

Will Chinese Trade Preferences Aid African LDCs?

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INTRODUCTION

Trade and investment drive China's headline relations with African states. Sino-African trade has grown more than tenfold since 1995, and China is now the continent's third-largest export market. As is well known, Beijing's interest in Africa is principally about securing primary products – energy especially – for its growing economy. But that is not all. Through hefty aid offerings and high-level diplomacy, as well as its official Africa Policy unveiled in early 2006, the People's Republic of China is working at a deeper political relationship to undergird its commerce. African leaders are clearly interested. Forty-three African heads of state flew to Beijing for the 2006 Forum on China–Africa Co-operation (FOCAC), where they signed fresh deals for trade, aid and investment.

At FOCAC, Beijing pledged to double aid to the continent by 2009, and promised at least \$3 billion in preferential loans and \$2 billion in preferential buyers' credit. Chinese officials also announced the elimination of tariffs on more than 440 products from the African least developed countries (LDCs) with diplomatic ties to Beijing. They had only recently cancelled more than \$1 billion of debt for those 30 LDCs.¹

This round of offers from Beijing has garnered international headlines, and some in Africa envisage the arrival of international aid without conditionality. In fact, there is one binding condition to Chinese aid: you must sever formal diplomatic relations with Taiwan. That, for many African governments, is far less daunting than the array of liberal economic policies and standards of governance now required by traditional donors.

The value of the Chinese offers is still an open question. Few can reasonably object to China's forgiveness of LDC debt, but the massive Chinese loans now pledged could saddle African economies with a new generation of unsustainable debts. Perhaps Beijing is prepared to forgive again?

There is far less risk in the trade preferences extended to 30 African LDCs, but few have seen the list of products covered, and no one has yet shown the

¹ The commonly cited Chinese figure is \$1.3 billion in debt relief to 31 African LDCs, but this includes Yemen as an African country. I have excluded Yemen from all analysis of African LDCs. See Annex I for the list of the 30 African countries receiving preferences.

commercial potential of eliminating these particular tariffs for African LDCs. Are these preferences to have an economic impact in Africa, or are they merely a talking point for Chinese and African officials?

This paper examines this question. Firstly, to inform the analysis of new trade preferences, it looks at the empirical record of US and EU trade preferences for African LDCs, with special attention to shortcomings and missed opportunities. China's new and relatively short list of unilateral preferences does not bear much direct comparison with the expansive US and EU schemes, but the same supply- and demand-side constraints deserve consideration. Following this, it assesses the potential economic value of the Chinese preferences, examining the importance of the 440 products for the African LDCs and the margins of preference that apply. The paper then surveys the demand-side factors that could dampen the benefits for African economies: Chinese non-tariff barriers, restrictive rules of origin, and existing Chinese preferences for Asian LDCs. Based on the conclusions of the preceding sections, the paper then outlines possible impacts of these preferences on qualifying African economies.

AFRICAN LDCS AND TRADE PREFERENCES: THE EMPIRICAL RECORD

The development economist's argument for trade preferences to LDCs is about providing a window of opportunity. Trade preferences, if well designed and implemented, provide LDC exports with a price advantage relative to non-LDC exports, and thus a window of opportunity to widen or deepen the export base. This window closes as global trade liberalisation reduces tariff levels, diminishing the margins of preference. The LDCs are supposed to use the temporary price advantage to expand existing export industries and perhaps develop new ones, increasing efficiency enough to eventually compete on less preferential terms. In theory, this should stimulate sustained export-led growth, precisely what is needed for LDCs to develop.

Trade preferences for African countries have existed in various forms for more than 30 years, and their results have been mixed. The two most important preference schemes for African LDCs are the US African Growth and Opportunity Act (AGOA) and the EU Everything But Arms Initiative (EBA). The US

and EU (considering the latter as a single economy) are Africa's two largest export markets, and the preferences they offer African LDCs are broad. AGOA, which applies to 38 African countries, some of which are LDCs and some not, provides preferential access to over 6,400 products.² The EU EBA preferences apply to LDCs worldwide, covering 10,200 products. The modest performance of these sweeping preference packages suggests that either something is wrong with their design, or African economies do not have what is needed to take advantage of transparent price incentives. Both of these turn out to be true.

While some very good empirical literature suggests that AGOA has generated a significant export response from African countries,³ the largest benefits have been distributed narrowly across countries and industries. After AGOA took effect in 2000, African exports of AGOA goods to the US more than tripled in four years. But crude oil exports alone account for 89% of this growth. Brenton and Hoppe⁴ argue persuasively that this growth in oil trade was due largely to the tight global market, and Frazer and Van Biesebroeck's empirical analysis confirms that AGOA had little independent effect on crude oil exports. More important to the analysis of AGOA's impact, oil exports historically contribute very little to LDC economic development; in fact, dependence on these exports often retards it.

The good news is that AGOA did inspire a non-oil export response from Africa, albeit an uneven one. It is most indicative that during the first five years of AGOA, the share of African exports destined for the US increased strongly. Frazer and Van Biesebroeck find that this was not a diversion of trade from other markets, and indeed exports to the EU and other major trade partners grew strongly as well.⁵ Yet 13 of the 38 beneficiaries saw a decrease in non-oil exports to the US during this period, underlining that the benefits of trade

² AGOA originally applied to 34 African countries in 2000. Since then, eight countries have been added and four have been removed from Washington's eligibility list. The list of eligible products is also subject to changes at the US president's behest.

³ See, for example, Frazer G & J van Biesebroeck, 'Trade growth under the African Growth and Opportunity Act', *National Bureau of Economic Research Working Paper No. 13222*, July 2007.

⁴ Brenton P & M Hoppe, 'The African Growth and Opportunity Act, exports, and development in sub-Saharan Africa', *World Bank Policy Research Working Paper No. 3996*, August 2006.

⁵ Frazer G & J van Biesebroeck, *op. cit.*

preferences for Africa are rarely distributed evenly, and depend largely on the existing export capacity of each beneficiary.

The main driver of the non-oil export response is apparel,⁶ although Frazer and Van Biesebroeck show that there has been a modest response in agricultural exports and even some trade widening in other manufactured exports.⁷ The apparel gains were extremely varied across AGOA beneficiaries, with 96% of AGOA apparel growth concentrated in just seven countries.⁸ Naturally, those that gained the most from AGOA had substantial apparel industries prior to the preferences being initiated.⁹ Still, 16 AGOA countries are now exporting apparel to the US; the AGOA-led development of this industry in African LDCs like Lesotho and Mozambique would be a very important success, if it is sustained.

It is interesting, given the subject of this paper, that Chinese competition may be the principal threat to the sustainability of African apparel industries. Some have warned that the expiration of the Multi-Fibre Arrangement (MFA), and with it the global quotas on Chinese textile imports, will permanently undercut apparel industries in Africa. The early evidence is inconclusive. AGOA apparel exports did retreat for the first time in 2005, coincident with the MFA expiration and a deluge of Chinese textiles into the US market.¹⁰ Yet five AGOA countries – four of which are LDCs – found haven in the relaxation of AGOA rules of origin and actually expanded apparel exports to the US. At the very least, Washington's recent extension of favourable rules of origin – the so-called 'third-country fabric rule' – will give African apparel industries a stronger footing in the post-MFA world.

Indeed, in apparel, rules of origin are key. Brenton and Hoppe find the relaxed rules of origin responsible for 'all of the growth in apparel exports under AGOA since 2001'.¹¹ Rules of origin also explain the dismal performance of LDCs under Europe's EBA initiative. As African LDCs' apparel exports to

⁶ Brenton P & M Hoppe, *op. cit.*, and Frazer G & J van Biesebroeck, *op. cit.*, concur on this, despite some differences in apparel trade figures between the two studies.

⁷ Frazer G & J van Biesebroeck, *op. cit.*, p. 27, and see table 3, below.

