

18 February 2021

(21-1414) Page: 1/42

# WTO ACCESSIONS

# 2020 ANNUAL REPORT BY THE DIRECTOR-GENERAL\*

This document has been prepared under the Secretariat's own responsibility and is without prejudice to the positions of Members or to their rights and obligations under the WTO.

<sup>\*</sup> In the absence of the Director-General since September 2020, this report is presented by the Deputy Director-General in charge of Accessions. Unless otherwise specified, this Annual Report takes account of confirmed accession-related developments from 1 January 2020 to until 31 December 2020.

# TABLE OF CONTENTS

I.	OVERVIEW 2020 AND OUTLOOK 2021	. 3
II.	DEVELOPMENTS IN 2020	. 6
1.	ACCESSION WORKING PARTIES: AN OVERVIEW OF ACTIVITIES	. 6
2.	NEW OBSERVER	. 6
3.	WORKING PARTY CHAIRPERSONS	. 6
4.	TRANSPARENCY IN THE ACCESSION PROCESS	. 7
5.	TECHNICAL ASSISTANCE AND OUTREACH	. 8
III.	STATE OF PLAY IN ACCESSION WORKING PARTIES	12
IV.	ACCESSIONS OF LEAST-DEVELOPED COUNTRIES	15
V.	"TRADE FOR PEACE THROUGH WTO ACCESSIONS" INITIATIVE	16
VI.	WTO ACCESSIONS AND REGIONAL TRADE INTEGRATION	17
1.	INTRODUCTION	17
2.	PARTICIPATION OF ACCEDING GOVERNMENTS IN RTAS	18
3.	PARALLEL PURSUIT OF WTO ACCESSION AND REGIONAL TRADE INTEGRATION: PROCESS AND SUBSTANCE	21
4.	CONCLUSION: RECOMMENDATIONS FOR NAVIGATING PARALLEL NEGOTIATING PROCESSES	24
VII.	POST-ACCESSION	25
VIII.	TRADE AND ECONOMIC PERFORMANCE OF ARTICLE XII MEMBERS	26
ANNE	EX 1 - ACCESSIONS DIVISION WORK INDICATORS (2018-2020)	31
ANNE	EX 2 - ACCESSIONS NEGOTIATED PURSUANT TO ARTICLE XII	32
ANNE	EX 3 - WTO ACCESSIONS WORKING PARTY CHAIRPERSONS	33
ANNE	EX 4 - OVERVIEW OF RTAS BY ARTICLE XII MEMBERS	34
ANNE	EX 5 - LENGTH OF TIME OF COMPLETED ACCESSIONS	36
	EX 6 - BASIC ECONOMIC PROFILES OF ACCEDING GOVERNMENTS AND CLE XII MEMBERS	37
ANNE	EX 7 - DATA ON TRADE PERFORMANCE	40
ANNE	EY 8 - ACCESSIONS MANAGEMENT	12

# I. OVERVIEW 2020 AND OUTLOOK 2021

# Overview of activities in 2020

- 1. 2020 was an unprecedented year in recent history due the COVID-19 pandemic outbreak and its consequences which have touched upon every single aspect of our lives in every corner of the world. It was a challenging year for the WTO, not least because the pandemic disrupted its core activities, especially during the first half of the year, and it also disrupted the international trade of Members, except for supplies of essential goods critical to combatting the health crisis as trade in these goods expanded dramatically. The difficulties and challenges arising from the pandemic were particularly pronounced in acceding governments due to the uncertainties of being outside of the multilateral trading system. In fact, the desire and urgency to be part of the WTO was never felt stronger than in the pandemic year. This was reflected in the level of accession activities in 2020, which was sustained vis-à-vis previous years, with a significant increase in technical assistance and outreach activities.
- 2. The year for accessions started with the establishment of a new Working Party for the accession of Curaçao, a constituent country within the Kingdom of the Netherlands (WTO Member), following its application for an independent membership as a separate customs territory pursuant to Article XII of the Marrakesh Agreement. This constituted the 59th request by a state or separate customs territory for membership since the establishment of the Organization in 1995. In July, Turkmenistan was granted observer status in the WTO, with the understanding that it would apply for accession no later than in five years. This brought the total number of observer governments with the intention to accede to the WTO to 24, an increase by five since 2016 when Afghanistan and Liberia became the Organization's most recent Members. The continuing interest to become part of the multilateral trading system is a testament to the attraction and relevance of its values and principles for all economies, regardless of their size or level of development.
- 3. The COVID-19 pandemic undoubtedly hampered or delayed the technical work by acceding governments, Members and the Secretariat to prepare for, engage in and follow up on Working Party meetings. However, thanks to the firm commitment of the acceding governments to advance their work, four Working Parties met, including through the use of virtual platforms that connected the acceding governments which were unable to travel to Geneva. One acceding government had to cancel its already scheduled meeting due to the suspension of all WTO meetings in March. Out of the four accession Working Party meetings held in 2020, three were on LDC accessions (Ethiopia, Comoros and Timor-Leste). In two cases the Working Parties of Ethiopia and Uzbekistan this also represented the formal resumption of accession processes after several years of inactivity (8 and 15 years, respectively), signalling their desire to use WTO membership negotiations to drive domestic economic reforms, which have broader implications in the regions where they are located.
- 4. When the pandemic halted planned missions, technical assistance, and outreach activities which required air travel, the Secretariat rapidly shifted the mode of operation to virtual format and took advantage of the opportunities provided thereby. In addition to the formal accession Working Party meetings which took place via Interprefy, the Accessions Division organised virtual technical meetings and briefing sessions with acceding governments, Working Party Chairpersons and partners in support of accessions. Moreover, the Division delivered a number of technical assistance, training and outreach activities in response to articulated needs of acceding governments, using various virtual platforms, such as MS Teams, Zoom and WebEx. In fact, the number of activities delivered by the Division and of participants who attended or were trained in 2020 exceeded considerably the numbers in previous years.
- 5. One of the novel outreach programs developed in 2020 was two week-long activities which consisted of a series of webinars combining lectures, training and panel discussions. The first Accessions Week was organised from 29 June to 3 July, and the first edition of the Trade for Peace Week took place from 30 November to 4 December. These virtual events brought together a large number of resource persons and panellists from around the world and reached out to a larger number of participants, in a highly cost-effective manner, in comparison with traditional in-person activities. While the full values and benefits of in-person interaction cannot be replaced or replicated, the Accessions Week enabled the Secretariat to remain engaged with acceding governments and Members, experts and partners, beyond Geneva and around the world. The Trade for Peace Week provided an effective networking platform to expand the WTO's partnership with the peace and humanitarian communities in support of fragile and conflict affected (FCA) countries in accession.

- 6. The importance of collaboration and cooperation with partners was never felt more strongly than in 2020. The Secretariat made concerted efforts to enhance and expand the "Trade for Peace through WTO Accession" Initiative to support FCA countries in accession and those recently acceded to the WTO. In 2020, nine acceding governments were identified as being in a FCA situation according to the World Bank's classification<sup>1</sup>, while conflicts emerged or resurged in some others. The pandemic hit hardest countries which had already been suffering from years of conflict, political crises, drought and other natural disasters, compounded by declines of the price of oil and other commodities. Nonetheless, some FCA acceding LDCs showed remarkable resilience in sustaining their engagement in accession. The Working Party on the Accession of the Union of Comoros resumed its work with determination to finalise the process as soon as possible. The Working Party on the Accession of Timor-Leste activated the Working Party by holding its first meeting nearly four years after its establishment, despite various challenges faced on the domestic front. Moreover, Somalia submitted its Memorandum on the Foreign Trade Regime, the base document to start its accession engagement with Members. Furthermore, the Secretariat continued to provide support to the g7+ WTO Accessions Group, which was coordinated by Afghanistan.
- 7. The year 2020 marked the 25<sup>th</sup> anniversary of the WTO. The Secretariat used its annual flagship event, the China Round Table on WTO Accessions, to review the contributions made by accessions to the multilateral trading system since 1995. The event also provided an opportunity for an exchange of ideas to explore the future expansion of WTO membership towards universality, including through possible improvements in the accession process. The year also marked a significant anniversary milestone for five Article XII Members<sup>2</sup> Albania, Croatia, Georgia, Jordan and Oman which joined the WTO in 2000, the year with the largest number of new members to date. Other anniversary milestones included the fifth anniversaries of Membership of Kazakhstan and Seychelles and the fifteenth anniversary for the Kingdom of Saudi Arabia. In recent years, membership anniversaries have become an important occasion to reflect on the benefits and values of being part of the Organization.
- 8. Finally, the thematic focus of the 2020 Annual Report was on the complementarities and synergies in negotiating WTO membership and regional trade agreements. Almost all acceding governments are involved in regional integration initiatives in parallel with their efforts to achieve WTO membership. The highlight of the year was the implementation of the African Continental Free Trade Area (AfCFTA) to which all African WTO applicants are signatories. The Report's thematic section builds on the rich discussions held on the topic during the 2020 Regional Dialogues on WTO Accessions for Africa and for the Arab Region, as well as other meetings on Central Asia and Eurasia. It aims to explore key opportunities and challenges that may arise in a simultaneous pursuit of regional and global integration efforts and to provide a checklist of issues for trade negotiators to consider in maximising the benefits from the participation in multiple trade arrangements.

# Outlook for 2021

- 9. Looking ahead, the COVID-19 pandemic is likely to continue to impact all aspects of WTO activities, including accessions. In addition to the usual factors influencing the pace of accessions, changes in geopolitical dynamics continue to impact some accessions. Two of the three accessions identified as strategic focus for the preceding year remain in strategic focus for 2021. These include Comoros, an LDC, and Bosnia and Herzegovina, where technical work is at an advanced stage. With Members' support, the finalization of their accession negotiations by the 12<sup>th</sup> WTO Ministerial Conference can contribute to the advancement of the twin objectives of peace and prosperity for both countries, as well as the objective of expansion of the coverage of the WTO's rules to all of world trade. The continuation and acceleration of work is expected in the accessions of Ethiopia, Timor-Leste and Uzbekistan, while the resumption of the Working Parties is also expected for Azerbaijan, Iraq and Sudan, where technical work has advanced.
- 10. Building on the progress made in the previous years, LDC accessions will remain a priority in 2021. The year is expected to bring renewed interest in LDC accessions as it will mark the 20<sup>th</sup> anniversary of the Doha Ministerial Conference where the mandate for LDC priority was established

<sup>&</sup>lt;sup>1</sup> According to the 2021 list of fragile and conflict-affected situations (FCS), these are: high-intensity conflict (Libya, Somalia, Syrian Arab Republic), medium-intensity conflict (Iraq, South Sudan), and high institutional and social fragility (Comoros, Lebanon, Sudan and Timor-Leste). Others that had been included in the earlier FCS lists include: Bosnia and Herzegovina, Sao Tome and Principe, and Uzbekistan.

<sup>&</sup>lt;sup>2</sup> Those countries having acceded to the WTO after its founding on 1 January 1995.

by Members, and the preparatory process starts for the fifth United Nations Conference on LDCs (LDC-V), which was postponed from March 2021 to January 2022 due to the pandemic. In addition to those mentioned in the previous paragraph, Somalia and South Sudan can be expected to activate their accession processes in 2021. Moreover, the prospect for graduation from LDC status may add urgency for some LDCs to advance their accession negotiations.

- 11. The Secretariat plans to expand and upgrade its capacity to deliver technical assistance, training and outreach activities using virtual platforms, which will complement in-person activities even when travel and other restrictions associated with the COVID-19 pandemic are lifted. Partnership and collaboration will remain a critical pillar for accession outreach activities. In addition, specific steps will be implemented to upgrade the Trade for Peace Initiative to a more structured form of cooperation, based on the recommendations from the 2020 Trade for Peace Week.
- 12. Transparency in the WTO accession process shall remain a key pillar of the Secretariat's work, along with sharing accession knowledge by providing platforms, tools and access for acceding governments and the accession community at large. A new, user-friendly accession portal will be launched during the first quarter in 2021, as a first step in modernizing and digitalising the accession-related information. Greater use of audio and video content is also planned, including for social media platforms. In addition, the publication of two books focused on accession by Cambridge University Press by the end of 2021 is expected to enrich knowledge on various aspects of WTO accessions.
- 13. Despite the enormous contributions made in strengthening the multilateral trading system during the last quarter of the century, WTO accessions remain unfinished business with respect to the goal of universality. As the guardian of the system, the Secretariat remains fully committed to advancing this goal by facilitating accession processes for the benefit of acceding governments and Members. The year 2021 can bring to fruition the long years of their hard work. These countries have invested substantially in the accessions process. Their efforts can result in the inclusion at the 12<sup>th</sup> Ministerial Conference of additional countries in the roster of WTO Membership.

Alan Wm. Wolff

Deputy Director-General

# II. DEVELOPMENTS IN 2020

# 1. ACCESSION WORKING PARTIES: AN OVERVIEW OF ACTIVITIES

- 14. At the start of the year, 22 governments were in the process of WTO accession. With the establishment of the Working Party on the Accession of Curação by the General Council in March 2020, that number has increased to 23.
- 15. In the year under review four formal Working Party meetings were held. These were on the accessions of Ethiopia (fourth meeting), Uzbekistan (fourth meeting), Comoros (fifth meeting) and Timor-Leste (first meeting).<sup>3</sup>
- 16. Progress in the accession Working Parties was documented as follows:
  - Memoranda on the Foreign Trade Regime (MFTR) were circulated and revised for the Working Parties on the Accession of Somalia and Uzbekistan, respectively;
  - Draft Reports of the Working Party were revised by the Secretariat for the Working Parties
    on the Accession of Belarus and Comoros.

In total, 59 accession documents were issued under document symbols WT/ACC, WT/ACC/SPEC and JOB/ACC series, for six Working Parties (see Annex 1).

# 2. NEW OBSERVER

17. In May, Turkmenistan submitted a request for observer status which included its intent to initiate negotiations for WTO accession within a period of five years. At the meeting of the General Council on 22 July 2020, Members agreed to grant Turkmenistan observer status in the Organization.

# 3. WORKING PARTY CHAIRPERSONS

- 18. As of December, of the thirteen Working Party Chairpersons, nine were Geneva-based and three were women. There were ten vacancies for the positions of Chairpersons of Accession Working Parties, including vacancies on accessions at their initial stages, where no documentary basis for work existed (see Annex 3).
- 19. There were five changes in the status of accession Working Party Chairpersons during the period under review:
  - Ambassador Mikael Anzén (Sweden) was appointed as Chairperson of the Working Party of the Accession of Somalia in October:
  - The positions of Chairperson of the Working Parties on the Accession of Azerbaijan, The Bahamas, Comoros and South Sudan became vacant following the resignation of Dr Walter Werner (Germany), Ambassador Andrew Staines (United Kingdom), Ambassador Luis Enrique Chávez Basagoitia (Peru) and Ambassador Mohammad Qurban Haqjo (Afghanistan), respectively, by the end of 2020.
- 20. In 2020, Working Party Chairpersons remained actively engaged. They consulted with Members and acceding governments in various formats and configurations and participated in outreach to improve technical and policy understanding on WTO accessions. The active engagement of Chairpersons played a significant role in advancing the accessions processes, including through country visits. In 2020, Mr Katsuro Nagai (Japan), Chairperson of the Working Party on the Accession

<sup>&</sup>lt;sup>3</sup> The meetings were held on 30 January, 7 July, 14 September and 1 October, respectively. Due to the COVID-19 pandemic, the Working Party meetings of Uzbekistan, Comoros and Timor-Leste were held in hybrid mode (with in-person attendance and simultaneously on the Interprefy platform). In addition, the 13<sup>th</sup> Working Party meeting on the Accession of Belarus, which was scheduled for 24 March, had to be postponed due to the closure of the WTO premises because of the COVID-19 pandemic.

of Sudan, visited Khartoum on 26-27 January, while other planned visits were cancelled due to the COVID-19 pandemic.

