V the main conclusions and policy orientations. And Lastly, section VI concludes this paper.

II. Developing positions timelines and the current draft modalities

The current modalities

In this section, we present a summary of the current Doha modalities in each of the key areas under negotiations. In order to understand the current modalities, we indicate the implications of the modalities on focused countries. Negotiations and discussions that took place during the July meetings have been a strong input in arriving at that estimate, particularly as regards square brackets dropped in the section on domestic support and in certain parts of market access. But in these and in other areas, negotiations and discussion subsequent to July has also generated or confirmed that sense. Indeed a considerable part of the time devoted to consultations over the last few weeks has been in checking whether things that might have hypothetically worked in July would still work now. By and large that has been the case, and some other issues have come somewhat closer also since even in July. But, clearly, there is still not formal agreement on any or all of this. Indeed, there is still certain divergence where even the device of square brackets has been dropped, and I have felt it was both instructive and fair to highlight within the text itself a few points where there is still very real divergence (sensitive products being a principal example) or where there is, to say the least, somewhat more heat detectable than on some others (tariff simplification being an example).

Agriculture

The framework established by the July Agreement

Following the launch of the Doha Round, the WTO member countries have recently reached an agreement on a text that establishes the broad outline of a framework. The "July package" is very clear on agricultural issues. Annex A of the text of the "July package" framework agreement shows various progress in the negotiations on the three pillars, which are domestic support, export competition and market access.[3] The most notable aspects of this agreement for developing countries include the eventual elimination of all export subsidies, greater market access under provisions that are still to be negotiated although the figures becomes clearer, a decrease in domestic support measures, the establishment of particular safeguards for developing countries and an exemption on reductions for LDCs.[4]

First pillar: *domestic support*

The text calls for substantial reductions in trade-distorting domestic support. A harmonizing approach that uses a tiered formula will be negotiated. The maximum

[3] While the text recognizes the importance of cotton to the economic development of certain African countries, it refers these trade issues to the agriculture negotiations (Annex A). This is contrary to the demand of the African countries, which had called for the establishment of special conditions to deal with this sector.

[4] For a preliminary evaluation and overview of the agreement, see: Agritrade news update: "the July 31st 2004 WTO Agreements on Agriculture: a critical review"(www.agricta.org); ICTSD, "Agriculture: 'remarkable turn-around' from Cancun". (www.ictsd.org.weekly/04-08-03/story2.htm).

level of support in the blue category will be capped. Reductions will take place using bound rates. The aggregate level of domestic support will be reduced by X per cent following the first year of implementation. To a certain extent all products will be affected by this reduction in domestic support. Developing countries will benefit from S&D treatment by means of less ambitious support reducing targets phased over a longer period. The Doha Declaration proposes "substantial reductions in trade-distorting domestic support". Developing countries will benefit from the S&D treatment by means of less ambitious targets for reducing support measures and a longer implementation period.

Second pillar: export subsidies

The Doha Declaration and the July framework advocate "reduction of, with a view to phasing out, all forms of export subsidies". As a result of the negotiations, the members agree to establish detailed conditions for phasing out all forms of export subsidies and disciplines relating to all export measures that have a similar effect by a feasible deadline (export credits, insurance guarantees). The proposal here is to phase out export subsidies.

Third pillar: *market access*

The July Agreement does establish a kind of tiered formula. The text envisages the existence of a category of "sensitive products" to which lesser reductions could be applied. While the exact conditions of S&D treatment remain to be established, the text does nonetheless allude to proportionality, which would allow developing countries to implement lesser tariff reduction over longer periods of time.[5] For developing countries, the case is made for a number of "special products", meeting the criteria of food security, secure livelihoods and rural development. More flexible treatment could be given to such products under conditions that remain to be established. The text alludes to an eventual limit on tariffs, though this principle remains to be negotiated. For many African countries, the concept of "special product" is a means of self-defence against inexpensive imports and against import subsidies in particular. These "special products" would act as a hedge as those countries open- up considering the adverse impact that a more ambitious liberalization process could have on the vulnerability of their economies and their high dependence on agriculture.

[5] As already indicated, the LDCs will be exempt from all reduction commitments.

All the scenarios to be tested are based on the proposed tiered formula, which belongs to the category of *tiered formulas* and has elements for each pillar. It puts forward linear reductions per tariff band that have a quite similar result to the Swiss formulas. This formula also harmonizes tariff structures but is more flexible and readable than an "ordinary" Swiss formula because a simple adjustment of the bands can greatly change the results of the formula.

