ORIGINAL: ENGLISH



#### **REPORT ON**

#### THE ISSUES RELATING TO THE ACTIVITIES OF THE WORLD TRADE ORGANISATION

### SUBMITTED BY

# THE ISLAMIC CENTRE FOR DEVELOPMENT OF TRADE

## TO THE

## 35<sup>th</sup> SESSION OF THE FOLLOW-UP COMMITTEE OF THE STANDING COMMITTEE FOR ECONOMIC AND COMMERCIAL CO-OPERATION OF THE OIC (COMCEC)

Ankara – Republic of Turkey 24- 25 April 2019

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#### BACKGROUND

The Islamic Centre for Development of Trade (I.C.D.T) is a subsidiary organ of the Organisation of Islamic Cooperation (O.I.C) in charge of Trade Promotion between Islamic Countries. ICDT was mandated by the Secretary General of the O.I.C and the Standing Committee for Economic and Commercial Cooperation for Islamic Countries (COMCEC) to follow up, in collaboration with the Group of the Islamic Development Bank, on the multilateral trade negotiations organised by the World Trade Organisation (W.T.O) and extend support, provide relevant training and technical assistance to the OIC Member States in this field. Within this framework, I.C.D.T submits on a regular basis, progress reports on these negotiations to the COMCEC annual meetings, the Islamic Commission for Economic, Cultural and Social Affairs of the O.I.C and the Council of the Foreign Affairs Ministers (CFM).

Likewise, ICDT produces reports and studies in preparation of the WTO Ministerial Meetings in order to shed light on the positions of Islamic Countries at these meetings and identify a common platform to coordinate their positions.

Besides, the Centre organizes seminars and workshops on the Multilateral Trade Negotiations for the benefit of the representatives of the OIC Member States from both the public and private sectors and on intra-OIC trade negotiations.

- > This report is divided into three sections:
  - ✓ Section I: Recent developments of the WTO activities relating to the OIC Member States;
  - ✓ Section II: ICDT activities in the field of the WTO;
  - ✓ Section III: Status of accession negotiations to WTO of OIC Member States.

#### **SECTION I:**

#### REPORT ON ICDT PARTICIPATION IN WORLD TRADE ORGANIZATION (WTO) ELEVENTH MINISTERIAL CONFERENCE

Buenos Aires, Argentina, 10 - 13 December 2017.

ICDT participated in the WTO Eleventh Ministerial Conference (WTO MC11) which was held during the period 10-13 December 2017 in Buenos Aires, Argentina. ICDT delegation was composed of Dr. El Hassane Hzaine Director General and Dr. Mokhtar Warida Assistant Director General.

ICDT participated in the WTO MC 11 in its capacity as a special guest of the Chair of the Conference and after receiving an official invitation in this respect from Minister of Foreign Affairs of Argentina (Chair of the Conference) in light of ICDT mandate in trade and trade related investment issues in the Organization of Islamic Cooperation.

Participants in the MC11 reached around 4,000 ministers, senior trade officials and other delegates from the WTO's 164 members and observers as well as representatives from civil society, business and the global media.

It should be noted that the Republic of Kyrgyzstan will host the 12<sup>th</sup> Ministerial Conference of WTO in Astana in 2019.

#### I. Consultative Ministerial Coordination Meeting for OIC Member States:

ICDT participated in the Consultative Ministerial Coordination Meeting for OIC Member States which was held on 9 December 2017 after receiving an official invitation from the President of IDB.

The meeting was organized by IDB Group (Cooperation and Integration Department and ITFC) and aimed at exchanging views on important issues before MC11 and IDB action plan for 2018 – 2019 in WTO related matters. The meeting was chaired by Minister of Trade and Industry of the Arab Republic of Egypt and attended by about 40 OIC Member States.

During the meeting, ICDT raised the following important issues:

- ICDT Role in Providing Technical Assistance and Capacity Building for OIC Member States in WTO Related Matters.
- COMCEC decision requesting ICDT to submit, in collaboration with IDB Group, a working paper for the consideration of the next COMCEC Meeting about practical options to increase OIC Ministers of Trade coordination vis-à-vis recent developments in the negotiations at the WTO and to formulate positions on priority issues for OIC countries in the current Doha Development Round and on new issues currently being proposed in the WTO.
- COMCEC decision mandating ICDT and IDB to continue providing technical assistance to the OIC Member States on WTO – related issues and to enhance their efforts in sensitizing the Member States to the impact of WTO trade negotiations on their economies, and requested IDB and ICDT to synergize and coordinate their efforts to strengthen the human and institutional capacities of the OIC Member States, so as to facilitate their full integration into the multilateral trading system on an equitable and fair basis.

In implementation of COMCEC decisions, the following activities are suggested for Joint ICDT – IDB implementation:

- Seminar for OIC Member States on outcome of MC11;
- To prepare a study for enhanced OIC coordination on WTO matters and to organize a High Level Expert Group Meeting for OIC Member States to discuss the draft study including practical options to increase OIC Ministers of Trade coordination.
- Workshop on OIC Member States priorities and interests towards key new issues and developments in WTO (Investment Facilitation, Micro and Medium Sized Enterprises and E-commerce).
- Workshop to support key OIC Member States in their WTO accession process: During the Meeting, OIC Member States, requested to receive technical assistance and capacity building regarding WTO accession process and other WTO issues, especially new issues (Investment facilitation, Micro and Medium Sized Enterprises and E-commerce). In addition, OIC Member States emphasized the importance of expediting the operationalization of TPS-OIC.

#### II. Key substantive issues before WTO MC11:

MC11 took place amidst increasing and unprecedented pressure and challenges before the Multilateral Trading System. On one hand, United States criticized the work of the organization and demanded serious reforms. In addition, United States gradually reduced its engagement in the work of the organization and conducted major review for the future. On the other hand, WTO member states could not agree before the conference on a draft ministerial declaration to chart the future work of the organization during the next two years. The Chair of the General Council stated in the MC11 opening ceremony that the General Council could not agree on a single recommendation to the Ministers.

In response to United States President's criticism of WTO, the Presidents of Argentina, Brazil, Uruguay and Paraguay issued during MC11 opening ceremony a Presidential Declaration in support of WTO and its guardianship of the Multilateral Trading System. The Declaration was supported by representatives of Colombia, Guyana, Mexico, Peru and Suriname, who also signed the declaration at the conference's opening ceremony.

In addition, Ministers from 44 WTO members issued a joint statement on 11 December underlining their support for the WTO and reaffirming the "centrality" of the rules-based multilateral trading system.

Key issues before the conference included: agriculture, development, fisheries subsidies, domestic regulation of services, and electronic commerce. Five Ministerial Facilitators were requested to lead consultations and negotiations with regard to the issues of Agriculture, Development, E-commerce, Investment Facilitation and Micro Enterprises.

#### III. Key Results of WTO MC11:

- WTO Member States did not succeed in reaching consensus on a Ministerial Declaration for the Conference, neither on specific decisions on key issues like agriculture, food security, services and development. However, the conference witnessed the following key results:
  - Ministerial decision on fisheries subsidies which delivers on Sustainable Development Goal 14.6 by the end of 2019. Under the ministerial decision on fisheries subsidies, members agreed to continue to engage constructively in the fisheries subsidies negotiations with a view to adopting an agreement by the next Ministerial Conference

in 2019 on comprehensive and effective disciplines that prohibit certain forms of fisheries subsidies that contribute to overcapacity and overfishing, and eliminate subsidies that contribute to illegal, unreported and unregulated fishing.

- Ministerial Decision to extend the practice of not imposing customs duties on electronic transmissions for another two years.
- Ministerial Decision on Work Programme on Electronic Commerce.
- Ministerial Decision on TRIPS non-violation and situation complaints.
- Ministerial Decision on Work Programme on Small Economies.
- Creation of the working group on accession for South Sudan.

- No agreement was possible in a number of the substantive issues that were under discussion at the conference. One key area where no agreement was possible was public stockholding for food security purposes. Many members regretted that this was not possible despite the mandate to conclude negotiations at MC11. Other issues under the agricultural negotiations pillar also were not concluded.

- Ministers expressed their disappointment over the lack of progress, and gave their commitment to continuing to move forward on the negotiations related to all remaining relevant issues, including to advance work on the three pillars of agriculture (domestic support, market access and export competition) as well as non-agricultural market access, services, development, TRIPS, rules, and trade and environment.

