

WORLD TRADE ORGANIZATION

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General Council

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OBSERVER STATUS FOR INTERNATIONAL INTERGOVERNMENTAL ORGANIZATIONS

Communication from the United States

Revision

The following communication, dated 2 July 1999, has been received from the Permanent Mission of the United States with the request that it be circulated to Members.

The following text is a revision to document WT/GC/22. Text changes produced as a result of consultations held with other delegations are shown in bold.

Article V, paragraph 1 of the Marrakesh Agreement Establishing the World Trade Organization provides that the General Council shall make appropriate arrangements for effective cooperation with other international intergovernmental organizations that have responsibilities related to those of the WTO. Annex 3 to the General Council's rules of procedure provides further guidance on relations with other international intergovernmental organizations, specifically in respect to observer status. Paragraph 4 of that Annex suggests that the main factors to be considered in granting observer status to other international intergovernmental organizations are: the nature of work of the organization concerned, the nature of its membership, the number of WTO Members in the organization, reciprocity with respect to access to proceedings, documents and other aspects of observership, and whether the organization has been associated in the past with the work of the CONTRACTING PARTIES to GATT 1947.

Notwithstanding these guidelines, WTO Members have been blocked for some time in our efforts to agree to many pending requests for observer status in the General Council and elsewhere in the WTO system. The blockage has arisen mainly because certain regional organizations applying for observer status have been considered by some Members as organizations which are more political than economic in nature. Other Members have created linkages between approvals of different international intergovernmental organizations' requests for observer status.

The United States **and other Members believe** it is important to unblock the existing situation. **It is** proposed that WTO Members should agree, as a starting point, **that** WTO should offer observer status where requested:

- (a) to all international intergovernmental organizations with universal membership;
- (b) to those **international intergovernmental organizations with a demonstrable interest in economic affairs and world trade and which can show that their activities have clear linkages to that of relevant WTO bodies and that their observer status would be of benefit to the WTO.**

In assessing the merits of granting observer status to a particular organization, Members should bear in mind the organization's ability to foster intergovernmental dialogue

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and understanding of international trade and economic issues, the organization's potential for assisting its members in the conduct of negotiations on trade and international economic issues, and the organization's ability to foster intergovernmental understanding and dialogue within regions on issues under discussion in the wider WTO context.

The above understanding is not intended to change in any way the guidelines found in Annex 3 to the General Council's rules of procedure, but rather is designed to facilitate the General Council's consideration of outstanding and potential requests for observer status.

In the view of the United States **and other Members**, it **would be desirable** for the General Council to reach agreement on the approach outlined above at its meeting of **15 July 1999**.
