

A CRITICAL APPRAISAL OF THE ROLE OF THE WORLD TRADE ORGANIZATION IN THE REGULATION OF INTERNATIONAL TRADE

By

Oparaji, Hector*

Abstract

This article critically appraised the role of World Trade Organization (WTO) in the regulation of international trade with a view to discussing the significance, challenges and prospects of the WTO. The research adopted the doctrinal research methodology. It argued that the WTO has significantly regulated international trade by promoting free trade, reducing trade barriers, and providing a platform for dispute resolution among member states. However, despite these achievements, the WTO faces numerous challenges that threaten its effectiveness in shaping global trade. This research maintained that the emergence of the WTO itself is rooted in a complex history of international negotiations and trade agreements, transitioning from the General Agreement on Tariffs and Trade (GATT) established in 1948. The transformation from GATT to the WTO was driven by the need for a more structured and comprehensive international trade organization. Yet this evolution has not been without its difficulties. This article found that the WTO's role in regulating international trade is multifaceted, encompassing the administration of trade agreements, monitoring trade policies, and fostering trade capacity building, especially for developing countries. Despite its efforts, the WTO has encountered significant hurdles, including criticisms of inefficacy in addressing modern trade issues, accusations of bias towards developed nations, and challenges in achieving consensus among its diverse membership. These obstacles are compounded by difficulties in co-ordinating policies with other international institutions, such as the International Monetary Fund (IMF) and the World Bank, which often have overlapping and sometimes conflicting mandates. Given these complexities, it was imperative to examine the prospects of the WTO in continuing to regulate international trade. This research concluded that the WTO's historical evolution and current contributions underscore its role in regulating international trade. However, to remain relevant and effective in the face of emerging challenges, the organization ought to pursue reforms and adapt to the evolving global trade landscape. This research recommended that comprehensive reforms, improved international cooperation, and stronger policy alignment are essential ingredients to enhancing to enhance the WTO's effectiveness and ensuring fair trade practices globally.

Keyword: International Trade, Trade Facilitation, World Trade Organization

1.0 Introduction

International institutions are creations of states for the attainment of common goals in various areas including the maintenance of world peace and achieving socio political and economic development inter alia.¹ They have assumed a prominent spot in international Law by creating the forum for balancing state powers on the international stage.² Social, economic and political interactions have been enhanced among countries of the world through the activities of international organizations thereby ensuring state

* LLM Candidate, Rivers State University; hamiltonoparaji@gmail.com; diegwu@hotmail.com; (+234) 08070325639, 09013592325.

² Chris Wigwe, *Interregional Monetary Law: Effects of Trade Liberalization in West African Countries and Their Currencies with World Bank and IMF Articles of Agreement and ECOWAS Treaty* (Mountcrest University Press, 2018) 22.

co-operation³. One of such international organizations that have aided economic development through state co-operation is the World Trade Organization (WTO).

The World Trade Organization (WTO) plays a pivotal role in regulating international trade and fostering economic co-operation among nations. Since its inception on January 1, 1995, under the Marrakesh Agreement, the WTO has significantly regulated international trade by promoting free trade, reducing trade barriers, and providing a platform for dispute resolution among member states. However, despite these achievements, the WTO faces numerous challenges that threaten its effectiveness in regulating international trade. Firstly, the emergence of the WTO itself is rooted in a complex history of international negotiations and trade agreements, transitioning from the General Agreement on Tariffs and Trade (GATT) established in 1948. The transformation from GATT to WTO was driven by the need for a more structured and comprehensive international trade organization. Yet, this evolution has not been without its difficulties. The intricate process of establishing the WTO and its foundational agreements, including those on goods, services, and intellectual property, highlights the ongoing complexity of international trade governance.

The WTO's role in regulating international trade is multifaceted, encompassing the administration of trade agreements, monitoring trade policies, and fostering trade capacity building, especially for developing countries. Despite its efforts, the WTO has encountered significant hurdles, including criticisms of inefficacy in addressing modern trade issues, accusations of bias towards developed nations, and challenges in achieving consensus among its diverse membership. These issues have raised questions about the organization's capacity to adapt to the rapidly changing landscape of global trade. Furthermore, the WTO faces specific challenges such as ineffective and unequal taxation, corruption, and insecurity in member states, which impede its mission to facilitate sustainable and inclusive economic development. These obstacles are compounded by difficulties in co-ordinating policies with other international institutions, such as the International Monetary Fund (IMF) and the World Bank, which often have overlapping and sometimes conflicting mandates. Given these complexities, it is imperative to examine the prospects of the WTO in continuing to shape global trade. This involves assessing its ability to address current challenges and exploring potential reforms to enhance its effectiveness. The research aims to provide a comprehensive appraisal of the WTO's role in regulating international trade, the challenges it faces, and the possible future directions for the organization.