- Three proponent groups announced new initiatives to advance talks at the WTO on the issues of electronic commerce, investment facilitation and micro, small and medium size enterprises (MSMEs):

- Firstly, Joint Ministerial Statement by Seventy-one members said they would initiate exploratory work towards future WTO negotiations on trade-related aspects of electronic commerce, with participation open to all WTO members. Proponents said a first meeting will be held in the first quarter of 2018. The group accounts for around 77 per cent of global trade.
- Secondly, Joint Ministerial Statement on investment facilitation by 70 WTO members, recognizing the links between investment, trade and development, announced plans to pursue structured discussions with the aim of developing a multilateral framework on investment facilitation. The proponents, who account for around 73 per cent of trade and 66 per cent of inward foreign direct investment (FDI), agreed to meet early in 2018 to discuss how to organize outreach activities and structured discussions on this topic.
- Thirdly, Joint Ministerial Declaration on the Establishment of a WTO Informal Work Program for MSMEs by 87 WTO members accounting for around 78 per cent of world exports declaring their intention to create, multilaterally, an Informal Working Group on MSMEs at the WTO that would be open to all members. The discussion would address obstacles related to foreign trade operations that represent a significant burden for MSMEs interested in participating in international trade.
- For the first time in the history of the World Trade Organization, WTO members and observers have endorsed a collective initiative to increase the participation of women in trade. In order to help women reach their full potential in the world economy, 118 WTO members and observers agreed to support the Buenos Aires Declaration on Women and Trade, which seeks to remove barriers to, and foster, women's economic empowerment.

- Main sideline events:

- Holding a Business Forum on the sideline of the MC11 for the first time in the history of WTO in order to increase engagement with business and private sector.
- Launch of WTO-ITC Joint Portal for Cotton, an on-line platform for market intelligence for cotton products, which will enable cotton producers, traders and policymakers to better harness market opportunities in the sector.
- Launch of WTO-ITC-UNCTAD Global Trade Help Desk which will serve as a Single Window for businesses and policymakers to access trade data and practical information on target markets.

#### - RECENT DEVELOPMENTS OF THE WTO NEGOTIATIONS:

- The World Trade Organization intensified its preparations for the 11<sup>th</sup> Ministerial Conference (MC11) which will be held in Buenos Aires 10-13 December 2017. In this regard, around thirty five countries held an informal Mini-Ministerial meeting in Marrakech, Kingdom of Morocco on 9-10 October 2017, which helped fix a road map towards the maximum chances for success in Buenos Aires Ministerial Conference.
- The Meeting reaffirmed the participating Member States' commitment to an open and equitable multilateral trading system which can adapt to the international economic environment and takes account of interests of WTO members.
- The meeting also affirmed the importance of implementing the results of Nairobi Ministerial Conference and the Bali Ministerial Conference and exploring the means of advancing the negotiations to harness the results of these two conferences for the benefit of Buenos Aires Ministerial conference.
- Many countries emphasised the importance of development as a central theme of discussion. They also underlined the need to integrate developing countries, in particular LDC in the multilateral trading system. While there is divergence regarding the ambitions and priorities, it is important to stay realist in searching for the concrete and equitable results and being open to new approaches to arrive to them.
- Also, the meeting discussed a realistic and equitable package in Buenos Aires which should include advanced concrete issues related to development and clear perspectives concerning the new issues regarding the changing international economic environment.
- The participating countries have also discussed the importance of Special and Differential Treatment as an integral part of all WTO agreements and future multilateral results, in a way to be efficient concerning the implementation plan and allowing developing countries, in particular LDCs, to respond effectively to their development needs.
- The countries have recognized the importance of agriculture which remain at heart of the agenda for many countries. The Case of cotton was underlined by many African countries, especially LDCs.
- The ministers welcomed the negotiating efforts regarding fisheries subsidies and called for marinating the negotiations with a view to making them successful in Buenos Aires.
- The ministers also reaffirmed the importance of Services which contribute strongly to the growth of international economy. The culmination of this negotiation is important for WTO Members.
- Regarding new issues, especially E-commerce, countries discussed how it can assist the economic growth in developing countries and LDCs and achieving structural transformation of their economies. The countries have also acknowledged the digital divide and gaps in infrastructures, technological, juridical and institutional capacities that developing countries face and which represent major constraints for them to reap the benefits of e-commerce. Therefore, countries asked to continue the discussion concerning the proposed regulations of e-commerce to better understand the implications, the challenges and the interests, and

making pertinent responses that take into consideration all interest of members.

- The ministers also called for continuing the negotiations in Geneva in a manner that is open, inclusive and transparent for all members with a view to reaching concrete and equitable results. It has been recommended to hold regular meetings at senior officials' level in order ensure the follow up of these recommendations and ensuring the success of Buenos Aires Ministerial meeting.
- It should be recalled that The World Trade Organization continued its post 10<sup>th</sup> Ministerial Conference (MC10) in Nairobi, Kenya, during the period 15-19 December 2015. The meeting adopted the "Nairobi Package", a series of six Ministerial Decisions on agriculture, cotton and issues related to least-developed countries. In addition, a Ministerial Declaration outlining the Package and the future work of the WTO was also adopted.
- The Chairman of the Trade Negotiations Committee delivered its report on the status of negotiations on 27 July 2016. In this report, the Chairman informed that there are signs that WTO Members are gradually moving towards a more proposals-driven process. Members have submitted a number of papers. In agriculture, for example, seven papers have been submitted with ideas and queries on a range of issues, including Domestic Support. Also, there is some positive engagement in Services, though less in NAMA. Fisheries subsidies continue to draw much attention. Looking at the Doha Development Agenda issues overall, the Chairman emphasized that if WTO Members want to move forward, so there is a need to significantly deepen the discussions in the months ahead to see if there is any potential for outcomes. And in all of these conversations, there is need to maintain and enhance the focus on development and LDC issues.
- It is also recalled that MC10 has adopted the following decisions:
  - Work program on small economies.
  - TRIPS non-violations and situation complaints.
  - Work program on electronic commerce.
  - The Transition Period under Article 66.1 of the TRIPS Agreement for least-developed countries for certain obligations with respect to pharmaceutical products as well as the related Waiver Decision adopted by the General Council concerning least-developed countries' obligations under Article 70.8 and 70.9 of the TRIPS Agreement.
- With regard to Doha Development Agenda, MC10 has adopted the following decisions:
  - Special Safeguard Mechanism for Developing Countries in the area of Agriculture.
  - Public Stockholding for Food Security Purposes.
  - Export Competition in the area of Agriculture.
  - Cotton.
  - Preferential Rules of Origin for Least-Developed Countries.
  - Implementation of Preferential Treatment in Favour of Services and Service Suppliers of Least Developed Countries and Increasing LDC Participation in Services Trade.
- The MC10 witnessed differences of views among WTO Members regarding the future Doha Development negotiations. While many Members reaffirmed the Doha Development Agenda, and the Declarations and Decisions adopted at Doha and at the Ministerial conferences held since; other Members did not reaffirm the Doha mandates, as they believed new approaches were necessary to achieve meaningful outcomes in the multilateral negotiations. However, Members expressed strong commitment to advance negotiations on the remaining Doha issues, including all the pillars of agriculture, non-agriculture market access, services, development, TRIPS and rules. Ministers also agreed that officials should work to find ways to advance negotiations and requested the WTO Director-General to report regularly to the General Council on these efforts.

#### - RATIFICATION OF THE TRADE FACILITATION AGREEMENT:

The Trade Facilitation Agreement (TFA) concluded in Bali in December 2013 entered into force on 22 February 2017, following its ratification by two-thirds of the WTO Members.

The last countries which have ratified the TFA are: Namibia, Djibouti, Papua New Guinea, Cuba, Benin, Kuwait, Uganda and Burkina Faso and Cameroon (16 January 2019), bringing the total number of ratifications of the 164 WTO members to 141.

Among the OIC Member States that have ratified the TFA, we can mention 34 of the 141:

Malaysia, Niger, Togo, Pakistan, Guyana, Côte d'Ivoire, Brunei, Mali, Turkey, the United Arab Emirates, Albania, Kazakhstan, Saudi Arabia, Afghanistan, Senegal, Bahrain, Bangladesh, Gabon, Kyrgyzstan, Mozambique, Nigeria, Oman, Chad, Jordan; Sierra Leone, Qatar, Gambia, Indonesia, Djibouti, Benin, Kuwait, Uganda, Burkina Faso and Cameroon.

