

The Global Economic Crisis, Contemporary Protectionism, and Least Developed Countries (LDCs)

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LIST OF ACRONYMS

AD	<i>Anti-dumping</i>
AfT	<i>Aid for Trade</i>
CEPR	<i>Center for Economic and Policy Research</i>
CVD	<i>Customs Duty</i>
CPCprov	<i>Provisional Central Product Classification</i>
EIF	<i>Enhanced Integrated Framework</i>
EU	<i>European Union</i>
G8	<i>The Group of Eight (A forum for the governments of eight major economies: Canada, France, Germany, Italy, Japan, Russia, the United Kingdom, and the United States)</i>
G20	<i>The Group of Twenty is a group of finance ministers and central bank governors from 20 major economies:</i>
GATT	<i>General Agreement on Tariffs and Trade</i>
GDP	<i>Gross Domestic Product</i>
GTA	<i>Global Trade Alert</i>
HS	<i>Harmonized System</i>
IMF	<i>International Monetary Fund</i>
ITC	<i>International Trade Center</i>
LDC	<i>Least Developed Country</i>
LDCs	<i>Least Developed Countries</i>
MILE	<i>Master of International Law and Economics</i>
NTB	<i>Non Tariff Barriers</i>
RMG	<i>Ready Made Garments</i>
S&D	<i>Special and differential treatment</i>
SPS	<i>Sanitary and Phytosanitary</i>
TBT	<i>Technical Barriers to Trade</i>
TPR	<i>Trade Policy Review</i>
UN	<i>United Nations</i>
UNCTAD	<i>United Nations Conference on Trade and Development</i>

UNCTADSTAT	<i>Statistical database of UNCTAD</i>
WEO	<i>World Economic Outlook</i>
WTI	<i>World Trade Institute</i>
WTO	<i>World Trade Organization</i>

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DECLARATION

This master thesis has been written in partial fulfillment of the Master of International Law and Economics (MILE) Programme at the World Trade Institute (WTI). The ideas and opinions expressed in this paper are made independently, represent my own views and are based on my own research. I confirm that this work is my own and has not been submitted for academic credit in any other subject or course. I have acknowledged all material and sources used in this paper.

ABSTRACT

The thesis paper investigates how the Least Developed Countries (LDCs) were affected by new trade restrictive discriminatory state measures during and after the global financial and economic crisis. It reveals that the treatment towards LDCs by crisis-era and post-crisis protectionism was not an exception and the ‘murkier forms’ of discrimination is also the most prevalent trade policy instruments used to discriminate against LDCs commercial interests. While ‘tariff measures’ were most common single source of discrimination to the LDCs, contrary to the global trend, increased use of ‘export taxes and restriction’ become as a major cause of concern for this group of countries. Manufacturing sector of LDCs, particularly machinery and equipments, was most vulnerable to crisis-era protectionism, which reflected in the fact that the highest number of trade restrictive interventions were targeted towards mix exporters and manufacturing exporters LDCs. While no LDC escaped unhurt by contemporary state protectionism, Asian LDCs, particularly Bangladesh’s commercial interests have been hit very hard by state discriminatory policies. G20 members were found to be responsible for implementing majority of discriminatory measures hurting LDCs commerce. Strong economic recovery during 2010 help governments to resist protectionist pressure, though failed to refrain erection of new trade restrictive state measures. Slowing and uneven global activity and macroeconomic uncertainty in 2011 reflected in the state policy responses through imposition of increasing trade restrictive interventions. This study reveals clear signal of resurgence of another wave of state protectionism globally, and targeted towards LDCs as well.

KEYWORDS: RECENT ECONOMIC CRISIS, TRADE, PROTECTIONISM, LEAST DEVELOPED COUNTRIES (LDCs)

CHAPTER ONE

INTRODUCTION

1.1 BACKGROUND AND MOTIVATION

As an aftermath of the recent global economic and financial crisis, the incidences of widespread protectionism were manifested around the world, even though not to the extent of 1930s, thanks to the more integrated global economy. There are competing views among the experts regarding the extent and impact of crisis-era and post crisis protectionism, mainly because of the unconventional and ‘murky’¹ nature of newly introduced trade barriers and hence not easily quantifiable. However, both the latest reports, one is the European Commission’s Eighth Report on Potentially Trade Restrictive Measures in October 2011 and another is the WTO report to the Trade Policy Review Body from the DG on trade-related developments in June 2011, admitted that border closing trade restrictions in past six months had increased significantly, particularly compared to the previous periods.²

After quite encouraging trade performance in 2010, slowing global activity, uneven expansion and renewed financial instability negatively affected economic recovery in 2011, more particularly in the last quarter. Several risk factors including sovereign debt problems especially in Europe, delayed US economic recovery, rising commodity prices, natural disaster in Japan and political turmoil in major oil exporting countries clouded the outlook of world trade in 2011. This uncertainty and falling confidence about economic

¹ Term first used to describe crisis-era protectionism by Richard Baldwin and Simon J. Evenett in “*The collapse of global trade, murky protectionism, and the crisis: Recommendations for the G20*”, VoxEU.org Publication, 2009 Available at: <http://www.voxeu.org/index.php?q=node/3199>

² European Commission, ‘Eighth Report on Potentially Trade Restrictive Measures, October 2010-September 2011’, 19 October 2011; and WTO report to the Trade Policy Review Body from the DG on trade-related developments (WT/TPR/OV/W/5/Rev.1*), 7 September 2011

recovery coupled with unacceptably high unemployment rates and fiscal tightening in developed economies quickly reflected in the states policy responses through rising protectionist pressures.

Although newly industrialized and developing emerging market economies are most often burdened by the rising protectionist waves; the poorest segment of the world, termed as LDCs by the United Nations based on the internal and external vulnerabilities of those economies are widely affected as well.

1.2 STATEMENT OF THE PROBLEM

Data on state protectionism reveals that the treatment towards LDCs by the crisis-era discriminatory interventions was not an exception to other nations and their commercial interests were similarly harmed by the border closing state measures implemented in response to the recent economic downturn.³ Although, in July 2011 at the third global review of Aid for Trade, WTO Director General Pascal Lamy admired Aid for Trade initiative, directed towards trade capacity building of developing and least developed countries, as ‘encouraging’ for 60 percent increase in resources and positive impact on the ground; and the UN Secretary-General Ban Ki-moon referred that Aid for Trade (AfT) is ‘transcending artificial boundaries’.⁴ Additionally, the International community has repeatedly re-uttered their commitment to facilitate the LDCs to mainstream into the global trade regime with the conviction that trade could act as the engine of their growth and sustainable development. Multilateral trade regime allowed Special and Differential (S&D) market access opportunity to the LDCs and United Nations (UN) through the adoption of Goal 8, targeted to build global partnership, have been given greater focus to better integrate them into the global system.⁵ These expose controversial and contradictory aid and other policies of many governments towards the development and commercial interest of developing and least developed countries.

³ Evenett, Simon J., “The harm done to the commercial interests of the LDCs: what role of the G20?” In: Evenett, Simon J. (2010) (ed). *Tensions Contained... For Now: The 8th GTA Report*. London: CEPR., November 2010

⁴ Speech by Director-General Pascal Lamy in closing the Third Global Review of Aid for Trade on 19 July 2011; available at http://www.wto.org/english/news_e/sppl_e/sppl201_e.htm

⁵ Mikic, M., *Crisis-era state measures and Asia-Pacific economies*. In: Simon J. Evenett (ed.) *The unrelenting pressure of protectionism: The 3rd GTA report*. London: CEPR., 2009

In particular, the lack of coherence of many governments' policies towards LDCs has worsened during and after the recent financial crisis. This is clearly visible by the nature and extent of the border closing discriminatory measures hurting LDCs, the poorest countries on the Earth with the lowest per capita income and extreme and widespread poverty. World economic leaders repeatedly pledge in different global forums to ensure their supportive policies towards the economic development of LDCs and helping to enhance their trade capacity through AfT, Enhanced Integrated Framework (EIF) and other trade facilitation initiatives, in one hand; again implemented various trade restrictive measures raising barriers against products from those poor countries, on the other.

While all countries have been hit, definitely on a varying scale, by the crisis-era and post-crisis state protectionism, the harm done to LDCs was relatively tougher because of their inbuilt structural weaknesses and least capacity to adjust to such external shocks. The LDCs are predominantly vulnerable to the rising state protectionism due to their weak economic conditions, narrow export basket with high dependence on primary commodities as exportable and limited capacity to diversify. Any changes in the rules of the game of competition- here through imposition of state protectionist measures- hit the manufacturing sectors of the LDCs particularly hard because of their infancy, limited backward linkage supply capacity and lack of competitiveness in internal and external markets.

1.3 RESEARCH OBJECTIVES AND QUESTIONS

The objective of the study is to review crisis-era and post-crisis protectionist measures and identify those affected the commercial interests of the LDCs. It is desirable to analyze all governments' trade restrictive policy instruments initiated against the LDCs, whether implemented or in the pipeline, to determine the nature and extent of injury done by such restrictive state interventions and make a comparison with the global trend where appropriate. Investigation on the protectionist pressure targeted towards LDCs also provides a unique opportunity to study the contradictory governments' aid and commercial policies designed to address LDCs development needs. From these broad

objectives few pertinent research questions are derived, which are addressed in the subsequent chapter.

1. What is the comparative scenario of crisis-era and post crisis protectionism targeted towards LDCs vis-à-vis World including their distribution over different time period?
2. What are the forms of discrimination mostly used against LDCs commercial interests by its trading partner?
3. Which economic sectors of LDCs are targeted most often by contemporary protectionism?
4. Which country groups and individual jurisdictions are responsible for hurting LDCs commercial interests?
5. Which LDC groups and individual LDCs are most vulnerable to contemporary state protectionism?
6. What is the future indication for protectionist pressures targeted towards LDCs?

1.4 METHODOLOGY AND DATA

The methodology of this study has employed a three-pronged approach. *First*, a comprehensive review of the relevant literature, monitoring reports and studies on the recent economic crisis, states trade protectionist interventions during previous and recent crisis has set up an understanding of economic crisis and states restrictive behaviors in response to such crisis and theoretical framework for evaluating crisis-era protectionism affecting a specific group of countries, the LDCs in this case. An additional outcome of this review was taking account of trade performances of the LDCs during the crisis. The *second* approach has involved collection of data to identify and analyze newly erected trade measures during and after the crisis targeted towards the commercial interest of the LDCs. The *third* and final approach has included cleaning and analyzing the collected data, identifying country specific measures and evaluating the harm done to the targeted group of countries as a whole and also most affected individual LDCs. It has also included identifying the nature and forms of crisis-era trade protectionist measures

affecting the LDCs commerce as well as the countries and group of countries inflicting most harm to this poorest section of the world.

The Data

The aim of this study is to analyze how the contemporary trade protectionism has adversely modified the trade regime and hurt the commercial interest of the LDCs. For practical reason, the study has collected data from various secondary data sources. List of LDCs and their structural and geographical classification obtained from UNTAD. Data on the contemporary trade protectionist measures has been collected from GTA database.

BOX 1: CLASSIFICATIONS USED IN THE STUDY

Least developed countries*

In this Report the least developed countries (LDCs) refers to the group 49 countries termed by the United Nations. They are classified according to the classification used by UNCTAD combination of geographical/structural criteria and export specialization, as follows:

Geographical/structural classification

African LDCs and Haiti: Angola, Benin, Burkina Faso, Burundi, Central African Republic, Chad, Democratic Republic of the Congo, Djibouti, Equatorial Guinea, Eritrea, Ethiopia, Gambia, Guinea, Guinea-Bissau, Haiti, Lesotho, Liberia, Madagascar, Malawi, Mali, Mauritania, Mozambique, Niger, Rwanda, Senegal, Sierra Leone, Somalia, Sudan, Togo, Uganda, United Republic of Tanzania, Zambia.

Asian LDCs: Afghanistan, Bangladesh, Bhutan, Cambodia, Lao People's Democratic Republic, Myanmar, Nepal, Yemen.

Island LDCs: Comoros, Kiribati, Maldives, Samoa, Sao Tome and Principe, Solomon Islands, Timor-Leste, Tuvalu, Vanuatu

Export specialization

Agricultural exporters: Afghanistan, Benin, Burkina Faso, Guinea-Bissau, Kiribati, Liberia, Malawi, Solomon Islands, Somalia, Tuvalu, Uganda.

Manufactures exporters: Bangladesh, Bhutan, Cambodia, Haiti, Lesotho, Nepal.

Mineral exporters: Burundi, Central African Republic, Democratic Republic of the Congo, Guinea, Mali, Mauritania, Mozambique, Niger, Sierra Leone, Zambia.

Mixed exporters: Lao People's Democratic Republic, Madagascar, Myanmar, Senegal, Togo.

Oil (fuel) exporters: Angola, Chad, Equatorial Guinea, Sudan, Timor-Leste, Yemen.

Services exporters: Comoros, Djibouti, Eritrea, Ethiopia, Gambia, Maldives, Rwanda, Samoa, Sao Tome and Principe, United Republic of Tanzania, Vanuatu.

Explanation of GTA classification of different types of Protectionist Measures**

▲ ▲ ▲ Refers to the following classifications as per GTA evaluation

- ▲ Red The measure has been implemented and *almost certainly* discriminates against foreign commercial interests.
- (i) The measure has been implemented and may involve discrimination against foreign commercial interests; OR
- (ii) The measure has been announced or is under consideration and would (if implemented) almost certainly involve discrimination against foreign commercial interests.
- ▲ Amber

- (i) The measure has been announced and involves liberalisation on a non-discriminatory (i.e., most favoured nation) basis; OR

* Least Developed Countries Report, 2010, p.xv, UNCTAD, Geneva. (Note: Cape Verde and Maldives both were kept as LDCs in the GTA List. However, Cape Verde graduated in 2007, before the investigation period and therefore excluded from the study. Maldives graduated in 1 January 2011. However, as the country was in the LDCs list for the significant period under investigation, here Maldives considered as an LDC in this study.)

**Official Website of Global Trade Alert, available at <http://www.globaltradealert.org>

GTA provides real-time information on state measures taken during the current global downturn that are likely to discriminate against foreign commercial interest. It goes beyond other monitoring initiatives by identifying the trading partners likely to be harmed by these measures. GTA maintains an extensive and searchable database of state trade measures enforced since the first crisis related G20 summit in November 2008 and so far published nine reports analyzing trade measures taken in response to the crisis.⁶ The economic and trade data have been collected from UNCTAD official database UNCTADSTAT, IMF World Economic Outlook (WEO) and International Trade Centre (ITC).

1.5 ORGANISATION OF THE PAPER

This paper provides a snapshot of state protectionism targeting the commercial interests of the LDCs following financial and economic crisis in 2007-08. It particularly analyzed the trade distorting measures published in GTA database and identified measures that discriminate against LDCs commercial interest. The present work is structured in four chapters; the first one introduces the problem, describes the origins of the study and details the methodology and data used in the Study. The following chapter (Chapter two)

⁶ Global Trade Alert database is accessible and downloadable at <http://www.globaltradealert.org>

spots light on the ongoing debate on contemporary protectionism and trade performance of the LDCs during and after the crisis. Chapter three examines the state protectionist measures published in GTA database, identified those affecting LDC and compared with the global trend. It analyzed the trade protectionism from different dimensions to understand the harm done by contemporary protectionism to the commercial interests of the LDCs. Chapter four disseminates country-by-country reports on the ten most frequently affected LDCs by contemporary protectionism. The final Chapter concludes a synthesis of results generated from the analysis and endeavors to devise some recommendations for policymakers.

CHAPTER TWO

THE RECENT ECONOMIC CRISIS, PROTECTIONISM AND TRADE PERFORMANCES OF THE LDCs

2.1 THE RECENT FINANCIAL AND ECONOMIC CRISIS

There is no disagreement among the policy makers that the recent economic crisis followed by the Lehman Brothers collapse and its consequences on the financial markets in 2008 was unprecedented since the Great Depression of 1930s, some even advanced further and termed the disaster ‘the worst financial crisis’ in human history. The concern of this smaller group is not totally baseless. While some countries had faced fierce economic slowdown after the First World War, the recent crisis quickly spread worldwide, understandably because of today’s highly integrated global economy, and some economic indicators in 2009 were even inferior compared to the Great Depression. At the beginning of the current recession, the chaos created by the subprime crisis was mainly confined to the financial sector, but quickly transmitted to very highly interdependent international trade, finance and business operation.

Data from IMF showed that global output grew by 5.4 percent and 3.0 percent in 2007 and 2008 respectively, while contracted by 0.7 percent in 2009.⁷ However, the crisis-induced collapse of trade is much steeper and rapid. While IMF calculated that the trade

⁷ International Monetary Fund, World Economic Outlook Database, September 2011

volume declined by 10.7 percent in 2009, the WTO accounted 12 percent drop in that period.⁸ In five months, from September 2008 to January 2009, world trade volume contracted by 17.5 percent, which is termed as ‘Great Trade Collapse’.⁹

Global output and trade flows had started to recover from mid-2009 and particularly world trade rebounded strongly in 2010. The global output grew by 3.6 percent in 2010, while global trade recorded highest ever annual growth as world merchandise exports in volume term¹⁰ surged by 14.5 percent and world imports grew by 13.5 percent, this inconsistency mainly because of systemic error or difference in data recording across countries. Both the sudden and steeper fall during the crisis and robust recovery of world trade compared to output actually influenced by the worldwide global supply chains and product compositional effects. Trade finance, which dried up severely during the crisis and rebounded later, to some extent, supported by various fiscal stimulus measures in many countries also contributed to these steeper ups and downs of world trade volume. The strong growth of global trade flows, highest since 1950, was strong enough to bounce back to its pre-crisis level, although failed to bring back itself on its long-term growth path.¹¹

2.2 SPREAD OF PROTECTIONISM DURING AND AFTER THE CRISIS

One of the pressing features of recent economic downturn was the sudden collapse of international trade. The steeper drop of global trade volume between the third quarter of 2008 and the first quarter of 2009 spread the fear of outbreak of protectionism across the world as it experienced in the Great Depressions in the 1870s and in the 1930s. The crises in 1970s and 1980s were accompanied by a rise in the use of various restrictive state measures. Though protectionist pressures following the recent crisis is now well

⁸ WTO (2011) World Trade Report 2011, The WTO and preferential trade agreements: From co-existence to coherence, Geneva: WTO.

⁹ Rob Gregory & Christian Henn & Brad McDonald & Mika Saito, 2010. "Trade And The Crisis: Protect Or Recover," Journal of International Commerce, Economics and Policy (JICEP), World Scientific Publishing Co. Pte. Ltd., vol. 1(02), pages 165-181.

¹⁰ Note: i.e. excluding the influence of prices and exchange rates

¹¹ WTO (2011) World Trade Report 2011, The WTO and preferential trade agreements: From co-existence to coherence, Geneva: WTO. WTO (2011) World Trade Report 2011, The WTO and preferential trade agreements: From co-existence to coherence, Geneva: WTO.

documented and that, in no doubt, adversely affected international trade, policy makers agreed, to some extent, that the ‘Great Trade Collapse’ was not due to the states *beggar-thy-neighbour* trade policies.¹²

Since 1817, following David Ricardo’s famous demonstration of the ‘gains from free trade’ in his *‘Principles of Political Economy and Taxation’*, numerous analyses have confirmed the positive outcomes of free trade. However, protectionist trade policies were there and still exist, though much liberalized as the international trade regime has been institutionalized, first through the creation the GATT and then through the WTO. Empirical evidence showed that economic crisis actually act against trade liberalization and provoke protectionist pressure through trade restrictive and retaliatory measures. The onset of the recent economic crisis and the sudden drop of world trade volume also raised economy wide consciousness to monitor and counter act against resurgent of protectionism.

