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OVERVIEW OF WTO ACCESSIONS AND STATE OF PLAY OF THE ARAB REGION



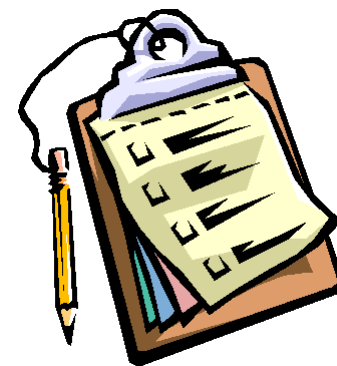
Mena Hassan
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World Trade Organization
8 November 2020

High Level Regional Dialogue for WTO Accessions for the Arab Region, 8-10 November 2020

Outline of Presentation



- **Why join the WTO?**
- **Basic procedures for the Accession process**
- **Achievements to date**
- **The state of play in ongoing accessions and Arab accessions**



Why join the WTO?



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Basic Procedures

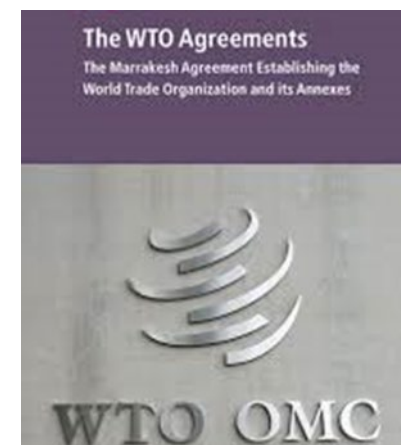


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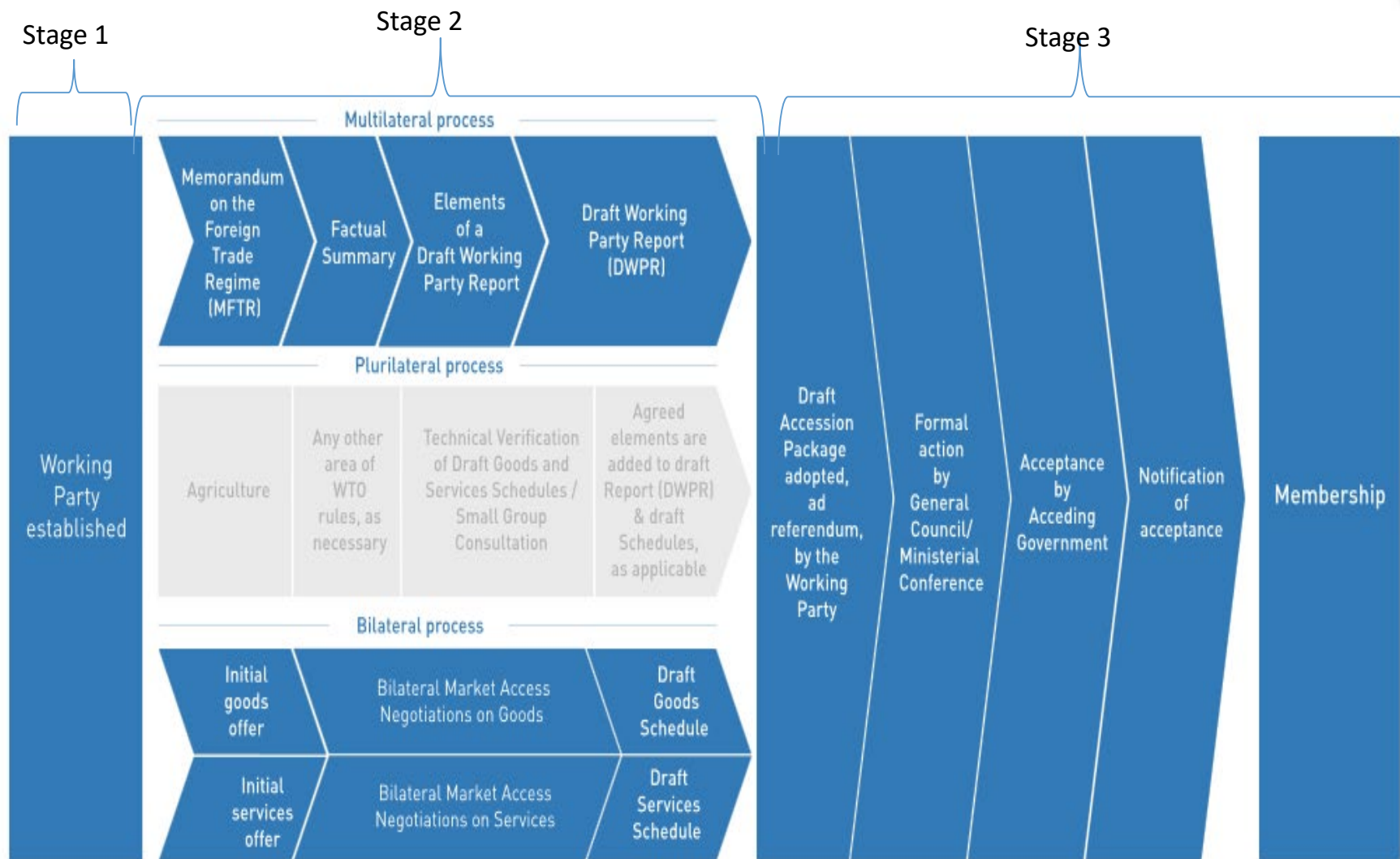
WTO ACCESSION: LEGAL BASIS

