REFORM OF THE WTO DISPUTE SETTLEMENT SYSTEM: A DEVELOPING COUNTRY PERSPECTIVE

Janak De Silva *

ABSTRACT

The World Trade Organization (WTO) came into existence as an international organization at the end of the Uruguay Round of multilateral trade negotiations conducted within the framework of the General Agreement on Tariffs and Trade (GATT). The Dispute Settlement Body (DSB) was established by the Understanding on Rules and Procedures Governing the Settlement of Disputes (DSU) to administer the rules and procedures and the consultation and dispute settlement provisions of the agreements listed in Appendix 1 to the DSU. The DSU has been described as the “linchpin” or the “crown jewel” of the WTO trading system.

This article considers some modifications to the DSU from a developing country perspective and suggest amendments for the improvement of the DSU. From the point of view of enforcement the author contends that collective action by the Members is necessary. Since the WTO dispute settlement system is described as a central element in providing security and predictability to the multilateral trading system, a continuing violation of a Members obligation certainly does not augur well for the security of the whole system. There is a moral and political responsibility on the part of the Members to ensure the implementation of the recommendations.

*BCL (Oxon), LL.M. (Lond.), Visiting Lecturer in International Economic Law and Regulation of International Trade at the Sri Lanka Law College, Senior State Counsel at the Attorney General’s Department of Sri Lanka.