One of the aims of the Uruguay Round negotiations is to "strengthen the role of GATT, improve the multilateral trading system based on the principles and rules of the GATT, and bring about a wider coverage of world trade under agreed, effective and enforceable multilateral disciplines".

This implies that when the parties to the negotiations develop suitable rules and disciplines, they should be prepared to modify the current dispute settlement system to ensure that the results of the negotiations are implemented in an appropriate manner.

A number of procedural improvements are already provisionally in place; they stem from the agreements adopted during the Mid-Term Review.

Accomplishing the objectives set at Punta del Este for all the sectors included in the negotiations would make it possible not only to definitively adopt the improvements mentioned above, but also to supplement them with a substantially improved dispute settlement system capable of maintaining the balance of rights and obligations achieved. Such a balance would require clear rules applying to all the parties to the Agreement, with due account taken of their level of development. This would also entail eliminating the grandfather clause and either eliminating the derogations which currently operate or making them subject to more stringent rules, such as those put forward by the Community. It goes without saying that a substantial improvement can only be achieved if the parties give an unequivocal and irreversible undertaking to fully respect the commitments they have made in connection with the Agreement and its Codes, and to bring their legislation into line with the obligations concerned. This means notably that all parties will have to refrain from unilateral measures which are incompatible with a multilateral approach to the settlement of disputes.

By these means and by subscribing to the results of the negotiations, the parties would also be able to adopt a stronger dispute settlement system.