
Legal Impact of Afghanistan's WTO Membership on Its Trade and Economy

Aburaghab Amani* & Muhammad Ishaq Noori**

The increasing global economic, social, and political interdependence has led to expanding trade in goods and services. The WTO facilitates international trade by providing a non-discriminatory trading environment to all member states. Afghanistan started the WTO accession in 2009 and joined as the 164th member on December 18, 2015. This piece examines the legal implications of the WTO membership on Afghanistan's trade and economy. While membership will expand trade, attract foreign investment, and increase Afghanistan's market share worldwide, it also means harmonizing domestic regulations with the WTO standards. In addition, lower tariffs on imported goods threaten local industries, leading to job losses, industrial shrinkage, and reduced government income. The study's findings show that, despite short-term vulnerability, joining the WTO has long-term benefits such as economic growth, increased investment, reduced cost of living, and fairer trade structure.

Keywords

Afghanistan, International Organizations, WTO, Trade Policy, Economic Growth

* Corresponding author. Professor of International Trade Law at Ghalib University-Kabul, Afghanistan. B.A. (Takhar U.-Afgh.), LL.M. (Islamic Azad U.-Iran). ORCID: <https://orcid.org/0009-0009-4862-473X>. He may be contacted at: ragheb.amani@ghalib.edu.af / Address: Faculty of Law and Political Science Department of Law, Ghalib University, Airport Highway Street, Shaheed Square, Kabul, Afghanistan.

** Lecturer at the Faculty of Law and Political Science, Ghalib University-Kabul, Afghanistan. B.A./M.A. in Islamic Studies and Arabic Language (Wifaq ul Madaris Al-Arabia, Pak.), Specialization in Hanafi Jurisprudence (Jamia Al-Khulafa Al-Rashideen, Pak.), MPhil./Ph.D. (Islamia College U.- Pak.). ORCID: <https://orcid.org/0000-0003-4032-0319>. He may be contacted at: m.ishaqnoori@ghalib.edu.af / Address: Faculty of Law and Political Science, Department of Law, Ghalib University, Airport Highway Street, Shaheed Square, Kabul, Afghanistan.

All the websites cited in this article were last visited on April 27, 2025.

1. Introduction

With the development of economic, social, and political relations between the countries, there has been a rise in trade in goods and services. While diversity in goods, services, and consumerism is one of the achievements of the contemporary world, fulfilling these needs is beyond the capacity of any single country. Moreover, every citizen demands rapid and lower-cost access to goods and services. Therefore, the World Trade Organization (WTO) now plays a significant role in seeking to create conditions where all countries can engage in trade in a competitive and fair environment, maximizing their benefits and utility.¹

The WTO membership is usually invoked as a source of anxiety, especially for developing economies. However, empirical experience maintains that, as a balance, most developing economies have experienced net gains arising from the membership of the Organization. The WTO arrangement provides clear and unbiased trading and discourages secret penetration, such as disguised tariff manipulation, thus providing a more welcoming environment to foreign direct investment. Besides, its special and differential treatment provisions provide developing and least-developed members with longer implementation periods, technical assistance, and preferential market access. Yet the WTO membership can also be difficult because rising trade deficits, sectoral dislocation, and increasing competitive pressures have sometimes been linked to social tensions, including rising poverty levels and uneven production and trade patterns.²

In 2006, Afghanistan applied for the WTO membership and attained its observer position. In December 2009, a working team from Afghanistan was appointed by the WTO. Then, the working team, under the leadership of Mehmood Shinwari, Director of International Trade in Afghanistan, was to report on legal reforms, market conditions, and production status.³ In this course, the Afghan working team called for an answer to 40 questions from the Afghan government; the first package, with 198 questions, was presented in 2010, while the second, containing 103 questions, came in 2011, and the third one, containing 139 questions, came in 2012. The latest one was held on November 11, 2015,⁴ but, up to now, several official meetings

1 SAEED SHIRKOND, MONETARY AND FINANCIAL ORGANIZATIONS [سیلام و یلوپ یانامزاس] 89 (2017), <https://www.iranketab.ir/book/88013-sazmanhaye-pooli>.

