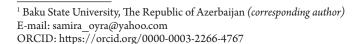
DOI: https://doi.org/10.30525/2256-0742/2024-10-1-80-91

INTERNATIONAL LEGAL STATUS OF THE WORLD TRADE ORGANISATION IN THE CONTEXT OF ECONOMIC GLOBALISATION

Dr. Samira Eyvazova¹

Abstract. The subject of the study is the conceptual, theoretical, empirical, methodological and applied foundations of the international legal status of the WTO in the context of economic globalisation. Methodology. General scientific and specific legal methods were used in the research process. With the help of the analysis the quantitative and qualitative characteristics of international trade are determined as a prerequisite for the determination of the international legal status of the WTO in the conditions of economic globalisation. The synthesis ensured the formation of characteristic features of the legal status of the WTO as an international organisation. The comparative legal method allowed to identify the common and distinctive features of international organisations in this area, as well as to clarify the defining aspects of the legal personality of the WTO in the modern international legal field. The formal-legal method created the conditions for formulating conclusions on the effectiveness of the implementation of the legal personality of the WTO in the sphere of ensuring the rules of international trade in the conditions of economic globalisation. The purpose of this article is to identify the characteristics of the international legal status of the WTO under the conditions of economic globalisation. The results of the study showed that the international legal status of the WTO in the conditions of economic globalisation is based on the basic principles of legal regulation of international trade and is mediated by the purpose of activity, legal personality, the order of formation and powers of the governing bodies, principles and procedural aspects of the functioning of this organisation. Conclusion. The international legal status of the WTO in the conditions of economic globalisation is considered from the standpoint of a dichotomous approach to this category from the standpoint of economics and law. Economic preconditions for the introduction of international trade rules in the form of GATT, 1947 and WTO research through the analysis of primarily statistical data of the periods 1947-1948 and 2017-2022, reflected in the consolidated information data of the WTO, as well as the study of individual theoretical considerations of scientists. Statistical indicators show clear signs of globalisation of the world economy, which is mediated by international trade operations, as a result of which the creation of transparent mechanisms for the circulation of goods within the framework of trade activities as a kind of existence of the world community through various static and dynamic legal constructions, among which WOT occupies almost the most significant importance along with other international organisations. The above is demonstrated by the example of the impact of COVID-2019 on international trade, the corresponding reaction to which was the revitalisation of trade processes, primarily in the field of pharmaceutical industry products. The above has covered the main principles of international legal regulation of trade relations at the formal and substantive level, which is carried out at the universal international legal, regional international legal and national levels. In connection with the differentiation of the components of the legal personality of the WTO, the definition of international legal capacity is given as the ability of a subject of international activity to acquire appropriate rights for itself by its own actions and to exercise them independently, as well as to create corresponding obligations for itself by its actions, to fulfil them independently and to bear responsibility in case of their non-fulfilment. In terms of the nature of this organisation, its place among other similar international organisations, in particular those operating within the framework of the UN, was invented by the field of activity, where attention is paid to the predominance of the latter in order to maintain international peace and security. The purpose of the activities of the WTO is to create and ensure international, multilateral, open, based on fair competition and other features inherent to





trade in modern society, where the quasi-procedural moment, based on the replacement of a number of bilateral and multilateral agreements, is an external manifestation of such activity. It characterises the original and derivative legal instruments of the WTO's operation, defines the socio-economic and legal purpose of its activities, defines the structure and powers of the WTO's governing bodies, and focuses the organisation's legal personality on the procedural aspect of its activities, in particular through the implementation of relevant principles, among which the principle of maximum contribution plays a leading role.

Keywords: World Trade Organisation, international legal status, international trade, world trade, trade relations, international organisation, international legal personality, multilateral agreement.

JEL Classification: F13, F53, H77, K33, O19, P45

1. Introduction

Trade has always been, and will always be, the main means of uniting nations, peoples and nationalities, as it has always mediated the exchange of goods, services, valuables, money and other property, and not only goods. In the culture of the ancient Greeks, trade was once personified in the divine figure of Hermes, and in the Roman culture - in the person of Mercury, the god of trade. In both ethnic groups, mythical figures are mentioned who, first and foremost, fought against aggressive forms of conflict resolution and, in spite of other things, were the bearers of characteristic features of entrepreneurial courage, business skill and successful communication. These characteristics of trade, as a form of human activity and a sphere of social life, have been in great demand by society throughout the existence of mankind, especially at each stage of its civilisation.

The information and post-information society, the functioning and, consequently, the formation of which is the modern community, is a significant component of the hyperactive development of all forms of communication and exchange not only of information, but also of other benefits of a non-property and property nature. All this contributes, directly or indirectly, to the globalisation of the various levels of life of the human community within certain states, geopolitical entities and the world as a whole.

All this created a fertile ground for the creation and development of various institutions of an international character, aimed at fully ensuring the functioning of trade in various types of goods between countries, taking into account the experience and customary practice of such relations. One of these formations of socio-economic and international legal character was the international organisation - the World Trade Organisation (Agreement Establishing the World Trade Organisation, 1994). In this regard, it was necessary to study the complex of prerequisites and the content of the status, primarily of a socioeconomic and legal nature, of the existence and development of this organisation in the conditions of geopolitical and economic globalisation, which is a characteristic feature of modern society.

