

Main title	Assessing the effectiveness of AGOA in increasing trade from Least Developed Countries (LDCs) and the expected impact (on participating countries and the US) of extending Duty Free Quota Free (DFQF) access to the US market to all products from all LDCs
Sub title	
Review group	DNA Economics
Section	PROCOTOL
Authors IN ORDER OF CREDIT (Please include first and surnames, institutions. Include titles - Dr, Prof - if you want them to be used.)	Matthew Stern and Niall Condon, DNA Economics
EPPI-Centre reference number	[To be completed by EPPI-Centre]
Month/year of publication	[To be completed by EPPI-Centre]
This report should be cited as...	Condon N, Stern M (2010) <i>Assessing the effectiveness of AGOA in increasing trade from Least Developed Countries (LDCs) and the expected impact (on participating countries and the US) of extending DFQF access to the US market to all products from all LDCs</i> . London: EPPI-Centre, Social Science Research Unit, Institute of Education, University of London.
Contact details (address, phone number, email)	Matthew Stern & Niall Condon DNA Economics, 4 <sup>th</sup> Floor, South Office Tower, 1122 Burnett Street, Hatfield, Pretoria, 0083, South Africa  Email: <a href="mailto:matthew.stern@dnaeconomics.com">matthew.stern@dnaeconomics.com</a> , <a href="mailto:niall.condon@dnaeconomics.com">niall.condon@dnaeconomics.com</a>
Institutional base	
Review Group (with institutions)	
Advisory group (with institutions)	South African Cochrane Centre and EPPI-Centre
Conflicts of interest (if any)	None
Acknowledgements	

# 1. Background

This section provides some background detail on the objectives and context of the research subject, including a brief discussion on the rationale for trade preferences in general and AGOA in particular.

## 1.1 Aims and rationale for the review

This systematic review aims to rigorously assess the evidence base on the benefits of AGOA for LDCs in order to arrive at a clear understanding of its effectiveness and impact. This will involve searching, screening, interpreting and the synthesising of both quantitative and qualitative research on this topic. From this review, it should be possible to explain what it is about AGOA that works, for whom it works, in what circumstances and why. It will also be necessary to explain the likely implications of extending Duty Free Quota Free (DFQF) preferences to all LDCs, including those from outside of Africa. The findings of this systematic review will have wide policy relevance and should inform the design and expectations of AGOA and any potential changes to it.

### 1.1.1 African Growth and Opportunity Act (AGOA)

The African Growth and Opportunity Act (AGOA) was signed into law by the US Congress in May 2000. The principal objective of AGOA was to facilitate the integration of Sub-Saharan African countries into the global economy by providing preferential access to the US market for exporters from these countries. AGOA was initially due to expire in 2008, however it was extended and it is now set to expire in 2015. (Naumann 2009)

AGOA builds on the US's GSP (Generalised System of Preferences) programme, increasing the range of products for which preferential access is granted to include such products as petroleum, clothing, and a range of other agricultural and industrial products. Matoo et al (2002) estimate that whereas the US GSP regime covered about 17% of Sub-Saharan Africa's (SSA) exports to the US in 2000, AGOA preferences increased this fourfold to 72%. The initial and primary question to be explored in this review is whether this improvement in preferential access had been transformed into a real and tangible increase in exports from Sub-Saharan Africa to the US. The second and related question is whether any changes to US trade policy, which extend preferential access to all LDCs (not just those from SSA), would impact on trade between SSA and the US. It is therefore also important to provide some context to on the evolution of trade preferences more broadly.

### 1.1.2 Trade Preferences

The most favoured nation (MFN) clause in Article 1 of the GATT is one of the key components of the modern multi-lateral trading system. The central premise of the MFN clause is the principle of non-discrimination, which prohibits countries from discriminating between trading partners. In effect this means that if a country grants a trading partner a special concession (e.g. lower duties on a particular product), the MFN clause compels them to do the same for all WTO members. The GATT does however allow for exceptions to the MFN rule, in the context of reciprocal preferential agreements (e.g. Regional Free Trade Agreements), and also allows for agreements which provide developing countries and LDCs special or preferential access to developed markets (Hoekman et al. 2006). AGOA falls under the latter MFN exception, granting a select group of Sub-Saharan African countries preferential access to the US market<sup>1</sup>.