In response to this worldwide apprehension about the outburst of restrictive trade policies following the economic crisis, a number of organizations started to monitor newly erected trade barriers in the world economy during and post-crisis period. There is common agreement that these close and continued vigilance along with largely institutionalized trade regime helped to resist the spread of large-scale protectionism. However, available data show that the economic crisis provoked governments to introduce new trade restrictions in response to the collapse of international trade just after the onset of the economic downturn. This protectionist pressure begun to decline along with trade recovery in 2010, but unfortunately, stalled economic recovery and uncertain financial regime in many parts of the world in 2011 again signaling rise in the state protectionist behaviors.

From the onset of the recent crisis, the Director-General of WTO reports regularly on trade-related developments to its Trade Policy Review Body. The latest WTO report on new trade measures in the period from mid-October 2010 to end-April 2011, first published in June 2011 and then revised in September 2011, reveals that “trade

¹² Baldwin, R. and Simon J. Evenett in *“The collapse of global trade, murky protectionism, and the crisis: Recommendations for the G20”*, VoxEU.org Publication, 2009, Available at: <http://www.voxeu.org/index.php?q=node/3199>

restrictions taken by WTO Members and Observer Governments over the past six months have become more pronounced than in previous periods”. During this period under surveillance, most Member and Observers implemented new trade distorting state measures (both export and import measures) and the numbers reveal that the declining trend in protectionism during the previous monitoring period along with quick recovery of international trade seems weekend as the global economy has been again affected by adverse macroeconomics in 2011. Table 2.1 shows that 184 new protectionist measures were inflicted during the six months under observation compared to 222 new measures over the preceding one year. However, according to the WTO Secretariat calculation newly imposed import restrictive measures including trade remedy investigations, affected 0.53 percent of total merchandise trade, which was less than 0.80 percent during the previous six months period. While trade remedy measures were the most used discriminatory tools in previous period, border measures were initiated in the majority of the cases, 42 percent among the total, in recent observed period. Trade remedy (36 percent) and export restrictions (16 percent) were the other two most frequently used tools to discriminate against foreign commercial interest.

Table 2.1: Trade protectionist measures during and post-crisis period reported by the WTO Secretariat

Type of protectionist measure	October 2008 to October 2009	November 2009 to mid-October 2010	Mid-October 2010 to April 2011
Trade remedy	184	122	66
Border	105	62	78
Export	20	25	30
Other	15	13	10
Total	324	222	184

Source: WTO document WT/TPR/OV/W/5/Rev.1 of 7 September 2011 and Annex 1

Table 2.2: Share of world trade covered by import-restricting measures during and post-crisis period calculated by the WTO Secretariat

October 2008 to October 2009	November 2009 to May 2010	June 2010 to October 2010	Mid-October 2010 to April 2011
1.01	0.40	0.80	0.53

Source: WTO document WT/TPR/OV/W/5/Rev.1 of 7 September 2011 and Annex 1

European Commission launched monitoring of potentially trade restrictive measures in the aftermath of the financial and economic crisis in autumn 2008. The Eighth report monitoring report published in October 2011, just before G20 Summit at Cannes on 3 and 4 November 2011, articulates concerns about the rising protectionism across G20. In a press release on the publication of the report, EU Commissioner Mr. Karel De Gucht expressed that, "Protectionism poses a real threat to the economic recovery. I am concerned to see that the overall picture has not improved and that more trade restrictive measures have been introduced by our trading partners. The EU will therefore, in bilateral and multilateral talks, continue to remind its partners to stick to their commitment to reduce trade barriers."¹³ This Report analyzes new trade measures¹⁴ from October 2010 and 1 September 2011 and found that, "In September 2011, 424 potentially trade restrictive measures remain in force, whereas only 76 were removed to date. In the past twelve months, 131 new measures of potentially restrictive character were introduced, while only 40 old measures were removed within the same period."¹⁵ The report reveals that, though the EU and Global trade flow recover to its pre-crisis level, compliance with the roll-back commitment of potentially trade-restrictive measures by the G20 countries remains insufficient and slow. Here the pledge, made on the eve of growing distortion, by G20 members may be recalled to eschew protectionism, which was surfaced in a non binding commitment at the first crisis related G20 summit in Washington DC in November 2008; and since then often rearticulated by the leaders of the world's largest trading nations in order to 'fighting protectionism and promoting trade and investment' to overcome the global economic crisis which led to the sharpest decline of world trade in more than seventy years. At the Toronto summit in June 2010, the G20 leaders renewed their commitment against protectionism until the end of 2013 to "refrain from raising barriers or imposing new barriers to investment or trade in goods and services, imposing

¹³ Press Release on the 'Eighth Report on Potentially Trade Restrictive Measures, October 2010-September 2011' by European Commission on 19 October 2011, Available at <http://trade.ec.europa.eu/doclib/press/index.cfm?id=743>

¹⁴ The report covers 30 of the EU's main trading partners, including the G20 countries: Algeria, Argentina, Australia, Belarus, Brazil, Canada, China, Ecuador, Egypt, Hong Kong, India, Indonesia, Japan, Kazakhstan, Malaysia, Mexico, Nigeria, Pakistan, Paraguay, Philippines, Russia, Saudi Arabia, South Africa, South Korea, Switzerland, Taiwan, Turkey, Ukraine, USA, and Vietnam.

¹⁵ European Commission, "Eighth Report on Potentially Trade Restrictive Measures, October 2010-September 2011", 19 October 2011

new export restrictions or implementing World Trade Organization (WTO)-inconsistent measures to stimulate exports, and commit to rectify such measures as they arise”.¹⁶ The report also highlighted concerns about the new industrial policies of many G20 countries, which have fueled the rise in new protectionist measures and resisting removal of trade restrictive measures already in place.

According to GTA reports, state measures taken during the recent economic crisis that are likely to discriminate against foreign commercial interests, provide a broader picture of crisis era protectionism. GTA maintains an extensive and searchable database of state trade measures enforced since the first crisis related G20 summit in November 2008 and so far published nine reports analyzing trade measures taken in response to the crisis. In its ninth report, GTA concluded that resolve against protectionism undermined since the Seoul G20 Summit in November 2010. It revealed that, though the last half of 2010 showed declining trend in introducing new trade restrictive measures, resolve faltered as global economic recovery slowed down in the first half of 2011. According to ninth GTA report, between November 2008 when the first crisis related G20 meeting took place to July 2011, 1055 state protectionist measures implemented globally, among which 932 measures were, according to the GTA, almost certainly discriminatory and other 123 implemented measures were likely to have hurt foreign commercial interests. During the same period only 359 liberalizing measures implemented globally, while 318 potentially trade restrictive measures were still remaining in the pipeline. China remains the most targeted country by the crisis era trade protectionism, while Argentina, China, Germany, India, Indonesia and Russian Federation were the worst offenders inflicting most harmful measures hurting others commercial interest. According to GTA, discriminatory state aid/bail out measures (excluding such measures targeting the financial sectors) followed by unfair trade defense instruments were the most frequently used types of protectionist tools during that investigating period. Extensive use of export taxes or restriction and export subsidy were another major source of concern.¹⁷

¹⁶ The G-20 Toronto Summit Declaration, June 26 - 27, 2010 (accessed on 12 October 2011) available at <http://www.g20.utoronto.ca/summits.html#toronto>

¹⁷ Evenett, Simon J., "The weakened resolve against protectionism since the Seoul G20 Summit" Executive Summary of Resolve Falters As Global Prospects Worsen: The 9th GTA Report, Global Trade Alert, 20 July 2011

Analysis of contemporary works on recent protectionism reveals much difference especially in terms of trade coverage of state protectionist measures. As showed earlier in table 2.2, WTO estimated that import restricting measures affected 1.01 percent of World trade during October 2008 to October 2009, 1.20 percent in next one year and 0.53 percent during mid-October 2010 to April 2011. A previous analysis by IMF in 2010 showed that the new restrictive measures, though adversely affected international trade flows, resulted in only 0.25 percent reduction in World trade.¹⁸ In a recent analysis Christian Henn & Brad McDonald from IMF estimated that crisis-era protectionism reduced international trade flow by at least 30-35 billion USD or 0.20 percent per year.¹⁹ Their calculation suggested that removal of the new restrictive measures taken by the governments in response to the recent crisis could increase total merchandise trade by one seventh of the amount anticipated from a successful Doha Round conclusion. European Commission in its Seventh Report on Potentially Trade Restrictive Measures in 2010 found that between October 2008 and October 2009, approximately 1.7 percent of EU merchandise exports were injured by new trade restrictive measures by its trading partners.²⁰ These different figures, calculated by several international organizations involved in monitoring crisis-era protectionism, mainly resulted from use of different definitions and coverage of trade protectionist measures, sources of information and data and also importantly the reporting lags.

As discussed earlier that treatment to the LDCs by the crisis-era and post-crisis state protectionism is not an exception, rather it relatively hit hard these specific group of countries because of their poor macroeconomic structure and hardly have any capacity to adjust to such external shocks. However, very little analyses have been done so far to measure how states trade protectionist measures affected the commercial interests of the LDCs. GTA under the leadership of Professor Simon J. Evenett keeps track of the protectionist measures hurting LDCs as a specific group. The Eighth GTA report on crisis

¹⁸ Rob Gregory & Christian Henn & Brad McDonald & Mika Saito, 2010. "Trade And The Crisis: Protect Or Recover," Journal of International Commerce, Economics and Policy (JICEP), World Scientific Publishing Co. Pte. Ltd., vol. 1(02), pages 165-181.

¹⁹ Henn, Christian & Brad McDonald, "Protectionist Responses to the crisis: Damage observed in Product-level Trade", IMF Working paper, WP/11/139, International Monetary Fund, June 2011

²⁰ European Commission, "Seventh Report on Potentially Trade Restrictive Measures, May 2010-September 2010", 19 October 2010

era protectionism, published in November 2010, included a separate chapter written by Evenett, focused on the harm done to the LDCs by the G20 countries protectionist interventions during the crisis. The report showed that G20 countries were responsible for 70 percent of the total harmful measures implemented globally against LDCs during the period from November 2008 to October 2010. Until then Tuvalu was the only LDC remained unhurt by the protectionism, while Bangladesh's commercial interests were being targeted particularly hard. Earlier, Mikic in a study in 2009 and Evenett and Wermelinger in 2010 shortly evaluated the harm done to the LDCs in the Asia-Pacific region, which is host of 14 out of 49 LDCs.²¹ The Ninth GTA report published in July 2011, in a very short evaluation, found that the number of border closing measures hurting LDCs clearly exceeds the number of border opening measures benefitting them. Given the number and extent of crisis-era protectionist state measures targeted towards the LDCs and the economic vulnerabilities of this group of poor countries, more detailed analysis of the harm done to their commercial interests is very much desirable.

2.3 BRIEF REVIEW OF LDCs TRADE PERFORMANCE SINCE THE RECENT ECONOMIC CRISIS

Before the onset of recent economic crisis, from 2002 to 2007, the real gross domestic product (GDP) of the LDCs as a group registered a strong growth performance, more than 7 percent per annum, exceeding world average. During that period, LDCs' trade expanded twice as fast as world trade and contributed to two thirds of their economic growth. The total volume of LDC economies exports and imports grew rapidly and demonstrated much better macroeconomic performance than in the 1990s, although unevenly distributed amongst the LDCs. This strongest and longest economic boom in LDCs was, to a significant extent, attributed to increasing commodity prices, booming world demand and world trade and newly industrialized economies' high demand for raw materials during that period. This pattern of economic growth in LDCs, heavy reliance on unsustainable external demands and commodity exports was also one of the key factors

²¹ Mikic, M., "Crisis-era state measures and Asia-Pacific economies." In: Simon J. Evenett (ed.) *The unrelenting pressure of protectionism: The 3rd GTA report*. London: CEPR, 2009, pp. 33-47 and Evenett, Simon J. and Martin Wermelinger, "Snapshot of contemporary protectionism: How important are the murkier forms of trade discrimination". in M. Mikic and M. Wermelinger, eds., *Rising non-tariff protectionism and crisis recovery*, ARTNeT, 2010, available at: <http://www.unescap.org/tid/publication/tipub2587.asp>

that made the LDCs increasingly exposed to external shocks, clearly visible from their economic performance during the recent economic downturn.

Table 2.3: Comparison of GDP growth rates in LDCs before and during the recent crisis, 1991–2009

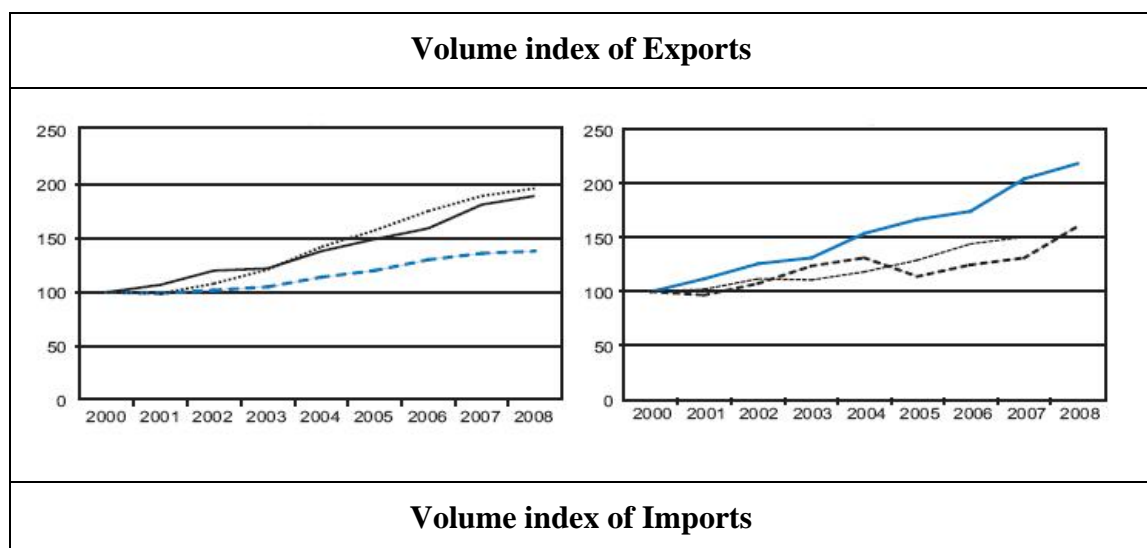
(Percentage growth rates in constant 2000 dollars)

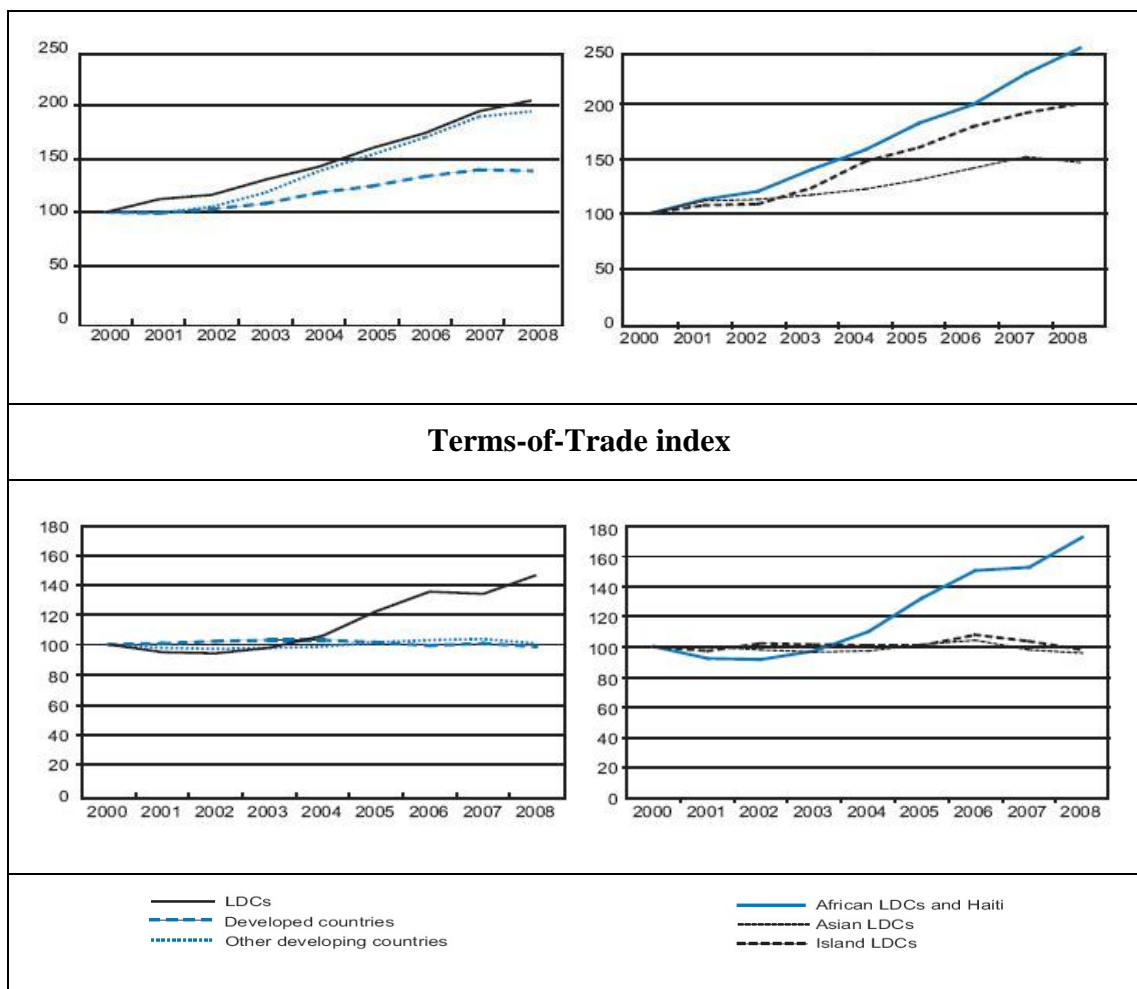
	Real GDP growth rate				Real GDP per capita growth rate			
	1991-2001	2002-2007	2008	2009	1991-2001	2002-2007	2008	2009
LDCs	3.9	7.4	6.9	4.7	3.1	4.9	4.4	2.3
<i>African LDCs and Haiti</i>	3.0	7.5	7.9	3.8	1.3	4.6	5.1	1.1
<i>Asian LDCs</i>	5.1	7.3	5.5	5.9	0.2	5.4	3.8	4.2
<i>Island LDCs</i>	3.8	8.2	4.5	-0.4	2.8	-1.4	2.1	-2.7
Other developing countries	4.8	6.5	5.3	2.1	1.9	5.1	4.0	0.9

Source: UNCTAD Least Developed Countries Report 2010, UNCTAD Statistical Tables on the Least Developed Countries 2010

Notes: Real GDP and Per capita GDP- (2000 dollars, rebased using implicit GDP deflator)

Figure 2.1: Comparison of Merchandise trade indices of LDCs, 2000-2008





Source: UNCTAD, UNCTAD GlobStat database²²

Following the burst of financial ‘Super-bubble’ in 2008-2009, when the world economy has been experiencing the deepest recession unprecedented since the Great depression of 1930s, the LDCs as a group was severely affected by the sharp economic slowdowns well. The immediate impact of the recent economic crisis was channeled to LDCs through financial markets, although the most serious adverse effects of the recession on this group were, in majority of the cases, transmitted through trade related channels. The sudden and sharp decline of commodity prices coupled with the contraction of global demand resulted in the collapse of international trade, which led to a sharp fall in the export earnings of the LDCs. While decline in commodity prices and global demand particularly affected oil and mineral exporting LDCs; the contraction of service trade hit

²² UNCTAD, “*The Least Developed Countries Report 2010: Towards a New International Development Architecture for LDCs*”, Sales No. E.10.II.D.5, New York and Geneva, United Nations Conference on Trade and Development, 2010

hard island LDCs because of their dependence on tourism and maritime transport. The sharp but diverse growth slowdown faced by different LDCs during the recent global financial and economic crisis was further worsening by the proliferation of protectionist pressure worldwide. This is particularly reflected by the fact that the GDP growth rate of LDCs as a group has declined from 7.03 percent in 2008 to 4.58 percent in 2009, while export of this country group fell by 26.94 percent and import fell by 9.44 percent over the same period.