⁸ Brenton P & M Hoppe, *op. cit.*

⁹ Frazer G & J van Biesebroeck, *op. cit.*

¹⁰ Brenton P & M Hoppe, *op. cit.*

¹¹ *Ibid.*

the US have more than tripled under AGOA, apparel exports to the EU have actually declined, despite duty-free treatment.¹² The difference lies in the rules of origin: EBA prohibits the use of the most cost-effective inputs from countries like China and Bangladesh, while AGOA allows it under the third-country fabric rule.

The EBA is scarcely utilised by African LDCs. Primarily this is because qualifying countries prefer the more familiar, and in some respects superior, preferences provided by the long-standing Lomé Convention and the successor Cotonou agreement. As Cotonou is due to expire at the end of 2007, and some African countries have opted out of negotiating reciprocal trade agreements with Europe, the true test for EBA may be in the coming 5–10 years when it is the only EU preference package available to some African LDCs.

However, a caution is in order for the African LDCs that believe EBA will provide benefits equivalent to those of Cotonou. The rules of origin are less permissive.¹³ In fact, in the LDCs outside of the Cotonou agreement, fully 50% of EBA-eligible exports to the EU declined to utilise the applicable preferences in 2001.¹⁴ By contrast, the utilisation rate for AGOA in 2005 was 95%.¹⁵ The EBA's restrictive rules of origin and costly documentation requirements exhaust the price advantage of preferences and the technical capacity of many LDC exporters.¹⁶

Trade policy in foreign markets is only one piece of Africa's export puzzle. Africa's supply-side constraints are widely cited as the most important barriers to export growth on the continent. Rodrik finds that the small size of their economies, low income, unfavourable geography and poor domestic policies are the key constraints on African countries' export performance.¹⁷

¹² *Ibid.*

¹³ Brenton P, 'Integrating the least developed countries into the world trade system: The current impact of EU preferences under Everything But Arms', *World Bank Policy Research Working Paper No. 3018*, April 2003. Of particular importance is the 'cumulation' provision in Cotonou, which does not apply in EBA.

¹⁴ Brenton P, *op. cit.*

¹⁵ Brenton P & M Hoppe, *op. cit.*

¹⁶ Brenton P, *op. cit.*

¹⁷ Rodrik D, 'Trade policy and economic performance in sub-Saharan Africa', *National Bureau of Economic Research Working Paper No. 6562*, May 1998.

Brenton and Hoppe make the argument that supply-side constraints are of first-order importance to African export growth,¹⁸ and this is confirmed by regression analysis in Broadman.¹⁹

The dissent is provided by Frazer and Van Biesebroeck, whose sophisticated empirical analysis does not find governance or infrastructure to be ‘binding constraints’ on AGOA exports.²⁰ This is particularly surprising in the case of infrastructure: it is difficult to believe that the LDCs’ AGOA exports are in no way constrained by the high cost, scarcity, and low quality of transport and communications in those countries. A closer examination shows that the authors include in their empirical model no appropriate infrastructure indicators that test the role of infrastructure, making this particular conclusion groundless.

Thus the empirical literature concludes that non-tariff barriers like rules of origin and costs of documentation can easily undermine what seem like generous preference schemes for LDCs, while these countries’ poor infrastructure and adverse domestic policy environments are probably even greater constraints on the export response. The implication is that duty-free treatment will not necessarily aid LDC development: non-tariff barriers must be minimised and supply-side constraints must be taken into account.

CHINA’S TRADE PREFERENCES FOR AFRICAN LDCS

Speaking before the United Nations on its 60th anniversary in 2005, Chinese President Hu Jintao announced that Beijing would extend duty-free treatment to imports from the 39 LDCs around the globe with which it has diplomatic relations. This was Beijing’s admission that it, too, as a global power, had a responsibility to aid developing countries, ‘commensurate with its capacity’.

At that time, Beijing announced duty-free treatment for 190 products from its 39 designated LDCs, 28 of them in Africa. At FOCAC 2006, China announced that it would more than double the size of its duty-free list for African LDCs,

¹⁸ Brenton P & M Hoppe, *op. cit.*

¹⁹ Broadman H, *Africa’s Silk Road: China and India’s New Economic Frontier*. Washington, DC: World Bank, 2007, pp. 108–13.

²⁰ Frazer G & J van Biesebroeck, *op. cit.*

providing duty-free treatment for 440 items, now applicable to 30 countries on the continent. The lists of qualifying countries and products are found in Annexes I and II, respectively.²¹ The date of implementation for these preferences was not stated in the official records from FOCAC. The announcement does appear in the FOCAC Beijing Action Plan (2007–09), so my assumption is that the preferences will take effect no later than the end of 2009.

Table 1 shows the relative importance of the Chinese export market for the African LDCs designated for Chinese trade preferences. Many of them export less to China than to the EU or US, which is consistent with Africa's overall export profile. However, based on a comparison of 2005 US, EU and Chinese import statistics, nine of the 30 LDCs count China as their second largest export market. Benin, Mali, Somalia, Sudan and Zambia have made China their most important export market.

Most African LDC exports to China are primary products – as shown in table 1 – and crude oil dominates in value terms. Many of these products are vital to China's productive capacity and exploding consumer demand, and China has already eliminated or drastically reduced Most Favoured Nation (MFN) tariffs it levies on them. From 2000 to 2005, without any preferential treatment, fully 93% of the 30 African LDCs' exports to China entered duty free.

Given such limited scope for preferential access on existing exports, these preferences are well tailored to the African LDCs' export capacity. Fully 88% of the products designated eligible by Beijing are current-decade, dutied exports from the African LDCs to China.²² As the literature demonstrates, these LDCs' myriad supply constraints make targeting preferences in this way essential to their instrumentality.

²¹ No English-language list of the 440 products was published with FOCAC materials or elsewhere on the World Wide Web. I am very grateful to Chinese diplomatic staff for providing the rules of origin and product list. African exporters might take greater advantage of these preferences if the Chinese Ministry of Commerce (MOFCOM) publishes this information in English, French and Portuguese on the MOFCOM and FOCAC websites.

²² Current decade refers to 2000 onward. The data used is complete up to 31 December 2006.

Table 1: 2005 export profile of eligible African LDCs (% of GDP)

Country	Exports to China	Exports to EU	Exports to US	Top exports to China
Angola	20.06	9.96	26.96	Crude oil, Diamonds, Wood
Benin	3.27	0.93	0.01	Raw cotton, Scrap copper, Wood
Burundi	0.04	7.54	0.60	Radio and television parts, Iron and steel articles, Plastic articles
Cape Verde	0.00	2.39	0.29	n/a
Central African Republic	0.66	5.99	0.42	Wood, Raw cotton
Chad	3.65	4.46	28.89	Crude oil, Raw cotton, Television parts
Comoros	0.00	2.71	0.38	Electronic parts
Democratic Republic of the Congo (DRC)	2.47	12.72	3.79	Metal ores, Miscellaneous chemicals, Wood
Djibouti	0.08	0.85	0.16	Oil seeds, Scrap copper
Equatorial Guinea	46.00	62.51	51.86	Crude oil, Wood
Eritrea	0.04	0.66	0.14	Leathers, Oil seeds, Sea coral
Ethiopia	0.77	3.15	0.60	Oil seeds, Leathers, Miscellaneous metal ores
Guinea	0.09	15.54	2.73	Rubber, Wood, Scrap iron/steel
Guinea Bissau	0.00	1.38	0.04	n/a
Lesotho	0.02	4.52	29.04	Woven cotton fabrics, T-shirts, Other shirts
Liberia	2.56	136.85	17.71	Iron ores, Scrap iron/steel, Polyesters in primary form
Madagascar	0.28	11.17	6.80	Chromium ores, Wood, Sisal and related fibres
Mali	1.50	0.98	0.07	Raw cotton, Oil seeds, Processed leather
Mauritania	0.22	30.23	0.05	Molluscs, Frozen fish, Semiconductor parts
Mozambique	1.11	18.81	0.20	Wood, Iron ores, Raw cotton
Niger	0.00	4.75	1.95	Semiconductor parts, Other electronic devices
Rwanda	0.54	2.00	0.31	Various metal ores, Leathers

