



THE EUROPEAN UNION FACES THE CRISIS OF THE WTO DISPUTE SETTLEMENT SYSTEM: TENSIONS BETWEEN MULTILATERALISM AND UNILATERALISM IN INTERNATIONAL TRADE LAW

The paper explores the reaction that the European Union has put in place in order to face the crisis of the Appellate Body, one of the pillars of the complex mechanism that governs the settlement of international trade disputes in the framework of the World Trade Organization (WTO). Objective of the Union's action is to preserve as much as possible the rule-based character of the system in a very difficult situation where multilateral trade relations based on shared and mutually accepted rules appear in jeopardy for the blockage of the appointment of AB members due to the U.S. government's veto. The European Union's initiative that led to the adoption of a *Multi-Party Interim Appeal Arbitration Arrangement* on March 27, 2020 was instrumental in preserving to the greatest extent possible the rule of law principles, especially the binding character of the dispute settlement system, the availability of two levels of adjudication, the independence and impartiality of the appellate review. The paper also considers the unilateral action of the Union, aimed at protecting the interests of European economic operators faced with a lack of certainty in the adjudication of international trade disputes. The paper argues that the WTO crisis is just a symptom of a much more diffuse disease of the international, multilateral and institutionalized legal system. In this difficult context the EU needs to be ambitious. It's appropriate and understandable that it enhances its unilateral firepower, but at the same time it must exercise at the maximum level the influence it derives from its unique experience as a legal system based on an integrated and multilevel approach to policy making and human rights protection.