



Rethinking LDC trade priorities

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Tweet



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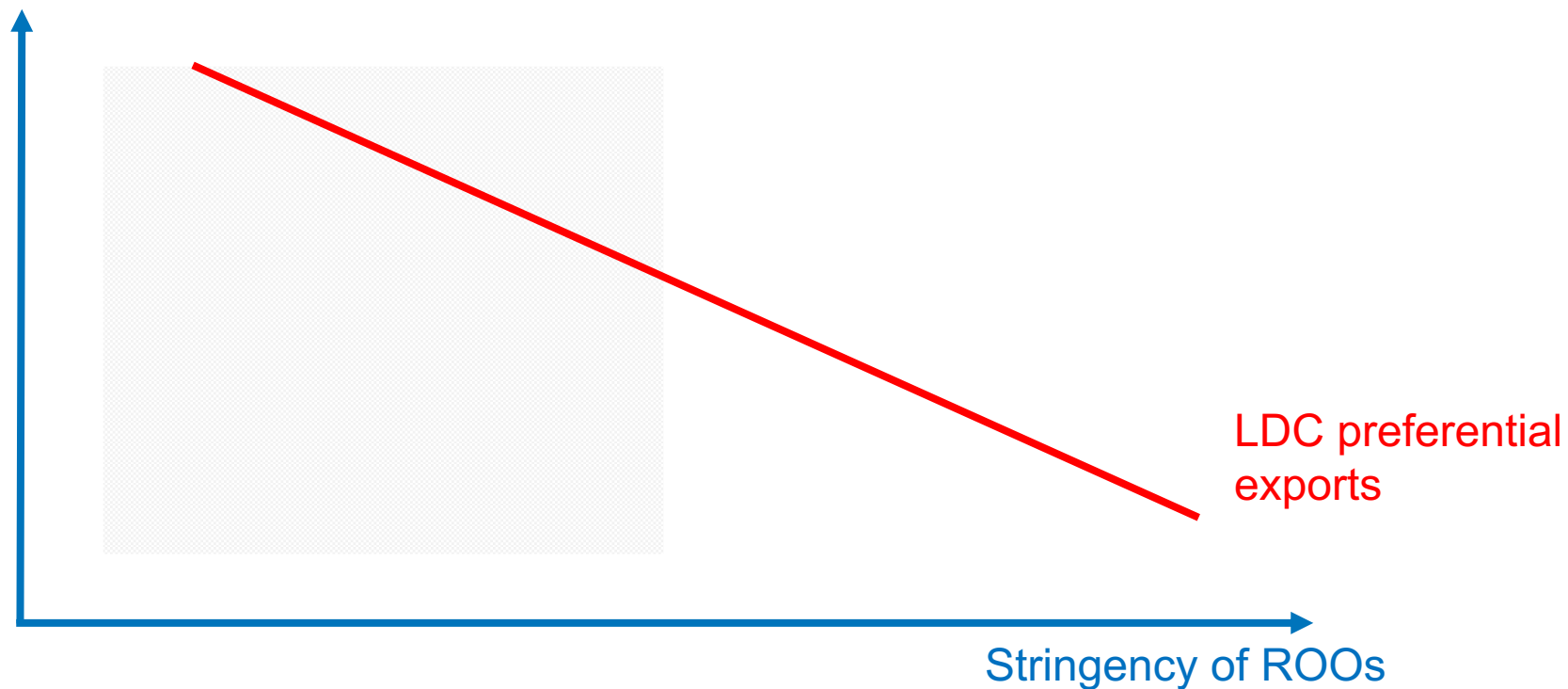
rules of origin