Developed country Members shall reduce their final bound tariffs in six equal annual installments over five years in accordance with the following tiered formula:

- where the final bound tariff or *ad valorem* equivalent is greater than 0 and less than or equal to 20 per cent, the reduction shall be 50 per cent;

- where the final bound tariff or *ad valorem* equivalent is greater than 20 per cent and less than or equal to 50 per cent, the reduction shall be 57 per cent;

- where the final bound tariff or *ad valorem* equivalent is greater than 50 per cent and less than or equal to 75 per cent, the reduction shall be 64 per cent; and

- where the final bound tariff or *ad valorem* equivalent is greater than 75 per cent, the reduction shall be 70 per cent.

The minimum average cut on final bound tariffs that a developed country Member shall be required to undertake[6] is 54 per cent. Should application of the tiered formula treatment above, inclusive of the treatment for Sensitive Products as outlined in Section B below and additional cuts made as provided for elsewhere in these modalities relating to tariff escalation and tropical products result in an overall average cut less than 54 per cent, an additional effort shall be made proportionately across all bands to reach that target.

Developing country Members other than those specified in paragraph 0 below shall reduce their final bound tariffs in eleven equal annual instalments over ten years in accordance with the following tiered formula:

- where the final bound tariff or *ad valorem* equivalent is greater than 0 and less than or equal to 30 per cent, the reduction shall be 2/3 of the cut for developed country Members in paragraph above;

[6] i. e. the average of the cuts made.

- where the final bound tariff or *ad valorem* equivalent is greater than 30 per cent and less than or equal to 80 per cent, the reduction shall be 2/3 of the cut for developed country Members in paragraph above;

- where the final bound tariff or *ad valorem* equivalent is greater than 80 per cent and less than or equal to 130 per cent, the reduction shall be 2/3 of the cut for developed country Members in paragraph above; and

- where the final bound tariff or *ad valorem* equivalent is greater than 130 per cent, the reduction shall be 2/3 of the cut for developed country Members in paragraph above.

The maximum overall average cut on final bound tariffs any developing country Member shall be required to undertake[7] as a result of application of this formula inclusive of the treatment for Sensitive Products as outlined in Section B below is 36 per cent. Should the above formula imply an overall average cut of more than 36 per cent[8], the developing country Member shall have the flexibility to apply lesser reductions applied in a proportionate manner across the bands, to keep within such an average level.

Those small, vulnerable economies[9], including those among them which are ceiling binding and homogenously low binding countries, which choose to exercise the option set forth in paragraph 130 below shall be entitled to moderate the cuts specified in paragraph 0 above by a further 10 *ad valorem* percentage points in each band.

Industrial market Access

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[7] i. e. the average of the cuts made.

[8] In the case of Venezuela, this ceiling shall be 30 percent.

[9] The Members concerned are those that meet the criteria set out in paragraph 151 and are listed in Annex I. As is made clear in the Agreed Framework, Small vulnerable economies (SVEs) are not meant to create any sub-category of Members. Bearing that principle in mind, the following Members could also be deemed to be eligible for this treatment, should they choose to avail themselves of it, despite not being members of the SVE Group *per se* given that this treatment could be deemed to be broadly comparably appropriate: Republic of Congo, Côte d'Ivoire and Nigeria (plus other Members that can provide data that show that they meet the criteria in paragraph 147). Additionally, Bolivia shall have access, exceptionally, to treatment equivalent to that provided for in paragraph 142. As an exception, Suriname shall rebind its agricultural tariffs on a line by line basis at the level of the average bound tariff of Antigua and Barbuda, Barbados, Belize, Dominica, Grenada, Guyana, Jamaica, Saint Kitts and Nevis, Saint Lucia, Saint Vincent and the Grenadines and Trinidad and Tobago resulting from these modalities.

