

# AGREEMENT ESTABLISHING THE MULTILATERAL TRADE ORGANIZATION

The Parties to this Agreement,

Recognizing that their relations in the field of trade and economic endeavour should be conducted with a view to raising standards of living, ensuring full employment and a large and steadily growing volume of real income and effective demand, and expanding the production and trade in goods and services, while allowing for the optimal use of the world's resources in accordance with the objective of sustainable development, seeking both to protect and preserve the environment and enhance the means for doing so in a manner consistent with their respective needs and concerns at different levels of economic development,

Recognizing further that there is need for positive efforts designed to ensure that developing countries, and especially the least developed among them, secure a share in the growth in international trade commensurate with the needs of their economic development,

Being desirous of contributing to these objectives by entering into reciprocal and mutually advantageous arrangements directed to the substantial reduction of tariffs and other barriers to trade and to the elimination of discriminatory treatment in international trade relations,

Resolved, therefore, to develop an integrated, more viable and durable multilateral trading system encompassing the General Agreement on Tariffs and Trade, the results of past trade liberalization efforts, and all of the results of the Uruguay Round of multilateral trade negotiations,

Determined to preserve the basic principles and to further the objectives underlying this multilateral trading system,

Agree as follows:

## **Article I Establishment of the Organization**

The Multilateral Trade Organization (hereinafter referred to as "the MTO") is hereby established.

## **Article II Scope of the MTO**

1. The MTO shall provide the common institutional framework for the conduct of trade relations among its Members in matters related to the agreements and associated legal instruments included in the Annexes to this Agreement.

2. The agreements and associated legal instruments included in Annexes 1, 2 and 3 (hereinafter referred to as "Multilateral Trade Agreements") are integral parts of this Agreement, binding on all Members.

3. The agreements and associated legal instruments included in Annex 4 (hereinafter referred to as "Plurilateral Trade Agreements") are also part of this Agreement for those Members that have accepted them, and are binding on those Members. The Plurilateral Trade Agreements do not create either obligations or rights for Members that have not accepted them.

4. The General Agreement on Tariffs and Trade in Annex 1A (hereinafter referred to as "GATT 1994") is legally distinct from the General Agreement on Tariffs and Trade, dated 30 October 1947, as subsequently rectified, amended or modified (hereinafter referred to as "GATT 1947").

### **Article III Functions of the MTO**

1. The MTO shall facilitate the implementation, administration, 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 Plurilateral Trade Agreements.

2. The MTO shall provide the forum for negotiations among its Members concerning their multilateral trade relations in matters dealt with under the agreements in the annexes to this Agreement. The MTO may also provide a forum for further negotiations among its Members concerning their multilateral trade relations, and a framework for the implementation of the results of such negotiations, as may be decided by the Ministerial Conference.

3. The MTO shall administer the Understanding on Rules and Procedures Governing the Settlement of Disputes in Annex 2 to this Agreement.

4. The MTO shall administer the Trade Policy Review Mechanism provided for in Annex 3 to this Agreement.

5. With a view to achieving greater coherence in global economic policy-making, the MTO shall cooperate, as appropriate, with the International Monetary Fund and with the International Bank for Reconstruction and Development and its affiliated agencies.

### **Article IV Structure of the MTO**

1. There shall be a Ministerial Conference composed of representatives of all the Members, which shall meet at least once every two years. The Ministerial Conference

shall carry out the functions of the MTO, and take actions necessary to this effect. The Ministerial Conference shall have the authority to take decisions on all matters under any of the Multilateral Trade Agreements, if so requested by a Member, in accordance with the specific requirements for decision-making in this Agreement and in any Multilateral Trade Agreement.

2. There shall be a General Council composed of representatives of all the Members, which shall meet as appropriate. In the intervals between meetings of the Ministerial Conference, its functions shall be conducted by the General Council. The General Council shall also carry out the functions assigned to it by this Agreement. The General Council shall establish its rules of procedure and approve the rules of procedure for the Committees provided for in paragraph 7. 3. The General Council shall convene as appropriate to discharge the responsibilities of the Dispute Settlement Body provided for in the Understanding on Rules and Procedures Governing the Settlement of Disputes in Annex 2. The Dispute Settlement Body may have its own chairman and shall establish such rules of procedure as it deems necessary for the fulfilment of those responsibilities.