Article XII of the Agreement Establishing the WTO (the Marrakesh Agreement)

- 1. **Any State or separate customs territory** possessing full autonomy in the conduct of its external commercial relations and the other matters provided for in this Agreement and the Multilateral Trade Agreements may accede to this Agreement, on **terms to be agreed** between it and the WTO. Such accession shall apply to this Agreement and the Multilateral Trade Agreements annexed thereto.*
- 2. Decisions on accession shall be taken by the Ministerial Conference. The Ministerial Conference shall approve the agreement on the terms of accession by a **two-thirds majority** of the Members of the WTO.*



The WTO Accession process



The accession procedures are outlined in WT/ACC/22/Rev.1, a document developed by the Secretariat in consultation with Members as a practical, non-binding guide.



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Multilateral Negotiations

Fact-finding Phase

- Submission of MFTR, Legislative Action Plan, action plans for implementation of specific agreements
- First set of Questions and Responses
- First Working Party meeting



Negotiating Phase

- Additional Questions and Replies
- Further Working Party meetings
- Factual Summary of Points Raised



Draft Working Party Report

- Attached with draft Decision and draft Protocol on Accession

Bilateral Negotiations



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Bilateral Contacts

- Generally submitted after the first Working Party meeting
- Any Member may request Bilateral Negotiations based on these offers

Submission of Initial Offers

Revision of Offers, Further negotiations

- Reviewed by signatories at the Technical Verification Meeting
- Annexed to the Working Party Report
- Becomes part of the Accession Package

Bilateral Agreement

- Signed in three copies
- Signed agreement must be deposited with the Secretariat

Draft Goods and Services Schedule



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STAGE 3: FINAL STEPS

- Adoption of the Accession Package by Working Party
- General Council/Ministerial Conference approval
- Domestic ratification /acceptance
- Membership

THE ACCESSION PACKAGE

1	• Decision • Protocol
2	• Report of the Working Party
3	• Schedule of Concessions & Commitments on Goods
4	• Schedule of Specific Commitments on Services

