



# Building Technical Capacity for WTO Accession of Afghanistan – Exchanging policy options and business interests on priority issues (Financial Services, Transport & Energy services, Trade Facilitation)

NEW DELHI, 17-18 APRIL 2013

#### I. INTRODUCTION

UNESCAP South and South-West Asia Office (ESCAP-SSWA) in New Delhi and the International Trade Centre (ITC) continue to support the Government of Afghanistan in its bid for WTO membership, by providing targeted and customized technical assistance. In specific, the capacity-building programme for WTO Accession of Afghanistan is designed to initiate and nurture a well-informed and structured policy dialogue between public and private sector officials by addressing knowledge gaps and related trade policy and development issues.

This brief note provides information about planned technical assistance activities for the year (2013), building on experience of activities held in 2012, as well as progress achieved in Afghanistan's accession process.

### II. FROM 'EARLY-PHASE' TO 'NEGOTIATING PHASE'

Afghanistan's bid to join the World Trade Organization (WTO) gained new impetus as a result of the dedication and commitment shown by the Government of Afghanistan, to work towards conclusion of the negotiations in 2013. At the third meeting of the Afghanistan accession working party, held on 7 December 2012, Afghanistan's Deputy Minister of Commerce and Industry, H.E. Mr Mozammil Shinwari, reassured members that 'Afghanistan remains committed to integrating into the world's multilateral trading system and to accelerating the process for completing WTO accession proceedings by the end of 2013.'.

Clearly, the past years of hard work by the Government has contributed to progress in all areas of the accession negotiations, in lead up to the conclusion of the negotiations.

First, in order to conform to WTO agreements and principles ('rules negotiations'), the Government maintained a momentum towards implementing the reforms needed to comply with WTO Agreements. Areas where WTO Members requested clarifications from Afghanistan included state ownership and state trading enterprises, trading rights, business licences and fees as well as details concerning sanitary and phytosanitary (SPS) measures, trade-related investment measures and intellectual property rights<sup>1</sup>. The coming year will prove crucial in obtaining the full confidence of WTO members that domestic procedures and regulations are in line with WTO agreements.

-

http://www.wto.org/english/news\_e/news12\_e/acc\_afg\_07dec12\_e.htm





Secondly, the past year was utilised by the Government of Afghanistan, to submit its market access offers in the area of goods and services ('market access negotiations').

In the area of *trade in goods*, Afghanistan's initial offer proposes tariff bindings for all imported goods, including manufactured and agricultural products. Currently, Afghanistan's tariff regime is already simplified, comprising a limited number of tariff bands, and with a simple average MFN applied tariff rate of 5.6 per cent, which is significantly lower than the average tariffs for the South Asia region<sup>2</sup>.

In the area of *trade in services*, the initial offer tabled by the acceding Government entails 'specific commitments' providing a meaningful degree of liberalization.

Thus, the current phase of the negotiation process is characterized by intensified market access negotiations with bilateral partners, and continued attention of the Government departments to carry on with the legislative agenda.

Besides, Afghanistan being a landlocked least developing country (LLDC) completely depends on transits through neighbouring countries for their sea borne trade. Freedom of transit (GATT Article V) across other countries which is a subject of current WTO negotiation on trade facilitation is critically important for Afghanistan to access international markets. The absence of regional transit trade combined with inadequacy and poor infrastructure services such as road and railway links has severely inhibited its efforts to integrate into global supply chain while raising transportation cost.<sup>3</sup>

#### III. PUBLIC PRIVATE DIALOGUE ON PRIORITY ISSUES

Against this background, a continued effort to improve the dialogue between public and private sector representatives on Afghanistan's WTO Accession will be required in the months to come. Whereas general awareness raising activities would benefit a broader audience, ESCAP-SSWA and ITC technical assistance will focus on *priority issues* in the accession negotiations, which demand additional information exchange and addressing knowledge-gaps amongst main stakeholders. In specific, informing and engaging the private sector and other core stakeholders (such as legislators, and media) will prove beneficial to securing stakeholder commitment for implementation of commitments and adjustment to the new situation. During the 2012 event organised by ITC and ESCAP, the importance of an effective consultation and communication mechanism involving key stakeholders, was mentioned by one of the participants as 'critical for ensuring inclusive trade policy making and creating a pro-active business community'.

For the year 2013, ITC and ESCAP will organize two public-private dialogues, as per the request of both the Government and the private sector partners in Afghanistan. The dialogues aim to facilitate exchange of information and sharing of knowledge between Afghanistan public and private sectors as inputs into the accession negotiations, and domestic reform process.

<sup>2</sup> World Bank, 'Afghanistan Trade Brief' 2009/2010, <a href="http://info.worldbank.org/etools/wti/docs/Afghanistan\_brief.pdf">http://info.worldbank.org/etools/wti/docs/Afghanistan\_brief.pdf</a>

-

<sup>&</sup>lt;sup>3</sup> South and South Asia Development Report, http://sswa.unescap.org/meeting/documents/SSWA\_Report\_Book.pdf





The below capita selecta of 'priority issues' for the first public-private dialogue, is based on inputs obtained from the first 'Capacity Development Workshop on' WTO Accession of Afghanistan', held from 22-24 August 2012 in New Delhi, as well as discussions with Afghanistan public and private sector representatives.

- 1. Benefits and challenges of trade in services: liberalization and regulation
  - a. Financial services: access to foreign capital
  - b. Transport & Energy services
- 2. Trade facilitation including 'Freedom of Transit' (GATT Article V)

#### IV. OBJECTIVES

In line with the long-term goals of strengthening technical and productive capacity building, the main objectives of the proposed public-private dialogue workshop are:

- 1. To improve technical competencies of public and private sector representatives on the opportunities and challenges, and potential business implications of Afghanistan WTO Accession negotiations in selected areas (financial services, transport and energy services, trade facilitation and 'freedom of transit');
- 2. To <u>strengthen the dialogue mechanism</u> between Afghanistan public and private sector on WTO Accession, and general trade policy making;

And

3. To strengthen trade related institutional capacity

### V. Participants

The program targets senior officials from relevant ministries and offices of the government and other stakeholders dealing with regulatory issues and WTO accession negotiation and private sector representatives from business associations and trade chambers of Afghanistan.

#### VI. Dates and Venue

Two day programme will be held at Conference Room of UNESCAP- SSWA in New Delhi on 17-18 April 2013.





## **Registration** and contacts for this workshop:

#### **UN-ESCAP-SSWA**

#### Dr. Nagesh Kumar

Head, ESCAP South and South West Asia Office and Chief Economist of UN-ESCAP C2, Qutab Institutional Area, PO Box No. 4575 New Delhi- 110016, India

Tel: +91 91 3097 3701 Fax: +91 11 26856274 Email nkumar@un.org

Website: http://sswa.unescap.org

# International Trade Centre (ITC) Mr. Rajesh Aggarwal

Chief, Business and Trade Policy Palais des Nations 1211 Geneva 10, Switzerland

Tel: +41 22 730 0306 (Switzerland)

Fax. +41-22-730.0570

E-mail: aggarwal@intracen.org Website: www.intracen.org





预览已结束,完整报告链接和二维码如下:

https://www.yunbaogao.cn/report/index/report?reportId=5 7070