2 WTO, Development: Main Legal Provisions, https://www.wto.org/english/tratop_e/devel_e/d2legl_e.htm.

3 WTO, Members and Observers, https://www.wto.org/english/thewto_e/whatis_e/tif_e/org6_e.htm.

4 WTO, Accessions: Afghanistan, https://www.wto.org/english/thewto_e/acc_e/a1_afghanistan_e.htm.

have been conducted with the full members. Meanwhile, Afghanistan has carried out multilateral negotiations with the WTO members like Canada, the US, the EU, Turkey, Norway, Japan, Thailand, and Taiwan. The last WTO meeting was held in Nairobi, Kenya, in December 2015, which approved Afghanistan as a full⁵ member.

With formal accession to the WTO, Afghanistan pledged to reform its domestic trade regime within five years. Under those conditions (WT/MIN(15)/6/Add.1), it pledged to bind around 300 tariff lines of domestic products; schedule tariffs of between 20% and 50% on some 1,001 tariff lines for imported industry; charge rates of 30%–70% on fourteen lines of farm products; and prohibit imports in sixty-five narrowly focused categories.⁶

This essay aims to analyze the legal impacts of the WTO membership on Afghanistan's economy and trade. The findings show that membership will lead to the liberalization of trade, foreign investment attraction, and an increase in Afghanistan's share in world markets. It can also cause problems, including the threat to domestic industries and services, which will be detrimental to the economic, political, and social aspects of a nation through unemployment, the closure of industries, and low government revenue. The results also show that the negative impacts in the short- and medium-term periods and the long-term impact of Afghanistan's membership in the WTO will involve economic growth, the attraction of foreign investment, lower living costs, and balanced trade.

2. Accession Conditions to the WTO

The agreeing countries must harmonize their laws and regulations in conformity with the requirements of the WTO. They should liberalize trade and open their markets to goods and services from other member countries. It involves the conversion of non-tariff barriers to tariff barriers, removal of nontechnical trade barriers, unification of the exchange rate, consolidation of duties, tax reforms, elimination of import licenses, elimination of export commitment requirements, deregulation of quotas, standardization of bank interest rates, targeting of subsidies, export incentives,

5 WTO, Ministers approve Afghanistan's WTO membership at MC10 (Dec. 17, 2015), https://www.wto.org/english/news_e/news15_e/acc afg_17dec15_e.htm.

6 WTO, Overview of Afghanistan's Commitments, WTO Doc. WT/MIN(15)/6/Add.1 (Nov. 13, 2015), at 1-7, https://www.wto.org/english/news_e/news15_e/afgancommitmentsmc10_e.pdf.

accession to the World Intellectual Property Organization, new laws to promote and protect foreign investment, privatization, competition of the banking system, simplification of customs procedures, revision of trade regulations, preparation of an overall national trade regime, and formulation of anti-dumping rules. These measures were part of government efforts to liberalize trade and bring the country's laws in line with the WTO obligations.⁷

Although the WTO membership largely depends on negotiations between the applicant countries, it primarily involves two key processes: (1) gradually aligning domestic trade and economic laws with the WTO regulations and (2) opening domestic markets to foreign parties.⁸ In the negotiating process, applicant countries, though securing concessions from the WTO and its members in their turn, have to concede during negotiations. Otherwise, negotiations will fall apart and applicant countries will remain outside the circle of the WTO membership. Therefore, restricting trade relationships to a few countries, including those who have not applied for WTO membership yet, would be detrimental.⁹

3. The Accession of Afghanistan to the WTO

The WTO delivered a comprehensive report on the accession process of Afghanistan for permanent membership by explaining its seven stages. Accession to the WTO is thus unlike other international organizations, such like the International Monetary Fund, and represents a negotiated accession. The WTO says: "Decisions in the accession working groups are made by consensus, and thus, all working group members must be assured that their concerns are addressed by the country seeking membership and that the key issues in bilateral negotiations have been resolved."¹⁰

Officially, the process begins with a written application for membership that is taken up at the General Council of the WTO, that grants the country's observer status.¹¹ In that respect, after Afghanistan became an observer, a working group

7 Mustafa Saraji & Ali Zadeh, *Legal Impacts of Iran's Accession to the World Trade Organization* [قاجال حقوق راشا] 194 (2017). [اینادج نراجت ناهزاس هب ناریا], 3:1 J. POL. SCI. L. & JURIS. STUD. ماعلاطم.