Table 2.4: Value growth rates of merchandise exports and imports of LDCs during the recent crisis, annual average

ECONOMY/YEAR	Merchandise export growth rate					Merchandise import growth rate				
	2007-2010	2007	2008	2009	2010	2007-2010	2007	2008	2009	2010
Afghanistan	-9.8	21.8	8.7	-25.3	-3.7	21.0	9.2	7.1	10.5	54.5
Angola	-2.1	39.8	66.1	-44.5	22.9	20.7	55.6	53.6	8.0	10.0
Bangladesh	13.7	5.5	23.5	-2.0	27.6	11.8	16.0	28.2	-8.3	27.2
Benin	8.3	42.3	22.5	-4.5	13.4	0.7	65.8	12.4	-9.8	4.7
Bhutan	-1.9	62.6	-22.9	-4.5	29.4	15.5	25.3	2.7	-1.9	61.3
Burkina Faso	27.6	5.9	11.3	29.9	43.0	4.4	11.7	31.7	-15.4	9.5
Burundi	16.9	6.9	-13.3	14.6	62.0	15.0	-25.9	26.1	0.0	26.6
Cambodia	8.3	10.7	15.2	-8.6	27.9	8.6	14.0	19.7	-9.7	25.9
Central African Republic	-9.0	13.1	-15.7	-17.6	12.2	8.8	22.9	20.7	-9.8	25.9
Chad	-6.9	9.4	18.0	-39.1	29.4	12.5	33.2	6.1	20.1	9.5
Comoros	4.1	32.5	-52.8	83.2	8.0	8.7	20.0	27.2	-3.6	9.1

Dem. Rep. of the Congo	15.4	14.6	41.9	-20.5	54.3	7.4	17.6	26.5	-11.6	18.4
Djibouti	7.1	3.7	18.5	12.4	-9.1	-6.0	41.0	21.3	-21.5	-7.5
Equatorial Guinea	-5.5	24.4	46.2	-39.0	9.4	28.3	36.6	35.7	39.0	9.1
Eritrea	-3.1	7.7	-15.3	-2.7	10.1	9.2	3.0	17.9	-2.3	17.5
Ethiopia	23.6	22.5	25.4	1.0	59.4	15.6	11.5	49.4	-8.1	21.5
Gambia	6.6	9.2	9.2	9.7	0.0	-5.0	23.8	0.4	-5.5	-9.5
Guinea	3.6	16.5	11.5	-21.8	40.1	1.8	27.4	12.2	-22.4	32.5
Guinea-Bissau	3.0	44.4	19.8	-5.2	-1.0	5.9	32.2	18.4	3.8	-2.9
Haiti	5.1	5.6	-8.1	20.1	0.5	19.6	-2.4	37.7	-8.3	48.1
Kiribati	17.0	55.3	53.4	33.3	-25.0	0.4	10.8	5.1	-7.6	7.2
Lao People's Dem. Rep.	20.1	4.6	18.3	-7.9	73.7	21.9	0.7	31.7	0.6	45.8
Lesotho	-0.9	10.8	16.1	-18.8	10.3	7.1	16.3	16.8	-2.7	11.4
Liberia	-2.0	22.0	25.1	-33.6	28.9	2.1	13.5	60.3	-33.7	15.5
Madagascar	-10.1	33.2	24.1	-34.3	-1.3	-0.8	38.9	57.5	-18.0	-19.4
Malawi	9.6	30.4	1.2	35.1	-10.2	13.6	14.1	59.7	-8.3	7.5
Mali	5.4	0.4	34.8	-15.4	10.4	4.1	20.1	52.8	-27.2	14.4
Mauritania	8.8	2.5	29.2	-24.7	49.8	3.9	23.6	36.3	-27.5	27.9
Mozambique	-4.2	1.3	10.0	-19.1	4.5	4.1	6.3	31.4	-6.1	-5.3
Myanmar	9.9	37.8	10.0	-3.2	30.0	12.4	27.9	31.1	2.2	9.4
Nepal	-2.5	3.6	8.1	-12.4	1.4	18.4	25.3	15.0	22.1	16.9
Niger	15.5	30.6	37.5	9.3	4.3	29.9	21.0	37.1	50.2	1.5
Rwanda	13.1	20.0	51.4	-28.0	54.3	23.3	24.7	59.2	11.5	9.4
Samoa	-17.5	49.6	-26.1	-36.1	29.4	2.4	-3.5	8.4	-19.9	34.4
Sao Tome and Principe	-4.2	-12.6	58.0	-23.7	-21.4	10.0	11.6	44.2	-9.4	8.6
Senegal	7.4	6.2	33.5	-8.6	7.1	-3.7	32.7	34.0	-27.8	1.5
Sierra Leone	10.0	5.8	-11.8	-3.6	63.7	17.6	14.7	19.5	-2.3	48.4
Solomon Islands	7.4	35.5	27.9	-21.6	37.3	8.6	32.4	14.7	-18.6	51.2
Somalia	8.4	21.4	19.9	1.7	6.6	0.3	11.9	27.5	-17.7	2.6
Sudan	1.0	57.0	31.4	-32.9	34.0	4.2	8.7	6.6	3.6	2.8
Timor-Leste	24.4	-22.2	84.3	-34.2	96.3	18.2	74.3	52.6	9.9	1.0
Togo	8.2	11.1	21.8	5.9	-1.1	5.9	14.1	22.0	-0.1	-0.9
Tuvalu	53.2	78.5	64.5	100.0	0.0	-5.0	21.0	72.9	-47.1	14.3
Uganda	6.7	49.6	24.3	5.4	-7.0	8.4	36.6	29.6	-6.2	9.8
United Rep. of Tanzania	19.6	15.5	37.0	-1.9	35.8	10.3	25.7	32.7	-11.1	22.3
Vanuatu	-0.5	2.1	13.6	0.7	-14.4	6.0	5.3	36.7	-6.8	-2.5
Yemen	7.3	-5.3	20.4	-17.5	35.8	2.8	40.2	22.8	-12.1	6.1
Zambia	12.4	22.5	10.4	-15.4	67.0	5.8	30.3	26.3	-25.1	40.3
LDCs: All	3.5	24.2	38.4	-28.1	26.0	10.9	23.4	30.3	-4.8	15.5
<i>LDCs: Africa and Haiti</i>	<i>1.3</i>	<i>30.0</i>	<i>45.6</i>	<i>-33.9</i>	<i>24.6</i>	<i>10.7</i>	<i>25.2</i>	<i>34.0</i>	<i>-4.6</i>	<i>11.5</i>
<i>LDCs: Asia</i>	<i>10.3</i>	<i>9.7</i>	<i>17.4</i>	<i>-6.9</i>	<i>29.9</i>	<i>11.3</i>	<i>20.5</i>	<i>23.7</i>	<i>-5.0</i>	<i>23.5</i>
<i>LDCs: Islands</i>	<i>1.1</i>	<i>29.9</i>	<i>10.0</i>	<i>-17.6</i>	<i>21.9</i>	<i>8.0</i>	<i>17.6</i>	<i>26.0</i>	<i>-9.4</i>	<i>16.9</i>
Other developing countries	3.2	16.0	18.8	-20.7	27.4	5.0	18.2	21.3	-19.2	29.0
All developing countries	3.2	16.2	19.3	-20.9	27.4	5.2	18.4	21.6	-18.8	28.5

Source: UNCTAD, UNCTADSTAT database, October 2010

CHAPTER THREE

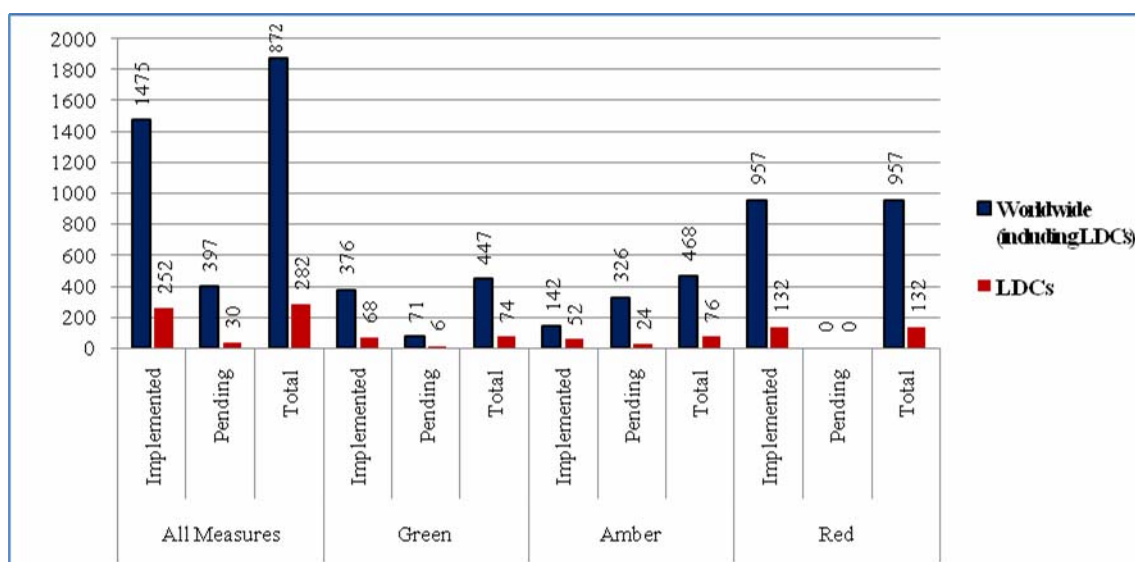
ANALYSIS OF CONTEMPORARY PROTECTIONISM AGAINST LDCs

3.1 CRISIS-ERA AND POST-CRISIS STATE PROTECTIONIST MEASURES AFFECTING LDCs

The GTA online database (accessible and downloadable at www.globaltradealert.org) recorded and published information on 1872 government measures initiated worldwide since the first crisis related G20 summit in November 2008 that might affect foreign commercial interest.²³ Despite repeated pledges by the world economic leaders in different forums to ensure their supportive policies to the economic development of LDCs and to better integrate this poor and economically most vulnerable group of countries into the global trade regime through increased and preferential market access, evidence demonstrates that 184 state measures have been implemented hurting at least one of the LDCs commercial interests during the financial crisis and post crisis period (Figure 3.1). This accounts 17 percent of state protectionist measures implemented worldwide. However, the scenario seems much better when it consider the discriminatory measures announced but yet to be implemented. Only 7 percent of protectionist measures in the pipeline would hit at least one LDC's trading interest if implemented.

Figure 3.1 Comparative scenario of crisis-era and post crisis protectionism targeted towards LDCs vis-à-vis World

²³ This information is based on GTA database, accessed on 15 November 2011

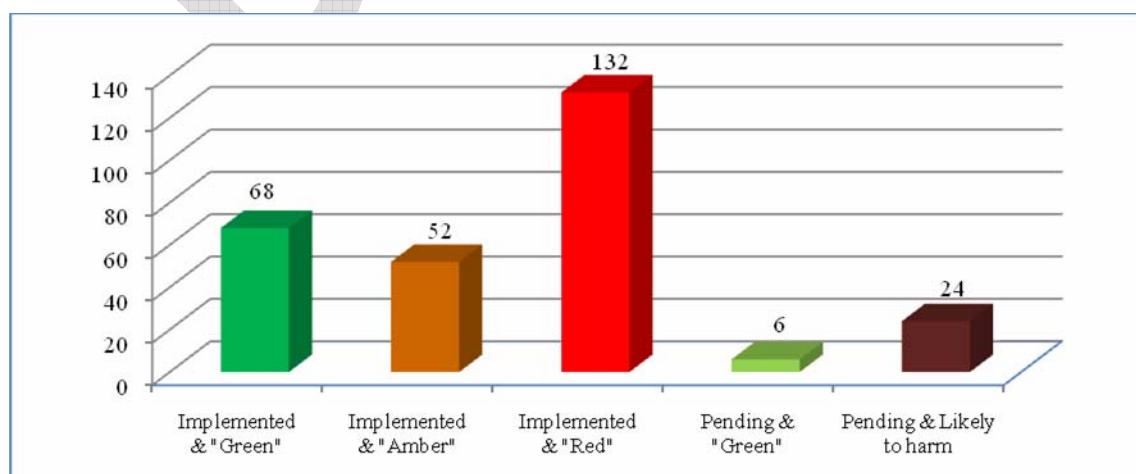


Source: Global Trade Alert, data extracted on 15 September 2011

3.2 DISTRIBUTION OF PRESENT AND FUTURE DISCRIMINATORY MEASURES AFFECTING LDCs

From November 2008 to 15 September 2011, total 282 measures published in GTA database affecting LDCs commercial interests. Among those published state interventions, 252 measures are already implemented. Figure 3.2 shows that more than half of the implemented measures affecting LDCs were coded as “Red” or *almost certainly* discriminating against LDCs commercial interests according to GTA evaluation. One-fifth of the total implemented measures was coded as “Amber” or *might involve* discrimination against LDCs commercial interests. The number of market-opening measures implemented towards LDCs was less than 40 percent of the number of market-closing ones implemented against LDCs.

Figure 3.2 Distribution of present and future measures affecting LDCs



Source: Global Trade Alert, data extracted on 15 September 2011

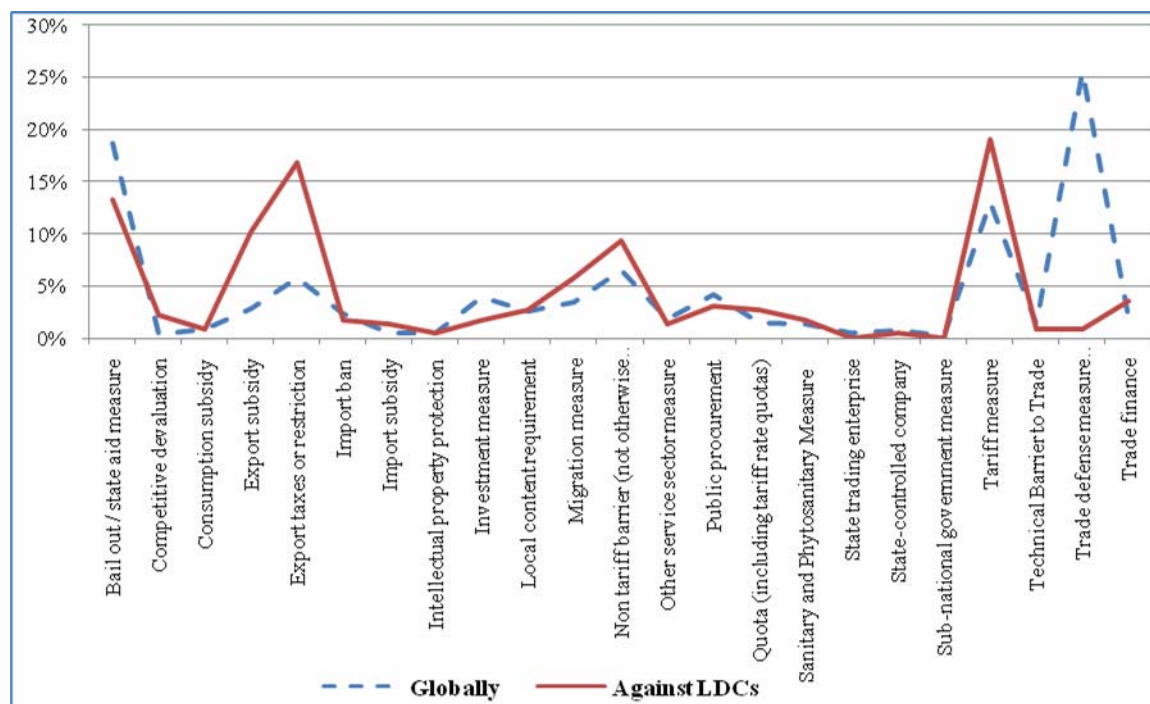
Among the announced but yet to be implemented measures, that might affect the trade and commerce of the LDCs, 80 percent are *likely to be harmful*, while only 20 percent would have trade liberalizing effect, if implemented. From the facts presented here, it is quite clear that trading opportunities for these weak and economically vulnerable countries actually reduced during the recent financial and economic crisis and following recovery period.

3.3 FORMS OF DISCRIMINATION USED AGAINST LDCs COMMERCIAL INTERESTS

An evaluation of trade protectionist measures hurting other nation's commercial interests initiated globally since the first G20 crisis-summit reveals significant diversity in contemporary protectionism, quite the opposite of the tariff dominated characteristics of 1930s protectionism.²⁴ The trend is not different in case of recent protectionism against the LDCs commercial interests. However, 'tariff measures' are found to be the most common single source of discrimination used against LDCs in contrast to the highest use of 'trade defense measures (AD, CVD, and safeguard)' followed by 'bailout and state aids' as the tools of contemporary protectionism globally (Figure 3.3). One fifth of all trade distorting measures implemented against the poorer segment of the world by their trading partners was 'tariff measures'.

Figure 3.3 Use of different types of *beggar-thy-neighbour* policy instruments against LDCs vis-à-vis World

²⁴ Evenett, Simon J., "Resolve Falters As Global Prospects Worsen: The 9th GTA Report", Global Trade Alert, 20 July 2011, p. 23



Source: Global Trade Alert, data extracted on 15 September 2011

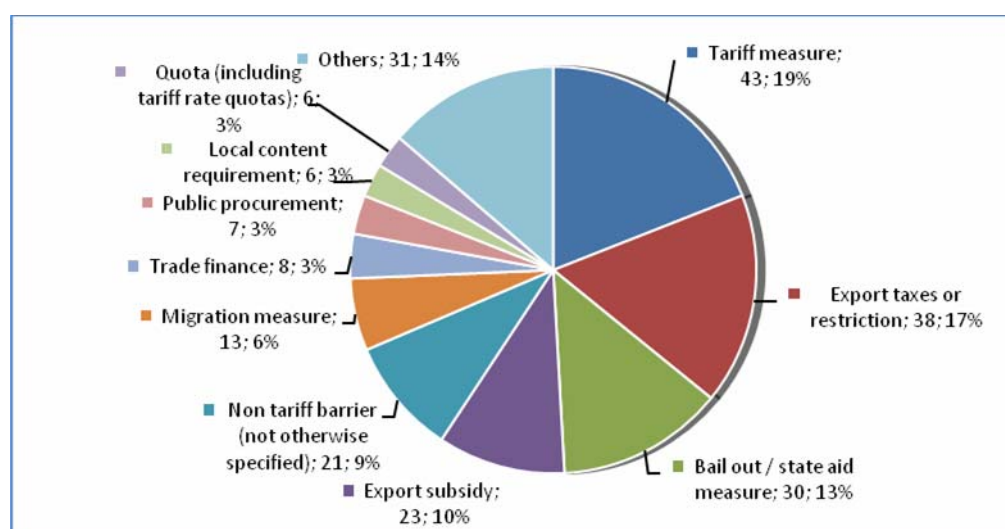
Notes: A *beggar-thy-neighbour* policy is taken to be one which has been implemented since November 2008 and is almost certainly discriminatory (coded red) or likely to be discriminatory (coded amber).

