



WTO TWENTIETH ANNIVERSARY ACCESSIONS PROGRAMME

SECOND GLOBAL SEMINAR ON WTO ACCESSIONS SAUDI ARABIA 10-YEAR WTO ACCESSION SPECIAL ANNIVERSARY SESSION ACCESSIONS BOOK LAUNCH BY WTO DIRECTOR-GENERAL ROBERTO AZEVEDO

Statement by Ms. S. Zaitseva, Minister for Trade of the Eurasian Economic Commission

Panel 2: Negotiating Experience: Challenges, Opportunities and Post-Accessions

Geneva, Monday, 28 September 2015, 14:50 – 15:10, Room D

Dear colleagues,

1. I am honored to share today some thoughts on our accession experience and post accession state of affairs.
2. A year after Ukraine declared its independence in 1991, we began our WTO accession. It was 14 years of intense work, steep learning process, political will and flexibility in order to change, adapt and integrate into the modern world.
3. At those times Ukraine had to resolve many immediate issues related to establishing all necessary institutions and policies of an independent state, to move away from non-market economy, to totally eliminate its post-Soviet legacy. Striving for democracy, rule of law and free market became the guiding principles of political, social and economic life.
4. From an economic point of view, Ukraine was an integral part of the massive and highly inefficient Soviet economy. The collapse of the USSR resulted in disruption of economic ties, it which was replaced by rather simple free trade agreements between the CIS.
5. Accession to the GATT/WTO was a defined political and economic priority for the country and a recognized trigger for reform.
6. The Working Party on the Accession of Ukraine was established in December 1993. It initially consisted of 44 Members (including the then EU), and later the number grew to 52 Members. Ukraine signed 52 bilateral protocols with Members.
7. Three WP Chairs led us through the accession, and I take this opportunity to pay tribute: Mr. A. Stoler, Deputy Permanent Representative of the US to the WTO; Mr. S. Marchi, Ambassador of Canada and; Mr. M. Matus, Ambassador of Chile.
8. Ukraine is grateful to them for their leadership, trade diplomacy advice, sincere dedication to Ukraine's accession. Their strong belief in its success had a highly motivating effect on Ukraine's negotiators. Part IV on chairperson's perspective is a unique experience I personally am very much looking forward to read.
9. Accession is a concerted effort by several players, where the Parliament has a role of crucial importance. In 2005-2007 alone, the parliament adopted nearly 50 laws to advance the accession and more importantly, substantial internal reform in many areas.
10. On 5 February 2008, at the General Council meeting, the Protocol on Accession of Ukraine was signed. This comprised 1,170 pages of Ukraine's solid and reliable contribution to the WTO.



11. This job done, new tasks and challenges are on agenda for Ukraine today.
12. Right after the accession Ukraine's economy was hit by the global crisis. The impact and how Ukraine coped with it you can find in the book to launch in a day.
13. But today Ukraine is facing unprecedented combination of extremely adverse economic and political factors - annexation of our territory and military conflict in the East, intentional disruption of traditional trade ties by our neighbor.
14. It is not the WTO rules or how to comply them that poses a challenge for Ukraine today. The biggest issue is deliberate undermining and neglect of international obligations.
15. Despite immense difficulties Ukraine did not slip into protectionism or violation of the WTO basic principles. On the contrary Ukraine applies all legal instruments of this system to mitigate the negative impacts on trade and economic development and/or to make necessary adjustments to sustain shocks and diversify trade.
16. Ukraine has a long-term interest in building liberalized and predictable MFN market access. Therefore, we have a clear position in accession negotiations with prospective new members:
 - support universality of the WTO,
 - support accessions on ambitious terms and conditions,
 - country-specific flexibility for developing countries and LDCs
17. Ukraine believes and pursues the principle *clara pacta, boni amici* in addition to *pacta sunt servanda*.
18. Normally, this provides a solid foundation of legal certainty for trade, provided that the country respects its obligation after it becomes Member.
19. WTO accession implies increased competition, and it turned out to be quite painful for some companies. Tariff reduction had a positive effect. Increased competition triggered increase in productivity of Ukraine's companies.
20. For the companies, especially in processing industry, the impact of WTO accession was twofold: their products got better market access to new markets and their products became more competitive in these markets.
21. Economic modeling done by Ukrainian researchers showed that labor efficiency grew in all processing industries due to trade liberalization, and increased competitiveness of Ukrainian products in foreign markets.
22. Direct influence of WTO accession as estimated by the managers of enterprises in Ukraine is positive to neutral today, after rather negative expectations expressed at accession.
23. Like most of the governments around the world today the Ukrainian government is taking steps to implement reforms and growth-oriented trade policy in its defensive and offensive parts as an integral part of national economic strategy.
24. We work to ensure a sustainable dialogue between business and government on a national strategy of export promotion, expansion of trade and counteracting protectionism with due focus on helping SMEs to fully use new market opportunities of liberalized trade.
25. Today Ukraine is standing on a solid trade policy basis – WTO MFN trade regime, sectoral agreements and pending accession to the plurilateral GPA. This is complimented by a “geographically-wise”



FTAs, which cover Europe, Eurasia, Northern America. We continue talks with countries where we can open up Middle East, Africa.

Dear colleagues,

26. These are some of observations of Ukraine's accession and post accession years reflected in the book we are launching.

27. I would like to take this opportunity to say a few words on the book.

28. Yes, the book is about unique experiences of individual countries. It is a collection of points of views, opinions and approaches of the authors of the Chapters.

29. This book is a recognition of unprecedented and unparalleled joint contribution of Art XII Members who have brought to the system their values, which if shared, will help develop further trust and respect in the multilateral system. Our interconnectivity today must be secured and it is our common responsibility to make sure all international obligations are obeyed.

30. Finally, but with special stress on it, - the book is more than countries' accessions - it is a tribute to people, to negotiating teams at both sides of the table (visible and invisible), the Secretariat, experts.

31. It dignifies this collective knowledge and experience, discipline, perseverance, patience, service to their countries and this organization, top standards of profession they've chosen. Without these qualities nothing would have been accomplished.

32. I wish these people well and further success. I am looking forward to reading the book to see different facets of this complicated process known as the jargon word - accession.

Thank you.
