



# **REGIONAL DIALOGUE ON WTO ACCESSIONS FOR THE GREATER HORN OF AFRICA**

## **UNCTAD Technical Assistance & Capacity Building for Acceding Countries**

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**28 - 30 August 2017, Nairobi, Kenya**

# Mandates

- UNCTAD support to DCs in trade negotiations & trade - related CB started well before the establishment of the WTO including under GATT & during UR;
- The establishment in 1995 of the WTO posed new challenges for DCs/LDCs seeking to join the new Multilateral Trading System (MTS);
- UNCTAD was mandated to assist acceding countries in particular DCs & LDCs

## **Mandate's origin (1)**

### **UNCTAD IX Midrand 1996**

#### **"A Partnership for Growth & Development"**

**Para (66):"..... to help them understand the rights & obligations arising from accession to WTO. Assistance should also be provided for non-WTO members to facilitate their efforts to accede & to help them understand the rights & obligations of membership....The plight of the LDCs and the need to ensure their effective participation in the world trading system is also recognized."**

## **Mandate's origin (2)**

**UNCTAD IX Midrand, South Africa, April 1996**

**Para 91:**

**"UNCTAD's main role in the field of trade in goods & services should be to help maximize the positive the positive impact of globalization & liberalization on sustainable development by assisting in the effective integration of DCs, particularly LDCs & certain DCs with structurally weak & vulnerable economies, into the international trading system.... assisting countries in the process of accession to WTO, including by helping them to enhance their understanding of WTO rights & obligations, as well as improving the transparency of their trade regimes; identifying impediments to trading success, including barriers to export expansion & diversification..."**

## **Mandate's origin (3)**

### **UNCTAD X: Plan of action (Bangkok, 12-19 Feb. 2000)**

- "... UNCTAD should continue to provide assistance to countries acceding to WTO in order to contribute to their early accession and to the universalization of the multilateral trading system".

### **UNCTAD XI: São Paulo Consensus (June 2004)**

- "UNCTAD should provide enhanced technical support and cooperation to all developing countries, particularly LDCs, and ... prior to, during, and in the follow-up to their WTO accession process";

## **Mandate's origin (4)**

### **UNCTAD XIV (Nairobi Maafikiano, July 2016)**

#### **Para: 38.**

- **"(x) Continue to provide and reinforce its TA & CB to DCs and countries with economies in transition before, during & in the follow-up of the process of accession to the WTO"**



# Why UNCTAD assistance?

*"UNCTAD is strategically positioned to empower acceding countries to better define their trade objectives & integrate them effectively into their development plans, advance their interests in international trade negotiations, monitoring & enforcement, shape & sequence international regulatory practices, & take advantage of the trading opportunities of the MTS".*

**Evaluation report on of UNCTAD's TA assistance CB on accession to the WTO.**

# Challenges

- WTO accession is a challenging process involving wide-ranging policy reforms and legislative actions by acceding countries;
- Majority of candidates are DCs. For them, the challenges range from inadequacy of resources, expertise, lack of coherence in policy, institutional and regulatory frameworks;
- LDCs: face additional challenges, such as supply side constraints, lack of diversification, limitations to institutional and human resources.
- Capacity building support to LDCs is thus a critical element to back up their efforts to manage the accession process.

# UNCTAD Priority Countries and Focus

- After the establishment of WTO in 1995, countries that were not original members had to apply for accession under the provisions of Article XII of the Marrakesh Agreement;
- While all DCs & ET have benefited from UNCTAD's TA for their accession, UNCTAD recognizes - and seeks to address AS A PRIORITY challenges faced by LDCs;
- Majority of them have benefited from UNCTAD's TA & CB at different stages of their accession process, including: China, RF, Ukraine, Jordan, Cambodia, Cape Verde, Laos, Nepal, Samoa, Vanuatu, Seychelles, Liberia, Yemen.
- UNCTAD continues its support to ongoing DCs & LDCs accessions including: Algeria, Iraq, Iran, Comoros, Sudan, Ethiopia...
- UNCTAD TA is demand driven & country ownership
- UNCTAD continued to receive an increasing number of requests for support on WTO accession including from LDCs, and those in the post-accession phase.