8 *Id.* at 194.

9 *Id.*

10 Reza Akbarian, *Globalization and Its Political and Economic Characteristics* [ویمایس یاه یگزوی و ندش یناهج] 67-86 (2003). [یداصتقا-یمایس ناعلاطم], 195:6 J. POL. ECON. INFO. [نا یداصتقا].

11 WAHID BOZORG & ALI SABAGHIAN, *GLOBALIZATION: OPPORTUNITIES AND CHALLENGES* [ندش یناهج: فرصت و امتصريف] 56 (2005).

was then established to start the accession process. Like all working groups, this working group had a chairperson selected from the WTO members other than Afghanistan in consultation with the country. The first move towards accession for Afghanistan was delivering its foreign trade regime to the working group. In the second phase, Afghanistan had to submit a proper and comprehensive reply to the WTO questionnaires on a wide range of trade-related issues such as customs tariffs, taxation regimes, investment policies, intellectual property rights legislation, service regulations, goods trade, and other foreign trade issues. These questionnaires were designed to present the Working Party with a precise economic and legal profile of the acceding state. The Afghan government, in cooperation with respective institutions and local experts, compiled a series of documented answers on which further analysis in subsequent stages was performed. The third step of the accession process for Afghanistan came after assessing the country's trade and relevant legal systems. These discussions outlined the terms for accession, including the commitments that Afghanistan would make to join the WTO.¹²

The fourth step of accession, carried on in parallel with the third, included bilateral negotiations between Afghanistan and each member of the working group. During these negotiations, Afghanistan concluded agreements with each member on trade concessions, market access, and exporting and importing goods and services. In the fifth stage, three various documents were prepared; all were approved by the working group: the first was a summary of the steps taken, negotiations, and the accession terms about Afghanistan; the second was the Accession Protocol summarizing the conditions agreed with Afghanistan by the working group. The third was a series of bilateral agreements between Afghanistan and the members of the working group, containing trade concessions and market access arrangements. These three documents were then put together to form the final accession package approved in the last session of the working group.¹³ In the sixth stage, the final report was submitted to the General Council of the WTO, which approved the report, thereby completing Afghanistan's formal accession on December 18, 2015.

Finally, Afghanistan has become the 164th member of the WTO. The new member countries are expected to follow nine basic principles such as liberalization of trade, free pricing of goods and services, removal of all direct subsidies, liberalization of interest rates and exchange rates, dissolution of government monopolies, freedom

12 Hamid Zangeneh, *Economic Development and Globalization: A View on Countries' Trade* [Tose'e Eqtesadi va Jahani Shodan: Nazari be Tejarat-e Keshvarha], 207:8 J. POL. ECON. INFO. [Ettelaat Siyasi-Eqtesadi] 166-73 (2004), <https://elmnet.ir/article/157250-91361>.

13 *Id.*

of information flow, optimal allocation of resources through markets, separation of policies concerned with economic issues from those involved with social security and the creation of a regulatory government rather than an active role in policies and trade concerns.¹⁴ The multi-year negotiations for the WTO accession that Afghanistan went through meant a set of commitments and reforms. These, while restrictive and contradictory to the nationalistic positions, offer a good opportunity for Afghanistan to bring its economy in line with international standards. Following the WTO membership, however, several realities before Afghanistan are to be considered:¹⁵

1. The prevailing conditions will preserve Afghanistan's access to regional markets and neighboring countries.
2. Poor diversification of the exports of goods and services;
3. Poor economic diplomacy and poor outcomes of political hurdles in trade.
4. Lack of awareness concerning the international economic frameworks concerning negotiations, contracts, and regulations;
5. Poor impact on international trade and economic affairs;
6. The impact of political factors on international economic relationships.
7. The availing the available expertise amongst Afghans abroad;
8. Poor Productivity levels within manufacturing, Human Resources, and capital; and
9. The necessity of far-reaching reforms in the agricultural sector and the indifference of this sector to membership in the WTO.

