

Important Note: All of the following questions must be answered in English.
Otherwise no grade will be given. (所有題目請以英文作答；中文作答不予計分)

Question 1 (50%)

Country A is a WTO least-developed country Member. Over the past decades, there were many incidences of serious fires taking away lives of thousands of workers in the export-oriented garment factories of country A. In most cases, according to country A's experts' studies, if the domestic fire safety law applied to buildings (including garment factory outlets) could be strictly followed, the incidents or their severity could have been avoided or alleviated. Country B is a WTO developed country Member, an important export market for the garments of country A. Under the pressure from some human groups, the government of country B is considering a new measure banning the importation of T-shirts and other clothing from country A. It is because people in Country B traditionally believe that human and fair treatment of workers in the workplaces should be the fundamental and vital value to be respected as human beings.

In response, Country A argues that most garment factories in the territory of Country A are invested and controlled by the corporations from country B. It is these foreign investors who should assume the liability for the frequent fire incidences. The nature of arisen dispute therefore relates to investment issue, not trade issue, which should be resolved through the bilateral investment promotion framework between country A and country B.

- (1) What WTO rules would involve in the above facts and what are their respective requirements? (20%)
- (2) Regarding the prohibition of importation of T-shirts and other clothing from Country A, what could be the possible justifications or defenses which Country B might consider to rely on? (20%)
- (3) What would be your analysis regarding Country A's arguments in light of bilateral investment legal regime? (10%)

Question 2 (50%)

Article 3.2 of the Understanding on Rules and Procedures Governing the Settlement of Disputes (DSU) provides in part that "The Members recognize that it serves to preserve the rights and obligations of Members under the covered agreements, and to clarify the existing provisions of those agreements in accordance with *customary rules of interpretation of public international law.*" (Emphasis added)

- (1) What does the phrase "customary rules of interpretation of public international law" refer to? (10%)
- (2) What are these interpretation rules? (20%)
- (3) Based on these interpretation rules, do you think that a panel or the Appellate Body can "apply" or "rely on" an international agreement (such as an environmental agreement or the Framework Convention on Tobacco Control) to "interpret" WTO provisions? If yes, can you provide examples? (20%)