# **Trade Note**



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### International Trade Department

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These notes summarize recent research on global trade issues. They reflect solely the views of the author, and do not necessarily reflect the views of the World Bank Group or its Executive Directors

Trade Note 22

## WTO ACCESSION: LESSONS FROM EXPERIENCE

#### Introduction

Since its creation in 1995, twenty new Members have acceded to the World Trade Organization (WTO). On 13 October 2004, Cambodia became the WTO's 148th member, almost 10 years after it had first applied and just over a year after its membership package was approved at the Cancún Ministerial Conference. Cambodia is the second least-developed country (LDC) to join the WTO, following Nepal's accession on 23 April 2004.

Countries applying for WTO membership face a complex and, in most cases, long process. Some applications date back to the late 1980s (e.g., Algeria) or early 1990s (e.g., Russia, Ukraine, Belarus, and Saudi Arabia). Applicants often need to implement substantive reforms to align their domestic institutions and policies with WTO disciplines. Most developing countries lack the capacity to engage effectively in these negotiations due to the absence of trained personnel, not to mention institutional and financial constraints. It is worth noting that currently roughly one-third of the 30 governments in the process of accession represent LDCs (see Annex I for a list of current applicants).

As illustrated by the experiences of China, and more recently, Cambodia, WTO accession can be an effective lever to promote trade liberalization and substantive regulatory reform. There is a generalized perception, however, that the process is too cumbersome and onerous for acceding countries. Notwithstanding these concerns, the demand for WTO accession remains strong and the goal of WTO "universalization" is often referred to by most Member countries as a worthwhile objective.

In this note, we discuss the experience of developing countries with the WTO accession process and highlight the implications for policymakers in applicant countries and in existing WTO members.<sup>1</sup>

#### Why do Nations Join the WTO?

Policymakers from countries seeking to join the WTO give a range of economic, legal and political reasons for doing so. For some, the rationale is to further integrate their country into the world economy. The expectation is that more predictable access to foreign markets, which WTO membership can bring, will result in higher exports. Another economic rationale is to attract more foreign direct investment and, more generally, to use WTO membership as a seal of approval recognized by the international business community. The legal advantages of accessing a rules-based system and of using the WTO dispute-settlement process are also often mentioned. It is also the case that many nations join the WTO for political reasons. Transition economies, for example, often see WTO membership as a means to signal their commitment to joining the international community of marketbased economies. In short, many see WTO accession as facilitating both political and economic reform



There is some overlap between these stated rationales and the potential benefits of WTO accession identified in economic research, in particular as they relate to bolstering exports and foreign direct investment inflows.<sup>2</sup> Economists would also point to the benefits that flow from better foreign access to the acceding nation's markets, specifically in terms of lower prices for and a greater variety of imports. By binding national tariffs, committing to eliminate quotas on imports, and reforming other state measures, the credibility of an acceding nation's policies can be enhanced and hence the private sector faces less uncertainty. In principle, WTO accession can improve important components of the national business environment which, in turn, has sizeable domestic pavoffs.

#### The Reality of the WTO Accession Process

The experience of 20 countries that have joined the WTO since 1995, plus that of the 30 countries/custom territories that are currently seeking to join, form the basis of much of what is known about the WTO accession process. Not every aspect of WTO accession is publicly documented. In particular, little is known about the numerous bilateral negotiations between an applicant and existing WTO members. Perhaps unsurprisingly, then, a certain amount of folklore has arisen concerning the WTO accession process. Recently, studies have been able to shed some light on the validity of the folklore. The main findings in this regard are described below.<sup>3</sup> However, readers, and in particular stakeholders in applicant countries, should bear in mind that important steps in the WTO accession process remain confidential. It is also important to keep in mind that non-economic considerations can play a role in shaping the process.<sup>4</sup>

The procedures that an applicant must follow in order to become a WTO member are well established. At least twenty distinct steps can be readily identified.<sup>5</sup> The most important steps are the creation of a Working Party to consider the application for WTO membership<sup>6</sup>, the drafting of a Memorandum on the applicant's foreign trade regime, the applicant satisfactorily answering the questions of existing WTO members about this

concluding bilateral negotiations with each of the Working Party members, and the adoption of the Protocol of Accession by the Working Party and then by the WTO's General Council or Ministerial Conference.

