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Introduction and Overview

The Uruguay Round is rightly regarded as having been the most ambitious, and most difficult, of all of the GATT Rounds so far. It may also turn out to be the last. The Agreement was seven years in the making, at the end of which the negotiators delivered a package which was certainly comprehensive and in some areas at least, possibly quite radical. As with previous Rounds, we will not really know what has been achieved for some years to come. It is only when new disciplines have been tried and tested, when liberalisation measures have been fully implemented and when the WTO is up and running that we can make unambiguous judgements about whether it was all worth it. Notwithstanding this, however, many features of the Agreement are sufficiently clear to permit analysis from the perspective of particular groups of countries which have particular interests or needs.

This report is directed at the interests of a particular group of countries with specific interests: namely the Commonwealth developing countries (CDCs). Although there have been some assessments of the Round from the perspective of developing countries, none has specifically addressed Commonwealth countries. This is a large group, 47 countries in total. It is also a very diverse group embracing least developed countries and NICs; small territories and large sub-continents; exporters of primary products and exporters of manufactures; low income and high income countries. They do, however, share one important thing in common: they are all members of the Commonwealth and as such share some common goals. This in itself gives the group an identity. Despite this, it is fairly obvious that their differences mean that they have fundamentally different interests in the outcomes of the Round. For this reason, in the analysis which follows, we will for some purposes categorise countries into three broad sub-groups: exporters of primary products; newly industrialising countries, or NICs; and new exporting countries. The first are straightforwardly classified according to their dependence on primary products. The second are countries like Hong Kong, Singapore, Taiwan and Korea, only one of which is a CDC. The third group, the 'new NICs', includes rather more CDCs: Malaysia and Mauritius being good examples. Even this may be too broad when cross-classified with Uruguay Round negotiating areas. However, for some issues it does provide a helpful organising framework.

Our assessment of the implications of the Agreements for CDCs is structured as follows. In Section 2 we contextualise the assessment in two ways: first by reviewing the main elements of the Agreements; second by providing an overview of the trade patterns and trade structures of developing countries in general and Commonwealth countries in particular. Liberalisation and market access is the focus of Section 3. There we evaluate the scope for improved access across all major product areas. Section 4 addresses the issue of the extent to which preferential access is eroded by the Agreements and the way in which changes in Special and Differential provisions may impact. Since all trade reforms involve adjustment pressures to some degree or other, Section 5 tries to identify these pressures and the extent to which transitional arrangements may help ameliorate them. Section 6 looks at the detail of the new issues agreements on services, TRIPs and TRIMs. Although in the short run these are not likely to be a major concern, they do have potentially important longer term implications. Many of the Uruguay Round Agreements involve systemic reforms. Indeed, arguably these are the really important issues from the standpoint of developing countries. We turn our attention to these in Section 7 where we look at constraints on domestic policy, the trade policy review mechanism and the WTO. Finally, Section 8 concludes.