The rationale for granting preferential market access to developing countries emerged in the mid 20<sup>th</sup> century, as many newly independent nations emerged in Africa and Asia in the new post colonial world. Preferences were seen as a way of quickly boosting the industrial capacity of these

---

<sup>1</sup> Qualification for AGOA is not automatic. Eligible countries must meet a number of economic, social and political criteria set by the Act. Currently 40 of the 48 Sub-Saharan African countries are eligible for AGOA. Countries can also have their eligibility removed - Mauritania for example lost its eligibility in 2009 due to political repression there.

developing nations and integrating them into the global trading system. Against this background the general framework for the provision of such preferences, the GSP (General System of Preferences), was established by UNCTAD in 1968. The US passed legislation formalising their GSP regime in 1974. Under the US system of preferences, eligible countries pay zero tariffs on 4,650 tariffs lines or products, with LDCs paying zero tariffs on a further 1,750 lines (Hoekman et al. 2006). In addition to these *shallow preferences* the US has over the years established additional non-reciprocal or *deeper preferences* for a sub-set of what are perceived to be vulnerable countries or regions. Examples of such initiatives include the Caribbean Basin Trade Partnership Act in 1983, the Andean Trade Preference Act in 1991 and, of most relevance to this review, the African Growth and Opportunity Act (AGOA) in 2000.

The principal motivation behind AGOA was to stimulate exports from Sub-Saharan Africa by providing qualifying countries with preferential access to the US market, over and above that which is offered to most other LDCs. The theoretical framework below demonstrates the process through which trade preferences boost exports. It follows that if the US was to remove all remaining tariffs and quotas on exports from all LDCs, some of the preference given to SSA would be eroded, and this would likely impact adversely on exports from some SSA countries. The magnitude of this impact and the likely beneficiaries and losers will need to be explored through this review.

## 1.2 Theoretical/Conceptual Framework

The expected impact or outcome of a preferential trade agreement such as AGOA can be demonstrated using a simple three country, one good partial equilibrium framework<sup>2</sup>. The three countries in this framework will be labelled A, B, and C. Country A will be the US, country B will be any country in Sub-Saharan Africa (we'll use the example of Zambia in this case), and country C the rest of the world. For simplicity we assume that the three countries trade a homogenous good which is perfectly substitutable, and that production in each country occurs in perfectly competitive firms and returns to scale are non-increasing.

The partial equilibrium framework is illustrated graphically below in Figure 1. The figure contains three curves - DA is the import demand curve for the US, and X<sub>B</sub> and X<sub>C</sub> are the export supply curves of Zambia and the rest of the world respectively. Note that the supply curve, X<sub>C</sub>, of the rest of the world is perfectly flat and in line with the world price (P) - this is because the rest of the world is by definition too large to be influenced by changes in import volumes in the US and it can provide all that is demanded at the world price. Zambia, on the other hand, is a relatively small producer and its exports to the US are responsive to price changes. It therefore faces an upward sloping supply curve, X<sub>B</sub>.

In this framework the US (A) imports the product in question from Zambia (B) and the rest of the world (C) and prior to AGOA levied a tariff of  $t$  on imports from both Zambia and the rest of the world. The pre-AGOA equilibrium (also the post-AGOA equilibrium as will be seen below) is point  $d$  in Figure 1, with total imports of  $0Q^\circ$ , of which  $0QB^\circ$  comes from Zambia and the larger balance from the rest of the world. With the enactment of AGOA, Zambia receives preferential access to the US market. Because exports from Zambia are too small to impact on the world price - US importers continue to pay the tariff inclusive price ( $P + t$ ) on all imports and Zambia's supply curve shifts down from  $X_{tB}$  to  $X_B$ .

In this case AGOA would not lead to any increase in US imports - there has been no *trade creation*<sup>3</sup>. Instead trade diversion has occurred as AGOA has caused a shift in import volumes away from the more efficient producer (the rest of the world), in favour of the less efficient producer, in this case Zambia. This is shown in Figure 1 below. After the implementation of AGOA, total US imports has remained constant at  $0Q^\circ$ , but Zambia's share of this volume has increased from  $0QB^\circ$  to  $0QB^1$ .