Memorandum,

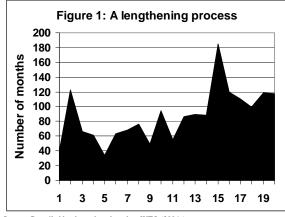
Throughout this process the onus is on the applicant to satisfy the demands of existing WTO members. This apparently one-sided procedure has given rise to the following perceptions about the accession process:

- The WTO accession process is costly and complex.
- The WTO accession process is taking longer and longer to complete.
- The price of joining the WTO now includes commitments that go beyond the GATT/WTO agreements.
- The price of joining the WTO is steadily rising.
- The WTO accession process takes little account of the specific circumstances of applicant countries or their needs for special and differential treatment.

The underlying reason for the emergence of these perceptions is that the terms, rather than the procedures, of WTO accession are not well defined in legal terms. Paradoxically for a rulesbased organization, the WTO has no clear rules for the "price" of membership. Article XII of the Marrakesh Agreement, the legal instrument covering the WTO accession process, merely states that new members may join the WTO "on terms to be agreed." This sparse guidance leaves the door wide open to encompass both an expedited hassle-free accession process and a and drawn-out. decade-long, burdensome accession experience. The prevailing "folklore" points to the latter being closer to the mark. Indeed, Figure 1 suggests that the time taken to complete the WTO accession process has steadily grown over the past decade. Figure 1 plots in sequential order the length of time taken to complete the first 20 accessions (see Annex 2 for the identification of the countries in question.) Even without the accession of China (the 15th nation to join the WTO since 1995), the trend is



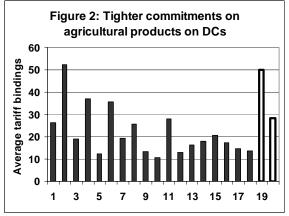
clearly upwards; recently acceded countries have taken approximately a decade to negotiate their WTO entry.<sup>7</sup>



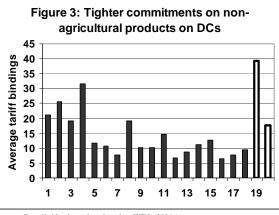
Source: Compiled by the authors based on WTO (2004a).

Turning to the "price" of accession, it is important to distinguish between the two broad types of commitments made by acceding countries: those relating directly to market access (on goods and services) and other commitments on rules. Acceding countries may benefit from transition periods or exceptions to existing WTO rules, but these are rarely granted by existing WTO members.

With respect to market access commitments, in the areas of agricultural and non-agricultural (typically manufacturing) products there is clear evidence that the price of accession--expressed in terms of the extent of market access concessions made by acceding countries--is growing over time. Separating out the accession of least developed countries (who happen to be the last two countries to join the WTO) from the other acceding developing countries (DCs), a clear pattern emerges in Figures 2 and 3.<sup>8</sup> For both agricultural and non-agricultural goods the average tariff binding that acceding countries were allowed is falling over time and is now at levels well below those agreed by developing countries in the Uruguay Round.<sup>9</sup> In short, from a "mercantilistic" perspective, the relative price of WTO accession is high (in comparison to Uruguay Round commitments made by peer nations) and growing over time.



Source: Compiled by the authors based on WTO (2004a).



Source: Compiled by the authors based on WTO (2004a).

The picture that emerges concerning services commitments under the GATS tells a similar story. Taking the number of services sub-sectors (of the 160 identified in the WTO's classification list) committed by countries as a proxy for the "price" to be a WTO Member, one observes that LDCs that were founding members of the WTO committed on average 20 sub-sectors. The averages for founding Members in the developing developed categories, and in turn, were respectively 44 and 108. Countries that have acceded since 1995, in turn, have on average committed around 104 sub-sectors.<sup>10</sup> Needless to say, this is a crude measure of the "servicesrelated" price of accession as this figure does not capture the depth (e.g., the scheduling of explicit limitations) or the breadth (e.g., the modes of delivery covered) of the commitment. Still, it is illustrative that countries that went through the WTO accession process typically committed a much higher number of sub-sectors than GATT contracting parties at a similar level of



development did in the context of the Uruguay Round (1986-94) negotiations.<sup>11</sup>

Turning to rules (or non-market access) commitments that countries have adopted when joining the WTO, the picture is more mixed. With the exceptions of China and Taiwan, China, accession countries signed around 25 such commitments. These commitments typically concern a wide range of state measures, some of which are not obviously trade-related. Bulgaria, for example, made commitments with respect to domestic price controls, the privatization of state-owned enterprises, and excise taxes on alcohol, as well as many other traditional trade policy-related measures.