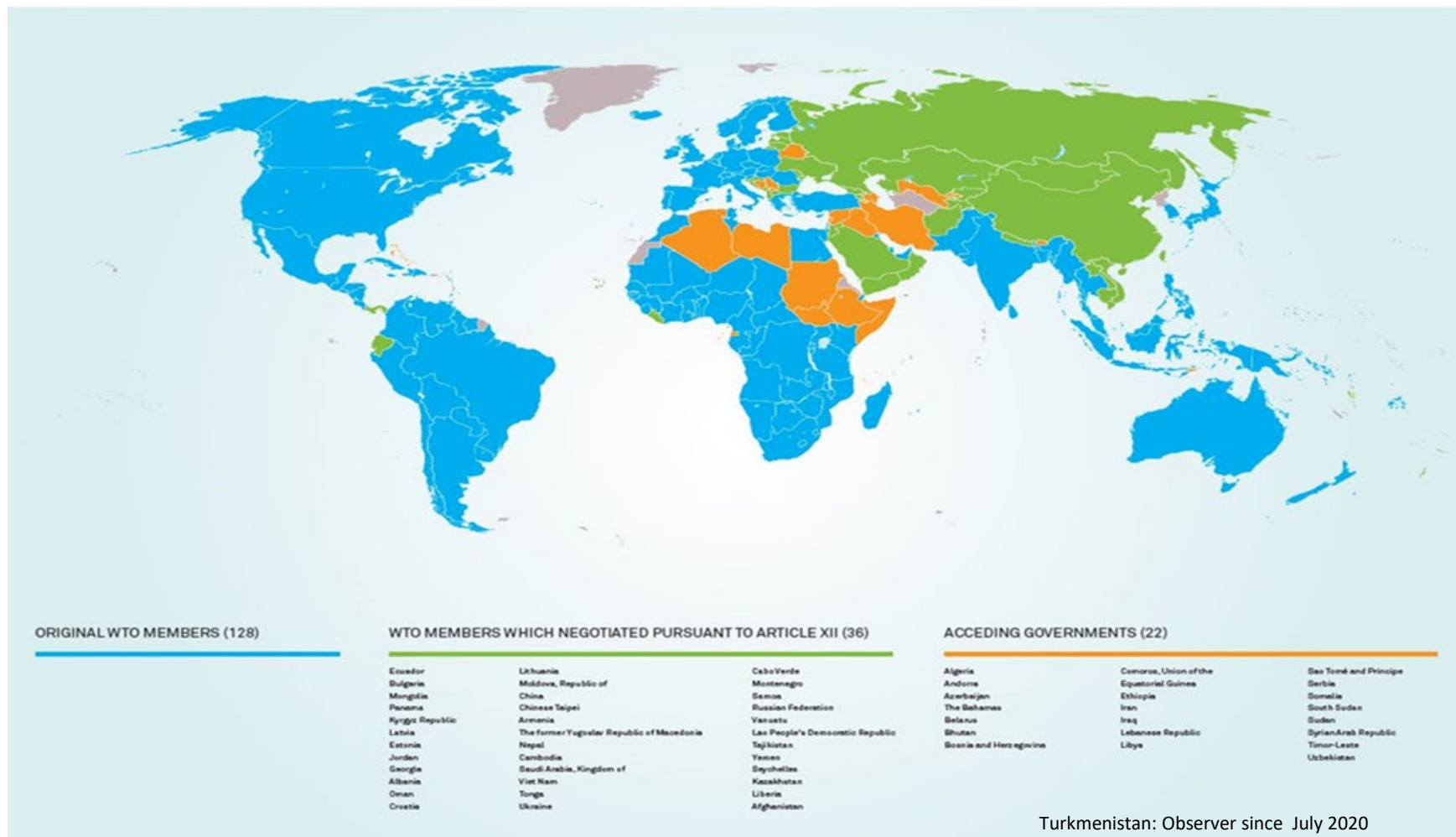


3. Achievements to date

Map of WTO Members and Observers



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What has been done so far?

36 accessions completed to date

(By accession date)



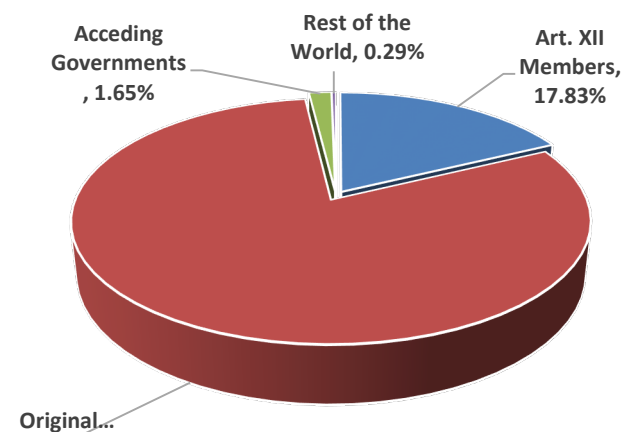


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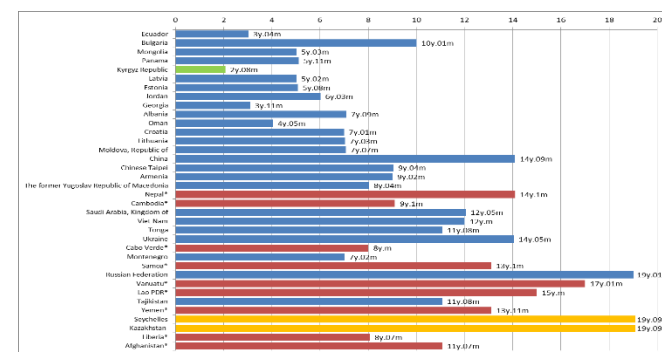
WTO ACCESSIONS RESULTS TO DATE

- **36 accessions**, including from **9 LDCs**, have been concluded between 1996 and 2016
 - **Last Members** joined in July 2016, i.e. Afghanistan and Liberia
 - Article XII Members account for over **20% of WTO membership**
 - Additional **18%** of world trade covered by WTO rules - today, **98.1%** world trade conducted under WTO
- Average length of accession: **10 years and 2 months** (but **12 years and 2 months for LDCs**)
 - Shortest: **2 years and 8 months** (Kyrgyz Republic, 1998)
 - Longest: **19 years and 9 months** (Kazakhstan and Seychelles, 2015)
- **4 Arab Accessions** concluded to date:
 - **Kingdom of Jordan** (joined in April 2000): **6 years and 3 months**
 - **The Sultanate of Oman** (joined in November 2000): **4 years and 5 months**
 - **The Kingdom of Saudi Arabia** (joined in December 2005): **12 years and 5 months**
 - **Yemen** (joined in 26 June 2014): **13 years and 11 months**

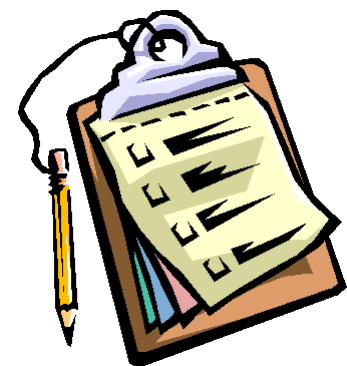
Share of world trade by membership status, 2018