4. The General Council shall convene as appropriate to discharge the responsibilities of the Trade Policy Review Body provided for in the Trade Policy Review Mechanism in Annex 3. The Trade Policy Review Body may have its own chairman and shall establish such rules of procedure as it deems necessary for the fulfilment of those responsibilities.

5. There shall be a Council for Trade in Goods, a Council for Trade in Services and a Council for Trade-Related Aspects of Intellectual Property Rights (TRIPS), which shall operate under the general guidance of the General Council. The Council for Trade in Goods shall oversee the functioning of the Multilateral Trade Agreements in Annex 1A, the Council for Trade in Services shall oversee the functioning of the Multilateral Trade Agreement in Annex 1B, and the Council for Trade-Related Aspects of Intellectual Property Rights shall oversee the functioning of the Multilateral Trade Agreement in Annex 1C. These Councils shall carry out the functions assigned to them by their respective agreements and by the General Council. They shall establish their respective rules of procedure subject to the approval of the General Council. Membership in these Councils shall be open to representatives of all Members. These Councils shall meet as necessary to carry out their functions.

6. The Council for Trade in Goods, the Council for Trade in Services and the Council for Trade-Related Aspects of Intellectual Property Rights shall establish subsidiary bodies as required. These subsidiary bodies shall establish their respective rules of procedure subject to the approval of their respective Councils.

7. The Ministerial Conference shall establish a Committee on Trade and Development, a Committee on Balance-of-Payments Restrictions and a Committee on Budget, Finance and Administration, which shall carry out the functions assigned to

them by this Agreement and by the Multilateral Trade Agreements, and any additional functions assigned to them by the General Council, and may establish such additional Committees with such functions as it may deem appropriate. As part of its functions, the Committee on Trade and Development shall periodically review the special provisions in the Multilateral Trade Agreements in favour of the least-developed countries Members and report to the General Council for appropriate action. Membership in these Committees shall be open to representatives of all Members. 8. The bodies provided for under the Plurilateral Trade Agreements shall carry out the functions assigned to them under those Agreements and shall operate within the institutional framework of the MTO. These bodies shall keep the General Council informed of their activities on a regular basis.

### **Article V Relations with other Organizations**

1. The General Council shall make appropriate arrangements for effective cooperation with other intergovernmental organizations that have responsibilities related to those of the MTO.
2. The General Council may make appropriate arrangements for consultation and cooperation with non-governmental organizations concerned with matters related to those of the MTO.

### **Article VI The Secretariat**

1. There is established a Secretariat of the MTO headed by a Director-General.
2. The Ministerial Conference shall appoint the Director-General and adopt regulations setting out the powers, duties, conditions of service and terms of office of the Director-General.
3. The Director-General shall appoint the members of the staff of the Secretariat and determine their duties and conditions of service in accordance with regulations adopted by the Ministerial Conference.
4. The responsibilities of the Director-General and the staff of the Secretariat shall be exclusively international in character. In the discharge of their duties, the Director-General and the staff of the Secretariat shall not seek or accept instructions from any government or any other authority external to the MTO. They shall refrain from any action which might adversely reflect on their position as international officials. The Members of the MTO shall respect the international character of the responsibilities of the Director-General and the staff of the Secretariat and shall not seek to influence them in the discharge of their duties.

### **Article VII Budget and Contributions**

1. The Director-General shall present to the Committee on Budget, Finance and Administration the annual budget estimate and financial statement of the MTO. The Committee on Budget, Finance and Administration shall review the annual budget estimate and the financial statement presented by the Director-General and make recommendations thereon to the General Council. The annual budget estimates shall be subject to approval by the General Council.

2. The Committee on Budget, Finance and Administration shall propose to the General Council financial regulations which shall include provisions setting out:

(a) the scale of contributions apportioning the expenses of the MTO among its Members; and

(b) the measures to be taken in respect of Members in arrears.

The financial regulations shall be based, as far as practicable, on the regulations and practices of the GATT 1947.

3. The General Council shall adopt the financial regulations and the annual budget estimates by a two-thirds majority comprising more than half of the Members of the MTO.