# The Case of LDCs

- UNCTAD substantively contributed to the work on the revised guidelines on LDCs accession, adopted by the WTO General Council in July 2012
- The revised guidelines seek to further streamline & facilitate LDCs accession through "**measurable benchmarks**" in the area of tariff concessions
- Market access commitments in services of acceding LDCs
- Guidelines set specific SDT provisions

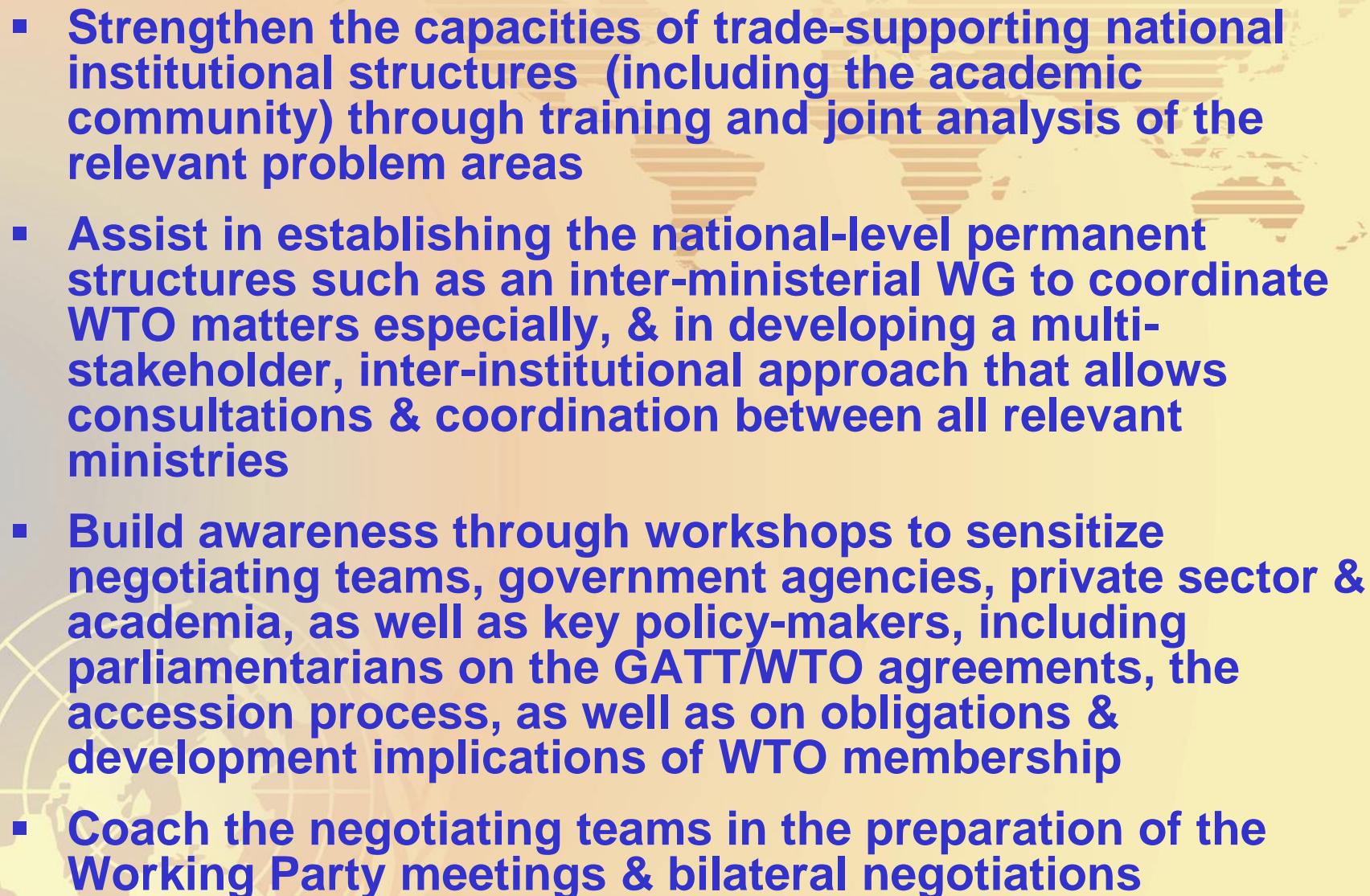
# **Transforming economies, improving competitiveness**