The international legal status of the World Trade Organisation, in general, and in the context of economic globalisation, in particular, has been directly or indirectly studied by scholars in various areas of public life, among which the most important are the works of the following scholars who reproduce the essence of this organisation at the economic and legal level. The general and socio-economic essence of the legal personality of the WTO is revealed: M. Tavartkiladze in the area of clarifying the content and limits of the use of preferential trade regimes by modern countries, first of all with a transitional economy on the example of Georgia, and the place of the WTO in this process (Tavartkiladze, 2015), E. Gostomski and T. Michalowski in the area of alternative forms of international cooperation on the example of the Transatlantic Free Trade Area (TAFTA) (Gostomski and Michalowski, 2015), D. Chow in the field of solving the problems of global economic competition between China and the US by determining the place of a person's rights in the workplace in the essence of fair trade as a fundamental principle of the functioning of international trade, which is appropriately correlated with the activities of the WTO (Chow, 2013).

The direct legal nature of the WTO is reflected in works of the following contemporaries the jurisprudence. C. Brummer meticulously differentiated the nature of the mechanism of legal regulation inherent in soft law in the field of international finance, as opposed to international trade, the rules of which are generally relevant to the legal entities of the WTO (Brummer, 2010). M. Du and F. Deng have appropriately identified one such component of the WTO's legal personality as the creation and introduction of relevant international standards into the international trading system, which mediates the production of global public goods (Du and Deng, 2016). J. D. Liu characterised the legal nature of accession protocols as specific legal instruments in WTO activities, in particular in combination with the powers of such central bodies of this organisation as the Ministerial Conference and the General Council (Liu Deng, 2014), C. D. Ehlermann, L. Ehring devoted their study to

questions of the form and content of WTO decisions, in particular the place in this process of consensus and direct voting according to the Agreement Establishing the World Trade Organization (C. D. Ehlermann, L. Ehring, 2005).

There are other developments that reflect the peculiarities of the WTO legal personality. Thus, there are important works in the field of analysis of the essence of such a manifestation of the WTO legal personality as the format of negotiations within the framework of joint initiatives (JI) in a particular area of trade relations. Thus, D. Boklan, O. Starshinova, A. Bahri devoted their work to the priority of negotiations in the framework of joint initiatives (JI) as an alternative to the classical format of implementation of the content of the WTO legal personality (Boklan, Starshinova, Bahri, 2023), and A. D. Mitchell, E. Chin reviewed the characteristics of the joint initiative in the field of electronic commerce (e-commerce JI) with the aim of harmonising international rules for digital commerce (Mitchell, Chin, 2023).

The above considerations of the scholars do not deny the relevance and necessity of further research of the international legal status of the WTO, especially in the context of economic globalisation, which is an integral attribute of modern society.

2. Trade Relations in the Context of Economic Globalisation

Trade relations have always played a leading role in the social life of any society, regardless of the specific civilisation, historical period of development, social and economic state of existence of a given human community.

The above can be demonstrated on the example of statistical data, which took place in the world and geopolitical components of the post-war period of the formation of the human community, because the most global upheaval, which had the greatest impact on world trade, was the period of the Second World War. Undoubtedly, such an analysis receives a solid empirical basis thanks to the post-war steps of the leading countries towards the unification international trade rules through the universalisation of international trade with the conclusion of the General Agreement on Tariffs and Trade (GATT, 1947), within which the relevant material and procedural norms were reflected. international and national legal regimes of commercial activity. The above has ensured the realisation of freedom of trade regardless of political, customs and economic borders through the implementation of mechanisms for the reduction of tariffs, the abolition of import quotas, the elimination of other non-tariff barriers in world trade, the rationalisation and optimisation of procedures for the resolution of conflict situations in this area for the benefit of the entire human community.

As a result of the transformation and civilisational development of mankind, steps were taken to improve these rules and extend them to a wider range of goods of various nature, non-property and property, which contributed to the adoption of the above-mentioned Agreement Establishing the World Trade Organisation (1994), which became the basis of the WTO. This agreement significantly expanded the range of rules for international trade across customs borders, primarily to cover a number of non-traditional goods at the time of the conclusion of the General Agreement on Tariffs and Trade, such as the results of creative and intellectual activity, the share of turnover of which was growing exponentially, or a number of services of a particular socio-economic and legal nature.

At the same time, based on the available research, the General Agreement on Tariffs and Trade played an important role in ensuring international trade in the following areas: reduction of tariffs, determination of principles and rules in the field of export and import of goods, creation of transparent procedures for solving global problems in this area (Vedkal, 2018).

The changes analysed are reflected in the quantitative indicators of world trade activity, as recorded in WTO statistics. In 1948, for example, the WTO recorded world imports of the full range of products at 62,25 million USD and exports at 58,5 million USD at the prices of the time (WTO STATS, 1948). In contrast, in 2022, the figures increased several times, even taking into account the revaluation of the dollar, namely: imports of goods amounted to 25670095 USD, and exports -24925766 USD. This is despite the fact that in theperiod from 2017 to 2022 alone, exports of goods increased in value from 17741325 USD to 24925766 USD, i.e., an increase of almost 29% in relative terms. During the same period, the increase in imports of goods in value terms went from 17975934 USD to 25670095 USD, i.e., in relative terms, there was an increase of almost 30% (WTO STATS, 2017–2022).