A controversial question is whether these commitments go beyond the commitments agreed during the Uruguay Round (constituting WTO+ commitments) or involve an accession country agreeing to forgo the rights available to other WTO members (the so-called WTOcommitments). Whether an accession commitment goes beyond an existing WTO agreement depends in large part on how the latter is interpreted, and so it should not be surprising that disagreement is rife on the extent of WTO+ commitments. Moreover. some WTO+ obligations may only involve consultation with, or reporting to, existing WTO members, and thus are of limited developmental significance. Others may be more fundamental, such as Jordan's commitment that if any of its laws or state acts are subsequently found to contradict international treaties (not just WTO agreements), then the latter would have precedence. WTO- commitments are easier to identify, such as Ecuador's commitment to eliminate all subsidies before the date of accession and its commitment never to introduce them afterwards. China's acceptance of productspecific transitional safeguard provisions, which can be more easily triggered than regular WTO safeguards, provides another example. WTO+ and WTO- commitments differentiate WTO members and they could be interpreted as contributing to a multi-tier multilateral trade system. This systemic concern is in addition to any of the adverse developmental effects that may result from these specific commitments.<sup>12</sup>

In sum, there is evidence that the accession process is becoming more demanding in terms of market access commitments. Actually, the "July package" (WTO, 2004c) explicitly recognizes this by mentioning that newly acceded Members should be granted more flexibility in the agriculture and non-agricultural market access negotiations under the Doha Development Agenda in view of their extensive market access commitments. Whether there is a trend increase in WTO+ or WTO- commitments is unclear, but the very fact that existing WTO rules allow for them is a source of concern. Any such evidence, however, should be interpreted with care in view of the possibility of an adverse-selection bias in the sample of recently acceded countries. After all, most of these countries were transition economies with highly distorted trading regimes to start with. Accordingly, it could be argued that the higher demands of WTO members simply reflect this reality rather than a systemic trend.

#### **Tough Love or Power Plays?**

The critical question, however, is not whether the price of WTO accession is rising, but whether the price is worth paying in terms of its developmental impact. If it is, then the demands made by existing WTO members of acceding countries might be characterized as "tough love." Otherwise, the WTO accession process may be seen as a onesided power play whereby current WTO members wring commercial advantage out of weaker economic partners.

When considering the developmental impact of WTO accession, two important points should be borne in mind. The first is that a comprehensive evaluation of WTO accession should examine post-accession performance on many metrics, and should consider the state measures taken before and after the date of WTO accession. At present, few accession countries have five or more years of post-accession data to begin identifying the effect of WTO accession, so the available evidence here is necessarily limited. Second, most of the country-specific studies on WTO accession relate to China and involve predictions of likely effects of its accession, rather than evaluations of actual impact.



In fact, much of the available evidence concerns the impact of WTO accession on national exports and imports. This evidence is useful for assessing whether accession really does help integrate developing countries into the world trading system. There are two main strands of recent literature analyzing aggregate studies of trade flows and the role of the WTO/GATT in influencing them. In a series of papers, of which Rose (2003) is a prominent example, Andrew Rose has called into question whether membership of the GATT/WTO has actually increased trade above the levels expected from the "standard gravity" determinants of bilateral trade.<sup>13</sup> In contrast, analyzing the same data in a different way, Subramanian and Wei (2003) find that GATT/WTO membership has been associated with a significant increase in imports of industrialized countries, although the same cannot be said in the case of developing country members.