Jodi-Ann Quarrie (Yoo Need More Jodi) @yooneedmorejodi · Mar 16

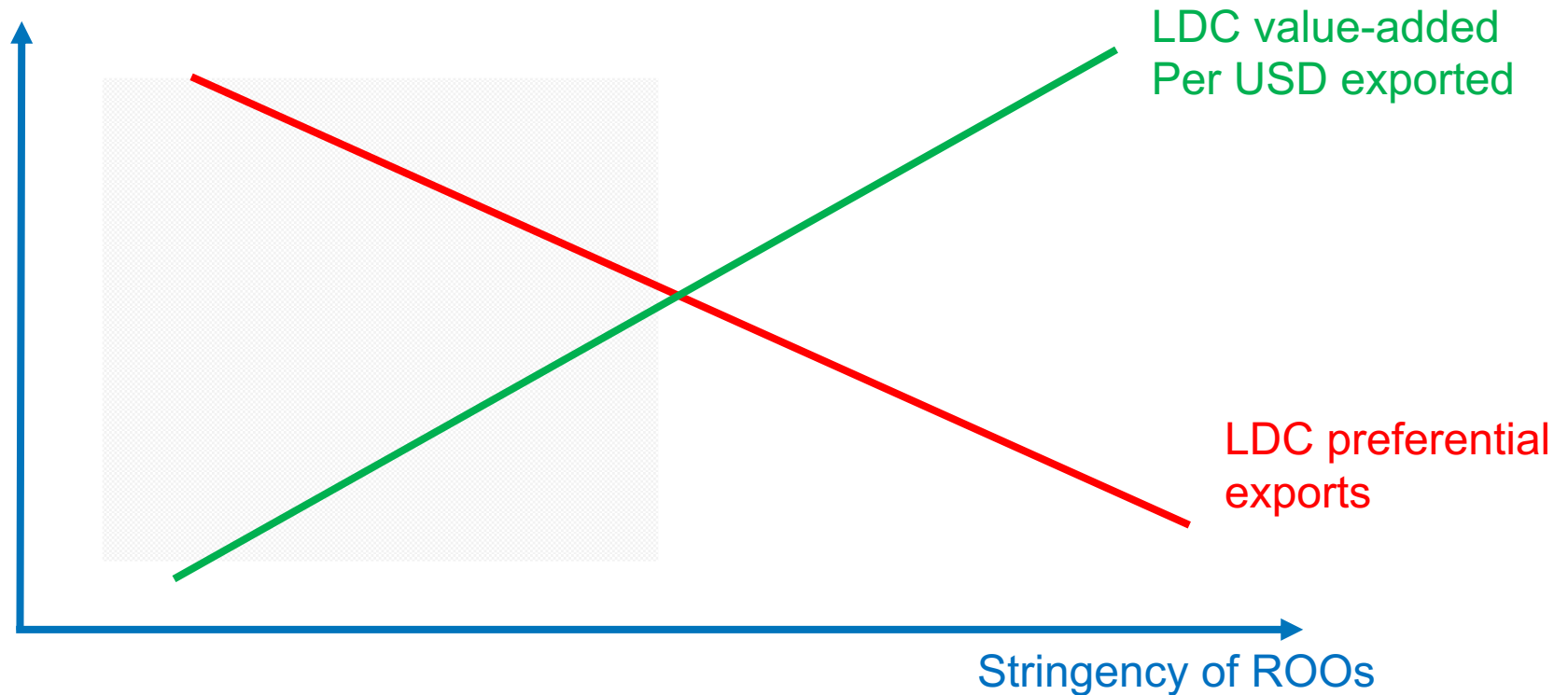
You've been kidnapped. 30 minutes later, your kidnapper dumps you on the street because you won't stop talking about what?

