CHRONOLOGY

GLOSSARY

ACRONYMS

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The third edition of *The Language of Trade* contains a glossary of trade terminology, a list of acronyms used in international trade, and a chronology of major events in international trade since 1916. It updates, revises, and expands the second edition of *The Language of Trade*, which was published in 1993.

The third edition was prepared for the Department of State by Merritt R. Blakeslee and Carlos A. Garcia of Gibson, Dunn & Crutcher LLP, Washington, D.C.

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Written for the U.S. Department of State by Merritt R. Blakeslee and Carlos A. Garcia

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Office of International Information Programs
U.S. Department of State

CHRONOLOGY OF MAJOR DEVELOPMENTS
AFFECTING U.S. TRADE POLICY

1916	The U.S. Tariff Commission is established.
1917	The Trading With the Enemy Act is passed by the U.S. Congress.
1923	The United States formally adopts the unconditional most-favored-nation principle as a cornerstone of its trade policy, after having applied conditional most-favored-nation treatment in its trade relations since 1789.
1930	The Hague Conference establishes the Bank for International Settlements.
	The Tariff Act of 1930 (the Smoot-Hawley Act) is passed, raising tariff rates on most goods imported into the United States and authorizing the U.S. Tariff Commission to investigate and issue reports on any matters relating to trade.
1933	The Agricultural Adjustment Act authorizes the U.S. president to impose quantitative restrictions on imports of agricultural products affecting U.S. government price support programs.
	The Buy American Act is passed, mandating preferences for U.S. domestic products or products of certain U.S. trading partners in U.S. federal procurements.

1934	The First Reciprocal Trade Agreements Act is passed. It is later extended by further acts of the U.S. Congress until all of these are superseded by the Trade Expansion Act of 1962. These acts provide authority for the U.S. president to reduce tariffs through bilateral negotiations and the GATT multilateral trade negotiations. The Export-Import Bank is created by Executive Order to aid in financing and facilitating U.S. exports. Additional aims include the promotion of trade between the United States and the Soviet Union, and assistance to U.S. companies in participating in the reconstruction of Europe and Asia.
1938	The Foreign Agents Registration Act is passed.
1944	The Bretton Woods Conference is held in the U.S. state of New Hampshire, leading to the creation of the International Monetary Fund and the International Bank for Reconstruction and Development (the World Bank).
1945	The World Bank is established.
1946	The first session of the Preparatory Committee of the United Nations Conference on Trade and Employment is held. Conferees consider a draft charter, submitted by the United States, for an International Trade Organization. The International Monetary Fund (IMF) is established.
1947	The first draft of the General Agreement on Tariffs and Trade (GATT 1947) is concluded and signed. The Marshall Plan is established to aid war-torn European economies. Administered by the Economic Cooperation Administration and the Organization for European Economic Cooperation, the program distributes $13,000 million of U.S. aid to 16 European countries before it ends in 1952.
1947-48	The first round of GATT trade negotiations is held in Geneva, Switzerland.
1949	The second round of GATT trade negotiations is held in Annecy, France. The North Atlantic Treaty Organization (NATO) is established, committing 12 Western nations to a mutual defense alliance. The Coordinating Committee for Multilateral Export Controls (COCOM) is established to coordinate policies restricting exports of products of potential strategic value to the Soviet Union and other communist countries.
1950	The Customs Cooperation Council is established. It is renamed the World Customs Organization in 1994.

1950-51	The third round of GATT trade negotiations is held in Torquay, England.
1951	The Schuman Plan establishes the European Coal and Steel Community, a common market in Europe for coal and steel.
1952	The Agreement on the Importation of Educational, Scientific, and Cultural Materials (Florence Agreement) enters into force.
1954	The Agricultural Trade Development and Assistance Act of 1954 is passed to promote the foreign distribution of U.S. agricultural products.
1956	The fourth round of GATT trade negotiations is held in Geneva, Switzerland.
1957	The Treaty of Rome creates the European Economic Community.
1960	The Stockholm Convention establishes the European Free Trade Association. The International Development Association is established as a World Bank affiliate.
1960-62	The fifth round (Dillon Round) of GATT trade negotiations is held in Geneva, Switzerland.
1961	President John F. Kennedy establishes the U.S. Agency for International Development. The Organization for Economic Cooperation and Development (OECD) is formed, replacing the Organization for European Economic Cooperation, with the goal of enabling developed nations of the West to review international economic issues and to coordinate their trade, investment, and development policies. The European Economic Community establishes its Common Agricultural Policy (CAP).
1962	The U.S. Trade Expansion Act provides authority for U.S. participation in the Kennedy Round of GATT trade negotiations and authorizes reductions of up to 50 percent on most items in U.S. tariff schedules on a reciprocal basis. The act also establishes the office of the president's Special Representative for Trade Negotiations.
1963-67	The sixth round (Kennedy Round) of GATT trade negotiations is held in Geneva, Switzerland. These negotiations produce tariff reductions, an antidumping code, and the International Wheat Agreement. The concept of special and differential treatment is introduced.
1964	The first United Nations Conference on Trade and Development (UNCTAD-I) is held in Geneva, Switzerland.

1968	The second UN Conference on Trade and Development (UNCTAD-II), held in New Delhi, India, approves a Generalized System of Preferences (GSP) for exports from developing countries.
1969	The Andean Pact is established with the goals of creating a regional free trade area and encouraging economic growth. The Export Administration Act is enacted.
1970	The United International Bureaux for the Protection of Intellectual Property becomes the World Intellectual Property Organization. WIPO continues BIRPI's work of administering the Paris and Bern Conventions protecting intellectual property rights.
1971	The Williams Commission report to the U.S. president recommends a U.S. initiative for a major round of trade negotiations.
1972	The third UN Conference on Trade and Development (UNCTAD-III) is held in Santiago, Chile.
1973	President Richard Nixon proposes a trade bill to authorize U.S. participation in a major round of GATT trade negotiations. The Tokyo Declaration formally initiates a major round of multilateral trade negotiations within the framework of the GATT. The Tokyo Round focuses on eliminating nontariff barriers restricting nonagricultural trade and on improving the access of developing nations to foreign markets. The Kyoto Convention is established to harmonize national customs procedures on a global basis.
1974	The Trade Act of 1974 is passed by the U.S. Congress. This legislation also authorizes the first Generalized System of Preferences arrangement, requires the president’s Special Trade Representative to prepare the annual National Trade Estimate Report, authorizes U.S. participation in the Tokyo Round, and changes the U.S. Tariff Commission to the U.S. International Trade Commission. The Multi-Fiber Arrangement goes into force, permitting quantitative restrictions on textile imports that would otherwise violate GATT requirements. The MFA is replaced in 1995 by the Agreement on Textiles and Clothing, which will be phased out by 2005.
1975	The Lomé Convention is signed. The European Community agrees to provide financial and technical assistance to African, Caribbean, and Pacific nations and to implement tariff preferences for many of their products.

1976	The fourth UN Conference on Trade and Development (UNCTAD-IV), held in Nairobi, Kenya, launches the Integrated Program for Commodities.
1977	The Downing Street Summit Meeting in London approves accelerated efforts to conclude the Tokyo Round. The International Emergency Economic Powers Act extends emergency powers granted to the U.S. president by the Trading With the Enemy Act.
1979	Participating governments initial agreements negotiated during the Tokyo Round. The fifth UN Conference on Trade and Development (UNCTAD-V) is held in Manila, Philippines. The Trade Agreements Act of 1979 authorizes implementation of agreements negotiated during the Tokyo Round and amends the GSP. It also renames the Office of the Special Trade Representative the Office of as the U.S. Trade Representative. The Export Administration Act of 1979 is passed, allowing the U.S. president to control exports of certain U.S. goods and technical data.
1981	The United Nations Conference on the Least Developed Countries is held in Paris, France.
1982	A ministerial meeting at GATT headquarters in Geneva, Switzerland, identifies a GATT work program for the 1980s focusing on barriers to agricultural trade, services, and obstacles to developing country exports. The Caribbean Basin Initiative is established. The Export Trading Company Act is enacted.
1983	The Williamsburg Summit Meeting agrees to consultations on a new round of GATT trade negotiations and on conditions for improving the international monetary system. The sixth UN Conference on Trade and Development (UNCTAD-VI) is held in Belgrade, Yugoslavia. The International Convention on the Harmonized Commodity Description and Coding System (Harmonized System) is approved by the Customs Cooperation Council; it enters into force in 1988.

1985	The United States and Israel enter into a free trade area agreement. Finance ministers and central bankers of the G-5 agree to force down the U.S. dollar's value relative to other currencies to reduce the U.S. trade deficit (the Plaza Accord). The Export Enhancement Program is established to subsidize U.S.-produced agricultural products sold on world markets.
1986	Ministers from 74 nations meet at Punta del Este, Uruguay, to initiate the Uruguay Round, a new round of GATT trade negotiations. Spain and Portugal join the European Community.
1987	The Single Act of the European Community is signed, further deepening European integration.
1988	U.S. President Ronald Reagan and Canadian Prime Minister Brian Mulroney sign the United States-Canada Free Trade Agreement. A midterm review of the Uruguay Round is held in Montreal (the Montreal Ministerial). Frameworks to complete Uruguay Round negotiations are reached in most negotiating areas, except for agriculture, intellectual property, textiles, and safeguards. The Montreal Protocol is also negotiated to phase out the use of ozone-damaging chemicals, permitting the use of trade sanctions to enforce its provisions. The Omnibus Trade and Competitiveness Act is enacted. It authorizes substantial revisions in U.S. trade laws in such areas as international trade agreements, antidumping and countervailing duty law enforcement, intellectual property rights, trade adjustment assistance, tariff schedule adjustments, export promotion activities, and international debt, and it makes significant changes to Section 301. The United States signs the Bern Convention.
1989	The United States implements the Harmonized Tariff System, replacing the Tariff Schedules of the United States. The Asia-Pacific Economic Cooperation (APEC) forum is established. Initial membership includes Australia, Brunei, Canada, Indonesia, Japan, South Korea, Malaysia, New Zealand, the Philippines, Singapore, Thailand, and the United States.

1990	U.S. President George Bush announces the Enterprise for the Americas Initiative, a plan to create a new economic relationship with Latin America. A December ministerial (the Brussels Ministerial) brings the Uruguay Round near collapse.
1991	Canada, Mexico, and the United States initiate negotiations on the North American Free Trade Agreement (NAFTA). The Andean Trade Preference Act is enacted. GATT Director General Arthur Dunkel issues the Draft Final Act of the Uruguay Round. MERCOSUR (Southern Common Market) is formed by Argentina, Brazil, Paraguay, and Uruguay. The Super 301 provision of the Omnibus Trade Act of 1988 expires. APEC admits the People's Republic of China, Chinese Taipei, and Hong Kong.
1992	NAFTA negotiations conclude: Canada, Mexico, and the United States agree to remove all tariffs on trade, to reduce barriers to trade in services, to remove restrictions on foreign investment, and to protect intellectual property. The International Telecommunication Union (originally created in 1865) is re-formed to create three sectors (radio communications, telecommunication standardization, and development), integrating functions previously carried out by other multinational telecommunication organizations.
1993	The U.S. Congress approves NAFTA, and President Bill Clinton signs the implementing legislation, the North American Free Trade Agreement Implementation Act, ensuring the free flow of goods between the United States, Canada, and Mexico. President Clinton hosts the first leaders' meeting in connection with an APEC ministerial. Founded in 1989 with 12 members, by 1993 APEC consists of Australia, New Zealand, the United States, Canada, Japan, South Korea, Thailand, Malaysia, Indonesia, the Philippines, Singapore, Brunei Darussalam, the People's Republic of China, Taiwan, Hong Kong, Mexico, and Papua New Guinea. More than 110 countries reach agreement on a new trade accord, completing the Uruguay Round and seven years of negotiations. The Treaty on European Union (the Maastricht Treaty) enters into force after ratification by the 12 European Economic Community

	members. The European Union, consisting of all EEC members, is established. A monetary union is planned for 1999. Provisions on instituting a common foreign and security policy and cooperation in the areas of home affairs and justice are adopted.
1994	The European Economic Area is inaugurated, creating the world's largest trading bloc. Negotiations to admit Austria, Sweden, Finland, and Norway to the European Union conclude in Brussels. Referendums to enter the European Union pass in Austria, Sweden, and Finland, but a referendum in Norway fails. The Uruguay Round agreements are signed in Marrakesh, Morocco. The Super 301 provision of the Omnibus Trade and Competitiveness Act is reinstituted by Presidential Executive Order No. 12901. The Uruguay Round Agreements Act is enacted. The APEC Summit is held in Indonesia, and the Bogor Declaration of Common Resolve is issued. It states that industrialized member nations will open their economies to free trade and investment by 2010, developing member nations by 2020. Chile is admitted to APEC. The Summit of the Americas is held in Miami. Negotiations begin to create the "Free Trade Area of the Americas" by 2005 to encompass 34 Western Hemisphere nations.
1995	The World Trade Organization is inaugurated in Geneva, Switzerland, subsuming previous GATT accords into an international trade organization authorized to resolve trade disputes among members and to continue work toward lowering trade barriers and standardizing rules. Austria, Finland, and Sweden become members of the European Union. The European Commission and Council of Ministers implement steps leading toward the adoption of a single currency on January 1, 1999. The APEC Summit is held in Japan. China agrees to reduce its import tariffs by 30 percent beginning in 1996. The Osaka Action Agenda establishes "three pillars" to realize free trade and investment among APEC members: trade and investment liberalization, trade and investment facilitation, and economic and technical cooperation.