Length of WTO accession process:
WP establishment to Membership



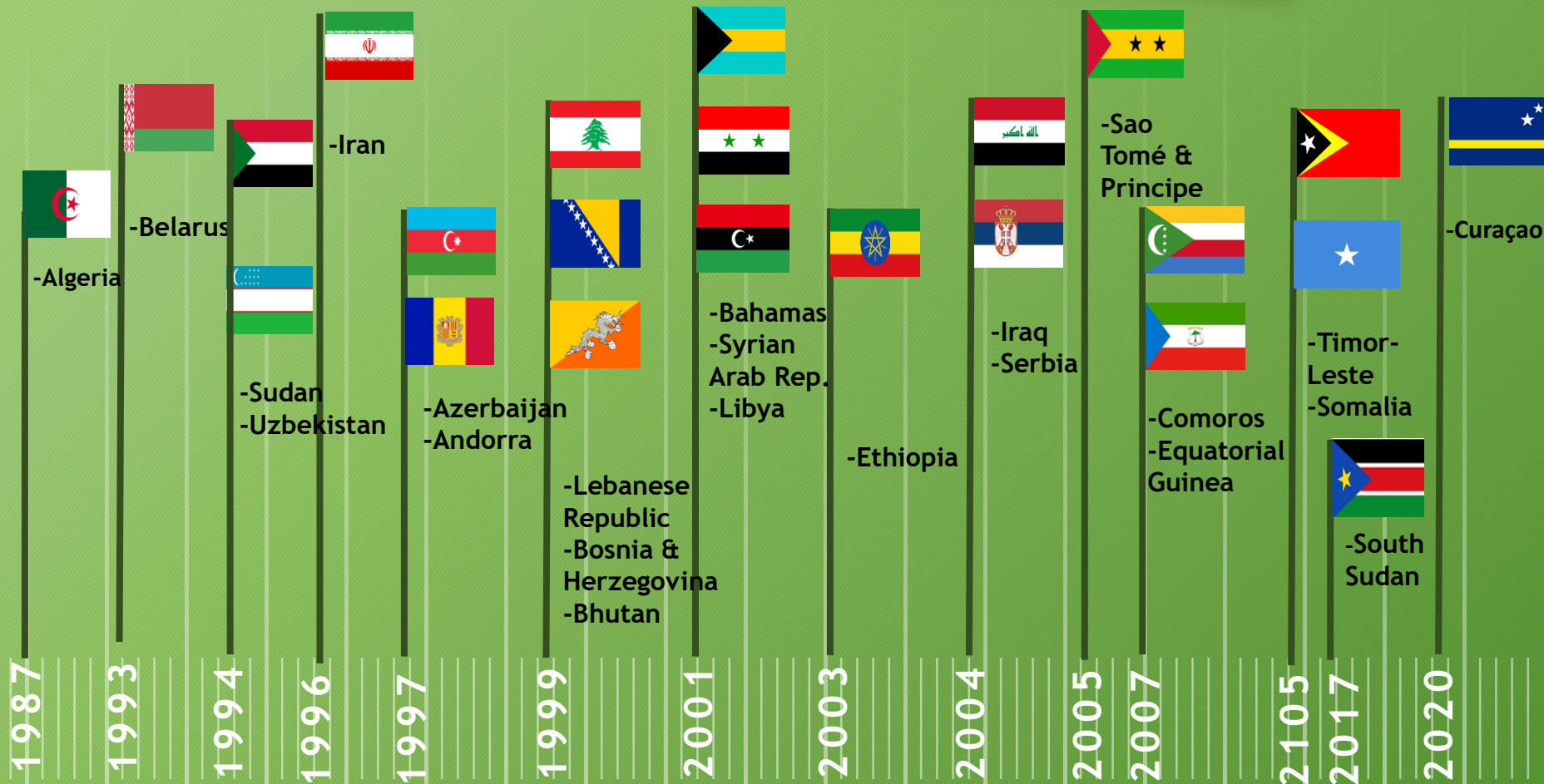
4. The State of Play of Accessions and Arab Accessions



What remains to be done?

23 ongoing accessions, plus

(By application date)



Accession negotiations – state of play



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Multilateral negotiations (Rules)

Observer

Working Party
Established

Memorandum on
Foreign Trade
Regime

Factual Summary
of Points Raised

Draft Working
Party Report

- Turkmenistan
- Curaçao
- Equatorial Guinea
- Libya
- Sao Tomé and Príncipe*
- Syrian Arab Rep.