There is little reason, however, to expect that exporters in acceding countries respond similarly to the different opportunities created by their nation's WTO accession, which is an implicit assumption made in the above two analyses. Recent country-by-country estimates of the impact of WTO accession on imports and exports vary a lot, probably because national experience varies a lot.<sup>14</sup> For example, after stripping out the effects of non-trade policy determinants of its trade, Ecuador's manufacturing imports fell after its WTO accession in 1996. This apparently surprising finding is easy to understand when one notes that Ecuador raised its applied tariffs across the board in the years after WTO accession, something that was possible in view of the binding overhang of its WTO tariff commitments. Another problem with these aggregate studies is that they do not shed light on the mechanisms by which WTO accession influence national trade flows. For example, did accession bolster sales of traditional exports to existing markets or did it encourage the entry into new markets?

Disaggregated product-line studies of Ecuador's and Bulgaria's exports to the industrialized Quad countries shed some light on whether the incentives created by WTO accession are working or not.<sup>15</sup> Kennett, Evenett, and Gage (2005) found

that, once other determinants of market entry were controlled for, sales of long-standing exports to new markets were not helped by WTO accession. In contrast, sales of long-standing products to existing foreign markets were found to rise after WTO accession -- suggesting that Bulgarian and Ecuadorian exporters responded positively to the incentives created by WTO accession.

Modest supply side responses to WTO accession may be due to two potential factors. First, foreign barriers faced by some exporters in countries that joined the WTO may have in fact changed little after accession. Secondly, exporters were either unaware or unable to take advantage of improved market access abroad. This could be due to a lack of information, to expensive and inefficient infrastructure in the acceding country, or a lack of experience in successfully shipping goods abroad. In short, whether joining the WTO bolsters a nation's exports depends not only on the changes in market access that are supposed to follow from accession (in terms of greater predictability), but also on the steps taken by the government and firms in the applicant country.

To summarize, when comparing the grand objectives of nations that seek to join the WTO with the available empirical evidence on what happened to countries after they joined the WTO, there is an evident mismatch. This may seem disturbing at first sight, but perhaps is not surprising given how recent WTO accession has evolved and it certainly has not stopped many countries from applying for WTO membership. In addition, it is important to keep in mind that WTO accession can induce reforms that promote transparency and that strengthen domestic policies to cope with balance-of-payments crises and the like, which are important additional benefits for developing countries.<sup>16</sup> Over the past twelve months more information has come to light as to how nations can successfully make the most of WTO accession, a subject to which we now turn.

#### Making the Most of the WTO Accession

Developing countries need not see themselves as merely at the mercy of existing WTO members during the accession process. Concrete steps have been taken by governments in developing countries before, during, and after the WTO



accession process in order to push the ratio of costs to benefits in a pro-development direction. Moreover many donor agencies and international development institutions offer programs to build capacity and expertise. The overriding goal is to choose the mix of national and international initiatives that best meet the applicant's development objectives. The following remarks, based on developing country experiences, are offered with this goal in mind.<sup>17</sup>

As early as possible in the WTO accession process, it is desirable to identify precisely how signing binding commitments at the WTO can further reform and help attain national priorities. Cambodia, for example, identified textiles, clothing, and tourism as sectors which could benefit from reform and developed negotiating priorities in its WTO accession process accordingly. Identification of goals, analysis of economic options, and formulation of negotiating priorities and fall back positions are required at this point. Binding commitments can influence the behavior of importers, foreign investors, and regulators, and knowing the likely economic and social impact of different legal commitments will help an acceding country to determine which legal commitments are priorities for it in the first place. Such reasoning will involve matters far beyond the typical reach of the Ministry of Trade, and ideally the national government should come to a collective view as to what the strategy with respect to WTO accession is. This subject should therefore not be treated as a technocratic negotiating exercise controlled by a small number of officials in the Trade Ministry.

Another important step is for applicant countries to form realistic expectations of what the WTO accession process involves. Applicants should expect this process to take at least five years and often even longer. Given ministerial and staff turnover, a broad base of government, civil society, and private sector support for the accession initiative is required. This is only possible with broad consultation and a clear sense of the costs, benefits, and priorities of WTO accession. On the basis of recent accession experience, current and future developing country applicants can expect to have their agricultural tariffs bound at an average rate well below 20 percent and below 10 percent for non-agricultural goods. (Least developed countries appear, according to figures 2 and 3 above, to have been given more lenient treatment.) The employment and other implications of these market access commitments for adjustment in import-competing sectors should be considered.