# TRANSPARENCY IN THE ACCESSION PROCESS

Ensuring transparency and predictability in the accession process remains a key priority for 21. the Secretariat and Members. Various transparency measures continued to be implemented in 2020.

#### i. Informal Group on Accessions (IGA)

The IGA held six meetings in 2020.4 Consultations in the IGA focused on: (i) Secretariat reports on state of play in accession; (ii) Secretariat reports on technical-assistance and outreach activities; (iii) reports by two Working Party Chairpersons<sup>5</sup>; (iv) planning of accession meetings and activities; and (vi) addressing specific concerns raised by Members.

# **WTO Accessions Newsletter**

In the period under review the Secretariat issued six WTO Accessions Newsletters. 23. The Newsletter ensures transparency on accession matters, including recent developments, calendar of activities and issues of interests to the accession community. It also aims to enhance communication with acceding governments, Chairpersons, Members, partners and the broader trade policy community. In 2020, the presentation of the Newsletter was changed to a web-based and user-friendly format. The number of subscribers to the Newsletter at the end of 2020 was 1600 (excluding subscribers from the Secretariat), representing a 60% increase from 2019.

#### iii. **Annual Outreach Dialogue with WTO Regional Groups**

The Secretariat regularly organises outreach dialogues with various WTO Regional Groups to strengthen communication channels with Members and acceding governments. The dialogue also provides a platform to exchange region-specific information on WTO accessions. In 2020, due to the COVID-19 pandemic, no dialogue could be organised.

# **Accessions Transparency Toolbox**

- WTO Accessions Intelligence Portal (AIP)
- The Accessions Intelligence Portal (https://www.wto.org/accessions) forms an integral part of the Secretariat's initiative to enhance transparency on WTO accession negotiations. The AIP provides access to documentation and data on the WTO accession processes, including 36 completed and 23 ongoing accessions. The Portal is regularly updated based on documentation received from acceding governments and produced by the Secretariat with respect to ongoing accessions. 6 In 2020, a new, more user-friendly layout of the AIP was developed, to be launched in 2021.
  - Accession Commitments Database (ACDB)
- The Accession Commitments Database (http://acdb.wto.org) provides access to all accessionspecific commitments and related information contained in Accession Working Party Reports and Protocols of the 36 Article XII Members. The ACDB is available to the general public in the three WTO official languages.
  - · Register of Bilateral Market Access Agreements

<sup>&</sup>lt;sup>4</sup> In 2020, the IGA met on 6 February, 14 May, 25 June, 28 July, 29 September and 18 December. All

meetings, except the February meeting, took place virtually or in hybrid mode.

<sup>5</sup> At the IGA meeting of 6 February, Mr Katsuro Nagai (Japan), Chairperson of the Working Party on the Accession of Sudan, reported on his visit to Sudan on 26-27 January (contained in document JOB/ACC/SDN/9). At the IGA meeting of 29 September, Ambassador Omar Hilale (Morocco), Chairperson of the Working Party on the Accession of Iraq, reported on his visit to Geneva on 24-26 August (contained in document JOB/ACC/IRQ/2).

<sup>&</sup>lt;sup>6</sup> While the AIP is open to the public, some parts of the website, including access to documents of ongoing accession negotiations, remain password-protected and are only accessible to Members and acceding governments.

The Register of Bilateral Market Access Agreements contains basic information regarding signed bilateral market access agreements on goods and services that have been deposited with the Secretariat. The Register lists the type of the agreement (goods; services; or both), and the dates of signature and deposit. The content of bilateral market access agreements remains confidential to the signatories and the Secretariat, which acts as the depository of the Agreements. Reports generated by the Register are available to WTO Members via a password-protected access: https://www.wto.org/english/thewto\_e/acc\_e/xacc\_e/register\_e.htm.

# **TECHNICAL ASSISTANCE AND OUTREACH**

#### i. **Technical assistance**

- 28. The Secretariat offers technical assistance and training adapted to the evolving needs of acceding governments in different stages of the accession process. Their effective participation in accession negotiations is one of four Key Results identified by the Biennial Technical Assistance and Training Plans. The Plan grants priority attention to LDCs, including acceding LDCs. Traditionally, accession-related technical assistance and capacity building focus on training for government officials. These activities, however, also cover outreach activities for Parliamentarians, the private sector, academia, civil society, and the media.
- 29. In 2020, 23 acceding governments and Turkmenistan (Observer)8 were invited to participate in technical-assistance and capacity-building activities, including activities held at the global, regional and national levels, as well as in e-learning courses. However, many activities were cancelled, postponed or converted to virtual delivery due to the COVID-19 related restrictions. In the period under review, the Accessions Division was involved in the delivery of 27 technical assistance activities, including 21 delivered through virtual platforms. These included, inter alia: (i) technical missions; (ii) targeted national training sessions and seminars; and (iii) participation in conferences. Since the closure of the WTO premises and the introduction of travel restrictions, the virtual platforms - Zoom and Google Drive - were used extensively for training delivery, which proved to be a cost-effective and efficient way to deliver technical assistance and training. This was particularly true for the first Accessions Week held on 29 June to 3 July which attracted over 850 participants.
- Specifically, the Accessions Division, including in collaboration with other Secretariat Divisions and/or other institutions, provided tailor-made technical assistance and advice to Azerbaijan, Belarus, Curação, Ethiopia, Sudan, Timor-Leste, Turkmenistan and Uzbekistan:
  - At the request of the Government of Azerbaijan, the Secretariat participated in the final conference of an EU-funded project on WTO accession on 21 January, in Baku. The Secretariat (i) provided a presentation on the benefits of WTO accession for Azerbaijan, the state of play in the accession process, and the way forward; and (ii) met with relevant government officials;
  - At the request of the Government of Belarus, the Secretariat conducted two virtual training sessions on: (i) the SPS and Trade Facilitation Agreements and on (ii) pricing policies, during the week of the 30 November and on the 15 and 17 December, respectively;
- At the request of the Government of Curação, the Secretariat participated in a webinar for the National Export Awareness Week on 19 May. The Secretariat also delivered six virtual training sessions<sup>10</sup>, from 9 October to 27 November, on: (i) overview of the accessions process; (ii) trade facilitation; (iii) licensing procedures; (iv) customs valuation; (v) quantitative restrictions; and (vi) customs duties, fees and charges, and internal taxes;
- At the request of the Government of Ethiopia, the Secretariat organized a Round Table with former Chief Negotiators, in Geneva, on 31 January, and a virtual training session on trading

<sup>&</sup>lt;sup>7</sup> The latest plan for 2020-21 is contained in document WT/COMTD/W/248/Rev.1.

<sup>&</sup>lt;sup>8</sup> Turkmenistan became a WTO observer on 22 July.

 $<sup>^{9}</sup>$  In total, approximately 1,800 participants, including non-acceding government participants, took part

in these activities.

<sup>10</sup> On 9 October (Overview of the accession process); 16 October (Trade facilitation); 30 October (Licensing procedures); 6 November (Customs valuation); 20 November (Quantitative restrictions); and 27 November (Customs duties, fees and charges, and internal taxes).

rights, on 28 September. The main objective of the activities was to assist Ethiopia in familiarizing itself with the experiences of concluded accessions11 and in the preparation of responses to questions raised by Members following the 4th Working Party meeting;

- At the request of the Government of Sudan, on the margins of the Working Party Chairperson's visit to Khartoum on 26-27 January, the Secretariat conducted a technical assessment of accession documentation, notably the Factual Summary of Points Raised and the Legislative Action Plan, and identified areas for updates required to resume the Working Party process;
- At the request of the Government of Timor-Leste, ten virtual training sessions<sup>12</sup> were organized, from 20 July to 5 November, on: (i) agriculture; (ii) market access offers on goods and services (five sessions); (iii) accessions checklists and questionnaires; (iv) import licensing; (v) subsidies and state trading; and (vi) regional trade agreements;
- vii. At the request of the Government of Turkmenistan, the Secretariat: (i) participated in the OSCE seminar on "WTO Membership as a Balance of Rights and Obligations: The Best Practices of the OSCE participating states", on 4 September, and (ii) organized a Seminar on the preparation of the Memorandum on the Foreign Trade Regime (MFTR), on 15 December, jointly with the Asian Development Bank (ADB);
- viii. At the request of the Government of Uzbekistan, the Secretariat organised a specialised training on trade in services in Geneva on 23-24 January for the visiting delegation from Tashkent. The main objective of the training was to enhance the delegation's knowledge of the GATS and to assist Uzbekistan in preparing its revised market access offer on services. The Secretariat also conducted three virtual training sessions on (i) bilateral market access negotiations on trade in goods and services, including a round table with former accession negotiators, on 16 July; (ii) state trading on 24 July; and (iii) subsidies rules and notifications on 28 September. Furthermore, the Secretariat, in collaboration with ITC, organised a virtual workshop on trade-related aspect of intellectual property rights on 30 November-2 December 2020.
- In 2020, two global activities were organised through the Zoom platform: (i) the Accessions Week and (ii) the Virtual Training on Agriculture in the WTO. From 29 June to 3 July, the Secretariat organized the first WTO Accessions Week<sup>13</sup>, which comprised ten 90-minute webinar sessions. The topics of the webinars included: (i) the present and future value of WTO membership; (ii) an overview of accessions; (iii) bilateral market access negotiations on goods; (iv) dialogues focused on specific regions/groups - Eurasia, Arab region and LDCs; and (iv) roundtables with key accession players - Chief Negotiators, Working Party Chairpersons, development partners and the private sector (co-organized with ITC). The sessions emphasised the key benefits of WTO accessions as a catalyst for economic reforms and the critical roles played by the Chairpersons, the Chief Negotiators, the WTO Secretariat, regional institutions, development partners and the private sector in advancing the accession process, addressing capacity constraints of acceding LDCs, and preparing for post-accession. The week-long event was attended by a total of 857 participants, including 121 from acceding governments, virtually connected from different parts of the world.
- The Accessions Division and the Agriculture and Commodities Division jointly organised a 6day training course for acceding governments on Agriculture in the WTO, in collaboration with the ITC, from 12 October to 22 October. The training comprised five sessions of lectures and one experience-sharing session with past and present accession negotiators. 14 The objective of the course was to acquaint participants with concepts and issues on agriculture in accession negotiations, to familiarize them with various accession-specific documents related to agriculture, and to enhance knowledge of agricultural commitments in accessions. 49 participants registered for the course, from 9 acceding governments.

 $<sup>^{11}</sup>$  Russian Federation (2012), Yemen (2014) and Kazakhstan (2015).

<sup>12</sup> On 20 July (Agriculture); 23 July (Market access offer on goods); 30 July, 27 August, 1 September, 9 September (Market access offer on services); 12 August (Accessions checklists and questionnaires); 7 September (import licensing); 8 September (Subsidies and state trading); and 5 November (Regional trade agreements).

https://www.wto.org/english/thewto\_e/acc\_e/accweek20\_e.htm
 From Belarus as well as Kazakhstan (2015), Russian Federation (2012) and Tajikistan (2013).

#### Outreach ii.

- The Secretariat continued to support informal groups linked to accessions, including the Informal Group of Acceding Governments (IGAG) and the 97+ WTO Accession Group. The Secretariat also organised regionally focused outreach activities, which aim at mobilizing acceding governments' efforts in pursuing WTO accession, in collaboration with partners with interest in accessions.
- 34. The IGAG, which comprises all acceding governments and Turkmenistan (which joined the Group in 2020), held five meetings. $^{15}$  This group, launched in 2018, is currently coordinated by Belarus. In 2020, the Group discussed, among others: (i) accessions and the COVID-19 pandemic; (ii) accession-specific technical assistance in the context of the pandemic; (iii) accessions and ongoing WTO negotiations (fisheries subsidies and Joint Initiatives).
- 35. The g7+ WTO Accessions Group, which comprises nine fragile and conflict-affected LDCs associated with WTO accession,  $^{16}$  held three meetings in 2020.  $^{17}$  The Group, launched in 2017, continued to be coordinated by Afghanistan in 2020. Issues covered in 2020 included: (i) a joint ministerial statement; (ii) the impact of COVID-19 on fragile conflict-affected countries; and (iii) coordination of the Group. In addition, on 4 December, the Group participated in the 2020 Trade for Peace Week with a dedicated session on "Trade in times of COVID-19: Experiences of Fragile and Conflict-Affected States", organized in collaboration with the g7+ Secretariat. The session focused on the impact of the COVID-19 pandemic on the economies of FCA states, and the counter measures aimed to combat it. It discussed the steps necessary to build resilience, including the need to minimize trade disruptions by preserving free trade and to pursue WTO membership.
- In 2020, the Secretariat organised two regionally focused dialogues, one on Africa and another on the Arab region, where a large number of acceding governments are located. The 3<sup>rd</sup> Regional Dialogue on WTO Accessions for Africa<sup>18</sup> took place in Addis Ababa, Ethiopia from 12 to 14 February 2020, organized in partnership with the Government of Ethiopia, the African Union Commission (AUC), the International Trade Centre (ITC), the United Nations Economic Commission for Africa (UNECA) and the World Bank.<sup>19</sup> Under the theme "Deepening Economic Integration in Africa through WTO Membership and AfCFTA Implementation", the Dialogue focused on: (i) Africa and the multilateral trading system; (ii) assessment of the economic impact of market opening; (iii) maximizing the benefits of the African Continental Free Trade Area (AfCFTA) through WTO Accession; (iv) WTO Accession and the AfCFTA: building synergies on substance and process; and (vi) engagement with domestic and international stakeholders. The Dialogue was attended by 77 participants, including government officials and private sector representatives from seven acceding governments (Algeria, Comoros, Equatorial Guinea, Ethiopia, Somalia, South Sudan and Sudan).20
- The first Regional Dialogue on WTO Accessions for the Arab Region<sup>21</sup>, organised in collaboration with the Arab Monetary Fund and the Islamic Development Bank took place virtually, from 8 to 10 November 2020. Under the theme "Arab Perspectives on WTO Accessions and the Multilateral Trading System", the Dialogue focused on: (i) increasing participants' knowledge of the WTO accession process, accession-related rules, and the state-of-play of Arab accessions; (ii) experience-sharing from the accession process by acceding governments and Article XII members; and (iii) identifying and mobilizing technical assistance to facilitate and accelerate ongoing Arab accessions in collaboration with development partners. The activity was attended by over 45 senior officials from seven Arab governments (Iraq, Jordan, Lebanese Republic, Oman, Palestine, Somalia and Sudan).

 $<sup>^{15}</sup>$  In 2020, the IGAG met on 16 January, 30 April, 9 June, 21 September and 20 November, and the last

four meetings were held through virtual platforms.

16 Three Article XII Members (Afghanistan, Liberia, Yemen) and six acceding governments (Comoros, Sao Tomé and Principe, Somalia, South Sudan, Sudan and Timor-Leste). For more information see: <a href="https://www.wto.org/english/news\_e/news17\_e/minis\_10dec17\_e.htm">https://www.wto.org/english/news\_e/news17\_e/minis\_10dec17\_e.htm</a>

17 The Group met on 2 March, 20 May and 15 December, and the last two meetings were held through

virtual formats.

