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Review Paper

Effectiveness of Global Trade Agreements and International Law in the Modern World

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ABSTRACT

The realization of a thriving international economy necessitates the implementation of efficacious international trade agreements. The establishment of an effective international trade framework hinges upon a comprehensive comprehension of the criteria that determine the effectiveness of such agreements, underscoring the relevance of this study. This publication aims to articulate a set of indicators delineating the effectiveness of a given trade agreement. The research methodology employed encompasses the utilization of analysis, synthesis, scientific generalization, and the formal logical method. Within the context of the study, an exploration is undertaken to delineate the tasks and functions of the World Trade Organization. Furthermore, a detailed examination of the content encapsulated within the agreements of the Uruguay Round is presented. This analysis extends to the identification of impediments to international trade targeted for removal through the provisions of the Uruguay Round agreements. The characteristics of the Annex to the Agreement Establishing the World Trade Organization are examined within the framework of this analysis. The interpretation of the concepts "effect" and "efficiency" in contemporary economic science is deliberated upon. A comprehensive exploration of the efficiency of foreign economic activity is presented, encompassing the scrutiny of four interrelated components crucial for evaluating the effectiveness of such endeavors. Furthermore, this study delves into the identification of indicators that gauge the effectiveness of international trade agreements. These indicators encompass an assessment of the effectiveness of both exports and imports and a comparative analysis of prices for export and import goods in domestic and foreign markets, all rooted in the specific indicators articulated within a given international trade agreement. The article examines the export efficiency ratio, alternative export efficiency ratio, export profitability, and foreign exchange efficiency of exports, providing detailed characteristics and formulas for their calculation. These metrics collectively form a systematic set of criteria for evaluating the efficiency of export activities conducted by an industrial enterprise. Additionally, the method proposed by I. Blan is outlined as one approach for assessing the effectiveness of foreign trade transactions. Consequently, it is asserted that the effectiveness of international trade agreements is contingent upon a multitude of factors and indicators that collectively influence their performance.

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HIGHLIGHTS

- The Uruguay Round Agreements are strategically designed to secure trade equality, simplicity, and consistency in international trade regulations, emphasizing the eradication of unnecessary impediments and fostering transparency.
- The article underscores the importance of evaluating the effectiveness of foreign economic activity through indicators such as export efficiency ratio, alternative export efficiency ratio, export profitability, and foreign exchange efficiency, highlighting their role in optimizing profits and ensuring competitiveness in global markets.

Keywords: International trade agreement, World Trade Organization, effect, efficiency, indicator

In contemporary times, foreign economic activity stands out as a pivotal domain within the sphere of economic development. It caters to the diverse needs of countries by facilitating access to various resources, including raw materials, fuel, energy, and financial and labor resources. Notably, foreign economic activity serves as a substantial revenue stream for the state budget. Consequently, there is an escalating interest in the scholarly examination of issues on its execution.

Nevertheless, this domain is distinguished by a heightened level of competition and accompanying risks. Consequently, domestic enterprises ought to optimize their foreign economic operations to ensure the highest degree of efficiency, thereby sustaining a competitive edge.

The global market exhibits medium-term stability, maintaining the leadership positions of major participants in global trade with limited alterations. Shifts in country rankings concerning transaction volumes and the prevalence of monopoly or oligopoly positions generally occur gradually, barring specific instances such as the introduction of revolutionary technologies to the market. The current developmental stage of market relations is juxtaposed with the ongoing positive albeit incomplete process of Ukraine's integration into the global economic system.

A significant milestone for Ukraine encompasses the execution of the European Union-Ukraine Association Agreement and the Canada-Ukraine Free Trade Agreement. The proliferation and advancement of European integration processes within Ukraine present extensive opportunities for foreign economic activity, with export-import operations representing the most prevalent form. These dynamics are particularly conspicuous in the establishment, evolution, and augmentation of the export potential within pivotal sectors of the economy, notably in the industrial domain.

Literature Review

Al Khourdajie A. and Finus M. (2020) delve into measures aimed at enhancing the effectiveness of international climate agreements. Jinnah S. and Morin J. F. (2020) contribute significantly to the discourse with their foundational work on American trade policy and its correlation with environmental protection abroad.

Aissi J., Peels R., and Samaan D. (2018) provide insights into the assessment of labor provisions in trade agreements, employing analytical and methodological frameworks for a comprehensive perspective.

Ornelas E., Turner J.L. and Bickwit G. (2021) conducted an examination of preferential trade agreements and their impact on global supply, contributing valuable insights to the scholarly discourse.

