## The speech of First Deputy Minister of Economic Development and Trade of the Republic of Tajikistan H. E. Mr. Saidrahmon Nazrizoda "Ashgabad- How to prepare for WTO membership, experience of Tajikistan"

Dear Mr. Osakwe, Distinguished participants, Ladies and Gentlemen,

Before I proceed with my remarks, allow me on behalf of the Government of the Republic of Tajikistan to kindly extend my appreciation for the hosts of the today's vital for our country and the region as a whole event.

Since the Independence Tajikistan has entered a new phase in its development. We all know that the achievement of development goals is primarily connected with the development of trade.

Therefore, with the aim to trade more and to be an important part of the world trading system, Tajikistan realized the importance of becoming a member of the World Trade Organization.

The path of the Republic of Tajikistan to the WTO has started in 2001 when the Government of Tajikistan submitted its application to the WTO Secretariat with the aim of joining this organization. The WTO General Council established the Working Party on Tajikistan's accession to WTO, and consequently Tajikistan obtained the observer status in the WTO. The Working Party consisted of thirty WTO Members, whereas 27 European Community member states are considered as one WTO Member. Overall, there were nine Working Party meetings. The accession process has been particularly expedited in 2012 when four out of nine WP meetings took place.

In order to fully support the accession of the Republic of Tajikistan to the WTO the Government of the Republic of Tajikistan had a strong political will and the President of the country created all favorable conditions for the country's fast and smooth accession to the WTO.

Based on the experience of the negotiation process, the key factors of the successful completion of the negotiation process and accession of the Republic of Tajikistan have been the following:

1. Political decision of the Government of the Republic of Tajikistan to complete the accession process in order to integrate the economy of the country to the global economy taking into account national interests by the way of intensive negotiations.

2. Development of the action plan by the Government of Tajikistan and approval of the relevant road map to accelerate the process of accession of the Republic of Tajikistan to the WTO.

3. To achieve the outlined goals, two level Inter-ministerial Commission has been established:

- In the first level were included the heads of key ministries, that were obliged to identify strategic directions, to approve the negotiation position, to provide the single strategy for cooperation of the Republic of Tajikistan with WTO, to make decisions on introduction of changes and amendments to the current foreign trade regime, to remove the existing discriminating barriers, and to identify the position of the Republic of Tajikistan in respect of the market access on goods and services.

- Second level consisted of expert group for conducting bilateral and multilateral negotiations, as well as consultations with the partner countries; reviewing issues and comments from the WTO members and preparation of appropriate replies, development of possible positions of the Republic of Tajikistan in respect of the results of negotiations with WTO members.

4. Success in negotiations mostly depended on personnel qualities and competency of the national negotiating team and a great desire to achieve maximum results. In particular, members of the Tajik negotiation team were required to have a good knowledge on the history of GATT, GATS, TRIPS, Uruguay round of negotiations and establishment of WTO, rules of GATT and WTO, advantages and disadvantages of protectionism and free trade, unresolved problems and discussions among the WTO members. Most importantly, members of negotiation team had to be familiar with the features of social and economic development of the country, serious problems facing development needs and the difficulties of transformation to the market economy.

5. Success of completion of the negotiations also depended on the "mobility" of negotiations. Where circumstances so warranted, the members of Tajik negotiating team visited WTO member countries, had meetings with the representatives of the embassies of these countries in Tajikistan and requested embassies of Tajikistan in other countries to conduct negotiations.

6. The important role was played by direct support of the donor countries, in particular Switzerland, USA and European Union through providing financial, technical assistance and providing the international experts during the entire process of the accession of Tajikistan to the WTO. Strong support and great experience of these countries in international trade and the efficient cooperation with the governmental authorities of these countries played an important role in the outcome of negotiations on the accession of Tajikistan to the WTO. Also International Organizations such as ITC, USAID, ADB, EBRD, WB and others had a strong positive impact during the accession process of Tajikistan to the WTO.

7. Selection of the optimal strategy of cooperation of the delegation of the Republic of Tajikistan in the process of negotiations with WTO members and WTO Secretariat and establishing personal and working relations with representatives of the WTO members and WTO Secretariat have been another important element in the successful completion of the accession process.

In the process of negotiations more than 100 laws and regulations have been either amended or replaced in order to bring the trade regime in compliance with WTO rules and disciplines. Foreign trade regime of Tajikistan was reviewed in detail during the Working Group meetings. During the process of accession more than 1,300 Members' questions have been replied by Tajikistan.

In addition to achieving the WTO compliance Tajikistan managed to protect its national interests. The level of agricultural support is 8 % of the GDP. The final average bound rate is 8.0%, which is relatively high, and actually higher than the average currently applied rate (7.3%). The final average bound rate for agricultural products is 10.4%, whereas Tajikistan succeeded in maintaining tariff peaks of up to 23% for a number of sensitive products (ethyl alcohol, alcoholic drinks, dry fruits, natural honey, certain fresh and processed vegetables, raw silk and cotton). The final average bound rate for non-agricultural products is 7.6%, with tariff peaks of up to 30% for a number of sensitive products (textiles, clothing, footwear, carpets, aluminum products, construction materials, certain chemicals, and mattresses).