The study of the qualitative characteristics of goods moved in international trade provides grounds for such conclusions. As a result of the globalisation of all processes, mainly of a socio-economic nature, among the goods that experienced a significant increase in the turnover of goods of the specified nature in 2017–2022, it is necessary to note fuels (+ 1917399 million USD or 98.4% in exports and + 2097977 million USD or 104.5% in imports), telecommunications equipment (+ 447326 million USD or 69.4% in exports and + 361639 million USD or 46.8% in imports), pharmaceutical goods

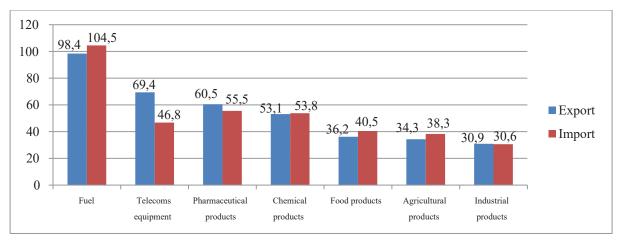


Figure 1.

(+ 343040 million USD or 60.5% in exports and + 337746 million USD or 55.5% in imports), chemical products (+ 1060884 million USD or 53.1% in exports and + 1130694 million USD or 53.8% in imports), food products (+ 533718 million USD or 36.2% in exports and + 602183 million USD or 40. 5% in imports), agricultural products (+ 594140 million USD or 34.3% in exports and + 673373 million USD or 38.3% in imports), manufactured goods (+ 3713083 million USD or 30.9% in exports and + 3974972 million USD or 30.6% in imports) (Figure 1).

The analysed evaluation of the world trade turnover of a certain range of goods moved within the framework of export-import operations shows that the trends of globalisation at the specified level correlate with the corresponding social, political and economic phenomena that took place in the international space. It was trade relations that were the most important tool, the same economic outpost in reflecting the challenges of different genesis that humanity had to deal with. This can be demonstrated by the example of a phenomenon as dangerous for the whole of global society as COVID-2019, the

reaction to which was the revival of trade processes, especially in pharmaceutical industry products. Thus, based on the statistical data provided, there was a 5.3% increase in exports and a 5% increase in turnover of this product type prior to the COVID-2019 pandemic, equivalent to 34,009 million USD and 35,437 million USD respectively. In the period of 2018–2019, imports increased by 3%. During the 2019 COVID-19 pandemic, exports decreased to 64,321 million USD (9.6%) and imports decreased to 54,933 million USD (7.7%). In the following year (2020–2021), exports decreased to 147,429 million USD (20.1%) and imports decreased to 148,044 million USD (19.4%) (Figure 2).

It is possible to observe the relevance of trade activity indicators to socio-economic phenomena in the relevant society. This is especially important given the integration of international existence even within the boundaries of the Earth.

Undoubtedly, the presented statistical indicators show clear signs of the globalisation of the world economy, which is mediated by international trade transactions, which are actually the vital resource that ensures the functioning and development of humanity.

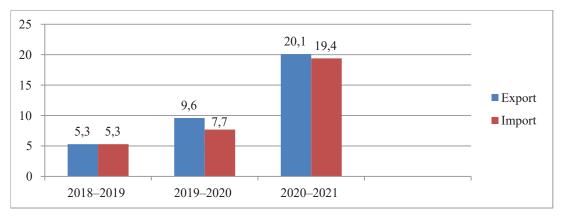


Figure 2.

And this directly creates the prerequisites for the creation of transparent mechanisms for the circulation of goods within the framework of trade activities as a way of existence of the world community through various static and dynamic legal constructions, among which the WOT, along with other international organisations, occupies almost the most significant importance.

3. International Legal Status of the World Trade Organisation in the Context of Economic Globalisation

The mechanism of international legal regulation of trade relations manifests itself on several levels, which is connected with the peculiarities of the legal system of a national, geopolitical and global nature. There are relevant scientific opinions on this. Thus, from the point of view of V. Vedkal, the legal regulation of trade in goods in the international space is differentiated at the universal and regional levels (Vedkal, 2018). At the same time, using the example of the international legal regulation of the prevention and combating of the circulation of cultural heritage objects, it is proposed to design such activities at three levels: universal international law; regional international law; national (Suleimanli, 2022). Obviously, the latter approach has a more rational basis in view of the availability of normative material that defines certain elements of national, regional and international legal regulation of the relations in question.

Since the subject of this study is directly the international legal status of the WTO, it is necessary to turn to separate opinions on this issue, using the example of the study of the legal status of another international organisation, the International Criminal Police Organisation (ICPO). According to L. Runjic, the legal status of this international legal organisation is covered by two constitutive elements: international legal capacity ('capacitas iuridica'), i.e., the ability to have a set of rights and obligations in the international sphere, and international legal capacity ('capacitas agendi'), i.e., the ability to act on its own and create certain legal consequences in this area (Runjic, 2017). The latter could be formulated as follows: international legal capacity should be understood as the ability of the subject of international activity to acquire appropriate rights through his own actions and to exercise them independently, as well as the ability to create appropriate obligations through his actions, to fulfil them and to bear responsibility for their non-fulfilment independently.

In this connection, it is also necessary to clarify the place of the WTO in the implementation of legal relations aimed at the development of trade activities, primarily within the framework of foreign economic relations. Simultaneously, it is necessary to determine

the nature and correlation of the mechanism of influence of this organisation on international trade relations in combination with other forms of cooperation of the countries of the modern world.

In view of the above, it is proposed to consider the WTO as a global international organisation that realises its legal personality outside the institutions of the United Nations (UN), which combines a system of a number of treaties of a conventional and bilateral nature, thus providing an institutional and legal basis for trade relations between different countries. In addition, attention is drawn to the intergovernmental aspect of this international organisation, where the predominant function is the procedural support of trade relations between different countries as subjects of international law through collective discussions, negotiation processes and reconciliation of differences (Denisova, Voitiuk, 2021).