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Senegal	0.09	7.84	0.05	Raw cotton, Molluscs, Dried fish
Sierra Leone	0.12	12.61	0.84	Miscellaneous metal ores, Rubber, Wood
Somalia	0.13	0.06	0.02	Molluscs, Frozen fish, Oil seeds
Sudan	9.49	0.80	0.05	Crude oil, Oil seeds, Raw cotton
Tanzania	1.41	3.28	0.29	Copper ores, Raw cotton, Oil seeds
Togo	1.47	6.54	0.33	Raw cotton, Cocoa beans, Scrap copper
Uganda	0.23	4.29	0.33	Raw cotton, Cobalt materials, Oil seeds
Zambia	3.46	3.18	0.44	Refined copper, Raw cotton, Unrefined copper

Sources: Chinese customs data, courtesy of Tralac; UN Comtrade database; World Development Indicators 2006; CIA World Factbook; author's calculations

The average margin of preference for the products exported by the African LDCs is 10.4%. That is, China's MFN trade partners will face an average 10.4% tariff on products where the African LDCs will face none. This is a significant margin of preference, considering that the benefiting countries already export all of these products to China prior to special treatment.

Using a simplistic 'implicit transfer' calculation,²³ the overall economic value of these preferences is in the order of \$10.3 million per year. The most economically valuable Chinese preferences are summarised in table 2. They are all primary products, including sesamum seeds, cocoa beans, various leathers, and copper and cobalt materials. A total of 21 of the 30 beneficiaries export at least one of these 10 most valuable preferences to China.

Naturally, many products are excluded from these preferences. The most important omission is raw cotton (uncarded, uncombed), a vital export for many of these LDCs, which faces a 40% tariff in China. The cotton tariff costs

²³ This calculation merely multiplies the margin of preference by the average annual export value (2000–06). In reality, this 'transfer' will not necessarily accrue to the exporter, but is only a crude approximation of the value of a preference. The true value will depend upon price elasticity of demand and supply for these products in China and the African LDCs, respectively. This is very difficult to estimate, so I settle for the implicit transfer to provide a sense of the preference value.

the 30 LDCs an implicit transfer of \$68.6 million per year, almost seven times the aggregate gain from Chinese preferences.

What of other exclusions? Realistically, China is much more likely to offer preferences on products less sensitive than cotton. Assuming that Chinese products with an MFN tariff below 20% are realistic choices for future preferences, the implicit transfer of removing all tariffs below 20% for African LDCs is \$5.1 million annually. It bears mention that fully \$4.4 million of this transfer would come only from removing the 10% tariff on flue-cured Virginia tobacco. This may be the prize of another round of Chinese preferences.

There are 49 products on the duty-free list that are not currently exported from the African LDCs to China. These may provide additional economic benefits, if supply constraints are not too great and the margin of preference is significant. Most of these products are textiles, yarn and thread: higher value-added opportunities for African countries if they can cost-efficiently transform their silk, cotton and wool. The average margin of preference for these products is 9.4%, which does offer the African countries a real advantage over China's MFN trade partners. In textiles it is also significant, as it represents tariff de-escalation for African exporters. China's protection of raw cotton imports in tandem with duty-free preferential access for cotton products incentivises African producers to attempt greater local processing before exporting. In traditional markets, the opposite incentive structure, discouraging higher value-added exports, is often in place.

However, African LDCs will be competing with Asian LDCs that currently export 35 of these products to China under the same preferential treatment. Beijing recognises 11 Asian LDCs in all;²⁴ they also enjoy duty-free access for the original 190 products offered to all of China's LDC partners in 2005. This point is often forgotten.

Presumably, China should offer the same duty-free treatment to all LDCs, in order to comply with World Trade Organization (WTO) rules allowing generalised preferential access for LDCs, but prohibiting discrimination on the basis of geography. However, no press statement indicates that these Asian economies have been offered the full list of 440 products designated for African LDCs.

²⁴ These are Afghanistan, Bangladesh, Bhutan, Cambodia, Laos, Maldives, Myanmar, Nepal, Timor Leste, Vanuatu and Samoa.

Table 2: Most valuable preferences

Product	HS8 code	Margin of preference (%)	Annual value of preference (\$)	Exporters
Sesamum seeds	12074090	10	4,695,623	Djibouti, Eritrea, Ethiopia, Mali, Mozambique, Niger, Senegal, Somalia, Sudan, Tanzania, Togo, Uganda
Copper cathodes	74031100	2	1,334,359	DRC, Tanzania, Zambia
Octopus	3075900	17	1,066,201	Guinea, Mauritania, Mozambique, Senegal, Tanzania
Unrefined copper	74020000	2	376,161	DRC, Tanzania, Zambia
Goat-skin leather	41062100	14	353,211	Eritrea, Ethiopia, Rwanda, Senegal, Somalia, Sudan, Tanzania, Uganda
Cuttlefish & squid	3074900	12	341,595	Angola, Mauritania, Somalia
Unwrought cobalt	81052090	4	231,683	DRC, Uganda, Zambia
Vegetable materials for plaiting	14019090	10	158,564	Madagascar, Mauritius
Cocoa beans	18010000	8	151,299	Ethiopia, Guinea, Sierra Leone, Tanzania, Togo, Uganda
Sheep- or lamb-skin leather	41051010	14	150,262	Ethiopia, Mauritania, Sudan, Tanzania, Uganda

Source: Chinese customs data, courtesy of Tralac; author's calculations

Moreover, China is apt to flout this particular rule, as it would mean giving trade benefits to LDCs with ties to Taipei, which is unlikely. Whether or not they receive equal preferential treatment, the Asian economies already export 301 of the 440 products to China. According to the numbers, this competition has not stifled Africa's exports: the African LDCs have greater Chinese market share than the Asian LDCs in 243 products, including all of the 20 most valuable preferences. If the new lines promised to African LDCs are not also extended

to the Asian LDCs, the African economies' market share vis-à-vis their Asian counterparts may well increase.

POTENTIAL DEMAND-SIDE CONSTRAINTS

Will Chinese non-tariff barriers limit the value of these preferences? China's rules of origin are stricter than those in AGOA: at least 40% of value must be added in the exporting country, compared to the 35% regional value-added requirement for AGOA, itself considered too restrictive and since relaxed for apparel exports. However, the EBA and AGOA rules of origin are restrictive insofar as they apply to apparel exports. China's preferences do not cover any apparel products; the products they do cover are in large part primary commodities without substantial imported content. The 40% local value-added requirement will probably not strip much value from these preferences.

Other non-tariff barriers may pose a greater problem. A widely cited index of trade restrictiveness shows that China's non-tariff barriers in agriculture are much lower than those of the US, EU and even the average sub-Saharan African country,²⁵ but this excludes sanitary and phytosanitary standards and discretionary import prohibitions. According to China's 2006 WTO Trade Policy Review, 6.5% of tariff lines were subject to discretionary import prohibitions for reasons of health, environmental safety and national security concerns.²⁶ A partial list of these restrictions shows that they did apply to at least two of the 440 preferred lines, but it is unclear if they were applied against any African LDCs. There is real potential for future import prohibitions against African LDCs on the basis of health and environmental concerns, given that many of the duty-free products are of animal origin and that capacity for quality control in LDCs is weak. While China's best-known import prohibitions are 'counter-bans' – an essentially political response to US and EU bans on Chinese toys and tooth-paste – Chinese standards are improving steadily, and certainly outgrowing those of African LDCs.

²⁵ Kee HL, A Nicita & M Olarreaga, 'Estimating trade restrictiveness indices', *World Bank Policy Research Working Paper No. WPS 2840*, 2006, cited in Broadman, *op. cit.*

²⁶ World Trade Organization, *Trade Policy Review: People's Republic of China*, 26 June 2006.