4. Why did Afghanistan join the WTO?

One of the most important questions is why Afghanistan tried to join the WTO. It is related to which goals Afghanistan would like to pursue with its accession to the WTO. The following are the main reasons to be considered:¹⁶

1. Strengthening Afghanistan's position in international and regional markets;
2. Increasing competitiveness and bargaining power;
3. Building an economic security margin for national and international investments;

14 Syed Mirjalili, *Afghanistan's Accession to the World Trade Organization* [ی‌ناهج نامزاس هب نامسن‌انغفا تسوی] [ی‌داصتقا-ی‌س‌ای‌س‌تاع‌الطا], 217:8 J. POL. ECON. INFO. [ین‌اگرزاب] (2008), 17-24.

15 *Id.*

16 Majid Sameti et al., *Impacts of Globalization on Iran's Import Demand Pattern (2002-04)* [ی‌وگلا رب ن‌دش‌ین‌اهج راشا] (2002-04), 11:2 J. ECON. RES. [ی‌داصتقا ی‌اش‌ه‌وژپ] (2004), 3-20, <https://elmnet.ir/doc/2044151-1671>.

4. Absorbing national and international investments;
5. Preventing capital flight;¹⁷
6. Extending the security of capital markets (stock exchanges);
7. Providing the security of private sector activities (privatization);
8. Promoting electronic commerce, banking, finance, insurance, stock markets, etc.
9. Increasing the efficiency of economic laws and regulations in eliminating ambiguity, deficiencies, and the lack of laws; and
10. Erasing corruption, monopolies, and special privileges.

5. The WTO and Afghanistan's Benefits

The WTO provides for trade disputes among its members and offers them solutions to sort out issues like transit problems. South Asian countries, particularly India, along with the European nations, are Afghanistan's target export markets. In this regard, Afghanistan needs to use Pakistan as a transit corridor. But all these years, Pakistan has manipulated this dependency on Afghan trade to block Afghan exports at will. As a result, Afghan traders incurred heavy losses due to the blockade of roads. While several bilateral agreements were signed to resolve the issues related to transit and trade, Pakistan steadfastly avoided taking responsibility for their implementation. Afghanistan now goes to the WTO to recover its transit rights and make Pakistan cooperate on issues.¹⁸

Tariff rate reduction is the main instrument for boosting trade exchange among the WTO member countries. Afghanistan has suffered from a chronic trade imbalance, in which over 90% of its consumer goods are imported, affecting major economic indicators, particularly the domestic currency and local budding industries. Afghanistan will also be able to get lower tariff rates from the WTO after joining the organization and provide domestic products at lower prices in target markets. Afghanistan can exploit this privilege only if it builds the prerequisites for global export. Lack of standard packaging and low-quality products have been two major reasons why Afghan products have not reached global markets in recent years.¹⁹

¹⁷ *Id.*

¹⁸ Mustafa Zaminpardaz et al., *Political and Legal Analysis of Afghanistan's Accession to the World Trade Organization (WTO)* [یناهج تراچت نامزاس هب ناتسناغفا دورو راشا یقوقح و یسایس لیلحت] (WTO), 1:7 PAZHUSH-E MELAL [للم شموژپ] 9-10 (2016).