2.0 The Role of World Trade Organization in Regulating International Trade

2.1 Trade Facilitation

The World Trade Organization's primary role is trade facilitation. It provides a framework to structure agreements and oversees the agreements between its trading partners, ensuring that all countries trade according to the established rules of the trading system which include: non-discrimination, reciprocity, binding and enforceable commitments, transparency, and safety values.⁴

³ *Ibid*

⁴ Lisa Friedman, 'How the World Bank let 'deal making' Torch the Rainforests'
<<http://www.nytimes.com/cwire/2009/08/19/19climatewire-how-the-world-bank-let-deal-making-torch-the-33255.html>>
accessed on 5 May 2024.

This organization ensures that the exchange of goods and services amongst its member countries runs smoothly and surely. The organization oversees around sixty established WTO agreements, which function like international legal texts.⁵ These agreements include the Agreement on Agriculture (which governs domestic support, market access, and export subsidies), the Information Technology Agreement, and the Agreement on Trade-Related Aspects of Intellectual Property Rights.⁶

2.2 Execution and Observation

Before International Trade can begin, Agreements have to be negotiated and signed upon. Once deliberations concerning the agreements are over and done with, it is the job of the World Trade Organization to ensure that the signatory countries adhere to their commitments in practice. The WTO maintains a database on world trade and provides facilities for the implementation, administration, and operation of multilateral and bilateral agreements on world trade. It also produces research based on the impact of the agreements on the economics of the countries involved.

2.3 Resolving Trade Disputes through Arbitration and Conciliation

The world is a global market place and is driven by international trade and investment supported by information technology. It follows that the preamble to the WTO State that 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 of 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 to enhance the means for doing so in a manner consistent with their respective needs and concerns at different levels of economic development.⁷ Also, in recognition of the tall need for positive efforts designed to ensure that developing countries and especially least developed among them, secure a share in the growth in international trade commensurate with the needs of their economic development and designs of 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, the parties resolved therefore to develop an integrated, more viable and durable multilateral trading system encompassing the General Agreement on Tariffs and Trade (GATT).⁸

The main function of the WTO is to facilitate the implementation, administration and negotiation and further the objectives of the agreement and of the multilateral Trade Agreement, and shall also provide the framework for its implementation and administration.⁹ Again, the WTO, apart from providing the forum for 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

⁵ (n 4).

⁶ *Ibid.*

⁷ World Trade Organization (WTO) Agreement 1994, preamble.

⁸ (n 7).

⁹ *Ibid.* WTO Agreement, art 111.

Ministerial Conference,¹⁰ shall also administer the understanding between rules and procedures governing the settlement of dispute.

The WTO dispute settlement system is unique in international relations, in that it is the only comprehensive compulsory third party adjudication regime. Members of the WTO can settle their disputes arising from the transactions of the WTO contracts or agreements, exclusively through recourse to the procedures established in the DSU, the Dispute settlement understanding, that is, the agreement organizing the adjudication of disputes. This provision is in perfect compliance with the age long principle of natural justice which states that WTO members should not take justice into their own hands.

Accordingly, the Dispute Settlement Understanding (DSU) has created a binding adjudicating system which is adjudged one of the major successes of the WTO.¹¹ The provisions in the DSU are a reflection of the proposals for the use of arbitration made during the Uruguay round of negotiations. Arbitration is seen under the DSU as an alternative form of dispute settlement of the WTO resulting in the legalization of the dispute settlement mechanism.¹² Although the Dispute Settlement Body (DSB) has experienced a significant rate of success with respect to compliance with its rulings, it is hoped that the current regime under the DSU offers an improvement upon and flexibility in dispute settlement in international trade.

Specifically, Article 25 of the DSU which provides for arbitration aims at providing an alternative to the predominant system of litigation in the WTO which is described as the judicial settlement system.¹³ As gleaned from the above provision, arbitration in trade relations is a form of adjudication, which authority is derived from the agreement of the disputing parties.¹⁴ This form of arbitration has been described as an alternative form of dispute settlement which is based on the consent of the parties and not the coercive force of the formal adjudication system.¹⁵ In order for arbitration within the WTO to remain a suitable option for dispute settlement, it must offer some form of significant advantage over the main adjudication option available to disputing parties.