It should be noted that 114 countries have notified category A of the TFA including 37 OIC countries, 76 countries notified category B and 65 category C of the Agreement, according to WTO data of 4<sup>th</sup> March 2019.

20 OIC Member States have notified Category B: Albania, Guyana, Mozambique, Nigeria, Pakistan, Afghanistan, Bangladesh, Bahrain, Brunei, Gambia, Mali, Malaysia, Niger, Sierra Leone, Togo, Indonesia, Jordan, Kazakhstan, Kyrgyzstan and Morocco.

17 OIC countries have notified Category C of the TFA Agreement: Albania, Guyana, Mozambique, Nigeria, Pakistan, Afghanistan, Bangladesh, Bahrain, The Gambia, Mali, Niger, Sierra Leone, Togo, Morocco, Jordan, Kazakhstan and Kyrgyzstan.

We recall that 44 OIC Member States are WTO Members with Afghanistan which acceded on 29 July 2016. Eleven OIC Member States are in the process of accession to the WTO.

In addition, ICDT organized awareness-raising seminars between 2015 and 2017 with the IDB's Department of Economic Integration on the WTO Trade Facilitation Agreement to encourage them to ratify this agreement, to notify its categories A, B and C and contribute to the development of trade of the OIC countries with the rest of the World.

#### **SECTION II**

#### THE ICDT ACTIVITIES IN THE FIELD OF WTO ISSUES

ICDT carried out several activities to serve OIC Member States' economic interests with regard to WTO issues. In implementation of COMCEC "WTO – related resolutions", in particular the Resolution of the Thirty-Third Session of the COMCEC held during the period 20 – 23 November 2017 in Istanbul which has requested ICDT and IDB to "submit a Working Paper for the consideration of the next COMCEC meeting about Practical Options to increase OIC Ministers of Trade Coordination vis-à-vis recent developments in the negotiations at the WTO and to formulate positions on priority issues for OIC countries currently being proposed in the WTO", the ICDT and IDB prepared a study which was submitted to the relevant stakeholders and OIC experts for their feedback, remarks and comments. About fifteen countries have completed the questionnaire. The Final version of the Working Paper was presented to the OIC mission based in Geneva on 14<sup>th</sup> October 2018 and will be submitted to the Thirty-Fourth Session of the COMCEC.

Within the framework of the implementation of COMCEC resolutions on WTO issues, ICDT organized also several seminars for the benefit of the OIC Member States, in partnership with IDB Group, WTO, UNCTAD, ITC and WCO, in order to increase OIC Member States' awareness and to develop their capacities in different international trade fields regulated by WTO agreements.

**1. Workshop on the Mechanisms for settlement of Trade and Investment Disputes among the OIC Member States**, 20-21 February 2017, in Casablanca, Kingdom of Morocco:

Within the framework of the implementation of the relevant resolutions of the OIC organs and technical assistance to Member States in the development of trade, the Islamic Centre for Development of Trade (ICDT) organized in collaboration with the International Islamic Center for Reconciliation and Arbitration (IICRA), a workshop on **"the Mechanisms for Settlement of Trade and Investment Disputes among the OIC Member States**" on 20<sup>th</sup> and 21<sup>st</sup> February 2017 in Casablanca - Kingdom of Morocco.

#### **Objective:**

This workshop aimed to develop cooperation and coordination among the OIC Member States on reconciliation and arbitration mechanisms for the settlement of trade and investment disputes, with an emphasis on the operationalization of provisions for settlement of disputes relating to the relevant agreements of the OIC, including:

- Agreement on Promotion, Protection and Guarantee of Investments among the OIC Member States;
- The General Agreement on Economic, Technical and Commercial Cooperation among the OIC Member States;
- The Framework Agreement on Trade Preferential System among the OIC Member States;
- Protocol on the Preferential Tariff Scheme for TPS-OIC (PRETAS);
- The TPS-OIC Protocol on Rules of Origin.

#### Participants:

The following countries took part in this seminar: Cameroon, Turkey, Palestine and Morocco. Experts from the following national and international organizations also

participated: The International Chamber of Commerce of Morocco (ICC Morocco), The French Chamber of Commerce and Industry of Morocco (CFCIM), The Union of Chambers and Commodity Exchanges of Turkey (TOBB), The Moroccan Association of Exporters (ASMEX), The World Trade Organization (WTO), The United Nations Commission on International Trade Law (UNCITRAL), The International Islamic Center for Reconciliation and Arbitration (IICRA), The United Nations Conference on Trade and Development (UNCTAD), and the Islamic Centre for Development of Trade (ICDT).

# **2.** Training Workshop on Trade in Services for OIC Member States, 22-24 March 2017, Casablanca, Kingdom of Morocco:

Within the framework of the implementation of technical assistance to OIC Member States on WTO issues, the Islamic Centre for Development of Trade (ICDT), the Statistical, Economic, Social Research and Training Centre for Islamic Countries (SESRIC) and the Department of Cooperation and Resource Mobilization of the Islamic Development Bank (IDB) organized, in collaboration with the Ministry in Charge of Foreign Trade of the Kingdom of Morocco a Training Workshop on "Trade in Services of OIC Member States", 22-24 March 2017, Casablanca, Kingdom of Morocco.

The objective of the workshop is to build the capacity of OIC Member States to negotiate in the Trade in Services sector, and to increase their capacity to promote trade in services at the OIC level, thereby stimulating intra-OIC trade and assisting OIC Member States in achieving the Sustainable Development Goals.

The following countries took part in this seminar namely: Algeria, Saudi Arabia, Azerbaijan, Benin, Cameroon, Cote d'Ivoire, Egypt, Gabon, Indonesia, Jordan, Kazakhstan, Kuwait, Lebanon, Mauritania, Morocco, Niger, Oman, Palestine, Senegal, Sudan, Togo, Tunisia and Turkey.

Experts from the following regional and international organizations also participated: COMCEC Coordination Office, ICDT, SESRIC, IDB, League of Arab States (LAS), International Trade Centre (ITC) and the United Nations Conference on Trade and Development (UNCTAD).

# **3.** Workshop on the Preparation of the 11<sup>th</sup> WTO Ministerial Conference: An African Perspective, 17-19 July 2017, Casablanca, Kingdom of Morocco:

As part of their technical assistance program on WTO issues for Member States, the Department of Resource Mobilization and Cooperation of the Islamic Development Bank (DRMC-IDB) and the Islamic Centre for Development of Trade (ICDT) organized, in collaboration with the Secretariat of State in charge of Foreign Trade of the Kingdom of Morocco, a Seminar on the Preparation of the 11<sup>th</sup> WTO Ministerial Conference: An African Consultation dedicated to African States Members of the OIC, from 17 to 19 July 2017 in Casablanca, Kingdom of Morocco.

The following countries took part in this seminar: Burkina Faso, Cameroon, Cote d'Ivoire, Gabon, Guinea, Guinea-Bissau, Morocco, Mauritania, Niger, Nigeria, Senegal, Sierra Leone, Chad, Togo, Tunisia and Uganda .

The following institutions also attended and directed the seminar: FAO, UNCTAD, CUTS International, IDB and ICDT.

#### 4. Workshop on ICDT/IDB joint study to increase OIC Member States Coordination vis-à-vis WTO issues, OIC Mission in Geneva, 19-20 October 2018

Referring to the Resolution N° 52 of the Thirty-Third Session of the COMCEC held during the period 20-23 November 2017 in Istanbul, Republic of Turkey which has requested ICDT and IsDB Group to submit a working paper for the consideration of the next COMCEC meeting about Practical options to increase OIC Ministers of Trade Coordination vis-à-vis recent developments in the negotiations at the WTO and to formulate positions on priority issues for OIC Countries currently being proposed in the WTO, ICDT and IDB in collaboration with OIC Permanent Representative in Geneva, organised a Workshop on this theme in Geneva, Switzerland on 19-20 October 2018.

The objectives of this workshop are to review the draft study and gather the observations and comments made by Member States (MS) in one hand and on the other hand to elaborate practical recommendations to better enhance common coordination mechanisms between Member States in WTO matters.

