

WTO ACCESSIONS NEWSLETTER

...safeguarding, enlarging and strengthening the rules-based multilateral trading system

SPECIAL EDITION: WORKING PARTY ON THE ACCESSION OF AFGHANISTAN ADOPTS ACCESSION PACKAGE BY CONSENSUS AND *AD REFERENDUM*

In its 11th year, the Working Party on the Accession of Afghanistan adopted the Accession Package of Afghanistan by consensus and *ad referendum*, at its 5th Session, on 11 November 2015. The Working Party concluded its mandate and agreed to transmit its Report to MC10 in Nairobi for formal action.

The 5th Session of the Working Party on the Accession of Afghanistan, under the chairmanship of H.E. Ambassador Roderick van Schreven (Netherlands), adopted the Draft Accession Package of Afghanistan by consensus and *ad referendum*, yesterday, 11 November. The adopted documents were the: (i) Draft Report of the Working Party; (ii) Draft Schedule of Concessions and Commitments on Goods; (iii) Draft Schedule of Specific Commitments on Trade in Services; (iv) Draft Decision on the Accession of the Islamic Republic of Afghanistan to the WTO; and, (v) Draft Protocol of Accession of the Islamic Republic of Afghanistan. Working Party Members agreed to transmit the Package to the Tenth Ministerial Conference in Nairobi for formal action, thus concluding the mandate of the Working Party, in its 11th year after its establishment in 2004.

H.E. Mr. Humayoon Rasaw, Minister of Commerce and Industries of Afghanistan, stated that WTO membership would be the key element for increasing economic stability, improving regional security and cooperation and, achieving peace in Afghanistan. He quoted H.E. President Ghani of Afghanistan: "WTO membership is a catalyst for implementation of reforms that will achieve the development priorities of Afghanistan, strengthen market institutions and mechanisms and promote welfare and economic growth." H.E. Mr. Mozammil Shinwari, Deputy Minister of Commerce and Industries and Chief Negotiator for Afghanistan's WTO Accession, stated that Afghanistan looked forward to participating in the WTO as a constructive Member. Post-accession support would be needed to build technical capacity and establish institutional mechanisms for handling post-accession matters.

22 Members intervened to congratulate Afghanistan on the historic milestone of finalising its accession process. H.E. President Mohammad Ashraf Ghani of Afghanistan was roundly commended for his leadership and bold decision to proceed with WTO membership, in spite of domestic challenges. Members encouraged Afghanistan in their statements, specifically, by confirming that its WTO membership would facilitate its integration into the global economy and the rules-based multilateral trading system; provide Afghanistan with an instrument for its economic reconstruction and building of a productive market economy; and, also provide ample opportunities for leveraging development assistance. Some Members made reference to assistance being provided and which would be scaled-up. Several Members made the point that the accession of Afghanistan was yet another proof of the credibility and relevance of the WTO.

Support was expressed for the Director-General's "WTO Post-Accession Implementation and Support Strategy". Afghanistan and Members acknowledged the priority that the Director-General had accorded WTO accessions and commended his leadership to this end.



Meeting of Director-General Roberto Azevêdo and H.E. Minister Rasaw,
5th and Final Meeting of the Working Party on the Accession of Afghanistan, 11 November 2015.
(WTO Secretariat Photos / Souda Tandara-Stenier)

ACCESSION OF AFGHANISTAN: SELECTED NEWS ITEMS

President Ghani meets WTO delegation:

<http://thekabultimes.gov.af/index.php/newsnational/8698-president-ghani-meets-wto-delegation.html>

<http://moci.gov.af/en/news/56171>

Accession Terms of Afghanistan on Rules and Market Access for Goods and Services

The terms and conditions for the WTO Accession of Afghanistan are designed to achieve its development priorities. These include facilitating domestic reforms for transformation to a productive market economy, attracting investments and creating jobs and improving the welfare of Afghans. Its WTO obligations will apply to all WTO Members, on an MFN basis. Members in their statements congratulated Afghanistan for its commitment to ambitious WTO-consistent reforms.

Afghanistan's final bound tariff rates (FBR) average approximately 13.5% for all products, 33.6% for agricultural products and, 10.3% for non-agricultural products. Tariff binding coverage is at 96.6%.

In services, there are market opening commitments of interest to business in telecommunications, insurance, banking, transport, tourism, distribution. These sectors will be significantly liberalised. Overall, commitments were accepted in 11 sectors and 104 sub-sectors.

At the Working Party Meeting, all Members considered the Accession Package of Afghanistan of high quality, which would contribute to strengthening the rules-based Multilateral Trading System and providing a long term agenda for legislation-based domestic reforms in Afghanistan.

Formal action on the Package, adopted *ad referendum*, on 11 November by the Working Party shall be taken by Ministers at the Tenth WTO Ministerial Conference in Nairobi, scheduled for 15-18 December 2015.

