



---

PRESS RELEASE: GENEVA

---

04.10.2011

## ITC PARTICIPATES IN SEMINAR TO DISCUSS IMPLICATION OF RUSSIA JOINING WTO

---

The International Trade Centre (ITC) took part in a seminar on 26-27 September in Cheboksary, Chuvash Republic, to discuss the implications of Russia joining the World Trade Organization (WTO).

The event was organized in close partnership with the Centre of Export Support of the Chuvash Republic and the Cheboksary State University, and brought together businesses, academia and public sector representatives.

Russia is the last country in the top ten biggest economies that is still to become a member of WTO and negotiations have been underway since they applied in 1993. The main issues discussed included the negotiations on market access commitments in industrial goods and agriculture, as well as the process of adjusting to WTO rules and regulations through domestic reforms.

Chairman of the State Duma Committee for Foreign Affairs, Mr Konstantin Kosachev, said Russia's main goals were 'better export conditions, cheaper imports, and better protection of domestic manufacturers.' He also added a sense of urgency to concluding Russia's accession process 'rather sooner than later'.

Local speakers, including the President of the Chamber of Commerce and Industry of the Chuvash Republic, Mr Kustarin, emphasized that the costs of remaining outside the multilateral trading system would be much higher, and that becoming a member of WTO is 'common sense' for Russia.

The major benefits for Russia's companies are to be expected from anchoring domestic reforms, ensuring predictability, transparency, and based on the rule of law. The ITC-WTO team brought out the practices from recently acceded countries, showing how domestic reforms have led to major improvement in business environments, much to the benefit of individual companies.

Specific attention was paid to the importance of non-tariff measures as growing obstacles to trade, but equally as an opportunity to raise the quality of products produced in the Chuvash Republic.

The ITC/WTO team addressed concerns on final tariff reductions in the Republic's main export/import sectors of industrial goods and whether local industries would be sufficiently competitive to deal with enhanced competition. They highlighted the lessons learnt from completed WTO accessions, including China and Ukraine.

ITC emphasized that Russian exporters and importers will benefit from secured market access through a permanent and unconditional Most Favoured Nation (MFN) status, and a neutral platform for resolution of trade disputes.

Russia's average applied tariffs are already at a relatively low level (10.1% in non-agricultural goods) and the lowering of customs duties will not be as substantial as feared. Improved access - for foreign



suppliers to Russia's domestic markets or for Russia's exporters to foreign markets - will therefore not likely be the main source of gains or losses. Enhanced competition at domestic markets will serve as an incentive for Russian businesses to work towards improved quality and over-all competitiveness of their products and services.

The seminar provided sought after information on Russia's accession to WTO and has allowed local businesses to take steps to deal with the challenges that may occur. Whilst Geneva and Moscow-based trade officials work to conclude Russia's accession process, businesses in each of Russia's Republics are hoping to reap the benefits from an improved trading environment and secured trading relations.

*The ITC-WTO team was represented by Mr Rajesh Aggarwal (Chief, Business & Trade Policy section, ITC), Ms Famke Schaap (Consultant, Business & Trade Policy section, ITC), Ms Elena Boutrimova (Chief, Office for Eastern Europe and Central Asia, ITC) and Mrs Gretchen Stanton (Senior Counsellor, Agriculture and Commodities Division, WTO).*

ITC is the joint agency of WTO and the United Nations and is devoted to helping SMEs in developing countries become more competitive in global markets and thus to speed up sustainable economic development and contribute to the achievement of the Millennium Development Goals.

For more information:

Contact: Jacquelyn Campo  
Senior Officer, Corporate Communications and Events  
P: +41 22 730 0457  
E: [campo@intracen.org](mailto:campo@intracen.org)  
[www.intracen.org](http://www.intracen.org)

Contact: Rajesh Aggarwal  
Chief, Business & Trade Policy  
P: +41 22 730 0306  
E: [aggarwal@intracen.org](mailto:aggarwal@intracen.org)  
[www.intracen.org](http://www.intracen.org)