The Uruguay Round Agreement on Agriculture established new trade rules in agriculture and imposed constraints on border protection. The binding of tariffs improved market access by removing some uncertainty on tariff levels. However, agricultural tariffs remain complex, and are often higher than those in other sectors. There are concerns about the implementation of the tariff rate quota system and the use of the special safeguard duties.

In this paper the authors provide a “guided tour” of the main empirical and conceptual issues faced by practitioners who attempt to assess the degree of market access, and how this access will be improved by the various proposals made during the ongoing negotiations.

Market access is a major bone of contention in the ongoing multilateral trade negotiations on agriculture. Countries with a comparative advantage in agriculture, namely the Cairns group and some developing countries, find it unacceptable that trade in manufacturing goods has been liberalized while most OECD countries have maintained considerable restrictions on imports of agricultural and food products. They will resist further trade liberalization in industrial sectors and services unless some major improvement on market access in agriculture is part of the deal.

Negotiations on agriculture require measuring the degree of openness of agricultural markets. One objective is to make comparisons across sectors and countries during the negotiations. It is also important to assess how market access has changed over time, after an agreement, or under a scenario of a future agreement, say the decision of using such or such tariff reduction formula.

Trade policies have impacts in several dimensions and need different measures in order to be quantified. The effect of trade policies on welfare is a major issue that measures of trade restrictiveness address. Another issue of particular interest for policy makers is how trade flows will change (or have changed) because of the agreement. These are perhaps the most quoted results in the political debate. Market access indicators can also be included in general equilibrium models for simulation purposes. Such models can shed light on the effect of trade liberalization on income and growth and (with more difficulties) on income distribution. The bottom-line is that there is not one single indicator of market access, the different measures will depend on the objective and each of them will capture different aspects.

To this end, the second part of the paper provides an overview of the main proposals concerning market access submitted in the present negotiations, as well as a quantitative assessment of possible tariff reduction commitments. The 2000 tariff structure is taken as the starting point and attempts to assess how much liberalization in agriculture would be achieved in the European Union, Japan, Canada and the United States as a result of the present negotiations. The effect of the proposals on both welfare and market access in a partial equilibrium setting are assessed. The present levels of the welfare and market access tariff equivalents are compared with “realistic” cases, resulting from the implementation of tariff-cutting formulas discussed in the present negotiations.

In spite of a 36% cut in agricultural and food tariffs decided during the Uruguay Round, it is widely accepted that little improvement in market access actually took place. The reason is the many technicalities that have made it possible to get around the spirit of the Uruguay Round discipline. The authors suggest some guidelines in order to avoid a similar "dilution" of future commitments in the ongoing round of negotiations, such as establishing tariff schedules at the 6 digit level of the Harmonized system of classification.

Among the various proposals for tariff reductions, simulations on the basis of trade restrictiveness indexes suggest that the Harbinson proposal of cuts under various tariff "bands" is a balanced one. The mercantilistic trade indexes show that the resulting degree of market openness is significant. Nevertheless, the problem of the erosion of preferences for developing countries that presently benefit from preferential agreements is not addressed by any of the tariff reduction formulas that have been included in the various proposals.