Analysing V. Vedkal's earlier arguments, it is necessary to come to a similar scientific position, according to which international legal regulation of trade within the framework of the WTO is carried out at the universal level in line with the relevant activities of the UN, which is covered by the activities of the United Nations Conference on Trade and Development (UNCTAD), the United Nations Commission on International Trade Law (UNCITRAL), as well as the activities of the UNCTAD/WTO International Trade Centre, which combines the efforts of the previously mentioned international legal institutions towards unification, optimisation and simplification of international legal regulation of trade activities for the benefit of world trade.

Emphasising the intergovernmental nature of the legal personality of the WTO places it, as it were, on the same level as the analysed legal personality of the ICPO. At the same time, the approach presented by L. Runjic to the understanding of similar transgovernmental organisations at the international level, which only include central governmental bodies in their composition, stems from the criticism of the dichotomous approach to the established division of similar legal entities with international legal personality into intergovernmental organisations and international non-governmental organisations. According to this understanding, within the international legal order it is appropriate to distinguish between organisations of the following types of legal personality, taking into account their functionality and origin of existence: intergovernmental international organisations, non-governmental organisations and organisations with sui generis characteristics. The legal personality of organisations with sui generis characteristics is explained by the uniqueness (peculiarity) of their legal structure. The specific characteristics of such organisations ensure their existence on the borderline between intergovernmental organisations and international non-governmental organisations. Furthermore, the legal personality of such organisations is directly manifested in their participation in international relations through the exercise of relevant rights and the fulfilment of certain obligations.

There is a view that legal entities that ensure the integration of processes in the global legal field are divided into international, governmental and nongovernmental organisations. In this area, the WTO was described as an international organisation that, along with the International Monetary Fund (IMF), the World Intellectual Property Organisation (WIPO) and the Organisation for Economic Co-operation and Development (OECD), primarily ensures the unification of the legal framework for trade within national and regional legal regimes, including by amending tax, competition and intellectual property laws. In this way it is possible to trace this component of the legal personality of the WTO, which can be either the main or determining, or auxiliary or derivative, as is the case with the objects of intellectual property rights on the example of contiguity with the legal personality of the WIPO. For these reasons, the differentiation of organisations ensuring the implementation of the norms of developed legal systems and, accordingly, the unification of the legal regulation of relations in the sphere of trade is appropriate (Kovalyshyn, 2019). Taking into account the most recent WTO, it can be characterised as: 1) international (according to the criterion of belonging to a certain jurisdiction); 2) an organisation directly involved in the implementation of the rules of international trade in the field of regional and national legal regimes in this area (according to the nature of participation in the implementation of relevant norms in participating countries); 3) an international organisation that ensures the unification of legislation within the social and legal space of the signatory countries (by the nature of the norms proposed for borrowing); 4) an organisation formed at the expense of certain quotas of representation of national bodies (based on the composition of participants (founders)).

At the same time, taking into account the views expressed above on the relationship between the legal personality of the UN and the WTO, it is necessary to pay attention to the content of the Agreement Establishing the WTO, 1994, which extends the legal regulation of the legal personality of the UN to the corresponding features of the WTO at the level of a number of legal institutions as an international organisation. Thus, Article II "Scope of the WTO" in Part 4 refers to the GATT as amended in 1994, Article XXI "Security Exceptions", which gives

priority to the provisions of UN conventions and WTO agreements in the content of the first, which is justified by the goal of maintaining international peace and security.

Accordingly, part 4 of Art. VIII "Status of the WTO" in defining the privileges and immunities granted by the WTO members to the officials and representatives of the members as persons authorised to exercise the relevant component of the legal personality of this organisation, are de jure identical to the privileges and immunities provided for in the Convention on the Privileges and Immunities of the Specialised Agencies of the United Nations (CPISAUN, 1947) for a number of specialised agencies established within the framework of the UN, such as the International Labour Organization (ILO), the World Health Organization (WHO), the International Monetary Fund (IMF).

Within the framework of Part 2 of Article XI "First Membership", the UN criteria for classifying a country as a least developed country are applied. XI "First Membership" applies the UN criteria for classifying a country as one of the least developed countries, which is the basis for a simplified procedure for acquiring membership status, which provides for the correlation of the relevant commitments and concessions made by such a country within the framework of the WTO conventional requirements for WTO Members with its individual development needs, financial and commercial needs or its administrative and institutional capacities.

In this context, the legal basis for the existence of the UN and the WTO has a number of differences, one of which is directly indicated by Part 4 of Article II "Scope of the WTO", which distinguishes between the GATT 1994 and the GATT 1947. II "Scope of the WTO", which distinguishes between the GATT 1994 and the GATT 1947, where the latter is the result of the work of the Preparatory Committee of the UN Conference on Trade and Employment, and the former actually initiates new rules in this area under the auspices of the WTO. That is, in essence, the functionality of international trade is moving from the level of specialised activities of a global organisation with universal legal status to the level of general functional activities of a global organisation in the relevant field.

When talking about the purpose of the WTO, it is necessary to pay attention to the approach, according to which the main goal is to create and ensure international, multilateral, open, based on fair competition and other features inherent to trade in modern society. At the same time, it is the quasi-procedural moment based on the replacement of a number of bilateral and multilateral agreements, which is an external manifestation of such activity, which is actually a way of implementing the given

model of international trade (Denisova, Voitiuk, 2021).