4. Each Member shall promptly contribute to the MTO its share in the expenses of the MTO in accordance with the financial regulations adopted by the General Council.

#### **Article VIII Status of the MTO**

1. The MTO shall have legal personality, and shall be accorded by each of its Members such legal capacity as may be necessary for the exercise of its functions.

2. The MTO shall be accorded by each of its Members such privileges and immunities as are necessary for the exercise of its functions.

3. The officials of the MTO and the representatives of the Members shall similarly be accorded by each of its Members such privileges and immunities as are necessary for the independent exercise of their functions in connection with the MTO.

4. The privileges and immunities to be accorded by a Member to the MTO, its officials, and the representatives of its Members shall be similar to the privileges and immunities stipulated in the Convention on the Privileges and Immunities of the Specialized Agencies, approved by the General Assembly of the United Nations on 21 November 1947.

5. The MTO may conclude a headquarters agreement.

## **Article IX Decision-Making**

1. The MTO shall continue the practice of decision-making by consensus followed under the GATT 1947.[1] Except as otherwise provided, where a decision cannot be arrived at by consensus, the matter at issue shall be decided by voting. At meetings of the Ministerial Conference and the General Council, each Member of the MTO shall have one vote. Where the European Communities exercise their right to vote, they shall have a number of votes equal to the number of their Member States[2] which are Members of the MTO. Decisions of the Ministerial Conference and the General Council shall be taken by a majority of the votes cast, unless otherwise provided in this Agreement or the Multilateral Trade Agreements.[3]

2. The Ministerial Conference and the General Council shall have the exclusive authority to adopt interpretations of this Agreement and of the Multilateral Trade Agreements. In the case of an interpretation of a Multilateral Trade Agreement in Annex 1, they shall exercise their authority on the basis of a recommendation by the Council overseeing the functioning of that Agreement. The decision to adopt an interpretation shall be taken by a three-fourths majority of the Members. This paragraph shall not be used in a manner that would undermine the amendment provisions in Article X.

3. In exceptional circumstances, the Ministerial Conference[4] may decide to waive an obligation imposed on a Member by this Agreement or any of the Multilateral Trade Agreements; provided that any such decision shall be approved by three-fourths[5] of the Members.

(i) A request for a waiver concerning this Agreement shall be submitted to the Ministerial Conference for consideration pursuant to the practice of decision-making by consensus. The Ministerial Conference shall establish a time-period which shall not exceed ninety days to consider the request. If consensus is not reached during the time-period, any decision to grant a waiver shall be taken by three-fourths<sup>5</sup> of the Members.

(ii) A request for a waiver concerning the Multilateral Trade Agreements in Annexes 1A or 1B or 1C and their annexes, shall be submitted initially to the Councils for Trade in Goods, the Council for Trade in Services or the Council for TRIPs, respectively, for consideration during a time-period which shall not exceed ninety days. At the end of the time-period, the relevant Council shall submit a report to the Ministerial Conference.

4. A decision by the Ministerial Conference granting a waiver shall state the exceptional circumstances justifying the decision, the terms and conditions governing the application of the waiver, and the date on which the waiver shall terminate. Any waiver granted for a period of more than one year shall be reviewed by the Ministerial Conference not later than one year after it is granted, and thereafter annually until the

waiver terminates. In each review, the Ministerial Conference shall examine whether the exceptional circumstances justifying the waiver still exist and whether the terms and conditions attached to the waiver have been met. The Ministerial Conference, on the basis of the annual review, may extend, modify or terminate the waiver.

5. Decisions under a Plurilateral Trade Agreement, including any decisions on interpretations and waivers, shall be governed by the provisions of that Agreement.

