

The World Trade Organization

The World Trade Organization (WTO) is the only global international organization dealing with the rules of trade between nations. At its heart are the WTO agreements, negotiated and signed by the bulk of the world's trading nations and ratified in their parliaments. The goal is to help producers of goods and services, exporters, and importers conduct their business.

The WTO officially commenced on 1 January 1995 under the Marrakesh Agreement, signed by 123 nations on 15 April 1994, replacing the General Agreement on Tariffs and Trade (GATT), which commenced in 1948. It is the largest international economic organization in the world.

Members and observers

The WTO has 164 members and 24 observer governments. Liberia became the 163rd member on 14 July 2016, and Afghanistan became the 164th member on 29 July 2016. In addition to states, the European Union, and each EU country in its own right, is a member. WTO members do not have to be fully independent states; they need only be a customs territory with full autonomy in the conduct of their external commercial relations.

Functions

Among the various functions of the WTO, these are regarded by analysts as the most important:

- It oversees the implementation, administration and operation of the covered agreements (with the exception is that it does not enforce any agreements when China came into the WTO in Dec 2001)
- It provides a forum for negotiations and for settling disputes.

Additionally, it is WTO's duty to review and propagate the national trade policies, and to ensure the coherence and transparency of trade policies through surveillance in global economic policy-making. Another priority of the WTO is the assistance of developing, least-developed and low-income countries in transition to adjust to WTO rules and disciplines through technical cooperation and training.

1. The WTO shall facilitate the implementation, administration and operation and further the objectives of this Agreement and of the Multilateral Trade Agreements, and shall also provide the framework for the implementation, administration and operation of the multilateral Trade Agreements.
2. The WTO shall provide the forum for negotiations among its members concerning their multilateral trade relations in matters dealt with under the Agreement in the Annexes to this Agreement.
3. The WTO shall administer the Understanding on Rules and Procedures Governing the Settlement of Disputes.
4. The WTO shall administer Trade Policy Review Mechanism.
5. With a view to achieving greater coherence in global economic policy making, the WTO shall cooperate, as appropriate, with the international Monetary Fund (IMF) and with the International Bank for Reconstruction and Development (IBRD) and its affiliated agencies