11:39 PM · Mar 17, 2022 · Twitter for iPhone

Calls for more lenient ROOs



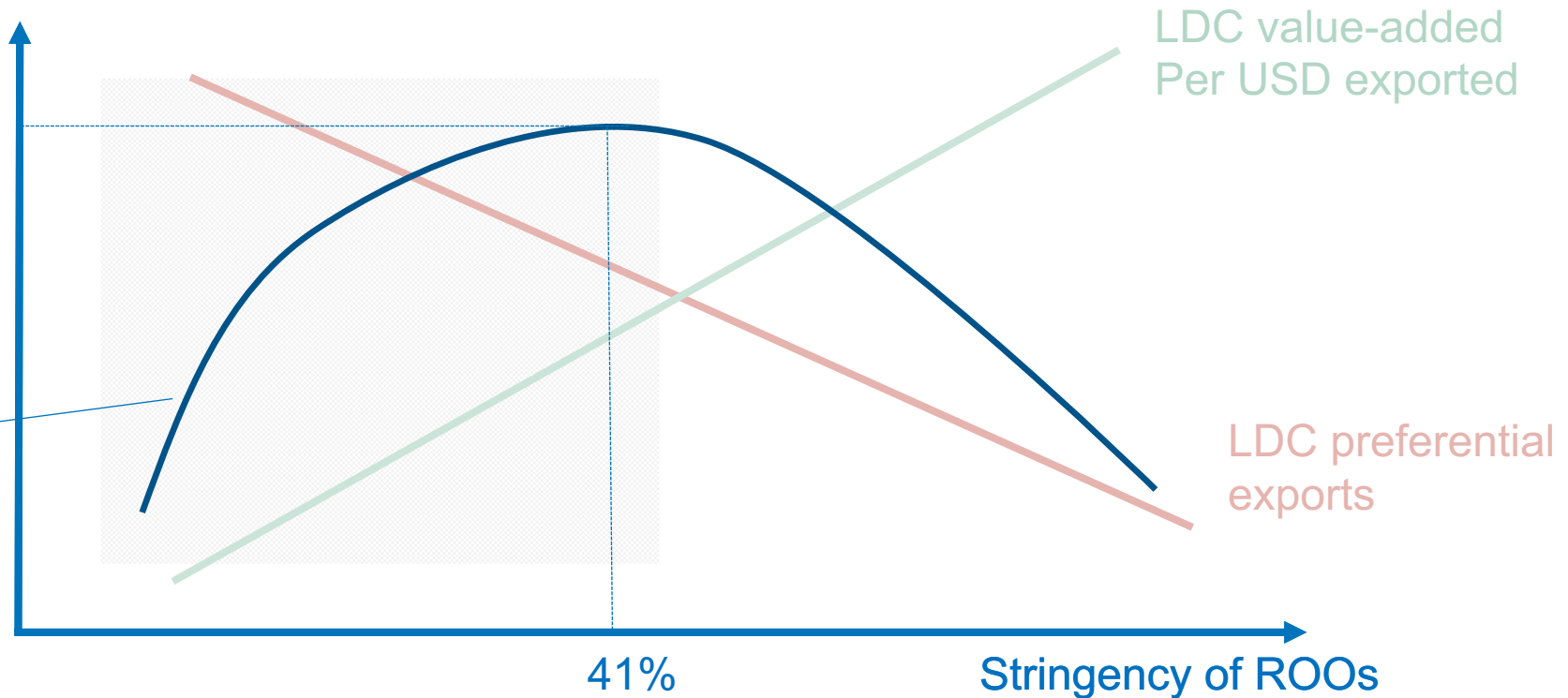
But value-added per USD declines....