## **Article X Amendments**

1. Any Member of the MTO may initiate a proposal to amend the provisions of this Agreement or the Multilateral Trade Agreements in Annex 1 by submitting such proposal to the Ministerial Conference.[6] The Councils listed in Article IV may also submit to the Ministerial Conference proposals to amend the provisions of the corresponding Multilateral Trade Agreements in Annex 1 whose functioning they oversee. For a period of ninety days after the proposal has been tabled formally at the Ministerial Conference, unless the Ministerial Conference decides on a longer period, any decision by the Ministerial Conference to submit the proposed amendment to the Members for acceptance shall be taken by consensus. Unless the provisions of paragraphs 2, 5 or 6 apply, that decision shall specify whether the provisions of paragraphs 3 or 4 shall apply. If consensus is reached, the Ministerial Conference shall forthwith submit the proposed amendment to the Members for acceptance. If consensus is not reached at a meeting of the Ministerial Conference within the established period, the Ministerial Conference shall decide by a two-thirds majority of the Members whether to submit the proposed amendment to the Members for acceptance. Except as provided in paragraphs 2, 5 and 6, the provisions of paragraph 3 shall apply to the proposed amendment, unless the Ministerial Conference decides by a three-fourths majority of the Members that the provisions of paragraph 4 shall apply.

2. Amendments to the provisions of this Article and to the provisions of the following enumerated Articles shall take effect only upon acceptance by all Members:

Article IX of this Agreement;  
Articles I and II of the GATT 1994, in Annex 1A;  
Article II:1 of the General Agreement on Trade in Services, in Annex 1B;  
Article 4 of the Agreement on Trade-Related Aspects of Intellectual Property Rights, including Trade in Counterfeit Goods, in Annex 1C.

3. Amendments to provisions of this Agreement, or the Multilateral Trade Agreements in Annexes 1A and 1C, other than those listed in paragraphs 2 and 6, of a nature that would alter the rights and obligations of the Members, shall take effect for the Members that have accepted them upon acceptance by two-thirds of the Members and thereafter for each other Member upon acceptance by it. The Ministerial Conference may decide by a three-fourths majority of the Members that any

amendment made effective under this paragraph is of such a nature that any Member which has not accepted it within a period specified by the Ministerial Conference in each case, shall be free to withdraw from the MTO or to remain a Member with the consent of the Ministerial Conference.

4. Amendments to provisions of this Agreement or the Multilateral Trade Agreements in Annexes 1A and 1C, other than those listed in paragraphs 2 and 6, of a nature that would not alter the rights and obligations of the Members, shall take effect for all Members upon acceptance by two-thirds of the Members.

5. Except as provided in paragraph 2 above, amendments to Parts I, II and III of the General Agreement on Trade in Services, in Annex 1B, and the respective annexes shall take effect for the Members that have accepted them upon acceptance by two-thirds of the Members and thereafter for each Member upon acceptance by it. The Ministerial Conference may decide by a three-fourths majority of the Members that any amendment made effective under the preceding provision is of such a nature that any Member which has not accepted it within a period specified by the Ministerial Conference in each case shall be free to withdraw from the MTO or to remain a Member with the consent of the Ministerial Conference. Amendments to Parts IV, V and VI of the General Agreement on Trade in Services, in Annex 1B, and the respective annexes shall take effect for all Members upon acceptance by two-thirds of the Members.

6. Notwithstanding the other provisions of this Article, amendments to the Agreement on Trade-Related Aspects of Intellectual Property Rights, including Trade in Counterfeit Goods, in Annex 1C, meeting the requirements of Article 71, paragraph 2, of that Agreement may be adopted by the Ministerial Conference without further formal acceptance process.

7. Any Member accepting an amendment to this Agreement or a Multilateral Trade Agreement in Annex 1 shall deposit an instrument of acceptance with the Director-General of the MTO within the period of acceptance specified by the Ministerial Conference.

8. Any Member of the MTO may initiate a proposal to amend the provisions of the Multilateral Trade Agreements in Annexes 2 and 3 by submitting such proposal to the Ministerial Conference. The decision to approve amendments to the Multilateral Trade Agreement in Annex 2 shall be made by consensus and these amendments shall take effect for all Members upon approval by the Ministerial Conference. Decisions to approve amendments to the Multilateral Trade Agreement in Annex 3 shall take effect for all Members upon approval by the Ministerial Conference.

9. The Ministerial Conference, upon the request of the Members parties to a trade Agreement, may decide exclusively by consensus to add that Agreement to Annex 4.

The Ministerial Conference, upon the request of the Members parties to a Plurilateral Trade Agreement in Annex 4, may decide to delete that Agreement from Annex 4.