CONCLUSIONS: THE GOOD, THE BAD AND THE UNCERTAIN

The New York Times recently interviewed the Chinese ambassador to Chad, who touted the commercial benefits of these trade preferences for such a desperately poor country. As the interviewer ascertained, the immediate commercial value of these preferences is negligible for Chad, because it has very little export capacity.²⁷ Indeed, I find that Chad is the only country that exports none of the 440 'preferred' products to China, so its implicit transfer from these preferences is zero.

China provides these trade preferences to Chad and other moribund economies primarily for diplomatic purposes. They reinforce relations with African governments while simultaneously signalling China's role as a global power in Africa, and thus an increasingly viable alternative to Western primacy in the region. This serves to secure natural resources and cements a large voting bloc in international organisations like the UN and WTO, where Beijing must contend with a very suspicious group of Western powers.

For the 30 eligible African economies, these preferences have aspects that are good, bad or uncertain:

The good: In 2005, prior to any preferences, a record 95% of these LDCs' exports entered mainland China duty free. This makes it very difficult to craft a Chinese preference programme with dramatic impact in these economies. China would have to extend preferences to import-sensitive raw cotton, which appears unlikely in the near term. Still, Beijing has chosen to provide some genuine commercial benefits inside of an essentially diplomatic offering. The Chinese authorities have designed a preference scheme well fitted to the export capacity of the eligible African economies. Rules of origin will probably not interfere with these preferences as they do in the case of US and EU preferences for Africa. Nor does it appear, *prima facie*, that Chinese preferences for Asian LDCs will erode the benefits for Africa.

²⁷ French H & L Polgreen, 'China, filling a void, drills for riches in Chad', *The New York Times*, 13 August 2007, <http://www.nytimes.com>.

The bad: Unfortunately, even this well-targeted list of products will provide only modest and narrowly distributed economic benefits for the African LDCs. Without a strong export response, which is difficult to imagine, given Africa's supply constraints, these preferences promise implicit transfers on the order of \$10 million per year spread across 30 countries. As table 3 shows, about half of the beneficiaries may see an implicit transfer of less than \$100,000 per year. Without substantial infrastructure or policy transformation, this will not much alter trade flows to China, and certainly will not close the bilateral trade deficits run by Africa's non-oil economies.

The uncertain: The literature suggests that limited infrastructure is a key – perhaps the key – constraint on African export performance. Infrastructure projects were popular with the World Bank and other aid agencies during the 'big push' era of the 1960s, but project failure and poor maintenance left the aid industry disillusioned, and its focus shifted to micro-level projects and macro-economic stability. Today, Beijing is attempting to fill the void, with billions of dollars committed to finance new roads, rail networks and more. It remains to be seen whether China's massive project finance is another 'big push' set to fail, or a sustainable investment in badly needed African infrastructure. If the latter, the value of Chinese trade preferences – indeed, the value of all trade preferences for these African countries – could multiply with time. If Chinese plans for new roads, new irrigation systems and a mobile telephone network in Chad come to fruition, Ambassador Wang may be correct when he says that 'if they don't produce things today, they will tomorrow'.²⁸

²⁸ *Ibid.*

Table 3: Value of preferences by country (in descending order)

Country	Estimated annual value of preferences (\$)	2005 trade balance with China (\$)
Ethiopia	3,259,639	-198,970,058
Zambia	1,888,753	203,259,756
Sudan	1,510,671	1,320,937,191
Mauritania	970,083	-70,245,846
Tanzania	611,055	-132,883,162
Somalia	380,483	-13,296,675
Madagascar	261,349	-169,371,553
Uganda	203,437	-59,484,335
DRC	188,526	125,967,401
Senegal	173,635	-125,561,193
Togo	156,009	-505,369,064
Mozambique	120,112	-17,831,835
Mali	117,760	13,590,033
Benin	46,845	-812,964,952
Angola	42,730	6,207,819,317
Eritrea	25,762	-7,598,174
Guinea	23,599	-141,260,366
Djibouti	16,078	-110,885,404
Lesotho	4,831	-55,488,880
Sierra Leone	3,951	-29,274,444
Rwanda	3,863	-780,715
Niger	1,755	-33,913,978
Guinea-Bissau	1,109	-5,793,889
Comoros	622	-1,841,888
Central African Republic	372	1,902,443
Burundi	352	-11,562,009
Liberia	93	-135,580,338
Equatorial Guinea	19	1,467,269,133
Cape Verde	11	-5,187,788
Chad	0	184,788,412

Source: Chinese customs data, courtesy of Tralac; author's calculations

ANNEX I

African LDCs with Chinese Trade Preferences

1	Angola	16	Liberia
2	Benin	17	Madagascar
3	Burundi	18	Mali
4	Cape Verde	19	Mauritania
5	Central African Republic*	20	Mozambique
6	Chad	21	Niger
7	Comoros*	22	Rwanda
8	Democratic Republic of the Congo	23	Senegal
9	Djibouti	24	Sierra Leone
10	Equatorial Guinea*	25	Somalia*
11	Eritrea*	26	Sudan*
12	Ethiopia	27	Togo*
13	Guinea	28	Uganda
14	Guinea-Bissau	29	United Republic of Tanzania
15	Lesotho	30	Zambia

* Not currently eligible for AGOA

ANNEX II

Products Qualifying for Chinese Preferences to African LDCs
(by HS8 Code)

No.	HS8 tariff code	Description	Margin of preference
1	01063990	Birds, nes*	10
2	01069090	Other live animals, not edible	10
3	03023200	Fresh or chilled yellowfin tuna	12
4	03033300	Frozen sole	12
5	03033900	Frozen flat fish (excl. halibut, plaice & sole)	10
6	03034300	Frozen skipjack or stripe-bellied bonito	12
7	03035000	Frozen herrings (excl. livers & roes)	10
8	03036000	Frozen cod (excl. livers & roes)	10

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9	03037100	Frozen sardines, brisling or sprats	12
10	03037600	Frozen eels	12
11	03037910	Frozen scabber fish (trichurius)	10
12	03037950	Frozen swordfish	10
13	03037990	Frozen fish, nes	10
14	03038000	Frozen fish livers & roes	10
15	03049000	Frozen fish meat (excl. fillets)	10
16	03055910	Dried pipefish and hippocampi, not smoked	2
17	03055920	Dried sharks' fins, not smoked	15
18	03055990	Other dried fish, not smoked	16
19	03061319	Frozen shrimps in shell	5
20	03061329	Frozen prawns in shell	5
21	03061490	Other frozen crabs, nes	10
22	03062190	Unfrozen lobster, nes	15
23	03074900	Cuttlefish & squid, frozen, dried, salted or in brine	12
24	03075900	Octopus, frozen, dried, salted or in brine	17
25	03076090	Other snails o/t sea snails, excl. for cultivation	14
26	03079920	Sea cucumbers, frozen, dried, salted or in brine	10
27	03079990	Other molluscs and aquatic invertebrate, nes	10
28	05071000	Ivory, its powder & waste, unworked	10
29	05080090	Coral; shells of molluscs, crustaceans, etc., not cut to shape	12
30	05119111	Fertilised fish eggs	12
31	05119119	Other fish eggs	12
32	05119190	Products of crustaceans, molluscs or other aqueous invertebrates	12
33	05119990	Animal products, nes; dead animals of Chapter 1	12
34	06029093	Chrysanthemums	10
35	06049100	Fresh parts of plants, without flowers/buds, for ornamental purposes	10
36	06049900	Parts of plants, without flowers or buds, for ornamental purposes	10
37	07099090	Other vegetables, fresh or chilled, nes	13
38	08013100	Cashew nuts, in shell, fresh or dried	20
39	09011100	Coffee, not roasted or decaffeinated	8