Although 184 trade distorting measures were implemented by the developed as well as developing countries, hurting the commercial interests of LDCs, some of those policies comprised of more than one policy instrument that have increased the size of injury. The implementation of ‘export taxes or restrictions’ are the second most common form of discrimination inflicted against LDCs’ commercial interest. The second hypothesis of Evenett’s ‘four hypothesis concerning the *beggar-thy-neighbor* policy instruments’²⁵ shows that as contemporary manufacturing costs considerably depend on low cost international outsourcing and supply chain management, discrimination can be easily raised from taking control over raw material sources abroad. Analysis of available data shows that 38 discriminatory measures hurting LDCs trade opportunities fall under this category, which accounts 17 percent of the total protectionist measures implemented against the LDCs trading interests. ‘Bailouts and state aids’ are the next frequently used type of trade protectionist measure inflicted against the LDCs. While separate analysis is required to determine the impact of ‘tariff measures’, ‘export taxes or restrictions’ and ‘bailouts and state aids’ on the trade of LDCs, it is worth mentioning that since November

²⁵ Evenett, Simon J., “What can be learned from crisis-era protectionism? An Initial Assessment.” *Business & Politics*. October, 2009; p. 8

2008, these types of discriminatory policy instruments together account half of all harmful protectionist measures initiated against the LDCs by the governments of their trading partners. ‘export subsidy’, ‘non tariff barrier’, ‘migration measure’, ‘trade finance’, ‘public procurement’ and ‘local content requirement’ are other types of trade distorting tools recurrently used against LDCs (Figure 3.4).

Figure 3.4 Top 10 types of contemporary trade distorting measures used against LDCs commercial interests



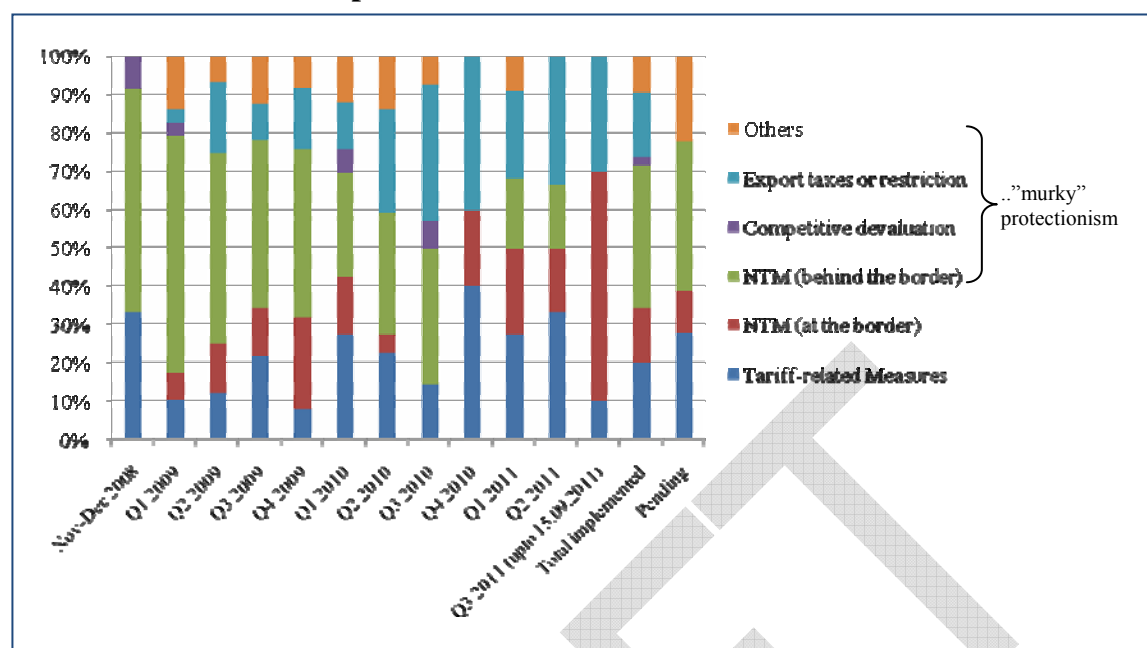
Source: Global Trade Alert, data extracted on 15 September 2011

3.4 THE ‘MURKIER FORMS’ OF DISCRIMINATION IS ALSO THE MOST PREVALENT TRADE POLICY INSTRUMENT USED AGAINST THE LDCs

The use of less transparent protectionist measures – termed as ‘murky protectionism’²⁶ – during the recent global economic downturn and its aftermath has been clearly visible in many government trade policies designed and implemented in response to the crisis. In contrast to the Great Depression in 1930’s when tariff measures were almost the single source of discrimination, this time governments are using these sort of murky protectionist policy instruments, as rightly warned by certain trade experts early in the wake of the crisis. Imposing these types of trade restrictive measures does not necessary involve a direct infringement of the countries WTO obligation, but allows them to abuse their legitimate discretion to favour domestic goods, services, firms and workers over their foreign rivals.

²⁶ Baldwin, R. and S.J. Evenett, “The collapse of global trade, murky protectionism, and the crisis: Recommendations for the G20”, VoxEU.org Publication., 2009, Available at: <http://www.voxeu.org/index.php?q=node/3199>

Figure 3.5 Changes in protectionism targeted towards LDCs, quarter-by-quarter from November '08 to September '11



Source: Global Trade Alert, data extracted on 15 September 2011

Notes: *Tariff-related measures* include tariff and trade defense measures. *Non-tariff measures (at-the-border)* include quotas, import bans, TBT, non tariff barriers (not otherwise specified). *Non-tariff measures (behind-the-border)* include consumption subsidies, local content requirements, public procurement, bailout/state aid measures, export subsidies, trade finance support, sanitary and phytosanitary measures, support to state-owned trading enterprises and state-controlled companies. *Others* include investment, migration, intellectual property protection and other service sector measures.

Evenett and Wermelinger in their “Snapshot of contemporary protectionism: How important are the murkier forms of trade discrimination” confirmed the use of ‘murky’ protectionism by the governments to discriminate against their foreign competitors during the recent crisis.²⁷ The case of LDCs was not an exception; and this section depicts the picture how different forms of *beggar-thy-neighbour* policy instruments used against LDCs changed quarter-by-quarter from November 2008 to September 2011.

Figure 3.5 portrays that that 65 percent of all discriminatory measures initiated against LDCs commerce throughout the crisis and recovery period were less transparent murkier protectionism, which tends to be less tightly regulated by the multilateral trading system. These include behind-the-border non-tariff measures, competitive devaluation, export taxes or restriction and other forms of discrimination; and exclude tariff-related measures and non-tariff measures at-the-border. The share of such types of protectionist measures

²⁷ Evenett, Simon and Martin Wermelinger (2010). “Snapshot of contemporary protectionism: How important are the murkier forms of trade discrimination”. in M. Mikic and M. Wermelinger, eds., *Rising non-tariff protectionism and crisis recovery*, (Bangkok, ESCAP, UNCTAD, ARTNeT), available at: <http://www.unescap.org/tid/publication/tipub2587.asp>

reached its peak of almost 72 percent in 2009, then demonstrated downward trend in 2010 and in the first three quarters of 2011 by occupying 66 percent and 45 percent respectively among the total implemented measures during that period. However, this type of measures accounts 61 percent of the pending (announced but not yet implemented) discriminatory measures targeted towards LDCs- a proportion fairly consistent with the trend in the end of 2008.

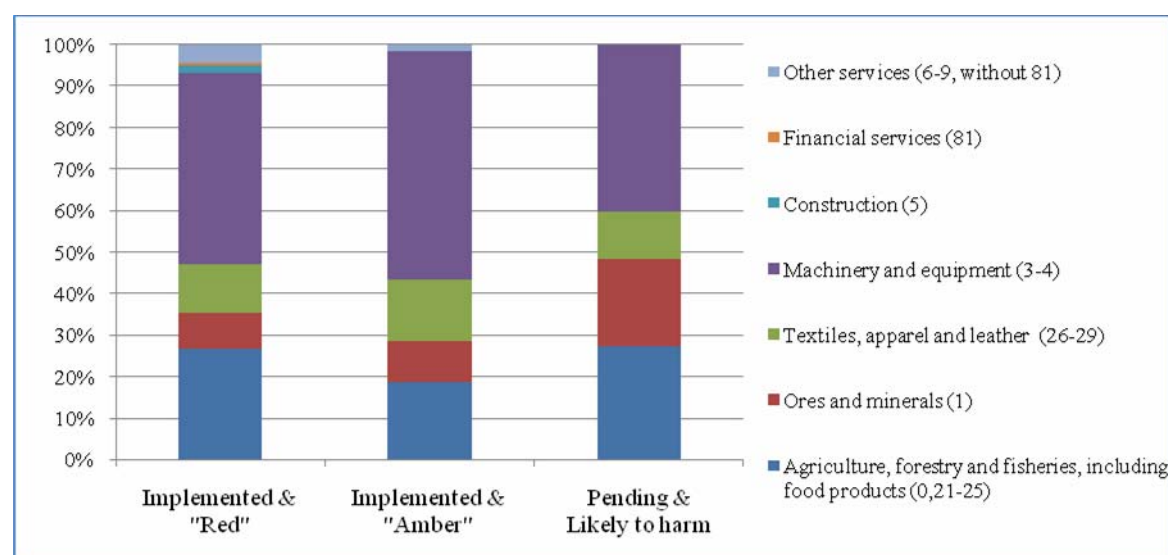
More particularly, the dominance of behind-the-border policy instruments, less transparent compared to tariff related measures and non-tariff measures at the border, hurting LDCs commercial interests also surfaced in Figure 3.5. More than one third of the discriminatory measures harming LDCs during the period under investigation belong to this category, which includes bailout and state aid measures, consumption subsidies, local content requirements, public procurement, export subsidies, trade finance support, sanitary and phytosanitary requirements, support to state-owned trading enterprises and state-controlled companies. Harmful government measures targeted towards LDCs become more transparent from the fourth quarter of 2010, while the share of non-tariff measures at-the-border including quotas, import bans, TBT and non tariff barriers (not otherwise specified) increased significantly. However, the scenario would be reversed again, if the discriminatory measures in the pipeline implemented against LDCs. Tariff related instruments represent approximately 20 percent of the total protectionist tools used against LDCs during the investigated period.

3.5 SECTOR GROUPS OF LDCs MOST OFTEN TARGETED BY CONTEMPORARY PROTECTIONISM

Analysing state protectionist measures targeted to LDCs based on economic sectors reveals different aspect of crisis-era and post-crisis protectionism. It illustrates whether some economic sectors of LDCs were injured more compared to others by the recent trade distorting state measures and help to understand the nature and underlying policy objectives of contemporary protectionism. Figure 3.6 shows that manufacturing sector of LDCs, particularly machinery and equipment, was the most vulnerable sector harmed by current state protectionism. Almost 50 percent of all discriminatory measures implemented against LDCs commercial interests were targeted towards the machine and equipment industry of those countries. The share of discriminatory measures targeted to this particular sector among the pending measures is also very high, 40 percent of all awaiting measures, which are likely to harm LDCs, if implemented. These patterns coincide with the recent protectionist trend worldwide. The underlying policy objectives of this pattern are quite clear-cut. Many countries take attempts to support their

manufacturing sectors during the crisis. The reasons behind these initiatives were mainly two-folds. One is to save one of the most vital sectors of economic activities of many countries; another is to fight with spreading unemployment following the crisis.

Figure 3.6 Manufacturing sectors of LDCs have been hurt more than others



Source: Global Trade Alert, data extracted on 15 September 2011

Notes: Sectors are classified according to United Nations Statistics Division CPCprov (Provisional Central Product Classification) available at <http://unstats.un.org/unsd/cr/registry/regcst.asp?Cl=9&Lg=1>. This classification is also used by the Global Trade Alert.

3.6 COUNTRIES RESPONSIBLE FOR HARM DONE TO THE LDCs COMMERCIAL INTEREST

According to the latest findings up to the 15 September 2011, 65 jurisdictions worldwide, including EU-27 have imposed discriminatory measures that have harmed LDCs commercial interests. Table 3.1 summarizes total number of protectionist state measures initiated and implemented by different group of economies targeted against the poorest segment of the world. Since recent global economic downturn, total 184 state measures have already been implemented worldwide which were harmful to the commercial interest of LDCs and 24 such injurious measures are in the pipeline. G20 members inflicted 65 percent of the total harmful measures implemented worldwide against LDCs and also responsible for 75 percent of pending measures likely to hurt LDCs trading interests. These depressing outcomes manifest the failure of the group of world economic leaders to honor its anti-protectionist commitments expressed in consecutive crisis related G20 summits. While G8 member countries were responsible one out of every six detrimental measures implemented against LDCs, they were found to be accountable for

almost two-third of the pending measures that are likely to harm LDCs economic interest. EU27 countries demonstrated more friendly policies toward LDCs in terms of imposing protectionist state measures. This group of countries imposed only 14 percent of the total harmful measures implemented against LDCs and responsible for only 4 percent of such damaging measures yet to be implemented. Additionally, few LDCs also initiated harmful trade measures that affect the LDCs. The group of LDCs implemented 26 harmful measures worldwide, among which 7 discriminatory measures affected at least one LDC's commercial interests.

Table 3.1 Summary statistics of group of economies responsible for hurting LDCs commercial interest

Group of countries	All measures affecting LDCs	Number of implemented measures affecting LDCs	Number of harmful measures initiated against LDCs	Number of harmful measures implemented against LDCs	Number of pending measures likely to affect LDCs	Number of pending measures likely to harm LDCs
All Countries (including LDCs)	282	252	208	184	30	24
G20 members	186	164	137	119	22	18
G8 members	58	40	46	31	18	15
EU27	31	30	26	25	1	1
LDCs	14	12	8	7	2	1

Source: Global Trade Alert, data extracted on 15 September 2011

Although no single country alone can be blamed for hurting LDCs commerce through protectionist measures, 8 countries were found responsible for the majority of the restrictive policies, out of 65 jurisdictions that have implemented detrimental trade measures to LDCs interest. These countries are India, Argentina, Russian Federation, France, Indonesia, Spain, United Kingdom of Great Britain and Northern Ireland and Germany together account for 58 percent of the total injurious measures implemented against LDCs. Even though India outpaced China in terms of growth in 2010,²⁸ the country singlehandedly inflicted 32 state measures during the crisis and post crisis period that hinders the commercial interest of LDCs, which is 17 percent of the worldwide total. This result is hardly matched with any notion of south-south cooperation among the

²⁸ IMF, World Economic Outlook (WEO), Tensions from the Two-Speed Recovery: Unemployment, Commodities, and Capital Flows, April 2011, p.2 (It pointed that India grew by 10.4 percent in 2010, which is fully 0.1 percentage points faster than China available at <http://www.imf.org/external/pubs/ft/weo/2011/01/pdf/c1.pdf>)

poorer segment of the world. In addition to the 8 countries listed in Table 2, twenty other countries were found to be guilty of implementing 5 state measures each, which were detrimental to LDCs commercial interest.

Table 3.2 List of countries mostly accountable for hurting the LDCs commercial interest

Name of Country	Number of discriminatory measures implemented against LDCs		
	Coded "Red"	Coded "Amber"	Total
India	17	15	32
Argentina	13	3	16
Russian Federation	9	2	11
France	8	3	11
Indonesia	8	2	10
Spain	8	1	9
United Kingdom of Great Britain and Northern Ireland	8	1	9
Germany	7	1	8

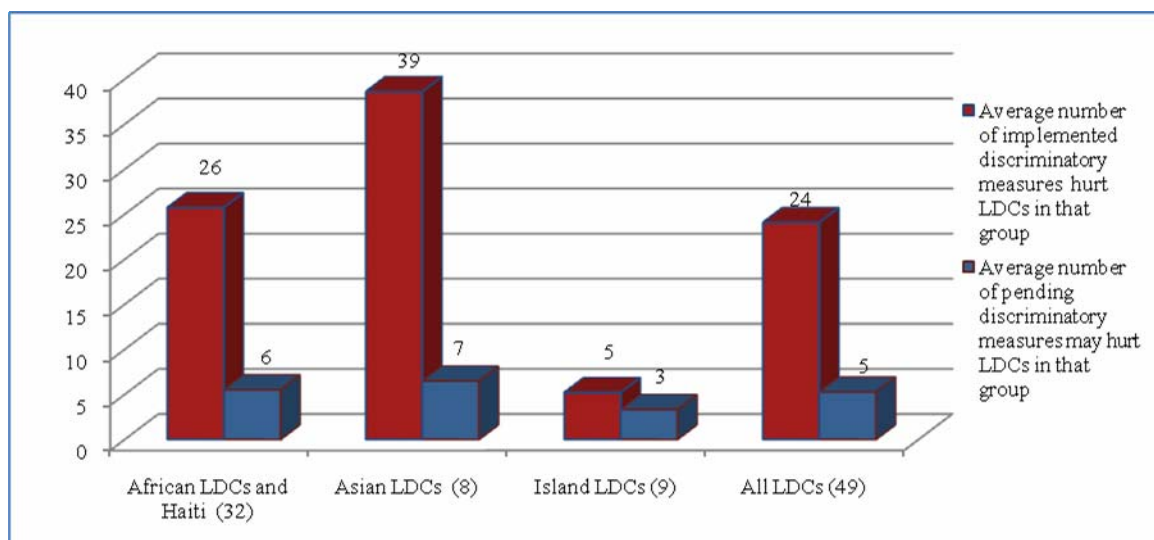
Source: Global Trade Alert, data extracted 15 September 2011

Notes: A full list of countries inflicted harm through protectionist trade measures to the LDCs commercial interest is given in Table 4.3 (page-39)

3.7 CONTEMPORARY PROTECTIONISM HURTING DIFFERENT LDC GROUPS

An evaluation of contemporary protectionist measures based on geographical and structural classification showed that Asian LDCs were affected much more than other country groups by the government trade distorting policies during and after the recent crisis. While on average an LDC was target of 24 discriminatory measures implemented during the studied period, the average number of such measures imposed against an Asian LDCs was 60 percent more. The average number of protectionist measures targeted towards an African LDC was just above the LDC average. However, small LDCs from the Islands were comparatively much less affected by state discrimination. Similar trend is also visible among the measures in the pipeline.