Thus in theory, the introduction of AGOA preferences should have contributed to a shift in import demand away from the US's historical trade partners, and towards those from AGOA beneficiary

<sup>2</sup> The analysis in this section is adapted from Bora et al (2002)

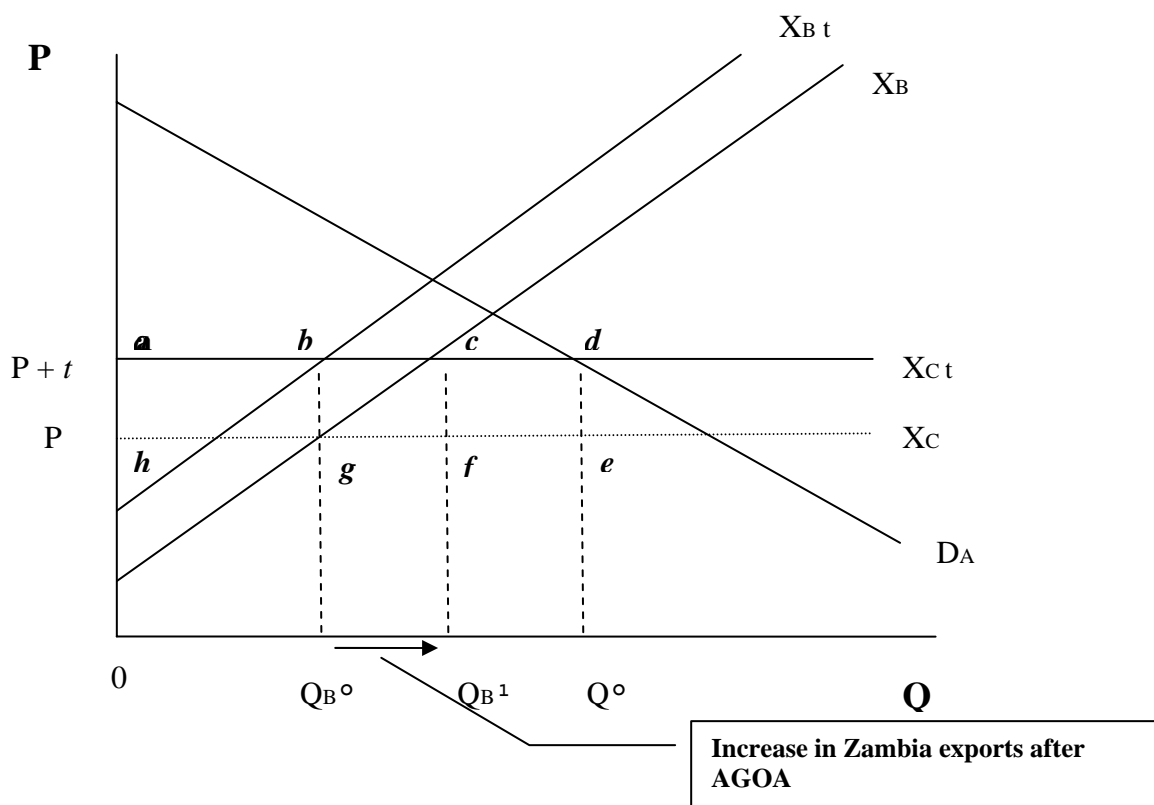
<sup>3</sup> *Trade creation* occurs when domestic production in the preference granting country is replaced by more efficient imports.

countries. This in turn should translate into increased production and exports from these countries. But the preference-gaining countries only gain to the extent that they are able to respond to, and take advantage of the opportunities provided by the preference. There are a number of factors which may impact on the ability of AGOA beneficiaries to respond fully to these preferences and continue to benefit from them in the future. These might include:

- *Supply side constraints* - exporting nations may lack the skills, capital and other resources needed to raise production in the short-term
- *Supplier vs. buyer power* - powerful importers might capture most of the gains from the preference and pass little or none of the price advantage onto suppliers
- *The conditions of the agreement* - rules of origin, for example, might increase the cost of production for exporters from Zambia and limit the extent to which the supply curve shifts downwards in response to the preference margin
- *The scale and longevity of the preferences* - the value of the preferences might be eroded by extending similar benefits to other exporters or reducing tariffs on world imports

The partial equilibrium model thus provides us with an indication of the expected outcome of AGOA against which its performance should be evaluated. The systematic review will take this logic one step further and assess, on the basis of existing research and information, how African exporters have actually responded to these preferences and the extent to which these outcomes have been realised. In doing so, the review will also need to consider those factors which may have constrained Africa's ability to reap the full benefits of AGOA; and the likely impact of any change to the US preferential trading system on AGOA exports.