Formula and flexibilities

Tariff reductions for industrial products would be made using a "simple Swiss" formula with separate coefficients for developed or for developing country members. But whereas the coefficient for developed members will be the same applicable to all of them, there will be a menu of options for developing members that will apply according to the scale of the flexibilities they choose to use. The lower the coefficient the higher the flexibilities and vice versa. A Swiss formula produces deeper cuts on higher tariffs. (A higher coefficient, as envisaged for developing members, means lower reductions in tariffs).

the so-called Swiss formula has so far been used in tariff negotiations. It was proposed for the first time during the Tokyo Round and was adopted by some developed countries. The formula is defined as follows with α representing a coefficient, t_0 is the initial bound rate and t_1 the final tariff after the reduction.

$$t_1 = \frac{\alpha \times t_0}{\alpha + t_0}$$

This formula has the attribute of being dependent on both the initial tariff and the coefficient α, which can be negotiated. It can be rearranged to make it easily comparable with the other formulas so far proposed. It is clear from the formula that an increase in the value of α causes the tariff reduction rate to fall. The value of the coefficient is decisive for the effectiveness of the formula in terms of tariff rates reduction. (Ben Hammouda, Karingi and Sadni Jallab, 2007)

The Swiss formula leads to percentage reduction rates below those to which a tariff-free linear cut would lead, for some range of tariff rates. This range varies between rates immediately above zero and rates of a given value, and is determined by the corresponding coefficients. Non-linear formulas of the harmonizing type of which the Swiss formula has been the reference since the Tokyo Round of negotiations, have greater impact on low tariffs. They are therefore very efficient in dealing with tariff peaks, limiting the dispersion of a country's tariffs and harmonizing member countries' tariff structures. In the case of developing countries, their application implies stronger commitments than those induced by a linear formula, and is thus heavily criticized by the latter. The Swiss Formula aims at bringing eventually all tariffs in all countries to similar levels, i.e. the harmonization of tariffs at a substantially lower level. For example, if the agreed α coefficient is 10, it means that the new tariff after the reduction will not exceed 10%.

The Chair's draft modalities contain these coefficients: 8 for developed members and 20, 22 and 25 for developing. Therefore not all developing countries applying the formula would apply the same coefficient. The use of the different coefficients would depend on three new options:

A member choosing to apply the lowest coefficient, 20, would be entitled to make smaller or no cuts in 14 percent of its most sensitive industrial tariff lines, provided that these tariff lines do not exceed 16 percent the total value of its NAMA imports. These tariffs would be subject to cuts equal to half of the agreed formula reduction. As an alternative, the member can keep 6,5 percent of its tariff lines unbound or exclude them from tariff cuts, provided they do not exceed 7,5 percent of the total value of its NAMA imports

A member choosing to apply a coefficient of 22 would be entitled to make smaller or no cuts in a smaller number of products: up to 10 percent of its most sensitive industrial tariff lines from the full effect of the formula, provided that these tariff lines do not exceed 10 percent of the total value of its NAMA imports. These tariffs would be subject to cuts equal to half of the agreed formula reduction. As an alternative, the member can keep 5 percent of its tariff lines unbound or exclude them from tariff cuts, provided they do not exceed 5 percent of the total value of its NAMA imports.

A member choosing to apply the highest coefficient, 25, will have to apply it on all its products without exceptions.

The proposed coefficients would mean:

- The maximum tariff in developed countries would be bellow 8 per cent. This would mean that developed countries would have bound tariffs at an average of well below 3 per cent, and tariff peaks below 8 per cent even on their most sensitive products.

- The majority of tariff lines for developing country members applying the formula would be less than 12-14 percent, depending on the coefficient and the flexibilities used. In the developing countries applying the formula, bound tariffs would be at an average of between 11 to 12 per cent, and only a limited number of tariff lines would have levels above 15 per cent.

- The difference between bound rates and those actually applied would be substantially reduced.

- The tariff reductions will be implemented gradually over a period of five years for developed members and ten years for developing members, starting 1 January of the year following the entry into force of the Doha results.

Overall, the approximately 40 members applying the Swiss formula (the others have special provisions) account for close to 90 per cent of world NAMA trade. Among these, four are recently acceded members (RAMs).

