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The WTO and the Republic of Armenia

Benefits & Opportunities for
Globalization and International Trade

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The WTO's Role in Globalization

- Engaging the global marketplace
 - Expanded global reach
 - Export access to larger markets
- More attractive to foreign investment
 - Lower barriers
 - More predictable and transparent markets
 - Standards & Regulation



The WTO's Role in Globalization

- Regional role: “joining the club”
 - Georgia (2000)
 - Turkey (1995)
- Comparative Advantage
 - Iran, Russia, Azerbaijan not WTO members



The WTO's Role in Globalization

- Armenia as “*platform power*”
 - Provides trade base for Iran
 - Offers Russian manufacturing greater market access
 - Promises Turkey greater textile sector opportunities: US quotas, GATT/WTO limits



The WTO's Role in International Trade

- General Benefits
 - More stable economic & trade relations
 - Bolsters economic reform
 - Takes on “vested interests” with greater competition & transparency
 - Strengthens long-term growth through innovation, competition, market access and investment



The WTO's Role in International Trade

- Specific Benefits
 - “Most Favored Trade” status: trade with lower trade barriers, including tariffs, import quotas and excessive regulations.
- Provides new avenue for Armenia's trade position: WTO counters Turkish/Azerbaijani blockade; demands open borders



The WTO's Role in International Trade

- Leveraging Armenia's trade potential
 - IT sector: investment, access, intellectual property rights protection & enforcement
 - Agriculture: expanded market reach (Westward)
 - Services: outsourcing opportunities, as a regional hub (banking, air transport, etc.)



The WTO's Role in International Trade

- Defensive measures
 - prevents “dumping” (counters threat of Turkish goods flooding domestic markets)
 - Overcomes unfair/arbitrary tax burdens
 - Opens borders and expands trade routes
- Strengthens state priorities and reforms (tax and customs reforms, anti-corruption, etc.)



Conclusion

1. Engaging the globalized marketplace
2. Attaining a new global/regional significance
3. Strengthening the state and the reform effort
4. Seizing new opportunities
5. Defending against threats (blockade, economic & trade attacks)