¹⁹ *Id.* at 13

Afghanistan's WTO membership is expected to motivate domestic investment. First, Afghanistan contains a huge, low-wage labor force, which directly affects the cost of production. Secondly, it will inspire foreign investments due to lower tariff rates. Hence, Afghanistan can export its domestic products at low prices to the international market.²⁰

6. The WTO and Its Detrimental Effects on Afghanistan

The WTO discourages countries from imposing quotas on imports. This means that governments cannot restrict the entry of certain goods into their territory. This concept, which the WTO has adopted, is disadvantageous to the infant industries of developing countries like Afghanistan because it has not been able to apply appropriate policies for the protection and promotion of domestic production. Even when the incumbent government developed programs for the private sector, where they identified Afghanistan's comparative advantage in certain products, it was unable to follow up with beneficial strategies to support and safeguard those industries. If Afghanistan had succeeded in making the environment favorable for local industries and in attracting investment, there would have been no deflection of investments and resources.²¹

As Afghanistan cannot restrict imports except for religiously prohibited products, the free entry of foreign goods makes its infant economy extremely vulnerable, even resulting in nationwide business bankruptcies. The WTO allows developing countries to apply preferential tariff systems to enhance the competitiveness of some domestic products. However, this is beneficial only if these products meet international quality standards, which Afghanistan's exports typically do not.²²

Most Afghan exports are raw or semi-processed agricultural products, which are often processed in foreign countries before being re-exported to Afghanistan or elsewhere. As a result, Afghanistan cannot take advantage of the benefits related to such products; likewise, Afghan agricultural exports suffer adversely from the general prevalence of preference tariff systems in third countries that reduce market access.

In recent years, Pakistan and China have used dumping policies against the

20 Hassan Rezaei, *Prospects of Afghanistan's Accession to the World Trade Organization* [توضیح‌های از اندام‌های چ], 217:8 J. POL. ECON. INFO. [یادداشت‌های سیاسی و اقتصادی], 17-24 (2006).

21 *Id.*

22 Zaminpardaz et al., *supra* note 18.

Afghan market to destroy domestic production. Before joining the WTO, Afghanistan had the flexibility to adjust customs duties, but now cannot increase tariffs without violating the WTO principles. Consequently, countries aiming to monopolize the market and undermine local production may resort to dumping policies, which could lead to the collapse of Afghan industries and a worsening trade deficit.²³

7. The Need for Economic and Legal Foundations

When the principle of comparative advantage is observed in the expansion of trade globally, several legal and economic issues would arise, impeding the realization of trade goals, which often delays progress in commercial agreements. Among these barriers are those of a legal-economic nature that need to be addressed to turn agreements and their trade benefits into reality. There is an increasing need to harmonize domestic laws with international trade rules and principles, specifically those of GATT. In this respect, the alignment helps a country adhere to global trade frameworks and rectify any discrepancies, either legally or economically, for full benefit from the WTO.²⁴

Studies show that some national laws, such as the constitution and economic laws like banking, insurance, and foreign investment laws, may conflict with the agreements of the WTO.²⁵ Thus, their adaptation is highly relevant to Afghanistan's smooth accession to the WTO, while maintaining its national legal and economic values.

A. Adaptation of National Laws to the WTO Rules

1. The Constitution

Since the constitution is the grundnorm of all other laws in a country, some of its provisions should be examined for conflict or consistency with the WTO rules. Table 1 shows the articles of the constitution with particular relevance.²⁶

23 *Id.* at 12-3.

24 JOHN JACKSON, *THE WORLD TRADING SYSTEM: LAW AND POLICY OF INTERNATIONAL ECONOMIC RELATIONS* 27-52 (1989).

25 BERNARD HOEKMAN & MICHEL KOSTECKI, *THE POLITICAL ECONOMY OF THE WORLD TRADING SYSTEM* 115-7 (2009).

26 Constitution of Afghanistan 2004, art. 10, <https://www.afghanembassy.de/new/index.php/en/about-afghanistan/afghanistan-constitution>.