The main objective of TA is to support LDCs & other DCs to address a range of obstacles.

- Coherent economic, trade & development strategies;
- Deep understanding of the impact of the legal obligations and commitments in the WTO on the welfare of the country;
- Strengthened policy, regulatory and institutional and frameworks.
- To build capacities for policy makers & trade negotiators to ensure informed & evidence-based policy decisions in the accession process & other trade policy initiatives at the national & regional levels, based on national policy objectives

**UNCTAD TA & CB are in essence of multidisciplinary & multi-stakeholders nature involving cross-cutting issues:**

- **Trade policy formulation and implementation;**
- **Negotiations techniques and strategies;**
- **Support preparation of MFTR and responding to questions, initial offers on MA in goods & services, Agriculture, and tariff & NTMs**
- **Strengthening the capacities of national institutional structures**

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- **Strengthen the capacities of trade-supporting national institutional structures (including the academic community) through training and joint analysis of the relevant problem areas**
  - **Assist in establishing the national-level permanent structures such as an inter-ministerial WG to coordinate WTO matters especially, & in developing a multi-stakeholder, inter-institutional approach that allows consultations & coordination between all relevant ministries**
  - **Build awareness through workshops to sensitize negotiating teams, government agencies, private sector & academia, as well as key policy-makers, including parliamentarians on the GATT/WTO agreements, the accession process, as well as on obligations & development implications of WTO membership**
  - **Coach the negotiating teams in the preparation of the Working Party meetings & bilateral negotiations**

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- **Assist in the preparation & review of domestic legislations for GATT and WTO consistency, and action plan**
  - **Undertake sectoral impact studies on the impact of WTO accession on the national economy using national experts/ consultants to develop capacity of national research institutes and universities;**
  - **Post-accession activities including assistance to implement commitments made in the process of accession including, TPRs & notifications**

# **UNCTAD Tool box:**

## **Trade Policy Framework (TPF) Reviews**

**Nairobi Maafikiano: paras 38. (z) and 55. (c)**

- **TPF Reviews support the (re)formulation & implementation of national trade policy regimes according to countries' development priorities that are supportive for SDGs realization**
- **UNCTAD assisted countries in preparing SDG-oriented TPFs (Algeria, Angola, Botswana, Dominican Republic, Jamaica, Namibia, Panama, Tunisia and Zambia) and also provided related support to others (e.g., Bhutan, Kenya, African countries)**
- **Ten national TPF studies were completed, and the policy recommendations validated by strengthened stakeholders' policy formulation, implementation and analytical skills.**
- **Exchange of country experiences & lessons learnt was conducted at an inter-regional level in an Inter-regional Meeting on Trade Policy and Sustainable Development (18-19 July 2016, Nairobi, Kenya)**
- **UNCTAD assistance enhanced ability of policymakers and trade negotiators to analyze, formulate and implement SDG-oriented trade policies**

## Services Policy Reviews (SPRs)

Nairobi Maafikiano: paras 38. (z), 55. (c), 55. (n) and 76. (t)

