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Is international trade fair?  
the case of access to Asian  
agricultural markets

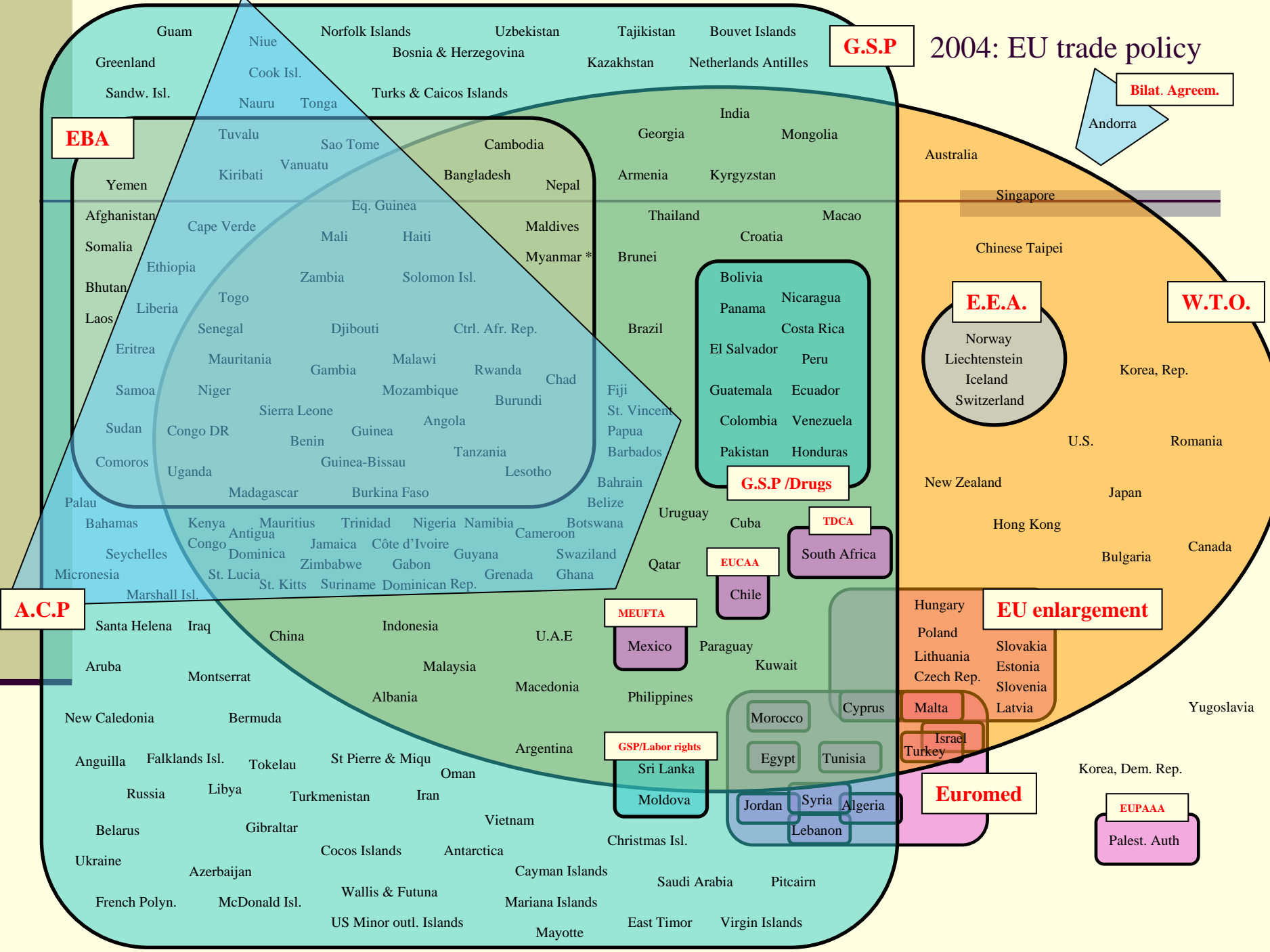
Antoine Bouet (IFPRI)

# Is international trade fair?

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- Traditional view on world protection: exports of DVGs countries (agriculture; textile-apparel) are more taxed than exports of Dvds countries
- It supports the idea that trade liberalization is development friendly
- But preferential schemes...