The text also contains the following:

A so-called anti-concentration clause, to avoid excluding entire sectors from tariff cuts. A minimum of 20% tariff lines or 9% of the value of imports in each tariff chapter would be subject to the full formula tariff reduction

Country-specific provisions

The text includes precisions for the possible treatment of:

South Africa, Botswana, Lesotho, Namibia and Swaziland, members of the South African Customs Union (SACU). They would have additional flexibilities still to be negotiated. Argentina, Brazil, Paraguay and Uruguay, concerning the calculation of the value of trade limitation affected by the flexibilities. The total value of Brazil's non-agricultural imports would apply. Oman. Because of its status of Recently Acceded Member and membership of the Gulf Cooperation Council, shall not be required to reduce any bound tariff below 5 percent after applying modalities. Other possible country-specific provisions (Argentina and Venezuela) are still under negotiation

Sectors for deeper tariff reduction or elimination

The Chair's text notes that further work is still required in the so-called "sectoral initiative". Some members have been engaged in negotiations which would envisage undertaking deeper tariff reductions in some non-agricultural sectors. There are 14 sectors currently under consideration: Automotive and related parts; Bicycles and related parts; Chemicals; Electronics/Electrical products; Fish and Fish products; Forestry products; Gems and Jewellery products; Raw materials; Sports equipment; Healthcare, pharmaceutical and medical devices; Hand tools; Toys; Textiles, clothing and footwear; and Industrial machinery.

As a result of a successful sector initiative, tariffs in that particular sector would be reduced or even brought down to zero. The chair's text underscores the voluntary nature of the participation in this initiative but mentions that some members want commitment by others on participation in the initiative as a way to balance the overall ambition. There is still no consensus on how and when to define the commitment of members to participate in sectorals without altering the non-mandatory character of these negotiations. Such negotiations would require a "critical mass" of countries joining the initiative for it to take off. After the adoption of the modalities, members choosing to join, would have 45 days to indicate their participation in the negotiations if they have not done so by the establishment of modalities.

Modalities for other developing members (around 75)

The 32 poorest countries (Least-developed countries or LDCs) are exempt from tariff reductions; there are special provisions for approximately 31 SVEs and for 12 developing countries with low levels of binding. As a result, relatively weaker developing economies will retain higher average tariffs and greater flexibility on how they structure their tariff schedules. But they will nevertheless contribute to the negotiations by significantly increasing the number of bindings and reducing "the water" (the difference between bound rates and those actually applied) and binding a high number of their tariffs. Bolivia, Fiji and Gabon are singled out as special cases. There are also proposed solutions for members with preferential access to developed country markets who would see their preferences erode because of the overall tariff reductions. In addition, there are provisions for other developing members who do not enjoy preferential access and would be disproportionably affected by such a solution (Bangladesh, Cambodia, Nepal, Pakistan and Sri Lanka)

Non-tariff barriers (NTBs)

NTBs, restrictive measures unrelated to customs tariffs that governments take (such as technical, sanitary and other grounds), are also part of the negotiation. Proposed legal texts have been submitted by members on some of these measures, and are compiled in the Chair's text. The Chair noted that a decision on whether these proposals move forward to a text-based negotiation would need to be taken at the time of final modalities.

III The model and the aggregation

The analysis of trade policy presupposes a consideration of the implications of the policy instruments for the production structure of the economy at the national and global levels. Trade policy instruments such as customs duties and quotas have direct and indirect effects on the relative prices of the goods produced in a given country. Just as the composition of goods and services produced in a country varies, the factor demand also varies. Consequently, it is not easy, for a given economy, to envisage a change in trade policy that affects only one sector. Various intersectoral factors and their relative weight in a given economy will always mean that the relative weight of the individual sectors will vary. This, by extension, affects the relative composition of the various factors of production by sector.

Sub-Saharan Africa would also gain more from the application of a linear formula with S&D and tariff reduction in specific sectors resulting from a change in trade policy by one or more countries. The general equilibrium model provides an analytical framework, which makes it possible to factor in the changes in production structure within and between sectors, and by extension the demand curves by factor of production. However, these models are necessarily limited in scope, and particularly the static models, which do not take into account the dynamic effects, brought about by a change in trade policy. A global trade analysis project (GTAP) model is a case in point. GTAP is a multi-regional general calculable equilibrium (GCE) model devised for static-comparative analysis of trade policy issues (Adams et al. 1997). It is now possible to pose dynamic versions of this model. It can be used to capture the effect of a trade policy shift, at the national bilateral or multilateral level, on production, factor utilization, volume of trade, and the induced welfare distribution between countries.

The model used for this study is a simplified version of the GTAP model[7] (Hertel, 1997). The multi-regional and static general equilibrium model proceeds on the assumption that there is perfect competition and constant returns to scale. It reflects bilateral trade flows, international transport margins, and levels of protection on imports by country and by sector. The GTAP model thus makes it possible to gauge production, consumption, trade and welfare patterns, which are determined by external shocks, and in particular, those linked to trade, such as changes in the cost of commercial operations.