**Figure 1: Partial Equilibrium Model of AGOA**



### 1.3 Objectives of the Systematic Review

The overall objective is to conduct a systematic review for the following question formulated by DFID policy makers:

*"How effective has AGOA been at increasing trade from Least Developed Countries (LDCs)? What is the expected impact (on participating countries and the US) of extending Duty Free Quota Free (DFQF) access to the US market to all products from all LDCs?"*

More specifically, and drawing on theoretical framework above, the systematic review will explore and assess the following three key issues which are critical to understanding the effectiveness and impact of AGOA:

1. Firstly we will assess work done on the overall impact of AGOA in stimulating and increasing exports from LDCs in Africa to the US (.i.e. measuring the extent to which exports have increased from  $Q_{B^0}$  to  $Q_{B^1}$  in Figure 1 above).
2. Secondly we will seek to understand why some countries and sectors have gained more from AGOA than others. This will serve to identify the main opportunities and constraints arising from the current arrangement; and will enable us to provide informed comment on the effectiveness of the agreement in explaining specific changes in export performance. For example, Lesotho, a country with no prior history in garment production, was able to take advantage of the preferences offered by AGOA and become a major garments exporter, whilst Mozambique, one of Africa's major garment producers in the 1960s and 1970s, was not. A number of studies have analysed the Rules of Origin and Sanitary and Phytosanitary standards (SPS) requirements of AGOA (Walmsley et al 2004, Matoo et al 2002). They find that many countries have difficulties complying with these requirements and that this has severely impacted the extent to which the export supply curve,  $X_B$  in Figure 1, can shift in response to the preference. Other studies focus on the supply side constraints which have prevented countries from utilising AGOA preferences, highlighting issues such as poor infrastructure and high transportation costs, distance to the market and difficult business environments.
3. Thirdly we will assess the likely or potential impact of the erosion of AGOA preferences through the extension of duty free, quota free access to the US market for all LDCs.

In summary the final in-depth review will be divided into three broad sections or thematic areas. The first section will outline the impact of AGOA - this will indicate clearly the impact AGOA has had in stimulating exports from Sub-Saharan countries. The second section will disaggregate this export impact; outlining which countries and sectors that have gained most from AGOA and why, as well as exploring the barriers which have limited the effectiveness of AGOA in other countries and sectors. The first two sections will give a good indication as to how effective or useful AGOA has been and will inform the analysis in the third section, which will explore the impact of removing the preferences offered by AGOA by extending full access to the US market for all products from all LDCs.

## **1.4 Research Background: Existing Studies**

To our knowledge no systematic reviews have been undertaken on the subject of AGOA or trade preferences in general. AGOA has been the subject of considerable research and study by a variety of institutions - universities, multilateral institutions, bilateral donors, research bodies, government ministries etc - and these studies will be the source material which will be used for this review.

## **1.5 Authors**

The systematic review will be undertaken by DNA Economics in partnership with the South African Cochrane Centre.

### **1.5.1 DNA Economics**

DNA is a specialist economics and development consulting company that offers a unique combination of business, strategy and policy skills. Our services are based on our extensive regional and international experience, sound economic analysis and quantitative techniques and unique insights into the business and policy environment in Southern Africa. For this particular systematic review the DNA team will consist of Dr. Matthew Stern, the lead investigator, and Niall Condon, the principal research assistant.

Matthew Stern is the Managing Director of DNA Economics and an economist with a wide range of public and private sector experience. Prior to founding DNA Economics, Matthew worked for the South African Department of Trade and Industry, the National Treasury of South Africa and the World Bank. His consulting and research interests are in trade and industrial policy and regional integration. Matthew has an MSc in Financial Economics from the University of London and a PhD in Development Studies from the University of Sussex.

Niall Condon is an economist with an interest in trade and industrial policy. Prior to joining DNA Economics, Niall worked in the Ministry of Industry and Trade in Mozambique for two years, as part of the Overseas Development Institute (ODI) Fellowship Scheme. During this time he focused on issues of industrial policy, investment promotion and SADC regional integration. Niall holds an MSc in Development Studies from University College Dublin, and an MBS in Business Economics from University College Cork (both in Ireland).

### **1.5.2 South African Cochrane Centre**

The South African Cochrane Centre (SACC) is the only Cochrane Centre in Africa, and is part of the international Cochrane Collaboration which prepares and disseminates systematic reviews on the effects of healthcare interventions.