# 2004: EU trade policy



**EBA**

**G.S.P**

**A.C.P**

**G.S.P/Drugs**

**E.E.A.**

**W.T.O.**

**MEUFTA**

**EUCAA**

**TDCA**

**EU enlargement**

**GSP/Labor rights**

**Morocco**

**Egypt**

**Tunisia**

**Jordan**

**Syria**

**Algeria**

**Lebanon**

**Euromed**

**EUPAAA**

**Palest. Auth**

**Bilat. Agreem.**

Andorra

Australia

Singapore

Chinese Taipei

Norway  
Liechtenstein  
Iceland  
Switzerland

Korea, Rep.

U.S.

Romania

New Zealand

Japan

Hong Kong

Bulgaria

Canada

Hungary

Poland

Lithuania

Czech Rep.

Slovakia

Estonia

Slovenia

Latvia

Malta

Israel

Turkey

Yugoslavia

Korea, Dem. Rep.

Guam

Niue

Norfolk Islands

Uzbekistan

Tajikistan

Bouvet Islands

Greenland

Cook Isl.

Bosnia & Herzegovina

Kazakhstan

Netherlands Antilles

Sandw. Isl.

Nauru

Tonga

Turks & Caicos Islands

Tuvalu

Sao Tome

Cambodia

Georgia

India

Mongolia

Yemen

Kiribati

Vanuatu

Bangladesh

Nepal

Armenia

Kyrgyzstan

Afghanistan

Cape Verde

Eq. Guinea

Maldives

Thailand

Macao

Somalia

Ethiopia

Mali

Haiti

Myanmar\*

Brunei

Croatia

Bhutan

Liberia

Togo

Zambia

Solomon Isl.

Brazil

Laos

Senegal

Djibouti

Ctrl. Afr. Rep.

Uruguay

Cuba

Costa Rica

Eritrea

Mauritania

Gambia

Malawi

Rwanda

Chad

Guatemala

Ecuador

Samoa

Niger

Sierra Leone

Mozambique

Angola

Burundi

Fiji

St. Vincent

Papua

Sudan

Congo DR

Benin

Guinea

Guinea-Bissau

Tanzania

Lesotho

Bahrain

Belize

Comoros

Uganda

Madagascar

Burkina Faso

Botswana

Uruguay

Cuba

Palau

Bahamas

Kenya

Mauritius

Trinidad

Nigeria

Namibia

Botswana

Seychelles

Congo

Antigua

Jamaica

Côte d'Ivoire

Guyana

Cameroon

Qatar

Chile

Micronesia

St. Lucia

St. Kitts

Suriname

Dominican Rep.

Grenada

Ghana

Santa Helena

Iraq

China

Indonesia

U.A.E

Aruba

Montserrat

Albania

Macedonia

Philippines

New Caledonia

Bermuda

Argentina

Morocco

Cyprus

Anguilla

Falklands Isl.

Tokelau

St Pierre & Miqu

Oman

Sri Lanka

Russia

Libya

Turkmenistan

Iran

Moldova

Belarus

Gibraltar

Cocos Islands

Antarctica

Jordan

Syria

Algeria

Ukraine

Azerbaijan

Cayman Islands

Saudi Arabia

Lebanon

French Polyn.

McDonaldsl. Isl.

Wallis & Futuna

Mariana Islands

East Timor

Virgin Islands

US Minor outl. Islands

Mayotte

East Timor

Virgin Islands

Korea, Dem. Rep.

Palest. Auth



# Is international trade fair?

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- Measuring the extent of trade preferences
  - Methodological problems: until 2004 no database on market access with all preferences and all regional agreements
  - MacMaps: database on market access
    - All trade preferences and regional agreements are included
    - It measures market access for 165 reporting countries, 208 partners and 5111 products.
    - It includes *ad valorem* tariffs, specific duties, mixed tariffs and tariff rate quotas by calculating *Ad Valorem Equivalent*
    - The weighing scheme reflects intensity of trade flows, but avoids the endogeneity bias

# Is international trade fair?

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- Measuring the access to foreign markets
  - Average duty faced on global exports: from 0.3% (Congo DR) to 26.7% (Guyana)
  - Average duty faced on agricultural exports: from 0.3% (Equatorial Guinea) to 87% (Guyana)
  - Average duty faced on exports higher on agric. products (World: 19.1% vs. 4.6% for industrial products)
  - There is no systematic discrimination against a group of countries
- Measuring the extent of trade preferences
  - These national differences reflect a composition effect and a trade preference effect
  - Preferences, very often just a compensation