10. Amendments to a Plurilateral Trade Agreement in Annex 4 shall be governed by the provisions of that Agreement.

#### **Article XI Original Membership**

1. The contracting parties to the GATT 1947 as of the date of entry into force of this Agreement and the European Communities which accept this Agreement and the Multilateral Trade Agreements and for which Schedules of Concessions and Commitments are annexed to the GATT 1994 and for which Schedules of Specific Commitments are annexed to the General Agreement on Trade in Services in Annex 1B shall become original Members of the MTO.

2. The least developed countries recognized as such by the United Nations will only be required to undertake commitments and concessions to the extent consistent with their individual development, financial and trade needs or their administrative and institutional capabilities.

#### **Article XII Accession**

1. Any state or separate customs territory possessing full autonomy in the conduct of its external commercial relations and of the other matters provided for in this Agreement and the Multilateral Trade Agreements may accede to this Agreement, on terms to be agreed between it and the MTO. Such accession shall apply to this Agreement and the Multilateral Trade Agreements annexed thereto.

2. Decisions on accession shall be taken by the Ministerial Conference. The Ministerial Conference shall approve the agreement on the terms of accession by a two-thirds majority of the Members of the MTO.

3. Accession to a Plurilateral Trade Agreement shall be governed by the provisions of that Agreement.

#### **Article XIII Non-Application of Multilateral Trade Agreements between Particular Members**

1. This Agreement and the Multilateral Trade Agreements in Annexes 1 and 2 shall not apply as between any Member and any other Member if either of the Members, at the time either becomes a Member, does not consent to such application.

2. Paragraph 1 may be invoked between original Members of the MTO who were contracting parties to the General Agreement on Tariffs and Trade 1947 only where Article XXXV of that Agreement had been invoked earlier and was effective as

between those contracting parties at the time of entry into force for them of this Agreement.

3. Paragraph 1 shall apply between a Member and another Member which accedes under Article XII only if the Member not consenting to the application has so notified the Ministerial Conference before the approval of the agreement on the terms of accession by the Ministerial Conference.

4. The Ministerial Conference may review the operation of this Article in particular cases at the request of any Member and make appropriate recommendations.

5. Non-application of a Plurilateral Trade Agreement between parties to that Agreement shall be governed by the provisions of that Agreement.

#### **Article XIV Acceptance, Entry into Force and Deposit**

1. This Agreement shall be open for acceptance, by signature or otherwise, by contracting parties to the GATT 1947 and the European Communities which are eligible to become original Members of the MTO in accordance with Article XI of this Agreement. Such acceptance shall apply to this Agreement and the Multilateral Trade Agreements annexed thereto. This Agreement and the Multilateral Trade Agreements annexed thereto shall enter into force on the date determined by Ministers in accordance with paragraph 3 of the Final Act Embodying the Results of the Uruguay Round of Multilateral Trade Negotiations and shall remain open for acceptance for a period of two years following that date unless the Ministers decide otherwise. An acceptance following the entry into force of this Agreement shall enter into force on the thirtieth day following the deposit of the instrument of acceptance.

2. A Member which accepts this Agreement after its entry into force shall implement those concessions and obligations in the Multilateral Trade Agreements that are to be implemented over a period of time starting with the entry into force of this Agreement as if it had accepted this Agreement on the date of its entry into force.

3. Until the entry into force of this Agreement, the text of this Agreement and the Multilateral Trade Agreements shall be deposited with the Director-General to the CONTRACTING PARTIES to the GATT 1947. The Director-General shall promptly furnish a certified true copy of this Agreement and the Multilateral Trade Agreements, and a notification of each acceptance thereof, to each signatory of this Agreement. This Agreement and the Multilateral Trade Agreements, and any amendments thereto, shall, upon the entry into force of this Agreement, be deposited with the Director-General of the MTO.

4. The acceptance and entry into force of a Plurilateral Trade Agreement shall be governed by the provisions of that Agreement. Such Agreements shall be deposited with the Director-General of the MTO.

## **Article XV Withdrawal**

1. Any Member may withdraw from this Agreement. Such withdrawal shall apply both to this Agreement and the Multilateral Trade Agreements and shall take effect upon the expiration of six months from the date on which written notice of withdrawal is received by the Director-General of the MTO.
2. Withdrawal from a Plurilateral Trade Agreement shall be governed by the provisions of that Agreement.

