

OPENING STATEMENT
BY FIRST DEPUTY MINISTER OF FOREIGN AFFAIRS
OF THE REPUBLIC OF BELARUS
H.E. MR. ANDREI YEUDACHENKA

8TH MEETING OF THE WORKING PARTY ON THE
ACCESSION OF THE REPUBLIC OF BELARUS TO THE WTO
(GENEVA, JANUARY 24, 2017)

Opening statement

Distinguished Mr. Chairman, Deputy Director-General
Dear representatives of the WTO Members,
Ladies and gentlemen,

At the outset, allow me to congratulate Ambassador Madenoğlu on his recent appointment to this important position and to assure our full support and cooperation on the part of Belarus in discharge of his functions.

I'm confident that we will be able to achieve significant progress under your able leadership.

On behalf of the Government of the Republic of Belarus I would like to confirm that the accession to the WTO is the priority for us and to express our deep satisfaction that finally the Working Party on Accession of Belarus to the WTO is resuming its work in the formal mode since the last meeting in 2005.

In this regard, I would like to extend our appreciation to the WTO Members for the attention you pay to the accession process of Belarus and to thank the WTO Secretariat for the continued technical support and good advice that we benefit from.

Let me briefly inform the membership on some general developments in the economy of Belarus.

Despite the fact that Belarus' GDP contracted by 3.9 % in 2015 and by further 2.6% in 2016 due to the unfavorable external economic situation on our major traditional markets (drop in demand for our exports, devaluation of currencies of our major trade partners, while Belarus traditionally exports more than a half of its GDP), the macroeconomic stability is maintained in our country, the inflation was brought down. As we expected the rate of inflation in 2016 did not exceed the targeted parameter of 12 per cent. The deficit of the current account is being reduced. The debt payments are carried out on time and in full, and the budget surplus was used for this purpose. The gold and foreign currency reserves of Belarus increased. The internal currency market remains stable.

In the meantime, we all have seen a number of important developments directly related to Belarus' accession.

In 2015 Belarus became a founding member of the Eurasian Economic Union which was set up and stated to operate on the basis of the WTO rules and principles. Belarus assumed and de facto implemented the WTO commitments of its partners of the Eurasian Economic Union in the relevant areas of the economic regulation and foreign trade.

The Treaty on the Eurasian Economic Union dated 29 May 2014 further contributed to bringing the foreign trade regime of Belarus, its agricultural and industrial subsidies, competition, government procurement, TBT, SPS and other disciplines in line with WTO rules.

As the member of EAEU Belarus is actively involved in the negotiations on conclusion of preferential trade agreements. The free trade agreement was signed with Viet Nam in 2015, the negotiations are ongoing with Israel, Iran and Serbia. This year we plan to launch such negotiations with Egypt, India and Singapore. In total around 40 countries already expressed their interest to start the free trade negotiations with the EAEU. We continue to apply the CIS Free Trade Agreement of 2011 with respect to all its Parties, initiating its expansion to the trade in services and government procurement. With China we negotiate the comprehensive Trade and Economic Agreement. The trade dialogue between Belarus and the European Commission was officially launched in October 2016.

Belarus continued economic reforms with a view to further improve the business climate and bring the national legislation in line with the WTO rules and best practices.

Now Belarus ranks 37th in the most recent ranking of the World Bank "Doing Business 2017" report. What concerns "International Trade" indicator of the report, which is determined on the basis of the cost of imports and exports operations and the time period to carry out a foreign trade transaction Belarus occupies 30th place in the ranking.

Full-fledged system of electronic state registration of economic operators was put in place in Belarus in December 2014. The rate of duty for state registration of new businesses was reduced 3-fold in January 2016.

The main driver of changes in customs formalities was the automation of the customs procedures. We tested technology of automatic release of goods allowing to achieve an average duration of customs declaration registration of about 1 – 2 minutes for certain transactions. Information exchange between economic operators and customs authorities was further upgraded, which resulted in increase of the share of electronic declaration submissions up to 98%. The draft Customs Code of the EAEU was developed on the basis of the generally recognized international principles and provides for the implementation of the WTO Agreement on Trade Facilitation.

The major emphasis in the new EAEU Customs Code is put on introducing modern information technologies into activities of customs authorities and their interaction with other state bodies and economic operators. The priority of electronic customs declaring procedures was set up. Application of preliminary customs declarations was broadened. Terms of putting cleared goods in circulation were substantially shortened.