<sup>&</sup>lt;sup>18</sup> https://www.wto.org/english/thewto e/acc e/3rdreginaldialacc19 e.htm
<sup>19</sup> The outcome document has been circulated under WT/ACC/37.

<sup>&</sup>lt;sup>20</sup> Other participants of the Dialogue included representatives of WTO Members, international organizations, development partners and external experts.

https://www.wto.org/english/thewto\_e/acc\_e/highlevelaccarreg2020\_e.htm

On 30 September, the Secretariat organised a panel session entitled "Harnessing Trade as a Means for Strengthening Agenda 2030/SDGs - the Case of WTO Accession", jointly with the UNECE and the Permanent Missions of Belarus and Kazakhstan, as part of the Geneva Trade Week. The panel consisted of current and former accession negotiators from Bosnia and Herzegovina, Kazakhstan, the United States and Uzbekistan. The panel discussed the linkages between WTO accessions and achievement of the Sustainable Development Goals (SDGs).

# China's LDCs and Accessions Programme (The China Programme)

- 39. The "China's LDCs and Accessions Programme" (the China Programme) was established by the Government of China and the WTO on 14 July  $2011.^{22}$  The China Programme is aimed at strengthening LDCs' participation in the WTO and at assisting acceding governments in joining the WTO. Out of the five pillars, the Accessions Division is responsible for the implementation of Pillar I "WTO Accessions Internship Programme"; and Pillar II "Annual China Round Tables on WTO Accessions".23
- 40. Under the WTO Accessions Internship Programme (Pillar I), eight interns worked in the Accessions Division in the year under review. Which is that have participated in the Programme since its launch in 2011, 14 have been from LDCs and 22 from non-LDCs. Twelve men and twenty-four women have participated in the Programme. The breakdown of interns per region is presented in Figure 1.

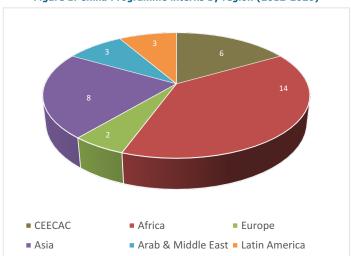


Figure 1: China Programme interns by region (2012-2020)

Under Pillar II, the Secretariat organized the 9th China Round Table on WTO Accessions on 11 December, in a virtual format, livestreamed from the WTO headquarters in Geneva. The Round Table reviewed and paid tribute to the contribution of 25 years of WTO Accessions and discussed the road ahead by highlighting remaining accession challenges, emerging best practices and exploring how the process could be made more effective, including with respect to the accession of

<sup>&</sup>lt;sup>22</sup> On 1 December, China and the WTO signed the eighth renewal and extension of the Programme, with a contribution of US\$500,000 (<a href="https://www.wto.org/english/news\_e/pres20\_e/pr865\_e.htm">https://www.wto.org/english/news\_e/pres20\_e/pr865\_e.htm</a>).

<sup>23</sup> More background and information on the five pillars can be found here: https://www.wto.org/english/thewto\_e/acc\_e/china\_programme\_e.htm.

<sup>24</sup> The 2020 China WTO Accessions Internship Programme participants were drawn from Belarus, China,

Ethiopia, India, Kenya, Nigeria, Uzbekistan and Venezuela.

<sup>&</sup>lt;sup>25</sup> An overview of former and current participants, including alumni stories, can be found here: https://www.wto.org/english/thewto\_e/acc\_e/pillar1\_e.htm.

LDCs.<sup>26</sup> The Round Table was organized around two sessions: (i) "25 Years of WTO Accessions in Review: Reflections, Celebrations, and Lessons Learned"; and (ii) "The Future of WTO Accessions - Can We Achieve Universality in the Next 10 Years?". <sup>27</sup> The China Round Table was attended by 159 participants.

# III. STATE OF PLAY IN ACCESSION WORKING PARTIES

42. WTO accession negotiations advance on the basis of two or three tracks — with multilateral, bilateral, and in some cases, plurilateral processes running in parallel. Separately, there are domestic processes in the acceding governments to establish national negotiating positions and to decide on inputs. In 2020, the COVID-19 pandemic had impacted the technical work of many acceding governments, and progress was mixed in the 23 ongoing accessions. In addition, as in the past, a range of factors remain in play. They include, but are not limited to, ongoing negotiations with Members; technical complexities; domestic challenges; political choices to delay for more impact analysis; re-ordered priorities; and/or post-conflict situations. This section provides the state of play on the ongoing accessions, as of December 2020. More details of the state of play are provided and regularly updated in the Accessions Newsletter.

Table 1: Current accessions by general status

General Status	Accession
Strategic focus	Bosnia and Herzegovina, Comoros*
Work in progress	Azerbaijan, The Bahamas, Belarus, Ethiopia*, South Sudan*, Sudan*, Timor-Leste*, Uzbekistan
Reactivation	Iraq, Lebanese Republic, Serbia
Activation	Curaçao, Equatorial Guinea, Somalia*
Inactive	Algeria, Andorra, Bhutan*, Iran, Libya, Sao Tomé and Principe*, Syrian Arab Republic

<sup>\*</sup>I DCs

"Strategic focus" indicates accessions which could be concluded in 2021, based on the level of technical advancement of the dossiers.

"Work in progress" indicates technical advancement and regular exchange of information with WTO Members and the Secretariat.

"Reactivation" indicates exchange of information with the Secretariat and/or WTO Members with the objective of early resumption of activities at the level of the Working Party after a period of dormancy/inactivity.

"Activation" indicates exchange of information with the Secretariat with the objective to begin the Working Party process.

"Inactive" indicates no activities at the level of the Working Party for at least three years.

- 43. <u>Algeria</u>: Algeria submitted a request for accession in June 1987. The Working Party was established in June 1987 and held its first meeting in 1998. The 12<sup>th</sup> meeting of the Working Party was held in March 2014. To date, six bilateral market access agreements have been signed and deposited with the Secretariat. Bilateral negotiations are ongoing with several interested Members. Multilateral negotiations are based on the third revision of the draft Working Party Report circulated in February 2014. The 13<sup>th</sup> meeting of the Working Party will be convened subject to the submission of required negotiating inputs.
- 44. <u>Andorra</u>: Andorra applied for WTO accession in July 1997. The Working Party was established in October 1997. The Working Party held its first and only meeting in October 1999. This accession process is inactive, and there are no indications of any intention to re-start the process.
- 45. <u>Azerbaijan</u>: Azerbaijan applied for WTO accession in June 1997. The Working Party was established in July 1997 and held its first meeting in 2002. The 14th meeting of the Working Party was held in July 2017. To date, four bilateral market access agreements have been signed and

<sup>&</sup>lt;sup>26</sup> Over 100 officials took part on-line in the half-day Round Table. They included the Chief Negotiators and experts from 15 observer governments as well as representatives from 19 Article XII Members. Other participants included representatives of original Members, Working Party Chairpersons and experts from partner institutions. Attendance was also open to the general public through a YouTube livestream.

 $<sup>^{27}</sup>$  The report of the  $9^{th}$  China Round Table will be issued in the WT/ACC document series. In addition, both sessions can be watched here:  $\frac{https://www.youtube.com/watch?v=rQLfJLgqHbc&feature=youtu.be}{https://www.youtube.com/watch?v=rQLfJLgqHbc&feature=youtu.be}$ 

deposited with the Secretariat, while bilateral negotiations are ongoing with several interested Members. Multilateral negotiations are underway on the basis of the third revision of the draft Working Party Report circulated in May 2017. The 15th meeting of the Working Party is envisaged for the first half of 2021, following the circulation of required negotiating inputs.

- 46. The Bahamas: The Bahamas applied for WTO accession in May 2001. The Working Party was established in July 2001 and held its first meeting in 2010. The fourth meeting of the Working Party was held in April 2019. To date, one bilateral market access agreement has been concluded, while bilateral negotiations are ongoing with several interested Members. On the multilateral level, the Working Party agreed to transform the Factual Summary of Points Raised into an Elements of a draft Working Party Report. The fifth meeting will be convened subject to the submission of required negotiating inputs.
- 47. <u>Belarus</u>: Belarus submitted a request for accession in September 1993. The Working Party was established in October 1993 and held its first meeting in 1997. Following a period of inactivity, during which no formal Working Party meetings were held between 2005 and 2016, the Working Party resumed its work in January 2017. The most recent (12<sup>th</sup>) meeting took place in July 2019. The 13<sup>th</sup> meeting, which had originally been scheduled for March 2020, had to be postponed due to the Covid-19 pandemic. To date, 16 signed bilateral market access agreements have been deposited with the Secretariat. Bilateral negotiations are ongoing with a limited number of Members. Multilateral negotiations are underway on the basis of the fourth revision of the draft Working Party Report.
- 48. <u>Bhutan</u>: Bhutan applied for WTO accession in September 1999. The Working Party was established in October 1999 and held its first meeting in 2004. The fourth meeting of the Working Party was held in January 2008. The first version of the draft Working Party Report was circulated in December 2007. The most recent market access offers on goods and services were circulated in November 2007. There has been no activity in the Working Party since the fourth meeting.
- 49. <u>Bosnia and Herzegovina</u>: Bosnia and Herzegovina applied for WTO accession in May 1999. The Working Party was established in July 1999 and held its first meeting in 2003. The 13<sup>th</sup> meeting of the Working Party was held in February 2018. To date, 16 bilateral market access agreements have been signed and deposited with the Secretariat, while bilateral negotiation is outstanding with one Member. Multilateral negotiations are underway on the basis of the eighth revision of the draft Working Party Report circulated in October 2017. The 14<sup>th</sup> meeting will be convened after the conclusion of the remaining bilateral market access negotiation.
- 50. <u>Comoros</u>: Comoros applied for WTO accession in March 2007. The Working Party was established in October 2007 and held its first meeting in December 2016. The fifth meeting was held in September 2020. To date, three bilateral market access agreements have been signed and deposited with the Secretariat. Bilateral negotiations are reportedly ongoing with four Members. Multilateral negotiations are ongoing on the basis of the first revision of the draft Working Party Report circulated in June 2020. The sixth meeting is envisaged for the second quarter of 2021, following the submission of required negotiating inputs.
- 51. <u>Curaçao</u>: Curaçao applied for WTO accession in October 2019. The Working Party was established in March 2020. No Working Party meeting has been held to date. Curaçao is currently preparing the Memorandum on the Foreign Trade Regime.
- 52. <u>Equatorial Guinea</u>: Equatorial Guinea applied for WTO accession in March 2007. The Working Party was established in February 2008. No Working Party meeting has been held to date. Equatorial Guinea is currently preparing the Memorandum on the Foreign Trade Regime.
- 53. Ethiopia: Ethiopia applied for WTO accession in January 2003. The Working Party was established in February 2003 and held its first meeting in May 2008. The fourth meeting of the Working Party was held on 30 January 2020. Bilateral negotiations are ongoing with several interested Members. On the multilateral level, the Working Party agreed to transform the Factual Summary of Points Raised to an Elements of the draft Report of the Working Party. The fifth meeting is envisaged for 2021, subject to the submission of required negotiating inputs.

- 54. <u>Islamic Republic of Iran</u>: The Islamic Republic of Iran applied for WTO accession in July 1996. The Working Party was established in May 2005. Following the circulation of the Memorandum on the Foreign Trade Regime in November 2009, Iran submitted technical inputs, including replies to Members' questions on the Memorandum, in 2011. The first meeting of the Working Party will be convened, following consultations of the Chairperson of the General Council with Members on the designation of a Chairperson of the Working Party. The Islamic Republic of Iran is subject to Category I administrative measures.<sup>28</sup>
- 55. <u>Iraq</u>: Iraq applied for WTO accession in September 2004. The Working Party was established in December 2004 and held its first meeting in 2007. The second meeting of the Working Party was held in April 2008 and an informal meeting of the Working Party was held in November 2017. In preparation for the third meeting of the Working Party, an updated MFTR was circulated in February 2018. The third meeting will be convened following the submission of required negotiating inputs.
- 56. <u>Lebanese Republic</u>: The Lebanese Republic applied for WTO accession in January 1999. The Working Party was established in April 1999 and held its first meeting in 2002. The seventh meeting of the Working Party was held in October 2009. In preparation for the eighth meeting of the Working Party, updated negotiating inputs, as well as the second revision of the draft Working Party Report, were circulated in April-June 2017. The eighth meeting will be convened subject to the submission of revised market access offers on goods and services.
- 57. <u>Libya</u>: Libya applied for WTO accession in June 2004. The Working Party was established in September 2004. No Working Party meeting has been held to date as Libya has not submitted any inputs to initiate the process. Libya is subject to Category III administrative measures.<sup>29</sup>
- 58. <u>Sao Tomé and Principe</u>: Sao Tomé and Principe applied for WTO accession in February 2005. The Working Party was established in June 2005. No Working Party meeting has been held to date as Sao Tomé and Principe has not submitted any inputs to initiate the process of accession negotiations. Sao Tomé and Principe is subject to Category III administrative measures.<sup>30</sup>
- 59. <u>Serbia</u>: Serbia applied for WTO accession in December 2004. The Working Party was established in February 2005 and held its first meeting in 2005. The 13<sup>th</sup> meeting of the Working Party was held in June 2013. To date, 13 bilateral market access agreements have been signed and deposited with the Secretariat, while bilateral market access negotiations remain with a limited number of Members. Multilateral negotiations are based on the seventh revision of the draft Working Party Report circulated in October 2012. The 14<sup>th</sup> meeting will be convened subject to outstanding domestic legislative action and the submission of required negotiating inputs.
- 60. <u>Somalia</u>: Somalia applied for WTO accession in November 2016. The Working Party was established in December 2016. No Working Party meeting has been held to date. In May 2020, the Memorandum on Foreign Trade Regime was circulated to all Members of the WTO. The first meeting of the Working Party will be convened subject to the Somalia's submission of required inputs. Somalia is subject to Category III administrative measures.<sup>31</sup>
- 61. <u>South Sudan</u>: South Sudan applied for WTO accession in December 2017. The Working Party was established in December 2017 and held its first meeting in March 2019. The second meeting of the Working Party will be convened subject to South Sudan's submission of required inputs.
- 62. <u>Sudan</u>: Sudan applied for WTO accession in October 1994. The Working Party was established in October 1994 and held its first meeting in 2003. After years of dormancy, the Working Party resumed its work in January 2017. The fourth meeting of the Working Party was held in July 2017. To date, three bilateral market access agreements have been signed and deposited with the Secretariat, while bilateral market access negotiations are ongoing with several interested Members. Multilateral negotiations are ongoing on the basis of a revised Factual Summary of Points Raised

<sup>&</sup>lt;sup>28</sup> As of December 2020.

<sup>&</sup>lt;sup>29</sup> As of December 2020.

<sup>&</sup>lt;sup>30</sup> As of December 2020. <sup>31</sup> As of December 2020.

circulated in January 2019. The fifth meeting will be convened subject to the submission of required negotiating inputs.