Figure 3.7 Crisis-era protectionism has hit Asian LDCs much more than others



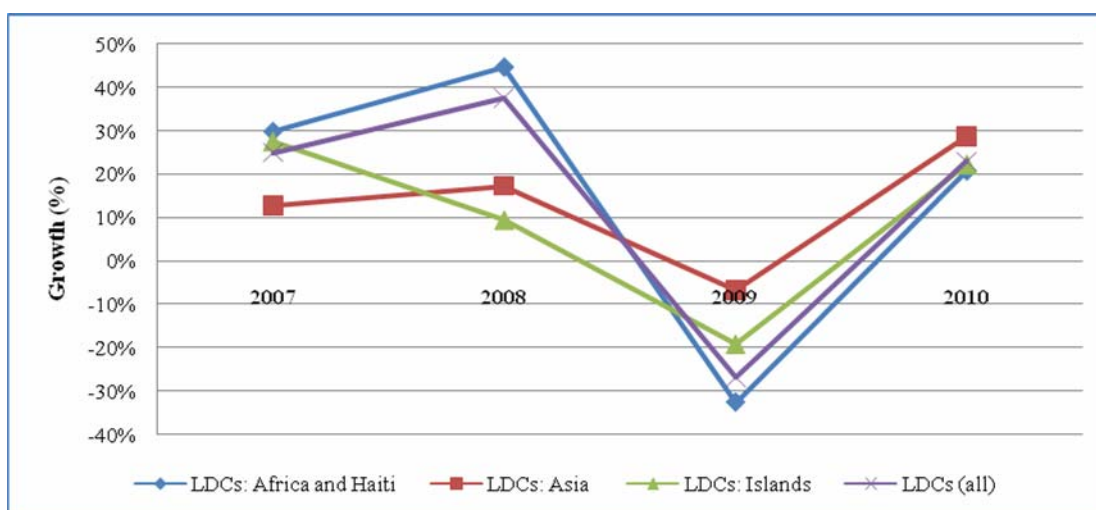
Source: Global Trade Alert, data extracted 15 on September 2011

The central of all channels through which the recent financial and economic crisis has hurt LDCs is declining export earnings. World trade, in volume terms (i.e. excluding the influence of prices and exchange rates), shrink by 14 percent in 2009, and the LDCs were inevitably affected by this setback.²⁹ According to UNCTAD, LDCs export plummeted by 27 percent in 2009, representing a greater slump than world and developing country exports, which declined by 24 and 25 percent respectively, on a year-on-year basis. Among the LDC groups African LDCs experienced highest negative growth of 33 percent while Asian LDCs did very well in facing the crisis, registering only 7 percent decline in their export revenues in 2009 (Figure 3.8). Both declining global demand and falling commodity prices negatively affected LDCs export earnings. However, contemporary state protectionism also contributed to worsen the difficulties created for LDCs by the financial crisis and economic performance of these poor countries with narrow export baskets and very few export destinations.

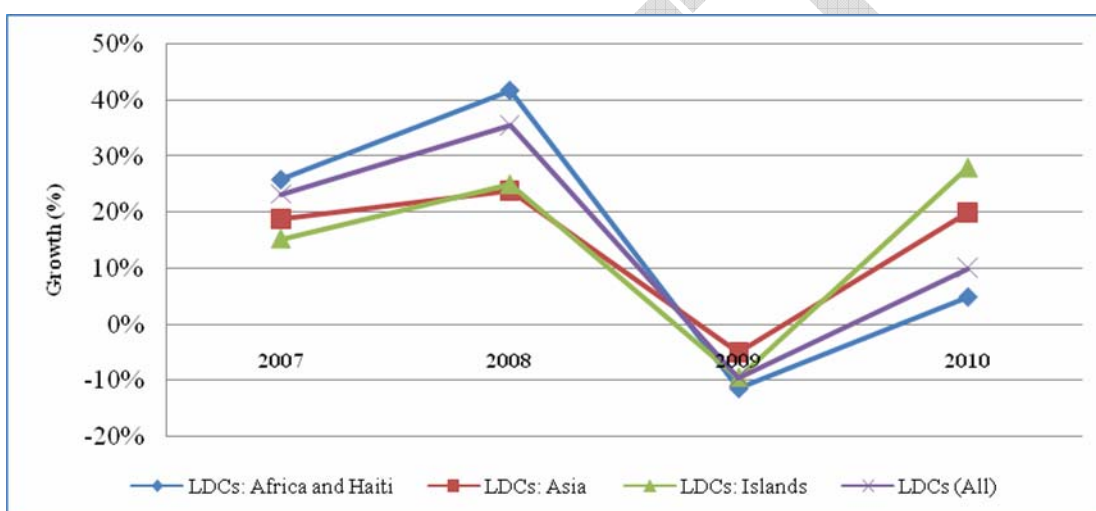
Figure 3.8 Export and import growth trend of different LDC groups based of geographical classification during and post crisis period

Export growth trend

²⁹ World Bank, *Global Economic Prospects 2010: Crisis, Finance and Growth*. Washington, DC, World Bank, 2010



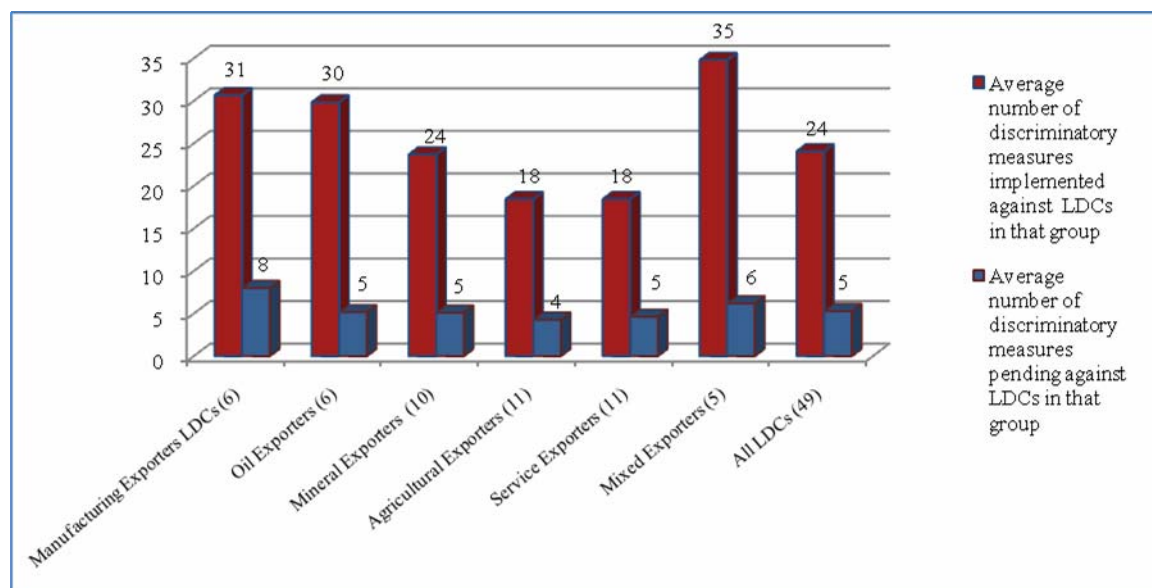
Import growth trend



Source: UNCTAD, UNCTADstat database accessed on 1 October 2011

Among the LDC groups, classified based on export specialization categories, mixed exporters were the most frequent target of trade protectionist measures during and post crisis period. Countries belong to this group were hurt by an average of 35 discriminatory measures, almost 50 percent higher than LDC average globally. Manufacturing LDCs were the next target group of contemporary trade protectionism among the LDCs and an average of 31 such measures were implemented against a manufacturing exporters LDC. Oil and Mineral exporters were the next two affected categories while Agricultural and Services exporters LDCs were the least hurt among the groups.

Figure 3.9 Mixed exporters were most vulnerable among the exporting LDCs



Source: Global Trade Alert, data extracted 15 on September 2011

3.8 NO LDC HAS ESCAPED UNHURT BY CONTEMPORARY PROTECTIONISM

While Tuvalu was the only exception among the LDCs until the publication of 8th GTA report, present data shows there is no single country that remained unhurt by contemporary state protectionism. Looking at the individual LDC, substantial differences were found between the numbers of discriminatory measures that have been implemented against an LDC's commercial interests during the period under investigating. While the number of times an LDC's commercial interests have hurt do not provide a clear picture of the total commercial value affected by such discriminations, in earlier analyses by GTA team revealed that there is strong correlation between the number of protectionist measures used against an LDC and other indicators of injury.³⁰

A comparison with the last analysis on the magnitude of contemporary protectionism affecting LDCs published by GTA showed that from November 2008 to October 2010 in total 141 discriminatory measures were implemented globally hurting the commercial interest of LDCs, and since then 67 fresh measures were implemented against these poor countries. This increase in protectionism targeted towards LDCs showed that contrary to the much hyped optimism of economic recovery and reduced state protectionism at the

³⁰ Evenett, Simon J., "Tensions Contained... For Now" The 8th GTA Report. London: CEPR., November 2010

end of 2010 and beginning of 2011, the state protectionist policy prolonged as rightly warned in the 8th GTA report “Tensions Contained... For Now”. This trend also reflects the failure of world economic leaders to honour their anti-protectionist moratorium, at least not to harm the developing and least developed countries of the world.

Table 3.3 represents top 20 most frequently targeted LDCs by contemporary state protectionist measures. Bangladesh remains the most frequent target of crisis-era protectionism among the group, while some other LDCs were also hit hard during and after the crisis. Among the LDCs, Bangladesh has sizeable labour-intensive manufacturing exports, which particularly makes the country the most frequent target of state discrimination during the crisis period. Total 88 discriminatory measures have already been implemented and another 9 measures remain in the pipeline against this highly populated South Asian country. While 47 jurisdictions imposed *almost certainly* discriminatory measures against Bangladesh, the country’s biggest neighbour India, and Argentina inflicted the highest number of discriminatory measures against its trading interests, each responsible for implementing 10 state measures. Brazil, UK, China and Russian Federation are the other jurisdictions frequently hurting Bangladesh’s commercial interests.

Export taxes or restriction was the type of policy instrument most frequently used by the trading partners to discriminate against Bangladesh. As discussed earlier that contemporary manufacturing cost considerably depends on low cost international outsourcing and supply chain management. Therefore discrimination can be easily raised from taking control over raw material sources abroad. That clearly reflected in the case of Bangladesh. Garment and Apparel are the main export items of Bangladesh’s export and generate 80 percent of country’s export revenue. Almost all the raw material of these export items are sourced from outside. So imposition of export taxes or restriction, without any doubt, had adversely affected Bangladesh’s competitiveness in international market. Tariff measures were the second most frequently used types of policy instruments against Bangladesh’s commercial interests. During the investigating period, 16 tariff-related trade protectionist measures were implemented against Bangladesh. Export subsidy, Bail out and state aid measures were the other types of protectionist tools frequently used against Bangladesh.

Among the LDCs, Yemen, a republic from the Middle East, is the second most frequently targeted LDC by the crisis era trade protectionism. This oil exporting LDC was affected

by 57 discriminatory measures during and after the crisis. A total of 49 jurisdiction imposed *almost certainly* trade distorting measures against Yemen. India was the jurisdiction inflicted largest number of protectionist measures against Yemen, implemented 6 measures. While Belgium, Germany, Indonesia and United Kingdom of Great Britain and Northern Ireland each implemented 4 state measures, 26 other jurisdictions each executed 3 protectionist measures hurting Yemen. Export subsidy and export taxes or restriction were the most used types of policy instruments harming the country, each types used at least 16 times by its trading partners. Bail out or state aids and tariff measures were the other forms of protectionist tools used to discriminate against Yemen's commercial interest.

Sudan, United Republic of Tanzania, Senegal, Ethiopia, Uganda, Afganistan, Mynmar and Madagascar are the other LDCs most frequently targeted by contemporary protectionism. A detailed analysis of the top 10 most affected LDCs by the crsis-era and post-crisis state protectionist measures are presented in Chapter Four.

Table 3.3 List of LDCs most frequently hurt by contemporary protectionism

SI	LDCs	Number of discriminatory (almost certainly) measures implemented against that LDC	Number of discriminatory (may involve) measures implemented against that LDC	Number of discriminatory measures pending against that LDC	Total number of jurisdictions imposing red measures against that LDC	Trading partner implemented largest number of discriminatory measures (almost certainly) on target LDC			Types of policy tools (red or amber) used most frequently on target LDC		
						Country 1	Country 2	Country 3	Type 1	Type 2	Type 3
1	Bangladesh	58	30	9	47	India, Argentina (10)	Brazil, UK (5)	China, Russian Federation (4)	Export taxes or restriction (24)	Tariff measure (16)	Export subsidy, Bail out/ state aid measure(12)
2	Yemen	41	16	4	49	India (6)	Belgium, Germany, Indonesia, UK (4)	26 jurisdictions implemented 3 measures each against Yemen	Export subsidy, Export taxes or restriction (16)	Bail out/ state aid measure (9)	Tariff measure (7)
3	Sudan	35	19	4	44	India (6)	Argentina (5)	Belgium, Finland, Germany, Russian Federation (4)	Export taxes or restriction (18)	Export subsidy (10)	Tariff measure (9)
4	United Republic of Tanzania	34	21	8	45	India (7)	Indonesia, Russian Federation (4)	Belgium, Finland, Netherlands (3)	Export taxes or restriction (17)	Export subsidy, Bail out/ state aid, Tariff measure (11)	Trade finance (5)
5	Senegal	32	17	7	40	India (7)	Argentina (5)	France, Indonesia (4)	Export subsidy (14)	Bail out/ state aid measure (12)	Export taxes or restriction (8)
6	Ethiopia	30	15	9	44	France, India (4)	Belgium, Finland, Germany, Netherlands (3)	26 jurisdictions implemented 2 measures each against Ethiopia	Bail out/ state aid measure (12)	Export subsidy, Export taxes or restriction (9)	Tariff measure (7)
7	Uganda	26	15	6	40	India, Russian Federation (5)	Belgium, Netherlands (3)	28 jurisdictions implemented 2 measures each against Uganda	Export taxes or restriction (10)	Export subsidy, Bail out/ state aid measure (9)	Tariff measure (5)
8	Afghanistan	25	10	4	12	India, Kazakhstan (5)	Russian Federation (5)	Argentina (3)	Export taxes or restriction (10)	Export subsidy (9)	Bail out/ state aid measure, Tariff measure (5)
9	Myanmar	24	17	3	12	Argentina, China, India, Indonesia (4)	Republic of Korea, South Africa (2)	6 jurisdictions implemented 1 measure each against Myanmar	Export taxes or restriction (11)	Tariff measure (10)	Export subsidy (9)
10	Madagascar	24	15	7	37	India (5)	China, France (4)	Indonesia, Spain (3)	Export taxes or restriction (11)	Export subsidy (10)	Tariff measure (9)

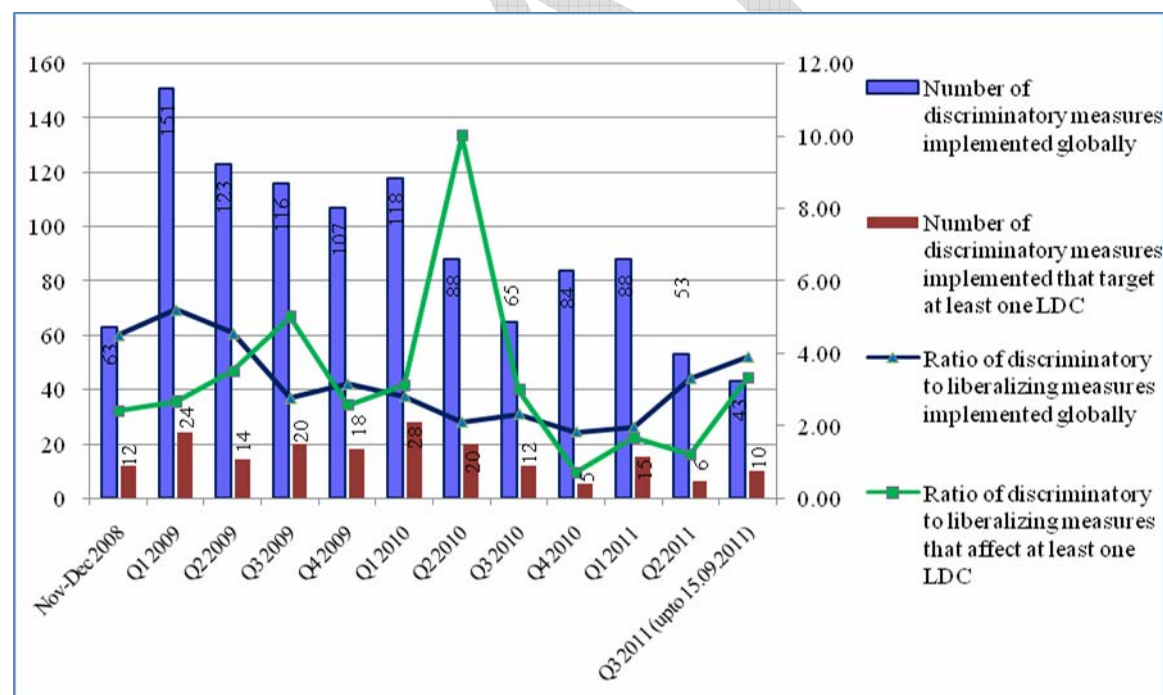
SI	LDCs	Number of discriminatory (almost certainly) measures implemented against that LDC	Number of discriminatory (may involve) measures implemented against that LDC	Number of discriminatory measures pending against that LDC	Total number of jurisdictions imposing red measures against that LDC	Trading partner implemented largest number of discriminatory measures (almost certainly) on target LDC			Types of policy tools (red or amber) used most frequently on target LDC		
						Country 1	Country 2	Country 3	Type 1	Type 2	Type 3
11	Cambodia	23	15	11	13	India (5)	Argentina (4)	China (3)	Export subsidy (8)	Export taxes or restriction (7)	
12	Mozambique	22	17	8	41	India (5)	Indonesia (3)	Argentina, China, Finland, Russian Federation (3)	Tariff measure (10)	Export subsidy (8)	Export taxes or restriction (7)
13	Zambia	22	16	4	37	Belgium, Finland, India, Netherlands (5)	25 jurisdictions implemented 4 measure each against Zambia	China, Russian Federation (2)	Export subsidy (9)	Bail out/ state aid, Tariff measure (8)	Export taxes or restriction (5)
14	Malawi	22	11	7	37	India, Russian Federation (4)	Belgium, Finland, Spain (3)	27 jurisdictions implemented 2 measure each against Malawi	Export taxes or restriction, Tariff measure (7)	Bail out/ state aid measure (6)	Export subsidy (5)
15	Angola	21	16	7	38	Argentina (5)	India (4)	Indonesia, Portugal, Republic of Korea, UK (2)	Export subsidy (10)	Export taxes or restriction, Tariff measure (8)	Trade finance (5)
16	Benin	21	10	5	38	India (7)	France, Indonesia (3)	28 jurisdictions implemented 2 measure each against Benin	Export subsidy, Export taxes or restriction (10)	Tariff measure (6)	Trade finance (3)
17	Mali	21	9	4	38	India (5)	Argentina (4)	Belgium, France, Spain (3)	Bail out/ state aid, Export subsidy (9)	Export taxes or restriction (5)	Tariff measure, Trade finance (3)
18	Togo	21	6	5	39	India (5)	Spain (4)	Indonesia (3)	Export subsidy (9)	Export taxes or restriction, Tariff measure (6)	Bail out/ state aid, Public procurement, trade finance (3)
19	Guinea	18	10	5	38	India (4)	Belgium, Republic of Korea, Russian Federation (2)	34 jurisdictions implemented 1 measure each against Guinea	Export subsidy (8)	Tariff measure (7)	Export taxes or restriction (6)
20	Mauritania	18	8	5	13	India (4)	Argentina (3)	Russian Federation (2)	Export subsidy (8)	Export taxes or restriction (6)	Trade finance (5)

Source: Global Trade Alert, data extracted 15 on September 2011

3.9 LDCs ARE STILL TARGET OF STATE PROTECTIONISM

Strong economic recovery during 2010 helps governments to resist protectionism, which also reflected in falling trend of state protectionist measures in the latter half of 2010. However, the phenomenal growth of world trade in 2010 (the volume of world merchandise exports grew by 14.5 percent last year) failed to refrain governments from imposing new trade restrictive measures during 2010. The analysis of trade measures since November 2008 shows that the ratio of discriminatory to liberalizing measures implemented globally was always positive, meaning that the number of market closing trade measures was always greater than the number of market opening measures. The case was not different for LDCs, except fourth quarter of 2010. Figure 3.10 illustrates the number of harmful measures implemented per quarter globally and against LDCs. It also reveals the ratio of market closing to market opening state measures implemented during that period.

