

Wto (world trade organization)



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World trade organization Various organizations occur in the world. The organizations have been formed to address issues and challenges that face the world. As a result, they resolve issues that affect the world as a single entity. One of the such organizations is the World Trade Organization (WTO). The organization has managed to manage various issues of its members from various parts of the world. In order to understand WTO, it is good to highlight the history of the organization, functions, and how it helps today as well as what it stands for.

There was a rigorous process before formation of WTO. Hence, the origin dates back almost a century ago. The mother of WTO was General Agreement on Tariffs and Trade (GATT) (Ministry of Commerce and Industries 1). GATT offered some basic trade rules for member countries. However, with time it grew to an influential economic powerhouse. The aim of GATT was to have efficient trade rules to have a stable and predictable world trade. As a result, under GATT there was a reduction of tariffs and formidable trade rules. The initial members were twenty-three countries that were known as Contracting Parties (Ministry of Commerce and Industries 1). The members met in every six months to negotiate on various issues of trade affecting member countries. Moreover, larger negotiating sessions “ rounds” were held to deal with emerging issues (Ministry of Commerce and Industries 1). The body grew over the years. In the growth, there were more issues as well as greater responsibility. Moreover, reductions of tariffs in this period forced countries to divert their attention to addressing non-tariff trade barriers that were affecting the world trade. After this period, there were several rounds held. The most significant of the rounds was the Uruguay round. The round led to the birth of an organization that covered expanded issue of trade

(Ministry of Commerce and Industries 1). In this round, over 120 countries took place (Ministry of Commerce and Industries 1). It was claimed to be the most significant trade negotiations to have happened. The result of the negotiations was formally approved in Marrakesh, Morocco on 15 April 1994 (Ministry of Commerce and Industries 1). The approval led to the birth of WTO.

There are various functions of WTO. The significant function is to negotiate for the reduction of barriers to trade and agree on principles of operation of the international trade (World Trade Organization (WTO) 1). Secondly, the organization plays a key role in reviewing of policies relating to trade. It also ensures that agreed rules after negotiations are followed regarding trade in goods and services. The body also educates the public on issues relating its mission and activities. Lastly, the body helps in settling disputes among members regarding understanding and applicability of various agreements (WTO 1).

WTO advocates various things. One of the significant issues that the body stands for is non-discriminations of partners in terms of trade. The other issue is lowering of trade barriers. It also advocates transparency in trade activities, discourage unfair practices, giving less developed countries to adjust as well as engagement of sustainable activities that offers protection to the environment (WTO 1).

Currently, WTO helps in various issues. First, the body helps member countries to sort out trade problems they face with each other (World Trade Organization (WTO) b 1). Secondly, the body has helped in trade liberalization. Moreover, the negotiations result into legal documents that provide rules for international commerce (WTO b 1). The body also helps in

settling of disputes through referring on written agreements between member countries.

In conclusion, it is clear that GATT played a significant role for birth of WTO.

On the other hand, WTO continues to play a big role in the world.

Works Cited

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