Applicants can also expect to sign around 25 rulesrelated commitments, some which will have implications for sensitive policies such as intellectual property rights. With respect to this class of commitments, applicants ought to develop the capacity to document and demonstrate why a proposal from an existing WTO member is against the applicant's development goals. Identifying own national priorities is simply not enough. Being able to effectively respond to the negotiating proposals of other nations is important if flexibility is to be obtained. If pressed to accept expensive rules-related commitments, applicants should at a minimum insist on technical assistance to mitigate the implementation costs.<sup>18</sup>

Given the duration, complexity, and wide reaching scope of the WTO accession process, accession countries should develop a "road map" that identifies the different types of assistance needs required at each stage of the WTO accession process in partnership with the financers and providers of technical assistance. The diagnostic tools associated with the Integrated Framework, with have been successfully applied in Cambodia, for example, and that are currently being used in the context of Ethiopia's accession, provide a comprehensive assessment of national needs. In this regard it is also important to avoid overlooking post-accession implementation needs as this will typically undermine the ability of the private sector to capitalize on any export opportunities created by joining the WTO.

Officials in developing countries have benefited from the experience of experts in other developing countries that have recently acceded to the WTO. Such so-called South-South learning can be very valuable. Jordan, for example, offers such expertise to fellow Middle-Eastern and North African countries that are seeking to join the WTO.



Shrewd officials from applicant countries have also sought to optimize the value of any technical assistance received. Playing a full role in drafting the terms of reference for international consultants is important and so is participating in the selection process for such consultants. Ensuring the workshops and consultant visits are tailored to country-specific circumstances and involve follow up is also important. Picking the right officials to attend workshops and promoting the learning of official WTO languages contributes positively as well. In short, making the most of WTO accession requires making the most of technical assistance offered to applicants.

#### **Concluding Remarks**

The first 20 completed WTO accessions have raised systemic concerns that ought to be of interest to existing WTO members as well as to applicants. The first concern is that the growing price of WTO accession, including forcing applicants to agree to WTO+ and WTOcommitments, is creating a multi-tiered world trading system in which recently-acceded countries have higher obligations and more limited "rights." This, in turn, is currently manifesting itself in demands of some of the recent applicants to be treated differently in the context of the Doha Development Agenda liberalization efforts. Some observers have called for applicants to pay a price for accession that is both commensurate with their level of development and with the obligations of existing WTO members at the same level of development.<sup>19</sup> The former has been partially recognized by the WTO membership and manifested itself with the WTO General Council's adoption of guidelines for the accession of least developed countries in December 2002.<sup>20</sup> To date, the latter -- a call for parity -- has been rejected by WTO members.

At a time when the world trading system is supposed to be taking the interests of developing countries more seriously, the lengthening time to negotiate accession and the uncertainty created by the inadequate legal definition of the price of WTO accession are issues that merit attention. If the goal is to ensure that a WTO accession contributes to national development goals, one has to ask whether expecting a developing country's officials and civil society to sustain interest in a process that could take a decade and involves considerable complexity in return for uncertain and deferred rewards is the best way to organize the WTO accession process. Uncertainty over the price of WTO accession gives opponents of trade and investment reforms a golden opportunity to exaggerate the negative and undermine support for the accession process. Leaders with anything but the longest time horizons are unlikely to support seriously an accession effort which pays off up to a decade in the future. It is also worth noting that the WTO is probably the only international economic organization that asks nations to stick to a program of such length. Developmental needs and the necessity of sustaining initial support for joining the WTO should drive the design and operation of the WTO accession process and associated technical assistance. Failure to do so risks creating a growing group of disgruntled participants in the world trading system whose support for further trade reform will likely be tepid at best.

Finally, it is important to recognize that the WTO accession process can play a useful role in the political economy of trade reform. Governments which are able to clearly identify their reform objectives ex ante are in a much better position to use the process to their own advantage, leveraging the multilateral process to advance domestic reform.