The Workshop was attended by the following representatives of the OIC Permanent Missions in Geneva: Niger, Algeria, Saudi Arabia, Morocco, Sudan, Palestine, Pakistan, Oman, Albania, Bangladesh, Mali, Djibouti, Senegal, Gabon, Turkey, Maldives, Brunei, Pakistan, Jordan, Comoros, Yemen and Kazakhstan.

ICDT, the OIC Mission in Geneva and IsDB Group attended this meeting.

After a fruitful debate, participants proposed the following recommendations:

- to include all the observations made by OIC MS Representatives in the final version of the study; in this regard, the MS are invited to give their views about the different options mentioned in the Chapter III of this study;
- to extend the period of receiving the observations from OIC MS representative till 31<sup>st</sup> October 2018; the observations received after this date will be added as an annex to the study and distributed during the COMCEC Meeting in Istanbul (26-29 November 2018);
- to add a new Option (4<sup>th</sup> Option) relating to the creation of an informal Group at the Geneva Level, like the WAEMU Group;
- In the case the "Option 1" is adopted, the OIC Group shall focus on the systemic issues like the reform of WTO;
- to initiate a "Reverse Linkage Program" on WTO matters for the benefit of acceding countries;
- to initiate a special training program for Geneva OIC based Missions starting from 2019.

#### 5. Workshop on Post-WTO Eleventh Ministerial Conference (MC11) for the OIC Member States, Dubai, United Arab Emirates, 19-20 November 2018

Within the framework of the implementation of the Resolution of Thirty-Third Session of the COMCEC, held during the period 20-23 November 2017 in Istanbul, Republic of Turkey, which has called upon the IDB and ICDT to continue providing technical assistance to the OIC Member States on WTO related issues and to enhance their efforts in sensitizing the Member States to the impact of WTO trade negotiations on their economies.

In this regard, ICDT and IDB Department of Strategy and Cooperation organised in collaboration with the Ministry of Economy of the State of the United Arab Emirates a Workshop on Post-WTO Eleventh Ministerial Conference (MC11) for the OIC Member States in Dubai on 19-20 November 2018.

This Workshop is organised to discuss important topics including the state of play of WTO negotiations, the Ministerial Decisions by MC11, the Status of OIC Member States' accession to WTO and future OIC Coordination for WTO issues and to share views of the OIC Countries's Representatives in the OIC priorities of negotiations within WTO and issues to be discussed for the upcoming MC12 to be held in Kazakhstan in 2020.

The following countries participated in this Workshop: Egypt, Oman, Suriname, Tajikistan, Kyrgyzstan, Palestine, Sudan, Malaysia, Pakistan and UAE. ICDT, IDB, South Centre and Third Word Network experts attended the workshop.

The experts presented the following themes:

- **State of play of WTO negotiations post MC11** (Agriculture, Fisheries Subsidies, Development, WTO Reform ... etc)
- **Ministerial Decision and Statement at MC11:** E-commerce, TRIPS and Domestic regulations in services
- **Ministerial Statements on new issues:** Investment facilitation, Gender and Trade, Micro and SMEs
- OIC Coordination for WTO issues and OIC Member States' Accession to WTO.

After the presentations of sessions and general debate, participants agreed on the following:

to organise a workshop on trade in services and e-commerce for the OIC Member States;
to follow-up the issues relating to the Investment facilitation within WTO and organise capacity building program on the Investment bilateral and regional Agreements and policies;

-to hold capacity building program on the issues of WTO negotiation;

- to encourage OIC Member States to consider the establishment of an OIC Body on Dispute Settlement on Trade and Investment;

to integrate Gender and Trade issues in the OIC future negotiations and trade policies;
to consider the study on the OIC Coordination Mechanism in the WTO issues prepared by ICDT and IDB;

-to prepare a whitepaper on WTO Reforms by clarifying the positions and related matters (MTS, Appellate Body appointment) of the OIC MS to have a better understanding on WTO current issues;

- to support OIC request to be a Member Group to WTO;

-to organise capacity building program and Business Forums dedicated to Women Entrepreneurs' (Online Marketing, MSMEs development, value chain) and more involvement women in OIC Trade fairs and exhibitions;

-to share best practices and experiences between Advanced OIC Member Countries and less developed countries in issues related to gender via the IDB Program Reverse Linkage;

- to provide more support to non WTO OIC Member Countries to accede to WTO;

- to request IDB and ICDT to prepare specialized studies on emerging issues such as investment facilitation, e-commerce, MSMEs, Gender and Trade;

### SECTION III STATUS OF ACCESSION NEGOTIATIONS TO WTO OF OIC MEMBER STATES

The total number of the WTO Member reached 164 countries with the accession of the Islamic Republic of Afghanistan during the 10<sup>th</sup> WTO Ministerial Conference. Currently, 44 WTO Member States are OIC Members, that is to say more than the quarter of the WTO Members. The WTO Member States account for about 97% of the world economy.

The current number of the OIC Member States that have applied for accession to the WTO is 11, these are: Algeria, Azerbaijan, Iraq, Iran, Lebanon, Libya, Uzbekistan, Sudan, Syria, Comoros and Somalia. The current status of WTO accessions is as follows:

- Working Party established for Libya, Syria and Somalia.
- Memorandum on the Foreign Trade Regime submitted by Iran, Iraq and Uzbekistan.
- Factual Summary of Points Raised circulated by Sudan.
- On-going bilateral market access negotiations on goods by Algeria, Azerbaijan, Lebanon, Sudan and Uzbekistan.
- Draft Report of the Working group circulated by Algeria, Azerbaijan and Lebanon.

The activities related to the accession of Comoros, Sudan and Somalia have intensified especially during the second half of 2016. For example:

- the Comorian team has worked intensively, held two Working Party meetings, and last month, concluded several bilateral market access negotiations. And now, they are very focused to conclude their accession in the coming months.
- Sudan started a conversation about its reactivation, again, here in Nairobi on the margins of MC10. Half year later, in July last year, Sudan officially announced the reactivation of its accession process to the entire WTO membership at a meeting of the General Council. This was followed by an intensive work of updating their documentation. This year, Sudan had two Working Party meetings to register concrete progress, and concluded two bilateral market access negotiations so far.
- Somalia is one of the latest applicants to start the accession process in December 2016 after its application letter was first submitted during Nairobi MC10. Somalia is working on the Memorandum on its Foreign Trade Regime, which will be the base document to kick off the accession negotiations.
- Azerbaijan told WTO members at an accession working party meeting on 28 July 2017 that it intended to "concentrate on the bilaterals" as well as implement the legal reforms necessary to bring the domestic trading regime in line with WTO requirements. Azerbaijan had undertaken a number of reforms over the past six months, including adopting 12 "strategic roadmaps" for the development of the country's economy as well as regulations covering trade facilitation and the improvement of trade and logistic infrastructure. Implementation of the roadmaps by 2020 would serve as a "foundation" towards successful accession to the WTO.

The WTO accessions take place on the interrelated pathways multilateral, plurilateral and bilateral negotiations. Some processes have made significant progress in 2013, while others have not progressed as expected due to various factors, including further negotiations with Members, technical complexities, internal difficulties and choices.

Significant technical work has been undertaken on several accessions. Thus, the

combination of technical assistance and outreach activities of the Secretariat is essential to help Members and acceding governments in their negotiations and better understand the effects and results of accession mean for the future of the Organization. In this regard, the contributions of the Chairmen of working groups were vital. It should be noted that technical assistance benefitted from the financial contribution of the following countries: Australia, Brazil, China, the United States, India and the European Union (EU) and its individual Member States.

#### > TRANSPARENCY OF THE ACCESSION PROCESS:

Transparency and predictability of the accession process remain key priorities for Members and the WTO Secretariat. In 2013, measures and initiatives for transparency taken over the last four years have continued to be implemented and strengthened.

Thus, the informal group of accessions (GIA) meet regularly. Consultations focused on the following questions: i) sharing and exchange of information on accessions with Members; ii) Secretariat's reports on technical developments in the accession process; iii) reports from the Chairs of the Working Groups to Members on the results of their visits to the countries; iv) planning of meetings on accession and related activities based on the progressive calendar of meetings on accession proposed by the Secretariat; and v) response to specific concerns raised by Members and acceding governments .

