

## Overview

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The international community has recognised the structural changes in the way trade, production and marketing are organised within complex production networks and global value chains (GVCs). However, the GVC perspective has not been utilised to explore the implications of graduation from least developed country (LDC) status. The influence of trade preferences for development remains underexplored within the GVC literature. Only recently has the influence of trade policy regimes been discussed in terms of their influence on value chain outcomes and upgrading strategies. This guide to the process develops a conceptual framework and identifies research methods and tools, which, if applied, could assist policy-makers in adapting to the loss of tariff rents induced by graduation. It does this through the integration of GVC analysis with trade economists' conventional approaches towards tariff preference erosion.

## Objectives

To equip policy-makers within the Ministry of Trade, Industry and Enterprise with the tools necessary to anticipate the potential for trade shifts to arise because of graduation from LDC status.

To provide access to research methods to analyse the trade-related effects of tariff preference loss. This includes worked-through examples of the economic analysis of tariff preference removal.

To provide examples of how to integrate private sector consultations and survey methods so as to understand the perspectives of lead firms and buyers.

Finally, to suggest avenues for further research and follow-up with international development partners in view of the transition process.

## Organisation

After a general introduction (**Chapter 1**), this guide is organised as follows:

**Chapter 2:** introduces the building blocks of GVC analysis.

**Chapter 3:** describes the quantitative analysis used by trade economists to explore the effects of tariff preference loss.

**Chapter 4:** applies the quantitative research method.

**Chapter 5:** provides examples of how to validate the findings derived in Chapter 4, with consideration of the private sector perspective.