Bilateral negotiations on market access on goods have been concluded with 13 WTO Members; bilateral negotiations on market access on services have been concluded with 6 WTO Members and relevant Protocols were signed.

The multilateral negotiation process was completed on 26 October 2012, at the ninth WG meeting, where the Working Group adopted the draft Report ad referendum and submitted it to the WTO General Council for the final approval.The Accession Package was approved by the General Council on 10 December 2012. The Protocol on Accession of the Republic of Tajikistan to the WTO was signed by the President of the Republic of Tajikistan H. E. Emomali Rahmon and the WTO Director General H.E. Pascal Lamy and the Republic of Tajikistan became 159th WTO member on 2 March 2013.

We believe that we succeeded in protecting national interests in the course of bilateral negotiations on market access of goods. As a result, the final average bound rate is 8.0%, which is higher than the average applied rate.

Tajikistan's WTO membership, first and foremost actively contributes to the process of integration into the global economy, has a positive effect on the country's rating at the global level, makes it possible to take advantage of international trade, contributes to the improvement of the structure of government administration and plays an important role in the training of highly qualified specialists in the sphere of economy and international trade.

Participation of the Republic of Tajikistan in the WTO activities is one of the priority issues of the economic development of the country. Membership in this organization allows the implementation of the system of transparency, predictability, and most importantly establishing compliance with the requirements of the global trade market access, and also increases the competitiveness in the domestic market.

The Government of the Republic of Tajikistan is well aware that WTO membership is not the end of the process. On the contrary, this is the beginning of the serious work on implementation of WTO rules and disciplines, fulfillment of commitments taken during the accession process and further reform and liberalization of the trade regime. In addition, WTO membership requires adaptation of the country's economy to new conditions of competition in the global arena.

In the current environment, with the accession of the Republic of Tajikistan to the WTO, the use of the benefits of the membership in this organization, preparation of the country's economy to a healthy competition in the transition period, harmonizing its economy within the framework of the commitments of the Republic of Tajikistan, protection of the economic interests of domestic manufacturers, and progressive development of foreign economic relations are of special importance, becoming a critical factor in the development of the national economy.

Bringing the legislation of the Republic in compliance with the rules and regulations of the WTO, which was fully implemented during the WTO accession process, is the legal basis for the membership of the Republic of Tajikistan in the WTO. The Republic of Tajikistan has performed the work related to the harmonization of legislation of the Republic with the WTO rules and removal of inconsistencies of the national legislation with the national treatment and most favored nation treatment principles.

Nevertheless, with gaining the status of the WTO member the works on reforms are yet to be completed. Therefore, the Government considered adopting the Program on adaptation of the economy of the Republic of Tajikistan related to the Membership in the WTO. The main objective of the Program is creating a favorable environment for the development of small and medium enterprises, attracting foreign investment, strengthening bilateral and multilateral cooperation with the WTO members and provision of advantages of the WTO membership for the business community, by taking the necessary measures to accelerate reforms in various sectors. This program is aimed at reducing unemployment through the creation of appropriate conditions for the new jobs, reducing poverty and raising living standards of the population.

This program covers a variety of sectors, and its main objective is to organize a non-discriminatory environment, transparency, equality of foreign trade operators, ensuring uniform conditions of access to the services market and prepare the best conditions for the sustainable development of the economy. The program has an Action Plan, which is a consequence of the commitments of the Republic of Tajikistan in the framework of the WTO. The program addresses issues of technical barriers to trade, sanitary and phytosanitary measures, services, intellectual property, sectoral measures, including measures in agriculture and industry, increasing knowledge and awareness of the wide range of entrepreneurs of the WTO and the education sector.

Our distinguished guests are already informed that in December, 2013 on 9<sup>th</sup> WTO Ministerial Conference in Bali WTO member states approved the Trade Facilitation Agreement.

Government of the Republic of Tajikistan considering the importance of this Agreement that it could lead to reduction of expenditures on trade deals related to customs procedures on imports and exports, launched internal procedures on ratification of this document.

The Ministry of Economic Development and Trade of the Republic of Tajikistan drafted the Resolution of the Parliament of the Republic of Tajikistan "On Ratification of the Trade Facilitation Agreement". After conforming it on the Government level, the Parliament of the country issued relevant Decree on ratification of this agreement.

Within the framework of the Trade Facilitation Agreement the Government of the Republic of Tajikistan drafted the Resolution of the Government of the Republic of Tajikistan on "Establishing the National Trade Facilitation Committee". The following resolution was conformed with ministries and agencies of the Republic of Tajikistan and now is in the Government of the Republic of Tajikistan for the final review. The members of the Trade Facilitation Committee are high rank Government Officials. Such high rank officials will be able to immensely contribute to the Facilitation of Trade in the Republic of Tajikistan.

Seizing this opportunity, on my own behalf and the Ministry of Economic Development and Trade of the Republic of Tajikistan, I would like to thank our distinguished guests and delegations for their participation in today's vital for international trade event.