- Andorra
- Iran
- Iraq
- Somalia*
- South Sudan*
- Timor-Leste*
- Uzbekistan

- Bahamas
- Ethiopia*
- Sudan*

- Algeria
- Azerbaijan
- Belarus
- Bhutan*
- Bosnia & Herzegovina
- Comoros*
- Lebanese Rep.
- Serbia

Bilateral negotiations (Market Access)

Initial Goods &
Services Offer

Revised Goods & Services
Offer

Draft Goods
and Services
Schedules

- Andorra

- Algeria
- Azerbaijan
- Bahamas
- Belarus
- Bhutan*
- Bosnia and Herzegovina
- Comoros*
- Ethiopia*
- Lebanese Rep.
- Serbia
- Sudan*
- Uzbekistan

Note:
* LDC

Eight (8) on-going Accessions in the Arab Region



- Algeria (1987)
- Sudan (1994)*
- Lebanese Republic (1999)
- Syrian Arab Republic (2001)
- Iraq (2004)
- Libya (2004)
- Comoros (2007)*
- Somalia (2016)*

Notes: * LDCs



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Arab Accessions by Status

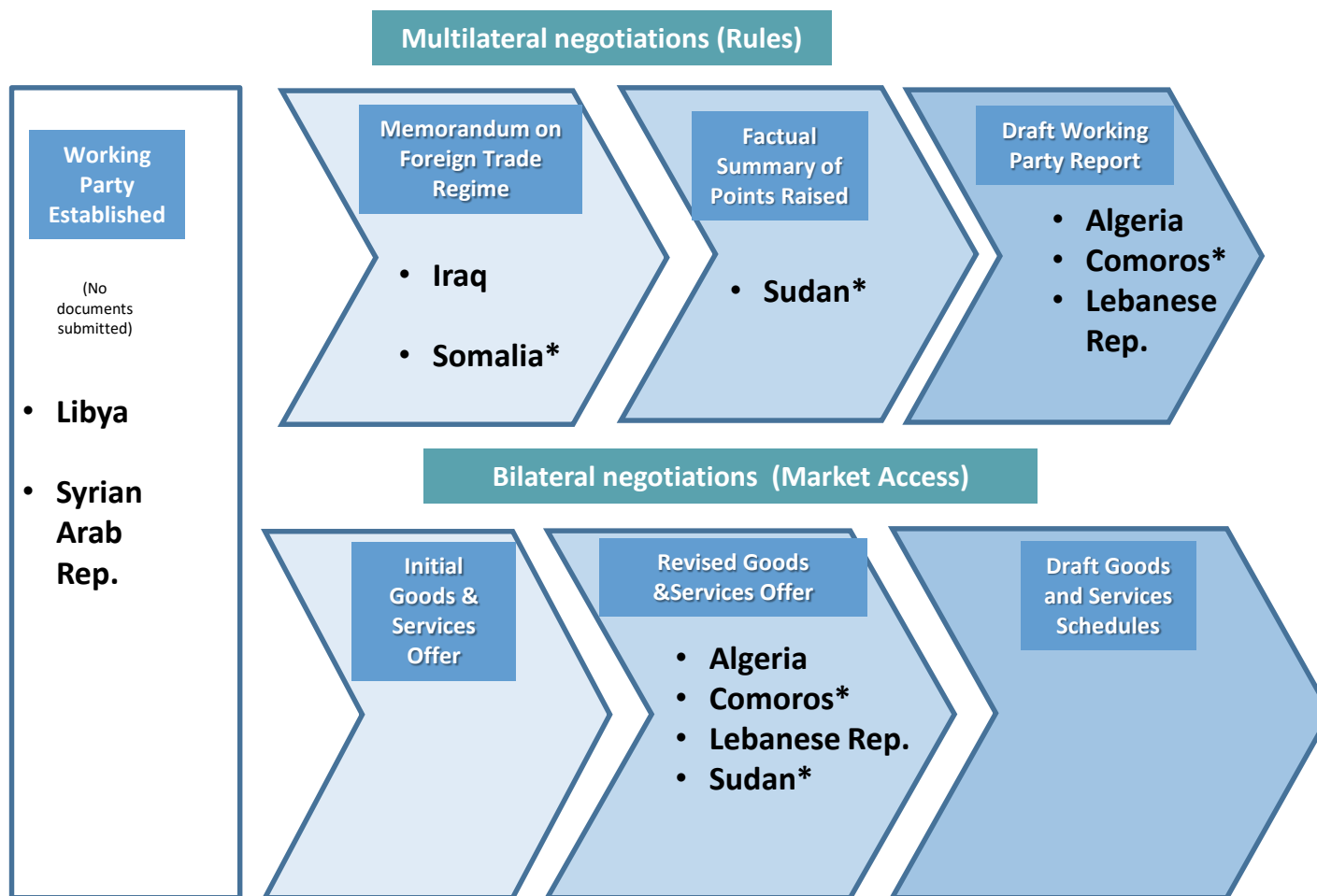
General Status	Accession WP (establishment)	Last WPM	Next envisaged WPM (based on Secretariat's assessment)
Strategic focus 2020	Comoros* (2007)	5WPM, September 2020	Q1 2021
Work in progress <i>On-going efforts to move the WP process</i>	Sudan* (1994)	4WPM, July 2017	TBD
Reactivation <i>On-going efforts to resume the WP process after at least 5 years</i>	Iraq (2004) Lebanese Republic (1999)	2WPM, April 2008 7WPM, October 2009	TBD TBD
Activation <i>Efforts to start the WP process with MFTR</i>	Somalia* (2016)	No WPM held to date	TBD
Inactive <i>No WP held at least during last 5 years</i>	Algeria (1987) Libya (2004) Syrian Arab Republic (2010)	14 WPM, March 2014 No WPM held to date No WPM held to date	