- 63. <u>Syrian Arab Republic</u>: The Syrian Arab Republic applied for WTO accession in October 2001. The Working Party was established in May 2010. No Working Party meeting has been held to date as the Syrian Arab Republic has not submitted any negotiating inputs to initiate the process. The Syrian Arab Republic is subject to Category I administrative measures.<sup>32</sup>
- 64. <u>Timor-Leste</u>: Timor-Leste applied for WTO accession in November 2016. The Working Party was established in December 2016 and held its first meeting on 1 October 2020. The Working Party reviewed the Memorandum on the Foreign Trade Regime and mandated the Secretariat to prepare a Factual Summary of Points Raised. The second meeting is envisaged for the first half of 2021, subject to the submission of required inputs.
- 65. <u>Uzbekistan</u>: Uzbekistan applied for WTO accession in December 1994. The Working Party was established in December 1994 and held its first meeting in 2002. The fourth meeting of the Working Party took place in July 2020. Bilateral negotiations are ongoing with several interested Members. On the multilateral level, the Working Party mandated the Secretariat to produce a Factual Summary of Points Raised. The fifth meeting is envisaged for the first half of 2021 subject to the submission of outstanding negotiating inputs.
- 66. Figure 2 provides a snapshot of the state of play in accession negotiations, as of 31 December 2020.

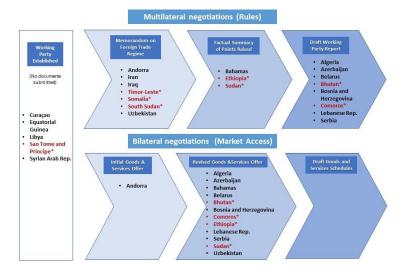


Figure 2: State of play in ongoing accession negotiations

# IV. ACCESSIONS OF LEAST-DEVELOPED COUNTRIES

67. Since the establishment of the WTO, nine Members have acceded as LDCs pursuant to Article XII of the Marrakesh Agreement Establishing the WTO. $^{33}$  Currently, eight LDCs are in the process of WTO accession.

<sup>&</sup>lt;sup>32</sup> As of December 2020.

<sup>&</sup>lt;sup>33</sup> Article XII Members that acceded to the WTO as LDCs were: Afghanistan (2016), Cabo Verde (2008), Cambodia (2004), Lao PDR (2013), Liberia (2016), Nepal (2004), Samoa (2012), Vanuatu (2012), and Yemen (2014). Cabo Verde and Samoa graduated from LDC status in 2008 and 2014, respectively.

- In 2020, acceding LDCs remained active despite the COVID-19 pandemic. LDC accessions accounted for 75% of the Working Party meetings held in 2020. Comoros resumed the Working Party after 2.5 years by holding its fifth meeting in September. Ethiopia reactivated its accession process, after nearly 8 years, with the fourth meeting of the Working Party in January. Timor-Leste, whose Working Party was established in December 2016, held the first meeting in October. An important milestone was achieved in the accession of Somalia with the submission of the MFTR (see more detailed information in Section III "State of in play in Accession Working Parties").
- In line with Members' priority given to LDC accessions, the Secretariat continued to give focused attention to the ongoing LDC accessions with a view to facilitating and accelerating their negotiations. Since 2002, the Secretariat has provided regular briefings on the state of play in the accessions of LDCs to the Sub-Committee on LDCs, including at its 89th session held on 11 November 2020. In 2012, the General Council adopted an Addendum to document WT/L/508 to strengthen, streamline and operationalize the 2002 LDC Accession Guidelines. In addition, the Secretariat extends its support to the g7+ WTO Accessions Group, which comprises fragile and conflict-affected LDCs associated with WTO accessions (for more information see paragraph 35).
- Members are mindful of these Guidelines in ongoing active LDC accessions, and their importance in facilitating negotiations with LDCs has been underscored.
- Members have also continued providing technical support for LDC accessions, among them China (including through the "China's LDCs and Accessions Programme", especially through the WTO Accessions Internship Programme;<sup>34</sup> see "Technical Assistance and Outreach" section), the European Union (including through its individual Member States), Japan, Oman, New Zealand, the Russian Federation, the United Kingdom and the United States. Some Members provide technical assistance via national institutions and programmes, while others use platforms such as the Enhanced Integrated Framework (EIF), which also offers a capacity building platform for acceding LDCs.

#### ٧. "TRADE FOR PEACE THROUGH WTO ACCESSIONS" INITIATIVE

- The "Trade for Peace through WTO Accessions" (T4P) Initiative was launched in 2017 to assist fragile and conflict-affected (FCA) countries in working towards peace through WTO accession with an emphasis on institution-building based on the principles of non-discrimination, predictability, transparency and the rule of law. The T4P initiative also aims to facilitate collaboration between the trade, peace and humanitarian communities.35
- In 2020, the Secretariat continued to support FCA countries, including those in the q7+ WTO Accessions Group (see under Section 5(ii) Outreach). The COVID-19 pandemic has highlighted the importance of the partnership under the Initiative in responding to the special challenges and needs of FCA acceding governments which remain committed to use trade integration as a tool to promote inclusive and sustainable peace. In response, the Secretariat organised the first edition of the Trade for Peace Week, building on the earlier activities organised in partnership with different partners.
- The Trade for Peace Week $^{36}$  took place virtually from 30 November to 4 December. Ten webinar sessions, organised in collaboration with different partners<sup>37</sup>, were delivered via the Zoom platform. Topics covered included the use of technology to promote T4P; the role of business in peacebuilding; empirical evidence on trade, conflict and peace; trade, job creation and peace; the role of trade in humanitarian crisis; T4P in COVID-19, and synergies between regional integration and WTO accessions. Some sessions focused on specific countries or regions in accession, i.e. Iraq, Libya, Yemen and the Horn of Africa. The Trade for Peace Week brought together 59 panellists, representing 32 organisations and 15 countries, and was attended by 450 participants.
- Prior to the Trade for Peace Week, on 16 June, the Secretariat organized a webinar on "Trade for Peace: Leveraging Trade in COVID-19 Responses for Positive Peace", in collaboration with the

<sup>&</sup>lt;sup>34</sup> To date, 14 of the 36 interns were drawn from LDCs, including three from acceding LDCs (Ethiopia, Somalia and Timor-Leste) and three from Article XII LDCs (Afghanistan, Liberia and Yemen).

https://www.wto.org/english/thewto\_e/acc\_e/tradeforpeace\_e.htm https://www.wto.org/english/thewto\_e/acc\_e/t4peace2020\_e.htm

<sup>37</sup> UN Technology Bank for Least Developed Countries, International Trade Centre, International Chamber of Commerce, International Labour Organization, World Bank, Interpeace, g7+ Secretariat and g7+ WTO Accessions Group.

Institute for Economics and Peace (IEP).<sup>38</sup> The webinar explored how trade and business could contribute to building positive peace, as well as the attitudes, structures and institutions that underpin and sustain peaceful societies.

76. On 27 October, the Secretariat also participated in the Geneva Peace Week 2020 and contributed a briefing on the Trade for Peace initiative at the session titled "Trade for Peace: Pathways from aid to trade and employment".

# VI. WTO ACCESSIONS AND REGIONAL TRADE INTEGRATION

### 1. INTRODUCTION

- 77. Multilateral and regional trade agreements are designed to regulate and liberalize cross-border trade. They often share similar goals, including to: enhance market access; support domestic reforms; promote economic growth; increase transparency, predictability and good governance; strengthen international cooperation; and promote peace and security.
- 78. Since the establishment of the WTO in 1995, RTAs have risen in number, reaching 338 agreements notified to the WTO as of 31 December 2020.<sup>39</sup> All 164 WTO Members are party to at least one RTA. RTAs which go significantly further than multilateral market access commitments contribute to further liberalization and increase trade flows between participants.<sup>40</sup> Some RTAs also go beyond the WTO framework to deepen and expand on behind-the-border regulations, such as investment and competition policy, or to tackle so-called new trade issues, such as e-commerce.
- 79. In accession negotiations, applicants are typically expected to undertake an accession-specific commitment to observe the WTO rules on RTAs (see Box 1). Such commitments, with some textual variations, have been undertaken by 33 out of 36 Article XII Members in their Accession Protocols. Upon accession, new Members are also expected to notify RTAs in the WTO.

# Box 1 - WTO rules on RTAs

Regional trade agreements (RTAs) are reciprocal preferential trade agreements between two or more partners. These arrangements have been authorized, as an exception, under the GATT and the WTO, and are subjected to three sets of rules. These include: (i) Article XXIV of GATT 1994; (ii) the Enabling Clause; and, (iii) Article V of the GATS. RTAs must cover substantially all trade, unless they are under the Enabling Clause, and help trade flow more freely among partners without raising barriers to trade with the outside world.<sup>41</sup>

Article XXIV of the GATT 1994 distinguishes between free trade areas (FTAs) and customs unions (CUs) based on internal and external conditions criteria, i.e.,: (i) free trade areas mean a group of customs territories in which the duties and other trade-restrictive regulations are eliminated on trade between their parties in products originating in such parties; and, (ii) customs unions are understood as being the substitution of a single customs territory for two or more customs territories where duties and other trade-restrictive regulations are eliminated with respect to trade between their members while members apply substantially the same duties and trade regulations with respect to third parties. <sup>42</sup> Interim agreements leading to one or the other are also possible. If the formation of an RTA results in increasing the WTO bound rate of duty of a Member, other Members need to be compensated through the procedure set forth in GATT Article XXVIII ("Modification of Schedules"). <sup>43</sup>

 <sup>&</sup>lt;sup>38</sup> The video recording is available here: <u>Trade for Peace - Leveraging trade in COVID-19 response, using Positive Peace on Vimeo (https://vimeo.com/434962492)</u>
 <sup>39</sup> See WTO's Regional Trade Agreements Database: <a href="https://rtais.wto.org/UI/publicsummarytable.aspx.">https://rtais.wto.org/UI/publicsummarytable.aspx.</a>

The number of notifications submitted by Members is higher (496) as WTO rules require two separate notifications for RTAs covering goods and services, as well as notifications on accessions to RTAs.

<sup>&</sup>lt;sup>40</sup> For example, according to a 2020 projection, the Regional Comprehensive Economic Partnership (RCEP) signed on 15 November 2020 is expected to add US\$186 billion to the size of the global economy. (Source: <a href="https://www.pie.com/system/files/documents/wp20-9.pdf">https://www.pie.com/system/files/documents/wp20-9.pdf</a>)

<sup>&</sup>lt;sup>41</sup> "...purpose of a customs union or of a free-trade area should be to facilitate trade between the constituent territories and not to raise barriers to the trade of other contracting parties with such territories" (Article XXIV:4 of the GATT 1994).

<sup>&</sup>lt;sup>42</sup> Article XXIV:8(a) of the GATT 1994.

<sup>&</sup>lt;sup>43</sup> Article XXIV:6 of the GATT 1994.

The <u>Enabling Clause</u> refers to preferential trade arrangements in goods between developing country Members. It opens the door for generalized, non-reciprocal and non-discriminatory preferences beneficial to developing countries offered by other developed countries. The Clause allows the formation of Partial Scope Agreements (PSA).

<u>Article V of the GATS</u> deals with provisions on Economic Integration Agreements (EIAs), which refers to RTAs in the area of services. The GATS provisions govern the conclusion of RTAs covering trade in services, for both developed and developing countries. It involves a set of internal and external conditions requiring that trade liberalization among the parties of such agreements should have a substantial sectoral coverage, <sup>44</sup> provides for the absence or elimination of substantially all discrimination between or among the parties, while non-parties should not face a higher overall level of barriers with respect to the level applicable prior to the establishment of the RTA. <sup>45</sup>

All RTAs need to be notified to the WTO for transparency purposes.

- 80. Currently, all acceding governments participate in, or are negotiating, one or more RTAs. The issues covered and discussed in RTAs have an impact on WTO accessions, whose main objective is to bring applicants' trade regimes in line with the WTO Agreements. The relationship between WTO accession and regional integration has thus become a topical issue for acceding governments. While governments may have different motivations for engaging in regional trade arrangements and for participating in the multilateral trading system, it is important that their RTA and WTO accession efforts are coordinated in terms of policy, strategy and institutional arrangements.
- 81. This thematic section provides an overview of the RTAs in which acceding governments are involved and explores the potential implications of their parallel pursuit of multilateral and regional integration efforts. It builds on, *inter alia*, the discussions at the 8<sup>th</sup> China Round Table held in Moscow, Russian Federation, in December 2019, and the Third Regional Dialogue on WTO Accessions for Africa, held in Addis Ababa, Ethiopia, in February 2020.<sup>46</sup> The section concludes with a set of recommendations aimed at helping acceding governments maximise the benefits from their participation in multiple trade arrangements.

# 2. PARTICIPATION OF ACCEDING GOVERNMENTS IN RTAS

82. Table 2 provides an overview of acceding governments' participation in RTAs with the involvement of more than two participants<sup>47</sup>, as notified to the WTO or based on the information communicated by acceding governments in accession documentation. The table indicates that all 23 acceding governments<sup>48</sup> either participate in or are in the process of negotiating at least one RTA. This is equally prominent in all regions of the world.<sup>49</sup>

Table 2: Overview of RTA engagement by WTO acceding governments

Acceding	WP	Engagement in RTAs				
Government	established	Membership	In negotiation			
Africa	Africa					
Algeria 06/1987		African Continental Free Trade Area (AfCFTA), Algeria-EU FTA, Arab Maghreb Union (AMU),	AfCFTA Phase II			

<sup>&</sup>lt;sup>44</sup> This condition is understood in terms of the number of services sectors, volume of trade affected and modes of supply. In order to meet this condition, agreements should not provide for the *a priori* exclusion of any mode of supply.

<sup>&</sup>lt;sup>45</sup> Flexibility for developing countries is inbuilt in GATS Article V:3: (a) in terms of sectoral coverage and with reference to the absence/elimination of discrimination; and (b) if the EIA involves only developing countries, more favourable treatment may be granted to juridical persons owned or controlled by natural persons of the parties to the RTA.

<sup>&</sup>lt;sup>46</sup> The 8th China Round Table on WTO Accessions was held in Moscow, Russian Federation, on 4 and 5 December 2019 under the theme "Accessions and WTO Reform: On the Road to MC12". Session 4 of the Round Table focused on "Regional Integration and WTO Accessions". The 3rd Regional Dialogue on WTO Accessions for Africa titled "Deepening Economic Integration in Africa through WTO Membership and AfCFTA Implementation" took place in Addis Ababa, Ethiopia from 12 to 14 February 2020. The reports of these events are issued in documents WT/ACC/35 and WT/ACC/37, respectively.

 $<sup>^{47}</sup>$  Bilateral RTAs are omitted because of their large number and space limitation, except for bilateral RTAs between a country and a trading bloc.

<sup>&</sup>lt;sup>48</sup> As well as all 36 Article XII Members, see Annex 4.

