



**CAREC WTO Accession
Knowledge Sharing Workshop
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Post Accession Strategies and Challenges

BASIC ASSUMPTIONS

- **All nations gain from international trade**
- **Gains are optimized through an open system that permits each economy to specialize in the things it does best...Comparative Advantage**
- **International trade is conducted by firms and not by governments**
- **Trade agreements regulate Government actions
--- not those of firms**
- **Government must constantly seek an appropriate balance between more openness and protection**

Challenges

- **As soon as Accession is approved, the new Member enters into a different trading environment**
- **There are new 'Rules' and 'Disciplines' that have to be followed**
- **Domestic Legislation has to be changed**
- **Laws and rules must conform to WTO Agreements**
- **Concessions exchanged, including (bound) tariffs, are often result of hard negotiations**
- **These bilateral exchanges create 'Initial Negotiating Rights' (INRs) and a set of Member countries with 'Substantial' Export Interests**

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- **No Change In concessions without approval of the Members, specially the INR and Substantial interest countries**
 - **All Domestic Measures on other Members' imports should be based on:**
 - **MFN, and**
 - **National Treatment**
 - **All Government Actions must be Transparent and WTO Consistent**
 - **WTO-Plus and WTO-Minus Obligations Restrict Policy Space**

- **Trade Policy Review and Notifications issued on annual basis make All Government actions subject to WTO Review (Over 200 Notifications required to be issued)**
- **Explicit or Hidden Protection for Domestic Industry and Export Performance-Based Support Not Allowed**
- **Little Or No Knowledge about WTO Rules, Obligations and disciplines creates problems for businesses**
- **Implementation Becomes a Major Issue**
- **Technical Assistance Is Not Available or Is Inadequate**
- **Most countries suffer from lack of capacity**

PAKISTAN

- **Pakistan Already Founder Member of GATT**
- **No Long Or Painful Accession Process**
- **Market Access Negotiations, however, did take place**
- **Major Trading Partners Wanted Access**
- **Main demand: Textiles & Clothing Tariff Reductions and Bindings**
- **Pakistan Also Had to Make New Laws; Anti-Dumping, Subsidies & Countervailing Measures & TRIPs etc.**
- **Problems of Capacity and Technical Expertise Have Continued**

STRATEGIES

- **Prime Objective: Maximum Gains From Inherent Market Access Opportunities**
- **Road Map Much Before Accession (Vietnam---Textiles)**
- **Develop Clear Understanding of ‘Rights & Obligations’ Under The New Order**
- **Honour Accession Commitments**
- **Involve Private Sector at All Stages of Policy-Making**

- **Do Not Reinvent.....Follow Best Practices where possible, specially in conformity legislation**
- **Domestic Standard-Setting Is Essential and Should Take Priority**
- **Aggressive and positive part in WTO Negotiations**
- **Develop Negotiating Positions & Skills**
- **Do not Try to Influence Every Issue; FOCUS on National Interests to Offset Capacity/Resource Constraints**
- **Create Support For Proposals Submitted In WTO Bodies**

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- **Build Capacity To Implement WTO Commitments through:**
 - **-WTO Technical Assistance;**
 - **-International Donor Support;**
 - **-Regional Cooperation Programmes and Even Borrow Capacity If Possible**
 - **-Create conducive environment for Investment Inflows and Export Expansion**



THANK YOU