The information on WTO accessions Bulletin aims at providing to acceding governments, the Presidents and Members, a summary report of the meetings of the GIA. It also contains useful information on the operational level to help prepare the meetings and negotiations on accession.

The practice of meetings with various groups of WTO Members has intensified to focus on specific issues and concerns of each group. The overall objective is to report to the Members on activities during the calendar year, for their comments and raise concerns to be considered. The Secretariat may meet with the Advisory Group of LDCs, the informal group of developing countries, the Asian Group in developing countries, GRULAC, the African Group and the Arab Group. During these meetings, it informed the group of the status of accessions, reported on its activities, exchanged views on the responsibilities of neighbouring /regional groups, considered the concerns rose by acceding governments and Members, and consulted its interlocutors on technical priorities for accession in 2014.

#### > TECHNICAL ASSISTANCE AND AWARENESS-RAISING:

Technical assistance and capacity building related to accession are focused on the training of government officials. They also include awareness-raising activities intended to Members of Parliament, the private sector, university circles, civil society and the media. Technical assistance and capacity building activities include the following: i) national seminars; ii) sessions on the accessions during the advanced trade policy courses, regional courses and introductory courses for LDCs; iii) workshops; iv) technical missions; v) visits by the Chairmen of the working groups; vi) the creation or strengthening of centres of reference of the WTO; vii) online training; viii) dialogue with groups of WTO Members; and ix) participation in conferences.

#### > TOOLS FOR THE ACCESSION:

WTO has launched in July 2016 new Accessions Intelligence Portal which provides improved access to information on WTO accessions and many new features, such as direct

access to all notified legislation for completed accession. The portal is available at: https://www.wto.org/accessions.

Database commitments under the accessions (ACDB): Database on commitments within the accessions (ACDB) was launched in May 2012. It gives access to all the commitments and related information contained in the reports of the working groups of the accession and accession protocols of 31 Members under Article XII MC (http://acdb.wto.org).

#### 1. Algeria:

With an observer status since 1987, Algeria officially submitted to the WTO a report on its foreign trade regime in June 1996. The submission of this report represented the first step in the membership procedure in this organisation.

The working group on the accession of Algeria, which is chaired by M.C Perez Del Castillo (Uruguay), numbers 43 countries.

Since then, some WTO Member States, such as the United States, the EU, Switzerland, Japan and Australia, sent a series of questions to Algeria. The answers were sent to the WTO secretariat and a first meeting of the working group on the accession of Algeria to the WTO was held in Geneva in April 1998.

Algeria held five rounds of multilateral negotiations (April 1998, February 2002, May 2002 then November 2002 and May 2003, in 2004 and 2005) and two rounds of bilateral negotiations in the agricultural, industrial and services sectors (April 2002 and November 2002). The examined subjects are: agriculture, customs system, State trade, transparency and legal system reform and TRIPS.

With respect to bilateral meetings, Algeria has met about ten countries; these are: the United States, Japan, Switzerland, Australia, Canada, the European Union, Cuba, Uruguay, Turkey and the Republic of Korea.

Algeria submitted initial offers concerning goods and services in March 2002 and revised offers were distributed on 18<sup>th</sup> January 2005. The revised elements of a draft report of the working group and the latest new facts concerning the legislation were also examined during the meeting of the working group on 25<sup>th</sup>February 2005.

The 9<sup>th</sup> meeting of the working group in charge of the accession of Algeria to the WTO took place on October 21<sup>st</sup> 2005 at the headquarters of the WTO.

The agenda items of this meeting dealt with the progress of bilateral negotiations relating to market access, the consideration of the draft report of the working group and the new development of the Algerian legislation.

The working group in charge of the accession of Algeria to the WTO is currently tackling a document entitled "draft report of the working group on the accession of Algeria to the WTO". This document will comprise the main issues that will be discussed at the meeting of 21<sup>st</sup> October 2005.

Besides, on the sidelines of the 9<sup>th</sup> meeting of the working group, bilateral meetings were held during the period going from 18<sup>th</sup> to 20<sup>th</sup> October 2005 with the representatives of some WTO Members, particularly with the United States, Switzerland, New Zealand and Malaysia within the framework of the resumption of talks relating to the market access of commodities and services.

The Bilateral Negotiations in the field of market access are underway on the basis of revised offers concerning goods and services. The multilateral review on the foreign trade regime is

underway and a revised draft report of the Working Party was circulated in June 2006.

#### On 17 January 2008, members reviewed the revised draft Working Party report:

The Working Party report describes Algeria's foreign trade regime and the reforms undertaken in recent years to bring Algeria's legal and institutional framework into compliance with WTO rules. Members also evaluated the progress made in the ongoing bilateral negotiations on market access for goods and services.

Members have acknowledged Algeria's progress in reforming its trade regime in order to be fully compatible with WTO rules. Algeria has passed new legislation on Technical barriers to trade (TBT); sanitary and phytosanitary (SPS) issues; intellectual property (TRIPS); antidumping, safeguards and countervailing measures; pricing policies; customs valuation; importation of pharmaceuticals products; exports of beef, sheep and palm trees.

The Algeria's Working Group revised an offer on specific commitments in services and was circulated in February 2012.

The long march of Algeria for its accession to the WTO is explained also by the will of the Algerian government to lead, first, internal reforms, to successfully upgrade some areas likely to be threatened by competition and to achieve a diversification of its economy. A roadmap to accelerate the negotiation process of Algeria's accession to the WTO was developed and a series of bilateral talks to resolve differences and finalize agreements is planned between March and April in addition to the holding of an informal meeting with the Working Group on the accession of Algeria to the organization, in anticipation of the formal meeting to be held in June 2012.

#### Bilateral negotiations on market access of goods and services:

Algeria has completed negotiations with Brazil, Uruguay, Cuba, Venezuela and Switzerland. It still needs to conclude negotiations with the EU, Canada, Malaysia, Turkey, the Republic of Korea, Ecuador, the USA, Norway, Australia and Japan.

The tenth meeting of the working Group took place in January 2008.

Additionally, five bilateral agreements were signed by Algeria within the framework of the negotiations process for its accession to the World Trade Organisation (WTO) on 28<sup>th</sup> February 2012 with Brazil, Cuba, Venezuela and Argentine. Negotiations on the conclusion of a similar agreement with the EU, main trading partner of the United States have reached an advanced stage.

Negotiations for the signature with the other WTO Member States are still undergoing and Algeria is on the verge of concluding an agreement with Switzerland, Australia and New Zealand, while talks with Japan, Canada, Malaysia, Turkey and Ukraine are progressing well. The long progression of Algeria towards its accession to the WTO reflects the will of the Algerian government to conduct, first, internal reforms, successfully upgrade some areas that might be threatened by competition and achieve a diversification of its economy.

The eleventh meeting of the Working Group was held on 5 April 2013 in the presence of the Minister of Trade, Mr. Mustapha Benbada. On this occasion, Algeria introduced for consideration by the working group twelve documents relating to revised offers for goods and services, the revised legislative action plan and proposals for amendments, supplements and updating of the draft report of the group. Mr. Minister stressed that Algeria is willing to "bring its trade regime into conformity with WTO agreements." However, he wished "the granting of reasonable periods of transition" for some measures,

which are not compliant with the agreements. He also indicated that a program was drawn up under which member countries should send their questions before 10 May 2013 to Algeria, which has pledged to make the answers at the end of June or on 15 July 2013 and propose to hold another round of negotiations in Autumn 2013.

The Algerian delegation met on 2, 3 and 4 April 2013 the delegations of twelve Members of the WTO. These are from Malaysia, Indonesia, Ecuador, Argentina, the United States of America, El Salvador, Canada, Norway, New Zealand, Japan, Australia and Turkey.

Four bilateral agreements with Uruguay, Cuba, Switzerland and Brazil already signed were deposited at the WTO secretariat, while two other agreements with Venezuela and Argentina are being finalized.

-The Working Party on the Accession of Algeria met on 31<sup>st</sup> March 2014 in order to take stock of the situation regarding Algeria's negotiations for the accession to the WTO. During this meeting, WTO members expressed satisfaction at the significant progress made by Algeria.

Members' comments focused on quantitative import restrictions, including prohibitions, restrictions on investment, export subsidies, discriminatory application of domestic taxes, the system for recording information on geographic indications, price policies, marketing rights and agricultural policies.