<sup>49</sup> https://www.wto.org/english/res\_e/statis\_e/wts2020\_e/wts2020chapter05\_e.pdf

Acceding	WP	Engagement in RTAs	•
Government	established	Membership	In negotiation
COVCIIIIICIIC	Cotabilonica	Greater Arab Free Trade Area (GAFTA) <sup>50</sup> , Global	In negotiation
		System of Trade Preferences (GSTP)	
Comoros	10/2007	AfCFTA, Common Market for Eastern and Southern Africa (COMESA), EU-Eastern and Southern Africa (ESA) States Interim Economic Partnership Agreement (EPA), South African Development Community (SADC)	AfCFTA Phase II
Equatorial Guinea	02/2008	AfCFTA, Central African Monetary Community (CEMAC), Economic Community of Central African States (ECCAS)	AfCFTA Phase II
Ethiopia	02/2003	AfCFTA, COMESA	African, Caribbean, Pacific (ACP)-EU EPA, AfCFTA Phase II
Libya	07/2004	AfCFTA, AMU, COMESA, GAFTA, GSTP	AfCFTA Phase II
Sao Tomé and Principe	05/2005	AfCFTA, ECCAS	AfCFTA Phase II
Somalia	12/2016	AfCFTA, COMESA	AfCFTA Phase II
South Sudan	12/2017	AfCFTA, East African Community (EAC)	AfCFTA Phase II
Sudan	10/1994	AfCFTA, COMESA, GAFTA, GSTP	AfCFTA Phase II
Asia	.,	. ,	
Bhutan	10/1999	South Asian FTA (SAFTA), South Asian Preferential Trade Agreement (SAPTA)	Bay of Bengal Initiative for Multi- Sectoral Technical and Economic Cooperation (BIMSTEC)
Timor-Leste	12/2016		Association of Southeast Asian Nations (ASEAN)
Caribbean			11001010 (71027111)
Bahamas	07/2001	Caribbean Community (CARICOM, services only); Caribbean Forum (CARIFORUM) – EU States EPA	
Curação	03/2021	Curação – EU Overseas Countries and Territories (OCT) Preferential Treatment Arrangement	
Commonweal	th of Indepen	dent States (CIS)	
Azerbaijan	07/1997	Economic Cooperation Organization Trade Agreement (ECOTA), Georgia-Ukraine- Azerbaijan-Moldova (GUAM) FTA	Azerbaijan – EU (EPA)
Belarus	10/1993	2011 Commonwealth of Independent States FTA (CIS FTA), Eurasian Economic Union (EAEU)	
Uzbekistan	12/1994	2011 CIS FTA, ECOTA	EAEU (observer), Uzbekistan – EU (EPA)
Europe			
Andorra	10/1997	EU-Andorra (Customs Union)	
Bosnia and Herzegovina (BIH)	07/1999	BIH-European Free Trade Association (EFTA) FTA, BIH-EU FTA, Central European Free Trade Agreement (CEFTA)	EU (Potential candidate)
Serbia	02/2005	CEFTA, Serbia-EAEU FTA, Serbia-EFTA FTA, Serbia-EU FTA	EU (Candidate)
Middle East			•
Iran	05/2005	ECOTA, GSTP, Iran-EAEU FTA	
Iraq	12/2004	GAFTA, GSTP	
Lebanese Republic	04/1999	Agadir FTA, GAFTA, Lebanon-EFTA FTA, Lebanon-EU FTA (goods only)	
Syrian Arab Republic	05/2010	GAFTA	

Note:

The list of RTAs in the table is not exhaustive. Bilateral RTAs are omitted because of their large number and space limitation, except for bilateral RTAs between a country and a trading bloc. By virtue of participating in the listed RTAs, the governments also benefit from the agreements concluded by these RTAs (if any). Such agreements are also not listed.

 $<sup>^{\</sup>rm 50}$  GAFTA (Greater Arab FTA) is also referred to as PAFTA (Pan-Arab FTA).

- 83. In Africa, all nine African WTO acceding governments are signatories to the Agreement Establishing the African Continental Free Trade Area (AfCFTA), whose implementation started on 1 January 2021. As of January 2021, four of them Algeria, Equatorial Guinea, Ethiopia and Sao Tomé and Principe have already ratified the Agreement. Other RTAs where acceding governments are involved include the Common Market for Eastern and Southern Africa (COMESA) with five acceding governments (Comoros, Ethiopia, Libya, Somalia, Sudan), the Economic Community of Central African States (ECCAS) with two governments (Equatorial Guinea and Sao Tomé and Principe), the Economic Community of Central African States (CEMAC) with Equatorial Guinea, the East African Community (EAC) with South Sudan, and the South African Development Community (SADC) with Comoros. In North Africa, both Algeria and Libya are part of the Arab Maghreb Union (AMU), and the Greater Pan Arab Free Trade Area (GAFTA), which also involves other acceding governments in the Middle East (Iraq, Lebanese Republic and the Syrian Arab Republic) and Sudan. Some of these agreements, such as the CEMAC, the EAC and the SADC, have common external tariffs (CET).<sup>51</sup>
- 84. In Asia, Bhutan participates in the South Asian Free Trade Area (SAFTA) and the South Asian Preferential Trade Agreement (SAPTA). Timor-Leste is currently not part of any RTA but has applied to join the Association of Southeast Asian Nations (ASEAN), indicating that its WTO accession efforts are complementary to its ASEAN accession process.
- 85. In the Caribbean, the Bahamas is a full member of the Caribbean Community (CARICOM), although it does not participate in the customs union. Curaçao, which has an observer status, applied to join the CARICOM in 2018. With the European Union, Curaçao benefits from the preferential treatment arrangements under the Overseas Association Decision<sup>52</sup> (pursuant to Part IV of the Treaty on the Functioning of the European Union).
- 86. In Europe, the EU is the main driver of regional integration. All three acceding governments from the region have FTAs with the EU, and Bosnia and Herzegovina (BIH) and Serbia are on the path to EU accession, although with a different status. BIH and Serbia are also part of the Central European Free Trade Agreement (CEFTA) and have an FTA with the European Free Trade Association (EFTA). Serbia has an FTA with the Eurasian Economic Union (EAEU) as well. Andorra is in a customs union with the EU, based on the 1990 Agreement between the European Economic Community (EEC) and the Principality of Andorra.
- 87. The largest RTA in the region of the Commonwealth of Independent States (CIS) is the 2011 CIS Free Trade Area (CIS-FTA) where Belarus and Uzbekistan are parties. The EAEU, which was established in 2015, sets many of the parameters in Belarus' accession negotiations, as it did in the accessions of the Russian Federation and Kazakhstan which joined the WTO in 2012 and 2015, respectively. Uzbekistan became observer in the EAEU in 2020. In addition, both Azerbaijan and Uzbekistan are currently negotiating Economic Partnership Agreements with the EU.
- 88. In the Middle East, the Greater Arab Free Trade Agreement (GAFTA) has three WTO acceding government participants (Iraq, Lebanese Republic and the Syrian Arab Republic), in addition to those in Africa (Algeria, Libya and Sudan). Iran has an FTA with the EAEU which entered into force in 2019.
- 89. Five acceding governments $^{53}$  also participate in the Global System of Trade Preferences (GSTP), a preferential trade agreement among 42 developing and least-developed countries. $^{54}$

<sup>&</sup>lt;sup>51</sup> COMESA aims at forming a customs union among its members, but a common external tariff is not yet implemented.

 $<sup>^{52}</sup>$  EU Council Decision No. 2013/755/EU of 25 November 2013 on the association of the overseas countries and territories with the European Union.

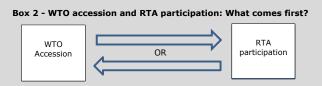
These are: Algeria, Iran, Iraq, Libya, Sudan, as well as one Article XII Member (Viet Nam).
 The GSTP was established in 1989 as a framework for preferential tariff reductions and other measures of

<sup>&</sup>lt;sup>54</sup> The GSTP was established in 1989 as a framework for preferential tariff reductions and other measures of cooperation, including "para-tariffs, non-tariff measures, direct trade measures including medium and long-term contracts and sectoral agreements", to stimulate trade between developing countries. Today, only preferential tariffs are covered by the Agreement. See: <a href="https://unctad.org/topic/trade-agreements/global-system-of-trade-preferences">https://unctad.org/topic/trade-agreements/global-system-of-trade-preferences</a>

# 3. PARALLEL PURSUIT OF WTO ACCESSION AND REGIONAL TRADE INTEGRATION: PROCESS AND SUBSTANCE

90. Pursuing WTO accession in parallel to participation in one or more RTAs, including under negotiation, presents both opportunities and challenges. On the one hand, the domestic reform agenda aimed at achieving WTO compliance may be supplemented and enhanced by trade liberalization tools provided by an RTA. On the other hand, parallel participation in the accession negotiations and in one or more RTAs may complicate or prolong the negotiating process. The complexities may be greater if an acceding government is in a customs union with a deeper level of integration. It is therefore critical to develop a framework for coordination and coherence in terms of policy and institutional arrangements at the domestic level to fully capture the benefits from the participation in multiple trade arrangements.

91. The experience of the 36 Article XII Members which have acceded to the WTO since 1995 may provide guidance on how the applicants' participation in RTAs was featured and managed in accession negotiations. <sup>55</sup> Broadly speaking, there are two approaches found in the WTO accessions completed to date: (i) the completion of WTO accession before entering into an RTA which imposes deeper levels of liberalisation; or (ii) parallel engagement in the WTO accession process and an RTA or RTAs which is/are either being implemented and/or negotiated. Box 2 provides an explanation of the possible implications of the two approaches.



- WTO => RTA: An acceding government first negotiates its WTO accession commitments on rules and market access. In doing so, the government may need to take account of the requirements of the RTA whose membership is sought, in an effort to align the liberalisation levels negotiated in the context of the WTO with the ones of the RTA. The process of RTA accession, and the associated reforms and regulatory adjustments, would often go in parallel with WTO accession, and would be completed after the government becomes a WTO Member.
- 2. RTA => WTO: An acceding government negotiates its WTO accession commitments while becoming or being an RTA participant. While such participation may limit the negotiating capacity of an acceding government, especially in a customs union, it could provide an opportunity to make WTO-compliant adjustments in the RTA framework in coordination with other RTA participants. During the accession process, acceding governments are often asked by the Working Party to provide RTA regulations in the fact-finding phase, to identify WTO consistency.
- 92. Article XII Members which joined or were scheduled to join the European Union after gaining WTO membership are examples of the first case. These included: Bulgaria, Estonia, Latvia, Lithuania, and Croatia which joined the EU in 2004 (Estonia, Latvia, Lithuania), 2007 (Bulgaria) and 2013 (Croatia), while Albania, North Macedonia and Montenegro are still at various stages of EU accession. <sup>56</sup> In other words, over 20% of the accessions to date are directly linked to EU accession which requires WTO membership as a prerequisite for joining the EU, while two additional accessions (BiH and Serbia) are currently on the same path. Accessions falling into the second category include, for instance, the accessions of the EAEU original member states where two of the three member states (Russian Federation and Kazakhstan) joined the WTO after the formation of the Customs Union<sup>57</sup> in 2010, or Cambodia, Lao PDR or and Viet Nam, who had been parties to ASEAN before their WTO membership.

<sup>&</sup>lt;sup>55</sup> An overview of participation by Article XII Members in such RTAs is contained in Annex 4.

<sup>&</sup>lt;sup>56</sup> Albania, Montenegro and North Macedonia are all EU candidate countries.<sup>57</sup> The Customs Union of Belarus, Kazakhstan and the Russian Federation.

93. Table 3 lists the RTAs relevant to completed accessions which may provide pertinent case studies for current accessions. The table also outlines the scope and coverage of these RTAs, which are often built on the core principles of the WTO Agreements. In many cases, the structure and provisions of these agreements are drawn directly from the WTO Agreements. This is most evident in the AfCFTA whose implementation started on 1 January 2021. Furthermore, some of these agreements explicitly refer to the WTO rules as the basis for their legal framework (e.g., the EAEU). Some go beyond the WTO framework in areas such as investment, competition, finance, labour, and the environment (e.g. the EAEU, EU).

Table 3: Overview of main RTAs relevant to WTO accessions (as of 1 January 2021)

Regional	Year of	Mem-	WTO membe	ership / accession	Coverage			
Trade Agree- ment	establish- ment / entry into force	bers / par- ties	Article XII Members (year of membership)	Acceding government				
Africa	Africa							
AfCFTA	2021	54	Cabo Verde (2008), Seychelles (2015), Liberia (2016)	Algeria, Comoros, Libya, Equatorial Guinea, Ethiopia, Sao Tomé & Principe, Somalia, South Sudan, Sudan	Trade in goods: tariffs, RoO, customs cooperation, trade facilitation, NTBs, TBT, SPS, transit, trade remedies; services			
COMESA	1994 (Preferential Trade Area) 2000 (Free Trade Area)	18	Seychelles (2015)	Comoros, Ethiopia, Libya, Somalia, Sudan	Trade in goods: tariffs, customs, ROO, SPS, TBT, safeguard mechanisms (goods), anti- dumping and countervailing measures, subsidies (goods), services, investment provisions, dispute settlement, environment, labour, SMEs			
Asia								
ASEAN	1992 (ASEAN Free Trade Area) 2015 (ASEAN Economic Community)	10	Cambodia (2004), Lao PDR (2013), Viet Nam (2007)	In accession: Timor- Leste	Trade in goods: tariffs, customs, RoO, trade facilitation, agriculture, SPS, TBT, safeguard mechanisms (goods), anti-dumping and countervailing measures, services, movement of natural persons, mutual recognition, investment, intellectual property, dispute settlement			
Commonwe	alth of Indepen	dent Sta	tes (CIS)					
EAEU	2010 (Customs Union) 2012 (Single Economic Space) 2015 (Eurasian Economic Union)	5	Armenia (2003), Kazakhstan (2015), Kyrgyz Republic (1998), Russian Federation (2012)	Belarus	Trade in goods: tariffs, customs, agriculture, SPS, TBT, safeguard mechanisms (goods), antidumping and countervailing measures, subsidies (goods, services); services, movement of natural persons, public procurement, investment, mutual recognition, e-commerce, intellectual property, dispute settlement, competition, environment, labour, SMEs			

Regional Trade	Year of establish-	Mem- bers	WTO membe	ership / accession	Coverage
Agree- ment	ment / entry into force	/ par- ties	Article XII  Members  (year of membership)	Acceding government	
Europe					
EU	1958 (European Economic Community) 1993 (European Union)	27	Bulgaria (1996), Croatia (2000), Estonia (1999), Latvia (1999), Lithuania (2001) In accession: Albania (2000), Montenegro (2012), North Macedonia (2003)	In accession: Bosnia and Herzegovina, Serbia	Trade in goods: tariffs, customs, agriculture, SPS, TBT, trade facilitation, anti-dumping and countervailing measures, subsidies (goods, services); services, movement of natural persons, public procurement, foreign direct investment, mutual recognition, intellectual property, dispute settlement, competition, environment, labour, SMEs
Middle East					
GAFTA	1998 / 2005	18	Jordan (2000), Oman (2000), Kingdom of Saudi Arabia (2005), Yemen (2014)	Algeria, Iraq, Lebanese Republic, Libya, Sudan, Syria	RoO, safeguard mechanisms (goods), balance of payment measures (goods), dispute settlement

Source: WTO Regional Trade Agreements database.

- 94. Acceding governments are confronted with issues of sequencing, coherence and coordination arising from their parallel participation in RTAs. In most cases, the RTAs' legal framework has already been fully developed before the conclusion of WTO accession negotiations, e.g. ASEAN, COMESA and GAFTA. The coverage of the agreement also matters in relation to the WTO. Past accession experiences may provide useful guidance, especially in formulating WTO commitments on rules and market access concessions.
- 95. The case of the EAEU provides a prominent example of (i) how the provisions of the WTO Agreements can be incorporated in the provisions of a regional economic arrangement; and (ii) how accession commitments can be used to accommodate for the gradual transfer of competencies from the national to the regional level. The Russian Federation and Kazakhstan undertook 30 and 33 commitments, respectively, across all sections of their Working Party Reports that touched upon the transfer of competencies to the level of the CU/EAEU, with the most detailed discussions occurring in the area of SPS/TBT. These commitments are likely to impact the future commitments undertaken by Belarus, which is an EAEU member state still in the process of WTO accession. In addition, a solution had to be found to a particular challenge arising in the area market access for goods. Specifically, Kazakhstan had already concluded 29 bilateral agreements on market access for goods with WTO Members when it entered into a customs union with Belarus and the Russian Federation. To address the discrepancies arising between the signed bilateral agreements and the new CET, a tariff adjustment mechanism had to be negotiated with WTO Members (see Box 3). So far, this is the only example of such a tariff adjustment in WTO history.

