DEPARTMENT OF FOREIGN AFFAIRS AND TRADE CANBERRA

# THE AGREEMENT ESTABLISHING

# THE ADVISORY CENTRE ON WTO LAW

(Seattle, 30 November 1999)

Not yet in force

[2010] ATNIF 20

#### THE PARTIES TO THIS AGREEMENT

*Noting* that the Agreement Establishing the World Trade Organisation (hereinafter referred to as the "WTO") created a complex legal system and elaborate procedures for the settlement of disputes;

*Noting further* that developing countries, in particular the least developed among them, and the countries with economies in transition have limited expertise in WTO law and the management of complex trade disputes and their ability to acquire such expertise is subject to severe financial and institutional constraints;

*Recognising* that a proper balance of rights and obligations under the Agreement Establishing the WTO can only be maintained if all Members of the WTO have a full understanding of their rights and obligations thereunder and an equal opportunity to resort to the WTO dispute settlement procedures;

*Recognising further* that the credibility and acceptability of the WTO dispute settlement procedures can only be ensured if all Members of the WTO can effectively participate in it;

*Resolved*, therefore, to create a source of legal training, expertise and advice on WTO law readily accessible to developing countries, in particular the least developed among them, and countries with economies in transition;

HAVE AGREED AS FOLLOWS:

## Article 1

Establishment of the Advisory Centre on WTO Law The Advisory Centre on WTO Law (hereinafter referred to as the "Centre") is hereby established.

#### Article 2

Objectives and Functions of the Centre

1. The purpose of the Centre is to provide legal training, support and advice on WTO law and dispute settlement procedures to developing countries, in particular to the least developed among them, and to countries with economies in transition.

2. To this end, the Centre shall:

- Provide legal advice on WTO law;
- Provide support to parties and third parties in WTO dispute settlement proceedings;

• Train government officials in WTO law through seminars on WTO law and jurisprudence, internships and other appropriate means; and

• Perform any other functions assigned to it by the General Assembly.

## Article 3

Structure of the Centre

1. The Centre shall have a General Assembly, a Management Board and an Executive Director.

2. The General Assembly shall consist of the representatives of the Members of the Centre and the representatives of the least developed countries listed in Annex III to this Agreement. The General Assembly shall meet at least twice a year to:

- Evaluate the performance of the Centre;
- Elect the Management Board;
- Adopt regulations proposed by the Management Board;
- Adopt the annual budget proposed by the Management Board; and
- Perform the functions assigned to it under other provisions of this Agreement.

The General Assembly shall adopt its rules of procedure.

3. The Management Board shall consist of four members, a representative of the least developed countries and the Executive Director. The persons serving on the Management Board shall serve in their personal capacity and shall be selected on the basis of their professional qualifications in the field of WTO law or international trade relations and development.

4. The members of the Management Board and the representative of the least developed countries on the Management Board shall be appointed by the General Assembly. The Executive Director shall serve *ex officio* on the Management Board. The group of Members listed in Annex I to this Agreement and the three groups of Members listed in Annex II to this Agreement may each nominate one member of the Management Board for appointment by the General Assembly. The least developed countries listed in Annex III to this Agreement may nominate their representative on the Management Board for appointment by the General Assembly.

5. The Management Board shall report to the General Assembly. The Management Board shall meet as often as necessary to:

• Take the decisions necessary to ensure the efficient and effective operation of the Centre in accordance with this Agreement;

• Prepare the annual budget for the Centre for approval by the General Assembly;

• Decide on appeals by Members to whom legal support in a dispute settlement proceeding has been denied;

- Supervise the administration of the Centre's endowment fund;
- Appoint an external auditor;
- Appoint the Executive Director in consultation with Members;
- Propose for adoption by the General Assembly regulations on:
- The procedures of the Management Board;

- The duties and conditions of service of the Executive Director, the staff of the Centre and consultants contracted by the Centre; and

- The administration and investment policy of the Centre's endowment fund.

• Perform the functions assigned to it under other provisions of this Agreement.