Optimal ROOs

LDC value-added embedded in preferential exports

Very lenient LDCs are helping input providers, not LDCs



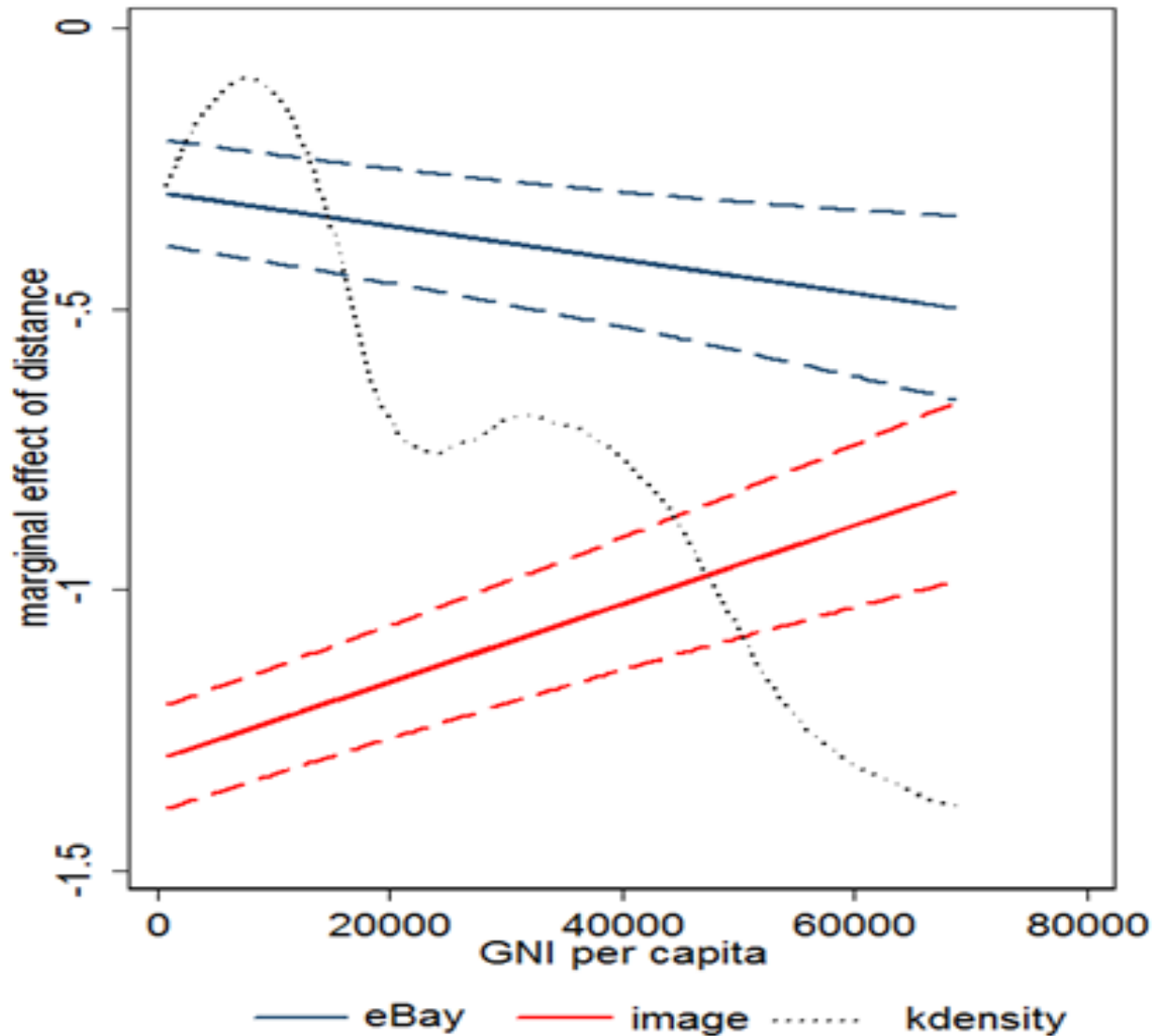
EU GSP 46%
EU LDC 39%



Areas for engagement