# Box 3 - Tariff adjustment: the case of Kazakhstan

The tariff adjustment mechanism was negotiated as a two-stage process:58

- 1. Pre-accession tariff adjustment. The first stage consisted of the reduction of the bound tariff rates for 65% of the tariff lines agreed by Kazakhstan in its bilateral market access agreements on goods that were higher than those of the Russian Federation, in order to match the Russian Federation's level of bound duty rates. This adjustment was reflected in the Goods Schedule annexed to Kazakhstan's WTO Accession Protocol;
- 2. Post-accession tariff adjustment. This adjustment was set to take place through a "GATT Article XXVIII-like" tariff re-negotiation with affected signatory Members (i.e. Members who concluded bilateral market access agreements on goods with Kazakhstan and hold initial negotiating rights (INRs), had a principal or substantial supplying interest by the date on which the negotiations started, or those with export to Kazakhstan of a minimum yearly average of US\$ 175,000 per tariff line per year during the 2008–13 period). This stage will not start before 2023, i.e. the year by which both Kazakhstan and the Russian Federation should have implemented their tariff concessions fully. This adjustment would affect 29% of bound tariff lines for which Kazakhstan's bound rates on goods were lower than those of Russia, with a view to aligning them with Russia's rates. Until the successful completion of the post-accession compensatory tariff adjustment negotiations, Kazakhstan will maintain exceptions from the EAEU CET with respect to tariff lines where Kazakhstan's bound rates are lower than the EAEU CET. If no satisfactory adjustment is achieved in three years since the start of the negotiations, the matter will be referred to the WTO General Council.
- 96. Other than the CU/EAEU, the accommodation of a CET played a role in other WTO accessions where participation in a customs union had to be addressed. This was the case in the accession of Seychelles, concluded in 2014, as it was preparing to apply the COMESA CET from 2015, <sup>59</sup> as well as in the accession of Liberia, concluded in 2015, as Liberia was phasing in the ECOWAS CET whose implementation started from 1 January 2016. <sup>60</sup> In the ongoing WTO accessions, similar issues may arise in the cases of Comoros, Equatorial Guinea and South Sudan which are set to implement CETs within, respectively, COMESA, CEMAC and the EAC.

# 4. CONCLUSION: RECOMMENDATIONS FOR NAVIGATING PARALLEL NEGOTIATING PROCESSES

- 97. In 2019-2020, acceding governments and Article XII Members had an opportunity to share experience and exchange views on how to manage the dual challenges of WTO accession and regional integration, including at the 8<sup>th</sup> China Round Table and the 3<sup>rd</sup> Regional Dialogue on WTO Accessions for Africa.
- 98. The central message emerging from these discussions was an affirmation of the complementarity between the WTO and RTAs. It was noted that the multilateral and regional frameworks should provide coherent structures to advance national trade and economic development goals. Particular focus was placed on the importance of maximizing the benefits of participation in parallel accession processes, especially when a WTO acceding government is involved in simultaneous RTA negotiations. The following recommendations have been formulated:
  - Identification of domestic development needs and priorities, including at the sector-level, based on impact studies of WTO accession and RTA(s) which the acceding government is implementing or negotiating;
  - Articulation of a policy statement from the highest level of authority on how WTO accession and RTA implementation/negotiation are complementary and mutually supportive in achieving the development goals of the acceding government;

 $<sup>^{58}</sup>$  Report of the Working Party on the Accession of Kazakhstan (document WT/ACC/KAZ/93), paragraphs 304-311.

<sup>&</sup>lt;sup>59</sup> Report of the Working Party on the Accession of Seychelles (document WT/ACC/SYC/64), paragraphs 124-126.

<sup>60</sup> Report of the Working Party on the Accession of Liberia (document WT/ACC/LBR/23 • WT/MIN(15)/2) paragraphs 91-94.

- Development of a strategy to align parallel negotiations in terms of policy objectives, roadmaps and inter-ministerial coordination mechanisms;
- Development of a coordinated domestic reform plan aimed at achieving consistency with the legal and institutional frameworks of the WTO and the RTA:
- Appointment of one Chief Trade Negotiator responsible for WTO accession and RTA negotiation, or establishment of a clear reporting mechanism to ensure that parallel negotiating processes are aligned and coordinated, including through regular exchange of information:
- Establishment of mechanisms for private sector consultations on WTO accession and RTA negotiations;
- Organization of joint training activities on trade negotiations which cover the WTO Agreements and RTA(s);
- Development of a coherent media and communication strategy on WTO accession and RTA negotiation, including on potential outcomes; and,
- Development of a post-accession strategy for the implementation of accession commitments and RTAs, through periodic monitoring and collection of data.
- 99. The proliferation of RTAs is expected to have a continuing impact on the WTO, including in the area of WTO accessions. Many acceding governments are currently engaged in RTA negotiations aimed at expanding and deepening the coverage of existing agreements to accommodate for the business reality of the 21st century and the post-pandemic global economy. For instance, all African acceding governments are currently engaged in negotiating Phase II of the AfCFTA to extend its coverage to investment, intellectual property rights and competition. Ensuring coherence and finding synergies between the dual goals of concluding WTO accession and RTA participation is an important issue which merits the full attention of trade negotiators and policy makers.

# VII. POST-ACCESSION

- 100. The post-accession implementation support framework consists of five pillars:
- i. Country-Specific Post-Accession Implementation Strategy;
- ii. Specialized training and outreach on WTO post-accession;
- iii. Secretariat Note on "Best Practices on WTO Post-Accession" (document WT/ACC/27);
- iv. Dedicated webpage on "Post-accession what next?" on the WTO website; 61
- v. Internal Secretariat Note on Post-Accession Implementation and Monitoring.
- 101. In 2020, the Secretariat continued monitoring the participation of Article XII Members in the work of the WTO and organized dedicated outreach sessions on post-accession (pillars ii and v). As part of this work, dedicated sessions were organized focusing on post-accession experiences and impact of the COVID-19 pandemic on FCA Article XII Members, including Afghanistan, Liberia and Yemen, as part of the 2020 Trade for Peace Week (see paragraphs 35, 73).
- 102. The 9th China Round Table on WTO Accessions, organized on 11 December, reviewed the results of 25 years of WTO Accessions, including specific experiences of Article XII Members (see paragraph 41).<sup>62</sup> It also commemorated the anniversaries of China, Croatia, Saudi Arabia and Kazakhstan for their 19th, 20th, 15th and 5th years of WTO membership. Other anniversary events included the celebration of 20<sup>th</sup> anniversary for Oman's WTO membership, organized during the Regional Dialogue for the Arab Region (see paragraph 37).
- 103. Additionally, representatives of Article XII Members continued taking part in discussions in various accession-related TA and outreach activities, as reported under Section 5, to discuss their post-accession experiences and give advice to current acceders.

<sup>61</sup> https://www.wto.org/english/thewto e/acc e/post acc e.htm

<sup>&</sup>lt;sup>62</sup> A collection of videos by Article XII Members is available here: https://www.youtube.com/watch?v=A3zafrsmIOk&feature=youtu.be

# VIII. TRADE AND ECONOMIC PERFORMANCE OF ARTICLE XII MEMBERS<sup>63</sup>

104. According to the World Trade Statistical Review 2020<sup>64</sup>, the volume of world merchandise trade, measured by the average of exports and imports, decreased by 0.1% in 2019 against 2.9% growth in 2018. This was largely due to persistent trade tensions and weaker global GDP growth. The nominal trade value declined by 3% in 2019 and totalled close to US \$19.05 trillion. World trade in commercial services continued to expand for the third consecutive year, albeit at a lower rate of 2.1% in 2019, totalling US\$ 5.898 trillion. World trade was predicted to fall by 9.2% in 2020, followed by a 7.2% rise in 2021, depending on the evolution of the pandemic and governments' responses

105. Figure 3 below compares the evolution of market shares of world trade of original WTO Members, the 36 Article XII Members, and the 23 acceding governments. The share of world trade of original Members has decreased from almost 89% in 1995, to just below 86% in 2005, and further down to about 80% in 2019. Conversely, the share of world trade of the 36 Article XII Members has increased from about 8% in 1995, to more than 12% in 2005, and then to 18% in 2019. This observation lends support to the view that the WTO accession process and subsequent WTO membership have a positive effect on the trade growth of acceded Members. The share of the 23 acceding governments has remained fairly stable over the period, standing at 1.5% in 2019. The share of world trade accounted for by WTO Members reached 98.2% in 2019.

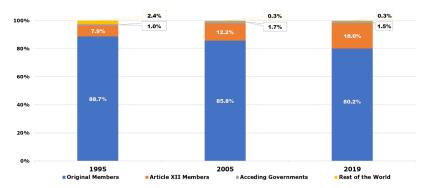


Figure 3: Shares of world trade (1995, 2005 and 2019)

Source: WTO Data Portal.

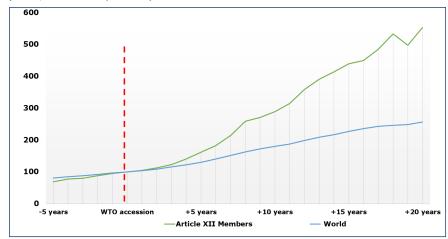
106. Figures 4, 5, 6 and 7 focus specifically on the trade and economic performance of the 36 Article XII Members in the years before and after accession to the WTO by depicting growth trends in GDP, merchandise trade in goods (exports and imports), and inward foreign direct investment (FDI) stocks.66 These indicators demonstrate that after acceding to the WTO, Article XII Members have, on average, experienced faster growth - both in comparison with the years prior to WTO accession and when assessed relative to the world average. These results lend support to the argument that integrated open economies tend to grow faster. By signalling a government's commitment to international rules, WTO membership appears to also encourage the inflow of foreign investment.

<sup>63</sup> See Annexes 6 and 7 to this Report.

<sup>64</sup> Available at <a href="https://www.wto.org/english/news">https://www.wto.org/english/news</a> e/statis e/wts2020 e/wts20 toc e.htm 65 <a href="https://www.wto.org/english/news">https://www.wto.org/english/news</a> e/pres20 e/pr862 e.htm. 66 The figures include the most recent available data from 2019.

Figure 4: GDP growth rate of Article XII Members

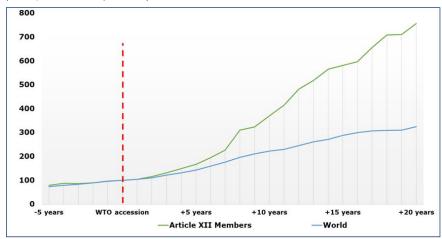
(Indices, WTO accession year = 100)



Source: IMF.

Figure 5: Growth rate of merchandise exports of Article XII Members

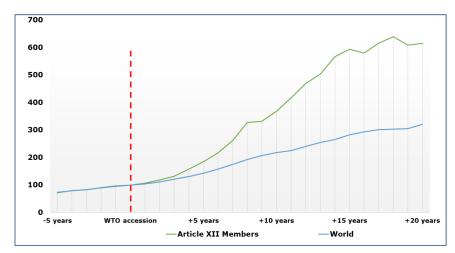
(Indices, WTO accession year = 100)



Source: WTO Data Portal.

Figure 6: Growth rate of merchandise imports of Article XII Members

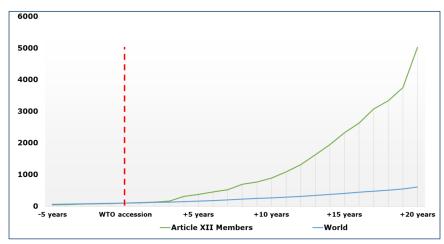
(Indices, WTO accession year = 100)



Source: WTO Data Portal.

Figure 7: Growth rate of FDI inward stocks of Article XII Members

(Indices, WTO accession year = 100)

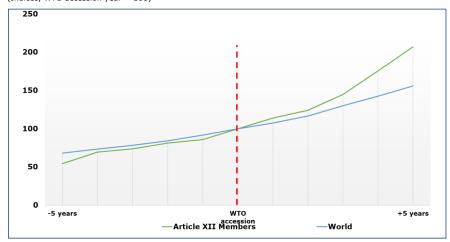


Source: UNCTAD.

107. On the services side, Article XII Members have also tended to perform better in the years following accession than in the years prior to accession. The picture is more mixed when comparing their performance relative to the world average. In particular, for Article XII Members joining the WTO after 2012, growth in commercial services exports has been positive, but has not outperformed the world average (see Figures 8 (A and B)).67

Figure 8: Growth rate of commercial services exports of Article XII Members

A: Accessions concluded prior to  $2011^{68}$  (Indices, WTO accession year = 100)



 $<sup>^{67}</sup>$  To address methodological constraints linked to the implementation of the EBOPS 2010 classification, data for trade in commercial services is presented in two groups: accessions prior to 2011 and accessions after

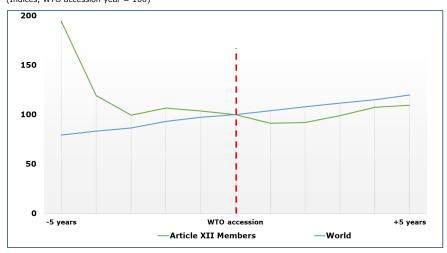
<sup>2012.</sup> See Technical Note on the trade in commercial services datasets at:

<a href="https://data.wto.org/assets/UserGuide/TechnicalNotes en.pdf">https://data.wto.org/assets/UserGuide/TechnicalNotes en.pdf</a>.

Leval Technical Note of the TechnicalNotes en.pdf</a>.

Leval TechnicalNote

B: Accessions concluded after  $2012^{69}$  (Indices, WTO accession year = 100)



Source: WTO Data Portal.

<sup>&</sup>lt;sup>69</sup> Article XII Members who acceded after 2012: Montenegro, Samoa, Russian Federation, Vanuatu, Lao PDR, Tajikistan, Yemen, Seychelles, Kazakhstan, Liberia, Afghanistan.

ANNEX 1 - ACCESSIONS DIVISION WORK INDICATORS (2018-2020)

	2018	2019	2020				
Membership & Accessions							
Now WTO manhar	0		0				
New WTO member	0	0					
Acceding Government	21	22	23				
(New application)	(0)	(1)	(1)+				
Active Accessions	16	14	17				
	Accession-related Meeting	gs & Missions					
WP meetings	5	4	4				
IGA	10	8	6				
IGAG	3	7	5				
Technical assistance & outreach	25	20	27				
Missions	19	17	3				
	Document outp	uts					
Newsletter	10	7	6				
Pages of acc. documents to WPs	2647	2106	1793				

<sup>&</sup>lt;sup>+</sup> Turkmenistan applied for observer status in the WTO

Source: Accessions Division internal data.