6. The Executive Director shall report to the Management Board and shall be invited to participate in all its meetings. The Executive Director shall:

• Manage the Centre's day-to-day operations;

• Hire, direct and dismiss the staff of the Centre in accordance with the staff regulations adopted by the General Assembly;

• Contract and supervise consultants;

• Submit to the Management Board and the General Assembly an independently audited statement of receipts and expenditures relating to the budget during the preceding fiscal year; and

• Represent the Centre externally.

# Article 4

**Decision-Making** 

1. The General Assembly shall take its decisions by consensus. A proposal considered for adoption at a meeting of the General Assembly shall be deemed to have been adopted by consensus if no formal objections are raised against it during the meeting by any Member of the Centre. This provision shall apply mutatis mutandis also to decisions by the Management Board.

2. If the Chairperson of the General Assembly or the Management Board determines that a decision cannot be arrived at by consensus, the Chairperson may decide to submit the matter to a vote by the General Assembly. In such a case, the General Assembly shall take its decision by a majority of four-fifth of the Members present and voting. Each Member shall have one vote. A simple majority of the Members of the Centre shall constitute the quorum for any meeting of the General Assembly during which a matter is submitted to a vote.

3. In the case of decisions on amendments the procedures set out in paragraph 1 of Article 11 of this Agreement shall apply.

## Article 5

Financial Structure of the Centre

1. An endowment fund shall be created with the contributions made by Members in accordance with paragraph 2 of Article 6 of this Agreement.

2. The Centre shall charge fees for legal services in accordance with the schedule of fees set out in Annex IV to this Agreement.

3. The annual budget of the Centre shall be funded by the revenues from the Centre's endowment fund, the fees for services rendered by the Centre and any voluntary contributions made by governments, international organisations or private sponsors.

4. The Centre shall have an external auditor.

## Article 6

Rights and Obligations of Members

1. Each developing country Member and each Member with an economy in transition listed in Annex II to this Agreement is entitled to the services of the Centre in accordance with the regulations adopted by the General Assembly and the schedule of fees set out in Annex IV. Each Member may request that the support in WTO dispute settlement proceedings be provided in any of the three official languages of the WTO.

2. Each Member that has accepted this Agreement shall promptly pay a one-time contribution to the Centre's endowment fund and/or annual contributions during the first five years of operation of the Centre in accordance with the scale of contributions set out in Annexes I and II to this Agreement. Each Member that has acceded to this Agreement shall make contributions in accordance with the provisions of its instrument of accession.

3. Each Member shall promptly pay the fees for the services rendered by the Centre.

4. If the Management Board determines that a Member is in default of any of its obligations under paragraph 2 or 3 of this Article, it may decide to bar that Member from the exercise of its rights under paragraph 1 of this Article.

5. Nothing in this Agreement shall be construed to imply any financial liability for any Member beyond the liabilities arising from paragraphs 2 and 3 of this Article.

# Article 7

Rights of Least Developed Countries

The least developed countries listed in Annex III shall be accorded at their request the services of the Centre in accordance with the regulations adopted by the General Assembly and the schedule of fees set out in Annex IV. Each of these countries may

6

request that the support in WTO dispute settlement proceedings be provided in any of the three official languages of the WTO.

## Article 8

Priorities in the Allocation of Support in WTO Dispute Settlement Proceedings If two countries entitled to support in WTO dispute settlement proceedings are involved in the same proceeding, support shall be granted in accordance with the following priorities: First, least developed countries; second, Members that have accepted this Agreement; third, Members that acceded to this Agreement. The General Assembly shall adopt regulations on the allocation of support in WTO dispute settlement proceedings that reflect these priorities.

#### Article 9

Co-operation with Other International Organisations

The Centre shall co-operate with the World Trade Organisation and other international organisations with a view to furthering the objectives of this Agreement.

#### Article 10

Legal Status of the Centre

1. The Centre shall have legal personality. It shall have in particular the capacity to contract, to acquire and dispose of immovable and movable property and to institute legal proceedings.