3.1 Production

In a given country and sector, producers offer a product on the domestic or external market. The output is assumed to be without any returns to scale, and production is realized by using five factors, namely, skilled labour, non-skilled labour, capital, land, and natural resources, as well as intermediate goods and services. The intermediate-

[7] A complete description can be found in Hertel (1997).

consumption level used is assumed to be proportional to the level of production. With an Armington formulation (Armington, 1969), intermediate consumption is an aggregate of local and external variations. Producers are thus able to minimize the factor costs on inputs under the production constraints, described in Leontief's formula, between intermediate consumption and value added. The different markets are taken to be in pure and perfect competition.

3.2 Final demand

The standard GTAP version makes a distinction between public-sector demand and private-sector demand. The income available is allocated between final consumption and saving. In keeping with GTAP, it is assumed that a fixed portion of income is allocated to savings. The regional economic actor maximizes the welfare function by making a distinction between local goods and foreign goods along the lines of Armington's hypothesis, and breaks down consumption by sector along the lines of the CES function.

3.3 Bilateral trade

For each region, there are two types of imports, namely, final goods and intermediate goods[8]. Aggregate imports are the sum of those two components. The aggregate is a CES function of imports from all trading partners. Bilateral trade flows are subject to two kinds of taxes, i.e. export levies and customs duties, and incur transport costs. The cost of transport is taken to be proportional to the trade volume. The transport sector is taken to be a service sector in perfect competition of all producers in each region with an Armington specification and a substitution elasticity of "1". The import level of a given product from a given country in a given region is then determined through minimization of the import cost at f.o.b. rates.

3.4. Aggregation and the data

The GTAP model is used in conjunction with the GTAP database. For this study, we have adopted the latest version 7 of the database, which incorporates the MacMap

[8] There are three in the GTAP model, including public goods.

database[9]. The base year for this version is 2004 and the version identifies **113 regions, 57 sectors** and 5 factors of production.

For each individual or composite region (country or aggregate of countries), there are 57 sectors, which have data in the overall GTAP database. Not all countries are treated individually in GTAP. However, in order to ensure overall macroeconomic consistency, the database encompasses each of the economies worldwide. These are either treated individually or form part of a regional composite. Unfortunately few African countries are individually disaggregated in version 6 of the database. Most developing countries are treated as part of a regional aggregate. Bilateral trade data are an important component of the GTAP database. It is these bilateral trade flows that transmit trade policy and growth-related shocks from one country to another. Bilateral trade is also very relevant to the terms of trade. The global bilateral trade data are drawn from United Nations COMTRADE data. This is complemented by information on different countries' global trade or with aggregate bilateral trade statistics such as those of IMF, FAO and the World Bank.

Another main component of the GTAP database is the protection data set. These data are both explicit and implicit. They are explicit in the sense that tariff revenues or export revenues can be drawn from them, and they are implicit in that bilateral trade data are available at market rates as well as at the global rates. The MacMaps database provides for each importing country and each producer (by tariff line) a means of determining five ad valorem equivalents corresponding to the five instruments contained in the database, namely, ad valorem customs duties, specific tariffs, prohibitions, tariff quotas and antidumping laws.

For the present study, 113 regions have been aggregated into nine subregions with the various included African countries, and 27 sectors have been identified.

IV. How far have the developing countries benefited from the Doha Round?

Under finalization

In this section, the paper complements the empirical investigation in the previous section by a closer look at how the LDCs have benefited from the Doha Round through the duty-free quota-free market access agreed during the Hong Kong WTO

[9] Bouet and Ali (2002) provide a more detailed explanation.

Ministerial Conference of 2005. The question is to be answered in two stages. First, the paper will look at how the special and differential treatment operationalisation has been pursued to this point in the Doha Round. Secondly, the paper will analyse how the developed and the advanced developing countries have responded to the duty-free quota-free market access agreement since 2005. The export supply response of the LDCs vis-à-vis the DFQF market access will be also be analysed.

V. Policy implications and what more could developing countries do to enhance its participation in WTO negotiations process?

Under finalization

Based on the qualitative and quantitative analysis in the foregoing sections, the paper will conclude by identifying where divergence and convergence occur given the various negotiating positions of developing countries. This will enable the paper to conclude in which area the developing countries need to do more in order to enhance its participation in the WTO negotiations process.

VI. Conclusion

Under finalization