



Factsheet

The golden rules of trade in goods

(status: 25.07.2011)

- You shall not treat the other contracting parties differently or less favourably than countries which are not contracting parties (Art. I GATT);
- You shall abide by the concessions (lists of commitments) granted by you to the other contracting parties upon your accession to the WTO (Art. II GATT);
- You shall not treat goods imported from the territory of one of the other contracting parties less favourably than your own goods (Art. III GATT);
- You may subject cinematographic films to special provisions (Art. IV);
- You shall not impede transit trade to and from the territories of the other contracting parties (Art. V GATT);
- You shall not engage in dumping (Art. VI GATT and the Anti-dumping Agreement);
- You shall not cheat in the calculation of customs values (Art. VII GATT and the Customs Valuation Agreement);
- You shall collect only those import and export duties that are actually due (Art. VIII GATT);
- You shall not treat other contracting parties less favourably than non-contracting parties with respect to marks of origin (Art. IX GATT and the Agreement on Rules of Origin);
- You shall publish the trade regulations you adopt (Art. X GATT);
- You shall not, in principle, impose or maintain quantitative restrictions on imports and exports (Art. XI GATT). You may apply such restrictions if you need to safeguard your external financial position and your balance of payments (GATT Art. XII), and you shall apply any such restrictions in a non-discriminatory manner (GATT Art. XIII), except in accordance with the rules of the International Monetary Fund (GATT Art. XIV);

- You shall cooperate with the International Monetary Fund (IMF), either as a member of the IMF or as a partner in a special agreement concluded with the IMF (Art. XV GATT).
- You shall not affect international trade by granting subsidies (Art. XVI GATT and the Agreement on Subsidies and Countervailing Measures);
- You shall subject your state trading enterprises to the same rules that apply to private operators (Art. XVII GATT);
- You may, if your economy is not yet sufficiently developed, derogate from GATT rules under certain conditions (Art. XVIII GATT);
- You may, if your market is flooded with certain products, take emergency action to protect your domestic producers, but you must not abuse this possibility (Art. XIX GATT and the Agreement on Safeguards);
- You may deviate from GATT obligations in certain cases (protection of public morals, life or health, the environment, etc.), but you may not abuse this possibility (Art. XX GATT and the Agreement on the Application of Sanitary and Phytosanitary Measures). You may also deviate from GATT obligations in order to protect your internal security (Art. XXI GATT);
- You shall consult with your contracting parties (Art. XXII GATT), especially if you believe that your GATT rights are being violated or diminished (Art. XXIII GATT and the Understanding on Rules and Procedures Governing the Settlement of Disputes);
- You may form free-trade areas and customs unions with other countries, but you must remain aware that this is alien to the system (Art. XXIV GATT). For this purpose, you may, if absolutely necessary, deviate from GATT rules;
- You shall cooperate with the other contracting parties where joint action is required by the GATT (Art. XXV GATT);
- You declare your acceptance of the WTO Agreement once it has entered into force for you (Art. XIV WTO Agreement);
- You may withdraw concessions that you have made to states that are not contracting parties and that now also apply to the other contracting parties if the states that are not contracting parties do not join the WTO or withdraw from the WTO. However, you may be liable to compensate the other contracting parties (Art. XXVII GATT);
- You may modify your schedules of commitments and withdraw concessions granted, but you must compensate your contracting partners for this (Art. XXVIII GATT);
- You shall conduct negotiations with the aim of reducing tariffs (Art. XXVIII bis GATT);

- You shall not forget that negotiations were once conducted on a Havana Charter (Art. XXIX GATT);
- You may, together with your negotiating partners, modify the GATT as well as other WTO law (Art. X WTO Agreement).
- You may withdraw from the GATT and, at the same time, withdraw from the WTO (Art. XV WTO Agreement);
- You may join the WTO and thus also the GATT (Art. XII WTO Agreement);
- You are aware that you are also bound by the Annexes to the GATT (Art. XXXIV GATT);
- You may choose not to apply your WTO obligations to a newly acceding WTO member if you declare this immediately upon that member's accession (Art. XIII WTO Agreement);
- You recognise that special rules apply to less-developed countries (Art. XXXVI ff. GATT);
- You understand that special rules apply to agricultural goods (Agreement on Agriculture);
- You understand the importance of technical regulations and standards, but do not abuse them to influence trade in your favour (Agreement on Technical Barriers to Trade);
- You shall not abuse the instrument of trade-related investment to influence trade in goods in your favour (Agreement on Trade-Related Investment Measures);
- You shall not abuse the instrument of pre-shipment controls to arbitrarily impede the import of goods into your territory (Agreement on Pre-shipment Controls);
- You shall not abuse import licensing to arbitrarily regulate the import of goods into your territory (Import Licensing Agreement);
- You shall not forget that, in addition to the rules on trade in goods, you must also comply with the rules on trade-related aspects of intellectual property (TRIPS Agreement) and trade in services (GATS).
- You are willing to have your trade policy reviewed regularly (Trade Policy Review Mechanism);
- You understand that it is open to you to accede to the Agreement on Trade in Civil Aircraft and the Agreement on Government Procurement.