

MARYAN HASSAN

"As a result of civil war many Somalians have not been able to travel, which is a psychological barrier to trade."

Maryan Hassan,

Chief Negotiator for the Accession of the Federal Republic of Somalia to the WTO

Thank you very much Ambassador Wolff and my greetings to you all: excellencies, esteemed guests and friends. It is my pleasure to be here.

I would like to convey my thanks to the Accessions Division, because they do remarkable work behind the scenes, and also to the EIF, to make sure we are all here.

Firstly, I would like to offer a few reflections.

It is important for us to think about where the WTO started (with the GATT) and how that relates to the LDCs. It is important not to be naïve and hold them to the standard as some of the more advanced countries, because we are dealing with the ramifications of colonialism – especially, in Somalia and other countries. We must realize that if many of the WTO's founding members became a part of the multilateral trading system following devastation from World War II, then it's not impossible for post-conflict LDCs to enter into the World Trade Organization either.



Fragile acceding countries have the g7+ WTO Accessions Group, which was created with the g7+ Secretariat and also with the Accessions Division. This has meant that LDCs and g7+ countries have been able to learn a lot from their peers, such as Afghanistan and Liberia as well. This is quite unique, as compared to LDCs' experience with other international organizations – it is rare that you can be guided by others who have gone through the process already and also have your voice heard. A good example of this is the 'Trade for Peace' initiative, which came from Ms. Maika Oshikawa and some Acceding Governments and other WTO Members conveying their wishes to have such a platform.

Now, moving on to Somalia.

Today during lunch, I was fortunate enough to meet a young man called Mandela. What was exceptional about this encounter?

As a Somali, born and raised in London, my accent can throw people off – they're very confused as to where I have come from but once I mention I am Somali and live in Somalia, you start getting the questions – "how's piracy?", "how's Al Shabaab", etc. My encounter with Mandela was special because he actually started teaching me about Somalia, rather than me having to educate him. It can be quite depressing when I am dealing with a lot of ignorance when it comes to my country. But, Geneva has allowed me to meet a diverse range of people – this is very important for the recovery of countries because it means that they can: (i) have partnerships, (ii) key friends and (iii) key allies, who understand what the country is going through.

Now for some statistical data on Somalia.

We are a population of just over 12 million. We have the longest coastline and like a lot of African countries and LDCs in the global South, 70% of our population is under the age of 35 – that is vast

untapped human capital and potential right there. Furthermore, Somalia has been rebuilding after the Civil War - we have had two peaceful transitions in Government, and that is something that is also important to note because a lot of people still think that we are in war, but we are not.

With the rebuilding, we have been able to now focus on our economic recovery. The unsung heroes, of Somalia and the majority of a lot post-conflict countries are women. They have been dealing with their macro, small-medium enterprises, and because of that, during the civil war and afterwards, Somalia's economy has been able to keep the country going (even when there was a period of inactivity with the Government, and also through the transitional Federal Government as well). However, there are a lot of obstacles.

We have to think about the lack of visibility in the market place for Somali enterprises. For example: Somalia has the highest electricity rate in the world — it is one dollar per kilo watt. Think about what that means for manufacturing, or even what that means for something as simple trying to start up your computer — Somalia is very tech savvy. We do a lot of mobile payments and a lot of business is done through the mobile phone. What does that mean for the average trader? It means that they are not able to be on the market place, and when they are, it's usually through connections that they know in other countries. This is one reason why we have such a huge trade deficit with our trade balance. We are currently minus 2 billion dollars on our trade balance — because the imports outweigh our exports. While our country has the blue economy, and is very rich in petroleum oil and hydrocarbon gas, none of this has been really tapped into, because of the heavy focus on imports. But again, that is because of the lack of visibility in the market place — and we hope through this accession that we are able to change that.

I got started in Somalia, because of the issue with investors.

At the time, I was working in Dubai as an international arbitration lawyer and I was assisting the Attorney General. We found that a lot of investors were coming in and taking advantage of the fragile institutions that existed in Somalia — this is a similar reality faced by most post-conflict countries. These investors wanted to have investments in Somalia without having the proper recourse for our people. I moved myself to Somalia, thinking that I would be able to help, and I have been able to, because without proper arbitration clauses for example, in our agreements there is no protection for our actual traders. But the most difficult thing I have encountered is the psychological restrictions that our traders deal with.

For example, if you are from a country that has dealt with Civil War, then a consequence of the war is the fact that a lot of the people have not been able to travel with their passports. With a Somali passport, you can travel to about 31 countries visa free. Because of difficulties they face with regard to travel, Somali youth do not think that people want to trade with them. While you consider the institutional and infrastructural restrictions that traders from conflict-afflicted countries deal with, it is important to remember that they also struggle with psychological restrictions. But, nevertheless, Somalis are some of the most tenacious and resilient people that I have ever met. They have been able to keep their country going during the Civil War. It is important to remember that when we are talking about Somalia and post-conflict countries at large, you must remember the added layers of difficulties they juggle. It's not just tangible things, it is also intangible things that you may not be able to see.

Let me go back to the point that I made about the GATT.

When you have a country that was trading healthily with its neighbours, and then now the neighbours have peace-keeping troops in your country, it changes the relationship you share.

But the WTO has created a space by which fragile states can redefine these relationships. For example, Somalia will be participating in something called the Regional Dialogue. Last year this event was held in Nairobi, Kenya and this year it will be hosted by the Djiboutian Government. So, by us going to a neutral country, like Djibouti, that has been a strong friend to us, we're now able to change the conversation. We are hoping over time, that a lot of these countries that were giving us assistance in terms of peacekeeping and also some of the foreign donors that we have in other continents can now begin to become trading partners and for the lexicon to change.

Somalia is currently undergoing a process of rebranding. A lot of this work has to come from the Government, but it is also about engaging with the private sector as well. In the past, the Somali

Government had nationalised a lot — during the state collapse due to the war, private entities were made from what was left behind. Fast forward to today, the private sector is booming, however, for the private sector, change can be very scary. When I've engaged with some private sector actors (Chamber of Commerce and otherwise), they've understood the potential of what the WTO can do. They understand that they will be able to trade with new trading partners, and make more money moving forward.

I think another point to consider is the role of other international organizations in the WTO accessions process. For example, I find, that many of their mandates are in dire need of updating. While these mandates touch on issues such as: humanitarian disasters and gender-based violence, they do not encompass everything that a post-conflict country needs. We also require trade experts and economists who can help our economies transition out of war. Following from this, I think it is important more locals are hired to work within these international organizations as well – because they are best placed to understand the struggles that their countries face and can therefore deliver tailored solutions. My government is really embodying this philosophy – for example, it has set a deadline of January 2019, for all international organizations to move back to Somalia.

So finally, I am very active on Twitter - with the hashtag Trade2030, please give me your thoughts on today's discussion.

Thank you all.