Sand P.H. (2021) authored a paper investigating the effectiveness of multilateral environmental agreements, examining both theoretical underpinnings and practical implications. Durán G. M. (2020) conducted research addressing emerging challenges in compliance with the sections related to sustainable development within European Union free trade agreements. Smith A., Harrison J., Campling L., Richardson B., and Barbu M. (2020) present a seminal work exploring the trade-labor nexus of the European Union within the global value chain, focusing on the implications of free trade agreements and global labor governance. Bastiaens I. and Postnikov E. (2020) conducted an empirical study examining social standards within trade agreements and free trade preferences.

Dau L.A., Moore E.M., Doh J.P. and Soto M.A. (2021) address the impact of international trade agreements on the quality of standards adopted by both public and private companies. Colli Vignarelli

M. (2021) offers a comprehensive overview of European trade policy. Bastiaens I., Postnikov E., and Kreft A.K. (2023) contribute to the discourse by examining labor provisions in trade agreements and the status of women's rights in the Global South.

Peng F., Kang L., Liu T., Cheng J. and Ren L. (2020) authored a paper presenting new evidence regarding China's Belt and Road Initiative concerning trade agreements and global value chains. A parallel exploration is conducted by Sun J. (2021), whose work centers on enhancing regional trade agreements to facilitate higher-quality exports from China to the countries associated with the "One Belt One Road" initiative.

Burri M. and Polanco R. (2020) contribute an intriguing article that delves into digital trade provisions within preferential trade agreements, presenting a novel dataset. Barrett S. and Dannenberg A. (2022) explore the relationship between trade agreements and the provision of global public goods in their research. Consequently, limited attention has been devoted to the efficiency assessment of international trade agreements.

METHODS

The study employed various methods including analysis, synthesis, scientific generalization, and the formal logical method. The method of analysis played a prominent role in the research, facilitating a comprehensive description of the functions and tasks of the World Trade Organization, elucidating the content of the Uruguay Round agreements, and delineating the objectives of international trade agreements.

The synthesis method played a crucial role in the presentation, integration, and formulation of a systematic set of indicators for evaluating the effectiveness of international trade agreements. These indicators encompassed the assessment of export and import effectiveness, and price comparisons of export and import goods in domestic and foreign markets, all rooted in the specific indicators outlined within a particular international trade agreement. Furthermore, the synthesis method was employed to articulate and describe indicators assessing the efficiency of an industrial enterprise's export activities. These indicators include the export efficiency ratio, alternative export efficiency ratio, export profitability, and foreign exchange efficiency of exports.

The method of scientific generalization was employed to scrutinize sources about the subject of the publication, enabling the observation that the majority of pertinent scientific works in this context predominantly focus on either preferential agreements or environmental provisions within international trade agreements.

Conversely, the formal logical method played a pivotal role in the development of criteria facilitating the differentiation between the economic categories of "effect" and "efficiency."

RESULTS

Before delving into the effectiveness of trade agreements, it is imperative to elucidate the role of the World Trade Organization (hereinafter referred to as the WTO) along with its designated tasks and functions.

The functions of the WTO are delineated in Article III of the Marrakesh Agreement of 1994, which established the WTO. These functions encompass: (1) Facilitating WTO assistance to ensure the implementation of the Uruguay Round agreements; (2) Serving as a forum for negotiations addressing new issues that may be incorporated into the future jurisdiction of the WTO; (3) Adjudicating disputes that arise over the interpretation and application of the Uruguay Round agreements between member states; and (4) Conducting periodic reviews of the trade policies of member states.

While the scope of content-related issues in the Uruguay Round agreements that may arise during international trade exhibits variability, a common thematic thread underlies all these agreements. The provisions within these agreements are directed toward four principal goals:

1. Achievement of trade equality among all member states, wherein other forms of discrimination in trade are prohibited, and principles of national treatment and most favored nation rules are applied.
2. Simplification of the regulation of state international trade.
3. Ensuring fairness and consistency in trade policy, exemplified by customs tariffs as the sole instrument restricting international trade applied only to specific valuation instruments

in the customs sphere, and equitable use of standards.

4. Establishment of transparency in trade procedures, with wide access to regulatory legal acts in the trade sphere ensured.

Hence, the primary objective of the Uruguay Round agreements is the eradication of superfluous and unwarranted impediments to trade, which include:

- Imposing an excessive requirement for documentation that proves ultimately unnecessary.
- The presence of intricate and cumbersome procedures and rules.
- Unjustifiable delays in the international trade process.
- Escalated administrative costs.
- The potential discrimination against domestic and foreign traders, as well as foreign traders from various countries.