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40	09011200	Decaffeinated coffee, not roasted	8
41	09012200	Roasted, decaffeinated coffee	15
42	09023090	Other black tea & partly fermented tea, nes, in packings ≤3kg	15
43	09024090	Other black tea & partly fermented tea, nes, in packings >3kg	15
44	09050000	Vanilla	15
45	09070000	Cloves (whole fruit, cloves & stems)	3
46	12074090	Sesamum seeds, excl. for sowing	10
47	12119039	Plants and parts of plants, used in pharmacy, nes	6
48	12119050	Plants and parts of plants, used in perfumery	8
49	12122090	Edible seaweeds and other algae, fresh, chilled, frozen or dried, nes	15
50	12129999	Other edible vegetable products, fresh or dried, nes	30
51	13012000	Gum Arabic	15
52	13019020	Olibanum, myrrh and dragon's blood	3
53	14011000	Bamboo	10
54	14019090	Other vegetable plaiting materials, nes	10
55	14042000	Cotton linters	4
56	14049000	Vegetable products, nes	15
57	15131900	Coconut copra oil (excl. crude) & fractions thereof	9
58	16041990	Prepared or preserved fish (excl. minced), nes	12
59	16054090	Crustaceans, nes, prepared or preserved	5
60	16059090	Molluscs & other aquatic invertebrates, nes, prepared or preserved	5
61	18010000	Cocoa beans, whole or broken, raw or roasted	8
62	18020000	Cocoa shells, husks, skins & other cocoa waste	10
63	18040000	Cocoa butter, fat & oil	22
64	20041000	Potatoes, preserved o/t by vinegar or acetic acid, frozen	13
65	21011100	Extracts, essences & concentrates of coffee	17
66	21039090	Other sauces, mixed condiments or seasonings, nes	21
67	23012010	Flours or meals of fish, used in animal feeding	2
68	25051000	Silica sands & quartz sands, whether or not coloured	3
69	25059000	Natural sands (excl. metal-bearing sands of Chapter 26)	3
70	25061000	Quartz	3

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71	25062100	Crude or roughly trimmed quartzite	3
72	25062900	Quartzite cut into blocks or slabs of a rectangular shape	3
73	25084000	Other clays, nes, whether or not calcinated	3
74	25085000	Andalusite, kyanite & sillimanite, whether or not calcinated	3
75	25120090	Other siliceous earths	3
76	25140000	Slate	3
77	25151100	Marble & travertine crude or roughly trimmed	4
78	25161100	Granite, crude or roughly trimmed	4
79	25162100	Sandstone, crude or roughly trimmed	3
80	25169000	Monumental or building stones	3
81	25171000	Pebbles, gravel, broken or crushed stone	4
82	25174900	Granules, chippings & powder of stones (excl. marble)	3
83	25251000	Crude mica & mica rifted into sheets or splittings	5
84	25291000	Feldspar	3
85	25309091	Wallastonite	3
86	25309099	Mineral substances, nes	3
87	26203000	Ash & residues containing mainly copper & compounds thereof	4
88	27101991	Lubricating oils	6
89	27141000	Bituminous or oil shale & tar sands	6
90	28112200	Silicon dioxide	5.5
91	28259090	Inorganic bases, nes; metal oxides, hydroxides or peroxides, nes	5.5
92	28263000	Sodium hexafluoroaluminate (synthetic cryolite)	5.5
93	29071990	Monophenols and their salts, nes	5.5
94	29095000	Ether-phenols, ether-alcohol-phenols and derivatives	5.5
95	29157090	Palmitic acid, its salts and esters; salts and esters of stearic acid	5.5
96	29392100	Quinine and its salts	4
97	33011300	Essential oils of lemon (incl. concretes & absolutes)	20
98	33012990	Essential oils other than of citrus fruit	15
99	33019090	Concentrates of essential oils in fats, fixed oils or waxes	20
100	33029000	Odoriferous substances used as raw materials in other industry	10
101	33079000	Depilatories & other perfumery, cosmetic or toilet preparations, nes	9

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102	34011100	Soap and organic surface-active products and preparations	10
103	34021100	Anionic surface-active agents (excl. soap)	6.5
104	34031900	Lubricating preparations, containing petroleum oils or oils obtained from bituminous minerals and their weight <70%	10
105	38099300	Finishing agents, dye carriers and preparations used in leather	6.5
106	39019020	Linear low-density polyethylene, in primary forms	6.5
107	39033000	Acrylonitrile-butadiene-styrene (ABS) copolymers, in primary forms	8.6
108	39072000	Polyethers, in primary forms, nes	8.6
109	39076090	Polyethylene terephthalate, in primary forms, nes	6.5
110	39152000	Waste, parings & scrap of polymers of styrene	8.6
111	39159010	Waste parings and scrap of polyethylene glycol terephthalate	8.6
112	39159090	Waste parings and scrap of other plastics	8.6
113	39191099	Self-adhesive tape, plates, strip, sheet, film, foil, width ≤20cm, nes	6.5
114	39211990	Cellular plates, strips, sheet, film of plastics, nes	6.5
115	39219090	Other plates, strips, sheet, film of plastics, nes	6.5
116	39229000	Bidets, lavatory pans & other sanitary ware of plastics, nes	10
117	39232900	Sacks & bags (incl. cones) of other plastics (excl. ethylene)	10
118	39261000	Office or school supplies of plastics	10
119	39269010	Machine or instruments parts of plastics	10
120	39269090	Articles of plastics, nes	10
121	40111000	New pneumatic tyres, of rubber of a kind used on motor cars	10
122	40119200	New pneumatic tyres, of rubber, nes, of a kind used on agricultural or forestry vehicles and machines	25
123	40169310	Gaskets, washers/seals of vulcanised rubber for machines	8
124	40169390	Gaskets, washers & other seals of vulcanised rubber, other than for machines, nes	15
125	40169990	Articles of vulcanised rubber, nes	10
126	41041111	Chrome-tanned bovine leather (wet-blue skin leather), full grains, unsplit or grain splits, not further prepared	7

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127	41041911	Wet-blue bovine leather, not further prepared, nes	7
128	41044990	Bovine or equine leather, without hair on, dry state (crust), not further prepared, nes	7
129	41051010	Wet-blue sheep- or lambskin leather, without wool on, but not further prepared, whether or not split	14
130	41051090	Sheep- or lambskin leather, in the wet state other than wet-blue, without wool on, but not further prepared, whether or not split	10
131	41053000	Sheep- or lambskin leather, in the dry state (crust), without wool on, but not further prepared, whether or not split	8
132	41062100	Goat- or kidskin leather, in the wet state (incl. wet-blue), without hair on, but not further prepared, whether or not split	14
133	41062200	Goat- or kidskin leather, in the dry state (crust), without hair on, but not further prepared, whether or not split	14
134	41064000	Leather of reptiles, tanned or crust, without hair on, but not further prepared, whether or not split	14
135	41079200	Leather further prepared after tanning or crusting, including parchment-dressed leather, of bovine (including buffalo) or equine animals, without hair on, whether or not split, other than leather of heading 41.14, other than whole hides and skins, grains	5
136	41120000	Leather further prepared after tanning or crusting, including parchment-dressed leather, of sheep or lamb, without wool on, whether or not split, other than leather of heading No. 41.14	8
137	41131000	Leather further prepared after tanning or crusting, including parchment-dressed leather, of goats or kids, without wool or hair on, whether or not split, other than leather of heading No. 41.14	14
138	41133000	Leather further prepared after tanning or crusting, including parchment-dressed leather, of reptiles, without wool or hair on, whether or not split, other than leather of heading No. 41.14	14
139	41139000	Leather further prepared after tanning or crusting, including parchment-dressed leather, of other animals nes, without wool or hair on, whether or not split, other than leather of heading No. 41.14	14
140	42021290	Vanity cases, executive cases, briefcases, school satchels and similar containers, nes, with outer surface of plastics or of textile materials	20