- SPRs part of a broader comprehensive work on services;
- SPRs assist DCs in assessing their services economy & trade & reviewing existing policy & regulatory frameworks to formulate best-fit national services regulatory & institutional frameworks, develop competitive productive capabilities & better engaging in trade negotiations on services;
- Up to date, SPRs have been conducted for Kyrgyzstan, Nepal, Rwanda, Lesotho, Peru, Nicaragua, Paraguay, Bangladesh (Phase I and II), Colombia & Uganda (Phase I and II);
- Recently SPR was initiated for by the request of Namibia Government, & a follow-up SPR is under consideration for Paraguay;
- At the request of ECOWAS Secretariat, the regional SPR has been initiated to support the deepening of regional integration & negotiations in CFTA;
- SPRs have provided policy recommendations on legislative actions to enhance services economy, trade & development & regulatory institutions. For instance, SPRs have been used by LDCs in preparing collective request for services preferences under WTO LDCs services waiver.
- Assessment and impact studies on services have been undertaken for acceding countries, including in the context of SADC and COMESA regional trade negotiations on services

# SPR Methodology

## SPR Activities

Launch of the review process

Desk-based assessment

1st multi-stakeholder consultation

Field research and follow-up investigations

2nd multi-stakeholder consultation for validation

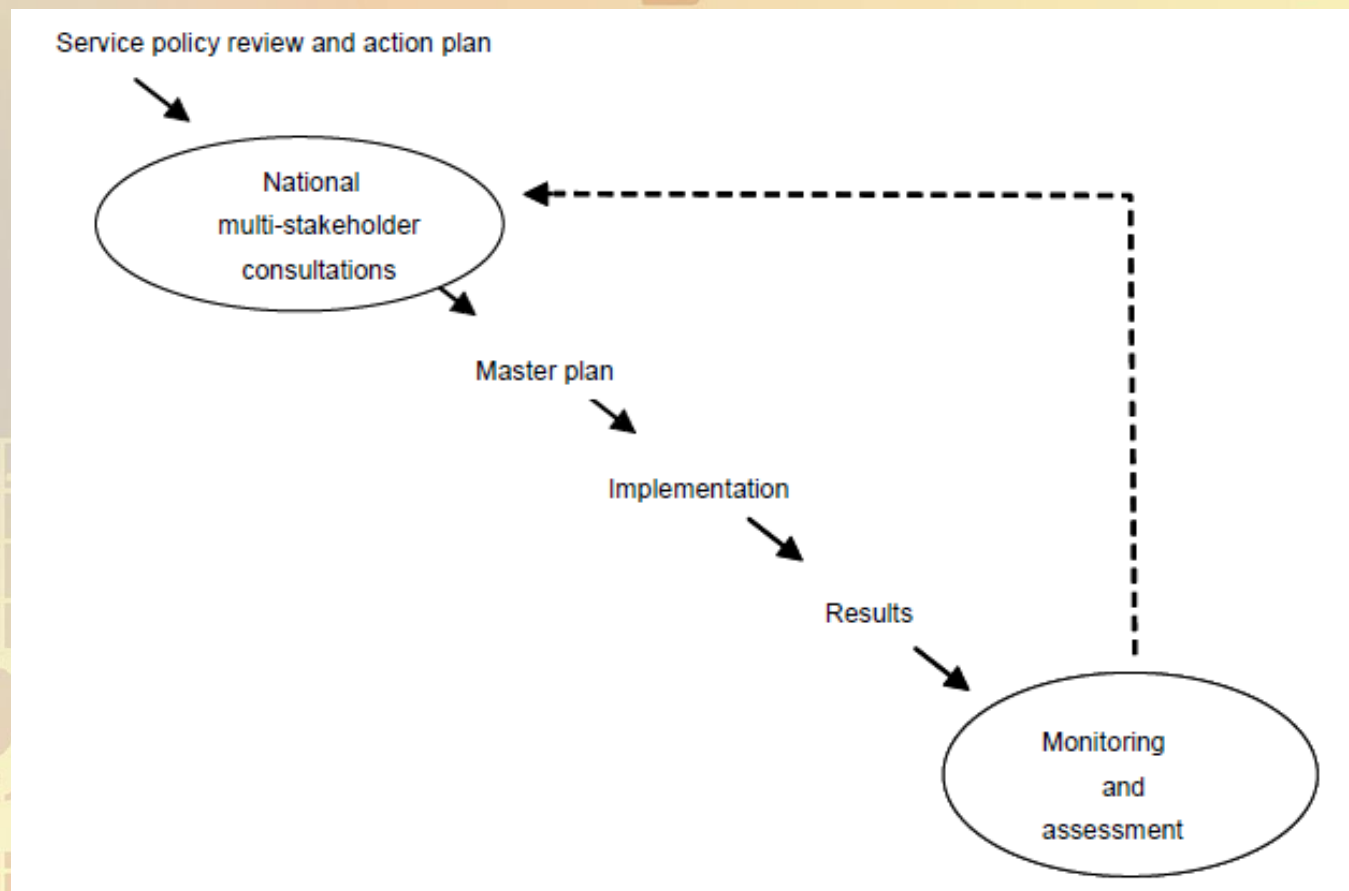
Dissemination

Implementation & follow-up

# SPR Methodology

## Towards the services master plan / strategy

SPRs are expected to catalyse and institutionalise an endogenous process of services policy formulation, implementation and review:



## **Support on WTO Accession**

### **- Ultimate Goal -**

- **To enable acceding countries to join the WTO on terms consistent with their respective development needs and which would allow for their meaningful participation in the multilateral trading system & benefit from trade opportunities.**

## **Working in Partnership: Complementarity no duplication**

- **Delivery of TA & CB programmes on accession, in close cooperation with the WTO Secretariat & other relevant multilateral and bilateral agencies like WIPO, WB, FAO, ITC, ESCWA, ECA, UNDP, SIDA, EU, IsDB...(joint advisory missions, seminars & workshops)**