The analysis of the Agreement Establishing the World Trade Organisation confirms its purpose of providing a general organizational basis for implementing trade relations between its members. This is based on the principles established in the agreements that are appendices to the Agreement Establishing the World Trade Organisation, as stated in Article II. The third objective of the WTO is to promote the implementation, administration and enforcement of the provisions and objectives of the Agreement Establishing the World Trade Organisation and multilateral trade agreements, and to provide a framework for the implementation, administration and enforcement of trade agreements with a limited number of participants. In essence, both definitions are complementary, with the former being general and the latter being detailed, taking into account the impact on the relevant trade relations.

The legal instruments for the implementation of the WTO's legal personality, which ensure the use of the above-mentioned means of achieving the statutory objectives, are laid down in the provisions of the WTO treaties, agreements and decisions, which are an integral attribute of this organisation. In this regard, it is proposed that, among these treaties, agreements and decisions of the WTO, the following be recognised as defining the legal mechanism of this organisation General Agreement on Tariffs and Trade of 1994 (GATT, 1994), General Agreement on Trade in Services (GATS, 1994), Council for Trade-Related Aspects of Intellectual Property Rights (TRIPS Council, 1994) (Denisova, Voitiuk, 2021). Obviously, this approach of the authors is focused on the defining nature of these agreements, which actually implement the rules of international trade in terms of the legal regime of the entire volume of goods, including services and intellectual property rights, and the placement of the definition of the relevant regulatory provisions in Annexes 1A, 1B, 1C. Agreement Establishing the World Trade Organisation. At the same time, the content of Annex 1A to the Agreement Establishing the World Trade Organization indicates a widespread interpretation of the content of various types of agreements defined therein in relation to the GATT 1994, where the provisions of the former take precedence in conflict of laws issues over the provisions of the latter. The GATT 1994 directly incorporates the content of the GATT 1947 as amended, supplementing it with the provisions specified in paragraph 1(b-d) of the GATT 1994.

This approach cannot be agreed with, since the legal instruments for the implementation of the WTO legal personality include a number of provisions that form the legal structure of the WTO's activities. They should include regulatory

and legal provisions of a universal-constitutive nature (content of the Agreement Establishing the World Trade Organisation without Annexes, provisions of Annexes 1A, 1B, 1C), norms of a procedural nature (content of the Agreement on Rules and Procedures for the Settlement of Disputes), norms on the administration agreements in the field of international trade (Trade Policy Review Mechanism), conventional norms with a special procedure for their implementation among participating countries (trade agreements with a limited number of participants, procurement agreement, agreement on trade in civil aircraft, international agreement on trade in milk products, international agreement on trade in beef), and norms of an exclusive and operational nature contained in a number of WTO decisions as relevant annexes.

Among the range of tools, which the WTO can use to achieve the above-defined goal, the following are proposed in scientific studies: unification of the legislative framework; accession of states to international organisations, which carry their statutory activities in this area, and relevant conventions; normative formation of the priority of economic levers of regulation of international trade; implementation of international legal norms in regional and national legal regimes in the field of trade; creation of mechanisms to maintain the balance of integration (global) and national interests (Vedkal, 2018). These tools of the functional activity of the WTO are regulated in the above-mentioned specific treaties, agreements and decisions of this organisation.

In particular, an important place in the legal personality of this organisation is occupied by activities related to the creation and introduction of relevant international standards into the international trading system, which mediates the production of global public goods. In this regard, some researchers have paid special attention to the study of the legal significance of the achievement of the statutory objectives of the WTO Agreement on Technical Barriers to Trade, where the introduction of international standards into the relevant regional and national regimes is an important achievement of the WTO's quasi-legislative activities (Du and Deng, 2016). At the same time, special importance is attached to the activities of the Appellate Body of the WTO and the Committee on Technical Barriers to Trade, as bodies which, as part of the administration of this process at the global level, provide for the review and control of the content and implementation of international standards in the relevant field. In addition, the conclusion of the researchers regarding the optionality of consensus in the decision to recognise a standard as an international standard in

international trade is valid, since compliance with the principles of administrative law contained in the decision of the Committee on Technical Barriers to Trade is legitimised by the relevant international standardisation bodies.

The proposal to create mechanisms to maintain the balance between integration (global) and national interests through the implementation of the format of negotiations on joint initiatives (II) in one or another area of trade relations is valid. Hence, in connection with the above, the format of negotiations on joint initiatives (JI) is contrasted with the classical decision-making procedure of the WTO, where progress is possible only under the conditions of reaching a consensus on one or another issue (Boklan, Starshinova, Bahri, 2023). The above is embodied through an alternative option for finding a way out of a seemingly hopeless situation, which makes it possible to make further significant decisions in terms of maintaining the balance of integration (global) and national interests. This is because, under such conditions, joint initiatives actually realise a certain national and regional interest, and further negotiations mediate the globalisation or integration of the interests of other participants. Moreover, such a tool actually provides the manifestation of the features of "soft law" that are more inherent in international financial law, which creates the conditions for relevant comparative studies (Brummer, 2010).

At the level of implementation of the format of negotiations on joint initiatives in the field of electronic commerce (e-commerce JI), it is appropriate to consider the implementation of another tool of the WTO activity, namely the unification of the regulatory framework in this field of international trade (Mitchell, Chin, 2023). It is necessary to agree with the authors on the systematisation of problems arising within the framework of such WTO activities, including: resolving disagreements on key rules in the relevant field, adjusting the trajectory of development of these rules, building a model for inclusion of a definitive agreement on this issue in the WTO architecture.