The Wassenaar Arrangement succeeds COCOM to coordinate policies restricting dual-use goods and technologies and the spread of conventional weapons.

1996 The APEC Summit is held in the Philippines. The Manila Action Plan is adopted, incorporating individual member action plans and collective activities of all APEC members to achieve Bogor deadlines.

The first WTO Ministerial Meeting is held in Singapore. Three working groups are established to continue negotiations on trade and investment, trade and competition policy, and government procurement. The Information Technology Agreement, to cut tariffs on computer hardware and software products and telecommunications goods and services by 2000, is concluded.

1997 The Basic Telecommunications Agreement is reached under WTO auspices. Forty nations responsible for 92 percent of world trade in this area sign a pact to eliminate import duties and other trade barriers for telecommunications products by 2000-2005. Sixty-nine governments agree to further liberalization in the telecommunications arena.

The Treaty of Amsterdam establishes the framework for expansion of the European Union to include Eastern European nations. In December, Poland, Hungary, the Czech Republic, Slovenia, Estonia, and Cyprus are invited to begin membership negotiations. Later talks are planned with Lithuania, Latvia, Slovakia, Romania, and Bulgaria.

The Asian economic crisis erupts as Indonesian, South Korean, and Thai currencies are devalued. Across Asia, banks and other businesses fail, and unemployment and prices rise sharply.

Negotiations to review and expand the Information Technology Agreement begin under WTO auspices. The "ITA-II" negotiations also encompass nontariff barriers to trade in information technology products.

Renewal of the president's "fast-track" trade negotiating authority fails to pass the U.S. Congress.

The APEC Summit is held in Vancouver, Canada. APEC members adopt an "early voluntary sectoral liberalization" initiative to open markets in 15 sectors, nine by the end of 1998.

The Super 301 provision of the Omnibus Trade and Competitiveness Act of 1988 expires for a second time.

The WTO dispute settlement body rules that the European Union's regime governing the importation of bananas violates international trade rules.

1998 The WTO dispute settlement panel issues a report on a U.S. complaint concerning a Canadian ban on certain imported periodicals and associated tax on foreign periodicals printed in Canada with Canadian-specific advertising ("split-run editions"). The WTO rules that Canada's ban on such periodicals violates Canada's WTO obligations under the GATT and the GATS to provide like treatment to like products.

The WTO dispute settlement panel issues report on a U.S. complaint concerning the Japanese film and photographic paper sector. The WTO rules that Japanese government policies and practices do not close its market to foreign imports of film and photographic paper.

The WTO dispute settlement appeals process affirms a previous WTO ruling that the European Union's import ban on meat produced using growth-promoting hormones is inconsistent with the obligations of the European Union under the WTO Agreement on the Application of Sanitary and Phytosanitary Measures.

The European Central Bank is established.

The Second Summit of the Americas is held in Santiago, Chile. Dates are set for further trade negotiations to establish a hemispheric free trade area, focusing on agriculture, antidumping, dispute settlement, government procurement, intellectual property, investment, market access, services, and subsidies.

The second WTO Ministerial Meeting is held in Geneva, Switzerland. The Declaration on Global Electronic Commerce is issued, and a work group is established to discuss trade and global electronic commerce.

The WTO dispute settlement appellate body rules against the U.S. ban on imported shrimp from countries not certified as using sea turtle extraction devices.

The European Union and the United States adopt the Transatlantic Economic Partnership action plan. The plan initiates both a bilateral and multilateral approach to trade negotiations between the European Union and the United States, incorporating bilateral negotiations on nontariff barriers, services, government procurement, intellectual property, agriculture, labor, and electronic commerce within the broader multilateral framework of the WTO.

Trade tensions between the European Union and the United States escalate as the United States plans to retaliate against European rules concerning banana imports scheduled to enter into force in January 1999.

The APEC summit is held in Kuala Lumpur, Malaysia. APEC members agree to lower tariffs and other trade barriers in nine sectors identified in Vancouver's "early voluntary sectoral liberalization" initiative. Additional market-opening is begun in the auto, oilseed, food, civil aircraft, fertilizer, and rubber sectors. Peru, Russia, and Vietnam become full APEC members.

1999

The euro is adopted as the single currency unit for all European Union members except for Britain, Sweden, Denmark, and Greece. Exchange rates for participating European Union currencies are fixed against the euro, and all public debt for the countries is now denominated in euros. Either national currencies or euros may be used in electronic transactions, though euro notes and coins will only begin to circulate in 2002. The European System of Central Banks is established.

The European Union's Treaty of Amsterdam enters into force.

The Super 301 provision of the Omnibus Trade and Competitiveness Act is reinstituted by presidential executive order.

The Asian economic crisis begins to ameliorate as South Korean and Japanese economies improve.

The U.S. Court of International Trade rules against a U.S. proposal to allow the importation of shrimp from countries not certified as using turtle extraction devices on a "shipment-by-shipment" basis. The United States must now reconcile its requirement that imported shrimp be "turtle-safe" with the 1998 WTO ruling that the U.S. ban on such shrimp violates its WTO obligations.

The WTO dispute settlement panel determines that the European Union's proposed rules for importation of bananas, intended to meet objections raised by a 1997 WTO dispute settlement panel, still violate WTO obligations. The European Union and the United States begin negotiations to modify the EU banana regime to comply with WTO requirements.

The European Union threatens to ban imports of beef from the United States unless they are shown to be free from growth-promoting hormones.

The third WTO Ministerial Meeting is held in Seattle, Washington. Those attending fail to reach agreement on a new negotiating agenda.

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INTERNATIONAL INFORMATION PROGRAMS

CHRONOLOGY

GLOSSARY

ACRONYMS

A B C D E F G H I J K L M N O P Q R S T U V W X Y Z

— A —

- Access, Market
- Access to Supplies
- Accession
- ACP Countries
- Across-the-Board Tariff Reductions
- ACTPN
- Ad Valorem Equivalent
- Ad Valorem Tariff
- Additionality
- Adjustment
- Adjustment Assistance
- Adjustments
- Administrative Review
- Advanced Developing Countries
- Advertising
- Advisory Committee for Trade Policy and Negotiations (ACTPN)
- African Growth and Opportunity Act (AGOA)
- Agency for International Development (USAID)
- Agreement on Agriculture
- Agreement on the Application of Sanitary and Phytosanitary Measures (SPS)
- Agreement on Government Procurement (GPA)
- Agreement on Technical Barriers to Trade (TBT)
- Agreement on Textiles and Clothing (ATC)
- Agreement on Trade in Civil Aircraft
- Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS)
- Agreement on Trade-Related Investment Measures (TRIMS)
- Agricultural Adjustment Act of 1933
- Agricultural Trade Development and Assistance Act of 1954
- AID
- Aircraft Agreement
- Aircraft Code
- Andean Pact
- Antiboycott Legislation
- Antidumping Duties
- Antitrust
- APEC
- Apparel
- Appraisal
- Arbitration
- Article 2 (GATT Article II)
- Article 15 (GATT Article XV)
- Article 22

ACCESS, MARKET — See *Market Access*.

ACCESS TO SUPPLIES — See *Supply Access*.

ACCESSION — The process of adhering to a legal instrument such as a bilateral or multilateral agreement or a treaty. In the case of the World Trade Organization, the prospective WTO member submits a communication to the director general of the WTO indicating its desire to accede to the WTO under Article XII of the WTO Agreement. A working party is then established to examine the application for accession. Any member of the WTO may join the working party. The prospective member is required to respond to a series of inquiries by the working party as it examines the prospective member's trade regime. Once this examination is sufficiently advanced, the prospective member enters into accession negotiations with the working party to determine the concessions (trade liberalization) or other specific obligations it must undertake before accession is concluded. The draft Protocol of Accession prepared by the working party contains the terms of accession agreed to by the prospective member and the working party. After negotiations have been concluded, a package of documents setting forth the working party's report, the draft protocol, and a schedule of specific commitments is submitted for approval to the WTO Council/Ministerial Conference. The Protocol of Accession enters into force once the General Council/Ministerial Conference adopts the package. Thirty days after the protocol is accepted by the applicant, it becomes a WTO member. See also*Concession*; *Contracting Party*; *Grandfather Clause*; *Protocol of Accession*; *World Trade Organization*.

ACP COUNTRIES — African, Caribbean, and Pacific countries associated with the European Community under the Lomé Convention. See also *Developing Countries*; *European Community*; *European Union*; *Lomé Convention*; *Reverse Preferences*; *Tropical Products*.

ACROSS-THE-BOARD TARIFF REDUCTIONS — See *Linear Reduction of*

Tariffs.

ACTPN — See *Advisory Committee for Trade Policy and Negotiations*.

AD VALOREM EQUIVALENT — The duty collected under a specific tariff or a compound tariff expressed as a percentage of the value of the imported item. Since a specific tariff is calculated on the basis of units (of volume or weight), rather than value, and since prices can change over time, the ad valorem equivalent could differ when calculated for different time periods. See also *Ad Valorem Tariff*; *Compound Tariff*; *Specific Tariff*.

AD VALOREM TARIFF — A tariff calculated "according to value," or as a percentage of the value of goods cleared through customs; for example, 15 percent ad valorem means 15 percent of the value of the entered merchandise. See also *Specific Tariff*; *Tariff*; *Valuation*.

ADDED-VALUE TAX — See *Value-Added Tax*.

ADDITIONALITY — A measure of the net increase in capital inflows into assisted developing countries as contrasted with a diversion from one form or target of development assistance to another. See also *Bilateral Aid*; *Economic Development*; *Multilateral Aid*; *Official Development Assistance*; *Soft Loan*; *Transfer Payments*.

ADJUSTMENT — The process of adaptation in an economy that is triggered, for example, by technological developments, changes in demand, or shifting external trade patterns. The changes may involve a reallocation of labor and capital away from uncompetitive products or sectors and into new or other lines of production in which the economy is competitive. In the specific sense used by the International Monetary Fund, adjustment means the adoption of macroeconomic policies, including monetary, fiscal, and exchange rate policies, to adjust the level of domestic economic activity to conditions prevailing in the world economy, with the objective of correcting balance-of-payments disequilibria and pursuing domestic objectives such as lower inflation. See also *Adjustment Assistance*; *Balance of Payments*; *Competitive*; *Conditionality*; *Devaluation*; *International Monetary Fund*; *Safeguards*; *Structural Change*; *Technology*.