Dossier Management

- WP Chairman: Ambassador Roderick van Schreven (Netherlands)
- WP Secretary: Ms. Anna Varyanik
- WP Co-Secretary: Mr. Ghulam Reza Mohammady
- Director Accessions: Mr. Chiedu Osakwe



5th and final meeting of the Working Party on the Accession of Afghanistan, 11 November 2015: Statements were made, *inter alia*, by the Delegations of United States, Pakistan, India, Japan, European Union, Kenya, Korea, China and Turkey. (WTO Secretariat Photo / Souda Tandara-Stenier)

Accession of Afghanistan: Summary Data

Application	21 November 2004
WP Establishment	13 December 2004
WP Members	28 Members
WP Meetings:	5 Meetings
Multilateral:	37 accession specific commitments
Bilateral:	9 agreements on goods 7 agreements on services

Next Steps / Action

- Formal approval of the Accession Package by MC10
- Ratification deadline agreed: 30 June 2016



Meeting of Director-General Roberto Azevêdo with H.E. Mr. Humayoon Rasaw, Minister of Commerce and Industries of Afghanistan

Yesterday, 11 November, Director-General Roberto Azevêdo received and congratulated the Delegation of Afghanistan following the adoption of the Accession Package by consensus and *ad referendum* by Members at the Final Meeting of the Working Party on the Accession of the Islamic Republic of Afghanistan.

The Director-General congratulated the Government of Afghanistan on the conclusion of its 11-year accession process. He paid tribute to H.E. Mohammad Ashraf Ghani, President of Afghanistan for his vision, bold decision, determination and leadership to use WTO membership to transform and modernize the economy of Afghanistan. He asked the Delegation of Afghanistan to convey his appreciation to President Ghani for his excellent message of support for the work and mission of the WTO. He commended Afghanistan for the high-quality of its Accession Package.

The Afghan Delegation expressed its appreciation to the Director-General and WP Chairman H.E. Ambassador Roderick van Schreven for their support. Afghanistan would use its WTO membership as a catalyst for domestic reforms to re-build its economy. It would rely on the Director-General's WTO Post-Accession and Implementation Support Plan. It would require technical assistance to build its capacity to implement its accession obligations, in particular, specialized training for Dispute Settlement lawyers and seminars for Parliamentarians. The Director-General confirmed that these were integral to the work of the Secretariat and the Secretariat "would be happy to help".

The Delegation of Afghanistan looked forward to formal action on its accession at MC10, at which the Delegation of Afghanistan would be led by Dr. Abdullah Abdullah, Chief Executive Officer of the National Unity Government.



Meeting of Director-General Roberto Azevêdo with H.E. Humayoon Rasaw, Minister of Commerce and Industries of Afghanistan – the Delegation of Afghanistan: H.E. Mr. Humayoon RASAW, Minister of Commerce and Industries; Mr. Mozammel SHINWARI, Deputy Minister of Commerce and Industries; H.E. Dr. Suraya DALIL, Ambassador, Permanent Representative of Afghanistan to the UNOG; Mr. Muhammad RAHIM MOMAND, DG, International Trade, MoCI; Mr. Mir Rahman RAHMANI, Chairman, Economic Committee of the Parliament (Lower House); Mrs. Anarkali HONARYAR, Member of Parliament (upper House); Mr. Ramazan JUMAZADA, Member of Parliament. (WTO Secretariat Photo / Souda Tandara-Stenier)

Mission to Kabul, 6-8 November 2015

From 6 to 8 November, the Chairman of the Working Party, H.E. Ambassador Roderick van Schreven led a WTO Mission to Kabul, accompanied by Chiedu Osakwe, Director Accessions. The purpose of the mission was to present to the Government and stakeholders, the Draft Accession Package of the Islamic Republic of Afghanistan; explain the balance between commitments and flexibilities in the Package; identify the opportunities in the Package for the integration of Afghanistan to the global market economy and the platform it provides for the rapid trade development of Afghanistan; and, to answer questions on the Package.

The delegation met with H.E. President Mohammad Ashraf Ghani of Afghanistan and his Senior Advisors. President Ghani confirmed the decision by the Government of Afghanistan to proceed with its WTO accession. The President stated that it was the objective of his Government to use its WTO membership to transform Afghanistan into a productive and effectively functioning market-based economy that would attract investments, create jobs for Afghans, so as to reduce poverty and enhance the welfare of the People of Afghanistan. The aim of his Government would be to use its Accession Package and WTO membership as catalysts for domestic reforms in its objective for market economy transformation. President Ghani was desirous of deepening regional integration as part of the process of the integration of Afghanistan to the global economy. President Ghani conveyed his appreciation to all WTO Members for the unanimous support for the Accession of Afghanistan. He commended the WTO as a serious institution. The President underscored the importance attached by the Government of Afghanistan to a robust "WTO Post-Accession Support and Implementation Plan for Afghanistan".

In the course of the Mission to Kabul the WP Chairman and the Director Accessions met with Dr. Abdullah Abdullah, Chief Executive Officer of the National Unity Government. The WTO Delegation also met and consulted with Commerce and Industries Minister Humayoon Rasaw. They met with the Chairman of the "Economic Committee" of Parliament and Members of the Economic Committee. They also consulted with the private sector and the Chambers of Commerce. Across all stakeholders, at every level, support for the WTO Accession of Afghanistan was confirmed.



Meetings of the WTO delegation with H.E. President Mohammad Ashraf Ghani of Afghanistan, 8 November 2015; and, H.E. Dr. Abdullah Abdullah, Chief Executive Officer of the Government, 7 November 2015.