The other issues to be tackled concern industrial policies and subsidies, technical barriers to trade, sanitary and phytosanitary measures, Trade-Related Aspects of Intellectual Property Rights and trade related investment measures.

On May 8, 2018, the WTO General Council confirmed the appointment of Ambassador José Luís Cancela Gómez, Permanent Representative of Uruguay to the WTO, as the new Chairman of the Working Group.

At the invitation of the Government of Algeria, Ambassador José Luis Cancela (Uruguay), Chairperson of the Working Party, visited Algiers at the end of November 2018. During his 3-day visit, he met with the Minister of Commerce, the National Committee on WTO Accession, the Chamber of Commerce, the Intellectual Property Office and a think tank.

#### 2. Azerbaijan:

Azerbaijan's Working Party was established on 16<sup>th</sup> July 1997. Azerbaijan submitted a Memorandum on its Foreign Trade Regime in April 1999. Replies to a first set of questions concerning the aide-memoir were circulated in July 2000 then a second series in December 2001. The first meeting of the working group was held on 7<sup>th</sup>June 2002. The last meeting of the working group was held on June 30<sup>th</sup> 2005. Bilateral negotiations on market access are underway on the basis of revised offers concerning goods and services.

A Summary of Points raised -an informal document outlining the discussions in the Working Party- was prepared by the Secretariat and circulated in December 2008. This summary was revised in July 2009.

#### Negotiations on market access:

Azerbaijan signed an Agreement with Georgia in April 2010.Negotiations are underway with the European Union and with ten WTO's members.

The Working Group held its ninth meeting on 24 February 2012 during which the latest reforms adopted by Azerbaijan to advance its accession to the WTO and bring its trade regime into conformity with WTO rules were discussed. The group also discussed the

legislative development and reviewed progress in bilateral negotiations on market access for goods and services.

The latest revision of factual summary of November 2012. The tenth meeting of the Working Group was held on 7 December 2012 and the WTO Members discussed the status of negotiations on market access, the trade regime and legislative reforms for the accession of Azerbaijan to the WTO.

In addition, Mr. Mahmud Mammad-Guliyev, Deputy Minister of Foreign Affairs and Chief Negotiator of Azerbaijan gave on this occasion, an overview of the economic situation of the country and the development of relevant legislation in the context of the WTO. He said that the objective of his government was to diversify and modernize the economy in order to reduce its dependence vis-à-vis the oil and gas sector.

Regarding bilateral negotiations on market access, the Deputy Minister said that Azerbaijan had signed a bilateral agreement with the Kyrgyz Republic in March 2012 and had recently concluded bilateral negotiations with China. Other bilateral negotiations were held with Brazil, Canada, Korea, the United States, Japan, Norway and the European Union on the sidelines of the meeting of the Working Group.

The representatives of China, the United States, India, Japan, Norway, Pakistan, Kyrgyzstan, Switzerland, Turkey and the European Union welcomed the contributions presented by Azerbaijan and expressed support for the accession of the country.

During the discussion, members requested to be given accurate details on the economic policies of Azerbaijan, state trading enterprises and privatization policy, prices, investment and competition, the exemptions from VAT and the application of excise duty and on the adoption of the Law on Customs Tariff. They also wished to have information on fees and charges for services rendered supplements, customs valuation, rules of origin, export bans, subsidies for industrial products, export subsidies agricultural products, technical barriers to trade, sanitary and phytosanitary measures, government procurement and intellectual property.

The Secretariat was entrusted with developing the documentation by drawing up a draft report of the Working Group on the factual summary of raised points. Bilateral negotiations on market access are underway with interested Members on the basis of a revised offer concerning goods distributed in September 2013, and a revised offer relating to services, distributed in October 2013. Four Bilateral Agreements were deposited at the WTO Secretariat (United Arab Emirates, Oman, Kyrgyzstan and Turkey). The eleventh meeting of the Working Group took place on 21<sup>st</sup> February 2014.

During this meeting, WTO members discussed the trade regime of Azerbaijan on the basis of the draft report of the Working Group. Thus, Members asked Azerbaijan to provide clarifications on tax exemptions, investment incentives, the operation of foreign companies, privatization, technical barriers to trade, subsidies, transit and Intellectual Property.

The twelfth meeting of the Working Group was held on 6<sup>th</sup> March 2015 and the Chairman of the Working Group welcomed the steps taken by Azerbaijan to bring its trade regime into conformity with WTO rules and requested the government to accelerate the stages of its accession to the WTO and the members of this group to submit their questions before 15 April 2015.

At the invitation of the Government of Azerbaijan, Ambassador Walter Werner (Germany), Chairman of the Working Party, visited Baku on 27 and 28 June 2018. Accompanied by

members of the WTO Secretariat, he held a series of high-level meetings, including with: (i) HE Mr. Shahin Mustafayev, Minister of the Economy and Chairman of the Interministerial Commission in charge of preparing Azerbaijan's accession to the WTO; (ii) HE Mr. Rufat Mammadov, newly appointed Deputy Minister of the Economy; (iii) HE Mr. Mahmud Mammad-Guliyev, Deputy Minister of Foreign Affairs and Chief Negotiator on WTO Accession; and (iv) Mr. Ziyad Samadzadeh, Chairman of the Milli Majlis (Parliament) Economic Policy Committee.

The meetings confirmed the broad support for Azerbaijan's accession to the WTO. The Accession is seen as a fundamental element in unlocking Azerbaijan's economic potential, especially given its role as a logistical and transit hub linking Asian and European markets. The meetings also helped to better define Azerbaijan's policy priorities in terms of policies, the domestic dynamics of the accession process and some of the difficulties related to this process. Azerbaijan is currently carefully examining the measures to be taken within the framework of the accession process. In addition, Azerbaijan is also preparing updated negotiating documents for the Working group, including its replies to questions from Members during the last meeting held in July 2017.

Azerbaijan was urged on 28 July 2018 to step up bilateral talks with WTO members on market access commitments for goods and services in order to accelerate its efforts to secure WTO membership.

The chair of the WTO's working party on the accession of Azerbaijan, Ambassador Walter Werner (Germany), concluded a meeting of the working party by calling on Azerbaijan to "proactively engage and advance market access negotiations" with members and to focus in particular on bilateral market access talks, "whose progress, in my view, has fallen behind other areas of the accession negotiations".

H.E. Mr Mahmud Mammad-Guliyev, Azerbaijan's Deputy Minister of Foreign Affairs and Chief Negotiator, said his government intended to "concentrate on the bilaterals", which he acknowledged as "one of the weak parts of our accession process", as well as implement the legal reforms necessary to bring its domestic trading regime in line with WTO requirements.

The Deputy Minister noted that Azerbaijan had undertaken a number of reforms over the past six months, including adopting 12 "strategic roadmaps" for the development of the country's economy as well as regulations covering trade facilitation and the improvement of trade and logistic infrastructure. He noted that implementation of the roadmaps by 2020 would serve as a "foundation" towards successful accession to the WTO.

A delegation from Baku, led by H.E. Mr. Mahmud Mammad-Guliyev, Deputy Minister of Foreign Affairs and Chief Negotiator for WTO accession, was in Geneva from 17 to 20 December 2018. The main objective of the visit was to advance Azerbaijan's bilateral market access negotiations. On the margins of the bilateral meetings, the delegation met with Ambassador Walter Werner (Germany), Chairperson of the Working Party, and the Accessions Division to exchange views on the state of play in the accession process and possible next steps.

#### 3. Comoros:

On 9<sup>th</sup> October 2007, the General Council set up a Working Party in charge of examining the accession application of Comoros to the WTO. It allowed its Chairman to appoint the Chairman of the Working Party in consultation with Members and the representatives of Comoros (Document WT/ACC/COM/1).

The Comorian accession working group was established on 9 October 2007. The working group is at its third meeting in October 2017. The working group is chaired by Ambassador Luis Enrique CHÁVEZ BASAGOITIA (Peru).

The Memorandum on the Foreign Trade Regime was circulated on 25<sup>th</sup> October 2013 (WT/ACC/COM/3). The Chairman of the Working Group was appointed on 18<sup>th</sup> September 2013. The first meeting of the Working Group should be held as soon as the Comoros have completed their first round of questions and answers with Members.