Notes: * LDCs

Accession State of Play of Arab Countries



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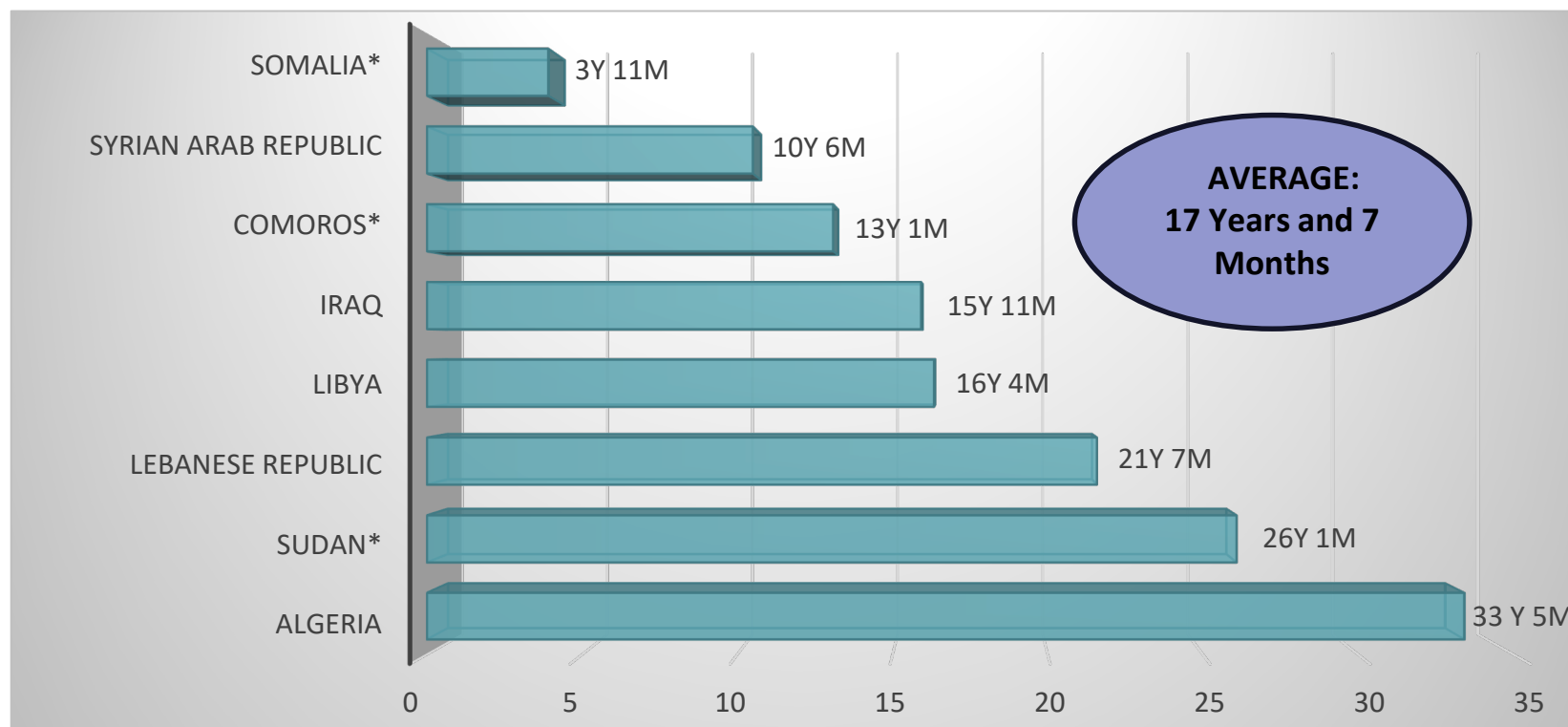


Note: * LDC



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Average Length of ongoing Arab Accessions



