

Thirty Years In: A Review and Outlook on the WTO's 30th Anniversary

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An Overview of the WTO's Thirty-Year Development


Since its establishment in 1995, the World Trade Organization (WTO) has been in operation for thirty years. Its membership has grown to 167, covering over 98% of global trade. Mainland China, which joined in 2001, has become the world's largest exporter, while Taiwan became the 144th member in 2002.

The WTO's Core Mission and Institutional Framework

The core mission of the WTO is to advance multilateral negotiations and establish trade rules that promote continuous trade liberalization. The "Doha Round," launched in 2001, was the first to incorporate development issues into multilateral talks. However, it stalled for years due to divergent positions between developed and developing countries, ultimately leading only to the promulgation of the *Agreement on Trade Facilitation* (TFA). In terms of regulations and legal systems, the WTO established a two-tiered dispute settlement mechanism through its *Dispute Settlement Understanding* (DSU), which sets clear timelines and appellate procedures.

Current Challenges and U.S. Unilateralism

In recent years, the WTO's operations and functions have faced unprecedented challenges. The WTO Appellate Body has been paralyzed since the end of 2019 due to blockages by the United States, which has prevented the appointment of new members after their terms expired. This has severely damaged the WTO's credibility, prompting members to resort to retaliatory measures and bilateral negotiations. After the Trump administration took office in 2017 and promoted its "America First" policy, Washington imposed high tariffs on China through unilateral measures. It levied taxes on steel and aluminum imports from multiple countries on national security grounds, further weakening the multilateralism and trade order advocated by the WTO. Following Trump's return to the White House in 2025, the imposition of "reciprocal



tariffs” on countries with higher export tax rates to the U.S. has been criticized by many nations for violating the Most-Favored-Nation (MFN) principle. These countries have filed dispute settlement requests with the WTO, signaling a collective counter-response to U.S. unilateralism and an urgent desire to safeguard the multilateral order.

Taiwan’s Participation and Role

For Taiwan and most small and medium-sized open economies, the WTO remains a vital platform for ensuring market access, resolving disputes, and maintaining trade order. Since joining the WTO in 2002 under the name of the “Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu,” Taiwan has been an active participant in negotiations and operations. This includes establishing the Taiwan WTO Center under the CIER in 2003 to provide research support, personnel training, and external exchanges. Under the WTO framework, Taiwan has signed Free Trade Agreements (FTAs) as a WTO member with diplomatic allies, New Zealand, and Singapore. Additionally, the Phase One agreement of the “U.S.-Taiwan Initiative on 21st-Century Trade,” signed in 2024, also covers areas under WTO regulations, such as customs procedures, trade facilitation, and good regulatory practices.

Taiwan’s Specific Contributions and Experience

After joining the WTO, Taiwan subsequently acceded to plurilateral agreements such as the Information Technology Agreement (ITA) and the Agreement on Government Procurement (GPA), and undergoes a trade policy review every five years as required. During its fifth review in 2023, WTO members widely praised Taiwan’s progress in implementing the TFA, its electronic customs declaration systems, and its sustainable development policies.

Moreover, Taiwan actively utilizes the dispute settlement system to address issues related to its key exports, including information and communication technology products, as well as anti-dumping measures. To date, it has filed 7 dispute cases as a complainant. The most significant of these was the 2008 case against the European Union (EU) for imposing tariffs on certain IT products in violation of the ITA, which Taiwan won. Cases brought against Taiwan are rare, indicating that its trade measures are generally compliant with the rules.

Outlook and Policy Recommendations

The WTO's influence has waned due to stalled multilateral negotiations, a dysfunctional dispute settlement mechanism, a lack of consensus on emerging issues, and unilateral actions by key members. This has led to a loss of credibility and effectiveness, diminishing the WTO's prestige. However, its original functions remain crucial and beneficial to Taiwan. Therefore, Taiwan should continue to support the WTO's operations, assess how outdated regulations restrict its industries and businesses, and combine market mechanisms with shared international values to develop paths for updating and strengthening the system to meet the demands of enterprise development in a new era.