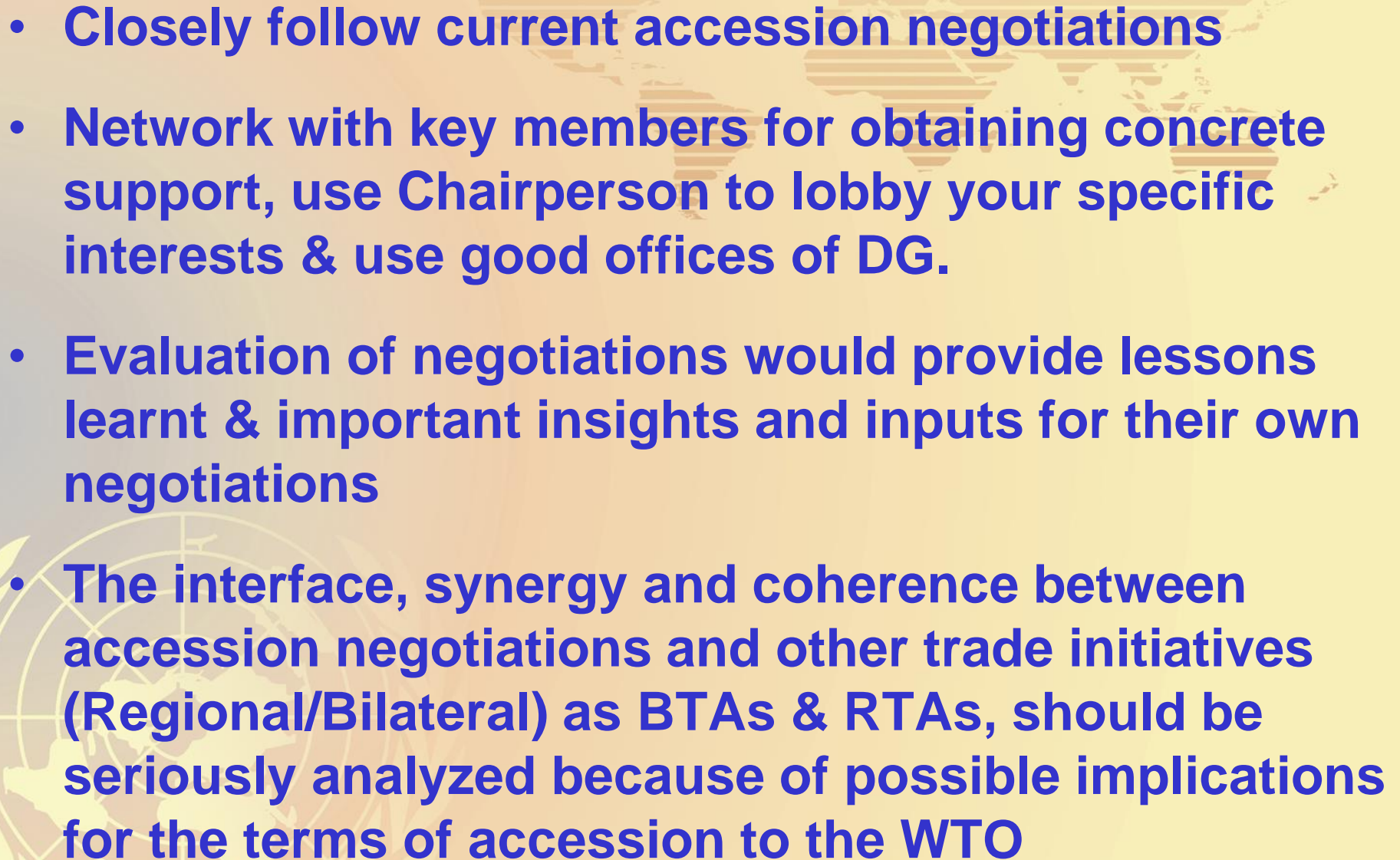
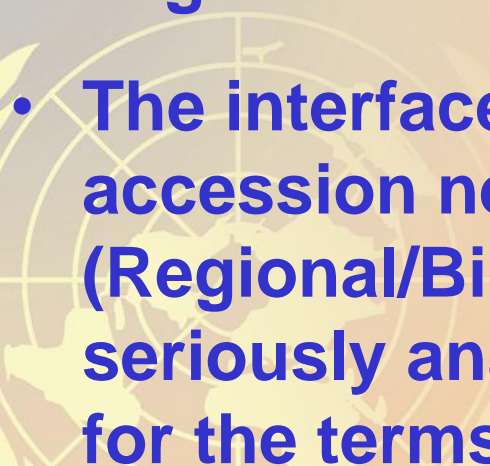
# Conclusions & Recommendations

***What can be done to support  
the accession process?***



- **Elaborate CLEAR negotiating objectives based on an analysis of basic economic strategies and policies**
- **Effective & WELL COORDINATED governmental machinery is needed to support negotiations**
- **The process has to involve various ministries & all stakeholders including private sector & civil society be placed at highest level of GVT**
- **Make full use of observer status**
- **Accession negotiations and membership require considerable strengthening of national regulatory and institutional infrastructure**
- **Keep negotiating team stable**

- Recently acceding countries were subject to strong pressures for adopting deep liberalization commitments;
- The scope of specific commitments adopted by acceding countries has continuously enlarged through time;
- Trend expected to continue in the future, placing strong demands on countries currently in the accession process;
- Acceding countries should retain the necessary *policy space*;
- LDCs should be granted the full benefit of LDC Guidelines on accession, including longer transition periods commensurate with their level of Dev. & economic and social needs;
- They need support to provide social safety nets & trade adjustment mechanisms as part of trade liberalization cost (revenue & job losses- winners and losers of reforms)

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- **Closely follow current accession negotiations**
  - **Network with key members for obtaining concrete support, use Chairperson to lobby your specific interests & use good offices of DG.**
  - **Evaluation of negotiations would provide lessons learnt & important insights and inputs for their own negotiations**
  - **The interface, synergy and coherence between accession negotiations and other trade initiatives (Regional/Bilateral) as BTAs & RTAs, should be seriously analyzed because of possible implications for the terms of accession to the WTO**



***Thank you!***

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