According to Hilf and Petermann,¹⁶ international arbitration between states is distinguished from the modes of dispute resolution including judicial settlement or what they describe as judicial resolution (court judgment) by the following features; the parties determine the arbitrator's jurisdiction; the dispute is resolved by a binding decision of the arbitral tribunal and not a negotiated settlement; the arbitral body is constituted to hear the particular case only; the decision-maker is chosen by or on behalf of the parties, the parties have control over the procedure to be followed in the arbitration, and the arbitration award is final, and not subject to appeal.¹⁷

¹⁰ *Ibid.*

¹¹ A. Jen, *Peacebuilding in the African Union: Law, philosophy and practice* (Cambridge University Press 2017) 34.

¹² R.H. Steinberg, 'Judicial Law Making at the WTO: Discursive, Constitutional and Political Constraints' [2004] (98) *AM Journal International*, 247.

¹³ *Ibid.*

¹⁴ Gus Van Harten, 'Judicial Supervision of NAFTA Chapter 11 Arbitration: Public or Private law?' [2005] (21) *Arbitration International*, 493.

¹⁵ C.A. Rogers, 'Emerging Dilemmas in International Economic Arbitration: The Vocational of the International Arbitration' [2005] (20) *Am U. International Review*, 986.

¹⁶ D.W. Jacyk, 'Arbitration in WTO Disputes: The Forgotten Alternative' A M.A Thesis of University of British Columbia, 2007, 71.

¹⁷ A. Redfern & M. Hunter, *Law and Practice of International Commercial Arbitration* (Sweet and Maxwell 1999) 7.

It is generally agreed that the level of compliance engendered by the DSB has marked an unqualified success. The rates of dispute resolution and compliance with decisions of the DSB have been high and mark a significant improvement over the previous GATT system and have had a remarkable achievement in International law.¹⁸ The DSU contributes to the creation of norms by providing additional pressure for the parties to resolve issues through negotiations towards the settlement of the dispute.¹⁹ The DSU provides that the panel will ultimately make “recommendations” even though they are still considered to be legally binding.²⁰ The remedies provided under the DSU include compensation, and the suspension of concessions or obligation to a losing party.²¹ It also contemplates countermeasures equivalent to the level of nullification or impairment of benefits of the state under the underlying agreement.

2.4 Building Trade Capacity

The WTO runs special programs to support developing countries in International Trade by helping them build the capacity to participate in free trade with more developed countries. It helps them find their way into agreements with developed member countries. The organization offers resources to developing and least-developed countries that want to become members, helping them engage in healthy international trade.

2.5 Co-operation with Other Economic Entities

The World Trade Organization maintains communication with NGOs and other organizations to receive input and also disseminate information regarding its workings. It also works closely with and assists many other economic or global entities, including the International Monetary Fund (IMF), the World Bank, The International Bank for Reconstruction and Development (IBRD) and the United Nations (UN) for fostering coherence in Universal Economic Policy determination. The WTO is a resilient and resourceful organization. It will continue to be important for the global economy, job creation, growth and development.

3.0 Relationship between World Trade Organisation and other International Organisations in Achieving Global Trade

The relationship between the WTO and other international organizations are discussed here under.

3.1 World Trade Organization and the International Monetary Fund (IMF), and the International Bank for Reconstruction and Development (IBRD)

It is imperative that one of the underlying objectives of the WTO is to develop an integrated, more viable and durable multilateral trading system that will enhance global economic relationships in order to create an interface for ever-changing and ever-growing global economy. As an aftermath of the Uruguay Round (the WTO Agreement) the drafters of the Agreement instructed the WTO to “co-operate, as appropriate, with the International Monetary Fund (IMF) and with the International Bank for Reconstruction and Development (IBRD) and its affiliated agencies” with a view to achieving

¹⁸ (n 25) 101.

¹⁹ *Ibid.* 102

²⁰ DSU, art 19.

²¹ DSU, art 3.7.

greater coherence in global economic policymaking, which constitutes one of the five core functions of the WTO²². The Declaration on the Contribution of the World Trade Organization to Achieving Greater Coherence in Global Economic Policymaking provides that:

1. Ministers recognize that the globalization of the world economy has led to ever-growing interactions between the economic policies pursued by individual countries, including interactions between the structural, macroeconomic, trade, financial and development aspects of economic policymaking. The task of achieving harmony between these policies at the falls primarily on governments at the national level, but their coherence internationally is an important and valuable element in increasing the effectiveness of these policies at national level. The Agreements reached in the Uruguay Round show that all the participating governments recognize the contribution that liberal trading policies can make to the healthy growth and development of their own economies and of the world economy as a whole²³.