Figure 3.10 Recent trend signals restoration of state protectionism globally as well as against LDCs



Source: Global Trade Alert, data extracted 15 on September 2011

Slowing and uneven global activity, renewed financial instability and macroeconomic uncertainty negatively affected economic recovery in 2011, more particularly in last quarter. This uncertainty and falling confidence about the economic recovery coupled

with unacceptably high unemployment rates in some countries reflected in the state policy responses through imposition of increasing trade restrictive interventions. Data presented here support such hypothesis and giving clear signal of resurgence of another wave of state protectionism (Figure 3.10).

The analysis of published state measures affecting LDCs showed that the imposition of discriminatory trade measures against LDCs commercial interests maintained almost similar pace in terms introduction of new protectionist measures from November 2008 to the end of 2010. However, the ratio of market closing to market opening state measures reached its peak in second quarter of 2010, while highest number of protectionist measures implemented against LDCs was in the first quarter of 2010. It reveals that the case of protectionism targeting LDCs was quite opposite of the rosy assessments of falling protectionism globally during 2010. Only fourth quarter of 2010 saw a dip in the protectionism hurting LDCs, which again got rising momentum from the beginning of 2011 in terms of closing borders to the trade of this poorest segment of the world (Figure 3.10).

Figure 3.11a Changes of protectionism, quarter-by-quarter, implemented against LDCs

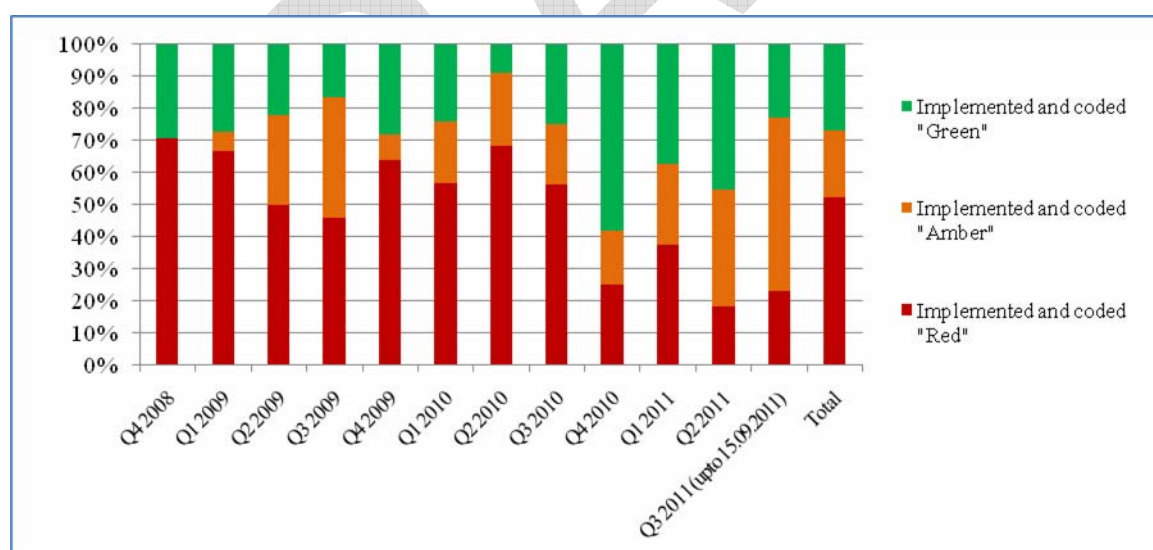
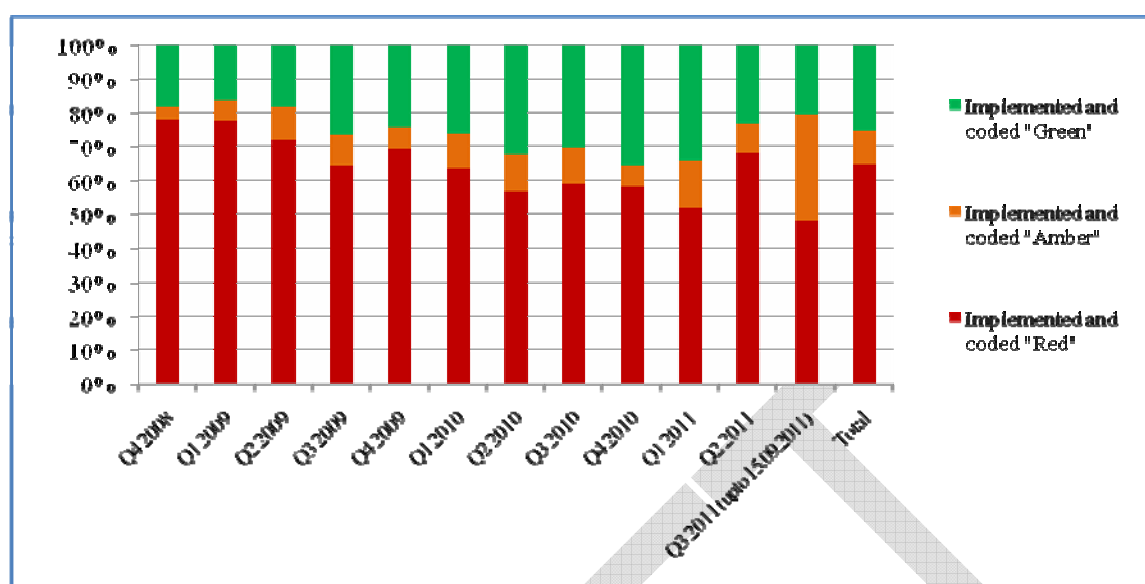


Figure 3.11b Changes of protectionism, quarter-by-quarter, implemented globally



Source: Global Trade Alert, data extracted 15 on September 2011

CHAPTER FOUR

COUNTRY-BY-COUNTRY REPORTS

LDCs: ALL

Table 4.1 Foreign protectionist measures affecting LDCs commercial interests

Summary statistic of foreign protectionist measures affecting LDCs commercial interests	All measures	All measures except anti-dumping, anti-subsidy, and safe-guard actions
Total number of measures affecting LDCs commercial interests	282	274
Total number of foreign measures found to benefit or involve no change in the treatment of LDCs commercial interests [1]	74	70
Total number of foreign measures that		
(i) have been implemented and are likely to harm LDCs commercial interests or		
(ii) that have been announced but not implemented and which almost certainly discriminate against LDCs interests [2]	76	74
Total number of foreign measures that have been implemented and which almost certainly discriminate against LDCs interests [3]	132	130
Total number of implemented measures affecting LDCs commercial interests	252	246
Total number of pending foreign measures likely to affect LDCs commercial interests	30	28
Total number of pending foreign measures that, if implemented, are likely to harm LDCs foreign commercial interests	24	22
Total number of trading partners that have imposed measures that harm LDCs commercial interests	65	65

Source: Global Trade Alert, data extracted on 15 September 2011

Note: As the Global Trade Alert database is updated frequently, the above data will change. Updates on the numbers in this table can be found by going to <http://www.globaltradealert.org/site-statistics>, and selecting “LDCs” in the “Affecting Trading Partner” and clicking the button “Get Stats”.

[1] These measures are classified “green” in the Global Trade Alert database.

[2] These measures are classified “amber” in the Global Trade Alert database.

[3] These measures are classified “red” in the Global Trade Alert database.

LDCs: ALL

Table 4.2 Number of implemented and pending discriminatory measures against individual LDC's commercial interest

Sl.	LDC	Number of discriminatory measures implemented against that LDC	Number of discriminatory measures pending against that LDC	Total
1	Bangladesh	88	9	97
2	Yemen	57	4	61
3	United Rep. of Tanzania	55	8	63
4	Sudan	54	4	58
5	Senegal	49	7	56
6	Ethiopia	45	9	54
7	Uganda	41	6	47
8	Myanmar	41	3	44
9	Mozambique	39	8	47
10	Madagascar	39	7	46
11	Cambodia	38	11	49
12	Zambia	38	4	42
13	Angola	37	7	44
14	Afghanistan	35	4	39
15	Malawi	33	7	40
16	Benin	31	5	36
17	Mali	30	4	34
18	Guinea	28	5	33
19	Togo	27	5	32
20	Mauritania	26	5	31
21	Niger	25	4	29
22	Djibouti	24	5	29
23	Nepal	22	8	30
24	Lao People's Democratic Rep.	18	9	27
25	Burkina Faso	18	5	23
26	Gambia	18	4	22
27	Liberia	18	4	22
28	Democratic Rep. of the Congo	17	6	23
29	Sierra Leone	17	4	21
30	Haiti	15	11	26
31	Equatorial Guinea	15	8	23
32	Rwanda	14	3	17
33	Maldives	12	5	17
34	Eritrea	12	4	16
35	Lesotho	11	5	16
36	Chad	11	5	16

Sl.	LDC	Number of discriminatory measures implemented against that LDC	Number of discriminatory measures Pending against that LDC	Total
37	Somalia	11	3	14
38	Burundi	10	4	14
39	Bhutan	10	4	14
40	Guinea-Bissau	9	4	13
41	Samoa	9	3	12
42	Central African Republic	7	4	11
43	Comoros	6	4	10
44	Vanuatu	5	4	9
45	Timor-Leste	5	3	8
46	Solomon Islands	4	2	6
47	Sao Tome and Principe	3	2	5
48	Kiribati	2	3	5
49	Tuvalu	1	4	5

Source: Global Trade Alert, data extracted on 15 September 2011

Table 4.3 Foreign jurisdiction implementing discriminatory measures (almost certainly) against LDCs commercial interest[1]

Sl.	Foreign jurisdiction implementing measures	Number of Measures
1	India	17
2	Argentina	13
3	Russian Federation	9
4	France	8
5	Indonesia	8
6	Spain	8
7	United Kingdom of Great Britain and Northern Ireland	8
8	Germany	7
9	Belgium	6
10	China	6
11	Finland	6
12	Netherlands	6
13	Poland	6
14	Portugal	6
15	Republic of Korea	6
16	Austria	5
17	Brazil	5
18	Bulgaria	5
19	Cyprus	5
20	Czech Republic	5
21	Denmark	5
22	Estonia	5

LDCs: ALL

Sl.	Foreign jurisdiction implementing measures	Number of Measures
23	Greece	5
24	Hungary	5
25	Ireland	5
26	Italy	5
27	Kazakhstan	5
28	Latvia	5
29	Lithuania	5
30	Luxembourg	5
31	Malta	5
32	Romania	5
33	Slovakia	5
34	Slovenia	5
35	Sweden	5
36	European Communities	4
37	Egypt	3
38	Nigeria	3
39	South Africa	3
40	Ukraine	3
41	Armenia	2
42	Ethiopia	2
43	Ghana	2
44	Japan	2
45	Saudi Arabia	2
46	Switzerland	2
47	United States of America	2
48	Viet Nam	2
49	Zimbabwe	2
50	Algeria	1
51	Angola	1
52	Belarus	1
53	Jordan	1
54	Kenya	1
55	Malaysia	1
56	Mauritania	1
57	Pakistan	1
58	Senegal	1
59	Sri Lanka	1
60	Sudan	1
61	Thailand	1
62	United Arab Emirates	1
63	Uzbekistan	1
64	Venezuela	1
65	Zambia	1

Source: Global Trade Alert, data extracted on 15 September 2011

[1] These measures are classified “red” in the Global Trade Alert database.

Table 4.4 Implemented measures that harm LDCs commercial interests, by type

Type of measure	Number of measures	As percentage of measures
Tariff measure	43	19%
Export taxes or restriction	38	17%
Bail out / state aid measure	30	13%
Export subsidy	23	10%
Non tariff barrier (not otherwise specified)	21	9%
Migration measure	13	6%
Trade finance	8	4%
Public procurement	7	3%
Local content requirement	6	3%
Quota (including tariff rate quotas)	6	3%
Competitive devaluation	5	2%
Import ban	4	2%
Investment measure	4	2%
Sanitary and Phytosanitary Measure	4	2%
Import subsidy	3	1%
Other service sector measure	3	1%
Consumption subsidy	2	1%
Technical Barrier to Trade	2	1%
Trade defense measure (AD, CVD, safeguard)	2	1%
Intellectual property protection	1	0%
State-controlled company	1	0%
State trading enterprise	0	0%
Sub-national government measure	0	0%
Total	208	100%

Source: Global Trade Alert, data extracted on 15 September 2011

Table 4.5 LDCs' state measures affecting other jurisdictions commercial interests.

Summary statistics of LDCs' state measures affecting other jurisdictions' commercial interests	All measures	All measures except anti-dumping, anti-subsidy, and safeguard actions
Total number of LDCs measures affecting other jurisdictions' commercial interests	47	46
Total number of LDCs measures found to benefit or involve no change in the treatment of other jurisdictions' commercial interests [1]	13	13
Total number of LDCs measures that		
(i) have been implemented and are likely to harm foreign commercial interests or		
(ii) that have been announced but not implemented and which almost certainly discriminate against foreign interests [2]	13	12
Total number of LDCs measures that have been implemented and which almost certainly discriminate against foreign commercial interests [3]	21	21
Total number of 4-digit tariff lines affected by measures implemented by LDCs that harm foreign commercial interests	421	421
Total number of 2-digit sectors affected by measures implemented by LDCs that harm foreign commercial interests	37	37
Total number of trading partners affected by measures implemented by LDCs that harm foreign commercial interests	88	88

Source: Global Trade Alert, data extracted on 15 September 2011

Note: As the Global Trade Alert database is updated frequently, the above data will change. Updates on the numbers in this table can be found by going to <http://www.globaltradealert.org/site-statistics>, and selecting "LDCs" in the "Implementing Jurisdiction" and clicking the button "Get Stats".

[1] These measures are classified "green" in the Global Trade Alert database.

[2] These measures are classified "amber" in the Global Trade Alert database.

[3] These measures are classified "red" in the Global Trade Alert database.

Table 4.6 Foreign jurisdiction affected by discriminatory measures (almost certainly) implemented by LDCs [1]

Sl	Foreign jurisdiction affected	Number of Measures
1	United Arab Emirates	11
2	Japan	8
3	United Kingdom of Great Britain and Northern Ireland	8
4	Belgium	7
5	China	7
6	United States of America	7
7	India	6
8	Netherlands	6
9	South Africa	6
10	France	5
11	Germany	5
12	Kenya	5
13	Thailand	5
14	Switzerland	4
15	Turkey	4
16	Canada	3
17	Egypt	3
18	Hong Kong	3
19	Italy	3
20	Oman	3
21	Republic of Korea	3
22	Saudi Arabia	3
23	Spain	3
24	Sweden	3
25	Yemen	3
26	Australia	2
27	Brazil	2
28	Czech Republic	2
29	Ethiopia	2
30	Indonesia	2
31	Jordan	2
32	Kuwait	2
33	Luxembourg	2
34	Malaysia	2
35	New Zealand	2
36	Pakistan	2
37	Poland	2
38	Portugal	2
39	Russian Federation	2
40	Rwanda	2
41	Singapore	2
42	Uganda	2
43	Albania	1
44	Algeria	1

Sl	Foreign jurisdiction affected	Number of Measures
45	Argentina	1
46	Austria	1
47	Bahrain	1
48	Bangladesh	1
49	Belize	1
50	Bulgaria	1
51	Burkina Faso	1
52	Burundi	1
53	Congo	1
54	Cyprus	1
55	Democratic People's Republic of Korea	1
56	Denmark	1
57	Djibouti	1
58	Ecuador	1
59	Estonia	1
60	Finland	1
61	Greece	1
62	Hungary	1
63	Iran	1
64	Ireland	1
65	Israel	1
66	Kazakhstan	1
67	Lebanon	1
68	Libyan Arab Jamahiriya	1
69	Lithuania	1
70	Mali	1
71	Mauritius	1
72	Mexico	1
73	Morocco	1
74	Nigeria	1
75	Norway	1
76	Qatar	1
77	Republic of Moldova	1
78	Romania	1
79	Senegal	1
80	Somalia	1
81	Sudan	1
82	Swaziland	1
83	Syrian Arab Republic	1
84	Tunisia	1
85	Uruguay	1
86	Viet Nam	1

Source: Global Trade Alert, data extracted on 15 September 2011

[1] These measures are classified “red” in the Global Trade Alert database.

Table 4.7 LDCs implemented measures that harm foreign commercial interests, by type

Type of measure	Number of measures	As percentage of measures
Tariff measure	8	24%
Non tariff barrier (not otherwise specified)	7	21%
Export taxes or restriction	6	18%
Import ban	2	6%
Investment measure	2	6%
Sanitary and Phytosanitary Measure	2	6%
Bail out / state aid measure	1	3%
Competitive devaluation	1	3%
Export subsidy	1	3%
Import subsidy	1	3%
Local content requirement	1	3%
Public procurement	1	3%
Consumption subsidy	0	0%
Intellectual property protection	0	0%
Migration measure	0	0%
Other service sector measure	0	0%
Quota (including tariff rate quotas)	0	0%
State trading enterprise	0	0%
State-controlled company	0	0%
Sub-national government measure	0	0%
Technical Barrier to Trade	0	0%
Trade defense measure (AD, CVD, safeguard)	0	0%
Trade finance	0	0%
Total	26	100%

Source: Global Trade Alert, data extracted on 15 September 2011

Bangladesh

Table 4.8 Foreign protectionist measures affecting Bangladesh's commercial interests

Summary statistic of foreign protectionist measures affecting Bangladesh's commercial interests	All measures	All measures except anti-dumping, anti-subsidy, and safeguard actions
Total number of measures affecting Bangladesh's commercial interests	125	122
Total number of foreign measures found to benefit or involve no change in the treatment of Bangladesh's commercial interests [1]	28	26
Total number of foreign measures that		
(i) have been implemented and are likely to harm Bangladesh's commercial interests or		
(ii) that have been announced but not implemented and which almost certainly discriminate against Bangladesh's interests [2]	39	39
Total number of foreign measures that have been implemented and which almost certainly discriminate against Bangladesh's interests [3]	58	57
Total number of implemented measures affecting Bangladesh's commercial interests	113	110
Total number of pending foreign measures likely to affect Bangladesh's commercial interests	12	12
Total number of pending foreign measures that, if implemented, are likely to harm Bangladesh's foreign commercial interests	9	9
Total number of trading partners that have imposed measures that harm Bangladesh's commercial interests	47	47

Source: Global Trade Alert, data extracted on 15 September 2011

Note: As the Global Trade Alert database is updated frequently, the above data will change. Updates on the numbers in this table can be found by going to <http://www.globaltradealert.org/site-statistics>, and selecting "Bangladesh" in the "Affecting Trading Partner" and clicking the button "Get Stats".

[1] These measures are classified "green" in the Global Trade Alert database.

[2] These measures are classified "amber" in the Global Trade Alert database.

[3] These measures are classified "red" in the Global Trade Alert database.