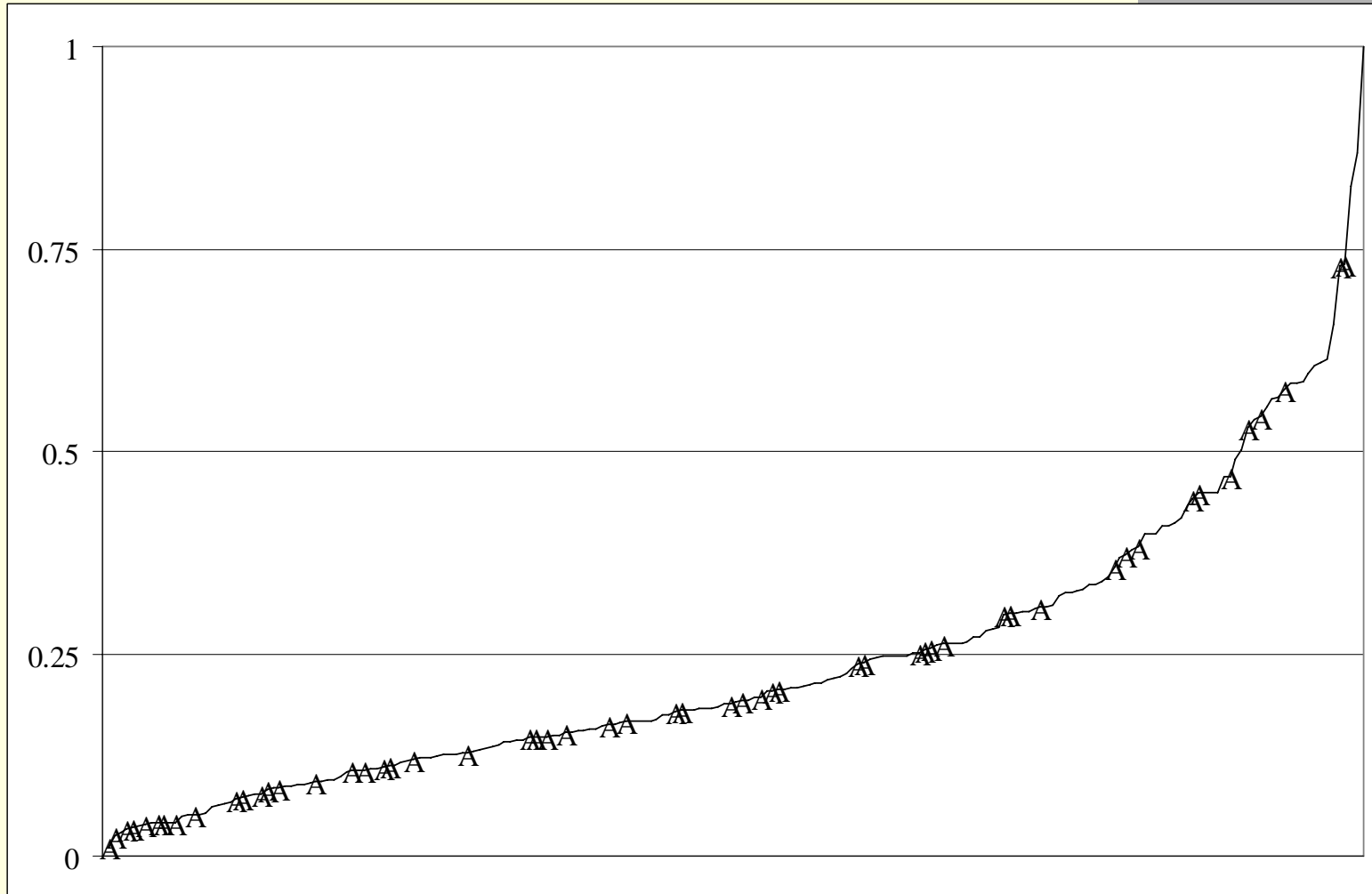
# Is international trade fair?

Average duty faced on exports, by group of countries

	<i>Global</i>	<i>Agriculture</i>	<i>Industry</i>	<i>Primary</i>
World	5.5	17.6	4.4	3.3
Africa	4.6	13.9	4.6	1.6
America	5.6	18.6	4.1	1.3
Asia	5.5	17	5.4	1.3
Europe	5.3	16.5	4.5	1.2
Pacific	10	28.2	4.5	2.2
LDC	4.4	10.7	4.8	1.4
MIC	5.5	18.1	5.2	1.4
OECD	5.5	17.7	4.5	1.3

# Is international trade fair?

World distribution of average duty faced on exports and ranking of African countries - Global