2. Successful co-operation in each area of economic policy contributes to progress in other areas. Greater exchange rate stability, based on more orderly underlying economic and financial conditions, should contribute towards the expansion of trade, sustainable growth and development, and the correction of external imbalances. There is also a need for an adequate and timely flow of concessional and non-concessional financial and real investment resources to developing countries and for further efforts to address debt problems, to help ensure economic growth and development. Trade liberalization forms an increasingly important component in the success of the adjustment programmes that many countries are undertaking, often involving significant transitional social costs. In this connection, Ministers note the role of the World Bank and the IMF in supporting adjustment to trade liberalization, including support to net food-importing developing countries facing short-term costs arising from agricultural trade reforms²⁴.

3. The positive outcome of the Uruguay Round is a major contribution towards more coherent and complementary international economic policies. The results of the Uruguay Round ensure an expansion of market access to the benefit of all countries, as well as a framework of strengthened multilateral disciplines for trade.²⁵ They also guarantee that trade policy will be conducted in a more transparent manner and with greater awareness of the benefits for domestic competitiveness of an open trading environment. The strengthened multilateral trading system emerging from the Uruguay Round has the capacity to provide an improved forum for liberalization, to contribute to more effective surveillance, and to ensure strict observance of multilaterally agreed rules and disciplines. These improvements mean that trade policy can in the future play a more substantial role in ensuring the coherence of global economic policymaking.²⁶

4. Ministers however recognize, that difficulties, the origins of which lie outside the trade field cannot be redressed through measures taken in the trade field alone. This underscores the importance of efforts

²² C C. Wigwe, *International Law and Practice: The World Bank and State Sovereignty* (Mountcrest University Press 2019) 43.

²³ *Ibid.*

²⁴ (n 11).

²⁵ S L Baier and J H Bergstrand, 'The Growth of World Trade: Tariffs, Transport Costs and Income Similarity' [2001] (53) (1) *Journal of International Economics* 1-27.

²⁶ *Ibid.*

to improve other elements of global economic policymaking to complement the effective implementation of the results achieved in the Uruguay Round.

5. The interlinkages between the different aspects of economic policy require that the international institutions with responsibilities in each of these areas follow consistent and mutually supportive policies.²⁷ The World Trade Organization should therefore pursue and develop co-operation with the international organizations responsible for monetary and financial matters, while respecting the mandate, the confidentiality requirements and the necessary autonomy in the decision-making procedures of each institution, and avoiding the imposition on governments of cross-conditionality or additional conditions. Ministers further invite the Director-General of the WTO to review with the Managing Director of the ²⁸.

Coherence in economic policy-making appears to be the WTO's platform to bringing co-operation in trade and services among member states.

According to Sabrina²⁹ between 1995 and 1999, 65 percent of all World Bank structural adjustment operations supported trade policy reforms. Between 1995 and 2001, 36 countries were required, under their IMF packages, to reform their national trade regimes in line with WTO accession requirements or to accelerate their implementation of the WTO commitments. Again, it has been stated that the common element of the current Coherence agenda being pushed by the WTO, the World Bank and the IMF focuses on increased market access through further trade liberalization. These may be seen in threefold:

- 1) The promotion of trade liberalization based on a flawed economic growth model as well as faulty assumptions on the relation between trade and growth through the Bretton Woods institutions' policies and programmes;
- 2) The "locking in" of economic liberalization commitments through the WTO; and
- 3) The loss by developing countries of their national policy choices and the flexibility to choose the appropriate economic growth strategy based on national interests and needs.³⁰

Furthermore, when one hundred trade ministers adopted the results of the Uruguay Round in Marrakesh in April 1994, they emphasized that growing interactions between national economic policies meant that co-operation in each aspect of economic policymaking in terms of structural, macroeconomic, trade, finance, and development was paramount for progress in other areas³¹. More so, based on the interlinkages at the international sphere, policies relating to trade, money, and finance would be more coherent if there was a broadening and deepening of co-operation between the IMF, World Bank and the WTO. However, it is becoming clear that a one-stop macroeconomic approach towards global economic integration and trade liberalization anchored on the "Coherence" agenda may not be achieved

²⁷ S Page, *Developing Countries in GATT/WTO negotiations* (Overseas Development Institute 2012) 24 - 46.