Annex 1A of the WTO Agreement comprises 13 instances of multilateral agreements on trade in goods. These agreements exhibit variability in content; for instance, the Agreement on Agriculture, as outlined in Article 1, incorporates definitions of terms, a feature not mirrored in the Agreement on Textiles and Clothing.

In conjunction with the term "efficiency," the concepts of "effect" and "effectiveness" are employed. "Effect" denotes the outcome of measures directed at enhancing production productivity through the conservation and rationalization of all production resources. As an economic category, the effect signifies the surplus of outcomes over costs, constituting a specific manifestation of the obtained result. The term "efficiency" is defined as the ratio between the realized result (effect) and the costs or resources expended to attain this result.

Comprehending the efficacy of international trade agreements is intricately linked to a broader understanding of the effectiveness of foreign economic activity as a whole, with a particular emphasis on export activities.

The assessment of the effectiveness of foreign economic activity is conducted at two distinct levels: the macro level, situated within the framework of the national economy and activities in the macroeconomic context, and the micro level, situated at the levels of individual business entities and projects. Each level is characterized by distinct economic interests and performance criteria. Consequently, the evaluation necessitates varying approaches tailored to the specific requirements of different levels of foreign economic activity.

To compete effectively and optimize profits, exporting companies should evaluate their potential opportunities in foreign markets. This entails undertaking a comprehensive economic analysis of overall market production and economic activity, encompassing both domestic and foreign economic activities.

To evaluate the effectiveness of the external activities of an industrial enterprise, it is suggested to consider four interconnected components:

1. Assessment of the effectiveness of the external activities of the country, providing a broader perspective on the overall performance in international trade.
2. Assessment of the effectiveness of the external activities of the industry, representing the outcome of past export activities and serving as a pivotal component of the country's economic activities and exports.
3. Evaluation of the effectiveness of the external activities of an industrial enterprise, reflecting the outcomes of economic entities engaged in the export activities of the industry.
4. Appraisal of the effectiveness of exports of a specific product, emanating from the production activities of an industrial enterprise and contributing to the export activities of the business entity.

At the macroeconomic level, the efficiency of foreign trade signifies the contribution of the national economy to the international division of labor within the foreign market. The criterion for evaluating efficiency lies in the national labor economy, serving as an additional source of GDP growth and influencing various economic and social indicators.

In a general context, the assessment of the effectiveness of international trade agreements involves the utilization of specific indicators. These include the efficiency of exports and imports, as

Table 1: Indicators for assessment of the effectiveness of export activity of an industrial enterprise

Indicator	Characteristics	Formula for calculation
Export efficiency ratio (Ee)	It signifies the ratio of export profit to the costs incurred for export. If Ee is greater than 1, then exports can be deemed efficient. The greater the ratio, the higher the export efficiency.	$Ee = Er / (Cg + Tr + Oe)$ Er – export revenue; Cg – cost of export goods; Tr – transportation expenses; Oe – organization expenses.
Alternative export efficiency ratio (Ea)	It is employed to analyze exports concerning the potential for alternative sales of goods within the country. If Ea is greater than 1, then exports are deemed efficient.	$Ea = (Er – Cg – Tr – Oe) / (Dr – Cg)$ Dr - domestic revenue (revenue from sales on the national market).
Export profitability (Ep)	It represents the amount of income generated from the sale of export goods per hryvnia spent.	$Ep = Er / Cg$
Foreign exchange efficiency of exports (Ef)	To evaluate the efficiency of an export operation, it is essential to compare these indicators (ratios) with a specific baseline. Typically, the exchange rate serves as the basis for comparison. If the currency efficiency coefficient surpasses the value of the exchange rate, the foreign economic activity of the company is deemed effective. Simultaneously, the inverse exchange rate (indirect quote) should be utilized as the baseline for comparing the currency efficiency of exports.	$Ef = Rec / C$ Rec - export revenue in foreign currency; C - costs of production and sale of export goods.

Source: *Voloshan, 2019.*

well as a comparative analysis of prices for export and import goods in domestic and foreign markets, all grounded in the indicators specified within a particular international trade agreement (Kubiv *et al.* 2020).