The 4<sup>th</sup> meeting of the Working Group is scheduled for 28 March 2018. The purpose of this meeting is to discuss the draft report of the Working Group and other documents recently distributed by the Comoros, including responses to Members' questions, a revised Legislative Action Plan, other revised Action Plans in several specific areas and copies of the legislative texts.

At the Bilateral level, Comoros has so far concluded three bilateral market access agreements. With regard to the remaining negotiations, the country hopes to conclude them before the next meeting of the Working Group.

The official goal of the Comoros is to finalize negotiations for accession in 2018.

Mr. Said Salime, Chief Technical Negotiator for WTO accession, said that following the last meeting of the Working Group, held in March 2018, work was in progress to update the negotiating documents and prepare responses to Members' questions. The team also ensured a follow-up concerning bilateral contacts within the framework of the negotiations on market access.

Ambassador Assoumani Youssouf Mondoha, Permanent Representative of the Union of the Comoros to the African Union, reported that two customs-related, WTO compliant, reform measures had been successfully adopted. The next step in the accession process is the submission by Comoros of replies to questions, which will be the basis for the Secretariat to update the draft Report for the next meeting of the Working Party.

#### 4. Iraq:

Iraq made its application for accession to the WTO on 30<sup>th</sup> September 2004, under Article XII. A working group chaired by Mr Guillermo Valles Galmez (Uruguay) was established at the meeting of the General Council held on 13<sup>th</sup> December 2004.

Iraq has submitted an aide-memoir on its foreign trade system but the working group has not met yet.

For the first time since Iraq's application in 2004, the Working Party met to discuss and examine Iraq's trade legislation and its conformity with the WTO principles.

Iraq met bilaterally with Brazil, Egypt, the United Arab Emirates, the United States, Jordan, Morocco, Norway Oman Taiwan, the EU and Viet Nam. Iraq was invited to submit initial offers to advance their market access negotiations on goods and services.

Iraq will prepare documents on agriculture, services, technical barriers to trade, sanitary and phytosanitary issues and intellectual property, it will also prepare a general legislative plan of action providing members with a state of play of current and future legislation. Working Party members, on 2 April 2008, supported Iraq's rapid accession to the WTO and argued it would contribute to the country's integration into the world economy. Iraq's Trade Minister, H. E. Dr. Al-Sudani, stated that Iraq was determined to overcome the country's difficult circumstances to move forward on the accession process and added that Iraq's membership would represent a significant addition to the international community.

#### **Review of trade legislation:**

At this stage of the accession, members examine all aspects of Iraq's trade and economic policies to assess their conformity with WTO principles.

Since the 1st Working Party meeting held in May 2007, Iraq has provided members with a legislative action plan which shows the state of play of the ongoing legal reforms. Iraq also provided information on its sanitary and phytosanitary (SPS) measures, technical barriers to trade (TBT) and the trade-related aspects of intellectual property rights (TRIPS) as well as information on its domestic support and export subsidies in agriculture.

#### **Bilateral negotiations:**

Iraq has met with several members on the sidelines of the Working Party. Market access negotiations will start once Iraq tables its initial offers on goods and services.

Iraq submitted its Memorandum on the Foreign Trade Regime in September 2005. The Working Party met for a second time in April 2008 to continue the examination of Iraq's foreign trade regime.

Iraq has provided several documentary contributions requested by the Working Group. It has yet to submit its initial offers on market access for goods and services. The next meeting of the Working Group should be held as soon as Iraq has submitted its initial offers on market access.

Iraq circulated its Aide-memoire on the Foreign Trade Regime to the Working Group on 9<sup>th</sup> February 2018. This document is an updated version of the Aide-memoire previously circulated in September 2005 and reports on developments in Iraq since the second meeting of the Working Group held in April 2008.

Members are asked to comment on the Aide Memoire around 9th March 2018.

Iraq is in regular contact with the Secretariat and continues to work on updating other contributions for negotiations, including offers on market access for goods and services, the legislative action plan and the explanatory charts on agriculture, which will be distributed to the Working Group in the coming months.

#### 5. Iran:

Iran submitted its application for accession to the WTO to the General Council during its session held on 8<sup>th</sup> and 9<sup>th</sup> July 2004 in Geneva (WT/ACC/IRN/1). This application was unanimously adopted by the General Council on 26<sup>th</sup> May 2005. A working group was established at the meeting of the General Council held on 26<sup>th</sup> May 2005.

The Aide-memoir on the Foreign Trade Regime was circulated in November 2009. Questions from Members about it were transmitted to the Government of the Islamic Republic of Iran in February 2010. Technical contributions, including responses to Members' questions were distributed in 2011. Before a meeting of the Working Group to be convened, the Chairman of the General Council will consult with Members to appoint a Chairman of the working Group.

#### 6. Lebanon:

Lebanon's Working Party was established on 14<sup>th</sup> April 1999. The aide-memoire on the Foreign Trade Regime was circulated in June 2001 and the answers to issues concerning the aide-memoire were circulated in June 2002. The working group met for the first time on October 14<sup>th</sup>, 2002.

Multilateral work is proceeding on the basis of a revised draft Working Party Report that was circulated in October 2009. Bilateral market access negotiations are conducted on the basis of revised offers on goods and services. The Seventh meeting of the Working Party was held in October 2009.

The Working Group will hold its meeting upon the provision by the Lebanese Republic of the necessary contributions.

#### 7. Libya:

Libya deposited an official application for accession to the WTO on 25<sup>th</sup> November 2001 (Doc.WT/ACC/LBY/1). The WTO Members agreed on 27<sup>th</sup> July 2004 to start negotiations with Libya on its membership.

Libya has not submitted yet the aide-memoir on its foreign trade system and the working group has not met yet.

#### 8. Sudan:

The Working Party on the accession of Sudan was established on 25<sup>th</sup> October 1994. Sudan's Memorandum on its Foreign Trade Regime was circulated in January 1999. Replies to a first set of questions concerning the Memorandum were circulated in November 2000 and a second set of questions were put in January 2003. The second meeting of the working group was held in March 2004.

The bilateral negotiations on market access for goods and services are underway, on the basis of the initial offer concerning services and a revised offer concerning goods.

Two bilateral agreements (with Brazil and China) concerning market access have been deposited at the Secretariat. Updated technical contributions are pending, and especially legislative and constitutional updated information following the independence of South Sudan in 2012. The Secretariat keeps regular technical contacts with Sudan to identify areas in which documents and updated information are required.

The Working Group held its fourth meeting in July 2017. In preparation for the next meeting of the Working Group, Sudan circulated revised offers on market access for goods and services, a consultation document and copies of legislation.

Sudan has signed bilateral agreements on market access with Japan and Nigeria, respectively, on 11<sup>th</sup> April and 19<sup>th</sup> April 2018. The total number of bilateral market access agreements concluded by Sudan is now increased to six. On 22 July 2018, Sudan nominated Dr. Mohamed Khair Al-Zubair as the National Negotiator for the accession of this country to the WTO.

H.E. Mr. Musa Mohamed Karama, Minister of Industry and Trade, stressed that trade played a key role in fostering peace and stability, and in particular, the accession to the rulebased multilateral trading system was considered as a catalyst for Government's efforts to undertake necessary economic reforms to promote the rule of law and good governance.

Following the Regional Dialogue, the Secretariat undertook a technical mission to Khartoum on 8-13 December 2018. The objective of the mission was to collect information to update the Factual Summary of Points Raised so as to reflect the trade policy developments of 2018. During the mission, the Secretariat met with Minister Karama and the Technical Committee, which included representatives of the line-ministries involved in the accession process. The agreed next steps at the end of the mission included, inter alia, the circulation of the updated Factual Summary and other negotiating inputs in January 2019.

#### 9. Uzbekistan:

The Working Party on the accession of Uzbekistan to the WTO was established on 21 December 1994. Uzbekistan submitted its aide-memoir on the Foreign Trade Regime in September 1998 and replies to questions on his aide-memoir were circulated in October 1999. Bilateral market access contacts have been initiated. The Working Party met for the first time on July 17<sup>th</sup> 2002.

Uzbekistan has started bilateral negotiations on market access with interested members on the basis of initial offers concerning goods and services submitted in September 2005. The third meeting of the working group took place in October 2005.

On 26 July 2018, the OIC General Council confirmed Ambassador Ji-ah Paik (Republic of Korea) as Chairman of the Working Group for the Accession of Uzbekistan to the WTO.