ADJUSTMENT ASSISTANCE — Financial, technical, or other assistance to firms, workers, and communities to help them cope with difficulties arising from increased import competition or other changes in the economic environment. The objective of the assistance is usually to help an industry to become more competitive in the same line of production or to move into other economic activities. The aid to workers can take the form of training (to qualify the affected individuals for employment in new or expanding industries), relocation allowances (to help them move from areas characterized by high unemployment to areas where employment may be available), or unemployment compensation (to tide them over while they are searching for new jobs). The aid to firms can take the form of loans or guarantees of loans, tax benefits or other assistance. The benefits of increased trade to an importing country generally exceed the costs of adjustment, but the benefits are widely shared and the adjustment costs are sometimes narrowly — and some would say unfairly — concentrated on a few domestic producers and communities. Both import restraints and adjustment assistance can be designed to reduce these hardships, but adjustment assistance — unlike import restraints — allows the economy to enjoy the full benefits of lower-cost imported goods. Adjustment assistance can also be designed to facilitate structural shifts of resources from less productive to more productive industries, contributing further to greater economic efficiency and improved standards of living. See also *Adjustment*; *Agreement on Safeguards*; *Agreement on Textiles and Clothing*; *Article 19 (GATT Article XIX)*; *Codes of Conduct*; *Competitive*; *Concession*; *Escape Clause*; *Market Access*; *Protectionism*; *Quantitative Restrictions*; *Section 201*; *Structural Change*; *Trade Act of 1974*.

ADJUSTMENTS — In calculating the margin in an antidumping determination, modifications made to both the U.S. price and the normal value to ensure that price comparisons between the two are not distorted by factors extraneous to the central issue of price discrimination between markets. Differences in price for which adjustments are made include differences in physical characteristics, quantities sold, packing and delivery costs, circumstances of sale, and applicable indirect taxes and duties. See also *Agreement on Implementation of Article VI of GATT 1994*; *Anti-Dumping Code*; *Dual Pricing*; *Dumping*; *Market Disruption*; *Normal Value*; *Uruguay Round Agreements Act*.

ADMINISTRATIVE REVIEW — A review that may be conducted by the U.S. Department of Commerce, 12 months after an antidumping or countervailing duty order is issued in an investigation, to determine whether entries should be liquidated at the duty rate specified in the order — which is, in effect, an estimate of the final duty rate — or at a different rate. Thereafter, annual reviews may be conducted on request to determine whether the existing duty rate should be modified. Under certain circumstances, the Department of Commerce may determine, on the basis of a series of administrative reviews, that an order should be revoked entirely. See also *Countervailing Duties*; *Dumping*; *Liquidation*; *Sunset Review*; *Suspension of Liquidation*.

ADVANCED DEVELOPING COUNTRIES — See *Developing Countries*; *Newly Industrializing Countries*.

ADVERTISING — See *Services*.

ADVISORY COMMITTEE FOR TRADE POLICY AND NEGOTIATIONS (ACTPN) — A group of eminent individuals appointed by the U.S. president to advise him on trade agreements and trade policy. See also *United States Trade Representative*.

AFRICAN GROWTH AND OPPORTUNITY ACT (AGOA) — Title I of the Trade and Development Act of 2000, which institutionalizes a process for strengthening U.S. relations with African countries and provides incentives for African countries to achieve political and economic reform and growth. The act offers designated beneficiary countries in sub-Saharan Africa duty-free and quota-free U.S. market access for essentially all products through the Generalized System of Preferences (GSP) program, provides additional security for investors and traders in African countries by ensuring GSP benefits for eight years, and eliminates the GSP competitive needs limitation for African countries. In addition, the act establishes a U.S.-sub-Saharan Africa Trade and Economic Cooperation Forum to facilitate regular trade and investment policy discussions, and it promotes the use of technical assistance to strengthen economic reforms and development, including assistance to strengthen relationships between U.S. firms and firms in sub-Saharan Africa. See also *Generalized System of Preferences*.

AGENCY FOR INTERNATIONAL DEVELOPMENT (USAID) — The unit within the U.S. government responsible for the administration of U.S. bilateral development assistance programs. USAID also participates actively in the development of other U.S. policies and programs related to Third World economic development. See also *Bilateral Aid*; *Developing Countries*; *Economic Development*; *Official Development Assistance*.

AGREEMENT ON AGRICULTURE — A WTO agreement establishing rules and commitments to ensure a fair and market-oriented system for trade in agricultural goods and products. The Agreement on Agriculture consists of rule-based commitments, as well as specific quantitative commitments to reduce protection and support of agricultural goods and products over a specified implementation period. Commitments assumed by members cover the following areas: market access in the agricultural goods and products sector; members' support of their own domestic producers; export competition; adherence to certain rules; the developmental needs of certain countries, such as net-food-importing developing countries; food security; and environmental protection. The products covered under this agreement are those listed in chapters 1 to 24 of the Harmonized Commodity Description and Coding System (HS), including hides and skins, certain animal or vegetable fibers, and other products, but excluding fish and fish products. See also *Agreement on the Application of Sanitary and Phytosanitary Measures*; *Agreement on Technical Barriers to Trade*; *Harmonized System*; *Quantitative Restrictions*; *Standards*; *Uruguay Round*; *World Trade Organization*.

AGREEMENT ON THE APPLICATION OF SANITARY AND PHYTOSANITARY MEASURES (SPS) — A WTO agreement establishing a set of rules, principles, and benchmarks for WTO members to ensure that sanitary and phytosanitary trade measures are justified and do not constitute disguised barriers to international trade. This agreement clarifies which factors a member may take into account when imposing health protection measures. Unlike the Agreement on Agriculture, the SPS Agreement does not impose any quantitative and legally binding schedules of concessions. Prior to the negotiation of the SPS Agreement, many food safety, animal, and plant health regulations fell within the scope of the 1979 Agreement on Technical Barriers to Trade (TBT), also called the Standards Code. The SPS Agreement complements the new WTO Agreements on Agriculture and on Technical Barriers to Trade by addressing measures to protect human, animal, and plant life and health. See also *Agreement on Agriculture*; *Agreement on Technical Barriers to Trade*; *Nontariff Barriers*; *Quarantine, Sanitary, and Health Laws and Regulations*; *Standards*; *Uruguay Round*; *World Trade Organization*.

AGREEMENT ON GOVERNMENT PROCUREMENT (GPA) — A WTO agreement that went into effect on January 1, 1996, replacing the 1979 GATT Government Procurement Code. The GPA is one of four plurilateral nontariff barrier agreements concluded during the Uruguay Round of multilateral trade negotiations. As a plurilateral, rather than a multilateral, WTO agreement, the GPA is binding only on members that have acceded to it, not on WTO members generally. The 26 signatories are: Aruba; Canada; European Union — Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, Netherlands, Spain, Portugal, Sweden, and the United Kingdom; Hong Kong; Israel; Japan; South Korea; Liechtenstein; Norway; Singapore; Switzerland; and the United States. South Korea did not assume obligations until January 1997. The purpose of this agreement is to further open up government procurement markets to international competition. Among other things, GPA signatories are required to waive all discriminatory government procurement policies for GPA-covered purchases unless otherwise set out in their respective schedules. The GPA also requires each signatory to provide nondiscriminatory, timely, transparent, and effective bid challenge procedures to allow interested suppliers to challenge alleged violations of the GPA's procedures. The GPA prohibits the use of offsets in the qualification or selection of suppliers or the evaluation of tenders or the award of contracts unless a signatory specifically negotiates an exception in its schedule. See also *Agreement on Technical Barriers to Trade*; *Codes of Conduct*; *Conditional Most-Favored-Nation Treatment*; *Discrimination*; *General Agreement on Tariffs and Trade*; *General Agreement on Trade in Services*; *Government Procurement Policies and Practices*; *Multilateral Agreement*; *Nontariff Barriers*; *Tokyo Round*; *Trade Agreements Act of 1979*; *Targeting*; *Transparency*; *Uruguay Round*; *World Trade Organization*.

AGREEMENT ON IMPLEMENTATION OF ARTICLE VI OF GATT 1994 — A WTO agreement resulting from the Uruguay Round that implements Article VI of GATT 1994, the set of antidumping rules that gives member countries the right to defend themselves against dumped imports while preserving proportionality and avoiding abuse. The agreement was negotiated to address the concern, on the one hand, that some member countries have misused the antidumping rules and, on the other, that exporting countries have circumvented the antidumping measures of the importing countries. The agreement sets forth in greater detail than its predecessor, the 1979 Anti-Dumping Code, the circumstances under which antidumping measures can be applied provisionally and can be terminated. It also provides more precise rules for calculating an antidumping margin and additional rules concerning the submission of information in antidumping inquiries and the evidentiary threshold that must be met in order to warrant an investigation. See also *Anti-Dumping Code*; *Codes of Conduct*; *Dumping*; *Sunset Review*; *Uruguay Round*; *Uruguay Round Agreements Act*; *World Trade Organization*.

AGREEMENT ON IMPLEMENTATION OF ARTICLE VII OF GATT 1994 — A WTO agreement that is the successor to the Customs Valuation Code negotiated during the Tokyo Round to establish a uniform, fair, and predictable international system for the valuation of goods for customs purposes and to preclude the arbitrary use of national valuation systems as nontariff barriers to trade. The Customs Valuation Code established the "transaction value" — or the price actually paid or payable for imported goods plus certain permitted additional costs — as the primary method of valuation by customs officials, and it specified a hierarchy of other methods to be employed when the transaction value method could not be used. Like its predecessor, the WTO agreement applies only to the valuation of imported goods with respect to which ad valorem duties are levied. It does not set forth obligations concerning valuation in connection with export duties, quota administration, internal taxation, or foreign exchange control. See also *Codes of Conduct*; *Customs*; *Customs Classification*; *Free Zone*; *Imports*; *Liquidation*; *Minimum Valuation*; *Most-Favored-Nation Treatment*; *Suspension of Liquidation*; *Tariff*; *Tariff Schedules*; *Tokyo Round*; *Uruguay Round*; *Valuation*; *World Customs Organization*; *World Trade Organization*.

AGREEMENT ON IMPORT LICENSING PROCEDURES — A WTO agreement implemented to prevent import licensing procedures from unnecessarily reducing or distorting international trade flows. The agreement, which entered into force on January 1, 1995, is a successor agreement to the Tokyo Round Import Licensing Code, which entered into force on January 1, 1980. During the Uruguay Round, the Import Licensing Code was revised to strengthen the disciplines on transparency and notification. Whereas the Import Licensing Code obligated only those countries that had signed and ratified it, the WTO Agreement on Import Licensing Procedures is a multilateral agreement binding on all WTO members. Under the agreement, WTO members must ensure that their import licensing procedures conform to the relevant provisions of the GATT, are applied neutrally, and are implemented fairly and equitably. See also *Codes of Conduct*; *General Agreement on Tariffs and Trade*; *Licensing*;

Licensing Code; *Nontariff Barriers*; *Tokyo Round*; *Transparency*; *Uruguay Round*; *World Trade Organization*.

AGREEMENT ON PRESHIPMENT INSPECTION (PSI) — A WTO agreement governing the use by private sector buyers and sellers of preshipment inspection to ensure that the quantity and quality of goods to be traded conform to the specifications of the sales contract. This agreement balances the need of parties importing goods from other countries to protect their interests by preventing commercial fraud, customs fraud, evasion of customs duties, capital flight, and other harmful activities with the potentially trade-distorting effects of preshipment inspection. The agreement applies to all government-mandated preshipment inspection activities carried out on the territory of members (that is, in the country of export prior to exportation). See also *Transparency*; *Uruguay Round*; *World Trade Organization*.

AGREEMENT ON RULES OF ORIGIN — A WTO agreement addressing the rules that determine the country of origin of an imported product. Rules of origin play an important role in international trade due to the fact that the application of duties and other restrictions on entry often depends on the deemed source of the imports. The agreement provides for harmonization in the practices of WTO members in determining the country of origin of products. See also *Customs and Administrative Entry Procedures*; *Uruguay Round*; *World Trade Organization*.