141	42022200	Handbags, whether or not with shoulder strap, incl. those without handle, with outer surface of plastic sheeting or of textile materials	10
142	42023100	Articles of a kind normally carried in the pocket or handbag, with outer surface of leather, of composition leather or of patent leather	10
143	42023200	Articles of a kind normally carried in the pocket or handbag, with outer surface of plastic sheeting or of textile materials	20
144	42029200	Tool bags, cutlery cases and containers nes, with outer surface of plastic sheeting or of textile materials	10
145	42031000	Articles of apparel of leather, of leather or of composition leather	10
146	42033010	Belts of leather or composition leather	10
147	42033020	Bandoliers of leather or composition leather	10
148	42050090	Other articles of leather or composition leather	12
149	44201010	Wood or bamboo carvings	0
150	44201090	Statuettes and other ornaments, of wood, nes	0
151	44209090	Caskets and cases for jewelry or cutlery, and similar articles, of wood; wooden articles or furniture not falling in Chapter 94	0
152	46012029	Mats, matting and screens of grass or straw (other than rushes)	9
153	46012090	Mats, matting and screens of vegetable materials, nes	9
154	46019199	Plaiting materials, plaits and similar products of plaiting materials, bond together in parallel strands or woven, in sheet form, whether or not being finished articles, of other vegetable plaiting material, nes	9
155	46021020	Basketwork, wickerwork and other articles, of grass or straw	9
156	49100000	Calendars of any kind, printed, including calendar blocks	7.5
157	50071090	Other woven fabrics of noil silk	10
158	50072011	Unbleached or bleached woven fabrics of mulberry silk, containing $\geq 85\%$ silk	10
159	50072019	Other woven fabrics of mulberry silk, containing $\geq 85\%$ silk	10
160	50072021	Unbleached or bleached woven fabrics of tussah silk, containing $\geq 85\%$ silk	10
161	50072029	Other woven fabrics of tussah silk, containing $\geq 85\%$ silk	10
162	50072031	Unbleached or bleached woven fabrics of silk waste, containing $\geq 85\%$ silk	10

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163	50072039	Other woven fabrics of silk waste, containing $\geq 85\%$ silk	10
164	50072090	Other woven fabrics of silk, containing $\geq 85\%$ silk, nes	10
165	50079010	Unbleached or bleached woven fabrics, containing $< 85\%$ silk	10
166	50079090	Other woven fabrics, nes, containing $< 85\%$ silk	10
167	51061000	Yarn of carded wool, not put up for retail sale, with $\geq 85\%$ wool	5
168	51081000	Carded yarn of fine animal hair, not put up for retail sale	5
169	51121900	Woven fabrics with $\geq 85\%$ combed wool or fine animal hair, $> 200\text{g/m}^2$	10
170	52041100	Cotton sewing thread, with $\geq 85\%$ cotton, not put up for retail sale	5
171	52042000	Cotton sewing thread, put up for retail sale	5
172	52051100	Uncombed single cotton yarn, with $\geq 85\%$ cotton, nprs, $\leq 14\text{mn}$	5
173	52051200	Uncombed single cotton yarn, with $\geq 85\%$ cotton, nprs, $> 14\text{mn}$ but $\leq 43\text{mn}$	5
174	52051400	Uncombed single cotton yarn, with $\geq 85\%$ cotton, nprs, $> 52\text{mn}$ but $\leq 80\text{mn}$	5
175	52052100	Combed single cotton yarn, with $\geq 85\%$ cotton, nprs, $\leq 14\text{mn}$	5
176	52052200	Combed single cotton yarn, with $\geq 85\%$ cotton, nprs, $> 14\text{mn}$ but $\leq 43\text{mn}$	5
177	52052400	Combed single cotton yarn, with $\geq 85\%$ cotton, nprs, $> 52\text{mn}$ but $\leq 80\text{mn}$	5
178	52053200	Uncombed cabled cotton yarn, with $\geq 85\%$ cotton, nprs, $> 14\text{mn}$ but $\leq 43\text{mn}$	5
179	52054200	Combed cabled cotton yarn, with $\geq 85\%$ cotton, nprs, $> 14\text{mn}$ but $\leq 43\text{mn}$	5
180	52054400	Combed cabled cotton yarn, with $\geq 85\%$ cotton, nprs, $> 52\text{mn}$ but $\leq 80\text{mn}$	5
181	52082200	Bleached plain cotton weave, with $\geq 85\%$ cotton, $> 100\text{g/m}^2$, $\leq 200\text{g/m}^2$	10
182	52083200	Dyed plain cotton weave, with $\geq 85\%$ cotton, $> 100\text{g/m}^2$, $\leq 200\text{g/m}^2$	10
183	52083300	Dyed 3- or 4-thread twill (incl. cross twill), with $\geq 85\%$ cotton, $\leq 200\text{g/m}^2$	10
184	52084200	Coloured plain cotton weave, with $\geq 85\%$ cotton, $> 100\text{g/m}^2$, $\leq 200\text{g/m}^2$	10
185	52084900	Coloured woven cotton fabrics, with $\geq 85\%$ cotton, nes	10

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186	52085100	Printed plain cotton weave, with $\geq 85\%$ cotton, $\leq 100\text{g/m}^2$	10
187	52085200	Printed plain cotton weave, with $\geq 85\%$ cotton, $>100\text{g/m}^2$, $\leq 200\text{g/m}^2$	10
188	52091100	Unbleached plain cotton weave, with $\geq 85\%$ cotton, $>200\text{g/m}^2$	10
189	52093100	Dyed plain cotton weave, with $\geq 85\%$ cotton, $>200\text{g/m}^2$	10
190	52093200	Dyed 3- or 4-thread twill (incl. cross twill), with $\geq 85\%$ cotton, $>200\text{g/m}^2$	10
191	52093900	Dyed woven cotton fabrics, with $\geq 85\%$ cotton, $>200\text{g/m}^2$, nes	10
192	52094200	Denim, with $\geq 85\%$ cotton, $>200\text{g/m}^2$	10
193	52095100	Printed plain cotton weave, with $\geq 85\%$ cotton, $>200\text{g/m}^2$	10
194	52105900	Printed woven cotton fabrics, nes, with $<85\%$ cotton, $\leq 200\text{g/m}^2$	10
195	53031000	Jute, etc. (excl. flax, true hemp & ramie), raw or retted	5
196	53039000	Jute, etc. (excl. flax, true hemp & ramie), nes; tow & waste	5
197	53041000	Sisal & other textile fibres of the genus Agave, raw	5
198	53049000	Sisal, etc. (excl. raw), not spun; tow & waste of these fibres	5
199	53051100	Raw coconut fibres	5
200	53051900	Processed coconut fibres; tow, noils & waste of these fibres	5
201	53071000	Single yarn of jute or of other textile bast fibres of heading No. 53.03	6
202	53072000	Multiple or cabled yarn of textile bast fibres of heading No. 53.03	6
203	53082000	True hemp yarn	6
204	53101000	Unbleached woven fabrics of jute or of other textile bast fibre	10
205	53109000	Woven fabrics of jute or other textile bast fibres (excl. unbleached)	10
206	54074200	Dyed woven fabrics of synthetic filament yarn, $\geq 85\%$ nylon	10
207	54075200	Dyed woven fabrics of synthetic filament yarn, $\geq 85\%$ textured polyester	10
208	54076100	Other woven fabrics of synthetic yarn, $\geq 85\%$ non-textured polyester	10
209	54077200	Dyed woven fabrics, $\geq 85\%$ synthetic filaments, nes	10