Table 4.9 Foreign jurisdiction implementing discriminatory measures (almost certainly) against Bangladesh's commercial interest

Sl.	Foreign jurisdiction implementing measures	Number of Measures
1	Argentina	10
2	India	10
3	Brazil	5
4	United Kingdom of Great Britain and Northern Ireland	5
5	China	4
6	Russian Federation	4
7	Belgium	3
8	Finland	3
9	Germany	3
10	Indonesia	3
11	Poland	3
12	Austria	2
13	Bulgaria	2
14	Cyprus	2
15	Czech Republic	2
16	Denmark	2
17	Estonia	2
18	France	2
19	Greece	2
20	Hungary	2
21	Ireland	2
22	Italy	2
23	Latvia	2
24	Lithuania	2
25	Luxembourg	2
26	Malta	2
27	Netherlands	2
28	Portugal	2
29	Romania	2
30	Slovakia	2
31	Slovenia	2
32	Spain	2
33	Sweden	2
34	Ukraine	2
35	United States of America	2
36	Viet Nam	2
37	Ethiopia	1
38	European Communities	1
39	Jordan	1
40	Kazakhstan	1
41	Malaysia	1
42	Nigeria	1
43	Pakistan	1
44	Saudi Arabia	1
45	South Africa	1
46	Thailand	1
47	United Arab Emirates	1

[1] These measures are classified “red” in the Global Trade Alert database.

Table 4.10 Implemented measures that harm Bangladesh's commercial interests, by type

Type of measure	Number of measures	As percentage of measures
Export taxes or restriction	24	24%
Tariff measure	16	16%
Bail out / state aid measure	12	12%
Export subsidy	12	12%
Non tariff barrier (not otherwise specified)	9	9%
Migration measure	8	8%
Trade finance	5	5%
Competitive devaluation	4	4%
Quota (including tariff rate quotas)	4	4%
Import subsidy	2	2%
Public procurement	2	2%
Investment measure	1	1%
Local content requirement	1	1%
Other service sector measure	1	1%
Trade defense measure (AD, CVD, safeguard)	1	1%
Consumption subsidy	0	0%
Import ban	0	0%
Intellectual property protection	0	0%
Sanitary and Phytosanitary Measure	0	0%
State-controlled company	0	0%
Sub-national government measure	0	0%
Technical Barrier to Trade	0	0%
Total	97	100%

Source: Global Trade Alert, data extracted on 15 September 2011

Yemen

Table 4.11 Foreign protectionist measures affecting Yemen's commercial interests

Summary statistic of foreign protectionist measures affecting Yemen's commercial interests	All measures	All measures except anti-dumping, anti-subsidy, and safeguard actions
Total number of measures affecting Yemen's commercial interests	70	70
Total number of foreign measures found to benefit or involve no change in the treatment of Yemen's commercial interests [1]	9	9
Total number of foreign measures that		
(i) have been implemented and are likely to harm Yemen's commercial interests or		
(ii) that have been announced but not implemented and which almost certainly discriminate against Yemen's interests [2]	20	20
Total number of foreign measures that have been implemented and which almost certainly discriminate against Yemen's interests [3]	41	41
Total number of implemented measures affecting Yemen's commercial interests	65	65
Total number of pending foreign measures likely to affect Yemen's commercial interests	5	5
Total number of pending foreign measures that, if implemented, are likely to harm Yemen's foreign commercial interests	4	4
Total number of trading partners that have imposed measures that harm Yemen's commercial interests	49	49

Source: Global Trade Alert, data extracted on 15 September 2011

Note: As the Global Trade Alert database is updated frequently, the above data will change. Updates on the numbers in this table can be found by going to <http://www.globaltradealert.org/site-statistics>, and selecting "Yemen" in the "Affecting Trading Partner" and clicking the button "Get Stats".

[1] These measures are classified "green" in the Global Trade Alert database.

[2] These measures are classified "amber" in the Global Trade Alert database.

[3] These measures are classified "red" in the Global Trade Alert database.

Table 4.12 Foreign jurisdiction implementing discriminatory measures (almost certainly) against Yemen's commercial interest

Sl.	Foreign jurisdiction implementing measures	Number of Measures
1	India	6
2	Belgium	4
3	Germany	4
4	Indonesia	4
5	United Kingdom of Great Britain and Northern Ireland	4
6	Argentina	3
7	Austria	3
8	Bulgaria	3
9	Cyprus	3
10	Czech Republic	3
11	Denmark	3
12	Estonia	3
13	Finland	3
14	France	3
15	Greece	3
16	Hungary	3
17	Ireland	3
18	Italy	3
19	Latvia	3
20	Lithuania	3
21	Luxembourg	3
22	Malta	3
23	Netherlands	3
24	Poland	3
25	Portugal	3
26	Romania	3
27	Russian Federation	3
28	Slovakia	3
29	Slovenia	3
30	Spain	3
31	Sweden	3
32	Armenia	2
33	China	2
34	Egypt	2
35	Ethiopia	2
36	European Communities	2
37	Saudi Arabia	2
38	Algeria	1
39	Belarus	1
40	Kazakhstan	1
41	Malaysia	1
42	Nigeria	1
43	Republic of Korea	1
44	South Africa	1
45	Sudan	1
46	Thailand	1
47	United Arab Emirates	1
48	United States of America	1
49	Viet Nam	1

Source: Global Trade Alert, data extracted 15 September 2011

[1] These measures are classified "red" in the Global Trade Alert database.

Table 4.13 Implemented measures that harm Yemen's commercial interests, by type

Type of measure	Number of measures	As percentage of measures
Export subsidy	16	24%
Export taxes or restriction	16	24%
Bail out / state aid measure	9	14%
Tariff measure	7	11%
Competitive devaluation	4	6%
Trade finance	3	5%
Import ban	2	3%
Investment measure	2	3%
Migration measure	2	3%
Non tariff barrier (not otherwise specified)	2	3%
Import subsidy	1	2%
Public procurement	1	2%
Quota (including tariff rate quotas)	1	2%
Consumption subsidy	0	0%
Intellectual property protection	0	0%
Local content requirement	0	0%
Other service sector measure	0	0%
Sanitary and Phytosanitary Measure	0	0%
State-controlled company	0	0%
Sub-national government measure	0	0%
Technical Barrier to Trade	0	0%
Trade defense measure (AD, CVD, safeguard)	0	0%
Total	61	100%

Source: Global Trade Alert, data extracted 15 September 2011

United Republic of Tanzania

Table 4.14 Foreign protectionist measures affecting United Republic of Tanzania's commercial interests

Summary statistic of foreign protectionist measures affecting United republic of Tanzania's commercial interests	All measures	All measures except anti-dumping, anti-subsidy, and safe-guard actions
Total number of measures affecting United Republic of Tanzania's commercial interests	77	76
Total number of foreign measures found to benefit or involve no change in the treatment of United republic of Tanzania's commercial interests [1]	14	13
Total number of foreign measures that		
(i) have been implemented and are likely to harm United republic of Tanzania's commercial interests or		
(ii) that have been announced but not implemented and which almost certainly discriminate against United republic of Tanzania's interests [2]	29	29
Total number of foreign measures that have been implemented and which almost certainly discriminate against United republic of Tanzania's interests [3]	34	34
Total number of implemented measures affecting United republic of Tanzania's commercial interests	68	67
Total number of pending foreign measures likely to affect United republic of Tanzania's commercial interests	9	9
Total number of pending foreign measures that, if implemented, are likely to harm United republic of Tanzania's foreign commercial interests	8	8
Total number of trading partners that have imposed measures that harm United republic of Tanzania's commercial interests	45	45

Source: Global Trade Alert, data extracted on 15 September 2011

Note: As the Global Trade Alert database is updated frequently, the above data will change. Updates on the numbers in this table can be found by going to <http://www.globaltradealert.org/site-statistics>, and selecting "United republic of Tanzania" in the "Affecting Trading Partner" and clicking the button "Get Stats".

[1] These measures are classified "green" in the Global Trade Alert database.

[2] These measures are classified "amber" in the Global Trade Alert database.

[3] These measures are classified "red" in the Global Trade Alert database.

Table 4.15 Foreign jurisdiction implementing discriminatory measures (almost certainly) against United republic of Tanzania's commercial interest

Sl.	Foreign jurisdiction implementing measures	Number of Measures
1	India	7
2	Indonesia	4
3	Russian Federation	4
4	Belgium	3
5	Finland	3
6	Netherlands	3
7	Argentina	2
8	Austria	2
9	Bulgaria	2
10	China	2
11	Cyprus	2
12	Czech Republic	2
13	Denmark	2
14	Estonia	2
15	European Communities	2
16	France	2
17	Germany	2
18	Greece	2
19	Hungary	2
20	Ireland	2
21	Italy	2
22	Latvia	2
23	Lithuania	2
24	Luxembourg	2
25	Malta	2
26	Poland	2
27	Portugal	2
28	Romania	2
29	Slovakia	2
30	Slovenia	2
31	Spain	2
32	Sweden	2
33	United Kingdom of Great Britain and Northern Ireland	2
34	Angola	1
35	Brazil	1
36	Japan	1
37	Kazakhstan	1
38	Kenya	1
39	Malaysia	1
40	Nigeria	1
41	Republic of Korea	1
42	South Africa	1
43	Thailand	1
44	Viet Nam	1
45	Zambia	1

[1] These measures are classified "red" in the Global Trade Alert database.

Table 4.16 Implemented measures that harm United republic of Tanzania's commercial interests, by type

Type of measure	Number of measures	As percentage of measures
Export taxes or restriction	17	25%
Bail out / state aid measure	11	16%
Export subsidy	11	16%
Tariff measure	11	16%
Trade finance	5	7%
Non tariff barrier (not otherwise specified)	3	4%
Competitive devaluation	2	3%
Public procurement	2	3%
Quota (including tariff rate quotas)	2	3%
Import subsidy	1	1%
Other service sector measure	1	1%
Sanitary and Phytosanitary Measure	1	1%
Consumption subsidy	0	0%
Import ban	0	0%
Intellectual property protection	0	0%
Investment measure	0	0%
Local content requirement	0	0%
Migration measure	0	0%
State-controlled company	0	0%
Sub-national government measure	0	0%
Technical Barrier to Trade	0	0%
Trade defense measure (AD, CVD, safeguard)	0	0%
Total	63	100%

Source: Global Trade Alert, data extracted 15 September 2011

Sudan

Table 4.17 Foreign protectionist measures affecting Sudan's commercial interests

Summary statistic of foreign protectionist measures affecting Sudan's commercial interests	All measures	All measures except anti-dumping, anti-subsidy, and safeguard actions
Total number of measures affecting Sudan's commercial interests	67	66
Total number of foreign measures found to benefit or involve no change in the treatment of Sudan's commercial interests [1]	9	8
Total number of foreign measures that		
(i) have been implemented and are likely to harm Sudan's commercial interests or		
(ii) that have been announced but not implemented and which almost certainly discriminate against Sudan's interests [2]	23	23
Total number of foreign measures that have been implemented and which almost certainly discriminate against Sudan's interests [3]	35	35
Total number of implemented measures affecting Sudan's commercial interests	62	61
Total number of pending foreign measures likely to affect Sudan's commercial interests	5	5
Total number of pending foreign measures that, if implemented, are likely to harm Sudan's foreign commercial interests	4	4
Total number of trading partners that have imposed measures that harm Sudan's commercial interests	44	44

Source: Global Trade Alert, data extracted on 15 September 2011

Note: As the Global Trade Alert database is updated frequently, the above data will change. Updates on the numbers in this table can be found by going to <http://www.globaltradealert.org/site-statistics>, and selecting "Sudan" in the "Affecting Trading Partner" and clicking the button "Get Stats".

[1] These measures are classified "green" in the Global Trade Alert database.

[2] These measures are classified "amber" in the Global Trade Alert database.

[3] These measures are classified "red" in the Global Trade Alert database.

Table 4.18 Foreign jurisdiction implementing discriminatory measures (almost certainly) against Sudan's commercial interest

Sl.	Foreign jurisdiction implementing measures	Number of Measures
1	India	6
2	Argentina	5
3	Belgium	4
4	Finland	4
5	Germany	4
6	Russian Federation	4
7	Austria	3
8	Bulgaria	3
9	Cyprus	3
10	Czech Republic	3
11	Denmark	3
12	Egypt	3
13	Estonia	3
14	France	3
15	Greece	3
16	Hungary	3
17	Ireland	3
18	Italy	3
19	Latvia	3
20	Lithuania	3
21	Luxembourg	3
22	Malta	3
23	Netherlands	3
24	Poland	3
25	Portugal	3
26	Romania	3
27	Slovakia	3
28	Slovenia	3
29	Spain	3
30	Sweden	3
31	United Kingdom of Great Britain and Northern Ireland	3
32	European Communities	2
33	Indonesia	2
34	Brazil	1
35	China	1
36	Ethiopia	1
37	Japan	1
38	Malaysia	1
39	Nigeria	1
40	South Africa	1
41	Thailand	1
42	Ukraine	1
43	United Arab Emirates	1
44	Viet Nam	1

Source: Global Trade Alert, data extracted on 15 September 2011

[1] These measures are classified "red" in the Global Trade Alert database.

Table 4.19 Implemented measures that harm Sudan's commercial interests, by type

Type of measure	Number of measures	As percentage of measures
Export taxes or restriction	18	30%
Export subsidy	10	16%
Tariff measure	9	15%
Bail out / state aid measure	8	13%
Trade finance	5	8%
Competitive devaluation	3	5%
Non tariff barrier (not otherwise specified)	3	5%
Quota (including tariff rate quotas)	2	3%
Import subsidy	1	2%
Migration measure	1	2%
Public procurement	1	2%
Consumption subsidy	0	0%
Import ban	0	0%
Intellectual property protection	0	0%
Investment measure	0	0%
Local content requirement	0	0%
Other service sector measure	0	0%
Sanitary and Phytosanitary Measure	0	0%
State-controlled company	0	0%
Sub-national government measure	0	0%
Technical Barrier to Trade	0	0%
Trade defense measure (AD, CVD, safeguard)	0	0%
Total	58	100%

Source: Global Trade Alert, data extracted on 15 September 2011

Senegal

Table 4.20 Foreign protectionist measures affecting Senegal's commercial interests

Summary statistic of foreign protectionist measures affecting Senegal's commercial interests	All measures	All measures except anti-dumping, anti-subsidy, and safeguard actions
Total number of measures affecting Senegal's commercial interests	63	61
Total number of foreign measures found to benefit or involve no change in the treatment of Senegal's commercial interests [1]	7	5
Total number of foreign measures that		
(i) have been implemented and are likely to harm Senegal's commercial interests or		
(ii) that have been announced but not implemented and which almost certainly discriminate against Senegal's interests [2]	24	24
Total number of foreign measures that have been implemented and which almost certainly discriminate against Senegal's interests [3]	32	32
Total number of implemented measures affecting Senegal's commercial interests	56	54
Total number of pending foreign measures likely to affect Senegal's commercial interests	7	7
Total number of pending foreign measures that, if implemented, are likely to harm Senegal's foreign commercial interests	7	7
Total number of trading partners that have imposed measures that harm Senegal's commercial interests	40	40

Source: Global Trade Alert, data extracted on 15 September 2011

Note: As the Global Trade Alert database is updated frequently, the above data will change. Updates on the numbers in this table can be found by going to <http://www.globaltradealert.org/site-statistics>, and selecting "Senegal" in the "Affecting Trading Partner" and clicking the button "Get Stats".

[1] These measures are classified "green" in the Global Trade Alert database.

[2] These measures are classified "amber" in the Global Trade Alert database.

[3] These measures are classified "red" in the Global Trade Alert database.

Table 4.21 Foreign jurisdiction implementing discriminatory measures (almost certainly) against Senegal's commercial interest

Sl.	Foreign jurisdiction implementing measures	Number of Measures
1	India	7
2	Argentina	5
3	France	4
4	Indonesia	4
5	Belgium	2
6	Netherlands	2
7	Spain	2
8	Viet Nam	2
9	Austria	1
10	Brazil	1
11	Bulgaria	1
12	China	1
13	Cyprus	1
14	Czech Republic	1
15	Denmark	1
16	Egypt	1
17	Estonia	1
18	European Communities	1
19	Finland	1
20	Germany	1
21	Greece	1
22	Hungary	1
23	Ireland	1
24	Italy	1
25	Japan	1
26	Latvia	1
27	Lithuania	1
28	Luxembourg	1
29	Malta	1
30	Mauritania	1
31	Poland	1
32	Portugal	1
33	Republic of Korea	1
34	Romania	1
35	Slovakia	1
36	Slovenia	1
37	South Africa	1
38	Sweden	1
39	Switzerland	1
40	United Kingdom of Great Britain and Northern Ireland	1

Source: Global Trade Alert, data extracted on 15 September 2011

[1] These measures are classified "red" in the Global Trade Alert database.

Table 4.22 Implemented measures that harm Senegal's commercial interests, by type

Type of measure	Number of measures	As percentage of total measures
Export subsidy	14	24%
Bail out / state aid measure	12	21%
Export taxes or restriction	8	14%
Tariff measure	8	14%
Non tariff barrier (not otherwise specified)	5	9%
Trade finance	4	7%
Competitive devaluation	1	2%
Consumption subsidy	1	2%
Import subsidy	1	2%
Local content requirement	1	2%
Public procurement	1	2%
Quota (including tariff rate quotas)	1	2%
State-controlled company	1	2%
Import ban	0	0%
Intellectual property protection	0	0%
Investment measure	0	0%
Migration measure	0	0%
Other service sector measure	0	0%
Sanitary and Phytosanitary Measure	0	0%
Sub-national government measure	0	0%
Technical Barrier to Trade	0	0%
Trade defense measure (AD, CVD, safeguard)	0	0%
Total	56	100%

Source: Global Trade Alert, data extracted on 15 September 2011

Ethiopia

Table 4.11 Foreign protectionist measures affecting Ethiopia's commercial interests

Summary statistic of foreign protectionist measures affecting Ethiopia's commercial interests	All measures	All measures except anti-dumping, anti-subsidy, and safeguard actions
Total number of measures affecting Ethiopia's commercial interests	62	61
Total number of foreign measures found to benefit or involve no change in the treatment of Ethiopia's commercial interests [1]	8	8
Total number of foreign measures that		
(i) have been implemented and are likely to harm Ethiopia's commercial interests or		
(ii) that have been announced but not implemented and which almost certainly discriminate against Ethiopia's interests [2]	24	23
Total number of foreign measures that have been implemented and which almost certainly discriminate against Ethiopia's interests [3]	30	30
Total number of implemented measures affecting Ethiopia's commercial interests	53	53
Total number of pending foreign measures likely to affect Ethiopia's commercial interests	9	8
Total number of pending foreign measures that, if implemented, are likely to harm Ethiopia's foreign commercial interests	9	8
Total number of trading partners that have imposed measures that harm Ethiopia's commercial interests	44	44

Source: Global Trade Alert, data extracted on 15 September 2011

Note: As the Global Trade Alert database is updated frequently, the above data will change. Updates on the numbers in this table can be found by going to <http://www.globaltradealert.org/site-statistics>, and selecting "Ethiopia" in the "Affecting Trading Partner" and clicking the button "Get Stats".

[1] These measures are classified "green" in the Global Trade Alert database.

[2] These measures are classified "amber" in the Global Trade Alert database.

[3] These measures are classified "red" in the Global Trade Alert database.