# ANNEX 2 - ACCESSIONS NEGOTIATED PURSUANT TO ARTICLE XII

	Government*	Membership Date	Working Party Report	Goods Schedule	Services Schedule	Protocol of Accession	General Council Decision
1.	Ecuador	21/01/1996	WT/L/77 & Corr.1	Add.1 & Corr.1, 2	Add.2	WT/ACC/ECU/6	WT/ACC/ECU/5
2.	Bulgaria	01/12/1996	WT/ACC/BGR/5 & Corr.1	Add.1	Add.2	WT/ACC/BGR/7	WT/ACC/BGR/6
3.	Mongolia	29/01/1997	WT/ACC/MNG/9 & Corr.1	Add.1 & Corr.1	Add.2	WT/ACC/MNG/11	WT/ACC/MNG/10
4.	Panama	06/09/1997	WT/ACC/PAN/19 & Corr.1	Add.1	Add.2	WT/ACC/PAN/21	WT/ACC/PAN/20
5.	Kyrgyz Republic	20/12/1998	WT/ACC/KGZ/26 & Corr.1	Add.1	Add.2	WT/ACC/KGZ/29	WT/ACC/KGZ/28
6.	Latvia	10/02/1999	WT/ACC/LVA/32	Add.1 & Corr.1	Add.2	WT/ACC/LVA/35	WT/ACC/LVA/34
7.	Estonia	13/11/1999	WT/ACC/EST/28	Add.1	Add.2 & Corr.1	WT/ACC/EST/30	WT/ACC/EST/29
8.	Jordan	11/04/2000	WT/ACC/JOR/33 & Corr.1	Add.1	Add.2	WT/ACC/JOR/35	WT/ACC/JOR/34
9.	Georgia	14/06/2000	WT/ACC/GEO/31	Add.1	Add.2	WT/ACC/GEO/33	WT/ACC/GEO/32
10.	Albania	08/09/2000	WT/ACC/ALB/51 & Corr.1	Add.1	Add.2 & Corr.1, 2	WT/ACC/ALB/53 & Corr.1	WT/ACC/ALB/52 & Corr.1
11.		09/11/2000	WT/ACC/OMN/26	Add.1	Add.2	WT/ACC/OMN/28	WT/ACC/OMN/27
12.		30/11/2000	WT/ACC/HRV/59	Add.1	Add.2 & Corr.1, 2	WT/ACC/HRV/61	WT/ACC/HRV/60
13.	Lithuania	31/05/2001	WT/ACC/LTU/52	Add.1 & Corr.1	Add.2	WT/ACC/LTU/54	WT/ACC/LTU/53
14.		26/07/2001	WT/ACC/MOL/37 & Corr.1-4	Add.1	Add.2	WT/ACC/MOL/40	WT/ACC/MOL/39
15.	China	11/12/2001	WT/ACC/CHN/49 & Corr.1	Add.1	Add.2	WT/L/432	WT/L/432
10.	Ciliid	11/12/2001	WT/MIN(01)/3	Add.1	Add.2	, 2, .52	,2, .52
16.	Chinese Taipei	01/01/2002	WT/ACC/TPKM/18	Add.1	Add.2	WT/L/433	WT/L/433
-0.	crimese raipe.	01,01,2002	WT/MIN(01)/4	Add.1	Add.2	,2, .55	, 2, .55
17	Armenia	05/02/2003	WT/ACC/ARM/23 & Corr.1	Add.1	Add.2	WT/L/506	WT/L/506
18.		04/04/2003	WT/ACC/807/27	Add.1	Add.2	WT/L/494	WT/L/494
19.		23/04/2004	WT/ACC/NPL/16	Add.1	Add.2	WT/MIN(03)/19	WT/MIN(03)/19
	Cambodia	13/10/2004	WT/ACC/KHM/21	Add.1	Add.2	WT/MIN(03)/18	WT/MIN(03)/18
21.	Saudi Arabia, Kingdom of	11/12/2005	WT/ACC/SAU/61	Add.1	Add.2	WT/L/627	WT/L/627
22.		11/01/2007	WT/ACC/VNM/48	Add.1	Add.2	WT/L/662	WT/L/662
23.	Tonga	27/07/2007	WT/ACC/TON/17	Add.1	Add.2	WT/L/644	WT/L/644
		, . ,	WT/MIN(05)/4			, , ,	
	Ukraine	16/05/2008	WT/ACC/UKR/152	Add.1	Add.2	WT/L/718	WT/L/718
25.	Cabo Verde	23/07/2008	WT/ACC/CPV/30	Add.1	Add.2	WT/L/715	WT/L/715
26.	Montenegro	29/04/2012	WT/ACC/CGR/38 WT/MIN(11)/7	Add.1	Add.2	WT/L/841	WT/MIN(11)/28 WT/L/841
27.	Samoa	10/05/2012	WT/ACC/SAM/30	Add.1	Add.2	WT/L/840	WT/MIN(11)/27
			WT/MIN(11)/1				WT/L/840
28.	Russian Federation	22/08/2012	WT/ACC/RUS/70 WT/MIN(11)/2	Add.1	Add.2	WT/L/839	WT/MIN(11)/24 WT/L/839
29.	Vanuatu	24/08/2012	WT/ACC/VUT/17	Add.1	Add.2	WT/L/862	WT/L/823
	Lao People's Democratic Republic	02/02/2013	WT/ACC/LAO/45	Add.1	Add.2	WT/L/865	WT/L/865
31	Tajikistan	02/03/2013	WT/ACC/TJK/30	Add.1	Add.2	WT/L/872	WT/L/872
	Yemen	26/06/2014	WT/ACC/YEM/42	Add.1	Add.2	WT/MIN(13)/24	WT/MIN(13)/24
52.	Temen	20/00/2017	WI/AGG/TEN/42	Aud.1	Add.Z	WT/L/905	WT/L/905
33.	Seychelles	26/04/2015	WT/ACC/SYC/64	Add.1	Add.2	WT/L/944	WT/L/944
	Kazakhstan	30/11/2015	WT/ACC/KAZ/93	Add.1	Add.2	WT/L/957	WT/L/957
	Liberia	14/07/2016	WT/ACC/LBR/23	Add.1	Add.2	WT/MIN(15)/38	WT/MIN(15)/38
55.	2.500	1 1/01/2010	,	,,,,,,,		WT/L/973	WT/L/973
36	Afghanistan	29/07/2016	WT/ACC/AFG/36	Add.1	Add.2	WT/MIN(15)/39	WT/MIN(15)/39
50.	,g.,	23,07,2010	,	7.00.1	7.00.2	WT/L/974	WT/L/974

Sorted by date of membership.

# ANNEX 3 - WTO ACCESSIONS WORKING PARTY CHAIRPERSONS

No.	Government	Date Working Party established	WP Chairperson*	Geneva-based (Y/N)
1.	Algeria	17 June 1987	H.E. Mr. José Luís CANCELA GÓMEZ (Uruguay)	Y
2.	Andorra	22 October 1997	Pending	
3.	Azerbaijan	16 July 1997	Pending	
4.	The Bahamas	18 July 2001	Pending	
5.	Belarus	27 October 1993	H.E. Mr Kemal MADENOĞLU (Turkey)	Y
6.	Bhutan	6 October 1999	H.E. Dr Elisabeth TICHY-FISSLBERGER (Austria)	Y
7.	Bosnia and Herzegovina	15 July 1999	H.E. Mr. Atanas PAPARIZOV (Bulgaria)	Y
8.	Comoros, Union of the	9 October 2007	Pending	
9.	Curação	3 March 2020	Pending	
10.	Equatorial Guinea	5 February 2008	Pending	
11.	Ethiopia	10 February 2003	H.E. Mr Morten JESPERSEN (Denmark)	Y
12.	Iran	26 May 2005	Pending	
13.	Iraq	13 December 2004	H.E. Mr Omar HILALE (Morocco)	N
14.	Lebanese Republic	14 April 1999	Mr Jean-Paul THUILLIER (France)	N
15.	Libya	27 July 2004	Mr Victor ECHEVARRÍA UGARTE (Spain)	N
16.	Sao Tomé and Principe	26 May 2005	Pending	
17.	Serbia	15 February 2005	H.E. Mrs. Marie-Claire SWÄRD CAPRA (Sweden)	N
18.	Somalia	7 December 2016	H.E. Mr Mikael ANZÉN (Sweden)	Y
19.	South Sudan	13 December 2017	Pending	
20.	Sudan	25 October 1994	Mr. Katsuro NAGAI (Japan)	
21.	Syrian Arab Republic	4 May 2010	Pending	
22.	Timor-Leste	7 December 2016	H.E. Mr. Rui MACIEIRA (Portugal)	Y
23.	Uzbekistan	21 December 1994	H.E. Ms Ji-ah PAIK (Republic of Korea)	Υ

<sup>\*</sup> As of December 2020.

# ANNEX 4 - OVERVIEW OF RTAS BY ARTICLE XII MEMBERS1

(AS OF DECEMBER 2020)

Article XII Members	WTO RTAs Accession date		Under Negotiation
Africa			
Cabo Verde	07/2008	Economic Community of West African States (ECOWAS); African Continental FTA (AfCFTA)	
Liberia	07/2016	ECOWAS; AFCFTA	
Seychelles	04/2015	South African Development Community (SADC); Common Market for Eastern and Southern Africa (COMESA)	
Asia			
Afghanistan	07/2016	Economic Cooperation Organization Trade Agreement (ECOTA); South Asian FTA (SAFTA)	
Cambodia	10/2004	Association of Southeast Asian Nations (ASEAN); Regional Comprehensive Economic Partnership (RCEP)	
China	12/2001	Asia Pacific Trade Agreement (APTA); ASEAN-China; RCEP	
Lao PDR	02/2013	ASEAN FTA; APTA; RCEP	
Mongolia	01/1997		
Nepal	04/2004	SAFTA; SAARC Preferential Trading Arrangement (SAPTA)	Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC)
Samoa	05/2012	Pacific Island Countries Trade Agreement (PICTA); South Pacific Regional Trade and Economic Cooperation Agreement (SPARTECA)	
Chinese Taipei	01/2002	El Salvador-Honduras-Chinese Taipei	
Tonga	07/2007	PICTA; SPARTECA	
Vanuatu	08/2012	PICTA; Melanesian Spearhead Group (MSG); SPARTECA	
Viet Nam	01/2007	GSTP; ASEAN FTA; Comprehensive and Progressive Agreement for Trans-Pacific Partnership	
		(CPTPP); EU-Viet Nam; Eurasian Economic Union (EAEU)-Viet Nam; RCEP	
Commonwealth o	f Independen	et States (CIS)	
Armenia	02/2003	2011 Commonwealth of Independent States FTA (CIS FTA); EU-Armenia; EAEU	
Georgia	06/2000	Georgia Ukraine Azerbaijan Moldova (GUAM) FTA; EU-Georgia	
Kazakhstan	11/2015	2011 CIS FTA; EAEU; ECOTA	
Kyrgyz Republic	12/1998	2011 CIS FTA; ECOTA; EAEU	
Moldova	07/2001	Central European FTA (CEFTA); GUAM FTA; 2011 CIS FTA; EU-Moldova	
Russian Federation	08/2012	2011 CIS FTA; EAEU	
Tajikistan	03/2013	ECOTA; 2011 CIS FTA	
Ukraine	05/2008	GUAM FTA; EU-Ukraine	

<sup>&</sup>lt;sup>1</sup> Article XII Members were divided by region according to the methodology employed in the 2020 World Trade Statistical Review: <a href="https://www.wto.org/english/rese/statise/wts2020">https://www.wto.org/english/rese/statise/wts2020</a> e/wts2020chapter05 e.pdf

Article XII Members	WTO Accession date	RTAs	Under Negotiation
Europe			
Albania	09/2000	CEFTA; EU-Albania	EU
Bulgaria	12/1996	EU	
Croatia	11/2000	EU	
Estonia	11/1999	EU	
Latvia	02/1999	EU	
Lithuania	05/2001	EU	
Montenegro	04/2012	CEFTA; EU-Montenegro	
North Macedonia	04/2003	CEFTA; European Free Trade Association-North Macedonia	EU
Middle East			
Jordan	04/2000	Agadir FTA; Greater Arab Free Trade Area (GAFTA); EU-Jordan	
Oman	11/2000	Gulf Cooperation Council (GCC); GAFTA	
Saudi Arabia	12/2005	GAFTA; GCC	
Yemen	06/2014	GAFTA	
South and Centra	I America		
Ecuador	01/1996	Latin American Integration Association (LAIA); Andean Community (CAN); EU-Colombia, Peru and Ecuador	
Panama	09/1997	Central American Common Market (CACM); EU-Central America	

Note: The list of RTAs is not exhaustive. Bilateral RTAs are omitted because of their large number, except for bilateral RTAs between a country and a trading bloc. By virtue of participating in the listed RTAs, the governments also benefit from the agreements concluded by these RTAs (if any). Such agreements are also not listed. RTAs signed as of the accession date of Article XII Members are marked in bold.

# ANNEX 5 - LENGTH OF TIME OF COMPLETED ACCESSIONS

No.	Article XII Member	Date of	Date of	Total Time of
		WP	Membership	Accession
		Establishment		Process
1.	Ecuador	09/1992	01/1996	3 years 4 months
2.	Bulgaria	11/1986	12/1996	10 years 1 month
3.	Mongolia	10/1991	01/1997	5 years 3 months
4.	Panama	10/1991	09/1997	5 years 11 months
5.	Kyrgyz Republic	04/1996	12/1998	2 years 8 months
6.	Latvia	12/1993	02/1999	5 years 2 months
7.	Estonia	03/1994	11/1999	5 years 8 months
8.	Jordan	01/1994	04/2000	6 years 3 months
9.	Georgia	07/1996	06/2000	3 years 11 months
10.	Albania	12/1992	09/2000	7 years 9 months
11.	Oman	06/1996	11/2000	4 years 5 months
12.	Croatia	10/1993	11/2000	7 years 1 month
13.	Lithuania	02/1994	05/2001	7 years 3 months
14.	Moldova, Republic of	12/1993	07/2001	7 years 7 months
15.	China	03/1987	12/2001	14 years 9 months
16.	Chinese Taipei	09/1992	01/2002	9 years 4 months
17.	Armenia	12/1993	02/2003	9 years 2 months
18.	North Macedonia	12/1994	04/2003	8 years 4 months
19.	Nepal*	06/1989	04/2004	14 years 10 months
20.	Cambodia*	12/1994	10/2004	9 years 10 months
21.	Saudi Arabia, Kingdom of	07/1993	12/2005	12 years 5 months
22.	Viet Nam	01/1995	01/2007	12 years
23.	Tonga	11/1995	07/2007	11 years 8 months
24.	Ukraine	12/1993	05/2008	14 years 5 months
25.	Cabo Verde*	07/2000	07/2008	8 years
26.	Montenegro	02/2005	04/2012	7 years 2 months
27.	Samoa*	07/1998	05/2012	13 years 10 months
28.	Russian Federation	07/1993	08/2012	19 years 1 month
29.	Vanuatu*	07/1995	08/2012	17 years 1 month
30.	Lao PDR*	02/1998	02/2013	15 years
31.	Tajikistan	07/2001	03/2013	11 years 8 months
32.	Yemen*	07/2000	06/2014	13 years 11 months
33.	Seychelles	07/1995	04/2015	19 years 9 months
34.	Kazakhstan	02/1996	11/2015	19 years 9 months
35.	Liberia*	12/2007	07/2016	8 years 7 months
36.	Afghanistan*	12/2004	07/2016	11 years 7 months

Overall Average	10 years 2 months
LDCs Accessions	12 years 6 months
Non-LDCs Accessions	9 years 4 months

 $<sup>^{\</sup>ast}$  LDCs. Cabo Verde and Samoa acceded to the WTO as LDCs. They graduated from LDC status in 2007 and in 2014, respectively.