To evaluate the effectiveness of exports, it is imperative to consider various indicators. These include export revenues converted from foreign currency earnings into hryvnia at the National Bank of Ukraine (NBU) exchange rate on the day of foreign currency earnings receipt, the overall export costs of the enterprise in hryvnia, domestic average annual prices influencing export volume, the cost of exported production goods, and the average annual cost of fixed and current assets employed by the enterprise in the production of export goods.

The scenarios in which it is advisable to employ these indicators include:

1. Optimal option selection before finalizing each export transaction.
2. Analysis of the enterprise's results for the preceding period.
3. Planning for the upcoming period of the enterprise's activities.

Import economic efficiency indicators are grounded in goods for production purposes and goods for national (final) consumption.

These indicators encompass:

1. The contract value of imported capital goods.
2. Operating costs associated with the utilization of capital goods.
3. The cost of raw materials and supplies per unit of output produced through the utilization of imported capital goods.
4. The cost of energy per unit of production.
5. Maintenance costs.
6. The cost of spare parts.
7. Salaries of employees responsible for servicing the capital goods.
8. The volume of products manufactured with the assistance of imported capital goods, expressed in UAH at domestic market prices.

9. The cost of importing specific capital goods, inclusive of the contractual value, including customs duties.

I. Blan presents a method to assess the effectiveness of foreign trade agreements, employing an approach that ensures the utilization of a specific set of indicators to evaluate the efficacy of external economic conditions. The primary indicators include:

(a) Net profit from the transaction, representing the overall outcome of a particular transaction and its contribution to the overall profit of the enterprise. A positive value of this indicator indicates the success of the transaction.

(b) The level of net profit from a transaction ascribed to the total amount of goods purchased, showcasing the effectiveness, along with other alternative options, of not only commercial but also financial transactions.

(c) The level of net profit from a transaction ascribed to the amount of sales of goods purchased under a specific contract, allowing a comparison of the efficiency of a particular contract with the overall turnover profitability.

(d) The level of net profit from a transaction ascribed to the amount of turnover costs, enabling a comparison of the efficiency of a transaction with the level of rental value of turnover costs for the enterprise as a whole.

DISCUSSION

Abman R., Lundberg C., and Ruta M. (2021) concentrate on the environmental provisions within regional trade agreements. Their examination underscores that trade liberalization may catalyze environmental degradation. The apprehensions regarding such detrimental consequences have instigated a discourse on the necessity to incorporate environmental provisions in regional trade agreements.

A parallel study was conducted by Martínez-Zarzoso I. (2018), involving an empirical analysis of the efficacy of environmental provisions within regional trade agreements. The scholarly report endeavors to assess whether the incorporation of environmental provisions in regional trade agreements has led to enhancements in environmental quality among the participating parties. This evaluation is conducted through empirical modeling and analysis.

Bastiaens I. (2020) also delves into the effectiveness of environmental provisions within U.S. trade agreements. According to Bastiaens I. (2020), environmental concerns, including issues such as environmental degradation, biodiversity conservation, and the climate crisis, are garnering growing global attention. Despite globalization often being implicated in contributing to these challenges, the international body overseeing international trade, the World Trade Organization, has not yet formulated an effective response to address these environmental issues. The structure of the World Trade Organization (WTO) accentuates vulnerabilities and impasses, with its power and enforcement capacity witnessing a decline in recent years. Consequently, leading global players in globalization, such as the United States, are incorporating provisions aimed at protecting and preserving the environment within their preferential trade agreements. "Greening Through Trade" scrutinizes the influence of environmental provisions in U.S. preferential trade agreements on the efficacy of global environmental policy and multilateral environmental agreements.

Aissi, J., Peels, R. and Samaan, D. (2018) present an analytical and methodological framework for examining the effectiveness of labor provisions within trade agreements, supported by evidence-based examples. Introducing the concept of capacity across three levels (state, civil society, and firms), the authors delineate between immediate outcomes (legal, institutional, and political) and long-term socioeconomic outcomes (enhanced labor rights and working conditions). Consequently, the authors view labor provisions in trade agreements as a multifaceted "mix of strategies" requiring evaluation through qualitative and/or quantitative methods, contingent upon the specific aspect of potential interest and the availability of data. Additionally, the authors offer recommendations for government policy on the subject matter.

Ornelas, E., Turner, J.L. and Bickwit, G. (2021) formulate a novel framework for examining the welfare implications of preferential trade agreements in the context of global procurement and incomplete contracts. Their research reveals several previously unrecognized channels through which preferential trade agreements impact global welfare. These impacts manifest through intensive margin shifts, involving alterations in investment and production within existing vertical chains, as well as significant margin shifts, encompassing the creation and dissolution of vertical chains (Lopushniak *et al.* 2022).