Accession in numbers: Ongoing-Arab Accessions



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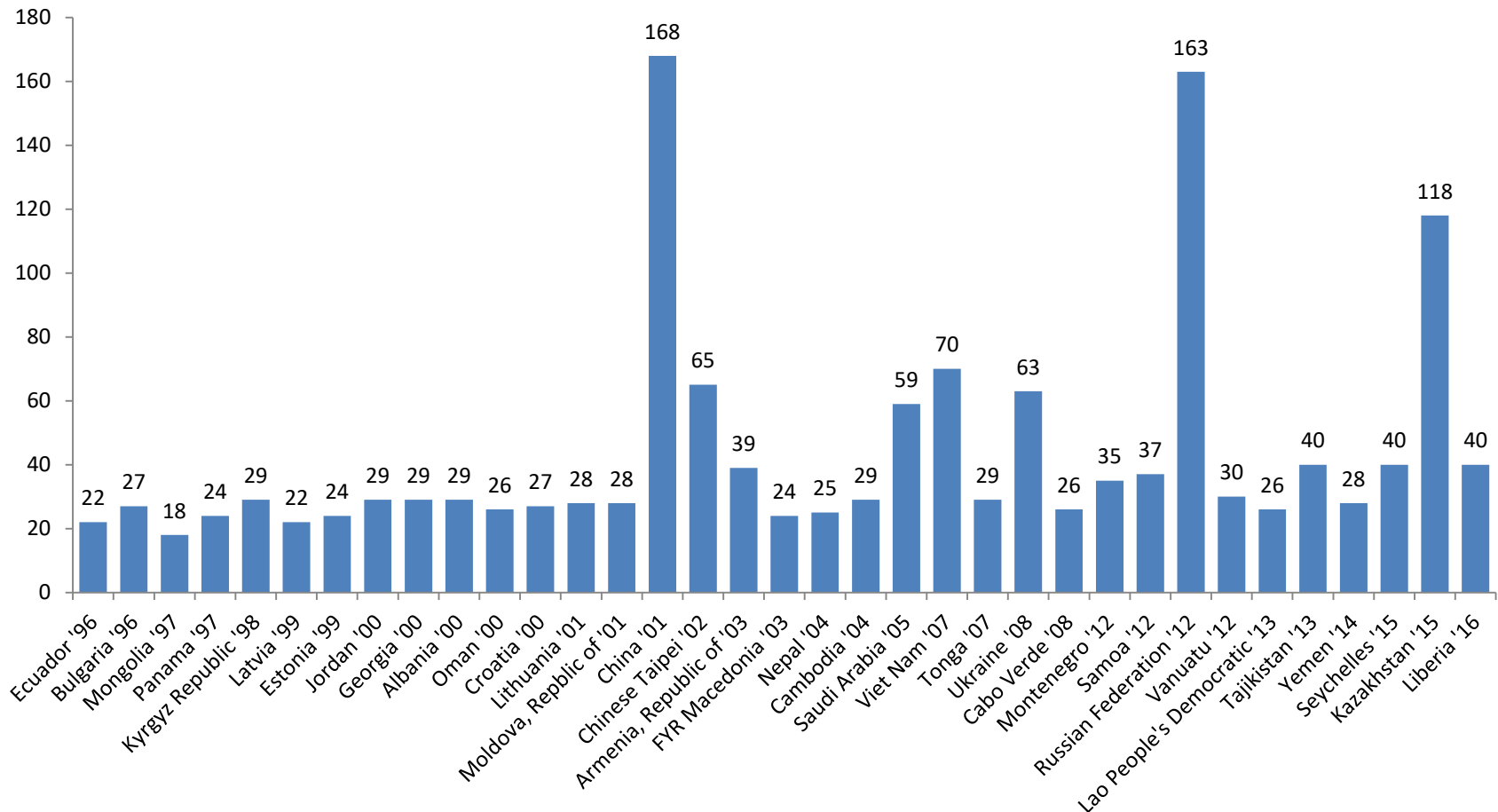


Acceding Government (Working Party establishment)	Number of WP meeting(s) held	Number of documents issued to the WP ⁺	Number of questions replied to by Acceding Governments ⁺
Algeria (1987)	12	105	1897
Sudan* (1994)	4	88	917
Lebanese Republic (1999)	3	16	474
Syrian Arab Republic (2001)	-		-
Libya (2004)	-	2	-
Iraq (2004)	2		638
Comoros* (2007)	4	45	638
Somalia* (2016)	-	1	-