AGREEMENT ON SAFEGUARDS — A WTO agreement setting forth the rules governing the application of safeguard measures. According to GATT Article XIX, safeguard measures are emergency actions taken when increased imports of particular products cause or threaten to cause serious injury to the importing member's domestic industry. Safeguard measures involve suspension of concessions or obligations under the GATT or the WTO agreements. The most common safeguard measures are quantitative import restrictions and duty increases exceeding bound tariff rates. The WTO Agreement on Safeguards requires that, at a minimum, safeguard measures be temporary, be imposed only when imports are found to cause or threaten serious injury to a competing domestic industry, be applied on a most-favored-nation basis, and be progressively liberalized while in effect. Unlike other trade remedies, safeguard measures do not require a finding of an "unfair" practice. In addition, the member imposing a safeguard measure generally must pay compensation to the members whose trade is affected. The WTO Agreement on Safeguards was created during the Uruguay Round to add clarity to the safeguards provisions contained in GATT Article XIX and to address so-called gray-area measures limiting imports (that is, bilateral voluntary export restraints, orderly marketing agreements, and other informal trade-limiting agreements designed to curtail fairly traded imports) that were widely viewed as being contrary to GATT. The WTO Agreement on Safeguards also clarifies existing guidelines and tightens timetables, limiting the duration of a safeguard measure to a maximum of eight years. See also *Adjustment*; *Agreement on Textiles and Clothing*; *Article 11 (GATT Article XI)*; *Article 19 (GATT Article XIX)*; *Codes of Conduct*; *Competitive*; *Concession*; *Escape Clause*; *Framework Agreement*; *General Agreement on Tariffs and Trade*; *Import Relief*; *Market Access*; *Omnibus Trade and Competitiveness Act of 1988*; *Orderly Marketing Agreements*; *Protectionism*; *Quantitative Restrictions*; *Safeguards*; *Section 22*; *Section 201*; *Section 406*; *Selective Quotas*; *Sensitive Products*; *Specific Limitations on Trade*; *Trade Barriers*; *Trade Act of 1974*; *Uruguay Round*; *U.S. International Trade Commission*; *Voluntary Restraint Agreements*; *World Trade Organization*.

AGREEMENT ON SUBSIDIES AND COUNTERVAILING MEASURES — A WTO agreement that was concluded during the Uruguay Round and is the successor to the Agreement on Interpretation and Application of Articles VI, XVI, and XXIII of the GATT, usually referred to as the Subsidies Code. The Subsidies Code was concluded in 1979 during the Tokyo Round. The foundation of the 1979 Subsidies Code was the principle that subsidies provided by a government to a domestic industry should not be permitted to harm or threaten harm to one's trading partners. Hence, the Subsidies Code permitted signatories to impose specific duties on imports to offset — or "countervail" — the benefits of subsidies to producers or exporters provided by the government of the exporting country. The Agreement on Subsidies and Countervailing Measures builds on these principles, disciplining both the use of subsidies and the actions that countries can take to counter the effects of subsidies. Under the agreement, a member country can use the WTO's dispute settlement procedures to seek the withdrawal of the subsidy or the removal of its adverse effects, or it can launch its own investigation and ultimately assess an extra, countervailing duty on subsidized imports that are injuring domestic producers. For the first time, the agreement provides a definition of a subsidy that distinguishes between prohibited, actionable, and non-actionable subsidies. As part of this definition, it introduces the concept of a "specific" subsidy — that is, a subsidy available only to an enterprise, industry, group of enterprises, or group of industries in the country that gives the subsidy, rather than generally to all industries or enterprises in the subsidizing country. A specific subsidy can be a domestic or an export subsidy. The agreement disciplines only specific subsidies. It applies to agricultural goods as well as industrial products, except when the subsidies conform with the WTO Agreement on Agriculture. Unlike the 1979 Subsidies Code, which was binding only on those GATT contracting parties that affirmatively acceded to it, the new agreement is multilateral and binding on all WTO member countries. See also *Agreement on Agriculture*; *Bounties*; *Codes of Conduct*; *Countervailing Duties*; *Domestic Subsidy*; *Export Subsidy*; *Illustrative List*; *Subsidy*; *Sunset Review*; *Tokyo Round*; *Trade Agreements Act of 1979*; *U.S. International Trade Commission*; *Uruguay Round*; *Uruguay Round Agreements Act*; *World Trade Organization*.

AGREEMENT ON TECHNICAL BARRIERS TO TRADE (TBT) — A WTO agreement to ensure that the standards and regulations imposed by governments and governmental authorities do not unnecessarily restrict or distort trade. This agreement recognizes that the need to comply with different foreign technical regulations and standards has an impact on international trade, and that the high costs involved in such compliance may discourage manufacturers from trying to sell abroad. The agreement imposes rules to reduce the risk that technical standards and regulations are adopted and applied simply to protect domestic industries. The purpose of the agreement mirrors that of its predecessor, the 1979 Agreement on Technical Barriers to Trade, which was negotiated during the GATT Tokyo Round. The 1979 TBT Agreement, also called the Standards Code, laid down the rules for the preparation, adoption, and application of technical regulations, standards, and conformity assessment procedures. The WTO TBT Agreement strengthens and clarifies the provisions of the 1979 agreement. The WTO agreement is accompanied by a Code of Good Practice, which is designed to serve as a guide for bodies that prepare, adopt, and apply standards. See also *Agreement on the Application of Sanitary and Phytosanitary Measures*; *Agreement on Government Procurement*; *Codes of Conduct*; *Customs and Administrative Entry Procedures*; *General Agreement on Tariffs and Trade*; *Government Procurement Policies and Practices*; *Licensing*; *Most-Favored-Nation Treatment*; *Nontariff Barriers*; *Packaging, Labeling, and Marking Regulations*; *Quarantine, Sanitary, and Health Laws and Regulations*; *Standards*; *Technical Regulations*; *Tokyo Round*; *Transparency*; *Uruguay Round*; *World Trade Organization*.

AGREEMENT ON TEXTILES AND CLOTHING (ATC) — A WTO agreement concluded during the Uruguay Round that superseded the Multi-Fiber Arrangement (MFA). The MFA established quotas limiting imports of certain textile products into countries whose domestic industries were experiencing serious harm from rapidly increasing imports. The MFA and its predecessor, the Long-Term Agreement on International Trade in Cotton Textiles, provided the rules for the system of import quotas that has existed since the early 1960s and is being phased out by the ATC. These three agreements have provided for an internationally agreed derogation from GATT and, later, WTO rules, permitting an importing signatory country to impose quantitative import restrictions on textile imports when it considers such restrictions, even though contrary to GATT (or WTO) rules, necessary to prevent market disruption. Whereas the MFA did not include all GATT countries but could include non-GATT countries, the ATC is part of the Uruguay Round results and thus applies to all WTO members but not to other countries, even if they were parties to the MFA. Accordingly, non-WTO members that export textiles will not have the benefit of the ATC's phase-out restrictions unless they become members. Under the ATC, which entered into force in 1995, the textiles sector will be brought into full compliance with the GATT/WTO rules by 2005. Under the ATC, quotas will come to an end and importing countries no longer will be able to discriminate between exporters. The ATC, the only WTO agreement that phases itself out of existence, will cease to exist after 2005. See also *General Agreement on Tariffs and Trade*; *Market Disruption*; *Multi-Fiber Arrangement Regarding International Trade in Textiles*; *Quantitative Restrictions*; *Safeguards*; *Sensitive Products*; *Textiles*; *World Trade Organization*.

AGREEMENT ON TRADE IN CIVIL AIRCRAFT — See *Aircraft Agreement*.

AGREEMENT ON TRADE-RELATED ASPECTS OF INTELLECTUAL PROPERTY RIGHTS (TRIPS) — A WTO agreement that obligates countries to provide minimum standards of intellectual property (IP) protection in national laws and to enforce minimum standards for protecting intellectual property. The TRIPS Agreement covers copyright and related rights (that is, the rights of performers, producers of sound recordings, and broadcasting organizations); trademarks including service marks; geographical indications including appellations of origin; industrial designs; patents including the protection of new varieties of plants; the layout-designs of integrated circuits; and undisclosed information, including trade secrets and test data. The agreement sets out the minimum standards of protection to be provided by each member with respect to each of the main areas of intellectual property covered by the agreement. The agreement sets these standards by requiring, first, compliance with the substantive obligations of the main conventions of the World Intellectual Property Organization, as well as the most recent versions of the Paris Convention for the Protection of Industrial Property and the Bern Convention for the Protection of Literary and Artistic Works, as well as with the Treaty on Intellectual Property in Respect of Integrated Circuits (1989). With the exception of the provisions of the Bern Convention on moral rights, all the main substantive provisions of these conventions are incorporated by reference and thus become obligations under the TRIPS Agreement between member countries. The second main set of provisions deals with domestic procedures and remedies for the enforcement of intellectual property rights, a feature not found in other multilateral IP agreements. In addition, the agreement makes disputes between WTO members concerning TRIPS obligations subject to the WTO's dispute settlement procedures. Finally, the agreement provides for certain basic principles, such as national and most-favored-nation treatment. Developed country members were required to have implemented all of the obligations under the agreement as of January 1, 1996, while developing country members were permitted a transitional period of an additional four years (until January 1, 2000); least-developed country members are permitted a transitional period of an additional 10 years (until January 1, 2006) to comply with the obligations of the agreement. In addition, developing countries that, as of 1995, were without patent protection for a given area of technology, especially pharmaceutical or agricultural chemical inventions, have an additional five-year transition (until January 1, 2005) before being required to provide such protection. See also *Bern*

Convention; *Commercial Counterfeiting*; *Copyright*; *Dispute Settlement*; *General Agreement on Tariffs and Trade*; *Intellectual Property*; *Knowledge-Based Industry*; *Most-Favored-Nation Treatment*; *National Treatment*; *Patent*; *Process Patent*; *Property*; *Section 337*; *Special 301*; *Technology*; *Technology Transfer*; *Trademark*; *Trafficking in Counterfeit Goods and Services*; *Uruguay Round*; *Uruguay Round Agreements Act*; *World Intellectual Property Organization*; *World Trade Organization*.

AGREEMENT ON TRADE-RELATED INVESTMENT MEASURES (TRIMS) — A WTO agreement that recognizes that measures and regulations that governments impose on investments and investors can reduce or distort international trade and may function as disincentives for investors in situations where investment is needed. This agreement clarifies disciplines established in the GATT 1947 provisions that are applicable to certain aspects of investment laws. The objectives of the TRIMS Agreement, as set forth in its preamble, include "the expansion and progressive liberalization of world trade and to facilitate investment across international frontiers so as to increase the economic growth of all trading partners, particularly developing country members, while ensuring free competition." The agreement applies to investment measures related to trade in goods only. Under TRIMS, WTO member countries agreed to eliminate investment measures that limit or force certain types of investments, to offer national treatment to foreign investors, and to eliminate quotas and other restraints. The agreement restricts the use of three TRIMS requirements: local content requirements (specifying that some minimum level of local resources be used in operations at foreign-owned plants), trade-balancing requirements (specifying that an investor not import more than a certain proportion of exports, or that a minimum trade surplus be maintained), and foreign exchange balancing requirements (limiting the importation of products used in local production by restricting a firm's access to foreign exchange to an amount related to its exchange inflows). See also *Convertibility*; *Exchange Controls*; *General Agreement on Tariffs and Trade*; *Investment Performance Requirements*; *Trade-Related Investment Measures*; *Uruguay Round*; *World Trade Organization*.

AGRICULTURAL ADJUSTMENT ACT OF 1933 — See *Section 22*.

AGRICULTURAL TRADE DEVELOPMENT AND ASSISTANCE ACT OF 1954 — See *Public Law 480*.

AID — See *Agency for International Development*.

AIRCRAFT AGREEMENT — The Agreement on Trade in Civil Aircraft, sometimes referred to as the Aircraft Code, was signed in Geneva in December 1979 and entered into force on January 1, 1980. This was the only multilateral sectoral agreement designed to expand trade in manufactured products that was negotiated during the 1973-79 Tokyo Round of GATT negotiations. It is intended to provide a new international framework for free trade in civil aircraft. It uniquely addresses tariff and nontariff issues in a single sectoral context. It eliminates tariffs on civil aircraft, engines, most components, and ground flight simulators. On nontariff issues, the agreement establishes new international commitments concerning government intervention in aircraft, aircraft component, and simulator procurement, including disciplines on technical or standards barriers with respect to certification requirements and specifications on operations and maintenance procedures; government-directed procurement actions and mandatory subcontracts; sales-related inducements; quantitative trade restrictions; and government supports. Subsequent negotiations have resulted in modifications to the agreement and additions to its annex of duty-free items in 1982, 1983, 1985, and 1986. The original signatories to the agreement were Austria, Canada, the member states of the European Economic Community, the European Community, Japan, Norway, Sweden, Switzerland, and the United States. Romania and Egypt acceded to the agreement later, as did Greece, Portugal, and Spain when they joined the EC. Currently there are 22 signatories to the agreement. While the Uruguay Round did not result in changes to the Agreement on Trade in Civil Aircraft, the General Agreement on Trade in Services (GATS), a WTO agreement negotiated in the Uruguay Round, implements rules and obligations designed to liberalize trade in services generally, including air transport services. See also *Codes of Conduct*; *Free Trade*; *General Agreement on Trade in Services*; *Nontariff Barriers*; *Tariff*; *Tokyo Round*; *Uruguay Round*; *World Trade Organization*.

