Goal 17: Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development

Target 17.12: Realize timely implementation of duty-free and quota-free market access on a lasting basis for all least developed countries, consistent with World Trade Organization decisions, including by ensuring that preferential rules of origin applicable to imports from least developed countries are transparent and simple, and contribute to facilitating market access

Indicator 17.12.1: Weighted average tariffs faced by developing countries, least developed countries and small island developing States

Institutional information

Organization(s):

International Trade Centre (ITC)

United Nations Conference on Trade and Development (UNCTAD)

The World Trade Organization (WTO)

Concepts and definitions

Definition:

Average import tariffs (in per cent) faced by products exported from developing countries and least developed countries.

Concepts:

Tariffs: Tariffs are customs duties on merchandise imports, levied either on an ad valorem basis (percentage of value) or on a specific basis (e.g. $7 per 100 kg). Tariffs can be used to create a price advantage for similar locally-produced goods and for raising government revenues. Trade remedy measures and taxes are not considered to be tariffs. Tariff in HS chapters 01-97 is taken into consideration.

Tariff line or National Tariff lines (NTL): National Tariff Line codes refer to the classification codes, applied to merchandise goods by individual countries that are longer than the HS six digit level. Countries are free to introduce national distinctions for tariffs and many other purposes.

The national tariff line codes are based on the HS system but are longer than six digits. For example, the six digit HS code 010120 refers to Asses, mules and hinnies, live, whereas the US National Tariff line code 010120.10 refers to live purebred breeding asses, 010120.20 refers to live asses other than purebred breeding asses and 010120.30 refers to mules and hinnies imported for immediate slaughter.

Rationale:

The average level of customs tariff rates faced by developing countries and LDCs allows observing at which pace the multilateral system is advancing toward the implementation of duty-free and quota-free market access.

Comments and limitations:

"The reduction of average tariffs on key sector as agriculture can represent a proxy of the level of commitment of developed country to improve market access conditions.

In terms of limitations:

Tariffs are only part of the trade limitation factors to the implementation of duty-free and quota-free market access, especially when looking at exports of developing or least developed countries under non-reciprocal preferential treatment that set criteria for eligibility. Accurate estimates on non-tariff measures do not exist, thus the calculations on market access are limited to tariffs only.

A full coverage of preferential schemes of developed countries has been used for the computation, but preferential treatment may not be fully used by developing countries' exporters for different reasons such as the inability of certain exporters to meet eligibility criteria (i.e., complying with rules of origin)."

Methodology

Computation method:

Some tariff rates which are not expressed in ad valorem form (e.g., specific duties) need to be converted in ad valorem equivalents (i.e. in per cent of the import value). The conversion is made at the tariff line level for each importer by using the unit value method. Import unit values are calculated from import values and quantities. Only a limited number of non-ad valorem tariff rates (i.e. technical duties) cannot be provided with ad valorem equivalents (AVE) and are excluded from the calculation. This methodology also allows for cross-country comparisons.

Treatment of missing values:

- **At country level:**

Missing values are calculated using the most recent year available.

- **At regional and global levels:**

Answered under question 11.1

Regional aggregates:

This fixed weighting scheme, referred to as "Standard Import Structure" is the same for all developed market imports originating from developing countries and least developed countries. This structure is calculated at the HS6-digit level by averaging total imports of Developed countries from Developing countries and least developed countries.

Sources of discrepancies:

Not applicable. The same national data are used at the global level.

Data sources

Description:

The main information used to calculate indicators 17.12.1 is import tariff data. Information on import tariffs might be retrieved by contacting directly National statistical offices, permanent country missions to the UN, regional organizations or focal points within the customs, ministries in charge of customs revenues (Ministry of economy/finance and related revenue authorities) or, alternatively, the Ministry of trade. Tariff data for the calculation of this indicator are retrieved from ITC (MAcMap) - http://www.macmap.org/ - WTO (IDB) - http://tao.wto.org - and UNCTAD (TRAINS) databases. Import tariff data included in the ITC (MAcMap) database are collected by contacting directly focal points in line national agencies or regional organizations (in the case of custom unions or regional economic communities). When available, data are downloaded from national or regional official websites. In some cases, data are purchased from private companies. Import tariff data included in the WTO (IDB) database are sourced from official notifications of WTO members. Import tariff included in the UNCTAD (TRAINS) database are collected from official sources, including official country or regional organizations websites.

Data availability

Description:

Asia and Pacific: 42

Africa: 49

Latin America and the Caribbean: 34

Europe, North America, Australia, New Zealand and Japan: 48

Time series:

Yearly data from 2005 to latest year

Disaggregation:

Disaggregation is available by product sector (e.g. Agriculture, Textile, Environmental goods), geographical regions and country income level (e.g. Developed, Developing, LDCs)

Calendar

Data collection:

Continuously updated all year round

Data release:

Indicatively the indicator's calculations can be ready by March every year. However, the date of release will depend on the period envisaged for the launching of the SDG monitoring report.

Data providers

Already under sources.

Data compilers

Name:

ITC, WTO and UNCTAD

Description:

ITC, WTO and UNCTAD will jointly report on this indicator

References

URL:

http://www.intracen.org

http:// www.wto.org

http://unctad.org/en/Pages/Home.aspx

References:

This indicator was already calculated under MDG Target 8.A (Indicator 8.7). For reference purposes see The Millennium Development Goals Report 2015 available at http://www.un.org/millenniumgoals/2015_MDG_Report/pdf/MDG%202015%20rev%20(July%201).pdf (p. 64)

Related indicators as of February 2020

Linkages with the decrease of agricultural market distortions (target 2.b), improvements in the transfer of environmental goods and services (target 17.7) and better access to essential medicines (3.b).