Professor Jimmy Volmink, the Co-Director of the South African Cochrane Centre, will work with DNA on this systematic review. Professor Volmink has extensive experience in conducting and advising on systematic reviews and meta-analyses across a wide range of research topics, and has contributed over 20 studies to the Cochrane Database of systematic review. Professor Volmink's role in this project will be to provide guidance and advice on the methodology DNA will use to undertake the systematic review.

## **2 Methods used in the review**

This section will outline in detail the approach we will take in undertaking this systematic review.

### **2.1 Structure of the review**

The review will be divided into three distinct stages;

- Stage 1: Searching and screening of studies
- Stage 2: Coding or characterising of selected studies (data extraction)
- Stage 3: Synthesis (final in-depth review)

### **2.2 Information management**

The EPPI centre's in-house software - EPPI-Reviewer - will be used to manage and organise the reviewing process. Data such as the bibliographic details of each study, where and when studies were found, reasons for including and excluding studies, and descriptive codes of each study will be recorded in EPPI-Reviewer.

### **2.3 User involvement**

The results of this systematic review will benefit parties involved in the trade policy making process in the Sub-Saharan Africa region, including multilateral organisations such as the World Bank and WTO, bilateral donors, research organisations, NGOs and trade ministries and other bodies directly involved in the trade policy formulation process in Sub-Saharan African countries themselves. The involvement of these users will be limited during the process of designing and conducting the review. However we will seek feedback from these users on the results of the review. In this regard we will circulate a draft of the final review to a sample of these users; and we propose to include three regional trade Ministries (Mozambique, Zambia, South Africa), the World Bank, one research organisation (ODI), and three donors (GTZ, USAID and DFID). Any comments and feedback from these organisations will be incorporated into the final review. The final systematic review will be disseminated as widely possible. The hosting of regional workshops may be an effective means of doing this and will be discussed with DFID closer to the conclusion of the review.

### **2.4 Identifying and describing studies**

Potential review studies will be recovered from a variety of sources and we expect to uncover a great detail of research on the topic. It is thus important to construct clear inclusion/exclusion criteria which focus in on the particular review question we are trying to answer.

#### **2.4.1 Defining relevant studies: inclusion and exclusion criteria**

The research topic being addressed provides the principal guide as to which studies will be included, and ultimately studies to be included in the review must contribute towards answering the given research questions.

The following are the criteria which will be used to select studies:

- Studies must present primary research and analysis; and
- Studies must have a robust methodology supported by strong empirical analysis. Methodologies to be considered for inclusion are modelling analysis (gravity models, partial equilibrium, CGE), data analysis and case studies; and
- Studies must focus specifically on AGOA, either exclusively or as a substantial chapter or component of a wider analysis of preferential trade agreements; and
- Studies must include trade and/or economic analysis.

#### **2.4.2 Identification of potential studies: Search strategy**

The search strategy will be exhaustive and comprehensive aiming to uncover all relevant published and unpublished work relating to the research question. Reports will be uncovered from the following sources;

- Online bibliographical databases;
  - RePEC (Research Papers in Economics) [www.repec.org](http://www.repec.org)
  - EconLit - <http://www.aeaweb.org/econlit/index.php>
  - Source OECD - <http://www.sourceoecd.com/>
  - Econlibrary - [www.econlibrary.com](http://www.econlibrary.com)
  - BLDS - <http://blds.ids.ac.uk>
  - JOLIS - <http://external.worldbankimflib.org/e-nljolis.htm>
  - Conference Proceedings Citation Index - [http://wokinfo.com/products\\_tools/multidisciplinary/webofscience/cpci/](http://wokinfo.com/products_tools/multidisciplinary/webofscience/cpci/)

Our approach will be to use a sensitivity-maximising search strategy (as opposed to a specific strategy) to uncover relevant material from these databases - In this case we will largely use the search terms 'AGOA' OR 'African Growth and Opportunity Act'. This is because work on AGOA is likely to be highly specialised and it is very unlikely that relevant work on this topic does not refer explicitly to the Act. If the search produces an unexpectedly large number of references then we can combine terms to make the search more specific.

We will also search for Portuguese and French titles in these databases, repeating the above search in both of these languages.

- Hand searching of journals, and other publications. The following journals will be hand searched;
  - Journal of Development Economics
  - Journal of Development Studies
  - Global Economy Journal
  - Journal of International Development
  - International Trade Journal
  - Journal of World Trade
  - Journal of International Trade and Economic Development
  - World Development
  - Review of Development Economics
  - Review of African Political Economy.