Table 1: Articles of the Constitution related to Foreign Trade

Articles	Stipulation
Article 10	The government shall promote and guarantee the protection of private investments by the logic of the market economy and conformity with the law. This is according to WTO's concepts of competition and market access and has been reflected in the GATT provisions on trade liberalization.
Article 11	Permits the government to participate in trade and set up state-owned or semi-state-owned companies with the view to encouraging competition with the private sector. The above situation does not conflict with the WTO rules because it stands for market liberalization and free market economy principles.
Articles 13 & 14	The state shall pursue various economic programs in keeping with the country's financial ability and public interest, which further applies to GATT principles of trade liberalization. Thus, these constitutional principles are in harmony with the WTO's foundational goals of market freedom and trade liberalization.

2. Commercial Law

Article 4 of the Commercial Law of Afghanistan 1957 provides that a person who reaches the age of eighteen and is not prohibited due to a case of legal status is capable of conducting trade.²⁷ According to the Commercial Law, every person who is of legal age may practice trade. Besides, as stipulated in the Law on the Foreign Trade of Goods, which will be elaborated in the next section, both natural and juridical persons, regardless of domestic and foreign, can engage in commercial activity in Afghanistan under the provisions of the law. Lastly, no investment is mandated by law to be made as a precondition to foreign trade activity.²⁸

3. Foreign Trade of Goods Law

Article 6 of the Law on Foreign Trade of Goods of Afghanistan provides that any domestic or foreign natural person who receives a tax identity number or any domestic and foreign legal entity that obtained a company operation license according to the law may engage in foreign trade.²⁹ Accordingly, all Afghan and foreign natural and legal persons are entitled to conduct foreign trade in goods within Afghanistan without a fixed business license. It provides that a natural person, either domestic or foreign, in receiving a taxpayer identification number, and a legal entity, either

²⁷ Law of Commerce art. 4.

²⁸ Draft Law on Foreign Trade of Goods, art. 6(1) & (3), https://www.wto.org/english/thewto_e/acc_e/afg_e/wtaccfg23_leg_2.pdf.

²⁹ *Id.* art. 6(1).

domestic or foreign, which has acquired a company operating license in pursuance of the law, may engage in foreign trade.³⁰ Further, a person who engages in foreign trade is not obliged to obtain an investment license.³¹

Foreign trade of goods, in principle, is free in Afghanistan, without specific exceptions. It shall be under the complete policy and national procedure. It includes minimum restrictions in the implementation of trade measures, trade secrets keeping, trade measures adoption that shall not hurt foreign trade, and abolishment of trade measures in case valid reasons exist.³² Also, each individual can appeal the decisions taken by the relevant authorities, as stated in Article 5 of this law.

4. Law on Private Foreign and Domestic Investment

Table 2 shows the important provisions of the Law on Private Foreign and Domestic Investment.³³

Table 2: Important provisions of the Law on Private Foreign and Domestic Investment

Articles	Stipulation
Article 4	Investment in Afghanistan, except for land, can be 100% foreign-owned, and foreign investors are not required to have an Afghan partner to guarantee their investment.
Article 16	All approved businesses, whether owned by Afghan or foreign nationals, are equally treated under the law, provided there are no special laws in specific cases.
Article 18	Based on the provisions of the Afghanistan Investment Law, products, goods, or export items assembled in the country by a licensed entity can be exempted from customs duty by the stipulated limits and conditions of the current customs regulations. The exemption will stimulate local assembly and production while reducing the fiscal tax load on such businesses involved in export-oriented activity, provided the assembly process is subject to national customs regulations.
Article 18	The Afghan Private Investment Law ensures that the approved businesses have access to various banking facilities, including opening foreign currency accounts in Afghanistan. The companies are also eligible to receive foreign currency credits and loans from foreign financial institutions that can be used for different purposes of investment purposes in the country. Furthermore, authorized enterprises can open foreign currency accounts abroad to ensure investment transactions and make salaries and benefits payable to their foreign employees, provided that such acts do not violate Afghanistan's laws.

30 *Id.* art. 6(3).

31 *Id.*

32 *Id.* art. 5.