<sup>1</sup> Throughout this paper we define developing countries as encompassing low and middle-income economies, according to World Bank definitions. Developing country status in the WTO, in turn, is determined by self-selection. Another country grouping utilized in the paper – and recognized as such by the WTO – is the UN classification of least-developed countries (LDCs).

<sup>2</sup> See list of suggested readings and the references provided in this note.

<sup>3</sup> These studies are part of a project titled Preparing For and Evaluating WTO Accessions that was funded by the International Development Research Centre (IDRC) of Canada.

<sup>4</sup> Iran's request to initiate accession procedures, first presented in 1996, was blocked 21 times by the US due to non-trade related considerations. It was finally accepted by the WTO General Council on May 26, 2005.

<sup>5</sup> See WTO (1995, 2004a and 2004b) for details about the accession process.

<sup>6</sup> Any current member of the WTO can join the Working Party established to consider the accession of a new member.

<sup>7</sup> If one considers only the time taken from the submission of the Trade Memorandum until the completion of the process in the case of new WTO members, the time required falls to roughly 5 years.

<sup>8</sup> In figures 2 and 3 the data for the LDCs are represented using hollow vertical bars and the data for the DCs are represented using solid vertical black bars.

<sup>9</sup> The following figures provide useful comparators. According to Finger et al (1996) the average bound MFN tariff rate on the imports of all merchandise goods by a group of 26 lower and middle income countries imports was 25.2 percent. For industrial goods the comparable average bound MFN tariff rate was 20 percent. Anderson and Martin (2005) point out that by 2001, the average weighted agricultural import tariffs were 48 percent for developing countries (WTO taxonomy) and 78 for LDCs.

<sup>10</sup> It is also worth noting that Nepal and Cambodia, the two LDCs that joined the WTO since 1995, committed to 76 and 93 sub-sectors, respectively, in contrast to the 20 sub-sectors that in average LDCs had committed during the Uruguay Round. For further details about services commitments in the GATS see Marchetti (2004).

<sup>11</sup> Grynberg, Ognivtsev, and Razzaque (2002) came to a similar conclusion. They summarize their findings as follows: "At the most aggregate level, while WTO members have on average taken up some kind of commitment in six sectors out of a maximum of 12, the

comparable figures for acceding countries is ten. At the 2-digit level, acceded countries took commitments in 36 sectors compared to only 17 taken by WTO members. Finally, at the most disaggregated level, acceding countries have commitments almost two and a half times bigger--103 as against 42. The accession negotiations have resulted in countries undertaking commitments that apparently bear no relationship to their level of economic development as reflected in per capita income" (page vii).

<sup>12</sup> Another example of systemic change in the accession process from the GATT-era to the WTO years concerns the non-application provision (that allows a Member not to apply the GATT as a whole or its schedule of concessions to an acceding Member). In the GATT years, a contracting party could not invoke this provision after it had entered into bilateral negotiations with the acceding party. Under WTO rules, however, this provision can be invoked even after bilateral negotiations have started.

<sup>13</sup> These determinants are the national incomes of the two trading partners and the geographical distance between them. Other determinants that are usually included in such analyses include proxy variables to pick up the effect of two nations sharing a common language and a common border and their respective memberships of regional trading agreements.

<sup>14</sup> See, for example, Kennett, Evenett, and Gage (2005).

<sup>15</sup> That is, to Canada, the members of the European Union, Japan, and the United States. Given the delays in the availability of international trade data, in 2004 Bulgaria and Ecuador were the only medium-sized non-landlocked countries to join the WTO for which there was five years of post-accession trade data available. The choice of these countries was, therefore, not arbitrary.

<sup>16</sup> See, for example, Bacchetta and Drabek (2002).

<sup>17</sup> The experiences of six developing countries in organizing for WTO accession can be found in Evenett (2005a). Evenett (2005b) summarizes the interventions of a number of developing country participants on this subject at a joint World Bank-GTZ workshop that was held in November 2004. Zarcone, Fink and Primo

<sup>18</sup> It is said that certain developing countries have successfully used this approach in their WTO accession negotiations.