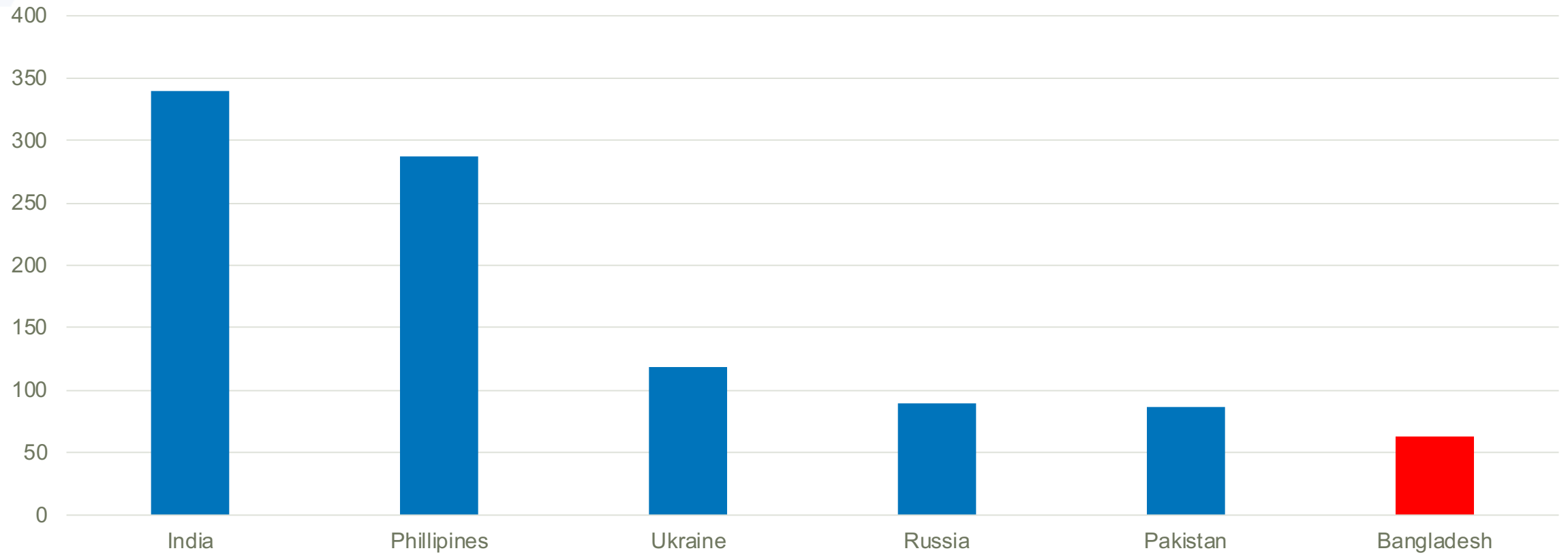
- **E-commerce – economic opportunities versus market concentration**
- Labour standards – VSS versus government driven
- Environmental goods negotiations
- LDC criteria