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210	54079200	Dyed woven fabrics of synthetic filament yarn, nes	10
211	55081000	Sewing thread of synthetic staple fibres	5
212	55102000	Yarn, with <85% artificial staple fibres, mixed with wool, nprs	5
213	55109000	Yarn, with <85% artificial staple fibres, nes, nprs	5
214	55121100	Unbleached or bleached woven fabrics, ≥85% polyester staple fibres	18
215	55129900	Printed, dyed, coloured woven fabrics, ≥85% synthetic fibres, nes	10
216	55132900	Dyed woven fabrics, <85% synthetic fibres + cotton, nes, ≤170g/m2	10
217	55134100	Printed plain weave fabrics, <85% polyester fibres + cotton, ≤170g/m2	10
218	55142300	Dyed woven fabrics, nes, <85% polyester fibres + cotton, >170g/m2	10
219	56031110	Non-wovens of man-made filament, ≤25g/m2, coated, etc.	10
220	56031210	Non-wovens of man-made filament, >25g/m2 but ≤70g/m2, coated, etc.	10
221	56039290	Non-wovens of other materials, >25g/m2 but ≤70g/m2, not coated, etc.	10
222	56039490	Non-wovens of other materials, >150g/m2, not coated, etc.	10
223	56041000	Rubber thread & cord, textile covered	5
224	56071000	Twine, cordage, ropes & cables, of jute or other textile bast fibres	5
225	56079090	Twine, cordage, ropes & cables, nes	5
226	56090000	Articles of yarn, strip, etc., twine, cordage, rope or cables, nes	10
227	57021000	Kelem, Schumacks, Karamanie & other similar hand-woven rugs	14
228	57023900	Pile floor coverings of other textiles, woven, not made up, nes	14
229	57039000	Tufted floor coverings of other textiles, nes	14
230	57050010	Other floor coverings of wool or fine animal hair, nes	14
231	57050020	Other floor coverings of man-made textile fibres, nes	10
232	57050090	Other textile floor coverings, nes	14
233	58012200	Cut corduroy of cotton	10
234	58041030	Tulles & other net fabrics of man-made fibres	12

235	58063200	Narrow woven fabrics of man-made fibres, nes	10
236	58063990	Narrow woven fabrics of other textile materials, nes	10
237	58071000	Labels, badges of textiles, woven, in piece not embroidered	10
238	58079000	Labels, badges of textiles, unwoven, in piece not embroidered	10
239	59119000	Textile articles for technical uses, nes, specified in Note 7	8
240	61032200	Men's or boys' ensembles of cotton, knitted or crocheted	20
241	61033200	Men's or boys' jackets & blazers of cotton, knitted or crocheted	16
242	61042200	Women's or girls' ensembles, of cotton, knitted or crocheted	17.5
243	61043200	Women's or girls' jackets, of cotton, knitted or crocheted	16
244	61043300	Women's or girls' jackets, of synthetic fibres, knitted or crocheted	19
245	61044200	Dresses of cotton, knitted or crocheted	16
246	61044300	Dresses of synthetic fibres, knitted or crocheted	17.5
247	61045300	Skirts & divided skirts of synthetic fibres, knitted or crocheted	16
248	61046200	Women's or girls' trousers, etc., of cotton, knitted or crocheted	16
249	61051000	Men's or boys' shirts of cotton, knitted or crocheted	16
250	61052000	Men's or boys' shirts of man-made fibres, knitted or crocheted	17.5
251	61061000	Women's or girls' blouses, etc., of cotton, knitted or crocheted	16
252	61062000	Women's or girls' blouses, etc., of man-made fibres, knitted or crocheted	17.5
253	61091000	T-shirts, singlets & other vests, of cotton, knitted or crocheted	14
254	61099090	T-shirts, singlets, etc., of other textiles, nes, knitted or crocheted	14
255	61101100	Jerseys, pullovers, etc., of wool, knitted or crocheted	14
256	61101200	Jerseys, pullovers, etc., of cashmere, knitted or crocheted	14
257	61101910	Jerseys, pullovers, etc., of other goats hair, knitted or crocheted	14
258	61102000	Jerseys, pullovers, etc., of cotton, knitted or crocheted	14

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259	61103000	Jerseys, pullovers, etc., of man-made fibres, knitted or crocheted	16
260	61171000	Shawls, scarves, mufflers, mantillas, veils, etc., knitted or crocheted	14
261	61172000	Ties, bow ties & cravats, knitted or crocheted	14
262	61178000	Other clothing accessories, knitted or crocheted, nes	14
263	62021290	Women's or girls' overcoats, etc. of cotton, nes	16
264	62031100	Men's or boys' suits of wool or fine animal hair	17.5
265	62032200	Men's or boys' ensembles of cotton	17.5
266	62033100	Men's or boys' jackets & blazers of wool or fine animal hair	16
267	62033200	Men's or boys' jackets & blazers of cotton	16
268	62033300	Men's or boys' jackets & blazers of synthetic fibres	17.5
269	62033990	Men's or boys' jackets & blazers of other textile materials, nes	16
270	62034290	Men's or boys' trousers, breeches, of cotton, nes	16
271	62034990	Men's or boys' trousers, breeches, nes, of other textile fibres	16
272	62043100	Women's or girls' jackets & blazers of wool or fine animal hair	16
273	62043200	Women's or girls' jackets & blazers of cotton	16
274	62043300	Women's or girls' jackets & blazers of synthetic fibres	17.5
275	62044200	Dresses of cotton	16
276	62045100	Skirts & divided skirts of wool or fine animal hair	14
277	62045200	Skirts & divided skirts of cotton	14
278	62045990	Women's or girls' skirts of other textile materials, nes	14
279	62046100	Women's or girls' trousers/breeches, etc., of wool/fine animal hair	16
280	62046200	Women's or girls' trousers, breeches, etc., of cotton	16
281	62052000	Men's or boys' shirts of cotton	16
282	62053000	Men's or boys' shirts of man-made fibres	16
283	62063000	Women's or girls' blouses, shirts, etc., of cotton	16
284	62064000	Women's or girls' blouses, shirts, etc., of man-made fibres	17.5
285	62069000	Women's or girls' blouses, shirts, etc., of other textiles, nes	16
286	62079100	Men's or boys' singlets, dressing gowns, etc., of cotton	14

287	62093000	Babies' garments & clothing accessories of synthetic fibres	16
288	62142000	Shawls, scarves, mufflers, mantillas, veils, etc., of wool,,	14
289	62149000	Shawls, scarves, mufflers, mantillas, veils, etc., of other textiles nes	14
290	62151000	Ties, bow ties & cravats of silk or silk waste	14
291	62159000	Ties, bow ties & cravats of other textiles, nes	14
292	62160000	Gloves, mittens & mitts	14
293	62179000	Parts of garments or of clothing accessories, nes	14
294	63025190	Table linen of cotton, not embroidered, knitted or crocheted	14
295	63029100	Toilet linen & kitchen linen of cotton, nes	14
296	63079000	Made up articles (incl. dress patterns), nes	14
297	64062000	Outer soles & heels of rubber or plastics	15
298	65059090	Hats & other headgear, knitted or made up from textile fabric in piece	20
299	65069990	Hats & other headgear of other materials, nes	24
300	66019100	Umbrellas & sun umbrellas, with telescopic shaft	10
301	67041900	False beards, eyebrows & eyelashes, etc., of synthetic fibres	25
302	68021010	Tiles etc. of marble, side <7cm; artificial colored granules, powder	24
303	68022900	Monumental/building stone, cut/sawn flat or even, nes	15
304	68029990	Worked building stone and articles thereof, nes	24
305	68129000	Asbestos fabricated products, nes	10
306	68159910	Carbon fibres and articles of carbon fibres	17.5
307	68159990	Articles of stone or of other mineral substances, nes	17.5
308	69131000	Statuettes & other ornamental articles of porcelain or china	15
309	70072190	Laminated safety glass, for vehicles	20
310	70091000	Rear-view mirrors for vehicles	10
311	71023100	Diamonds non-industrial unworked or simply sawn, cleaved or bruted	3
312	71031000	Precious or semi-precious stones (o/t diamonds) unworked or simply sawn or rough shaped	3
313	71039100	Rubies, sapphires & emeralds further worked than sawn or rough shaped	8