These hand searches will be undertaken locally in the University of Pretoria and the University of South Africa (UNISA).

- The following specialist websites will be searched;
  - Multilateral Institutions; World Bank - [www.worldbank.org](http://www.worldbank.org); IMF - [www.imf.org](http://www.imf.org); WTO - [www.wto.org](http://www.wto.org); OECD - [www.oecd.org](http://www.oecd.org)
  - Donor organisations involved in trade related work in Africa; USAID - [www.usaid.gov](http://www.usaid.gov); GTZ - [www.gtz.de](http://www.gtz.de); DFID - [www.dfid.gov.uk](http://www.dfid.gov.uk)
  - Research bodies; ODI - [www.odi.org.uk](http://www.odi.org.uk); IDS - [www.ids.ac.uk](http://www.ids.ac.uk); CGD - [www.cgdev.org](http://www.cgdev.org)
- General search engines and Gateways;
  - Google and Google Scholar; searches will be undertaken in English, French and Portuguese.
  - Eldis - [www.eldis.org](http://www.eldis.org)
- DNA has a range of professional contacts which will be a valuable source of material, in particular for unpublished studies. For this review DNA will utilise its contacts in the following areas;



- Regional trade ministries
  - Donors and multilateral organisations working on trade related issues, including the World Bank, USAID and GTZ.
  - Specialist organisations, consultancies and individual professionals working in the region
- Finally, the bibliography of reports (where available) will be scanned and authors will be contacted where possible to request additional information and reports.

The titles and abstracts resulting from the various searches described above will be downloaded or manually entered into the EPPI's reference management software, EPPI-Reviewer. EPPI-Reviewer will be the principal information management tool used for the review; it will record the bibliographic details of each report, how and where reports were found, reasons for inclusion and exclusion, as well as descriptions of each report. The search will be undertaken principally by

### **2.4.3 Screening studies**

The inclusion and exclusion criteria described above will be applied in two stages, firstly to the titles and abstracts uncovered from the search. Full reports will be obtained for any study deemed to be eligible by at least one reviewer. Secondly, the inclusion and exclusion criteria will be re-applied to the full reports and those that do not meet these initial criteria will be excluded. All studies will be screened independently by two reviewers (Niall Condon and Matthew Stern) at both stages to ensure that the criteria are interpreted correctly. Any discrepancies which cannot be resolved will be referred to the third team member, Professor Jimmy Volmink.

### **2.4.4 Coding and characterising included studies - data extraction**

The studies remaining after the screening will be coded or key-worded according to a standardised classification system, with additional codes specific to the question being addressed. Codes will include;

- Context: country or countries on which the study focused (distinguishing between LDCs and non-LDCs), details of particular products or sectors analysed (manufactured, non-manufactured products etc)
- Time period in which the study was undertaken
- Data source used in the study
- Methodology and techniques used to conduct the analysis
- Main thematic area of the study: studies will be categorised into three broad thematic areas as described in Section 1.2. The first category will include studies measuring the export impact of AGOA, the second category those which disaggregate and explain the impact and effectiveness of AGOA (e.g. rules of origin), and the third category will focus on the erosion of AGOA preferences. Note that this is a provisional categorisation and it may change as the review progresses depending on the nature of the studies we uncover.
- Details on the principal findings and conclusions of each study

Assessing the quality and the relevance of the studies is a critical part of the data extraction process. An initial stage of quality appraisal will take place at the screening phase where methodological and topic specific appropriateness criteria will be used to assess and exclude studies. Moreover, the critical appraisal tool developed by Campbell et al (2003) will be used to undertake the quality appraisal at this stage (see Appendix 2.5). Studies which undergo this critical appraisal will not be excluded, instead they will be given a rating or a weighting. The principal reason for this is that studies with analytical flaws or weaknesses may nevertheless provide important insights, and thus should enhance the synthesis. But they should be given less attention than those which are appraised as better quality. Sensitivity analysis will be conducted to investigate the impact of including lower quality studies in the synthesis (i.e. does the inclusion of low quality studies impact on the overall conclusion of the synthesis)

## **2.5 In-depth review**

Once the final selection of studies has been coded we will then begin the process of synthesising all of the evidence collected. The key trends and themes emerging from this synthesis will be used to derive policy and practical recommendations.

