

The importance of WTO membership



TAJIKISTAN

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Process of accession of the Republic of Tajikistan to the WTO

- 2 March 2013 - The Republic of Tajikistan has become 159th member of the WTO.
- Concluded bilateral negotiations on market access on goods with 13 WTO Members; bilateral negotiations on market access on services concluded with 6 WTO Members
- More than 100 laws and regulations have been either amended or replaced
- Final average bound rate is 8.0%, which is actually higher than the average currently applied rate (7.3%).

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- The final average bound rate for agricultural products is 10.4%; 7.6% for non-agricultural products
- Negotiations on market access on services resulted in accepting specific commitments in 11 sectors and 111 subsectors
- As a result, the Republic of Tajikistan managed to keep the agricultural support at the level of 8 % of the GDP
- Republic of Tajikistan is well aware that the WTO accession itself will not have significant effect if the process of reforms initiated as a part of the WTO effort does not continue from first day of WTO membership
- The post WTO accession activities will include further reforms , trade liberalization, improvement of the national legislation and measures for the development of sensitive sectors of the national economy

Accession of the Republic of Tajikistan to the WTO

- The accession of Tajikistan itself in this kind of prestigious global organization is a positive fact. It can give a boost to radical reform of all economy sectors. The main provision of finding its place in this organization is the competitiveness of goods and services. Another important provision is the protection of domestic producers, and strengthen its export potential. This aspect could be included as the positive example of accession.
- It should be mentioned that important aspect of WTO membership is probable decrease of prices for consumer goods.
- After the accession to the WTO, the Government of Republic of Tajikistan pays serious attention on adaptation of country economy to new conditions of competitiveness on the world stage and implementation of Plan on countries economy adaptation to conditions of WTO
- The positives are already visible but perceptible positives of economic consequence of WTO accession could be seen in longer term perspective

The main factors of importance of WTO membership

- Get the guaranteed to all WTO members the Most favored regime, that will free from signing numerous bilateral agreements;
- Realization of free trade principal, providing the removal all the negative barriers and discrimination existing in international trade which are against the country;
- Strengthen the reputation and prestigious of the country as a reliable partner which will lead to attraction of foreign investment;
- Get access to operative international trade information which will develop an effective trade economic policy;
- Hold consultations with all WTO members, finding potential trade partners and new markets domestic goods and so on.

The main factors of importance of WTO membership (continuation)

- Tajikistan will receive access to the judicial system of the WTO, the possibility of enforcement decisions. Participation in the WTO implies a stable and transparent legislation based on multilateral rules. It significantly increases the attractiveness of the country for foreign investment;
- These days there are discrimination measures applied against Tajikistan that limit the access of goods to the external markets. The accession could decrease tariffs and take the limits on goods and services entrance;
- Bigger choice of goods and services that is confidently an advantage of free trade system for consumers. Except the ready foreign products, there are domestic goods and services, assortment of which extends with price decrease of import materials, component parts and equipment. Import competitiveness encourages maximum effect on domestic products, hence implicitly decreases price and increases the quality of produced goods;

The main factors of importance of WTO membership (continuation)

- Increase of state budget from the successful exporters' activities that reallocates gained extra resources and helps other companies that face with foreign competitiveness, increase productivity, extend the number of productions, improve its competitiveness or skip on new types of activities;
- Flow of capital into the country, in particular, in the forms of straight foreign investments that creates extra job seats and wholly improves the wellbeing of population;
- WTO system equals the chances of all members, giving the right of voices to small countries, limiting at the same time possibilities of economic dictates of bigger countries, that could be inevitably during the bilateral negotiations. Moreover, by merging unions small countries are able to be successful on negotiations.

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