

Afghanistan's Accession to WTO:

In the process of recovery from the three decades of war, Afghanistan applied for accession to World Trade Organization (WTO) on November 21, 2004. On December 13, 2004 a working party was created and Afghanistan was given the **Observer Status**. Since then, Afghanistan has taken certain strides such as: creation of department of WTO in the Ministry of Commerce and Industries with a handful of professional employees, selection from different ministries and independent government organizations and trainings of WTO accession negotiators, to come closer to the accession.

Pros and Cons to WTO accession:

Accession of Afghanistan to WTO has the following pros or benefits for the country.

- First of all WTO accession will give Afghanistan the economic credibility, since WTO has certain criteria and rules to give membership to a country. The international body would recognize Afghanistan and Afghanistan brands, which would save Afghanistan from facing different kinds of prejudices from the international arena.
- The people of the country could get a hand to the cheap markets and commodities. All sorts of commodities would flow to the country without any barriers and thus, the prices will decrease and the poor will benefit. Overall, the whole economy will benefit.
- Export will improve, but competition would rise. The competition would motivate quality improvement and standardization. If we look at this point optimistically, it would benefit the producers, as well as consumers.
- Afghanistan's specializes in producing certain commodities (e.g. dry fruit, gems, rugs and carpets) and the WTO accession would open the market to those commodities, which would boost production and further specialization. Then we could directly sell our products to any market for the remarkable prices.
- Afghanistan would receive technical assistance from WTO that would improve the capacity of the country in terms of trade and trade related policy makings and trade dispute resolution. We do understand that Afghanistan is in dire need of capacities these days.
- Since most of our imports come from Pakistan or through Pakistan, accession to WTO would require Pakistan to obey international rules and Afghanistan would rise to a safe side both economically and politically.
- Being a member of WTO and a developing country, Afghanistan would receive preferential treatments (protectionist policy) from WTO and WTO members, which would boost economic and trade developments.
- Accession to WTO would assist AISA to attract more FDI, since we will then have international credibility by being a member of WTO.
- Since Afghanistan is a consuming country and our import is far higher than our exports, we do need to decrease our tariffs and have rules to control international community's behavior in trade related issues. These rules would be provided by WTO and the people of Afghanistan overall would benefit.

The following is the con about WTO accession.

- Infant industry development: Since the trade would open, the infant industry in the country would be subject to international competition. But in this case, Afghanistan would receive preferential treatment that would secure the infant industry. At the same time the government would help the infant industry by providing them with social utilities and to some extent subsidies.