2. The Centre shall be located in Geneva, Switzerland.

3. The Centre shall seek to conclude an agreement with the Swiss Confederation on the status, privileges and immunities of the Centre. The agreement may be signed by the Chairperson of the General Assembly subject to the approval by the General Assembly. The agreement may provide that the Swiss Confederation shall accord to the Centre, its Executive Director and its staff the status, privileges and immunities that the Swiss Confederation accords to permanent diplomatic missions and their members or to international organisations and their staff.

#### Article 11

Amendment, Withdrawal and Termination

1. Any Member of the Centre and the Management Board may submit to the General Assembly a proposal to amend a provision of this Agreement. The proposal shall be promptly notified to all Members. The General Assembly may decide to submit the proposal to Members for acceptance. The amendment shall take effect on the 30<sup>th</sup> day following the date on which the depositary has received the instruments of acceptance of all Members.

2. If the financial situation of the Centre so requires, any Member of the Centre and the Management Board may submit to the General Assembly a proposal to amend the scale of contributions set out in Annexes I and II to this Agreement and the schedule of fees set out in Annex IV to this Agreement. The amendment shall take effect on the 30th day following the date on which the General Assembly adopted it by unanimous decision.

3. Paragraphs 1 and 2 of this Article are without prejudice to the obligation of the Management Board to modify Annexes II and IV in accordance with the Notes contained therein.

4. Any Member may at any time withdraw from this Agreement by giving written notice to the Depositary. The Depositary shall inform the Executive Director of the Centre and the Members of the Centre of such a notice. The withdrawal shall become effective on the 30<sup>th</sup> day following the date on which the notice has been received by the Depositary. The obligation to pay the fees for services rendered by the Centre in accordance with paragraph 3 of Article 6 of this Agreement is unaffected by the

withdrawal. The withdrawing Member shall not be entitled to a reimbursement of its contributions to the Centre's endowment fund.

5. The General Assembly may decide to terminate this Agreement. Upon the termination, the Centre's assets shall be distributed among the present and former Members of the Centre in proportion to the total of each Member's contributions to the endowment fund and/or the annual budget of the Centre.

## Article 12

Transitional Arrangements

1. During the Centre's first five years of operation the annual budget of the Centre shall be funded by the annual contributions made by the Members in accordance with paragraph 2 of Article 6 of this Agreement and Annex I to this Agreement. During this period the revenues from the endowment fund and from the fees for services rendered shall accrue to the endowment fund.

2. During the Centre's first five years of operation the Management Board shall have five members. The Members listed in Annex I to this Agreement may nominate two persons to serve on the Management Board during that period.

3. The obligation of a Member to make annual contributions during the Centre's first five years of operation in accordance with paragraph 2 of Article 6 of this Agreement and Annex I to this Agreement shall not be affected by the withdrawal of that Member from this Agreement.

#### Article 13

Acceptance and Entry into Force

1. Any State or separate customs territory listed in Annex I, II or III to this Agreement may become a Member of the Centre by accepting this Agreement, by signature or by signature subject to ratification, acceptance or approval, during the third Ministerial Conference of the WTO to be held at Seattle from 30 November to 3 December 1999, and thereafter until 31 March 2000. The instrument of ratification, acceptance or approval shall be deposited no later than 30 September 2002.

2. This Agreement shall enter into force on the  $30^{th}$  day following the date upon which all of the following conditions are met:

• The twentieth instrument of ratification, acceptance or approval or signature not subject to ratification, acceptance or approval has been deposited;

• The total of the one-time contributions to the Centre's endowment fund that the States or customs territories which have accepted this Agreement are obliged to make in accordance with paragraph 2 of Article 6 of this Agreement and Annexes I and II to this Agreement exceeds six million US dollars; and

• The total of the annual contributions that the States or customs territories which have accepted this Agreement are obliged to make in accordance with paragraph 2 of Article 6 of this Agreement and Annex I to this Agreement exceeds six million US dollars.