## **Article XVI Miscellaneous Provisions**

1. Except as otherwise provided for under this Agreement or the Multilateral Trade Agreements, the MTO shall be guided by the decisions, procedures and customary practices followed by the CONTRACTING PARTIES of the GATT 1947 and the bodies established in the framework of the GATT 1947.
2. To the extent practicable, the Secretariat of the GATT 1947 shall become the Secretariat of the MTO, and the Director-General to the CONTRACTING PARTIES to the GATT 1947, until such time as the Ministerial Conference has appointed a Director-General in accordance with Article VI:2 of this Agreement, shall serve as Director-General of the MTO.
3. In the event of a conflict between the provisions of this Agreement and the provisions of any of the Multilateral Trade Agreements, the provisions of this Agreement shall prevail.
4. Each Member shall ensure the conformity of its laws, regulations and administrative procedures with its obligations as provided in the annexed Agreements.
5. No reservations may be made in respect of any provisions of this Agreement. Reservations in respect of any of the provisions of the Multilateral Trade Agreements may only be made in accordance with the provisions set out in those Agreements. Reservations in respect of a provision of a Plurilateral Trade Agreement shall be governed by the provisions of that Agreement.
6. This Agreement shall be registered in accordance with the provisions of Article 102 of the Charter of the United Nations.

Done at --- this -- day of --- one thousand nine hundred and ninety---, in a single copy, in the English, French and Spanish languages, each text being authentic.

Explanatory Notes:

The terms "country" or "countries" as used in this Agreement and the Multilateral Trade Agreements are to be understood to include any separate customs territory Member of the MTO.

In the case of a separate customs territory Member of the MTO, where an expression in this Agreement and the Multilateral Trade Agreements is qualified by the term "national", such expression shall be read as pertaining to that customs territory, unless otherwise specified. ANNEXES

## Annex 1A

### General interpretative note to Annex 1A:

In the event of conflict between a provision of the General Agreement on Tariffs and Trade 1994 and a provision of another agreement in Annex 1A, the provision of the other agreement shall take precedence to the extent of the conflict.

#### 1. General Agreement on Tariffs and Trade 1994

The General Agreement on Tariffs and Trade 1994 (hereinafter referred to as GATT 1994) consisting of:

a. The provisions in the General Agreement on Tariffs and Trade dated 30 October 1947 annexed to the Final Act of the second session of the Preparatory Committee of the United Nations Conference on Trade and Employment (excluding the Protocol of Provisional Application), as rectified, amended or otherwise modified by the terms of legal instruments which have entered into force before the date of entry into force of the Agreement Establishing the Multilateral Trade Organization Agreement are hereby made an integral part of this Annex.

b. The provisions of the legal instruments that have entered into force under the GATT 1947 before the date of entry into force of the Agreement Establishing the MTO, as set forth below:

i. protocols and certifications relating to tariff concessions;

ii. protocols of accession (excluding the provisions (a) concerning provisional application and withdrawal of provisional application and (b) providing that Part II of the GATT 1947 shall be applied provisionally to the fullest extent not inconsistent with legislation existing on the date of the Protocol);

iii. waivers granted under Article XXV of the GATT 1947 and still in force on the date of entry into force of the Agreement Establishing the MTO[7]; and

iv. other decisions of the CONTRACTING PARTIES to the GATT 1947.

c. The Understandings set out in sub-paragraphs i through vii below shall be deemed to be an integral part of the GATT 1994.

i. Understanding on the Interpretation of Article II:1(b) of the General Agreement on Tariffs and Trade (text)

ii. Understanding on the Interpretation of Article XVII of the General Agreement on Tariffs and Trade (text)

iii. Understanding on Balance-of-Payments Provisions of the General Agreement on Tariffs and Trade (text)

iv. Understanding on the Interpretation of Article XXIV of the General Agreement on Tariffs and Trade (text)

v. Understanding in respect of waivers of obligations under the General Agreement on Tariffs and Trade (text)

vi. Understanding on the Interpretation of Article XXVIII of the General Agreement on Tariffs and Trade (text)

vii. Understanding on the Interpretation of Article XXXV of the General Agreement on Tariffs and Trade (text).