AIRCRAFT CODE — See *Aircraft Agreement*.

ANDEAN PACT — An arrangement between Bolivia, Colombia, Ecuador, Peru, and Venezuela for the coordination of economic policies, including the formation of a free trade zone in the Andean region. See also *Customs Union*; *Free Trade Area Agreement*.

ANTIBOYCOTT LEGISLATION — The Export Administration Act was promulgated in 1969, amended in 1977 and 1979, and expired in 1990 but was continued by Executive Order 12730 under the International Emergency Economic Powers Act. It declares the policy of the United States to oppose restrictive trade practices or boycotts by foreign countries against countries friendly to the United States. The U.S. Department of Commerce, Bureau of Export Administration, Office of Antiboycott Compliance enforces regulations prohibiting U.S. citizens from engaging in activities that comply with, further, or support unsanctioned foreign boycotts. Prohibited activities include refusing and agreeing to refuse to do business for boycott reasons, taking discriminatory actions that are boycott based, furnishing information about business relationships with or in a boycotted country or with blacklisted persons, and engaging in evasion activities, such as devices or schemes intended to place a blacklisted person at a commercial disadvantage. The principal focus of the regulatory activities of the Office of Antiboycott Compliance relate to the Arab boycott of Israel. In addition, the U.S. Treasury Department enforces the antiboycott provisions of the Tax Reform Act of 1976, which deny certain tax benefits to those who agree to "participate in or cooperate with an international boycott." See also *Boycott*; *Export Administration Act of 1979*; *International Emergency Economic Powers Act*.

ANTI-DUMPING CODE — A code of conduct negotiated under the auspices of GATT during the Tokyo Round (replacing an earlier code negotiated during the Kennedy Round) that establishes both substantive and procedural standards for antidumping proceedings in signatory countries. The Anti-Dumping Code was implemented in the United States through the U.S. Trade Agreements Act of 1979, which repealed the Anti-Dumping Law of 1921 and inserted new antidumping provisions in the Tariff Act of 1930 providing for the imposition of special duties equivalent to the margin of dumping of imported merchandise. Goods imported into the United States are considered dumped when they are found to have been sold at less than fair value and to have caused or threatened to cause material injury to a U.S. industry. The WTO Agreement on Implementation of Article VI of GATT 1994 clarifies and refines certain provisions of the 1979 Anti-Dumping Code. See also *Agreement on Implementation of Article VI of GATT 1994*; *Codes of Conduct*; *Dumping*; *General Agreement on Tariffs and Trade*; *Kennedy Round*; *Sunset Review*; *Tokyo Round*; *Trade Agreements Act of 1979*; *Uruguay Round*; *World Trade Organization*.

ANTIDUMPING DUTIES — See *Agreement on Implementation of Article VI of GATT 1994*; *Anti-Dumping Code*; *Dumping*; *Sunset Review*.

ANTITRUST — A term used to describe a policy or action that seeks to curtail monopolistic power within a market. See also *Export Trading Company*; *Market*; *Monopoly*; *Restrictive Business Practices*; *Webb-Pomerene Act*.

APEC — See *Asia-Pacific Economic Cooperation*.

APPAREL — See *Multi-Fiber Arrangement Regarding International Trade in Textiles*; *Textiles*.

APPRAISAL — See *Valuation*.

ARBITRATION — An arrangement through which two parties to a dispute agree to the appointment of an impartial chairperson or a group of competent persons to decide the disputed issue and agree in advance to abide by the decision rendered. See also *Dispute Settlement*; *Panel of Experts*.

ARTICLE 2 (GATT ARTICLE II) — See *Concession*.

ARTICLE 11 (GATT ARTICLE XI) — A GATT provision that prohibits the use of quantitative restrictions (for example, embargoes, bans, quotas, restrictive licenses) to regulate imports and exports, except under certain specific conditions or unless provided for in some other GATT article. See also *General Agreement on Tariffs and Trade*; *Quantitative Restrictions*; *Section 22*; *Section 201*.

ARTICLE 15 (GATT ARTICLE XV) — See *Balance-of-Payments Consultations*.

ARTICLE 19 (GATT ARTICLE XIX) — A GATT safeguard provision that prescribes when emergency action (for example, restrictive measures other than normal tariffs) can be taken against imports that are injuring domestic producers. See also *Agreement on Safeguards*; *Agreement on Textiles and Clothing*; *Article 11 (GATT Article XI)*; *Codes of Conduct*; *Competitive*; *Concession*; *Escape Clause*; *General Agreement on Tariffs and Trade*; *Import Relief*; *U.S. International Trade Commission*; *Market Access*; *Omnibus Trade and Competitiveness Act of 1988*; *Orderly Marketing Agreements*; *Protectionism*; *Quantitative Restrictions*; *Safeguards*; *Section 22*; *Section 201*; *Section 406*; *Selective Quotas*; *Sensitive Products*; *Specific Limitations on Trade*; *Trade Barriers*; *Trade Act of 1974*; *Voluntary Restraint Agreements*.

ARTICLE 22 — See *Article 23 (GATT Article XXIII)*.

ARTICLE 23 (GATT ARTICLE XXIII) — Along with Article XXII, the provision of the GATT that requires GATT members to consult with each other concerning disputes that arise under GATT rules. Article XXIII also sets the basic provisions for resolving disputes that cannot be settled through bilateral consultations. See also *Consultations*; *Dispute Settlement*; *General Agreement on Tariffs and Trade*; *Quantitative Restrictions*; *Understanding on Rules and Procedures Governing the Settlement of Disputes*.

ARTICLE 24 (GATT ARTICLE XXIV) — Regulates how customs unions and free trade areas may be formed as exceptions to the most-favored-nation provisions of Article I. Provides for notification to the GATT contracting parties, review in a Working Party, and the application of substantive criteria to the formation of such regional trade associations. See also *Customs Union*; *Free Trade*; *Free Trade Area Agreement*; *Most-Favored-Nation Treatment*.

ARTICLES OF THE GATT —

- ARTICLE I. See *Enabling Clause*; *Most-Favored-Nation Treatment*.
- ARTICLE II. See *Concession*.
- ARTICLES III THROUGH XXIII. See *Codes of Conduct*.
- ARTICLE VI. See *Border Tax Adjustments*; *Countervailing Duties*; *Dumping*.
- ARTICLE XI. See *Article 11 (GATT Article XI)*; *Quantitative Restrictions*;

Section 22; Section 201.

- ARTICLE XII. See *Quantitative Restrictions*.
- ARTICLE XIII. See *Quantitative Restrictions*.
- ARTICLE XV. See *Balance-of-Payments Consultations*.
- ARTICLE XVI. See *Border Tax Adjustments*; *Export Subsidy*.
- ARTICLE XVIII. See *Quantitative Restrictions*.
- ARTICLE XIX. See *Article 19 (GATT Article XIX)*; *Escape Clause*; *Safeguards.*.
- ARTICLE XX. See *Quantitative Restrictions*.
- ARTICLE XXI. See *Quantitative Restrictions*.
- ARTICLES XXII, XXIII. See *Article 23 (GATT Article XXIII)*; *Consultations*; *Dispute Settlement*.
- ARTICLE XXIV. See *Article 24 (GATT Article XXIV)*; *Customs Union*; *Free Zone*.
- ARTICLES XXXVI, XXXVII, XXXVIII. See *Part IV of the GATT*.

ASIAN ECONOMIC CRISIS — A series of economic events that resulted in the severe devaluation of a number of Asian currencies and destabilization of a number of Asian economies, most notably Thailand, Indonesia, South Korea, the Philippines, and Malaysia. The Asian economic crisis caused shock waves throughout the global economy. Many economists consider that one factor in the region's difficulties was its economic success during the preceding decade, which featured robust economic growth, increasing capital inflows, and macroeconomic management. The substantial capital inflows into the region from the mid-1980s to the mid-1990s led to rapid economic expansion that, in turn, resulted in increased investment and increased local lending based on unrealistically optimistic expectations and economic projections. Structural and policy distortions created fundamental imbalances in these economies that led to the market corrections experienced during the crisis. Some also believe that the macroeconomic difficulties facing the region were not as severe as many regional and international investors feared and that the crisis was exacerbated by the overreaction of market participants, who withdrew investment monies from the region. By 1999, capital inflows into the region had begun to increase again, and there were other signs that economies most directly affected by the crisis were beginning to recover. See also *Adjustment*; *Asia-Pacific Economic Cooperation*; *Balance of Payments*; *Currency*; *Devaluation*; *Electronic Commerce*; *International Monetary Fund*; *Market Economy*; *Market Forces*; *Money*; *Newly Industrializing Countries*.

ASIA-PACIFIC ECONOMIC COOPERATION (APEC) — A forum established as a vehicle for multilateral cooperation among the market-oriented economies of the Asia-Pacific region to better manage their growing interdependence and sustain economic growth. Begun in 1989 as an informal grouping of 12 Asia-Pacific economies (Australia, Brunei, Canada, Indonesia, Japan, South Korea, Malaysia, New Zealand, Philippines, Singapore, Thailand, and the United States), APEC admitted the People's Republic of China, Chinese Taipei, and Hong Kong in November 1991, and Mexico and Papua New Guinea in November 1993. Chile became a full APEC member in 1994 and Peru, Russia, and Vietnam joined in 1998. APEC's annual meetings of foreign political leaders and economic ministers have often served as catalysts for further cooperation and integration among APEC member nations. The most important meetings of the group are the annual leaders summits, though APEC meetings are held throughout the year in a variety of spheres: economic, infrastructure, business, education, resources. The annual leaders summits have set the direction for APEC's work program and continued development into a multilateral regional economic forum. The 1993 Blake Island Summit brought the political leaders of the APEC nations together for the first time and, in combination with the 1994 Bogor Summit, firmly committed APEC members to creating a free trade and investment zone in the APEC region by 2020. The framework for achieving this goal was established by the 1995 Osaka Summit's Action Agenda and the 1996 Manila Action Plan. The 1997 Vancouver Summit saw the adoption of a plan of early voluntary sectoral liberalization (EVSL) in 15 market sectors (nine by 1998), the modernizing and harmonizing of customs systems throughout the region by 2002, and the creation of an APEC work program on electronic commerce. In addition to its work on furthering regional cooperation and development, APEC has focused closely on monitoring and ameliorating the Asian economic crisis via a cooperative growth strategy including such elements as expanded international financial assistance and further efforts toward corporate sector restructuring and free and open trade and investment. Current focuses of APEC include trade and investment liberalization and facilitation, strengthening markets, and increasing support for APEC among the business community and other groups. APEC is also working toward extending its EVSL agreement to non-APEC members through the WTO. See also *Codes of Conduct*; *Countertrade*; *Customs*; *Customs Harmonization*; *Customs Union*; *Developed Countries*; *Developing Countries*; *Economic Development*; *Electronic Commerce*; *Foreign Investment*; *Free Trade*; *Free Trade Area Agreement*; *Harmonization*; *Liberalization*; *Multilateral*; *Multilateral Agreement*; *Multilateral Aid*; *Pacific Rim*; *Seattle Ministerial*.

ASSOCIATED STATES — See *ACP Countries*; *European Community*; *Lomé Convention*.

ASSOCIATION AGREEMENT — See *European Community*.

ATA CARNET — An international customs document that is recognized as an internationally valid guarantee and may be used in lieu of national customs documents and as security for import duties and taxes to cover the temporary admission of goods and sometimes the transit of goods. The ATA (*Admission Temporaire* — Temporary Admission) Convention of 1961 authorized the ATA Carnet to replace the ECS (*Echantillons Commerciaux* — Commercial Samples) Carnet that was created by a 1956 convention sponsored by the Customs Cooperation Council. ATA Carnets are issued by National Chambers of Commerce affiliated with the International Chamber of Commerce, which also guarantees payment of duties in the event of failure to re-export. See also *Codes of Conduct*; *Consular Invoice*; *Consular Formalities and Documentation*; *Customs*; *Customs and Administrative Entry Procedures*; *Customs Classification*; *Imports*; *Free Zone*; *Licensing*; *Liquidation*; *Nontariff Barriers*; *Port of Entry*; *Suspension of Liquidation*; *Tariff*; *Transit Zone*; *Valuation*; *World Customs Organization*; *World Trade Organization*.

