HIGH-LEVEL SESSION - COMMEMORATING AFGHANISTAN’S 5TH ANNIVERSARY OF WTO MEMBERSHIP

THURSDAY, 29 JULY, 13:00-14:30 CEST (HYBRID FORMAT: ZOOM / ROOM S3)

Statement by Mr Sulaiman Bin Shah, Deputy Minister of Industry and Commerce of Afghanistan

Excellency Director-General Okonjo-Iweala,

Executive-Director Hamilton,

DDG Zhang,

Ambassador Ziwary,

Dr. Low,

Honorable Ambassadors and delegates,

Representatives of development partners,

Ladies, and gentlemen, in the room and connected virtually,

Good morning, good afternoon, to all of you.

Foremost, I present my sincere compliments and gratitude to the World Trade Organization and the International Trade Center for assisting us celebrate Afghanistan’s 5th anniversary of WTO membership. I feel honored and privileged to be part of this event today.

Let me thank my esteemed colleagues in the capital and in Geneva who have been instrumental during the accession process and after our membership in this organization. I would also like to take this opportunity to thank the WTO Accessions Division for their support during all these years. I would like to thank once again the ITC, for helping us benefit from this anniversary through conducting an independent study to assess our five years efforts at the WTO. Thanks to Dr. Low for carrying this study.

After nearly 12 years of negotiations, on 29th of July 2016, Afghanistan officially became the 164th WTO member. The epoch-making event raised hopes for reaping the benefits of open and fair trade for a country that has been suffering from a land-locked trap and conflict for decades. Our objectives of pursuing the WTO accession were to initiate and catalyze legal, regulatory, and institutional reforms and access international markets, diversify Afghanistan’s economy, create more jobs, promote international trade and transit, attract domestic and foreign investments, and develop a dynamic and innovative private sector.

Here, I would like to highlight the important role of the WTO accession process as an opportunity for acceding members to bring internal reforms, specifically Afghanistan. During our accession process and subsequently after the accession, we have been able to introduce a record number of legal, regulatory, and institutional reforms to make Afghanistan a viable market for private investment and boosting trade. This is evident from Afghanistan’s unprecedented improvement in the World Bank’s 2019 Doing Business Report. We are glad to witness that H.E. President Ghani’s vision of transforming Afghanistan into a trade and transit hub at the Heart of Asia is taking momentum. It is this progress and huge list of achievements that has changed the nature and
dynamic of our challenges, especially the efforts to disrupt market and bring the custom operations at a halt but we will overcome this challenge just like we overcome other challenges.

Given strong political commitment, during our accession process, more than 28 laws and regulations were adopted, and new policies and procedures for trade, customs, intellectual property, and investment were introduced. But it didn’t stop there.

With the establishment of the high economic council chaired by H.E the President and Inter-Ministerial Trade Facilitation Committee chaired by honorable Minister of Industry and Commerce in Kabul, the Afghan Government has continued the reforms in post-accession era to fulfil its commitments to the WTO.

Furthermore, Afghanistan has managed to become an observer member of the Government Procurement Agreement. Based on our WTO commitments, we are now members of the key Intellectual Property Conventions such as the Paris and Singapore Conventions and Madrid Protocol. We are also part of the Trade Facilitation Agreement. With the technical support provided by the ITC and in order to fully benefit from the opportunities created by our membership, we developed a National Trade Policy and an Export Promotion Strategy.

Following the decision of the Afghan Government, in June 2017, Afghanistan established its dedicated Permanent Mission to the WTO in Geneva to optimally utilize its membership benefits. In addition to the active participation in the work of the WTO, and in coordination with the development partners, our Mission has been instrumental in facilitating training programs, providing technical advice and advocating for Afghanistan’s interest as a least developing country suffering from conflict in the multilateral trading system. I want to take this opportunity and thank our Ambassador and the Afghan delegates in Geneva for their efforts.

All these would have been of course impossible without the help and support of our development partners and donors. I convey Afghan Government’s gratitude and we hope to continue our partnership in the future.

Five years after the accession, we understand that reaping the benefits of WTO membership requires a lot of efforts and dedication on all sides and specially, the public and private sectors. At the governmental level, as I have reported, some key initiatives and steps have been taken to remedy the shortcomings. But still, there are more efforts required, especially to address the supply-side constraints so that we diversify our economy and increase the share of our exports. This includes, inter alia, meeting the standards and technical requirements, and the capacity to implement the WTO technical Agreements such as Sanitary and Phyto-Sanitary, Technical Barriers to Trade, and Trade Facilitation.

Meanwhile, there is dire need for Afghan businesses to improve their knowledge and capacity for active participation in international trade and investment. Perpetual partnerships and cooperation between the Afghan public and private sectors, supported by the WTO and our bilateral and international partners will result in a better utilization of our membership in the Organization.

In my concluding remarks, I would like to reiterate that it has been only five years since we are part of the WTO. Thus, it might be too soon to measure and judge the impact of WTO membership on the Afghan economy. Nevertheless, the process of accession itself has significantly contributed in shaping the landscape of Afghanistan’s economy, from building its image at the international stage as pro-open and free trade country to transforming its macroeconomic policies, building the modern legal and institutional frameworks and engaging in the WTO work and activities in Geneva, all of these positive developments will surely pave the way for Afghanistan to reap the ultimate benefits of its membership which will result in expanding our economy, creating jobs, increasing exports and FDI flow. To reach these objectives, we will once again be counting on the support of development partners, donors, and WTO members, who are present here today. Looking forward to a vibrant engagement and discussion with all of you.

Thank you!