# ANNEX 6 - BASIC ECONOMIC PROFILES OF ACCEDING GOVERNMENTS AND ARTICLE XII MEMBERS

**Table 6-1: Acceding Governments** 

Acceding Government	Population¹ (thousands)	GDP <sup>2</sup> (millions USD)	GDP per Capita <sup>2</sup> (USD)	Trade per capita³ (USD)	Trade as % GDP <sup>3</sup>	Merchandise exports <sup>4</sup> (millions USD)	Merchandise imports <sup>4</sup> (millions USD)	Commercial services exports <sup>4</sup> (millions USD)	Commercial services imports <sup>4</sup> (millions USD)
Algeria	43,053.05	169,267	3,898	1,171	28.8	35,824	41,934	3,040⁵	10,452⁵
Andorra	77.14				No dat	a available			
Azerbaijan	10,023.32	48,408	4,814	1,933	45.8	19,500	12,000	3,727	6,303
The Bahamas	389.48	13,579	35,664	11,149	33.8	654	2,967	4,037	1,727
Belarus	9,466.86	63,085	6,658	3,795	66.6	32,960	39,480	9,598	5,823
Bhutan	763.092	2,500	3,357	1,210	40.8	594	981	144	211
Bosnia and Herzegovina	3,301.00	19,856	6,015	2,460	47.1	6,578	11,159	2,246	7,38
Comoros, Union of the*	850.89	1,190	1,362	251 <sup>6</sup>	31.4 <sup>6</sup>	49	224	104 <sup>5</sup>	105 <sup>5</sup>
Curação	157.54						1,451	1,322	896
Equatorial Guinea	1,355.99	11,819	8,690	5,892 <sup>6</sup>	45 <sup>6</sup>	5,200	2,700	181 <sup>7</sup>	1,469 <sup>7</sup>
Ethiopia*	112,078.73	92,796	961	141	17.3	2,761	14,554	4,536	4,151
Iran	82,913.91	583,698	7,010	1,060	21.0	65,718	41,828	10,068 <sup>7</sup>	17,270 <sup>7</sup>
Iraq	39,309.78	230,143	5,884	1,577	29.8	82,309	46,262	6,331	24,246
Lebanese Republic	6,855.71	52,522	7,661	4,202	47.4	4,829	19,641	15,003	14,363
Libya	6,777.45	39,832	6,055	2,1738	62.88	24,441	14,373	100	5,605
Sao Tome and Principe*	215.06	422	1,980	656	35	13	148	43	54
Serbia	6,944.98	51,409	7,382	3,389	52.7	19,630	26,730	7,786	6,569
Somalia*	15,442.91			No data	a available			405 <sup>5</sup>	1,478 <sup>5</sup>
South Sudan*	11,062.11	4,934	369	169	64.9	n/a	n/a	2175	596⁵
Sudan*	42,813.24	33,359	772	171	15.5	39,73	9,199	1,353	1,298

<sup>&</sup>lt;sup>1</sup> For the year 2019. Source: World Bank, Population: All Countries and Economies, available at <a href="https://data.worldbank.org/indicator/SP.POP.TOTL">https://data.worldbank.org/indicator/SP.POP.TOTL</a> (accessed in January 

Acceding Government	Population <sup>1</sup> (thousands)	GDP <sup>2</sup> (millions USD)	GDP per Capita <sup>2</sup> (USD)	Trade per capita³ (USD)	Trade as % GDP³	Merchandise exports <sup>4</sup> (millions USD)	Merchandise imports <sup>4</sup> (millions USD)	Commercial services exports <sup>4</sup> (millions USD)	Commercial services imports <sup>4</sup> (millions USD)
Syrian Arab Republic	17,070.14	60,043 <sup>9</sup>	2,64210	86711	32.8 <sup>11</sup>	2,100	4,900	2,43410	2,81810
Timor-Leste*	1,293.12	1,620	1,252	458	20.3	154	591	76	320
Uzbekistan	33,580.65	57,921	1,742	442	27.1	14,024	21,866	3,075	5,334

**Table 6-2: Article XII Members** 

Article XII Member	Population <sup>1</sup> (thousands)	GDP <sup>2</sup> (millions USD)	GDP per Capita <sup>2</sup> (USD)	Trade per capita³ (USD)	Trade as % GDP <sup>3</sup>	Merchandise exports <sup>4</sup> (millions USD)	Merchandise imports <sup>4</sup> (millions USD)	Commercial services exports <sup>4</sup> (millions USD)	Commercial services imports <sup>4</sup> (millions USD)
Afghanistan*	38,041.75	18,876	507	128	22.9	975	7,330	600	1,211
Albania	2,854.19	15,276	5,323	1,759	37.8	2,716	5,897	3,736	2,283
Armenia	2,957.73	13,673	4,605	1,620	42.1	2,640	5,514	2,356	2,282
Bulgaria	6,975.76	67,931	9,772	5,322	63.8	33,303	37,176	10,562	6,077
Cabo Verde	549.94	1,982	3,602	1,810	54.8	62	796	713	349
Cambodia*	16,486.54	26,728	1,620	1,087	78.2	14,700	20,720	6,027	3,161
China	1,397,715	14,401,726	10,287	1,682	19.1	2,499,457	2,078,386	281,651	496,967
Croatia	4,067.50	60,422	14,853	6,695	49.5	17,180	28,160	16,797	5,457
Ecuador	17,373.66	107,436	6,222	1,317	21.3	22,329	22,564	3,144	3,938
Estonia	1,326.59	31,475	23,758	15,192	74.1	16,105	18,018	7,866	5,619
Georgia	3,720.38	17,743	4,765	2,271	55.4	3,798	9,517	4,510	2,360
Jordan	10,101.69	44,566	4,426	1,878	44.6	8,313	19,337	7,709	4,656
Kazakhstan	18,513.93	181,667	9,750	2,593	30.1	57,309	37,757	7,495	11,297
Kyrgyz Republic	6,456.90	8,455	1,323	608	50.5	1,966	4,904	1,160	960
Lao PDR*	7,169.45	19,059	2,661	935	36.4	5,764	6,252	1,101	1,274
Latvia	1,912.79	34,121	17,772	9,500	59.7	15,689	18,947	6,261	3,493
Liberia*	4,937.37	3,176	694	213	27.9	528	869	9	235

<sup>&</sup>lt;sup>9</sup> For 2010. <sup>10</sup> For 2011. <sup>11</sup> For 2008-2010.

Article XII Member	Population <sup>1</sup> (thousands)	GDP <sup>2</sup> (millions USD)	GDP per Capita <sup>2</sup> (USD)	Trade per capita³ (USD)	Trade as % GDP³	Merchandise exports <sup>4</sup> (millions USD)	Merchandise imports <sup>4</sup> (millions USD)	Commercial services exports <sup>4</sup> (millions USD)	Commercial services imports <sup>4</sup> (millions USD)
Lithuania	2,786.84	54,225	19,482	13,256	78.1	33,151	35,759	13,144	7,665
Moldova	2,657.64	11,956	4,458	1,181	43.1	2,779	5,843	1,503	1,149
Mongolia	3,225.18	13,853	4,202	2,155	57.7	7,620	6,127	1,364	2,948
Montenegro	622.17	5,495	8,826	4,192	53.6	2,909	1,895	1,895	744
Nepal*	28,608.71	30,690	1,079	265	31.1	968	12,340	1,512	1,691
North Macedonia	2,083.46	12,698	6,109	3,480	62.5	7,189	9,471	1,811	1,418
Oman	4,974.99	76,332	18,198	8,806 <sup>8</sup>	51 <sup>8</sup>	40,987	23,216	4,456 <sup>5</sup>	11,651 <sup>5</sup>
Panama	4,246.44	66,801	15,834	6,566	43.5	10,527	21,492	13,817	5,001
Russian Federation	144,373.54	1,702,496	11,601	2,525	24.3	419,850	254,598	61,714	97,483
Samoa	197.1	851	4,231	1,652 <sup>8</sup>	40 <sup>8</sup>	49	388	294	112
Saudi Arabia	34,268.53	792,967	23,266	6,598	30.4	261,603	153,163	23,468	51,569
Seychelles	97.63	1,651	17,127	16,635	104.7	518	1,167	1,117	679
Chinese Taipei	12	610,692	25,873	14,865	62.0	330,622	287,164	51,451	56,379
Tajikistan	9,321.02	8,117	873	224	27.8	1,250	3,350	239	479
Tonga	104.49	517	5,151	1,938	43.4	20	238	84	93
Ukraine	44,385.16	154,694	3,707	1,345	51.6	50,066	60,607	16,997	14,711
Vanuatu	299.88	933	3,186	1,522 <sup>8</sup>	50.98	48	290	367⁵	152 <sup>5</sup>
Viet Nam	96,462.11	329,537	3,416	2,359	100.0	264,273	253,903	27,421	18,552
Yemen*	29,161.92	22,568	713	254 <sup>5</sup>	18.55	1,434	10,407	30913	1,450 <sup>13</sup>

LDCs

WTO Data Portal (accessed in January 2021), unless otherwise indicated. For dates of Membership for Article XII Members, and dates of establishment of Working Parties for Acceding Governments, see Annexes 2 and 3, respectively. Source:

<sup>&</sup>lt;sup>12</sup> Data unavailable. <sup>13</sup> For 2016.

# WT/ACC/38 • WT/GC/228

# ANNEX 7 - DATA ON TRADE PERFORMANCE

Table 7-1: Value of merchandise trade and annual percentage change (1995–2019)

(Billion dollars and percentage)

(Dillion dollars	s and percentage	)												
		1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Article XII	Value	857	911	975	899	941	1,208	1,194	1,360	1,747	2,307	2,846	3,469	4,217
Members	Annual													
	percentage		6.2%	7.1%	-7.8%	4.6%	28.4%	-1.1%	13.9%	28.4%	32.1%	23.3%	21.9%	21.6%
	change													
World	Value	10,453	10,953	11,331	11,186	11,645	13,183	12,679	13,242	15,459	18,797	21,379	24,592	28,353
	Year-on-year													
	percentage		4.8%	3.5%	-1.3%	4.1%	13.2%	-3.8%	4.4%	16.7%	21.6%	13.7%	15.0%	15.3%
	change													

(Billion dollars and percentage)

(Billion donal	3 and percentage	/											
		2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Article XII	Value	5,122	3,999	5,279	6,578	6,926	7,277	7,330	6,341	5,923	6,759	7,641	7,601
Members	Annual												
	percentage	21.4%	-21.9%	32.0%	24.6%	5.3%	5.1%	0.7%	-13.5%	-6.6%	14.01%	13.05%	-0.52%
	change												
World	Value	32,732	25,337	30,812	36,841	37,201	37,970	38,106	33,232	32,180	35,720	39,299	38,196
	Year-on-year												
	percentage	15.4%	-22.6%	21.6%	19.6%	1.0%	2.1%	0.4%	-12.8%	-3.2%	11.0%	10.0%	-2.8%
	change												

Source: WTO Data Portal (accessed in January 2021).

Table 7-2: Value of trade in commercial services\* and annual percentage change (1995–2019)

		1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Article XII	Value	155	168	189	177	179	200	210	237	274	349	412	490	629
Members	Annual													
	percentage		8.6%	12.5%	-6.3%	0.7%	12.1%	4.7%	12.9%	15.8%	27.2%	18.0%	18.9%	28.4%
	change													
World	Value	2,369	2,536	2,629	2,653	2,784	2,955	2,975	3,159	3,644	4,396	5,126	5,763	6,866
	Year-on-year													
	percentage		7.1%	3.7%	0.9%	4.9%	6.1%	0.7%	6.2%	15.4%	20.6%	16.6%	12.4%	19.1%
	change													

# (Billion dollars and percentage)

		2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Article XII	Value	736	639	789	929	1,004	1,105	1,225	1,156	1,154	1,250	1403	1568
Members	Annual							· ·					
	percentage	17.0%	-13.2%	23.4%	17.8%	8.1%	10.0%	10.9%	-5.6%	-0.2%	8.3%	12.2%	11.75%
	change												
World	Value	7,759	6,898	7,546	8,486	8,773	9,330	10,017	9,432	9,502	10,354	11255	11796
	Annual												
	percentage	13.0%	-11.1%	9.4%	12.4%	3.4%	6.3%	7.4%	-5.8%	0.7%	9.0%	8.7%	4.81%
	change												

<sup>\*</sup> From 2005 onwards, the commercial services values are compiled using a new services classification in the balance of payments (BPM 6). Thus, figures are not directly comparable to those from earlier years.

Source: WTO Data Portal (accessed in January 2021).

# **ANNEX 8 - ACCESSIONS MANAGEMENT**

# **Accession Working Party Management\***

Accession Working Party	Code	Secretary	Co-Secretary	Administrative Manager/Support
1. Algeria	DZA	Tvarusko	Marchand	Tandara-Stenier
2. Andorra	AND	accessions@wto.org	- No Activity	
3. Azerbaijan	AZE	Rasulov	Hou	Tandara-Stenier
4. Bahamas	BHS	Tvarusko	Marchand	Tandara-Stenier
5. Belarus	BLR	Bratanov	Tvarusko <i>Hou</i>	Wardak
6. Bhutan**	BTN	Rasulov	Tallur	Tandara-Stenier
7. Bosnia and Herzegovina	BIH	Varyanik	Tvarusko	Tandara-Stenier
8. Comoros**	COM	Bratanov	Tvarusko	Tandara-Stenier
9. Curação	CUW	Bratanov	Marchand	Tandara-Stenier
10. Equatorial Guinea	GNQ	Perez-Esteve	Marchand	Wardak
11. Ethiopia**	ETH	Varyanik	Tvarusko Jibril	Wardak
12. Iran	IRN	Varyanik	Hou	Tandara-Stenier
13. Iraq	IRQ	Hassan	Rasulov <i>Jibril</i>	Wardak
14. Lebanese Republic	LBN	Hassan	Hou	Tandara-Stenier
15. Libya	LBY	Bratanov	Hou	Wardak
16. Sao Tome et Principe**	STP	Pérez-Esteve	Marchand	Wardak
17. Serbia	SRB	Varyanik	Tvarusko	Tandara-Stenier
18. Somalia**	SOM	Perez-Esteve	Jibril	Wardak
19. South Sudan**	SSD	Perez-Esteve	Tallur	Wardak
20. Sudan**	SDN	Hassan	Jibril	Tandara-Stenier
21. Syrian Arab Republic	SYR	Perez-Esteve	Hou	Wardak
22. Timor-Leste**	TLS	Varyanik	Tallur	Wardak
23. Uzbekistan	UZB	Rasulov	Hou Tallur	Tandara-Stenier

# Observer

	Country	Code	Focal Point	Co-Focal Point	Administrative Manager/Support
1.	Turkmenistan	TKM	Varyanik	Rasulov <i>Hou</i>	Tandara-Stenier

As of December 2020. LDCs.

# **ACCESSIONS STAFF DISPOSITION 2020**

- Director; Seven Professionals; Two Administrative Managers; and Four rotating interns under the WTO Accessions Internship Programme