d. Explanatory Notes:

i. The references to "contracting party" in the provisions of the GATT 1994 shall be deemed to read "Member". The references to "less-developed contracting party" and "developed contracting party" shall be deemed to read "developing country Member" and "developed country Member". The references to "Executive Secretary" shall be deemed to read "Director-General of the MTO".

ii. The references to the CONTRACTING PARTIES acting jointly in Articles XV:1, XV:2, XV:8, XXXVIII and the Notes Ad Article XII and XVIII; and in the provisions on special exchange agreements in Articles XV:2, XV:3, XV:6, XV:7 and XV:9 of the GATT 1994 shall be deemed to be references to the MTO. The other functions that the provisions of the GATT 1994 assign to the CONTRACTING PARTIES acting jointly shall be allocated by the Ministerial Conference.

e. i. The provisions of Part II of the GATT 1994 shall not apply to measures taken by a Member under specific mandatory legislation, enacted by that Member before it became a contracting party to the GATT 1947, that prohibits the use, sale or lease of foreign-built or foreign-reconstructed vessels in commercial applications between points in national waters or the waters of an exclusive economic zone. This exemption

applies to: (a) the continuation or prompt renewal of a non-conforming provision of such legislation; and (b) the amendment to a non-conforming provision of such legislation to the extent that the amendment does not decrease the conformity of the provision with Part II of the GATT 1947. This exemption is limited to measures taken under legislation described above that is notified and specified prior to the entry into force of the Agreement Establishing the MTO. If such legislation is subsequently modified to decrease its conformity with Part II of the GATT 1994, it will no longer qualify for coverage under this paragraph.

ii. The Ministerial Conference shall review this exemption not later than five years after the entry into force of the Agreement Establishing the MTO and thereafter every two years for as long as the exemption is in force for the purpose of examining whether the conditions which created the need for the exemption still prevail.

iii. A Member whose measures are covered by this exemption shall annually submit a detailed statistical notification consisting of a five-year moving average of actual and expected deliveries of relevant vessels as well as additional information on the use, sale, lease or repair of relevant vessels covered by this exemption.

iv. A Member that considers that this exemption operates in such a manner as to justify a reciprocal and proportionate limitation on the use, sale, lease or repair of vessels constructed in the territory of the Member invoking the exemption shall be free to introduce such a limitation subject to prior notification to the Ministerial Conference.

v. This exemption is without prejudice to solutions concerning specific aspects of the legislation covered by this exemption negotiated in sectoral agreements or in other fora.

2. The Uruguay Round Protocol to the General Agreement on Tariffs and Trade 1994 shall also be deemed to be an integral part of the GATT 1994 (text)

3. Agreement on Agriculture (text)

4. Agreement on Sanitary and Phytosanitary Measures (text)

5. Agreement on Textiles and Clothing (text)

6. Agreement on Technical Barriers to Trade (text)

7. Agreement on Trade-Related Aspects of Investment Measures (text)

8. Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade (text)

9. Agreement on Implementation of Article VII of the General Agreement on Tariffs and Trade (text)

10. Agreement on Preshipment Inspection (text)

11. Agreement on Rules of Origin (text)

12. Agreement on Import Licensing Procedures (text)

13. Agreement on Subsidies and Countervailing Measures (text)

14. Agreement on Safeguards (text)

Annex 1B

General Agreement on Trade in Services (text)

Annex 1C

Agreement on Trade-Related Aspects of Intellectual Property Rights, Including Trade in Counterfeit Goods (text)

Annex 2

Understanding on Rules and Procedures Governing the Settlement of Disputes (text)

Annex 3

Trade Policy Review Mechanism (text)

Annex 4

Agreement on Trade in Civil Aircraft (text) Agreement on Government Procurement (text) International Dairy Arrangement (text) Arrangement Regarding Bovine Meat (text)

1. The body concerned shall be deemed to have decided by consensus on a matter submitted for its consideration, if no Member, present at the meeting where the decision is taken, formally objects to the proposed decision.

2. The number of votes of the European Communities and their Member States shall in no case exceed the number of the Member States of the European Communities.