E-commerce increases trade where needed

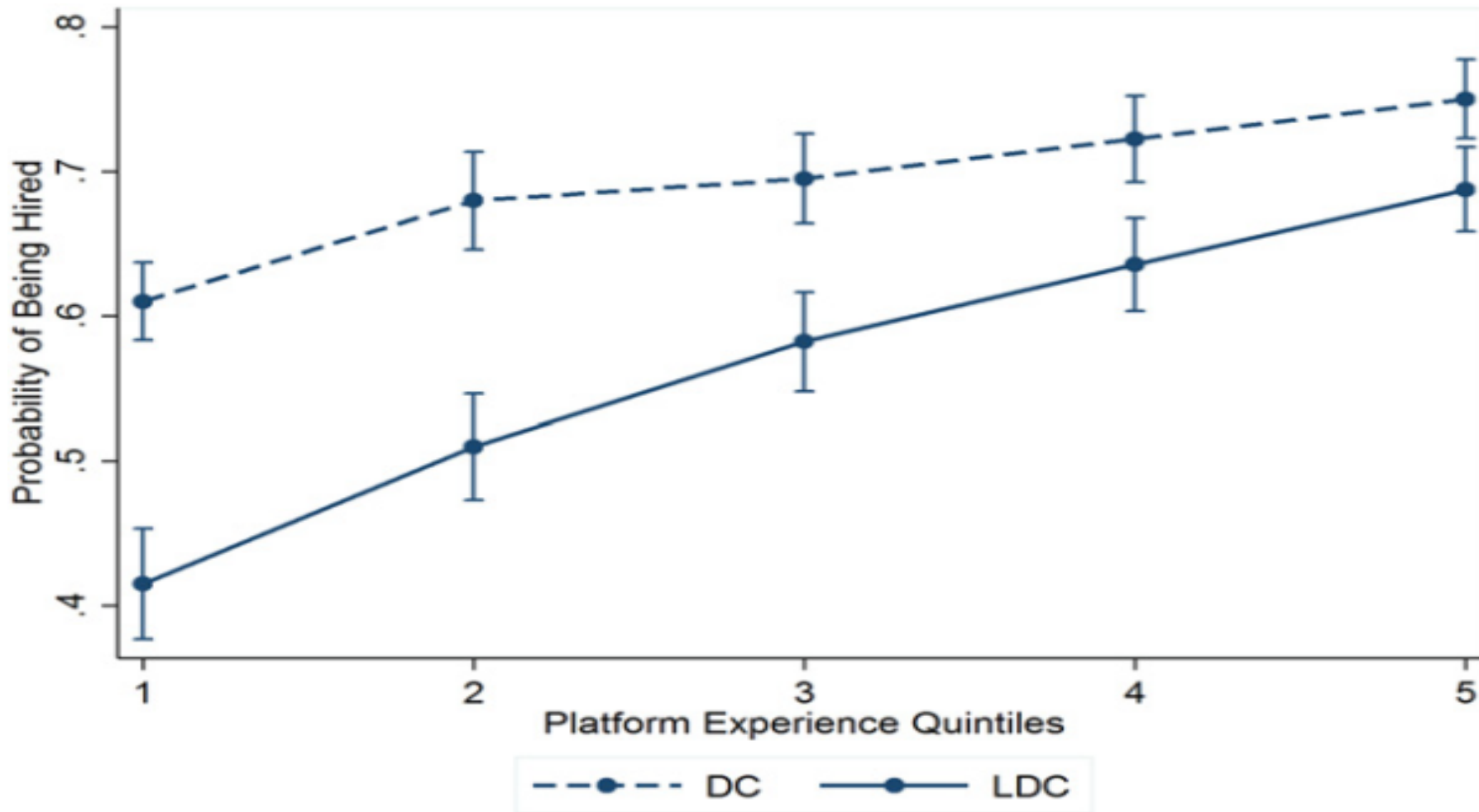


Export potential in service platforms

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



The value of information on online platforms





But who captures the rent? Importance of competition policy

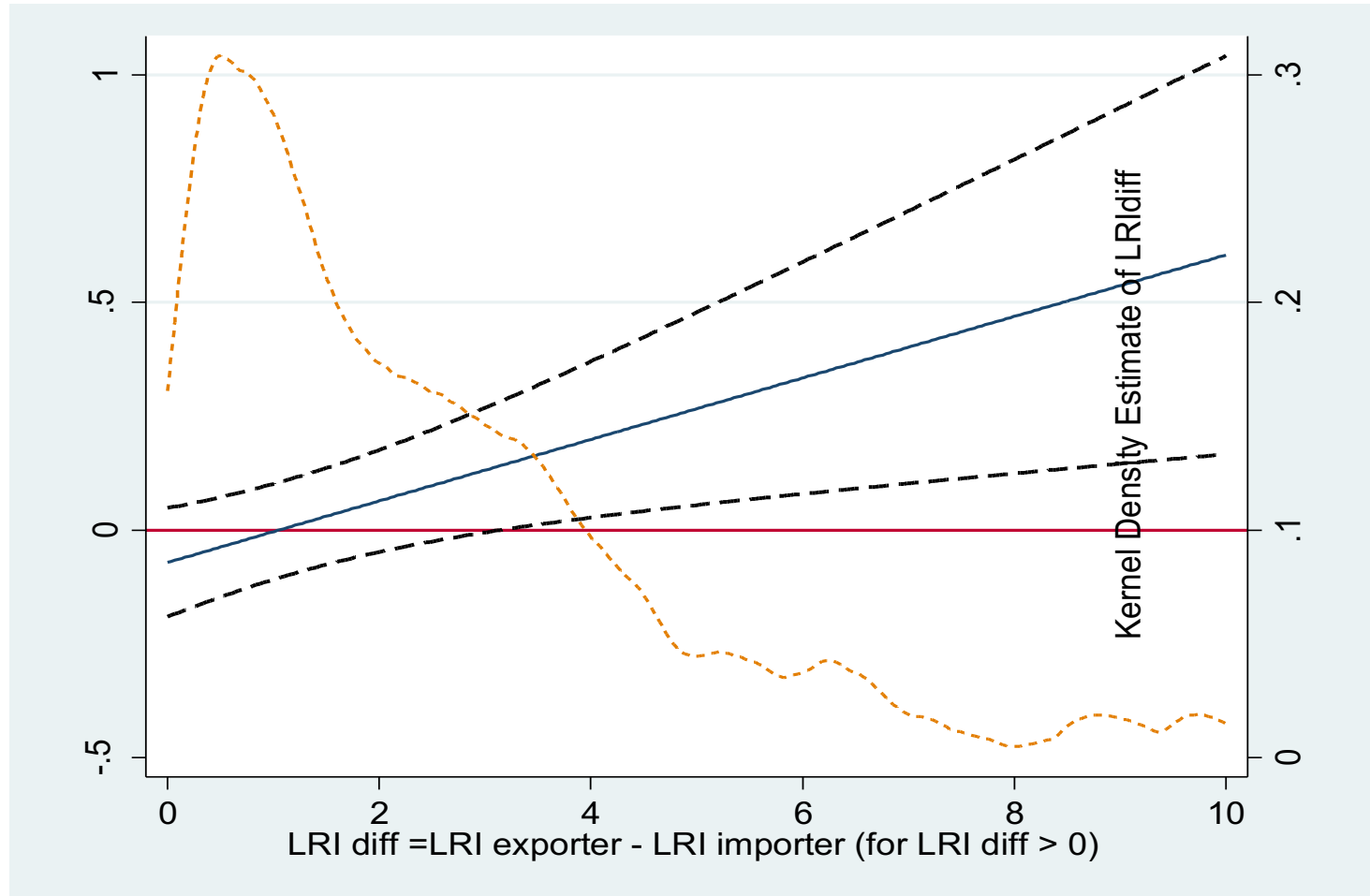
- **Amazon charges up to 45 percent of the value of the sale**
- **Upwork charges 20 percent for jobs below USD 500**
- **Uber charges 25 percent of the value of the ride**
- **Competition policy should address abuse of dominant positions**
- **But national competition policy can only do it if cross-border transactions are not possible (uber)**
- **Otherwise platforms will provide services from countries with less stringent regulations**
- **Need for addressing abuse of dominant positions in the digital world in the WTO**



Areas for engagement

- E-commerce – economic opportunities versus market concentration
- **Labour standards – VSS versus government driven**
- Environmental goods
- LDC criteria