33 Law on Private Investment art. 1, <https://www.wipo.int/wipolex/en/legislation/details/13875>.

Articles 22-23	An approved business, after fulfilling legal obligations such as paying taxes, may transfer the total amount of invested capital and profits generated from the investment outside of Afghanistan. Additionally, the business has the right to transfer any income from the sale of the business and related loan fees in foreign currency, as per the daily exchange rate and tax laws.
Article 30	In case of a dispute between a foreign investor and a third party or the Afghan government, the approved business has the right to access domestic courts and international arbitration bodies such as the International Centre for Settlement of Investment Disputes and the United Nations Commission on International Trade Law. In addition, a foreign investor who holds more than 25% of the shares of an approved business has the right to sue for the fairness of expropriation by the government in court.
Article 32	Under the Afghan Income Tax Law, exemptions are available for approved businesses that incur net losses during their business operations. The said business can carry over losses into subsequent fiscal years and may subtract such losses from taxable income to the extent allowed by the law.

8. Conclusion

The WTO is neither a destructive organization nor a messiah for developing countries and the poor classes of societies. Membership in, or accession to, the WTO is not a panacea for the political, economic, or cultural ills of any particular country. Instead, it would be considered an important step toward adjusting the trade structure and enhancing growth.

Afghanistan's WTO membership is an opportunity for policymakers to focus on improving the Afghan economy's structure, enhancing efficiency, and eliminating rent-seeking and monopolies, which will be eradicated through the WTO membership. At a minimum, the membership will provide a foundation for boosting productivity systems and increasing efficiency in the country's economy. With the proper management of human resources, economic potential, and other factors, Afghanistan has a high capacity for rapid competition in the global market. These efforts demand concentrated endeavors at both the managerial and technical levels.

Such steps as the approach taken in the Memorandum on the Foreign Trade Regime (MFTR) - submitted to the WTO Working Party in April 2009 - become more crucial to improving competitive capacity in Afghanistan's international economic

interaction.³⁴ This program aims to integrate Afghanistan into the global economy, providing a platform for accelerating the country's economic, cultural, political, and social development. While reducing threats, leveraging opportunities, and reinforcing the economic foundation, a more favorable environment will be created to minimize the negative impacts of joining the global economy under the WTO membership.

Whereas Afghanistan has made a great effort toward gaining membership in the WTO, the long-term benefits depend on the country's economic rate of growth and the enhancement of its capacity. Afghanistan cannot remain outside the influence of globalization, so it is bound to take deliberate and steady steps forward. A clear vision of its position and the expected benefits from the WTO membership will largely determine the outcome of this process. The positive and negative impacts of the WTO membership in various sectors of the Afghan economy have been studied by experts to define the effects of this membership on the country's economy, such as in exports, imports, employment, production, balance of payments, currency policies, and investments in agriculture and industry. Programs will also be designed to reduce the negative impacts of membership.

In other words, accession to the WTO benefits developed countries more than developing ones because of comparative advantages in terms of production and economic power. Afghanistan's accession to the WTO will only be effective when domestic industries can meet the demand of local markets.

With Afghanistan having attained membership, the Afghan government should now strive to enhance security and improve the quality of local products to reach the international markets, while facilitating both national and foreign investors to reap benefits from the WTO membership. If Afghanistan remains in its current state, the WTO membership will not be beneficial. Rather, it will harm domestic production, devalue the currency, increase inflation, and lead to the bankruptcy of domestic businesses, resulting in a greater dependence on foreign goods. Afghanistan will remain a consumer market for foreign products.³⁵

Received: March 1, 2025

Modified: April 1, 2025

Accepted: May 1, 2025

34 WTO, Accession of Afghanistan: Memorandum on the Foreign Trade Regime, WTO Doc. WT/ACC/AFG/4 (Mar. 31, 2009), <https://docs.wto.org/dol2fe/Pages/SS/directdoc.aspx?filename=q:/WT/ACC/AFG4.pdf&Open=True>.

35 Zaminpardaz et al., *supra* note 18, at 13-4.