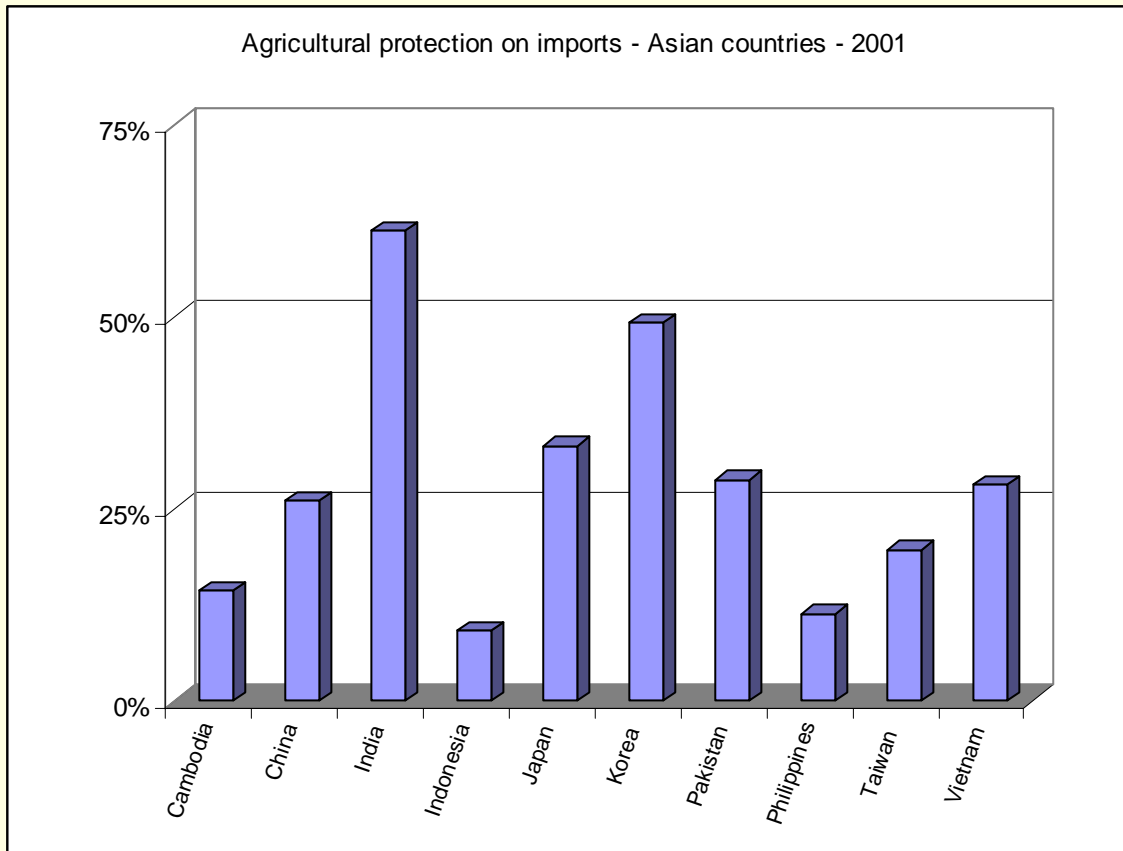


# The role of Asia in unfair agricultural trade

## Applied duty on imports, by group of countries

<i>Country/zone</i>	<i>Global</i>	<i>Agriculture</i>	<i>Industry</i>	<i>Primary</i>
<b><i>World</i></b>	<b>5.5%</b>	<b>17.8%</b>	<b>4.7%</b>	<b>1.4%</b>
<i>Africa</i>	16.4%	26.0%	15.6%	8.5%
<i>America</i>	4.3%	10.0%	4.0%	1.6%
<i>Asia</i>	8.2%	24.2%	7.0%	2.4%
<i>Europe</i>	3.6%	18.6%	2.6%	0.2%
<i>Pacific</i>	4.8%	3.5%	5.0%	3.8%
<i>LDC</i>	13.5%	17.8%	12.6%	12.8%
<i>MIC</i>	9.0%	21.5%	8.9%	3.9%
<i>OECD</i>	3.5%	15.7%	2.6%	0.4%

# The role of Asia in unfair agricultural trade



# Concluding remarks

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- World protection is particularly unfair
- It comes from the concentration of protection on meat, dairy products, sugar, cereals...
- It is partially compensated by preferential schemes (with a very differentiated impact by country)
- SPS and technical barriers amplify this point
- Asian countries are greatly responsible...
  - Very high agricultural tariffs
  - Small preferences