On 17 December 2018, Mr. Badriddin Abidov was appointed as Deputy Minister of Foreign Trade and Chief Negotiator for Uzbekistan's accession to the WTO. Earlier December, Mr. Abidov visited Geneva and met with Ambassador PAIK Ji-ah (Korea), Chairperson of the Working Party; Ambassador Alan Wm. Wolff, WTO Deputy Director-General; the Accessions Division; and several Members. The Secretariat discussed with Mr. Abidov the next steps for the reactivation of Uzbekistan's accession process, including the submission of the MFTR and other accession documentations, and the Chairperson's visit.

#### 10. Somalia:

Somalia's Working Party was established on 7 December 2016.

The delegation of Somalia, led by Chief Negotiator Mrs. Maryan Hassan, met on 26 July 2018 with Members, Partners and the Accessions Division of the WTO. Issues addressed included the country's preparedness and the technical and institutional support it needs to complete its accession process.

H.E. Mr. Dahir Adan Abdullah, State Minister for Commerce and Industry, noted that his Government was currently finalizing the Memorandum on the Foreign Trade Regime (MFTR). Moreover, Somalia had been undertaking reforms, such as, enacting laws on trade licensing, intellectual property rights, investment and government procurement. The importance of technical assistance for building capacity was stressed.

#### 11. Syria:

The Syrian Arab Republic's Working Party was established on 4 May 2010. The Working Party has not yet met.

#### Conclusion:

WTO membership provides clear benefits, accession negotiations pose a challenge for all acceding governments, especially LDCs. The terms and conditions of accession impose internal reforms. Acceding LDCs have limited technical and human capacity and financial resources to deal with the complexities of WTO accession.

Providing technical assistance to the governments of the acceding countries, is a key priority of OIC and WTO. Technical assistance, capacity building and awareness-raising activities related to accessions are organized by the Accessions Division.

In this regard, twenty-nine officials from 15 governments in the process of acceding to the WTO participated in a Seminar on WTO Accessions Rules, which took place in Geneva from 4 to 15 February 2019. The event was the first WTO Secretariat activity to focus on WTO accession rules.

The main objective of the seminar was to give participants in-depth information on WTO legal disciplines at issue in Working Party reports on the accession process. The aim was also to enhance awareness of the content of commitment paragraphs in accession reports and how they relate to the relevant legal disciplines.

During the two-week training course, participants had the opportunity to draw on the experience of experts from divisions across the WTO regarding specific areas of WTO rules. Participants also heard from highly experienced negotiators for WTO members – both original members active in accessions and members who have acceded to the WTO in more recent years. In addition, the seminar provided a platform for experience-sharing among the participants, who are all currently directly involved in their countries' accession negotiations.

Country	Date of the setting up of a working group	Chairman of the working group			
<u>Algeria</u>	<u>17<sup>th</sup> June 1987</u>	Uruguay			
Azerbaijan	16 <sup>th</sup> July 1997	Germany			
Comoros	9 <sup>th</sup> October 2007	Peru			
Iraq	13 <sup>th</sup> December 2004	Могоссо			
Iran	26 <sup>th</sup> May 2005	-			
Lebanon	14 <sup>th</sup> April 1999	France			
Libya	27 <sup>th</sup> July 2004	Spain			
Sudan	25 <sup>th</sup> October 1994	Japan			
Syria	4 <sup>th</sup> May 2010	-			
Uzbekistan	21 <sup>st</sup> December 1994	Korea			
Somalia	7 <sup>th</sup> December 2016				

Table 1: Dates for the setting up of the OIC Observer Working Groups at the WTO

Source: WTO, August 2018

	Application	Working Party Established	Memorandum	First/Latest* Working Party Meeting	g Number of Working Party Meetings *	Working Party	Working Party	Working Goods Offer Party		Services Offer		Draft Working Party Report <u>**</u>
				Ме		initial	latest <u>*</u>	initial	latest <u>*</u>			
<u>Algeria</u>	<u>Jun 1987</u>	<u>Jun 1987</u>	<u>July 1996</u>	<u>April 1998</u> <u>March 2014</u>	<u>12</u>	<u>Feb 2002</u>	<u>Nov 2013</u>	<u>Mar 2002</u>	<u>Oct 2013</u>	<u>February</u> <u>2014</u>		
Azerbaijan	Jun 1997	Jul 1997	Apr 1999	Jun 2002/ <b>July 2017</b>	12	May 2005	Sept 2013	May 2005	Feb. 2015	Jan 2015		
Comoros	Feb 2007	Oct 2007	October 2013	Designation Sept 2013 December 2016		Oct. 2016		Oct. 2016				
Iran	Jul 1996	May 2005	Nov 2009									
Iraq	Sep 2004	Dec 2004	Sept 2005	May 2007/April 2008	2							
Libya	Jan 1999	April 1999	June 2001	Oct 2002/Oct 2009	7	Nov 2003	June 2004	Dec 2003	June 2004	Oct 2009		
Uzbekistan	June 2007	Dec 2007	April 2001	July 2002/July 2012	1							
Lebanon	Dec 2004	Feb 2005	March 2005	Oct 2005/June 2013	13	April 2006	Nov 2008	Oct 2006	Nov 2008	Oct 2012		
Somalia	Dec 2015	Dec 2016										
Sudan	Dec 1994	Dec 1994	Oct 1998	Jul 2002/Oct 2005	3	Sept 2005		Sept 2005				
Syria	Oct. 2001	May 2010										

Summary Table of Ongoing Accessions

Note: \*As of the date of this document. \*\* Most recent Factual Summary (FS), draft Working Party Report or Elements of draft Working Party Report, WTO, May 2017.

# ANNEXES

# LIST OF THE OIC MEMBER STATES, WTO MEMBERS

COUNTRIES	DATE OF ACCESSION
1. Albania	8 September 2000
2. Bahrain	1 <sup>st</sup> January 1995
3. Bangladesh	13 December 1993
4. Benin	1 <sup>st</sup> January 1995
5. Brunei	January 1995
6. Burkina Faso	3 June 1995
7. Cameroon	13 December 1995
8. Chad	19 October 1996
9. Côte d'Ivoire	1 <sup>st</sup> January 1995
10. Djibouti	31 May 1995
11. Egypt	30 June 1995
12. Gabon	1 <sup>st</sup> January 1995
13. Gambia	23 October 1996
14. Guinea	25 October 1995
15. Guinea-Bissau	31 May 1995
16. Guyana	1 <sup>st</sup> January 1995
17. Indonesia	1 <sup>st</sup> January 1995
18. Jordan	11 April 2000
19. Kuwait	1 <sup>st</sup> January 1995
20. <u>Kazakhstan</u>	<u>30 November 2015</u>
21. Kyrgyzstan	20 December 1998
22. Malaysia	1 <sup>st</sup> January 1995
23. Maldives	31 May 1995
24. Mali	31 May 1995
25. Morocco	1 <sup>st</sup> January 1995
26. Mauritania	31 May 1995
27. Mozambique	26 August 1995
28. Niger	13 December 1996
29. Nigeria	1 <sup>st</sup> January 1995
30. Oman	9 November 2000
31. Pakistan	1 <sup>st</sup> January 1995
32. Qatar	13 January 1996
33. Saudi Arabia	11 December 2005
34. Senegal	1 <sup>st</sup> January 1995
35. Sierra Leone	23 July 1995
36. Suriname	1 <sup>st</sup> January 1995
37. Tajikistan	2 <sup>nd</sup> March 2013
38. Togo	31 May 1995
39. Tunisia	29 March 1995
40. Turkey	26 March 1995
41. Uganda	1 <sup>st</sup> January 1995
42. United Arab Emirates	10 April 1996
43. Yemen	26 June 2014
44. Afghanistan	29 July 2016

#### LIST OF OIC MEMBER STATES CANDIDATES FOR ACCESSION TO THE WTO

#### (OBSERVERS)

- 1. Algeria
- 2. Azerbaijan
- 3. Comoros
- 4. Iran
- 5. Iraq
- 6. Lebanon
- 7. Libya
- 8. Sudan
- 9. Syria
- 10. Uzbekistan
- 11. Somalia

#### LIST OF THE OIC MEMBER STATES, NON MEMBERS OF WTO

- 1. Palestine
- 2. Turkmenistan