

# TAIWAN'S WTO MEMBERSHIP AND ITS INTERNATIONAL IMPLICATIONS

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## ABSTRACT

*In contrast to other international organizations, the World Trade Organization does not require its members to be states. This constitutional feature has allowed Taiwan to join the WTO alongside China. As a result, the WTO is now the only major international organization in which Taiwan can participate as a full member.*

*This article explores some implications of this unique situation for Taiwan, for the WTO, and for international law. The article contends that Taiwan's membership in the WTO is not itself a bilateral treaty with China and does not itself change the legal relationship between Taiwan and China. What Taiwan's membership does do, however, is to establish some rule of law between Taiwan and China and to give Taiwan standing in an international tribunal should it wish to assert that China has violated WTO rules. The parallel memberships of Taiwan and China also provide a neutral international forum for those two governments to meet and negotiate if needed. The article also points out some dangers to the WTO that stem from Taiwan's exclusion from international standard-setting organizations. The article recommends that the WTO do more to assist Taiwan in carrying out its WTO obligations that involve the international community.*

*In joining the WTO, Taiwan has enhanced its sovereignty in the*

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*modern sense of being able to participate in world governance. So far, Taiwan's membership in the WTO has not facilitated its quest for a capacity to participate in the World Health Organization.*

**KEYWORDS:** *accession; China; dispute settlement; Doha round; environment; GATT; health; IMF; international agreement; international law; international organization; international relations; sovereignty; Taipei; Taiwan; world trade; WTO*

## I. INTRODUCTION

The fifth year of Taiwan's membership in the World Trade Organization (WTO) is an appropriate time to consider the implications of this special status for the WTO, for Taiwan's relationship with the People's Republic of China ("China"), and for international law. International trade has been occurring regularly since antiquity and was one of the earliest areas for economic regulation by governments. The building of the world trading system culminating in the establishment of the WTO in 1995 is an important achievement in international cooperation to supervise governmental trade policies and other policies that affect trade. Because the scope of WTO law is so broad within a globalizing world economy, the ability of a government to join and participate in WTO decisionmaking is now more vital than ever.

The purpose of this article is to explore the implications of Taiwan's membership in the WTO. The WTO is now the only major international organization (IO) that permits Taiwan to become a Member. Because most commentators consider Taiwan to be a part of unitary China, Taiwan cannot be and is not considered a "state," and thus is not eligible for membership in the United Nations (U.N.) or most other international organizations. Besides the WTO, Taiwan is a Member of the Asian Development Bank, the Asia-Pacific Economic Cooperation (APEC) Forum, the Pacific Economic Cooperation Council, and some other organizations noted below.

Nevertheless, WTO membership is Taiwan's most important achievement in revitalizing its status on the international plane. Being a WTO Member will give Taiwan the same opportunities that other WTO Members have. Yet Taiwan's WTO membership also carries with it some distinctive features that stem from Taiwan's lack of international personality.