

The paper entitled "Compliance costs and trade preferences: the case of EU imports from African LDCs" is quite interesting. Its contribution to academic knowledge is significant because, unlike previous work, it provides aggregate figures by using data on EU imports from African least developed countries. Furthermore, it defines the average values of preference eligible imports, utilising and not utilising preferences, by country and product category and tests their empirical relevance for explaining the African least developed countries' preference utilisation rates.

The authors' Probit model to empirically access the decision to utilize preferences is explicit and specific. It proves that EU preference utilization rates generally increase with higher potential values of preferential imports. The findings themselves are original. The authors find that the effect of the potential values of preferential imports on the exporter's decision to use preferences differs strongly across countries and products. Differences across products can not explain why imports from one country in a concrete product utilize preferences while imports of the same product from a different country do not. The exploration of the empirical material in terms of disaggregating Tarif Douanier Commun Sections to product level may lead to further qualitative research on institutional matters at country level. Thus, the paper fuels the academic dialogue by highlighting the importance of further research on the issue of the duration and importance of trade, by questioning if the low use of EU preferences of low value imports can be related to that some products may be exported only for a short period of time.

It is unquestionable that the analysis of Lars Nilsson and Caroline Dotter is clear and tangible to the reader. So, I do not hesitate to recommend this paper to all those who are interested in deepening their knowledge on this particular subject.