Young A.R. (2020) discusses European trade policy, presenting three primary arguments within the scope of the study. Firstly, the author highlights that robust public opposition to certain trade agreements has impeded the European Union's endeavors to reconcile the conflict between policy effectiveness and political legitimacy. Secondly, the public resistance to trade agreements has sparked profound concerns regarding the framing of the threat posed by trade. Thirdly, the policies of various free trade agreements are more intricately interconnected than previously acknowledged. Collectively, these arguments signify that the development of EU trade policy is unfolding in notably complex and challenging times.

A noteworthy study conducted by Heyl K., Ekardt F., Roos P., Stubenrauch J. and Garske B. (2021) explores the intersection of free trade, the environment, agriculture, and multilateral agreements, using the Free Trade Agreement between the European Union and Vietnam as a case study. According to scholars, transnational trade possesses the potential for prosperity and development when accompanied by a robust political and legal framework. However, the absence of such a framework is often associated with negative environmental impacts among other consequences. Applying a legal comparative analysis, Heyl K., Ekardt F., Roos P., Stubenrauch J. and Garske B. (2021) evaluate recent free trade agreements, such as the European Union-Vietnam Free Trade Agreement concluded by the European Union, with a focus on their effective incorporation of environmental standards. This scrutiny aims to ensure that these agreements align with global environmental objectives and mitigate adverse impacts on climate and biodiversity. Additionally, the authors assess the extent to which these agreements facilitate and incentivize innovative environmental policies among the trading parties. Specifically, they examine the potential implications of the agreements on the agricultural sector. The analysis indicates that, despite the establishment of several binding standards, such as those addressing deforestation, the agreements generally lack a comprehensive legal framework for the maintenance and enhancement of environmental protection. Furthermore, the effectiveness of these agreements is constrained by weak dispute settlement mechanisms, limiting their capacity to ensure compliance with sustainability measures. Provisions related to regulatory cooperation and investor-state dispute settlement are anticipated to adversely impact decision-making processes and, consequently, impede environmental innovation within the trading parties. Consequently, the authors assert that there is a considerable distance to cover to align transnational trade with global environmental goals.

Gómez-Mera L. and Varela G. (2021) addressed deep trade agreements and domestic institutions in the Americas. The authors observe that preferential trade agreements have proliferated globally since the 1990s. In the Americas, the extensive growth of trade agreements with countries within and outside the region has resulted in a complex amalgamation of overlapping rules and regulations. Some of these regulations pertain to issues governed by foreign law, such as investment, competition, labor, and environmental standards. Earlier research has established a connection between trade agreements and the augmentation of foreign investment inflows. In contrast, Gómez-Mera L. and Varela G. (2021) contend that the influence of preferential trade agreements on foreign investment is contingent upon the domestic institutional capacities of member countries. The benefits and efficacy of preferential trade agreements are shaped by national institutions, impacting the external credibility of governments and their ability to enact the agreements they endorse. Empirical findings indicate that weak state capacity magnifies the impact of multiple overlapping agreements. Moreover, it is asserted that the quality, or depth, of trade agreements is more significant than quantity in terms of attracting foreign investment.

Hoffmeyer-Zlotnik P., Lavenex S. and Lutz P. (2023) characterized preferential trade agreements within the European Union in the context of the migration regime. They observe that heightened pressure for international solutions and limited support for multilateral cooperation have prompted the European Union to increasingly utilize its most influential foreign policy instrument for achieving migration policy objectives – preferential trade agreements. Commencing with the intricate architecture of the migration regime complex, the authors delve into the correlation between the pertinent content of the EU's preferential trade agreements and multilateral institutions. Based on a combination of policy objectives, the European Union's competence, and international interdependence, the authors posit a set of hypotheses outlining the conditions under which the European Union's bilateral engagements through preferential trade agreements either extend, complement, or replace international norms (Bazaluk *et al.* 2020). Utilizing an original dataset encompassing migration provisions within all European Union preferential trade agreements signed from 1960 to 2020, authors ascertain that the migration policy content of European Union preferential trade agreements demonstrates only a very limited extension or complementation of the objectives set by multilateral institutions. Instead, the predominant trend observed is one of substitution, wherein the European Union employs preferential trade agreements to advocate for migration policy objectives distinct from those established by existing multilateral institutions.