<sup>19</sup> See, for example, Michalopoulos (2002) and Kennett, Evenett, and Gage (2005).

<sup>20</sup> These Guidelines call on existing members to exercise restraint in seeking concessions on trade in goods and services from acceding LDCs. See WTO (2002).



| WTO Acceding Countries (and their application date) |   |   |   |                            |                                     |
|---|---|---|---|----------------------------|-------------------------------------|
| Europe<br>and Central Asia                          | Middle-East and<br>North Africa                       | East Asia and Pacific   | Sub Saharan Africa                      | South Asia                 | Latin America and the Caribbean     |
| Russia<br>(June 1993)                               | Algeria<br>(June 1987)                                | Viet Nam<br>(Jan 1995)  | Sudan*<br>(Oct 1994)                    | Bhutan*<br>(Sep 1999)      | Bahamas<br>(May 2001)               |
| Belarus<br>(Sep 1993)                               | Saudi Arabia<br>(June 1993)                           | Tonga<br>(June 1995)  | Seychelles<br>(May 1995)                | Afghanistan*<br>(Dec 2004) |                                     |
| Ukraine<br>(Nov 1993)                               | Lebanon<br>(Jan 1999)                                 | Vanuatu*(1)<br>(July 1995)  | Cape Verde* (Nov<br>1999)               |                            |                                     |
| Uzbekistan<br>(Dec 1994)                            | Yemen*<br>(April 2000)                                | Lao PDR*<br>(July 1997)   | Ethiopia*<br>(Jan 2003)                 |                            |                                     |
| Kazakhstan<br>(Jan 1996)                            | Libya<br>(June 2004)                                  | Samoa*<br>(April 1998)  | Sao Tome and<br>Principe*<br>(May 2005) |                            |                                     |
| Azerbaijan<br>(June 1997)                           | Iraq<br>(Dec 2004)                                    |   |   |                            |                                     |
| Bosnia & Herz. (May<br>1999)                        | Iran<br>(May 2005)                                    |   |   |                            |                                     |
| Andorra<br>(July 1999)                              |   |   |   |                            |                                     |
| Tajikistan (May<br>2001)                            |   |   |   |                            |                                     |
| Serbia (2)<br>(Feb 2005)                            |   |   |   |                            |                                     |
| Montenegro<br>(Feb 2005)                            |   |   |   |                            |                                     |
|   | had originally made a joint a nt customs territories. | luded its work on 29 October 2001<br>pplication on January 2001, but in |   |                            | by individual applications for each |

#### Annex I: List of Countries Currently Seeking Accession to the WTO

Annex II: Chronological List of Countries that

| have Acceded to the WTO |                 |                    |  |  |
|-------------------------|-----------------|--------------------|--|--|
| No.                     | New Member      | Date of Membership |  |  |
| 1                       | Ecuador         | 21-Jan-96          |  |  |
| 2                       | Bulgaria        | 01-Dec-96          |  |  |
| 3                       | Mongolia        | 29-Jan-97          |  |  |
| 4                       | Panama          | 06-Sep-97          |  |  |
| 5                       | Kyrgyz Republic | 20-Dec-98          |  |  |
| 6                       | Latvia          | 10-Feb-99          |  |  |
| 7                       | Estonia         | 13-Nov-99          |  |  |
| 8                       | Jordan          | 11-Apr-00          |  |  |
| 9                       | Georgia         | 14-Jun-00          |  |  |
| 10                      | Albania         | 08-Sep-00          |  |  |
| 11                      | Oman            | 09-Nov-00          |  |  |
| 12                      | Croatia         | 30-Nov-00          |  |  |
| 13                      | Lithuania       | 31-May-01          |  |  |
| 14                      | Moldova         | 26-Jul-01          |  |  |
| 15                      | China           | 11-Dec-01          |  |  |
| 16                      | Taiwan, China   | 01-Jan-02          |  |  |
| 17                      | Armenia         | 05-Feb-03          |  |  |
| 18                      | FYR Macedonia   | 04-Apr-03          |  |  |
| 19                      | Nepal           | 23-Apr-04          |  |  |
| 20                      | Cambodia        | 13 Oct-04          |  |  |

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