This view of the problem of finding a compromise between integration (global) and national interests is to a certain extent consistent with other studies, for example, the introduction of human rights standards into the provisions of the functional legal personality of the WTO and the basic principles of its activity in terms of compliance with the principle of fair trade (Chow, 2013). Since under such conditions, international legal norms of a general nature are implemented through the WTO structures, it can be said that this organisation is used by the international community, represented by its members, to implement not only highly specialised legal institutions in the field of trade.

The governing bodies of the WTO, authorised to exercise its legal personality, are set out in Art. IV "Structure of the WTO" of the Agreement Establishing the World Trade Organisation. Taking into account the legal nature of the WTO as an organisation embodying the implementation of procedural aspects of the determination of the rules of international trade, its governing bodies include, in addition to the main governing body, the General Council, the Dispute Settlement Body and the Trade Policy Review Body. Both the Dispute Settlement Body and the Trade Policy Review Body are chaired by their own chairpersons and have rules of procedure to ensure the performance of their functions. The functions of the first and second bodies are described in detail in the Agreement on Rules and Procedures for the Settlement of Disputes and on the Trade Policy Review Mechanism, which are Annexes 2 and 3 to the Agreement Establishing the WTO, respectively.

The supreme governing body is the Ministerial Conference, which convenes every two years, and in between these periods the functions of this body are largely entrusted to the General Council. The General Council and the Ministerial Conference are composed of representatives of all WTO member states.

Among a number of powers of the General Council and the Ministerial Conference of the WTO, the research draws attention to their decisive role in correlating the regulatory framework, which is the source of the existence of the organization itself and the functioning of international trade activities, in particular the Agreement Establishing the World Trade Organisation, with the so-called accession protocols as a unique legal instrument for the accession of new WTO members (Liu Deng, 2014). Obviously, in this way, the specified management bodies contribute to the implementation of their two functional powers: unification of the regulatory support for the organisation's activities and optimisation of the procedure for the accession of the next member to the organisation.

The executive body responsible for the day-to-day operations of the WTO is the Secretariat, headed by the Director-General. The Director-General shall be appointed by the Conference of Ministers and the other officials of the Secretariat shall be appointed by the Director-General, who shall also determine their duties and conditions of service in accordance with rules approved by the Conference of Ministers. Part 4 of Article VI "Secretariat" of the Agreement Establishing the World Trade Organisation details the immunity of the members of the Secretariat from activities not in their nature and from influence by the members of the organisation, except through the legitimate organs and procedures of the WTO.

Under the leadership of the General Council in the WTO structure, there are specialised Councils with a functional orientation: Council for Trade in Goods, Council for Trade in Services and Council for Trade-Related Aspects of Intellectual Property Rights (TRIPS). These bodies monitor the implementation of the content of the General Agreement on Tariffs and Trade of 1994 (GATT, 1994), the General Agreement on Trade in Services (GATS, 1994) and the Council for Trade-Related Aspects of Intellectual Property Rights (TRIPS Council, 1994). The powers of the above-mentioned administrative bodies of the WTO and the procedure for their work are determined by the relevant agreements, the General Council and the regulations approved by it. The Council for Trade in Goods, the Council for Trade in Services and the Council for TRIPS are empowered to establish subsidiary bodies that independently develop their own rules, which are approved by the respective Councils. The nature of the above-mentioned authorities to some extent reflects the nature and meaning of the European Court of Human Rights (ECHR) with regard to the provision by the contracting parties of their obligations under the Convention for the Protection of Human Rights and Fundamental Freedoms (Denysova, Blaga, Makovii, Kaliuzhna, 2022).

A special entity with executive and advisory functions is a committee, which may take one of the following forms: The Committee on Trade and Development, the Committee on Balance of Payments Restrictions, the Committee on Budget, Finance and Management, and additional committees with special powers. All committees operate in accordance with the rules of procedure developed and approved by the General Council, and the establishment of a committee is the prerogative of the Conference of Ministers. At the same time, it is the duty of the Committee on Trade and Development to periodically review the special provisions in multilateral trade agreements in favour of the Least Developed Countries (LDCs) and to report to the General Council for the necessary action to be taken. The systemic and structural interpretation of the provisions of the Agreement Establishing the World Trade Organisation indicates a similar functionality in the content of the powers of other Committees, such as the Committee on Budget, Finance and Administration under Art. VII "Budget and Contributions", conducts an expert examination of the draft annual budget of the WTO and the financial report for the year in question, on the basis of which it submits relevant recommendations to the General Council for consideration, and also determines the rules governing the payment of contributions by Members of the Organisation and the details of their financial liability in the event of non-payment or improper payment of such contributions.

In addition to the above-mentioned organs of universal or general competence, the WTO structure may establish organs provided for by trade agreements with a limited number of participants, which will carry out the functions assigned to them by these agreements and act within the organisational framework of this organisation.

Evidently, in addition to the legal personality of any organisation, including the WTO, the so-called procedural or organisational rules that define the rules of decision-making within the WTO, as provided for in Article IX "Decision-making" of the Agreement Establishing the World Trade Organisation, are of great importance. The analysis of the normative material of the last article indicates a well-established approach to decision-making by this organisation, where the basis of the institution is the essence of reaching a compromise and, as an alternative, resolving the issue directly by voting, if it was not possible to reach a consensus, by a simple majority of votes (50 per cent + 1 of the number of members) on the majority of issues or by a qualified majority of votes (three quarters of the number of members) on granting an exemption from the obligation established by this agreement. The decision-making procedure by consensus presupposes that there are no objections to the decision proposed by one of the members, and an alternative form (vote) is introduced if there is such an objection.