AUSTRALIA-NEW ZEALAND CLOSER ECONOMIC RELATIONS AGREEMENT (CER) — An agreement aimed at increasing trade links by liberalizing trans-Tasman trade, thereby allowing for more efficient use of each country's resources. Implemented on January 1, 1983, the CER has the ultimate goal of eliminating import quotas, tariffs, and import licensing requirements. The CER contains provisions to gradually reduce duties, quotas, and licensing requirements. It also provides for the elimination of domestic export incentive schemes in Australia-New Zealand transactions, extension of government purchases between the two countries, and harmonization of customs policies. See also *Bilateral Trade Agreement*; *Binding*; *Export Quotas*; *Trade Agreement*.

A **B** C D E F G H I J K L M N O P Q R S T U V W X Y Z

— B —

BALANCE OF CONCESSIONS — See *Concession*; *Reciprocity*.

BALANCE OF PAYMENTS — A tabulation of a country's credit and debit transactions with other countries and international institutions. These transactions are divided into two broad groups: current account and capital account. The main items included are exports and imports of goods and services (the balance of trade), foreign direct investments, intergovernmental loans, transfer payments, capital inflows and outflows, and changes in official gold holdings and foreign exchange reserves. See also *Adjustment*; *Balance of Trade*; *Capital Account*; *Current Account*; *International Monetary Fund*; *Invisible Trade*; *Quantitative Restrictions*; *Transfer Payments*; *Visible Trade*.

BALANCE-OF-PAYMENTS CONSULTATIONS — Consultations in accordance with Article XV of GATT, which requires coordination between the General Agreement on Tariffs and Trade and the International Monetary Fund to ensure that the trade and payments implications of any quantitative restrictions imposed for balance-of-payments reasons are fully analyzed within the respective jurisdictions of both organizations. Any contracting party that imposes such quantitative restrictions for balance-of-payments reasons is expected to hold consultations with other interested contracting parties. The framework agreement concluded during the Tokyo Round provided that any other trade restrictive measures imposed for balance-of-payments reasons should also be discussed in such consultations. See also *Consultations*; *Contracting Party*; *Exchange Controls*; *Framework Agreement*; *General Agreement on Tariffs and Trade*; *International Monetary Fund*; *Prior Deposits*; *Quantitative Restrictions*; *Tokyo Round*.

BALANCE OF TRADE (BOT) — A component of the balance of payments, the surplus or deficit that results from comparing a country's expenditures on merchandise imports with the receipts derived from its merchandise exports. See also *Balance of Payments*; *Credit*; *Mercantilism*.

BANK FOR INTERNATIONAL SETTLEMENTS (BIS) — An organization established at the Hague Conference in January 1930 to serve as a forum for international monetary and regulatory cooperation, as a bank for central banks, as a center for monetary and economic research, and as agent or trustee to facilitate the implementation of various international financial agreements. Initial members included six central banks and a U.S. financial institution. Membership currently includes 45 central banks. See also *Credit*; *European Central Bank*; *European System of Central Banks*; *Foreign Exchange*; *Inflation*; *Interest*; *Loan*; *Reserve Currency*.

BANKING — See *Credit*; *Interest*; *Loan*; *Services*.

BARTER — The direct exchange of goods for other goods, without the use of money as a medium of exchange and without the involvement of a third party. See also *Countertrade*; *Money*.

BASIC TELECOMMUNICATIONS SERVICES AGREEMENT — An agreement that contains specific commitments on market access and national treatment taken by 70 countries under the WTO General Agreement on Trade in Services in the area of basic telecommunications, which includes, but is not limited to, voice services, packet-switched data transmission services, circuit-switched data transmission services, telex services, telegraph services, facsimile services, and private leased circuit services. See also *General Agreement on Trade in Services*; *Services*; *Uruguay Round*; *World Trade Organization*.

BASKET OF CURRENCIES — See *Par Value*; *Special Drawing Rights*.

BEGGAR-THY-NEIGHBOR POLICY — A course of action through which a country tries to reduce unemployment and increase domestic output by raising tariffs and instituting nontariff barriers that impede imports, or by accomplishing the same objective through competitive devaluation. Countries that pursued such policies in the early 1930s found that other countries retaliated by raising their own barriers against imports, which, by reducing export markets, tended to worsen the economic difficulties that precipitated the initial protectionist action. The United States' Smoot-Hawley Tariff Act of 1930 is often cited as a conspicuous example of this approach. See also *Column 2 Rates*; *Devaluation*; *Protectionism*; *Retaliation*; *Tariff Act of 1930*.

BERN CONVENTION — The International Union for the Protection of Literary and Artistic Works, signed at Bern, Switzerland, on September 9, 1886, with additional protocols and revisions signed in 1914, 1928, 1948, 1967, and 1971. The Bern Convention is a major multinational treaty concerning the scope of copyright protection to be afforded works prepared by foreign persons whose countries are signatories. It provides copyright protection in the form of national treatment and also requires member countries to provide certain minimum protections for specified types of works. For instance, it requires that literary works be protected for the life of the author plus 50 years and forbids imposition of formalities (for example, a copyright notice) as a condition of protection. The other major copyright treaty, the Universal Copyright Convention, is somewhat less protective of the rights of authors. After decades of refusing to join, the United States became a signatory of the Bern Convention in 1989. See also *Agreement on Trade-Related Aspects of Intellectual Property Rights*; *Commercial Counterfeiting*; *Copyright*; *Intellectual Property*; *Knowledge-Based Industry*; *National Treatment*; *Property*; *Trademark*; *Trafficking in Counterfeit Goods and Services*; *World Intellectual Property Organization*.

BERN UNION — See *Bern Convention*.

BILATERAL — An agreement or arrangement involving two sides or parties. See also *Multilateral*; *Unilateral*.

BILATERAL AID — Development assistance provided directly by a donor country to a recipient country (as opposed to aid channeled through a multilateral institution). See also *Additionality*; *Agency for International Development*; *Developing Countries*; *Least Developed Countries*; *Multilateral Aid*; *Newly Industrializing Countries*; *Official Development Assistance*; *Overseas Private Investment Corporation*.

BILATERAL INVESTMENT TREATY (BIT) — An agreement establishing the terms and conditions for private investment by nationals and companies of one country in the country of the other.

BILATERAL TRADE AGREEMENT — A formal or informal agreement involving commerce between two countries. See also *Consultations*; *Trade Agreement*.

BILL — A document giving evidence of indebtedness of one party to another, as, for example, a written order for goods that can be used as security for a loan to the supplier of the goods from a bank, or a security such as a Treasury bill. See also *Euro-Dollars*; *Medium of Exchange*; *Security*; *Trade Agreements Act of 1934*.

BINATIONAL PANEL — A panel established under the U.S.-Canada Free Trade Agreement to assist in the resolution of trade disputes. Subsequently incorporated into the North American Free Trade Agreement, review by the binational panel is the principal mechanism to settle disputes among or between the United States, Canada, and Mexico arising from antidumping duty, countervailing duty, and final injury determinations. Chapter 19 of the NAFTA proffers the binational panel review as an alternative to judicial review. To this end, in article 1904, the signatories have established rules of procedure, as well as an "extraordinary challenge procedure," to safeguard against any panel impropriety or gross error. In addition, article 1903 provides the opportunity for a party to request that any amendment to another party's antidumping or countervailing duty law be referred to a panel for a declaratory opinion on whether the amendment is consistent with the NAFTA. See also *Bilateral Trade Agreement*; *Dispute Settlement*; *North American Free Trade Agreement*; *U.S.-Canada Free Trade Agreement*; *U.S.-Canada Trade Commission*.

BINDING — A provision in a trade agreement that no tariff rate higher than the rate specified in the agreement will be imposed during the life of the agreement. See also *Bound Rates*; *Compensation*; *Concession*; *Tariff*.

BIT — See *Bilateral Investment Treaty*.

BOGUS GOODS — See *Commercial Counterfeiting*.

BOND — An interest-bearing certificate issued by a government or a business promising to pay the holder a specified sum on a specified date. A bond is a common means of raising capital. See also *Capital Market*; *Credit*; *Customs Bond*.

BONDED GOODS — Imported goods stored in a bonded warehouse, usually after the owners of the goods have deposited a bond guaranteeing that the duty will be paid when and if the goods are withdrawn for domestic sale. See also *Bonded Warehouse*; *Customs Bond*; *Free Zone*.

BONDED WAREHOUSE — A secure storage area in which goods subject to excise taxes or customs duties are stored pending payment of taxes or duties. See also *Bonded Goods*; *Customs Bond*; *Free Zone*.

BORDER TAX ADJUSTMENTS — The remission of indirect taxes on exported goods, including sales taxes and value-added taxes, designed to ensure that national tax systems do not impede exports, and the imposition of domestic taxes on imported goods, to ensure that they do not receive preferential treatment as compared with domestically produced goods. Frontier adjustments on exports are permitted for indirect taxes under Articles VI and XVI of GATT, but not for direct taxes (such as income taxes assessed on producing firms). The U.S. government makes little use of border tax adjustments, since it relies more heavily on income (or direct) taxes than do most other governments, and since most goods exported from the United States are not subject to indirect taxes. See also *Direct Tax*; *Indirect Tax*; *Tax*; *Value-Added Tax*.

BOUND RATES — Tariff rates resulting from GATT negotiations that are incorporated in a country's schedule of concessions and are thus enforceable as an integral element of the WTO regime. If a WTO member raises a tariff to a higher level than its bound rate, the major beneficiaries of the earlier binding have a right to receive compensation, usually in the form of reduced tariffs on other products they export to the country. If the beneficiaries do not receive such compensation, they may retaliate by raising their own tariffs against an equivalent value of the original country's exports. See also *Binding*; *Compensation*; *Concession*; *General Agreement on Tariffs and Trade*; *Retaliation*; *Tariff*; *World Trade Organization*.

BOUNTIES — Payments by governments to producers of goods, often to strengthen the producer's competitive position. See also *Countervailing Duties*.

BOYCOTT — A refusal to deal commercially or otherwise with a person, firm, or country. See also *Antiboycott Legislation*; *Coordinating Committee for Multilateral Export Controls*; *Embargo*; *Export Administration Act of 1979*.

BREAK BULK — Loose, noncontainerized cargo imported in bulk, usually because of size or weight considerations (such as raw materials or oversized machinery). These shipments are often separated into individual lots and routed to different destinations and/or importers.

BRETTON WOODS CONFERENCE — A meeting of central bank economists and other government officials, formally known as the United Nations Monetary and Financial Conference, that took place in Bretton Woods, New Hampshire, in July 1944. The conference was convened to consider alternative proposals put forward by British and American financial experts relating to international payments problems, the economic reconstruction needs of Europe upon the conclusion of World War II, and the need to ensure stable exchange rates and free convertibility of currencies. The compromise solution negotiated at Bretton Woods led to the establishment of an International Monetary Fund and an International Bank for Reconstruction and Development (the World Bank). The presumed need for an International Trade Organization was also informally considered at Bretton Woods. See also *General Agreement on Tariffs and Trade*; *International Monetary Fund*; *World Bank*.

BRIDGING CREDIT — Borrowing ahead of receiving payment for a sale, or short-term credit to a customer pending his or her receipt of funds from another source. See also *Credit*.

BROKER — An intermediary between a buyer and a seller in a highly organized market, as in the case of a stockbroker. See also *Capital Market*; *Market*; *Security*.

BRUSSELS MINISTERIAL — An EC-hosted ministerial meeting scheduled for Brussels, December 3-7, 1990, to conclude the Uruguay Round of multilateral trade negotiations. However, discussions broke down, and the conclusion of the round was postponed. See also *GATT Ministerial Meeting of 1982*; *General Agreements on Tariffs and Trade*; *Montreal Ministerial*; *Punta del Este Ministerial*; *Seattle Ministerial*; *Uruguay Round*; *World Trade Organization*.

BRUSSELS TARIFF NOMENCLATURE (BTN) — See *Customs Cooperation Council Nomenclature*.