### **2.5.1 Synthesis of evidence**

We will adopt the *realist* approach to synthesising the evidence. This is deemed to be appropriate in such cases where one is attempting to answer a complex policy issue whose effectiveness is dependent on a complex set of variables (Pawson 2005). In this review we are not aiming to simply establish whether AGOA has led to an increase in African exports. Rather the aim is to provide policy makers with an explanatory analysis aimed at discerning what works for whom, in what circumstances, in what respects and how. In other words, we are seeking to provide a rich, detailed and highly practical understanding of complex interventions which is likely to be of particular use to policy makers.

In line with our realist approach the synthesis in this case will take the form of *textual narrative*. Textual narrative synthesis is useful for collating and presenting different types of evidence - qualitative, quantitative, economic etc - and is therefore the most appropriate approach for us to take when synthesizing the evidence in this case. According to Page et al (2009), in a typical textual narrative synthesis study, context and findings are reported in a standard format and similarities and differences are compared across studies.

The synthesis will be structured around the methodological framework introduced above and the three key themes or objectives outlined in Section 1.3. The first section of the synthesis will assess the extent to which LDC exports responded to AGO preferences as envisaged by the theory. In the second section we will aim to explain differences between the theory and reality (i.e. how effective has AGOA actually been?), by focusing on the differential experiences of particular countries and sectors. The third section of the synthesis will then draw on these previous two sections to explore the potential impact on AGOA beneficiaries of extending duty and quota free access to the US market to all LDCs.

### **2.5.2 Deriving conclusions and implications**

After the completion of the synthesis we should have an in-depth understanding of AGOA -works and what does not, for whom, under what circumstances, and why? This will inform the final stage of the process through which we will develop conclusions and recommendations for future policy and practice.

The progression of the review should lead to a highly nuanced understanding of the mechanics of AGOA. This section of the review will thus not be a final judgement on the effectiveness of AGOA. Rather the recommendations will alert policy practitioners to the details and caveats which should inform their decision making. In this case the conclusions and recommendations will likely need to address the fact that exports under AGOA are concentrated in a small number of products or sectors; and explain why a significant number of LDCs have been unable to make substantial use of AGOA preferences.

## **2.6 The completed review**

The completed review will consist of three components or products: a full technical report; a policy brief; and a shorter summary briefing for a web-page feature.

## 2.7 Timeframe

The table below gives an indication of the timeline of the review, from the completion of the protocol to the submission of the final review.

	Start date	End date
Completion & submission of protocol	6 <sup>th</sup> June	17 <sup>th</sup> August
Study search & screening	30 <sup>th</sup> July	27 <sup>th</sup> August
Data extraction & coding	30 <sup>th</sup> August	17 <sup>th</sup> September
Synthesis	20 <sup>th</sup> September	8 <sup>th</sup> October
Preparation & submission of draft report	11 <sup>th</sup> October	15 <sup>th</sup> October
Revision of draft report & submission of final report and short summaries	1 <sup>st</sup> November	5 <sup>th</sup> November

### 3 References

Bora, B, Cernat L, Turrini A (2002) *Duty and Quota Free Access for LDCs: Further evidence from CGE Modelling*, Policy Issues in International Trade and Commodities study series no.14, Geneva, UNCTAD.

Campbell R, Pound P, Pope C, Britten N, Pill R, Morgand M, Donovan J (2003) *Evaluating meta-ethnography: a synthesis of qualitative research on lat experiences of diabetes and diabetics care*. *Social Science and Medicine* 56: 671-684

Hoekman B, Martin JM, Primo Braga CA (2006) *Preference Erosion: The terms of the debate*. Washington: World Bank.

Mattoo A, Roy D, Subramanian A (2002) *The Africa Growth and Opportunity Act and Its Rules of Origin: Generosity Undermined?* Washington: World Bank.

Naumann E (2009) *AGOA at nine: some reflections on the Act's impact on Africa-US Trade*. Accessed 26 June 2010, [www.agoa.info/download.php?file=94](http://www.agoa.info/download.php?file=94)

Olareeaga M, Ozden C (2005) AGOA and Apparel: Who Captures the Tariff Rent in the Presence of Preferential Market Access? *The World Economy* 28 (1)

Page E, Thomas J (2009) *Methods for the synthesis of qualitative research: a critical view* - NCRM Working Paper Series, London: ESRC.