In this regard, there are certain considerations in the scientific community based on the path of rationalisation of these procedural points in the activities of the WTO. Thus, C. D. Ehlermann, L. Ehring directly reassess the nature and significance of these forms of decision-making in the framework of revision and implementation of international trade rules (Ehlermann, Ehring, 2005). In particular, they point out that the system of decision-making in the area of creating binding and real rules of international trade by introducing consensus along with voting under the General Agreement on Tariffs and Trade of 1947 has to some extent negatively affected the procedural part of the WTO's legal personality.

A careful study of the opinions expressed in the last paper leads to the following conclusions. Firstly, it is necessary to agree that to a certain extent consensus does not guarantee equality in terms of decision-making and influence on this process. Secondly, by ensuring the status quo, consensus can hypothetically create obstacles to achieving relevant changes. Thirdly, given the nature of consensus decision-making, the question arises as to its democratic nature compared to ordinary voting. Fourthly, in comparison with voting, this form of decision-making creates

rather narrow limits to the reaction of members to the relevant conclusion of the advisory or supervisory body on the specified issue. At the same time, as a positive side of the introduction of decisionmaking in the WTO in the person of its bodies by consensus in comparison with voting, there are: 1) an alternative that creates additional means for resolving primarily procedural issues; 2) efficiency in the formal and substantive content of the organisation's legal personality; 3) evolution in the design of the decision-making procedure in the context of the revision and implementation of the rules of international trade from the General Agreement on Tariffs and Trade of 1947 to the General Agreement on Tariffs and Trade of 1994. In view of the above, there are grounds for an appeal with regard to the opinion expressed in the C. D. Ehlermann, L. Ehring on certain reasons for abandoning one of the following forms of decision-making within the WTO, as they offer alternatives and variability as a basic feature of a democratic society.

In addition to what has been said, it is necessary to support the variability and effectiveness of the given normative prescriptions, which allow to implement a significant part of the legal personality of the WTO, which is mediated precisely by the procedural functionality of this organisation (Dukhnevich, 2011). And the latter creates conditions for the existence of an institutional mechanism ensuring the functioning of the legal system in the form of various multilateral agreements in the field of trade dispute settlement at the international level, which is particularly relevant in the conditions of economic globalisation, which is an integral feature of modern society.

Among the main principles of the functioning of the WTO, the following are appropriately distinguished: the greatest facilitation or nondiscrimination, the national regime, the protection of national industry, the formation of a stable legal and socio-economic basis for trade at the world level, the promotion of fair competition, relevant actions in emergency situations, regional trade agreements (Vedkal, 2018). This placement of the principles of the WTO fully corresponds to the importance of the first of them as a means of unifying and reducing tariff rates (Fedelish, 2017). Within the framework of the implementation of the same principle, conditions are created for the implementation of other areas of the WTO's legal personality, in particular with regard to the administration and support of the free trade system, including by reducing the time and material costs of customs

The study of the international legal status of the WTO in the conditions of economic globalisation

provided the coverage of the main principles of the international legal regulation of trade relations at the formalised and meaningful level. The above considerations ensured the definition of this organisation as an international organisation (according to the criterion of belonging to a certain jurisdiction), which is directly involved in the implementation of the rules of international trade in the field of regional and national legal regimes in this area (according to the nature of participation in the implementation of relevant norms in the participating countries), creates conditions for the unification of legislation within the social and legal space of the signatory countries (by the nature of the norms offered for borrowing), and is also formed at the expense of certain quotas of representation of national bodies (by the composition of participants (founders)).

With regard to the nature of this organisation, it defined its place among other similar international organisations in terms of its areas of activity, outlined the primary and derivative legal instruments of its operation, defined the socio-economic and legal purpose of its activities, established the structure and powers of the WTO's governing bodies, and focused on the legal personality of this organisation.

4. Conclusions

The considerations outlined in this paper regarding the international legal status of the WTO in the context of economic globalisation provide an opportunity to draw the following conclusions.

The international legal status of the WTO in the conditions of economic globalisation is considered from the standpoint of a dichotomous approach to this category from the standpoint of economics and law. Economic preconditions for the introduction of international trade rules in the form of GATT, 1947 and WTO research through the analysis of primarily statistical data of the periods 1947–1948 and 2017–2022, reflected in the consolidated information data of the WTO, as well as the study of individual theoretical considerations of scientists.

Statistical indicators show clear globalisation of the world economy, which is mediated by international trade operations, as a result of which the creation of transparent mechanisms for the circulation of goods within the framework of trade activities as a kind of existence of the world community through various static and dynamic legal constructions, among which WOT occupies almost the most significant importance, along with other international organisations. The above is demonstrated by the example of the impact of COVID-2019 on international trade, corresponding reaction to which was the revitalisation of trade processes, especially in the field of pharmaceutical industry products.

The study of the international legal status of the WTO in the context of economic globalisation has provided coverage of the basic principles of international legal regulation of trade relations in a formalised and substantive manner, which is carried out at the universal international legal, regional international legal and national levels. In the context of distinguishing the components of legal personality, the WTO defines international legal capacity as the ability of an international business entity to acquire relevant rights and exercise them independently, as well as to create relevant obligations for itself by its actions, to fulfil them independently and to bear responsibility in case of failure to do so.