²⁸ (n 27).

²⁹ Sabrina Varma, *Improving Global Economic Governance* (South Centre TRADE Series Occasional Paper No. 8, August 2002) 9.

³⁰ (n 29) 10 – 12.

³¹ International Justice Resource Centre, 'Economic Community of West African States Court of Justice'

</http://ijrcentre.org/regional-communities/economic-community-of-west-africa-states-court-of-justice/> accessed 11 May 2024.

on account of unequal economic and political power relations currently prevailing among countries. The quest requiring countries to adopt harmonized rules and economic approaches may simply lock weaker countries into the existing unsatisfactory and unfavourable relationships that fail to address their developmental problems. Rather, the global trade regime needs to ensure that differences in economic capacity among countries are taken into account. This can be done through the provision of more policy flexibility to such weaker countries so that they can adopt and implement development policies more suitable to improving their economic conditions.³²

3.2 The European Union and the World Trade Organization

The World Trade organization (WTO) is made up of governments and customs territories that set, apply and enforce the global rules for amongst themselves. The European Union (EU) and the independent EU countries are both members of the WTO. It is imperative here therefore to cursorily outline the WTO's main activities, which are:

- i. Being a forum for international trade negotiations, for example the Doha Development Round.
- ii. Settlement of trade disputes
- iii. Setting legal rules for trade in the form of trade agreements
- iv. Using the trade policy Review Mechanism to monitor members.³³

The EU's objectives at the WTO are to:

- i. Maintain a fair world trading system that is predictable and based on common rules.
- ii. Enhance benefits through the modernization of world's trade market for European goods, services and investment.
- iii. Adhering to the WTO rules, as well as ensuring adherence by others.
- iv. Enhance transparency of the WTO, by ensuring more open interaction with both non-members and other international organizations.
- v. Involve or encourage the participation of developing countries in the WTO, its decision-making, and the global economy.
- vi. Reinforce the WTO's support for sustainable trade policies around the world.³⁴

In furthermore of the desire to strengthening the synergy between the EU and the WTO, the European Commission has also put forward an initial set of ideas with the aim to modernizing the WTO and to bring world trade rules up to date in order to meet the challenges of the global economy. These stated ideas relate to three key areas, which are:

- i. Updating the rule book on international trade to involve today's global economy.
- ii. Improving on the strength of WTO's monitoring role and
- iii. Surmounting the bottleneck on the settlement system of the WTO³⁵

³² (n 5)

³³ J G Agbeyegbe, 'Trade Liberalization, Exchange Rate Changes, and Tax Revenue in Sub-Saharan Africa' [2004] (178) *IMF Working Paper*, 24.

³⁴ (n 35).

³⁵ *Ibid.*

The EU is directly involved in WTO institutions. For example, the EU Trade Commissioner represents the EU in the Ministerial conference of the WTO, which is the highest decision-making body of the WTO. The European Commission also represents the EU in:

- i. The General Council of the WTO, which acts on behalf of the Ministerial conference, and meets regularly.
- ii. Subsidiary WTO bodies that set up rules for specific areas of the world trade. For example, environmental control and respect areas of world trade, environmental control and respect of the environmental control and respect of the environmental while monitoring how the relevant rules are applied.³⁶

The Commission further co-ordinates the EU negotiating position with the EU member states by consulting with the Council's trade policy committee, and regularly informs the European parliament's international Trade Committee (WTA) of WTO issues.³⁷ In addition to the above roles of the commission, the body initiates and handles WTO complaints with the support of the Council and may suggest retaliatory measures to the council. Also Commission regularly talks with other interested groups, such as civil society on developments with respect to WTO policy.

4.0 Challenges facing World Trade Organization in the Regulation of International Trade

4.1 Ineffective and Inequal Taxation

One of the primary challenges facing the World Trade Organization (WTO) is the presence of ineffective and unequal taxation systems across its member states. Tax discrepancies can lead to unfair competitive advantages and trade distortions, undermining the principles of a level playing field that the WTO strives to promote.³⁸ For instance, the lack of harmonization in value-added tax (VAT) rates and tax administration practices creates inconsistencies that complicate international trade. Addressing these disparities requires concerted efforts to harmonize tax policies and improve tax governance, ensuring that all member countries adhere to equitable and effective taxation standards.³⁹ It is necessary therefore, to expand or broaden the base to ensure that the tax base captures the provision of goods and services without regard to the nature of transaction in the continent. Consequently, there is need for VAT harmonization across the continent to ensure that the rates and exemptions are uniform and no ambiguity in the area of ascertaining which government is entitled to deduct VAT in specific instances.⁴⁰ To ensure an effective and seamless VAT regime, it is necessary therefore, that VAT legislation should be drafted in a way to enhance ease of compliance. It is worth noting that the training of tax administrators and providing them with modern resources to enhance optimal tax revenue collection in order to reduce the chances of tax evasion and avoidance, is imperative.