Table 4.12 Foreign jurisdiction implementing discriminatory measures (almost certainly) against Ethiopia's commercial interest

Sl.	Foreign jurisdiction implementing measures	Number of Measures
1	France	4
2	India	4
3	Belgium	3
4	Finland	3
5	Germany	3
6	Netherlands	3
7	Argentina	2
8	Austria	2
9	Bulgaria	2
10	China	2
11	Cyprus	2
12	Czech Republic	2
13	Denmark	2
14	Estonia	2
15	European Communities	2
16	Greece	2
17	Hungary	2
18	Ireland	2
19	Italy	2
20	Latvia	2
21	Lithuania	2
22	Luxembourg	2
23	Malta	2
24	Poland	2
25	Portugal	2
26	Romania	2
27	Russian Federation	2
28	Slovakia	2
29	Slovenia	2
30	Spain	2
31	Sweden	2
32	United Kingdom of Great Britain and Northern Ireland	2
33	Angola	1
34	Indonesia	1
35	Japan	1
36	Kazakhstan	1
37	Kenya	1
38	Republic of Korea	1
39	South Africa	1
40	Sudan	1
41	Switzerland	1
42	Ukraine	1
43	United States of America	1
44	Viet Nam	1

Source: Global Trade Alert, data extracted 15 September 2011

[1] These measures are classified "red" in the Global Trade Alert database.

Table 4.13 Implemented measures that harm Ethiopia's commercial interests, by type

Type of measure	Number of measures	As percentage of measures
Bail out / state aid measure	12	23%
Export subsidy	9	17%
Export taxes or restriction	9	17%
Tariff measure	7	13%
Trade finance	4	8%
Competitive devaluation	2	4%
Local content requirement	2	4%
Non tariff barrier (not otherwise specified)	2	4%
Public procurement	2	4%
Import ban	1	2%
Import subsidy	1	2%
Quota (including tariff rate quotas)	1	2%
Sanitary and Phytosanitary Measure	1	2%
Consumption subsidy	0	0%
Intellectual property protection	0	0%
Investment measure	0	0%
Migration measure	0	0%
Other service sector measure	0	0%
State-controlled company	0	0%
Sub-national government measure	0	0%
Technical Barrier to Trade	0	0%
Trade defense measure (AD, CVD, safeguard)	0	0%
Total	54	100%

Source: Global Trade Alert, data extracted 15 September 2011

Uganda

Table 4.14 Foreign protectionist measures affecting Uganda's commercial interests

Summary statistic of foreign protectionist measures affecting Uganda's commercial interests	All measures	All measures except anti-dumping, anti-subsidy, and safe-guard actions
Total number of measures affecting Uganda's commercial interests	57	56
Total number of foreign measures found to benefit or involve no change in the treatment of Uganda's commercial interests [1]	10	9
Total number of foreign measures that		
(i) have been implemented and are likely to harm Uganda's commercial interests or		
(ii) that have been announced but not implemented and which almost certainly discriminate against Uganda's interests [2]	21	21
Total number of foreign measures that have been implemented and which almost certainly discriminate against Uganda's interests [3]	26	26
Total number of implemented measures affecting Uganda's commercial interests	50	49
Total number of pending foreign measures likely to affect Uganda's commercial interests	7	7
Total number of pending foreign measures that, if implemented, are likely to harm Uganda's foreign commercial interests	6	6
Total number of trading partners that have imposed measures that harm Uganda's commercial interests	40	40

Source: Global Trade Alert, data extracted on 15 September 2011

Note: As the Global Trade Alert database is updated frequently, the above data will change. Updates on the numbers in this table can be found by going to <http://www.globaltradealert.org/site-statistics>, and selecting "Uganda" in the "Affecting Trading Partner" and clicking the button "Get Stats".

[1] These measures are classified "green" in the Global Trade Alert database.

[2] These measures are classified "amber" in the Global Trade Alert database.

[3] These measures are classified "red" in the Global Trade Alert database.

Table 4.15 Foreign jurisdiction implementing discriminatory measures (almost certainly) against Uganda's commercial interest

Sl.	Foreign jurisdiction implementing measures	Number of Measures
1	India	5
2	Russian Federation	5
3	Belgium	3
4	Netherlands	3
5	Argentina	2
6	Austria	2
7	Bulgaria	2
8	Cyprus	2
9	Czech Republic	2
10	Denmark	2
11	Estonia	2
12	European Communities	2
13	Finland	2
14	France	2
15	Germany	2
16	Greece	2
17	Hungary	2
18	Ireland	2
19	Italy	2
20	Latvia	2
21	Lithuania	2
22	Luxembourg	2
23	Malta	2
24	Poland	2
25	Portugal	2
26	Romania	2
27	Slovakia	2
28	Slovenia	2
29	Spain	2
30	Sweden	2
31	Switzerland	2
32	United Kingdom of Great Britain and Northern Ireland	2
33	Angola	1
34	China	1
35	Indonesia	1
36	Japan	1
37	South Africa	1
38	Sudan	1
39	Ukraine	1
40	Viet Nam	1

[1] These measures are classified "red" in the Global Trade Alert database.

Table 4.16 Implemented measures that harm Uganda's commercial interests, by type

Type of measure	Number of measures	As percentage of measures
Export taxes or restriction	10	20%
Bail out / state aid measure	9	18%
Export subsidy	9	18%
Tariff measure	5	10%
Non tariff barrier (not otherwise specified)	4	8%
Trade finance	3	6%
Public procurement	2	4%
Competitive devaluation	1	2%
Import ban	1	2%
Import subsidy	1	2%
Local content requirement	1	2%
Other service sector measure	1	2%
Quota (including tariff rate quotas)	1	2%
Sanitary and Phytosanitary Measure	1	2%
Consumption subsidy	0	0%
Intellectual property protection	0	0%
Investment measure	0	0%
Migration measure	0	0%
State-controlled company	0	0%
Sub-national government measure	0	0%
Technical Barrier to Trade	0	0%
Trade defense measure (AD, CVD, safeguard)	0	0%
Total	47	100%

Source: Global Trade Alert, data extracted 15 September 2011

Myanmar

Table 4.17 Foreign protectionist measures affecting Myanmar's commercial interests

Summary statistic of foreign protectionist measures affecting Myanmar's commercial interests	All measures	All measures except anti-dumping, anti-subsidy, and safeguard actions
Total number of measures affecting Myanmar's commercial interests	57	56
Total number of foreign measures found to benefit or involve no change in the treatment of Myanmar's commercial interests [1]	13	12
Total number of foreign measures that		
(i) have been implemented and are likely to harm Myanmar's commercial interests or		
(ii) that have been announced but not implemented and which almost certainly discriminate against Myanmar's interests [2]	20	20
Total number of foreign measures that have been implemented and which almost certainly discriminate against Myanmar's interests [3]	24	24
Total number of implemented measures affecting Myanmar's commercial interests	53	52
Total number of pending foreign measures likely to affect Myanmar's commercial interests	4	4
Total number of pending foreign measures that, if implemented, are likely to harm Myanmar's foreign commercial interests	3	3
Total number of trading partners that have imposed measures that harm Myanmar's commercial interests	12	12

Source: Global Trade Alert, data extracted on 15 September 2011

Note: As the Global Trade Alert database is updated frequently, the above data will change. Updates on the numbers in this table can be found by going to <http://www.globaltradealert.org/site-statistics>, and selecting "Myanmar" in the "Affecting Trading Partner" and clicking the button "Get Stats".

[1] These measures are classified "green" in the Global Trade Alert database.

[2] These measures are classified "amber" in the Global Trade Alert database.

[3] These measures are classified "red" in the Global Trade Alert database.

Table 4.18 Foreign jurisdiction implementing discriminatory measures (almost certainly) against Myanmar's commercial interest

Sl.	Foreign jurisdiction implementing measures	Number of Measures
1	Argentina	4
2	China	4
3	India	4
4	Indonesia	4
5	Republic of Korea	2
6	South Africa	2
7	Germany	1
8	Japan	1
9	Malaysia	1
10	Sri Lanka	1
11	Thailand	1
12	Viet Nam	1

Source: Global Trade Alert, data extracted on 15 September 2011

[1] These measures are classified "red" in the Global Trade Alert database.

Table 4.19 Implemented measures that harm Myanmar's commercial interests, by type

Type of measure	Number of measures	As percentage of measures
Export taxes or restriction	11	20%
Tariff measure	10	18%
Export subsidy	9	16%
Non tariff barrier (not otherwise specified)	7	13%
Trade finance	4	7%
Bail out / state aid measure	2	4%
Import subsidy	2	4%
Investment measure	2	4%
Public procurement	2	4%
Quota (including tariff rate quotas)	2	4%
Competitive devaluation	1	2%
Local content requirement	1	2%
Migration measure	1	2%
Sanitary and Phytosanitary Measure	1	2%
Consumption subsidy	0	0%
Import ban	0	0%
Intellectual property protection	0	0%
Other service sector measure	0	0%
State-controlled company	0	0%
Sub-national government measure	0	0%
Technical Barrier to Trade	0	0%
Trade defense measure (AD, CVD, safeguard)	0	0%
Total	44	100%

Source: Global Trade Alert, data extracted on 15 September 2011

Mozambique

Table 4.20 Foreign protectionist measures affecting Mozambique's commercial interests

Summary statistic of foreign protectionist measures affecting Mozambique's commercial interests	All measures	All measures except anti-dumping, anti-subsidy, and safeguard actions
Total number of measures affecting Mozambique's commercial interests	56	55
Total number of foreign measures found to benefit or involve no change in the treatment of Mozambique's commercial interests [1]	9	8
Total number of foreign measures that		
(i) have been implemented and are likely to harm Mozambique's commercial interests or		
(ii) that have been announced but not implemented and which almost certainly discriminate against Mozambique's interests [2]	25	25
Total number of foreign measures that have been implemented and which almost certainly discriminate against Mozambique's interests [3]	22	22
Total number of implemented measures affecting Mozambique's commercial interests	48	47
Total number of pending foreign measures likely to affect Mozambique's commercial interests	8	8
Total number of pending foreign measures that, if implemented, are likely to harm Mozambique's foreign commercial interests	8	8
Total number of trading partners that have imposed measures that harm Mozambique's commercial interests	41	41

Source: Global Trade Alert, data extracted on 15 September 2011

Note: As the Global Trade Alert database is updated frequently, the above data will change. Updates on the numbers in this table can be found by going to <http://www.globaltradealert.org/site-statistics>, and selecting "Mozambique" in the "Affecting Trading Partner" and clicking the button "Get Stats".

[1] These measures are classified "green" in the Global Trade Alert database.

[2] These measures are classified "amber" in the Global Trade Alert database.

[3] These measures are classified "red" in the Global Trade Alert database.

Table 4.21 Foreign jurisdiction implementing discriminatory measures (almost certainly) against Mozambique's commercial interest

Sl.	Foreign jurisdiction implementing measures	Number of Measures
1	India	5
2	Indonesia	3
3	Argentina	2
4	China	2
5	Finland	2
6	Russian Federation	2
7	Austria	1
8	Belgium	1
9	Brazil	1
10	Bulgaria	1
11	Cyprus	1
12	Czech Republic	1
13	Denmark	1
14	Estonia	1
15	European Communities	1
16	France	1
17	Germany	1
18	Greece	1
19	Hungary	1
20	Ireland	1
21	Italy	1
22	Japan	1
23	Latvia	1
24	Lithuania	1
25	Luxembourg	1
26	Malaysia	1
27	Malta	1
28	Netherlands	1
29	Poland	1
30	Portugal	1
31	Romania	1
32	Slovakia	1
33	Slovenia	1
34	South Africa	1
35	Spain	1
36	Sweden	1
37	Thailand	1
38	United Kingdom of Great Britain and Northern Ireland	1
39	Viet Nam	1
40	Zambia	1
41	Zimbabwe	1

Source: Global Trade Alert, data extracted on 15 September 2011

[1] These measures are classified "red" in the Global Trade Alert database.

Table 4.22 Implemented measures that harm Mozambique's commercial interests, by type

Type of measure	Number of measures	As percentage of total measures
Bail out / state aid measure	4	9%
Competitive devaluation	1	2%
Consumption subsidy	0	0%
Export subsidy	8	17%
Export taxes or restriction	7	15%
Import ban	0	0%
Import subsidy	1	2%
Intellectual property protection	0	0%
Investment measure	0	0%
Local content requirement	0	0%
Migration measure	0	0%
Non tariff barrier (not otherwise specified)	4	9%
Other service sector measure	1	2%
Public procurement	3	7%
Quota (including tariff rate quotas)	1	2%
Sanitary and Phytosanitary Measure	1	2%
State-controlled company	0	0%
Sub-national government measure	0	0%
Tariff measure	10	22%
Technical Barrier to Trade	0	0%
Trade defense measure (AD, CVD, safeguard)	0	0%
Trade finance	5	11%
Total	47	100%

Source: Global Trade Alert, data extracted on 15 September 2011

Madagascar

Table 4.20 Foreign protectionist measures affecting Madagascar's commercial interests

Summary statistic of foreign protectionist measures affecting Madagascar's commercial interests	All measures	All measures except anti-dumping, anti-subsidy, and safe-guard actions
Total number of measures affecting Madagascar's commercial interests	56	55
Total number of foreign measures found to benefit or involve no change in the treatment of Madagascar's commercial interests [1]	9	8
Total number of foreign measures that		
(i) have been implemented and are likely to harm Madagascar's commercial interests or		
(ii) that have been announced but not implemented and which almost certainly discriminate against Madagascar's interests [2]	25	25
Total number of foreign measures that have been implemented and which almost certainly discriminate against Madagascar's interests [3]	22	22
Total number of implemented measures affecting Madagascar's commercial interests	48	47
Total number of pending foreign measures likely to affect Madagascar's commercial interests	8	8
Total number of pending foreign measures that, if implemented, are likely to harm Madagascar's foreign commercial interests	8	8
Total number of trading partners that have imposed measures that harm Madagascar's commercial interests	41	41

Source: Global Trade Alert, data extracted on 15 September 2011

Note: As the Global Trade Alert database is updated frequently, the above data will change. Updates on the numbers in this table can be found by going to <http://www.globaltradealert.org/site-statistics>, and selecting "Madagascar" in the "Affecting Trading Partner" and clicking the button "Get Stats".

[1] These measures are classified "green" in the Global Trade Alert database.

[2] These measures are classified "amber" in the Global Trade Alert database.

[3] These measures are classified "red" in the Global Trade Alert database.

Table 4.21 Foreign jurisdiction implementing discriminatory measures (almost certainly) against Madagascar's commercial interest

Sl.	Foreign jurisdiction implementing measures	Number of Measures
1	India	5
2	China	4
3	France	4
4	Indonesia	3
5	Spain	3
6	Austria	2
7	Belgium	2
8	Bulgaria	2
9	Cyprus	2
10	Czech Republic	2
11	Denmark	2
12	Estonia	2
13	European Communities	2
14	Finland	2
15	Germany	2
16	Greece	2
17	Hungary	2
18	Ireland	2
19	Italy	2
20	Latvia	2
21	Lithuania	2
22	Luxembourg	2
23	Malta	2
24	Netherlands	2
25	Poland	2
26	Portugal	2
27	Romania	2
28	Slovakia	2
29	Slovenia	2
30	South Africa	2
31	Sweden	2
32	United Kingdom of Great Britain and Northern Ireland	2
33	Argentina	1
34	Brazil	1
35	Japan	1
36	United States of America	1
37	Viet Nam	1

Source: Global Trade Alert, data extracted on 15 September 2011

[1] These measures are classified “red” in the Global Trade Alert database.

Table 4.22 Implemented measures that harm Madagascar's commercial interests, by type

Type of measure	Number of measures	As percentage of total measures
Export taxes or restriction	11	22%
Export subsidy	10	20%
Tariff measure	9	18%
Bail out / state aid measure	6	12%
Trade finance	4	8%
Non tariff barrier (not otherwise specified)	2	4%
Public procurement	2	4%
Competitive devaluation	1	2%
Consumption subsidy	1	2%
Import subsidy	1	2%
Local content requirement	1	2%
Quota (including tariff rate quotas)	1	2%
State-controlled company	1	2%
Import ban	0	0%
Intellectual property protection	0	0%
Investment measure	0	0%
Migration measure	0	0%
Other service sector measure	0	0%
Sanitary and Phytosanitary Measure	0	0%
Sub-national government measure	0	0%
Technical Barrier to Trade	0	0%
Trade defense measure (AD, CVD, safeguard)	0	0%
Total	46	100%

Source: Global Trade Alert, data extracted on 15 September 2011

CHAPTER FIVE

CONCLUSION

5.1 CONCLUDING REMARKS

In October 2011, China's Premier Wen Jiabao, in a television speech, expressed deep concern about what he termed as 'rising trade protectionism', which according to his statement impeding the global economic recovery. The results of this study support his concern. Strong economic recovery and unparalleled growth of international trade flow during 2010 help governments to resist protectionist pressure, though failed to refrain erection of new trade restrictive state measures throughout that period. Slowing and uneven global activity, renewed financial instability and macroeconomic uncertainty coupled with unacceptably high unemployment rates in some countries in 2011 reflected in state policy responses through imposition of increasing trade restrictive interventions. This study reveals clear signal of resurgence of another wave of state protectionism.

A careful interpretation of the extent of the state discriminatory measures implemented against LDCs reveals that the commerce of the LDCs is not out of contemporary protectionist practices and the economic difficulties created and transferred to the LDCs by the global economic crisis were further deteriorated by the restrictive state interventions by their trading partners. Extensive analysis of reported government protectionist measures initiated worldwide during the last three years provides important features and dynamics of contemporary protectionism, which have been considerably transformed since the wake of global economic crisis. Though, the LDCs have been awarded increased and preferential market access to many developed and developing countries, this study reveals that the treatment towards LDCs by crisis-era and post-crisis protectionism was not an exception to other nations, and approximately one out of every six trade restrictive policy measures implemented globally during the period under investigation was injurious to the commercial interests of the LDCs. Another important aspect in the area of trade regulation surfaced through this analysis is that the number of border closing measures was much higher than the number of border opening ones affecting the LDCs commerce, virtually resulted in reduced trading opportunities for this economically vulnerable group of countries.

The 'murkier forms' of discrimination is also the most prevalent trade policy instruments used to discriminate against LDCs commercial interests. While 'tariff measures' were most common single source of discrimination to the LDCs, contrary to the global trend; increased use of 'export taxes and restriction' become a major cause of concern for LDCs trading interests. Manufacturing sector of LDCs, particularly machinery and equipments, was the most vulnerable to contemporary protectionism, which quite logically reflected in the fact that the highest number of trade restrictive interventions were targeted towards mix exporters and manufacturing exporters LDCs. While all LDCs, on a varying scale, have been hurt by contemporary state protectionist interventions, Asian LDCs, particularly Bangladesh's commercial interest has been hit very hard by other governments' discriminatory trade policies. No single country or group of countries responsible for inflicting harm to the LDCs commercial interests. However, G20 members were found to be responsible for implementing two-third of discriminatory state measures during the period under investigation, nullifying their anti-protectionist moratorium, expressed in several international forums repeatedly.

While there are much discussion about mainstreaming the LDCs into the global trade regime through various preferential initiatives and trade capacity building projects, designed to lift up them out of extreme economic vulnerability; closing the borders for the Goods and Services from this group of countries unveiled the lack of coherence in international policies towards the LDCs,.

On the note of limitation, this study attempts to calculate the actual trade value of the LDCs affected by contemporary protectionist state measures. It collected and sorted the 4-digit tariff lines of LDCs targeted by trade restrictive measures from GTA database. But that attempt was not successful because of the unavailability of bilateral trade data between each affected LDC and every protectionist measure implementing country at 4-digit level. Obviously, determination of commercial value of LDCs trade affected by state protectionism could give clearer picture of the harm done to the commercial interest of the LDCs by crisis-era and post-crisis protectionist government interventions, and indicate future area of research.

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