3. For each signatory of this Agreement that deposits its instrument of ratification, acceptance or approval after the date on which the conditions set out in paragraph 2 of this Article are met the Agreement shall enter into force on the 30<sup>th</sup> day following the date on which the instrument of ratification, acceptance or approval has been deposited.

## Article 14

Reservations No reservations may be made in respect of any provision of this Agreement.

#### Article 15

Annexes The Annexes to this Agreement constitute an integral part of this Agreement.

#### Article 16

#### Accession

Any Member of the WTO and any State or separate customs territory in process of acceding to the WTO may become a Member of the Centre by acceding to this Agreement on terms and conditions agreed between it and the Centre. Accessions shall be effected by an instrument of accession approved by the General Assembly. The General Assembly shall approve the instrument of accession only if the Management Board advises it that the accession would cause neither financial nor operational problems for the Centre. This Agreement shall enter into force for the acceding Member of the WTO or for the State or separate customs territory in process of acceding to the WTO on the 30th day following the date on which the instrument of accession was deposited with the depositary.

#### Article 17

Depositary and Registration

1. This Agreement shall be deposited with the Government of the Kingdom of the Netherlands.

2. This Agreement shall be registered in accordance with the provisions of Article 102 of the Charter of the United Nations.

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

# ANNEX I

# MINIMUM CONTRIBUTIONS OF DEVELOPED COUNTRY MEMBERS

WTO Member	Contribution to Endowment Fund	Contribution to the Annual Budget During the First Five Years
Australia		
Austria	1	
Belgium		
Canada	US\$ 1,000,000	
Denmark	US\$ 1,000,000	
European Communities	I	
Finland	US\$ 1,000,000	
France	l	
Germany		
Greece	1	
Iceland		
Ireland	US\$ 1,000,000	US\$ 1,250,000
Italy	US\$ 1,000,000	
Japan	1	
Liechtenstein		
Luxembourg	l	
Netherlands	US\$ 1,000,000	US\$ 1,250,000

New Zealand			
Norway	US\$	1,000,000	US\$ 1,250,000
Portugal	I		
Spain			
Sweden	US\$	1,000,000	
Switzerland			
United Kingdom			US\$ 1,250,000
United States of America			

If a Member considers it necessary, it may make its contribution to the endowment fund in equal annual instalments during the three years following the entry into force of this Agreement.

# ANNEX II

# MINIMUM CONTRIBUTIONS OF DEVELOPING COUNTRY MEMBERS AND MEMBERS WITH AN ECONOMY IN TRANSITION

Criteria	WTO MEMBER	% of WTO Contribution	Contribution to the Endowment Fund
	CATE	GORY A	
>1.5%	Hong Kong, China	3.54	US\$ 300,000
	Korea	2.32	US\$ 300,000
	Mexico	1.51	US\$ 300,000
	Singapore	2.25	US\$ 300,000
or High	Brunei Darussalam	0.04	US\$ 300,000
Income	Cyprus	0.07	US\$ 300,000
	Israel	0.59	US\$ 300,000
	Kuwait	0.24	US\$ 300,000
	Macao	0.07	US\$ 300,000
	Qatar	0.06	US\$ 300,000
	United Arab Emirates	0.52	US\$ 300,000
	CATE	GORY B	
> 0.15% < 1.5%	Argentina	0.47	US\$ 100,000
1.3%	Brazil	0.92	US\$ 100,000
	Chile	0.29	US\$ 100,000
	Colombia	0.25	US\$ 100,000
	Czech Republic	0.51	US\$ 100,000
	Egypt	0.26	US\$ 100,000