³⁶ *Ibid.*

³⁷ (n 35).

³⁸ D R Appleyard and others, *International Economics* (McGraww-Hill 2006) 14.

³⁹ *Ibid.*

⁴⁰ C. C. Wigwe, *International Law and Practice: The World Bank, IMF, and State Sovereignty* (Mountcrest University Press 2011) 91.

4.2 Corruption and Insecurity

Corruption and insecurity in various member states significantly impede the WTO's ability to regulate and facilitate fair global trade. Corruption within the security sectors, customs, and trade administration increases the cost of doing business and erodes trust in trade processes.⁴¹ This not only deters foreign investment but also hampers the smooth flow of goods and services across borders. The presence of insecurity, such as political instability and conflict, further exacerbates these issues by creating unpredictable and risky trade environments.⁴² Combating corruption and enhancing security measures are essential to creating a more stable and reliable global trade system. In order to ensure an effective shaping of global trade, Nigeria and other African countries ought to address corruption and the abuse of power in the security sector. They are most likely to impede and raise the cost of trade.⁴³

4.3 Co-ordination of Policies with other International Institutions

Various international institutions, such as the World Trade Organization (WTO), regional Development Banks, and Environmental Agencies, have diverse mandates and agendas. These organizations focus on a wide range of issues, including trade, environmental protection, health, and infrastructure development.⁴⁴ Their primary objectives may not always align with the monetary and financial stability goals of the World Bank and the IMF. Consequently, co-ordinating policies and recommendations across these organizations can be challenging.⁴⁵ Different international institutions may advocate for policies that inadvertently conflict with one another.⁴⁶ For example, a trade policy recommended by the WTO to promote open markets might clash with a monetary policy suggested by the IMF to stabilize exchange rates. These policy conflicts can create confusion for member countries and complicate the implementation of coherent and effective economic strategies.⁴⁷

5.0 Conclusion

The WTO emerged from the General Agreement on Tariffs and Trade (GATT) established in 1948 and evolved into a more structured organization under the Marrakesh Agreement in 1995. This transformation aimed to create a comprehensive framework for international trade governance, encompassing goods, services, and intellectual property. The WTO has been instrumental in promoting free trade, reducing trade barriers, and providing a platform for dispute resolution among member states. Its multilateral trade agreements have facilitated a more predictable and stable trading environment, benefiting global economic growth and development. Additionally, the organization's role in monitoring and enforcing trade rules has contributed to increased transparency and fairness in international trade practices. However, the WTO faces significant challenges that threaten its effectiveness. For example, the WTO's dispute resolution mechanism has come under strain, particularly with the paralysis of the Appellate Body due to the non-appointment of judges. This has

⁴¹ N Funke and S M Nsouli, 'The New Partnership for Africa's Development (NEPAD): Opportunities and Challenges' [2003] *IMF Working Paper*, 13.

⁴² *Ibid.*

⁴³ *Ibid.*, 17.

⁴⁴ (n 11) 87.

⁴⁵ A Ogunbameru, *Organisational Dynamics* (Spectrum Books Ltd 2004) 41.

⁴⁶ D Trefler, 'Trade Liberalization and the Theory of Endogenous Protection: An Econometric Study of U.S. Import Policy' [1993] *Journal of Political Economy*, 138-160.

⁴⁷ (n 46).

raised concerns about the organization's ability to resolve trade disputes effectively and maintain its credibility as a global trade arbiter. The WTO's historical evolution and current contributions underscore its role in regulating international trade. However, to remain relevant and effective in the face of emerging challenges, the organization will be advised to pursue reforms and adapt to the evolving global trade landscape.

This research highlighted the importance of the WTO's role in promoting free trade and economic cooperation, while also recognizing the need for continuous improvement and adaptation to ensure its future success. The WTO plays a pivotal role in regulating international trade and fosters economic co-operation. To strengthen its role, it is recommended that member countries engage in continuous dialogue to address contemporary trade issues such as digital trade and sustainable development.