1

Introduction

The Trade Policy Review Mechanism (TPRM) is a little-known but important activity of the World Trade Organization (WTO). Its purpose is to strengthen observance of WTO commitments and promote trade liberalization by providing all member countries with current and objective information about the trade policies and practices of each member individually and by establishing a forum within which members can question one another's policies and practices in a nonconfrontational manner. The TPRM accomplishes this through a series of formal reviews of each member country's trade policies, including its general adherence to WTO commitments. These reviews are held at regular intervals: each country is rereviewed after two, four, or six years or more, depending on its importance in world trade. This ongoing process of surveillance enhances the transparency of countries' trade regimes, and so contributes to the smoother functioning of the world trading system as a whole.

Since the TPRM was established in 1989 as one of the first fruits of the Uruguay Round of multilateral trade negotiations, some 80 trade policy reviews (TPRs) have been completed, covering nearly 60 countries. Some countries have been reviewed several times. Many countries still have not undergone review, but those reviewed to date account for 98 percent of the total trade of WTO members; most of the member countries still to be reviewed are either extremely small or extremely underdeveloped, or both.

A review of the TPRM itself is therefore timely. In light of eight years of experience with the process, it is fair to ask whether the TPRM is meeting the goals set for it at its inception. Are the reviews sufficiently probing and analytical to provide information of real value? Do they cover all rel-

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evant aspects of members' trade? Are they unbiased and objective? Does the WTO devote sufficient resources to the task of conducting the reviews—and to disseminating the information that they generate? Is the potential value of this information to those outside the trade negotiations process being realized?

This essay seeks to answer these questions and others. It begins by reviewing, in chapter 2, the history of the TPRM, the purposes for which it was established, and the value it offers for actual and potential users, both inside and outside the WTO. Chapter 3 describes the TPRM as it exists today: the process by which reviews are conducted, the formal report that is their final product, the WTO division that conducts the reviews—the Trade Policies Review Division (TPRD)—and the resources at its disposal, and the means by which the information gathered by the review process is distributed to a wider audience. Chapter 4 then assesses each of these various aspects of the TPRM, focusing mainly on the product—the published reviews—and the issues of resource adequacy and dissemination. Chapter 5 summarizes these assessments and offers some recommendations. Appendix A describes the principal alternative sources of information on countries' trade policies and practices, in particular the National Trade Estimates published by the United States. Appendices B and C present abridged documents relating to the TPRM published by the WTO itself: the first, from early 1997, is an outline description of the TPRM, the second is excerpted from an assessment of the TPRM presented at the Singapore Ministerial Conference in December 1996.

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