	Hungary	0.32	US\$ 100,000
	India	0.57	US\$ 100,000
	Indonesia	0.87	US\$ 100,000
	Malaysia	1.31	US\$ 100,000
	Morocco	0.16	US\$ 100,000
	Nigeria	0.20	US\$ 100,000
	Pakistan	0.19	US\$ 100,000
	Philippines	0.46	US\$ 100,000
	Poland	0.48	US\$ 100,000
	Romania	0.15	US\$ 100,000
	Slovak Rep.	0.17	US\$ 100,000
	Slovenia	0.19	US\$ 100,000
	South Africa	0.55	US\$ 100,000
	Thailand	1.19	US\$ 100,000
	Turkey	0.60	US\$ 100,000
	Venezuela	0, 32	US\$ 100,000
	Antigua and Barbuda	0.03	US\$ 100,000
	Bahrain	0.09	US\$ 100,000
or Upper	Barbados	0.03	US\$ 100,000
middle	Gabon	0.04	US\$ 100,000
income	Malta	0.05	US\$ 100,000

	Mauritius	0.04	US\$ 100,000
	St. Kitts and Nevis	0.03	US\$ 100,000
	St. Lucia	0.03	US\$ 100,000
	Trinidad and Tobago	0.04	US\$ 100,000
	Uruguay	0.06	US\$ 100,000
	CATE	GORY C	
< 0.15%	Belize	0.03	US\$ 50,000
	Bolivia	0.03	US\$ 50,000
	Botswana	0.04	US\$ 50,000
	Bulgaria	0.11	US\$ 50,000
	Cameroon	0.04	US\$ 50,000
	Congo	0.04	US\$ 50,000
	Costa Rica	0.07	US\$ 50,000
	Côte d'Ivoire	0.07	US\$ 50,000
	Cuba	0.04	US\$ 50,000
	Dominican Republic	0.10	US\$ 50,000
	Dominica	0.03	US\$ 50,000
	Ecuador	0.09	US\$ 50,000
	El Salvador	0.04	US\$ 50,000
	Estonia*	0.03	US\$ 50,000
	Fiji	0.03	US\$ 50,000
	Ghana	0.03	US\$ 50,000

Georgia*       0.03       US\$ 50,000         Grenada       0.03       US\$ 50,000         Guatemala       0.05       US\$ 50,000         Guyana       0.03       US\$ 50,000         Honduras       0.03       US\$ 50,000	
Guatemala       0.05       US\$ 50,000         Guyana       0.03       US\$ 50,000	
Guyana 0.03 US\$ 50,000	
Honduras 0.03 US\$ 50,000	
Jamaica 0.06 US\$ 50,000	
Kenya 0.05 US\$ 50,000	
Kyrgyz Republic0.03US\$ 50,000	
Latvia 0.03 US\$ 50,000	
Mongolia 0.03 US\$ 50,000	
Namibia 0.03 US\$ 50,000	
Nicaragua 0.03 US\$ 50,000	
Panama 0.14 US\$ 50,000	
Papua New-Guinea0.05US\$ 50,000	
Paraguay 0.05 US\$ 50,000	
Peru 0.12 US\$ 50,000	
Senegal 0.03 US\$ 50,000	
Sri Lanka 0.09 US\$ 50,000	
St. Vincent and the 0.03 US\$ 50,000 Grenadines	
Suriname 0.03 US\$ 50,000	
Swaziland 0.03 US\$ 50,000	
Tunisia         0.14         US\$ 50,000	
Zimbabwe 0.03 US\$ 50,000	

Least developed countries listed in Annex III that	US\$ 50,000
have accepted this Agreement.	

\*Pending deposit of instrument of ratification

Notes:

1. If a Member considers it necessary, it may make its contribution in equal annual instalments during the four years following the entry into force of this Agreement.

2. The classification of countries listed in this Annex II into Group A, B and C Members was made on the basis of their share of world trade with an upward correction reflecting their per capita income, as indicated in the table below. The share of world trade was determined on the basis of the share of world trade that the WTO used to determine the share of its Members in the expenses of the WTO. The per capita income was based on World Bank statistics. Taking into account these criteria and sources of statistics, the Management Board shall review the classification of Members listed in this Annex at least once every five years and, if necessary, modify the classification to reflect any changes in the share of world trade and/or per capita income of such Members.