BTN — See *Customs Cooperation Council Nomenclature*.

BUFFER STOCKS — Commodity stockpiles managed in such a way as to moderate price fluctuations. Goods may be sold from a stockpile when prices reach or approach predetermined ceiling prices, and they may be purchased for the stockpile when prices reach or approach predetermined floor levels. Rubber and cocoa are among the commodities considered most likely to benefit from buffer stocks, and international commodity agreements exist for both of these products. See also *Commodity*; *Common Fund*; *International Commodity Agreement*; *Strategic Stockpiles*.

BULK CARRIER — A transporter (usually an ocean-going vessel) of large, heavy cargoes. "Dry" cargoes are usually mineral ores (such as phosphates or manganese), as opposed to "liquid hydrocarbons," a phrase that usually refers to petroleum.

BUREAU OF EXPORT ADMINISTRATION (BXA) — The branch of the International Trade Administration of the U.S. Department of Commerce that is responsible for, among other tasks, administering the Export Administration Act of 1979. See also *Antiboycott Legislation*; *Export Administration Act of 1979*; *U.S. International Trade Administration*.

BUY AMERICAN ACT — U.S. legislation passed in 1933 that mandates preference for the purchase of domestically produced goods over foreign goods in U.S. government procurement. The president has the authority to waive the Buy American Act within the terms of a reciprocal agreement or otherwise in response to the provision of reciprocal treatment to U.S. producers. Under the 1979 GATT Government Procurement Code, the U.S.-Israel FTA, the U.S.-Canada FTA, and the WTO Agreement on Government Procurement, the United States provides access to the government procurement of certain U.S. agencies for goods from the other parties to those agreements. Other "buy-national" legislative provisions exist separately from the Buy American Act requirements. See also *Agreement on Government Procurement*; *Government Procurement Policies and Practices*; *U.S.-Israel Free Trade Agreement*;

U.S.-Canada Free Trade Agreement.

BUY-BACK — See *Countertrade*.

BUY NATIONAL BIAS — See *Government Procurement Policies and Practices*.

BXA — See *Bureau of Export Administration*.

A B **C** D E F G H I J K L M N O P Q R S T U V W X Y Z

— C —

C&F — See *CFR*.

CAIRNS GROUP — A group of agricultural-exporting nations — comprising Australia, Argentina, Brazil, Canada, Chile, Colombia, Fiji, Hungary, Indonesia, Malaysia, New Zealand, the Philippines, Thailand, and Uruguay — established to develop a common negotiating position for the Uruguay Round. See also *Multilateral Trade Negotiations*; *Uruguay Round*.

CAP — See *Common Agricultural Policy*.

CAPITAL — Property or wealth that yields income expressed in terms of money. Also, the accumulated stock of tools, machinery, equipment, buildings, and other goods employed, in turn, to produce other goods and services. See also *Capital Goods*; *Infrastructure*; *Interest*; *Money*; *Profit*; *Risk*.

CAPITAL ACCOUNT — That portion of a country's balance of payments that includes the inward and outward flow of money for investment and international grants and loans (public and private). See also *Balance of Payments*; *Current*

Account.

CAPITAL GOODS — Industrial products or other goods that are used in the creation of additional wealth, such as machine tools. Capital goods are sometimes called intermediate goods because they only indirectly satisfy human wants (as opposed to consumer goods, which satisfy human wants directly), and they are sometimes called producer goods, because they are used to produce other goods. See also *Capital*; *Consumer Goods*; *Production*.

CAPITAL MARKET — The market for longer-term loanable funds. The capital market in a country is not one institution; rather, it includes securities exchanges, underwriters, investment banks, and insurance companies that canalize supply and demand for long-term capital and claims on capital, especially when concentrated in such major financial centers as New York City and London. The marketing of securities is an important element in the efficient working of a capital market. See also *Capital*; *Developing Countries*; *Insurance*; *International Finance Corporation*; *Market*; *Security*; *Underwriter*; *World Bank*.

CARIBBEAN BASIN INITIATIVE (CBI) — A broad program to promote economic development through private sector initiative in Central America and the Caribbean islands. The goal is to expand foreign and domestic investment in nontraditional sectors, diversifying CBI country economies and expanding their exports. The major elements of the program are duty-free entry to the United States in perpetuity for a wide-ranging group of products; U.S. economic assistance to the region; continuing self-help efforts to improve investment climate and trade; a deduction on U.S. taxes for companies that hold conventions in qualifying CBI countries to increase tourism; and U.S. government, state government, and private sector promotion program support from other trading partners and from multinational development institutions. See also *ACP Countries*; *Agency for International Development*; *Bilateral Aid*; *Developing Countries*; *Economic Development*; *Enterprise for the Americas Initiative*; *Liberalization*; *Lomé Convention*; *Multilateral Aid*; *North-South Trade*; *Official Development Assistance*; *Overseas Private Investment Corporation*; *Reverse Preferences*; *Soft Loan*; *Special and Differential Treatment*; *Tariff Quota*.

CARGO SHARING — The reservation and division of maritime traffic between designated trading partners who agree that vessels owned or controlled by either will carry a specified percentage of the cargo moving between them.

CARNET — See *ATA Carnet*.

CARTEL — An alliance or arrangement among industrial, commercial, or state-controlled enterprises producing the same commodity, aimed at regulating the purchase, production, or marketing of the commodity. A cartel agreement is often accompanied by output and investment quotas. When a cartel gains monopoly power, it will normally seek to maximize profits by raising prices and limiting supply. See also *Commodity*; *Monopoly*; *Organization of Petroleum Exporting Countries*.

CBI — See *Caribbean Basin Initiative*.

CCC — See *Commodity Credit Corporation*.

CCCN — See *Customs Cooperation Council Nomenclature*.

CEILING PRICE — See *Buffer Stocks*.

CENTRAL PLANNING — See *Non-Market Economy*.

CEP — See *Constructed Export Price*.

CER — See *Australia-New Zealand Closer Economic Relations Agreement*.

CERTIFICATE OF ORIGIN — See *Customs and Administrative Entry Procedures*.

CET — See *Common External Tariff*.

CFR — An international commercial term (Incoterm) meaning "cost and freight." The term is used in international sales contracts to signify that the seller must pay the cost and freight necessary to bring goods to a port of destination, but that the risk of loss or damage passes from the seller to the buyer when the goods pass the ship's rail in the port of shipment. Because a CFR selling price includes the cost of the goods and freight but not the cost of insurance, this term of sale is often used when the government in an importing country requires that insurance be supplied by a company subject to its jurisdiction. Prior to the 1990 version of the Incoterms, C&F was used instead of CFR, with the same meaning. See also *CIF*; *CIP*; *CPT*; *DAF*; *DDP*; *DDU*; *DEQ*; *DES*; *EXW*; *FAS*; *FCA*; *FOB*; *Incoterms*.

CFTA — See *U.S.-Canada Free Trade Agreement*.

CIF — An international commercial term (Incoterm), used in international sales contracts, meaning that the selling price includes all "costs, insurance, and freight" for any goods sold. The seller arranges and pays for all relevant expenses involved in shipping goods from their point of exportation to a given point of importation. In trade statistics, "CIF value" means that all figures for imports or exports are calculated on this basis, regardless of the nature of individual transactions. See also *CFR*; *CIP*; *CPT*; *DAF*; *DDP*; *DDU*; *DEQ*; *DES*; *EXW*; *FAS*; *FCA*; *FOB*; *CFR*; *Incoterms*.

CIP — An international commercial term (Incoterm), meaning "carriage and insurance" that is used in international sales contracts to impose the same obligations on the seller as "carriage paid to" (CPT), with the exception that the seller is also responsible for contracting and paying for cargo insurance. Hence, in addition to this obligation, the seller will clear for export and pay the freight and all costs incurred for the carriage of goods to a destination named by the buyer. The risk of loss or damage passes to the buyer when the goods are delivered to the carrier. See also *CFR*; *CIF*; *CPT*; *DAF*; *DDP*; *DDU*; *DEQ*; *DES*; *EXW*; *FAS*; *FCA*; *FOB*; *Incoterms*.

CIT — See *Court of International Trade*.

CLEARING AGREEMENTS — See *Countertrade*.

COCOM — See *Coordinating Committee on Multilateral Export Controls*.

CODES OF CONDUCT — In general usage in trade law, any international agreement that prescribes or recommends standards of behavior by nation-states or multinational corporations deemed desirable by the international community. For example, the United Nations has encouraged the negotiation of several voluntary codes of conduct (meaning that they are not legally binding), including one that seeks to specify the rights and obligations of transnational corporations. More narrowly, "codes of conduct" refers to the six agreements that were negotiated during the Tokyo Round to liberalize and harmonize domestic measures that might impede or distort trade: the Agreement on Technical Barriers to Trade, or Standards Code; the Agreement on Government Procurement, or Government Procurement Code; the Agreement on Interpretation and Application of Articles VI, XVI, and XXIII of the General Agreement on Tariffs and Trade, or Subsidies Code; the Agreement on Implementation of Article VII, or Customs Valuation Code; the Agreement on Import Licensing Procedures, or Import Licensing Code; and the Agreement on Implementation of Article VI, or Anti-Dumping Code. See also *Agreement on Government Procurement*; *Agreement on Import Licensing Procedures*; *Agreement on Implementation of Article VI of GATT 1994*; *Agreement on Implementation of Article VII of GATT 1994*; *Agreement on Subsidies and Countervailing Measures*; *Agreement on Technical Barriers to Trade*; *Aircraft Agreement*; *Anti-Dumping Code*; *Articles of GATT*; *Consultations*; *Countervailing Duties*; *Customs*; *Customs Classification*; *Customs Valuation Code*; *Dispute Settlement*; *Domestic Subsidy*; *Export Subsidy*; *Government Procurement Policies and Practices*; *Liberalization*; *Licensing Code*; *Multilateral Agreement*; *Multinational Corporation*; *Nontariff Barriers*; *Restrictive Business Practices*; *Safeguards*; *Standards*; *Tariff*; *Tariff Schedules*; *Tokyo Round*; *Transparency*; *Valuation*; *World Customs Organization*; *World Trade Organization*.

COLLATERAL — See *Security*.

COLUMN 1 RATES — U.S. tariff rates (nearly all of which are "bound" rates) established through trade negotiations. They are usually substantially lower than column 2 rates and apply to all countries to which the United States grants most-favored-nation treatment. See also *Bound Rates*; *Column 2 Rates*; *Most-Favored-Nation Treatment*.

COLUMN 2 RATES — U.S. statutory tariff rates, generally set by the Smoot-Hawley Tariff Act of 1930, as amended. These rates are substantially higher than column 1 rates. For countries receiving most-favored-nation treatment, they have been supplanted by lower tariffs established through concessions, which are set out in column 1 of the tariff schedule. Column 2 rates are currently assessed only on imports from countries that do not receive most-favored-nation treatment from the United States, all of which are state-trading nations. See also *Column 1 Rates*; *Concession*; *Most-Favored-Nation Treatment*; *Tariff Act of 1930*.

COMECON — See *Council for Mutual Economic Assistance*.

COMMERCIAL COUNTERFEITING — The production or marketing of goods with the intent of defrauding the purchaser by falsely conveying, directly or indirectly, that the goods are produced by a known and reputable manufacturer. Counterfeit goods are usually distinguished from bogus goods in that, in addition to replicating the legitimate good, they bear a forged trademark. The WTO Agreement on Trade-Related Aspects of Intellectual Property Rights includes provisions to discipline counterfeiting. See also *Agreement on Trade-Related Aspects of Intellectual Property Rights*; *General Agreement on Tariffs and Trade*; *Intellectual Property*; *Knowledge-Based Industry*; *Property*; *Trademark*; *Section 337*; *Special 301*; *Trafficking in Counterfeit Goods and Services*; *Uruguay Round*; *Uruguay Round Agreements Act*; *World Intellectual Property Organization*; *World Trade Organization*.

COMMERCIAL PAPER — Short-term financial instruments that can be bought and sold, particularly promissory notes that call for the payment of specified amounts of money at a given time. See also *Bond*; *Capital Market*; *Loan*; *Security*.

COMMISSION OF THE EUROPEAN COMMUNITY — See *European Commission*.