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314	71049099	Synthetic/reconstructed precious/semi-precious stones, further worked, not for technical use	8
315	71162000	Articles of precious or semi-precious stones	35
316	71171900	Imitation jewelry nes of base metal	17
317	72022900	Ferro-silicon, nes	2
318	73021000	Rails, iron/steel	6
319	73052000	Casings, iron/steel, int./ext. circ. c. sect., welded, ext. diameter >406.4mm, for oil/gas drilling, nes	7
320	73062000	Casing/tubing, iron/steel, welded, riveted, simply closed, for oil/gas drilling, nes	3
321	73089000	Structure/parts, nes, prepared plate, rods etc. for structure, iron/steel	4
322	73101000	Tanks, casks, drums, cans, boxes & simply constructed of iron/steel, capacity ≥50L but <300L	10.5
323	73158200	Chain, welded link, iron/steel, nes	12
324	73181500	Bolts, screws, nes, with/without their nuts, washers, iron/steel	8
325	73182100	Washers, springlock, iron/steel	10
326	73182900	Non-threaded articles of iron/steel, nes	10
327	73192000	Pins, safety, iron/steel	10
328	73201020	Leaf-springs & leaves thereof for motor vehicles	10
329	73201090	Leaf springs & leaves thereof, iron/steel, exclusively for railway vehicles	10
330	73219000	Parts of appliances of heading No. 73.21	12
331	73269010	Articles, iron/steel, nes, for technical use	10.5
332	73269090	Articles, iron/steel, nes, not for technical use	8
333	74011000	Copper mattes	2
334	74020000	Copper unrefined, copper anodes for electrolytic refining	2
335	74031100	Copper cathodes & sections of cathodes unwrought	2
336	74032900	Copper alloys, unwrought (other than master alloys of heading No. 74.05)	1
337	74040000	Waste & scrap copper alloy	1.5
338	74091900	Plate, sheet & strip of refined copper, not in coil, thickness >0.15mm	4
339	74152100	Washers, copper, including spring washers	10
340	74199110	Cast/moulded/stamped/forged copper articles, for technical use	10

341	74199990	Articles of copper, nes, not for technical use	20
342	75022000	Nickel unwrought, alloyed	3
343	76011010	Containing by weight 99.95% or more of aluminium or unwrought aluminium, not alloyed	5
344	76011090	Aluminium unwrought, not alloyed, nes	5
345	76012000	Aluminium unwrought, alloyed	7
346	76020000	Waste & scrap aluminium	1.5
347	76161000	Aluminium nails, tacks, staples, bolts, nuts & similar articles	10
348	78011000	Lead refined unwrought	3
349	79020000	Zinc waste & scrap	1.5
350	81052010	Intermediate products of cobalt wet-processing metallurgy	4
351	81052090	Cobalt, unwrought, intermediate products, powders	4
352	81059000	Cobalt wrought & articles thereof	8
353	82019000	Scythes, sickles & other hand tools used in agriculture, horticulture, etc.	8
354	82031000	Files, rasps & similar tools	10.5
355	82082000	Knives & blades for machines/mechanical appliances for wood working	8
356	82083000	Knives & blades for kitchen appliances/food industry machines	8
357	83014000	Locks of base metal, nes	14
358	83024900	Mountings, fittings & similar articles of base metal, nes	12
359	83040000	Filing cabinet & similar office/desk equipment of base metal	10.5
360	83062990	Other statuettes & other ornaments of base metal, nes	8
361	83081000	Hooks, eyes & eyelets of base metal	10.5
362	83089000	Claps, buckles & like, beads & spangles of base metal	10.5
363	84133029	Other fuel pumps	3
364	84137090	Centrifugal pumps, nes	8
365	84139100	Parts of pumps for liquids	5
366	84212990	Filtering/purifying machinery & apparatus for liquids, nes	5
367	84213990	Other dust collectors, nes	5
368	84219990	Parts for filtering/purifying machines of non-household type	5
369	84314310	Parts of oil/gas boring machinery	4

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370	84314320	Parts of other boring machinery	4
371	84339090	Parts of other machines of heading No. 84.33	3
372	84662000	Work holders for use with machines of headings Nos. 84.56 to 84.65	7
373	84701000	Electronic calculators, operating without external source of power	0
374	84798200	Machines for mixing/kneading/crushing/grinding, etc.	7
375	84818010	Other valves	7
376	84818090	Taps, cocks & similar appliances, nes	5
377	84821000	Bearings, ball	8
378	84829900	Bearing parts, nes	6
379	84831090	Transmission shafts not for ships; cranks	6
380	84833000	Bearing housings, not including ball/roller bearing; plain shaft bearing	6
381	84834090	Gears/gearing, ball screws, gear boxes, speed changers, etc.	8
382	84839000	Parts of appliances of heading No. 84.83	8
383	84841000	Gaskets of metal sheeting combined with other material	8
384	84842000	Mechanical seals	8
385	84849000	Gasket sets consisting of gaskets of different materials	8
386	84859000	Machinery parts, non-electrical, nes	8
387	85011099	Electric motors of an output $\leq 37.5W$, nes	9
388	85021100	Generating sets, diesel or semi-diesel engines, output $\leq 75KVA$	10
389	85044099	Other static converters, nes	10
390	85049019	Parts of other transformers, nes	8
391	85049090	Parts of ballasts, static converters and other inductors	8
392	85113090	Distributors & ignition coils, nes	8.4
393	85139010	Parts of torches of subheading No. 8513.1010	14
394	85162990	Electric space heating apparatus, nes	10
395	85169090	Parts of other apparatus of heading No. 85.16	12
396	85189000	Parts of mics, loudspeakers, headphones, earphones & electronic sound amplifiers	10.5
397	85229090	Parts/accessories of other apparatus of headings Nos. 85.19 to 85.21, nes	20
398	85245390	Other recorded magnetic tapes, width $> 6.5mm$, nes	10

399	85364100	Electric relays for a voltage not exceeding 60V	10
400	85389000	Parts for switches, fuses, panels, etc., nes	7
401	85392130	Tungsten halogen lamps, for motor vehicles	10
402	86071990	Wheels & parts nes, of railway/tramway vehicles	3
403	86073000	Coupling devices & parts for railway rolling stock	3
404	87083910	Brakes & parts of tractors, nes	6
405	87088010	Shock absorbers of vehicles of heading No. 87.03	10
406	87089100	Radiators of motor vehicles	10
407	87120041	Cross-country bicycles, 16", 18", 20"	13
408	87169000	Trailer & other vehicle parts, nes	10
409	90159000	Parts & accessories for use with the apparatus of heading No. 90.15	5
410	90183100	Syringes, with or without needles	8
411	90212900	Dental fittings, nes	4
412	90229090	Parts & accessories of apparatus of heading No. 90.22, nes	6
413	90230000	Instruments/apparatus/models, for demonstration purposes	7
414	90271000	Gas or smoke analysis apparatus	7
415	90308390	Electric quantity measurement/checking instruments with recording device, nes	8
416	90321000	Thermostats	7
417	90328900	Automatic regulating or controlling instruments & apparatus, nes	7
418	91051100	Electric alarm clocks	23
419	92060000	Percussion musical instruments	17.5
420	92099200	Parts & accessories for musical instruments of heading No. 92.02	17.5
421	92099900	Parts & accessories for musical instruments, nes	17.5
422	94016900	Seats with wooden frames, nes	0
423	94035099	Bedroom furniture, wooden, nes	0
424	94036099	Furniture, wooden, nes	0
425	94052000	Electric table, desk, bedside or floor-standing lamps	20
426	95072000	Fish hooks, whether or not snelled [not in dictionary – author to check]	21
427	96019000	Animal carving material (excl. ivory) & articles thereof	20

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428	96020090	Worked vegetable/mineral carving material/articles, moulded/carved articles	25
429	96062100	Buttons of plastics, not covered with textile material	21
430	96062900	Buttons, nes	15
431	96071100	Slide fasteners fitted with chain scoops of base metal	21
432	96081000	Ball point pens	15
433	96083910	Fountain pens	21
434	96083990	Stylograph pens and other pens, nes	21
435	96091010	Pencils	21
436	96121000	Typewriter or similar ribbons, prepared for giving impressions	10.5
437	96151100	Combs, hair-slides & the like of hard rubber or plastics	18
438	97011010	Original paintings, drawings & pastels, executed by hand	12
439	97019000	Collages & similar decorative plaques	14
440	97030000	Original sculptures & statuary, in any material	12

* nes = not elsewhere specified