

Statement by
His Excellency Mr. Humayoon Rasaw, Minister of Commerce and Industries at the
Fifth China Round Table on WTO Accessions
“Best Practices on the Accessions of Least Developed Countries”
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Siem Reap, Cambodia

Your Excellency Mr. Hun Sen, Prime Minister of Cambodia,
Honorable Ministers, Distinguished Guests, Colleagues, Ladies and Gentlemen;

Good Afternoon!

It is a great pleasure to address this Fifth China Round Table on WTO Accessions, Best Practices on the Accession of Least Developed Countries. I would like to extend my gratitude for the organizers of this round table – the Royal Government of Cambodia, the Government of China and the WTO Secretariat.

Excellencies!

After the fall of the Taliban regime in Afghanistan, people of Afghanistan adopted democratic values and the market economy principles for the socio-economic development of the country. The Government of the Islamic Republic of Afghanistan applied for accession to the WTO in November 2004 and has become the 164th member of the WTO on 29 July 2016. Afghanistan is the 9th LDC which joined the WTO since the organization was established in 1995. The negotiations to join the multilateral trading system have been highly demanding for our country. We believe our country's accession to the WTO is an opportunity for its fragile economy to further grow.

Afghanistan is a landlocked and least developed economy in the region but its commitment to liberal trade and regional and international cooperation is not new. Historically Afghanistan has been located in the heart of the Silk Road and was a regional and international trade hub between the East and the West as well North and South Asia.

Ladies and Gentlemen!

We believe that WTO membership can help Least Developed Countries (LDCs) to approach trade issues in a better way and settle their trade disputes on an international platform through WTO mechanisms. However, they require extensive [internal] reforms to adjust to the rules and

regulations of the multilateral trade regime. These compliance requirements itself poses a real challenge to Least Developed Countries.

Least Developed countries (LDCs) could learn from Afghanistan and other LDC Members of the WTO in different ways to manage to achieve their objectives of joining WTO and overcome the challenges:

First, by reflecting their continued commitment to trade reforms through new policies in the trade sector; these policies should be liberal, competitive and market oriented in accordance with the global trade regime;

Second, by seeking enough support in terms of training, conducting studies, preparing draft laws, to fulfil and implement the commitments made in the WTO in the course of the accession;

Third, by launching a program of monitoring to look over the process of commitments; to do that LDCs need to develop certain new mechanisms within their trade policy;

Fourth, by improving their business environment with the help of legal reforms which will reflect positive impacts on reforming LDCs economies;

Ladies and Gentlemen!

We recognize the importance of creating a predictable, stable and cost efficient business environment through adopting effective environment, legislation and strengthening our institutions for Afghanistan and other countries. Thus, we ratified the WTO Trade Facilitation Agreement (TFA). We encourage countries in our region to ratify the agreement too, because we believe full implementation of the Trade Facilitation Agreement will reduce global trade costs by an average of 14.3%.

We are also ready to support and facilitate accessions of our neighboring countries including Turkmenistan, Uzbekistan and Iran to the WTO. We strongly believe that the WTO rule based platform can serve to promote greater regional trade with our regional partners and facilitate trade for LDCs.

Ladies and Gentlemen!

Afghanistan has embraced and is committed to uphold WTO values and principles including the rule of law, good governance, transparency, and non – discrimination. The WTO accession required focused efforts on the part of both executive and legislative bodies that resulted in the enactment of 27 laws and regulations.

We are implementing reforms step by step and wisely to further smoothen our way toward economic growth and development. By accession to the multilateral trading system we believe our economy will be able to secure 2.5% GDP growth annually and rise of 10% employment in three to four years of its accession.

We have identified key elements for our post accession strategy and I am pleased to share some of its elements.

First: to build on achieved reforms for further modernization of the business environment in Afghanistan;

Second: to attract foreign investment in our country;

Third: human capacity building within the public sector and private sector;

We have also started the development of an export promotion strategy in cooperation with the International Trade Centre to implement during the next five years. In the meantime, we are increasing awareness of our private sector about opportunities and challenges resulting from WTO membership. This includes capacity building to meet import requirements in WTO markets, particularly those related to products and food safety standards.

Excellencies!

We plan to actively participate in the work of the WTO. We are in the process of establishing a representative office in Geneva. We Plan to regularly participate in the work of various technical committees and councils. We are keen to play an important role in the work of Least Developed Countries subcommittee and Landlocked Developing Countries group and support the development of reasonable proposals for consideration in multilateral trading rounds to increase exports of LDCs and strengthen their participation in global economy.

As a landlocked country in the region we had trade relating issues with our neighbouring countries in the past and we still face them. In a recent border closure, Pakistan sealed Torkham and Chaman crossings on February 19 and instituted prohibitions and restrictions other than

duties, taxes and other charges – basically violating Article V of the GATT 1947 (Freedom of Transit). We hope our neighbouring country complies with the multilateral trading regime's rules and regulations and see trade and transport integration as an important driver for economic growth.

As part of my concluding remarks I would like to reiterate that improving cooperation on trade, legal and economic and structural reforms for Least Developed Countries should be tackled and addressed at all levels from an organization to country and to global levels. I believe that the only way to achieve this goal is to separate trade and economic cooperation from political agendas.

I hope our today's discussion and elaborations contribute to further improvement of global trading system and promoting economic growth and sustainable development in our countries.

Thank you for your time and attention!