

Vivekanand College, Kolhapur (Autonomous)

Department of BBA

Subject- International Business

Topic- World Trade Organization (WTO)

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World Trade Organization(WTO)





World Trade Organization(WTO)

Understanding WTO-

- WTO is an intergovernmental organization that concerned with the regulation of international trade between nations.
- The WTO deals with regulation of trade in goods, services and intellectual properties between participating countries.
- Trade related disputes are resolved by independent judges at the WTO through a dispute resolution process.
- Officially commenced on 1st Jan 1995 under the Marrakesh Agreement.
- It is legal entity.



World Trade Organization(WTO)

Understanding WTO-

- Signed by 123 nations in 1994.
- WTO replaced GATT (General Agreement on Tariffs and Trade)
- Headquarter- Geneva, Switzerland.
- Establishment- 1 January 1995.
- Created by- Uruguay Round negotiations (1986-94).
- Members- 164 (2016).



World Trade Organization(WTO)

Understanding WTO-

- All member countries having equal voting rights.
- Unlike the GATT, the agreements under the WTO are permanent.
- Unlike the GATT, the WTO covers trade in goods, services and intellectual properties.



World Trade Organization(WTO)

Organizational structure of WTO-

- The Ministerial Conference is at the top of the org. structure of the WTO.
- It is the supreme governing body which takes ultimate decisions on all matters.
- Usually Trade Ministers of all the member countries are the part of Ministerial Conference.
- Then next is General Council, it composed of the representatives of all member countries.
- It is real engine of the WTO.
- It is also acts as the dispute settlement body and the trade policy review body.
- Ministerial Conference also appoint Director General for the tenure of four years. And he assisted by four deputy directors from different member countries.



World Trade Organization(WTO)

Objectives of WTO-

- To ensure the reduction in tariffs and other barriers to trade.
- To eliminate discriminatory treatment in international trade relations.
- To facilitate higher standards of living, full employment, real income & effective demand.
- Increase the share of international trade, especially the least developed countries & developing countries.
- To facilitate the optimal use of the world's resources for sustainable development.
- To promote an integrated, more viable and durable trading system.



World Trade Organization(WTO)

Functions of WTO-

- It provides proper and important code of conduct.
- It provides institutional framework for the administration.
- To act as a forum for the negotiation of further trade liberalization.
- To cooperate with IMF, WB and its associates.
- To settle the trade related disputes.