

# Practical Aspects of the WTO Accession Process on Kazakhstan's Experience

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**Roundtable and Donor Engagement to Support Turkmenistan's  
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30 May 2023, Ashgabat, Turkmenistan

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- ❑ January, 1996 – submission of the application for the WTO Membership
- ❑ February, 1996 – observer status, establishment of the Working Party on WTO Accession of Kazakhstan



- ❑ Working Party on WTO Accession of Kazakhstan (WP) - 52 WTO Members, including the European Union
- ❑ 20 formal WP meetings
- ❑ 2003 – activation of WTO accession negotiations
- ❑ 30 November, 2015 - Kazakhstan became 162nd Member of the WTO

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## 4 tracks of the WTO accession negotiations

- ❑ Multilateral Negotiations: Working Party, "Systemic Issues"
- ❑ Bilateral Negotiations on Goods Market Access : "Binding" Import Duty Rates
- ❑ Bilateral Negotiations on Services Market Access : "Binding" Access Terms and Conditions for Foreign Providers of Services
- ❑ Multilateral Negotiations: "Binding" the Level of Domestic Support in Agriculture

*WTO accession negotiations are accompanied by an exchange of questions and answers in writing*

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Country	Date of accession	Length of the WTO accession process	Number of legislative acts	Number of questions in writing
Kyrgyz Republic	December, 1998	2 years, 10 months	155	952
China	December, 2001	15 years	2300	441
Russian Federation	August, 2012	17 years	529	2566
Republic of Kazakhstan	November, 2015	19 years	412	1900

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## Practical aspects of preparing documents and answering questions

- ✓ Brief description of legislative and regulatory acts in **simple and clear** language;
- ✓ Presenting **up-to-date statistical data**;
- ✓ Reference to the **provisions of the WTO agreements**;
- ✓ Use of **WTO terminology**;
- ✓ **Substantive** answers;
- ✓ Economic/social **reasoning**

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The WTO is a set of rules that aim to streamline,  
to facilitate and to level the playing field for trade

17 mandatory multilateral trade agreements:

- 14 agreements on trade in **goods**
  - agreement on trade in **services**
- 1 agreement on **protection of intellectual property rights**
  - 1 **dispute settlement agreement**

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## Main principles of the WTO:

### 1. Non-discrimination:

**Most-favoured-nation (MFN) treatment** - no discrimination between foreign trading partners

**National treatment** - no discrimination between national and foreign goods, services or producers/providers

### 2. Trade liberalization - reducing trade barriers through negotiation (progressive liberalization)

### 3. Transparency – openness, availability and accessibility of information and legislation on foreign trade and related areas

### 4. Taking into account the **special needs of developing countries**, least developed countries (LDCs) and countries with economies in transition

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Changes were made to more than 50 Laws of Kazakhstan , for example:

- "On currency regulation and currency control"
- "On Licensing"
- "On Anti-Dumping Measures“
- "On Subsidies and Countervailing Measures"
- Customs Code, Tax Code
- Criminal and Administrative Codes
- "On Technical Regulation"
- "On Food Safety"
- “On Veterinary Medicine"
- "On Plant Quarantine", etc.



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- ❑ Reduction of administrative barriers for foreign trade operations
- ❑ Harmonization of technical regulations and national standards with international ones.
- ❑ Bringing the sanitary and phytosanitary measures (SPS) in line with WTO rules.
- ❑ Reducing the number of activities and services subject to various authorization requirements, including certification, accreditation and licensing.
- ❑ Simplification of legal entities registration.

*All reforms undertaken during the accession to the WTO are aimed at improving the business and investment climate in Kazakhstan and guarantee transparency, predictability and stability.*

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## Legislative Action Plan (LAP)

- Laws and other regulatory legal acts, or their drafts, within the framework of national legislation, concerning the foreign trade regime, must be submitted to WTO members through the WTO Secretariat (in English)
- Each meeting of the WTO Accession Working Group reviews the LAP
- By the time of accession to the WTO, the national legislation of Kazakhstan was fully brought into line with WTO rules, with the exception of the provisions for which Kazakhstan fixed transitional periods to bring it into line with WTO requirements.

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**Trade liberalization** - lowering trade barriers through negotiations

Opening markets can be beneficial, but requires regulation.

WTO agreements allow countries to introduce changes gradually, through “progressive liberalization”

**Transparency** – openness, availability and accessibility of information and legislation on foreign trade and related areas

- WTO Members have agreed to **publish** a wide range of customs-specific information (including on the internet) relating to trade procedures, including on duty rates and taxes, forms and documents, rules for goods classification and valuation, rules of origin, transit procedures, and penalties and appeals rules.
- **Enquiry Points** on SPS and technical barriers to trade (TBT).

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- One of the main principles of the WTO is to take into account and address the **special needs of developing countries**, LDCs and countries with economies in transition

For example:

- **Trade Facilitation Agreement (TFA)** adopted in December 2013, entered into force on February 22, 2017
- Kazakhstan ratified the TFA in September 2015, along with the Protocol on Kazakhstan's accession to the WTO;
- TFA contains **12 substantive articles** (about 40 disciplines)
- An entire section dedicated to **developing countries and LDCs**
- **TFA readiness assessment**

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## Key Benefits of WTO Membership

- Higher level of **security and predictability** for access to foreign markets
- **Protection of the private sector** from harmful trade measures by other countries
- **A more business-friendly environment** that can help attract foreign investment and boost productivity
- Providing an opportunity to **protect trade interests** by participating in international trade negotiations and the development of rules



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## Conclusions

- ❑ Accession to the WTO is a complex multi-stage process that significantly affects almost all sectors of the economy of the acceding country.
- ❑ Reforming the foreign trade regime and bringing national legislation in line with WTO requirements has a great impact on the development of the country's economy and creates favourable conditions for business development and attracting foreign and domestic investment.

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## Conclusions

- ❑ The accession negotiation process and WTO membership strengthens economic relations with existing partner countries, makes the acceding country visible and helps to establish and develop trade and economic relations with new countries.
- ❑ Delaying the WTO accession process is not in the interests of the acceding country
- ❑ Each accession is a learning process. Training in the field of international trade regulation is very important from the earliest stages of accession

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**I wish you success on your way to the WTO!**

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