

Ethiopia's Accession to the World Trade Organization (WTO) and the Potential Benefits of Membership

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The WTO

- Established in 1995.
- Replaced the GATT 1947 system with a single undertaking.
- Member driven organization with 153 member countries.
- 29 observer countries, including Ethiopia.



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The WTO's Main Agreements

- Multilateral agreements on trade in goods - includes 13 agreements covering different areas of trade in goods
- The General Agreement on Trade in Services (GATS) - agreement covering services trade divided into 12 main sectors
- The Agreement on Trade Related Intellectual Property Rights (TRIPS) – agreement covering 7 intellectual property rights.



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The Accession process

A country wishing to accede to the WTO undergoes the following major processes:

- Application for accession
- Fact finding
- Bilateral and multilateral negotiations
- Adoption of Working Party Report and accession



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Status of Ethiopia's Accession Negotiation

- In 1997 Ethiopia became an observer.
- In January 2003, it submitted an application to accede to the organization.
- In February 2003, a Working Party on the accession of Ethiopia was set up.
- In December 2006, the Memorandum of Foreign Trade Regime was submitted.



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Ethiopia's Accession, cont'd

- In 2007, Ethiopia received the 1st round of questions from WTO members.
- In January 2008, Ethiopia submitted its replies to these questions.
- On May 16, 2008, the 1st Working Party meeting on Ethiopia's accession was held at the WTO.
- In summer 2008, Ethiopia received a 2nd round of questions from WTO members.



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Potential Benefits of Ethiopia's WTO Accession

- It serves as a tool to lock in reforms.
- It ensures market access for Ethiopian exports.
- It provides for a transparent and predictable regulatory framework.
- It prohibits arbitrary and discriminatory restrictions on foreign trade.
- It increases Ethiopia's opportunity to attract foreign investment.



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Potential Benefits, cont'd

- Ethiopia can utilize the WTO's dispute settlement mechanism to settle trade disputes with other WTO members.
- It provides a platform to integrate Ethiopia in the multilateral trading system.



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Thank You



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