Pawson R, Greenhalgh T, Harvey G, Walshe K (2005) Realist View - A new method of systematic review designed for complex interventions, *Journal of Health Services Research & Policy* 10 (1)

Phelps N, Stillwell J, Wanjiru R (2008) Broken Chain: AGOA and Foreign Direct Investment in the Kenyan Clothing Industry. *World Development* 37(2)

Rolfe R J, Woodward DB (2005) African Apparel Exports, AGOA and the Trade Preference illusion. *Global Economy* 5(3)

Walmsley TL, Rivera SA (2004) *The Impact of Rules of Origin on Africa's textiles and clothing trade under AGOA*; Conference Paper: 7th Annual conference on Global Economic Analysis. Washington: Centre for Global Trade Analysis

## **Appendix 1.1: Authorship of this report**

### **Authors**

This protocol was prepared by Niall Condon and Matthew Stern of DNA Economics with guidance and support from Professor Jimmy Volmink of the South African Cochrane Centre.

### **Review Team Membership**

Niall Condon, Matthew Stern, Professor Jimmy Volmink

### **Acknowledgement of conflict of interest**

There are no conflicts of interest for any of the members of the review team

## **Appendix 2.1: Inclusion and exclusion criteria**

Studies will be included if they meet the following criteria;

- Studies must present primary research and analysis; and
- Studies must have a robust methodology, with strong empirical analysis. Methodologies to be considered for inclusion are modelling analysis (gravity models, partial equilibrium, CGE), data analysis and case studies, and
- Studies must focus specifically on AGOA, either exclusively or as a substantial chapter or component of a wider analysis of preferential trade agreements; and
- Studies must include trade and/or economic analysis.

## **Appendix 2.2: Search strategy for electronic databases**

Sensitivity maximising search strategy in both English and Portuguese using the following terms;

- English search - 'AGOA' OR 'African Growth and Opportunity Act'
- Portuguese search - 'Lei de Crescimento e Oportunidade para Africa' OR 'AGOA'
- French search - 'La Loi sur la croissance et les possibilités économiques en Afrique' or AGOA

Depending on results of the initial search described above we may combine and make the search more specific as follows;

- 'AGOA' OR 'African Growth and Opportunity Act' AND 'effectiveness' OR 'Impact' OR 'African exports'

## **Appendix 2.3: Journals to be hand-searched**

The following journals will be hand searched;

- Journal of Development Economics
- Journal of Development Studies
- Global Economy Journal
- Journal of International Development
- International Trade Journal
- Journal of World Trade
- Journal of International Trade and Economic Development
- World Development
- Review of Development Economics
- Review of African Political Economy



## Appendix 2.4: Draft coding tool

Studies will be characterised and coded as follows;

- Context; country or countries on which the study focused (distinguishing between LDCs and non-LDCs), details of particular products or sectors analysed (manufactured, non-manufactured products etc)
- Time period in which the study was undertaken
- Data source used in the study
- Methodology used to conduct the analysis
- Main thematic area of the study; Studies were categorised into three broad thematic areas in Section 1.2, ones measuring the export impact of AGOA, ones which disaggregate this export impact and analyse issues such as constraints limiting the effectiveness of AGOA (e.g. rules of origin) and studies which focus on the erosion of AGOA preferences. Note that this is a provisional categorisation and it may change as we go further down the line depending on the nature of the studies we uncover.
- Details on the principal findings and conclusions of each study

## Appendix 2.5: Critical appraisal tool

The tool consists of 10 sections as below, each with one or more question and ends with an overall assessment of quality. Studies will be given a rating of high (++), medium (+) or low (-). Studies will be rated high if they respond positively to 8 out of the 10 sections, medium for 5 to 7, and poor if less than 5.

- 1) Aims - Is there a clear statement of the aims of the research? Yes/No/Unclear
- 2) Methodology - Is the methodology appropriate? Yes/No/Unclear
- 3) Theoretical perspective - Is a theoretical perspective identified? Yes/No/Unclear
- 4) Sampling - Is the sampling strategy appropriate to address the aims? Yes/No/Unclear
- 5) Data collection - Was the data collected in a way that addressed the research issue? Yes/No/Unclear
- 6) Data analysis - Was the data analysis sufficiently rigorous? Yes/No/Unclear
- 7) Research partnership relations - Is it clear whether the researchers critically identified their own role, potential bias an influence? Yes/No/Unclear
- 8) Findings - Were the findings explicit and easy to understand? Yes/No/Unclear
- 9) Justification of data interpretation - Are you confident that all the data was taken into account? Yes/No/Unclear
- 10) Relevance and usefulness - How useful is this research to the synthesis? How important are the findings?

**Overall assessment of the study**