The above considerations ensured the definition of this organisation as an international one (according to the criterion of belonging to a certain jurisdiction), which is directly involved in the implementation of the rules of international trade in the field of regional and national legal regimes in this area (according to the nature of participation in the implementation of the relevant norms in the participating countries), creates conditions for the unification of legislation within the framework of the social and legal space of the signatory countries (by the nature of the norms proposed for borrowing), and is also formed at the expense of certain quotas of representation of national bodies (by the composition of the participants (founders)), and provides procedural support for commercial

relations between different countries as subjects of international law through collective discussions, negotiation processes and reconciliation of differences.

From the point of view of the nature of this organisation, its place among other similar international organisations, in particular those operating within the UN, is defined by the field of activity where attention is paid to the dominance of the latter in order to preserve international peace and security.

The purpose of the WTO is to create and ensure an international, multilateral, open, fair competition-based and other features inherent in trade in a modern society, where a quasi-procedural moment based on the replacement of a number of bilateral and multilateral agreements is an external manifestation of such activity.

The paper describes the original and derivative legal instruments of the WTO functioning, defines the socio-economic and legal purpose of its activities, clarifies the structure and powers of the WTO governing bodies, and focuses on the procedural aspect of legal personality of this organisation, in particular, through the implementation of the relevant principles, among which the most favoured nation principle plays a leading role.

The opinions expressed on the international legal status of the WTO in the context of economic globalisation have been somewhat embodied in the works of economic and legal science, but a number of issues require further elaboration, which would update knowledge in this area.

References:

World Trade Organisation (1994). Agreement Establishing the World Trade Organisation.

Tavartkiladze, M. (2015). Preferential Trade Regimes as Tools for Integrating Small Countries Into The World Trading System (Case of Georgia). *Strategica: Local Versus Global*, p. 345–352.

Gostomski, E., & Michalowski, T. (2015). Negotiations on the Transatlantic Free Trade Area. Effects of the Proposed Agreement on the Economies of the European Union and the United States of America. *European Integration Studies*, Vol. 9, p. 127–138.

Chow, D. (2013). Why China Opposes Human Rights in the World Trade Organization. *University of Pennsylvania Journal of International Law*, Vol. 35(1), p. 61–111.

Boklan, D., Starshinova, O., & Bahri, A. (2023). Joint Statement Initiatives: A Legitimate End to 'Until Everything is Agreed'? *Journal of World Trade*, Vol. 57(2), p. 339–360.

Mitchell, AD., & Chin, E. (2023). The WTO Joint Statement Initiative on E-commerce: Navigating Digital Trade Rules in a Fragmented World. *Journal of World Trade*, Vol. 57(6), p. 971–992.

Brummer, C. (2010). Why Soft Law Dominates International Finance-and not Trade. *Journal of International Economic Law*, Vol. 13(3), p. 623–643.

Du, M., & Deng, F. (2016). International Standards as Global Public Goods in the World Trading System. *Legal Issues of Economic Integration*, Vol. 43(2), p. 113–143.

Liu, JD. (2014). Accession Protocols: Legal Status in the WTO Legal System. *Journal of World Trade*, Vol. 48 (4), p. 751–771.

Ehlermann, C. D., & Ehring, L. (2005). Decision-making in the World Trade Organization – Is the consensus practice of the World Trade Organization adequate for making, revising and implementing rules on international trade? *Journal of International Economic Law*, Vol. 8(1), p. 51–75.

GATT (1947). General Agreement on Tariffs and Trade.

Vedkal, V. A. (2018). International legal regulation of trade in goods at the universal and regional levels. *Aktualni problemi vitchiznyanoyi yurisprudenciyi*, Vol. 4, pp. 204–207.

WTO STATS, 1948. Available at: https://stats.wto.org/?idSavedQuery=ec93ddb1-97b5-4579-83ca-87337616ed62

WTO STATS, 2017–2022. Available at: https://stats.wto.org/?idSavedQuery=699d2d07-94e2-4268-89ea-b174ae31c3d1

Suleimanli, S. A. (2022). International legal fight against the illegal circulation of cultural heritage objects in the conditions of economic integration. *Baltic Journal of Economic Studies*, Vol. 8 (5), p. 36–48.

Runjic, L. (2017). The Legal Nature and Status of Interpol in the Context of Contemporary International Law. *Economic and Social Development*, p. 169–178.

Denisova, O., & Voitiuk D. (2021). Legal Status of the World Trade Organisation and its Characteristics as a Subject of International Law. *Juris Europensis Scientia*, Vol. 1, p. 148–153.

Kovalyshyn, O. (2019). The Role of International Organisations in the Unification of Commercial Law. *Forum Prava*, Vol. 57(4), p. 38–46.

CPISAUN (1947). Convention on the Privileges and Immunities of the Specialised Agencies of the United Nations.

GATT (1994). General Agreement on Tariffs and Trade.

GATS (1994). General Agreement on Trade in Services.

TRIPS Council (1994). Council for Trade-Related Aspects of Intellectual Property Rights.

Denysova, A. V., Blaga, A. B., Makovii, V. P., & Kaliuzhna, Y. S. (2022). in The Right to a Fair Trial: the ECtHR Case-Law and Its Implementation the Ukrainian Judiciary. *Prawo i Więż*, Vol. 40, p. 109–127.

Dukhnevich, A. V. (2011). WTO dispute settlement mechanism. Scientific Bulletin of Uzhhorod University. Series Law, Vol. 15, p. 106–109.

Fedelish, E. M. (2017). Most Favoured Nation principle in tariff regulation of foreign economic activity. *Scientific Bulletin of Uzhhorod University*. *Series Law*, Vol. 44(1), p. 126–129.

Received on: 07th of February, 2024 Accepted on: 19th of March, 2024 Published on: 05th of April, 2024