

Trade Guide: Marrakesh Agreement Establishing the WTO

MARRAKESH AGREEMENT ESTABLISHING THE WORLD TRADE ORGANIZATION

What is this Agreement and what does it do?

The Agreement Establishing the World Trade Organization, commonly known as the "Marrakesh Agreement", was signed in Marrakesh, Morocco, on April 15, 1994, at the conclusion of the Uruguay Round of Multilateral Trade Negotiations.

This Agreement defines the scope, functions and structure of the World Trade Organization (WTO). The agreements previously negotiated under the General Agreement on Tariffs and Trade (GATT), along with agreements concluded during the Uruguay Round, were incorporated as integral parts of the Marrakesh Agreement and are included in its Annexes. These agreements are now considered to be WTO agreements.

All <u>WTO members</u> are parties to the Marrakesh Agreement, including countries that have joined the WTO since it was signed.

This Agreement entered into force on January 1, 1995. It has no expiration date.

Who benefits from this Agreement?

While the Marrakesh Agreement itself does not apply directly to your company, the WTO agreements in its Annexes provide a comprehensive set of rules designed to make it easier to compete in today's global marketplace. Full texts of all WTO agreements, including those concluded since the WTO was established, can be found in the TARA <u>database</u> of the Trade Agreements Negotiation and Compliance of the U.S. Department of Commerce.

What are the main provisions of this Agreement?

The objective of the countries that signed the Marrakesh Agreement was to create an integrated multilateral trading system encompassing the General Agreement on Tariffs and Trade (GATT) and the results of all the trade rounds (including the Uruguay Round) that had been conducted since the GATT was signed in 1947. The Marrakesh Agreement:

- established the WTO and states that it will serve as the basic framework for trade relations among all WTO member countries on matters covered by the WTO agreements;
- defines the functions of the WTO, which include: 1) reviewing the operation and implementation of all WTO agreements; 2) administering the WTO's dispute settlement process; 3) providing a forum for further trade negotiations; and 4) working with other international organizations (such as the World Bank and the International Monetary Fund) to achieve greater coherence in global economic policy-making;
- provides for the organizational and administrative structure of the WTO;
- requires the WTO to hold a Ministerial Conference at least once every two years, where trade ministers
 from WTO member countries meet to assess the implementation of the WTO agreements and decide on
 future WTO initiatives;
- established the WTO General Council, which oversees WTO operations between meetings of the Ministerial Conference;
- provides that decisions in the WTO are to be made as a general rule by consensus, although voting is allowed in certain circumstances where a decision cannot be reached by consensus;
- gives the Ministerial Conference and the General Council the exclusive authority to adopt interpretations
 of this Agreement and all WTO agreements, and also grants the Ministerial Conference the authority to
 amend all WTO agreements;
- states that any country may join the WTO on terms that are agreed upon between the country applying for membership and the WTO;
- maintains that WTO members may choose not to apply the WTO Agreements to a country that is joining
 the WTO as long as the Ministerial Conference is notified before approving that country's accession
 terms, and
- permits any WTO member to withdraw from the WTO after giving six months advance notice to the WTO's Director-General.

Can the U.S. Government help me if I have a problem?

Yes. If you believe that a <u>WTO members</u> country failing to comply with any of the <u>WTO agreements</u>, contact the Office of Trade Agreements Negotiations and Compliance (TANC) though <u>its public hotline at the U.S.</u> Department of Commerce.

TANC can help you understand your rights under this Agreement and can alert the relevant U.S. Government officials to make inquiries, if appropriate, with the other country involved to help you resolve your problem.

The U.S. Government can, if appropriate, raise the particular facts of your situation with the government of the other country or countries involved, or it can raise the matter in an appropriate international forum. Certain problems that arise under WTO Agreements can be addressed through the World Trade Organization's dispute settlement process, which is described in the Trade Guide to the WTO Understanding on the Settlement of Disputes.

How can I get more information?

The complete text of the Marrakesh Agreement Establishing the World Trade Organization is available from the Office of Trade Agreements Negotiations and Compliance's WTO Agreements database.

If you have questions about the Marrakesh Agreement or any WTO agreement, you can <u>e-mail</u> the Office of Trade Agreements Negotiation and Compliance at the U.S. Department of Commerce, which will forward your message to the Commerce Department's Designated Monitoring Officer for the Agreement. You can also

contact the Designated Monitoring Officer at the following address:

Designated Monitoring Officer

Agreement Establishing the WTO

Office of Standards and Investment Policy

Industry and Analysis

International Trade Administration

U.S. Department of Commerce

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