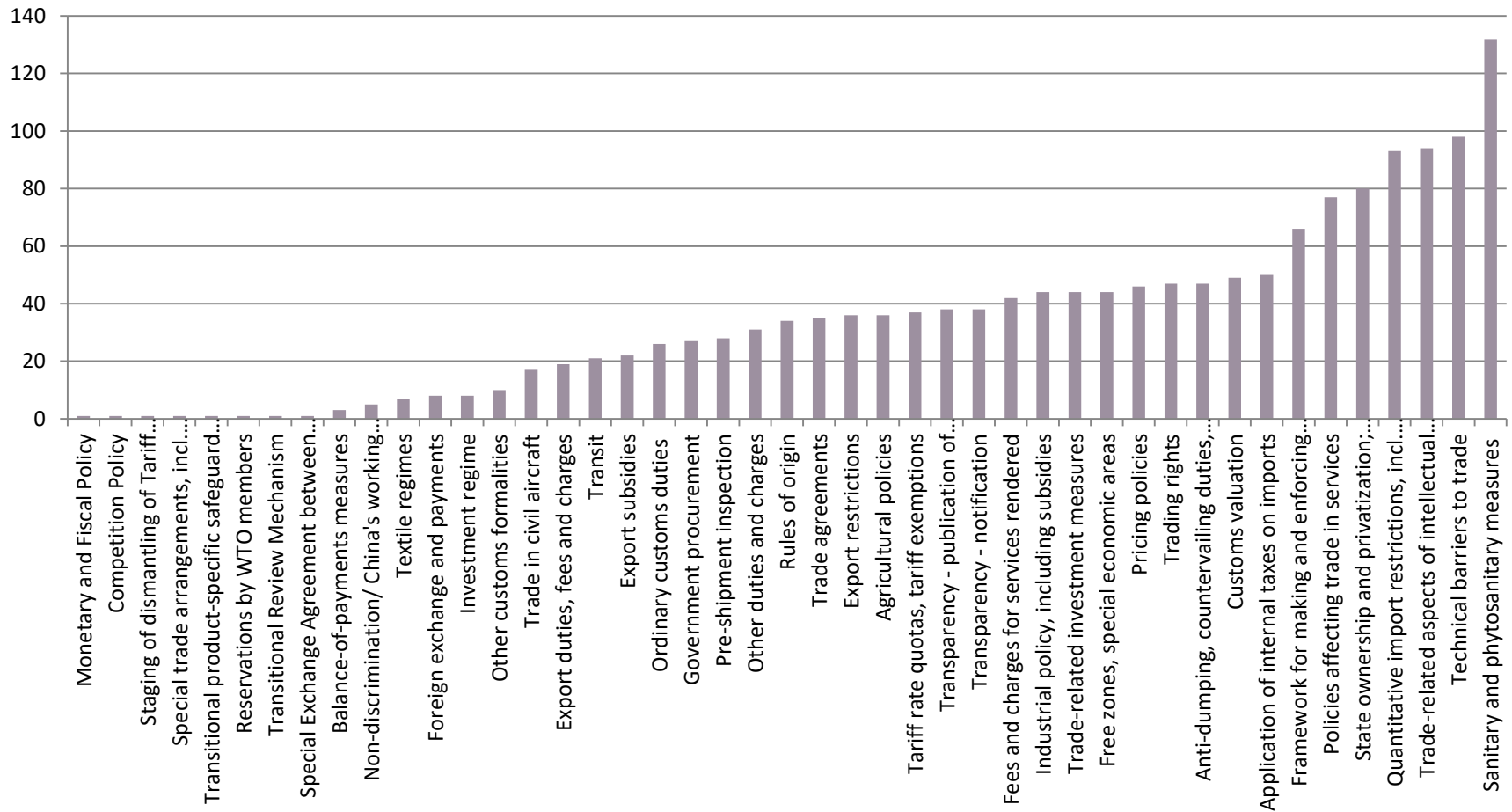
Notes: * LDC

+ Based on the documents circulated to the Working Party, not including the documents which are currently processed by the Secretariat.

Number of commitments undertaken by Article XII Members



Frequency of commitments undertaken by Article XII Members





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Policy Framework for LDC Accessions

- ❖ **2002 General Council Guidelines for LDCs' Accessions (WT/L/508)**
 - Market Access, WTO Rules, Process, technical assistance

- ❖ **2012 General Council Decision to “*strengthen, streamline and operationalize*” the 2002 Guidelines” (WT/L/508/Add.1)**
 - Benchmarks on market access on Goods and Services
 - Transparency in accession negotiations
 - “Facilitation” by Chairs of SCLDC & Accession Working Parties
 - Special and differential treatment & transition periods
 - Technical assistance and capacity building

WTO accessions: new “themes”



➤ **A larger number of active accessions**

- New applications – Somalia, Timor-Leste, South Sudan, Curaçao (+ Turkmenistan)
- Resumption of accession Working Parties after some years of inactivity
 - Comoros (2016), Belarus (2017), Sudan (2017), Bosnia and Herzegovina (2018), Bahamas (2018), Ethiopia (2020), Uzbekistan (2020)

➤ **Increased role for technical assistance?**

- Members' broad support for WTO accessions, at WP level or through technical assistance
- Strong interest & support from international partners, e.g. IMF, World Bank, ITC, Arab Monetary Fund, Islamic Development Bank

➤ **Fragility and conflict (trade as an engine of peace?)**

Best practices for Accession process



- Establish a clear domestic structure to support the accession process & build capacity of the negotiating team – national coordination – Road Map
- Early identification of benefits and interests, which should be reflected in a negotiating strategy
- Impact assessment of WTO Membership
- Assessment of trade-related legislation and practices to determine conformity with WTO rules
- Establishment of a national steering committee (e.g. ministries, private sector, and civil society representatives)
- Identification of a 'model accession'
- Use of technical assistance & capacity building



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Q&A session