

Referee Report

This paper contributes to the literature of international trade issues by reviewing and comparing the role of both trade preferences and trade facilitation on the integration process between the European Union and developing countries.

The paper is very well written. However, a number of relevant statements are left without a reference to the literature. For example, in page 7 the author states “The discussion above suggests [...] In fact, it has also been suggested that preferences are not just ineffective, but may even have overall negative effects.”

A table summarizing the different reasons of why trade preferences may not work or even they might be harmful versus the economic effects of trade facilitation (on trade, Government revenue and FDI), together with key references to the literature in every issue and, related to each reference, a brief note concerning countries and time period analyzed as well as main results, would be very helpful in order to compare.

The subsection “Effects on Trade in the Context of European Integration” could be included together with the previous subsection “Effects on Trade”. The author could distinguish two additional different subsections “Effects on Government Revenue” and “Effects on Foreign Direct Investment” instead of the joint section “Effects on Government Revenue and Foreign Direct Investment”, and to develop a bit more these two last subsections.

Could the author cite any quantitative study in “3.4 Concrete Examples of Reform” for both trade preferences and trade facilitation and compare particular measures? The section 3.4 could be renamed and also could be included in the paper as a new main section “4 Concrete Examples of Trade Preferences and Trade Facilitation Reforms” The title in the last section could be renamed “Concluding Remarks and Policy Implications”.