Labor chapters in TA increase trade where needed

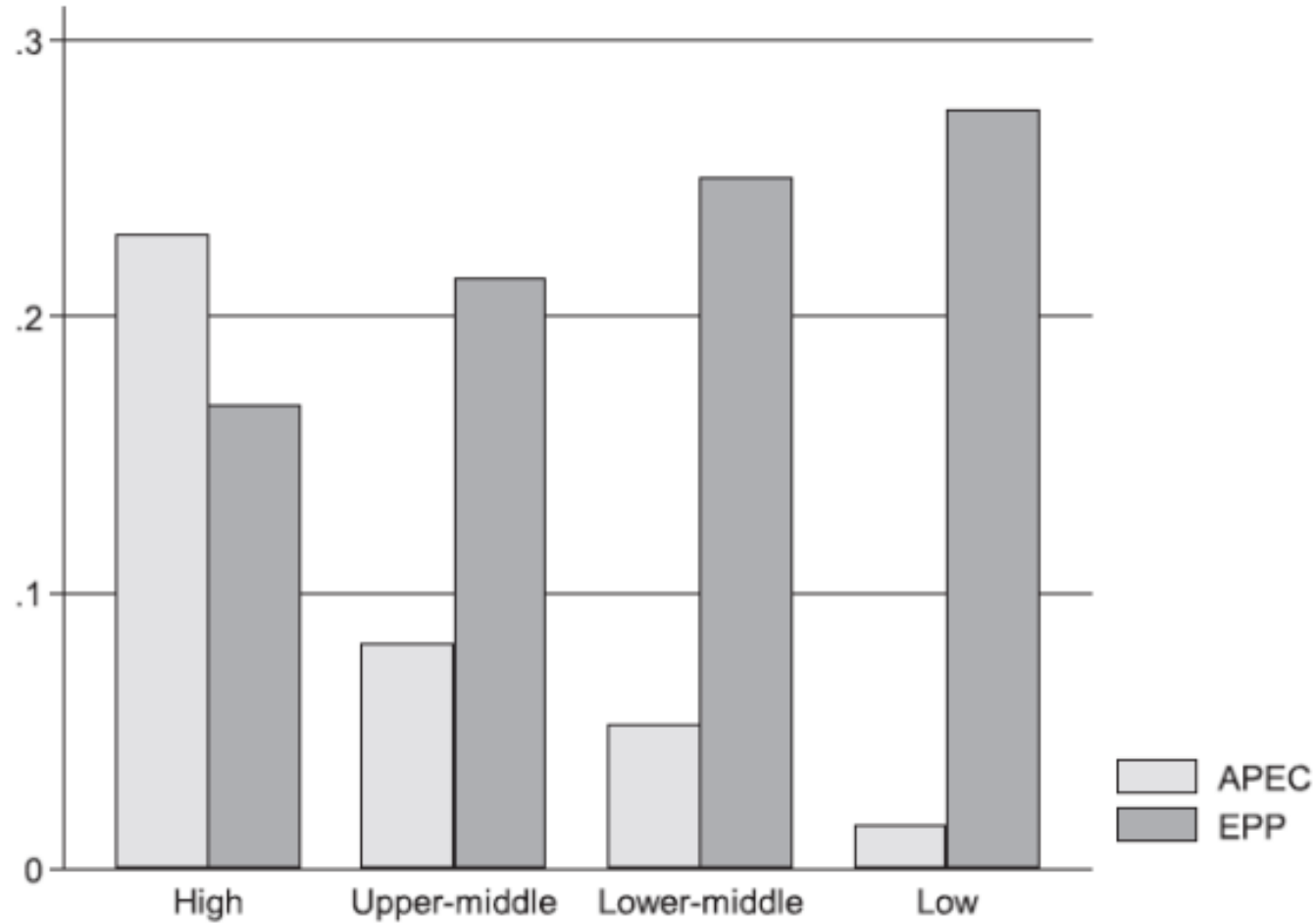




Areas for engagement

- E-commerce – economic opportunities versus market concentration
- Labour standards – VSS versus government driven
- **Environmental goods**
- LDC criteria

RCA by list of environmental goods





Areas for engagement

- E-commerce – economic opportunities versus market concentration
- Labour standards – VSS versus government driven
- Environmental goods
- **LDC criteria**



Problems with criteria for LDC status

- **Subcomponents of HA and EV indices are arbitrary: larger share of agriculture makes a country more vulnerable? Not doing the pandemic....**
- **Substitutability vs complementarity: arithmetic versus geometric means, but also more flexible interactions.....**
- **Weights are arbitrary: 50% higher on secondary enrolment than under five mortality?**
- **Absolute versus relative: always 20 percent of countries in bottom quintile**
- **Machine learning can help with 1, 2 and 3. Supervised ML if you have faith in past selection of LDCs or unsupervised ML if you have less faith.**



Thank you!

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