An intriguing subject is explored by Poletti A., Sicurelli D. and Yildirim A.B. (2021), focusing on the promotion of sustainable development through trade, European Union trade agreements, and global value chains. The authors assert that sustainable development provisions have become integral to the European Union's "new generation" of trade agreements. However, a burgeoning body of empirical research indicates significant variation in the content of these provisions, even within agreements signed with countries at similar levels of development. The authors contend that understanding this variation necessitates an examination of how the deepening economic integration between the European Union and individual developing countries through global value chains influences the internal policies of regulatory exports within the European Union. European firms engaged in global value chains depend on importing inputs from countries with lower labor costs. These companies often exhibit reluctance towards exports due to the regulatory burden that elevates the variable costs associated with their imports. The political mobilization of these entities weakens domestic coalitions that advocate for regulatory export strategies. This dynamic elucidates the rationale behind the European Union adopting a more lenient approach in incorporating sustainability provisions during negotiations on preferential trade agreements with certain developing countries.

The article authored by Ferrari A., Fiorini M., Francois J., Hoekman B., Lechner L.M., Manchin M. and Santi F. (2021) delves into European Union trade agreements and their alignment with non-trade policy objectives. The authors contend that the European Union's Common Trade Policy serves as a mechanism to uphold its values in trading partners, exemplified by the incorporation of sustainable trade and development chapters in the European Union's preferential trade agreements. The primary inquiry in this article revolves around whether the inclusion of non-trade provisions in the EU's preferential trade agreements consistently yields positive effects on non-trade outcomes in partner countries. Additionally, the authors scrutinize the interconnection between bilateral trade flows, the incorporation of non-trade provisions in the EU's preferential trade agreements, and the performance of the EU's partner countries across various non-trade outcome variables through the application of synthetic control methods. It is pertinent to highlight that the researchers did not discover compelling evidence substantiating the causal impact of including non-trade provisions in EU preferential trade agreements on the indicators of non-trade outcomes.

Dent C.M. (2021) has delved into a non-conventional subject matter, conducting a novel investigation into climate action within the context of free trade agreements, considering the interplay of trade, climate, and energy. The scholar notes that endeavors to address climate change are multifaceted, encompassing various domains, with trade emerging as an increasingly pivotal aspect of the global economy. Notably, in recent years, free trade agreements have evolved into the primary mechanisms shaping trade policy and diplomatic engagements. The aforementioned study scrutinizes the evolution of climate action measures within free trade agreements and assesses their potential impact on the efforts to combat climate change. The investigation relies on a comprehensive analysis of primary sources, focusing on an in-depth examination of free trade agreements in effect until 2020. The structure of the article revolves around a series of research questions, encompassing three primary and interconnected areas of study (Lopuschnyak *et al.* 2021). The first inquiry delves into the extent to which the provisions within free trade agreements are inherently rooted in the linkages between energy and climate change, forming an integral component of the broader trade, climate, and energy nexus. The second question centers on the specific types of climate action endorsed by free trade agreements and assesses the potential efficacy of the anticipated positive impacts resulting from these actions. Lastly, the third question explores whether trading partners advocate for particular climate norms within free trade agreements, identifying norm leaders, examining their motivations, and gauging the extent of their influence on other trading partners. Addressing these inquiries, the author provides novel insights and analyses into a potentially significant emerging trend within the nexus of trade, climate, and energy. Employing an international political economy approach and drawing on recent empirical research, the study contributes distinctively to interdisciplinary knowledge, fostering a fresh understanding of the intricate relationship between trade, climate action, and energy.

Generally, it can be observed that previous studies have not addressed issues such as the performance indicators of international trade agreements.

CONCLUSION

The paper delineates the principal functions and tasks of the World Trade Organization (WTO).

The Uruguay Round Agreements are crafted to secure trade equality, simplicity, and consistency in the regulations governing international trade policy. It is imperative to distinguish between the economic concepts of "effect" and "effectiveness". This paper has examined four interrelated components that enable the assessment of the effectiveness of foreign economic activity. To gauge the effectiveness of international trade agreements, indicators such as export and import efficiency, as well as the comparison of prices of export and import goods in domestic and foreign markets, based on the metrics of a specific international trade agreement, are employed.

The article delineates indicators for evaluating the efficiency of an industrial enterprise's export activity, including the export efficiency ratio, alternative export efficiency ratio, export profitability, and foreign exchange efficiency. The characteristics and formulas for calculating these indicators are presented.

The correlation between the economic constructs "efficiency of foreign economic transactions" and "efficiency of international trade agreements" warrants further investigation.

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