3. Decisions by the General Council when convened as the Dispute Settlement Body shall be made only in accordance with the provisions of paragraph 2.4 of the Understanding on Rules and Procedures Governing the Settlement of Disputes.

4. References to the Ministerial Conference include the General Council.

5. A decision to grant a waiver in respect of any obligation subject to a transition period or a period for staged implementation that the requesting Member has not performed by the end of the relevant period, shall be made only by consensus.

6. References to the Ministerial Conference include the General Council.

7. Waivers covered by this provision are the following: 1. Argentina (Establishment of a new Schedule LXIV, L/7271, 31.12.93); 2. Australia (Base dates under Article I:4, BISD 9S/46, no time-limit); 3. Australia (Treatment of Products of Papua New Guinea, BISD 8S/28, no time-limit); 4. Australia (Tariff preference for less developed countries, BISD 14S/23, no time-limit); 5. Bangladesh (Establishment of a new Schedule LXX, L/7272, 31.12.93); 6. Bolivia (Renegotiation of Schedule LXXXIV, L/7151, 31.12.93); 7. Brazil (Establishment of a new Schedule III, L/7273, 31.12.93); 8. Canada (CARIBCAN, BISD 33S/97, 15.6.98); 9. Chile (Establishment of a new Schedule VII, L/7274, 31.12.93); 10. Cuba (Provisions of Article XV:6 BISD 13S/23, no time-limit); 11. Egypt (Renegotiation of Schedule LXIII; L/7281, 31.12.93); 12. European Coal and Steel Community (Waiver granted in connection with the ECSC, BISD 1S/17, no time-limit); 13. European Communities (Transitional measures to take account of the external economic impact of German unification, L/7246, 31.12.93); 14. France (Trading Arrangements with Morocco, BISD 9S/39, no time-limit); 15. Israel (Establishment of a new Schedule XLII, L/7275, 31.12.93); 16. Jamaica (Margins of preference, BISD 18S/33, no time-limit); 17. Jamaica (Establishment of a new Schedule LXVI, L/7291, 31.7.94); 18. Malawi (Base dates under Article I:4, BISD 9S/46, no time-limit); 19. Malawi (Renegotiation of Schedule LVIII, L/7152, 31.12.93); 20. Mexico (Establishment of a new Schedule LXXVII, L/7276, 31.12.93); 21. Morocco (Establishment of a new Schedule LXXXI, L/7277, 31.12.93); 22. Pakistan (Establishment of a new Schedule XV, L/7278, 31.12.93); 23. Peru (Establishment of a new Schedule XXXV, L/7245, 31.12.93); 24. Senegal (Renegotiation of Schedule XLIX, L/7282, 31.12.93); 25. South Africa (Base dates under Article I:4, BISD 9S/46, no time-limit); 26. Sri Lanka (Establishment of a new Schedule VI, L/7279, 31.12.93); 27. Trinidad and Tobago (Establishment of a new Schedule LXVII, L/7290, 31.7.94); 28. United Kingdom (Items traditionally admitted free of duty from countries of the Commonwealth, BISD 3S/25, no time-limit); 29. United Kingdom (Special problems of dependent overseas territories, BISD 3S/21, no time-limit); 30. United States (Waiver in respect of products of the Trust Territory of Pacific Islands, BISD Vol.II, page 9, no time-limit); 31. United States (Imports of Automotive Products, BISD 14S/37, no time-limit); 32. United States (Caribbean Basin Economic Recovery Act, BISD 31S/20, 30.9.95); 33. United States (Andean Trade Preference Act, L/6961, 4.12.2001); 34. Uruguay (Renegotiation of Schedule

XXXI, L/7280, 31.12.93); 35. Venezuela (Establishment of a new Schedule LXXXVI, L/7316, 30.6.94); 36. Zaire (Renegotiation of Schedule LXVIII, L/7283, 31.12.93); 37. Zambia (Renegotiation of Schedule LXXVIII, L/7329, 30.11.95); 38. Zimbabwe (Customs treatment for products of United Kingdom territories, BISD 9S/47, no time-limit); 39. Zimbabwe (Base dates under Article I:4, BISD 9S/46, no time-limit). This list will be modified to take into account waivers granted under the GATT 1947 up to the date of entry into force of this Agreement and waivers hereby listed which will have expired by that time.