Category	World Trade Share	GNP per capita
А	> = 1,5% or	High Income countries
В	> = 0,15 % and < 1,5% or	Upper Middle Income countries
С	< 0,15%	

3. The provisions of Article 7 of this Agreement and Annex IV to this Agreement shall apply equally to the least developed countries listed in Annex III that have not accepted this Agreement and the least developed countries listed in Annex III that have accepted this Agreement.

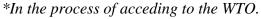
4. States and customs territories listed in Annex II that are not Members of the Centre, may request the support of the Centre in WTO dispute settlement proceedings subject to the fees indicated in Annex IV to this Agreement. Such support will be provided on the condition that no Member of the Centre is involved in the same case or any Member that is involved in the same case authorises the Centres' support to such State or customs territory. All other services shall be provided exclusively to Members and least developed countries.

# ANNEX III

# LEAST DEVELOPED COUNTRIES ENTITLED TO THE SERVICES OF THE ADVISORY CENTRE

WTO Member	% of WTO Contribution
Angola	0.07
Bangladesh	0.09
Benin	0.03
Bhutan*	0.03
Burkina Faso	0.03
Burundi	0.03
Cambodia	0.03
Cape Verde*	0.03
Central Rep. Africa	0.03
Chad	0.03
Democratic Republic of Congo	0.03
Djibouti	0.03
Gambia	0.03
Guinea rep.	0.03
Guinea-Bissau	0.03
Haiti	0.03
Lao People's Democratic Republic*	0.03
Lesotho	0.03
Madagascar	0.03

Malawi	0.03
Maldives	0.03
Mali	0.03
Mauritania	0.03
Mozambique	0.03
Myanmar	0.03
Nepal*	0.03
Niger	0.03
Rwanda	0.03
Samoa*	0.03
Sierra Leone	0.03
Solomon Islands	0.03
Sudan*	0.03
Tanzania	0.03
Togo	0.03
Uganda	0.03
Vanuatu*	0.03
Zambia	0.03



Note

If the United Nations designate a country not listed in this Annex as a least developed country, such country shall be deemed to be listed in this Annex provided it is a Member of the WTO or in the process of acceding to the WTO. If a country listed in this Annex ceases to be designated as a least developed country by the United Nations, it shall be deemed to be a country not listed in this Annex.

# ANNEX IV

# SCHEDULE OF FEES FOR SERVICES RENDERED BY THE CENTRE

SERVICE	CHARGE (hourly rate)	
Legal advice on WTO Law		
• Members and least develop countries	Free, subject to a maximum of hours to be determined by the Management Board.	
• Developing countries not Members of the Centre:		
- Category A	US\$ 350	
- Category B	US\$ 300	
<ul> <li>Category C</li> </ul>	US\$ 250	
Support in WTO dispute settlement proceedings		

• Charges will be levied by hours or by case. When charged by case, cost estimates would be offered for each phase of the proceedings (i.e. for panel phase, for appeal phase, etc.).

• When two Members or a Member and a least developing country seek the services of the Centre, and subcontracting external legal counsel becomes necessary, the fees for both parties will be increased by 20 percent.

• Members and least developed countries	A percentage of the hourly basic rate (US\$ 250)	
	Discount	Payable hourly rate
– Category A	20%	US\$ 200
- Category B	40%	US\$ 150
- Category C	60%	US\$ 100

	<ul> <li>Least developed countries</li> </ul>		90%	US\$ 25
•	Developing countries not Members of the Centre			
	-	Category A	US\$ 350	
	-	Category B	US\$ 300	
	-	Category C	US\$ 250	

SERVICE	CHARGE (hourly rate)	
Seminars on jurisprudence and other training activities	Free for Members	
Internships		
Least developed countries	Subject to availability of sponsorships. The Centre shall pay expenses and salary.	
• Members	Expenses and salary to be paid by the government of the trainee except when sponsorship is available.	

Note

This schedule of fees may be adjusted by the General Assembly upon a proposal of the Management Board to reflect changes in the Swiss consumer price index.