The tax authorities of Belarus carried on reforms aimed at reduction in time and material costs associated with the calculation of taxes as well as at the simplification of tax administration. The electronic services delivered through the web-portals of tax authorities were expanded. That particularly concerned on-line procedures for filing tax returns on VAT, administering profit tax and preparing electronic invoices for VAT.

In the area of intellectual property, draft Law of the Republic of Belarus "On Amendments to Certain Laws of the Republic of Belarus on Issues Related to Patents, Utility Models, Industrial Designs" was developed in 2016 taking into account the provisions of the WTO TRIPS Agreement. Belarus' efforts on enforcement of IP-related rights and legitimate interests of natural and legal persons were positively assessed in the USTR annual review of the state of the intellectual property rights protection and enforcement around the world in 2015. The review acknowledged that Belarus demonstrated commitment to improve its legislation dealing with the protection of the intellectual property rights.

It wouldn't be possible for all of us to gather here today without Belarus's commitment, significant preceding work, solid documentary base. Let me highlight major developments in the WTO accession work of Belarus in 2016.

The President of the Republic of Belarus held a dedicated domestic meeting on WTO issues in March 2016, where he pledged a strong support for significant acceleration of the WTO accession talks. Later on, the President and the Government of the Republic of Belarus adopted a series of decisions to reinforce the WTO negotiating team and to streamline domestic coordination by amending the required instruments in our country.

Those were important political signals regarding serious approach of Belarus to the WTO, and we believe they were noted and recognized in the WTO.

Belarus complemented the political commitment with the significant technical work on update of documentation related to the accession process. As a result, a comprehensive set of the revised documents emerged, which includes the following:

- (i) Elements of the draft Working Party Report,
- (ii) Legislative Action Plan,
- (iii) questionnaires and information covering such subject matter as TBT, SPS, TRIPS, import licensing and customs valuation.

I would like to seize this opportunity to thank the WTO Secretariat for their support in elaboration of the Elements of the draft Working Party Report that already includes more than 54 concrete commitments that my country is ready to accept in the framework of its accession to WTO.

All these recent documents as well as replies to earlier questions from the Members are now on the table, and we look forward to reviewing the package in the course of today's meeting.

I would also mention that Belarus stepped up on the bilateral market access front in 2016. Our accession team held a number of bilateral meetings with interested Members, which allowed to discuss a possible starting point for resuming negotiations on market access taking into account our membership in the Eurasian Economic Union.

We also invite Members to recognize that Belarus already made a major contribution to the WTO in terms of reduction of customs tariff through the implementation of the WTO commitments of our partners from the Eurasian Economic Union. Thus, an average applied duty rate was brought down from 9.8% in 2011 to 7.8% in 2015, including from 15.2% to 10.7% for agricultural products in the same period and from 9% to 7.3% for industrial goods. The reductions concerned about 5100 tariff lines in 2013, 4800 tariff lines in 2014, 4200 lines in 2015 and 1700 lines in 2016. I hold that the liberalization of such scale and magnitude cannot be disregarded in this process.

Mr. Chairman,

I would like to emphasize that advancing WTO accession is a priority for the Republic of Belarus in pursue of the decisions of the President and the Government of my country taken in 2016. We view the WTO membership as a tool for Belarus' integration into the global economy and strengthening the competitiveness of our national economy, as well as an important element of attractive investment climate. I would like to assure the WTO Members that the accession team of Belarus will do its utmost to bring these negotiations to successful conclusion in the coming years. I hold that there has been significant progress in the WTO accession process itself and in advancing domestic legislative reforms in economic and trade fields. In the light of these positive developments the Republic of Belarus believes that it would be appropriate, and expresses its interest, to move forward from the Elements of the draft Working Party Report to the draft Working Party Report.

We see 2017 as the crucial year in terms of our accession process and we count on your support in this sense.

Belarus would be prepared to work hard to provide written responses to the Members' questions received after this Working Party as well as any other relevant documentation requested by the Members. We hope that the accomplishment of this work would pave the way for another meeting of the Working Party in the first half of this year and look forward to continue and intensify contacts with all the parties involved.

Ministerial Conference might be an excellent opportunity to take stock on our progress at the level of Ministers and to discuss the next steps with a view to finalize Belarus' accession process.

Belarus intends to organize the next round of bilateral negotiations on market access with interested WTO members in the first half of this year with the view to finalize and sign some of them before or at the WTO Ministerial Conference in Buenos Aires.

We are looking forward to the constructive discussion today and your active engagement in this process.

I thank you for your attention.