COMMODITY — Broadly defined, any article exchanged in trade but most commonly used to refer to raw materials, including such minerals as tin, copper, and manganese, and bulk-produced agricultural products such as coffee, tea, and rubber. See also *Buffer Stocks*; *Common Fund*; *Forward Market*; *International Commodity Agreement*; *Primary Commodity*; *Tropical Products*.

COMMODITY AGREEMENT — See *International Commodity Agreement*.

COMMODITY CREDIT CORPORATION (CCC) — A public corporation attached to the U.S. Department of Agriculture that provides financial and other services associated with public price-support activities for certain agricultural commodities, including loans, guarantees, purchases, sales, storage, transport, and export programs. See also *Export Enhancement Program*.

COMMODITY EXCHANGE — See *Forward Market*.

COMMODITY STOCKPILES — See *Buffer Stocks*.

COMMON AGRICULTURAL POLICY (CAP) — A comprehensive system of production targets and market regulations adopted by the European Community covering most agricultural goods produced within the EC. Its purposes are to achieve fair and rising standards of living for the farm populations of member states, stable agricultural markets, and increased farm productivity and food security within the EC. To achieve these objectives, the CAP relies on uniform prices and the free circulation of agricultural goods among member states; preferences for agricultural products produced within the EC; the imposition of variable levies on imported goods to bring their prices to the level of EC prices; and subsidization of exports to countries outside the EC. (In practice, agricultural prices sometimes vary from one member state to another, principally because exchange rates applied to goods moving from one country to another do not always reflect market exchange rates.) The European Community finances the CAP through receipts from customs duties, including variable levies, and the value-added tax. See also *Conversion Product*; *Deficiency Payments*; *Domestic Subsidy*; *European Community*; *Export Subsidy*; *Restitutions*; *Threshold Price*; *Value-Added Tax*; *Variable Levy*.

COMMON EXTERNAL TARIFF (CET or sometimes CXT) — A tariff rate uniformly applied by a common market or customs union, such as the European Community, to imports from countries outside the union. For example, the European internal market is based on the principle of a free internal trade area with a common external tariff [sometimes referred to in French as the *Tariff Extérieur Commun (TEC)*] applied to products imported from non-member countries. "Free trade areas" do not necessarily have common external tariffs, and free trade agreements seldom have common external tariffs. See also *Customs*; *Customs Area*; *Customs Union*; *European Community*; *Free Trade Area Agreement*; *Free Trade Area of the Americas*; *Free Zone*; *General Agreement on Tariffs and Trade*; *Kyoto Convention*; *MERCOSUR*; *North American Free Trade Agreement*; *Tariff*; *Tariff Schedules*; *Trade Diversion*; *U.S.-Canada Free Trade Agreement*.

COMMON FUND — An international institution designed as the centerpiece of the UNCTAD Integrated Program for Commodities. Its first account (sometimes called its "first window" and financed from mandatory contributions of member governments) provides funds to help finance buffer stocks maintained under international commodity agreements to stabilize commodity prices. Its second account (sometimes called its "second window" and largely financed by voluntary contributions) supports research and development and export promotion for selected commodities. See also *Buffer Stocks*; *International Commodity Agreement*; *United Nations Conference on Trade and Development*.

COMMON MARKET — See *Customs Union*; *European Coal and Steel Community*; *European Community*.

COMMONWEALTH OF INDEPENDENT STATES (CIS) — A political group comprising the following independent nations formerly a part of the Soviet Union: Armenia, Azerbaijan, Belarus, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Russia, Tajikistan, Turkmenistan, Ukraine, and Uzbekistan.

COMPARATIVE ADVANTAGE — A central concept in international trade theory that holds that a country or a region should specialize in the production and export of those goods and services that it can produce relatively more efficiently than other goods and services, and that it should import those goods and services in which it has a comparative disadvantage. This theory was first propounded by David Ricardo in 1817 as a basis for increasing the economic welfare of a population through international trade. The comparative advantage theory normally favors specialized production in a country based on intensive utilization of those factors of production in which the country is relatively well endowed (such as raw materials, fertile land, or skilled labor), and perhaps also the accumulation of physical capital and the pace of research. See also *Competitive*; *Efficiency*; *Exports*; *Imports*; *Structural Change*; *Welfare*.

COMPENSATION — The principle, central to GATT and the WTO, that any country that raises a tariff above its bound rate, withdraws a binding on a tariff, or otherwise impairs a trade concession must lower other tariffs or make other trade concessions to compensate for the disadvantage suffered by countries whose exports are affected. See also *Binding*; *Bound Rates*; *Concession*; *Consultations*; *Dispute Settlement*; *General Agreement on Tariffs and Trade*; *Section 201*; *Understanding on Rules and Procedures Governing the Settlement of Disputes*; *World Trade Organization*.

COMPENSATION TRADE — See *Countertrade*.

COMPENSATORY FINANCE — A loan or transfer of financial resources on concessional terms to a country when its export receipts — either total receipts from merchandise exports or receipts from a component of total exports, such as an individual commodity or a stated group of commodities — fall below a predetermined level. The loan, to be repaid according to a previously agreed formula, is intended to stabilize the country's export receipts over an indicated period. Compensatory arrangements exist under the International Monetary Fund and the Lomé Convention. See also *Commodity*; *International Monetary Fund*;

Lomé Convention.

COMPENSATORY TARIFF REDUCTIONS — See *Special and Differential Treatment*.

COMPETITION POLICY — A framework of rules and regulations designed to foster the efficient allocation of resources as a means of promoting certain objectives, such as economic vitality, consumer welfare and/or other desirable public policy goals. Generally, antitrust laws and other competition laws and policies focus on efficient resource allocation at the national level. The extent to which restraints on competition, public or private, impair cross-border competition is being examined in a variety of international trade and economic forums such as the WTO. See also *Antitrust*; *Export Trading Company*; *Monopoly*; *Restrictive Business Practices*; *Unfair Trade Practices*; *Webb-Pomerene Act*.

COMPETITIVE — Refers to a product that can be sold in an appropriate quantity within a specific market because buyers consider its price and quality acceptable, taking account of support services, credit, delivery terms, guaranteed repairs, promotion, or a combination of such factors, in comparison with other available goods. See also *Comparative Advantage*; *Efficiency*; *Export Promotion*; *Market*; *Monopoly*; *Safeguards*; *Structural Change*; *Tariff*.

COMPETITIVE DEVALUATION — See *Beggar-Thy-Neighbor Policy*.

COMPETITIVE NEED — See *Generalized System of Preferences*.

COMPOUND TARIFF — A combination of an ad valorem tariff plus a specific tariff. Also called a "mixed tariff." See also *Ad Valorem Equivalent*; *Ad Valorem Tariff*; *Specific Tariff*; *Tariff*.

CONCESSION — A grant of a position, privilege, or right by a party to a negotiation to induce the other party to yield an equivalent position, privilege, or right. In GATT trade negotiations, a country normally made concessions in the form of reductions in its tariff and nontariff import barriers, in exchange for reductions in the barriers of other countries to its exports. A country's "schedule of concessions," accepted as part of its obligations to other contracting parties, would become an integral part of GATT under Article II of the General Agreement on Tariffs and Trade. GATT Article II continues to govern the obligations of country members under the WTO, where it is incorporated by reference into GATT 1994. See also *Binding*; *Bound Rates*; *Compensation*; *Conditional Most-Favored-Nation Treatment*; *Escape Clause*; *General Agreement on Tariffs and Trade*; *Most-Favored-Nation Treatment*; *Negotiations*; *Offer List*; *Principal Supplier*; *Reciprocity*; *Safeguards*; *Section 301*; *Special 301*; *Super 301*; *Tariff*; *Tariff Schedules of the United States*; *World Trade Organization*.

CONCESSIONAL AID — See *Official Development Assistance*.

CONDITIONAL MOST-FAVORED-NATION TREATMENT — The extension of concessions by an importing country to other countries that provide equivalent benefits for its exports. The United States applied conditional most-favored-nation treatment in its trade relations with other countries from 1789 to 1923, when it first applied unconditional most-favored-nation treatment in a commercial treaty with Germany. See also *Agreement on Government Procurement*; *Concession*; *Government Procurement Policies and Practices*; *Most-Favored-Nation Treatment*.

CONDITIONALITY — The set of conditions attached to the use of its resources by the International Monetary Fund, involving undertakings and adjustment policies that will restore a sustainable balance-of-payments position within a one- to three-year period. See also *Adjustment*; *Balance of Payments*; *International Monetary Fund*.

CONSTRUCTED EXPORT PRICE (CEP) — The price at which particular merchandise is first sold (or agreed to be sold) in the United States before or after the date of importation by or for the account of the producer or exporter of such merchandise or by a seller affiliated with the producer or exporter, to a purchaser not affiliated with the producer or exporter. Under U.S. antidumping law, dumping consists of sales of merchandise exported to the United States at less than fair value, when such sales materially injure or threaten material injury to producers of like merchandise in the United States. The determination that sales have been made at less than fair value involves a comparison of "normal value" — the price at which the merchandise is sold within the exporting country or to third countries (or a "constructed value") — and the "U.S. price" — the price at which the merchandise is sold in the U.S. market. The U.S. price may be derived either from the "export price" (EP) or the "constructed export price" (CEP). The price used to establish the CEP can be adjusted to take into account certain costs, charges, taxes, duties, commissions, and expenses. The term "CEP" was introduced into U.S. antidumping law by the Uruguay Round Agreements Act (URAA) in implementation of the WTO Agreement concluded during the Uruguay Round. The term CEP replaces the term "exporter's sales price" (ESP), which was its counterpart under pre-URAA law. See also *Agreement on Implementation of Article VI of GATT 1994*; *Anti-Dumping Code*; *Dumping*; *Export Price*; *Normal Value*; *United States Price*; *Uruguay Round*; *Uruguay Round Agreements Act*; *World Trade Organization.*.

CONSTRUCTED VALUE — See *Dumping*.

CONSULAR FORMALITIES AND DOCUMENTATION — Certain documents or procedures required by some countries before their customs authorities will permit goods produced in other countries to enter their markets, such as special invoices approved by a consul or another official of the importing country. These procedures impede trade, particularly when fees are charged for the authorizations. The number of countries that apply consular formalities has declined in recent years, and most countries that still apply them are developing countries. See also *ATA Carnet*; *Codes of Conduct*; *Consular Invoice*; *Customs*; *Customs and Administrative Entry Procedures*; *Customs Classification*; *Free Zone*; *Imports*; *Licensing*; *Liquidation*; *Nontariff Barriers*; *Port of Entry*; *Quarantine, Sanitary, and Health Laws and Regulations*; *Suspension of Liquidation*; *Tariff*; *Tokyo Round*; *Transit Zone*; *Valuation*; *World Customs Organization*; *World Trade Organization*.

CONSULAR INVOICE — See *Consular Formalities and Documentation*; *Customs and Administrative Entry Procedures*.

CONSULTATIONS — Formal discussions between two or more parties to an agreement with respect to their rights under the agreement. Typically, consultations are requested by a party that believes that its rights under an agreement have been nullified or impaired and are the first — and often mandatory — step in dispute settlement. If consultations are unsuccessful in resolving the dispute within a specified time, the dispute normally is submitted to a panel for a ruling. The most important multilateral agreements providing for consultations are the WTO's Understanding on Rules and Procedures Governing the Settlement of Disputes and GATT Articles XXII and XXIII. See also *Article 23 (GATT Article XXIII)*; *Balance-of-Payments Consultations*; *Compensation*; *Dispute Settlement*; *Panel of Experts*; *Understanding on Rules and Procedures Governing the Settlement of Disputes*; *World Trade Organization.*.

CONSULTING SERVICES — See *Services*.

CONSUMER GOODS — Goods that directly satisfy human desires (as opposed to capital goods). An automobile used for pleasure is considered a consumer good. An automobile used by a business person to deliver wares is considered a capital good. See also *Capital Goods*; *Consumers*; *Goods*.

CONSUMER PREFERENCE — See *Demand*; *Structural Change*.

CONSUMERS — Individuals or groups that use economic goods and services, thus deriving utility from them. See also *Consumer Goods*; *Utility*.

CONSUMPTION — The purchase and utilization of goods or services for the gratification of human desires or in the production of other goods or services. The consumer may be an individual, a business firm, a public body, or other entity. See also *Consumers*; *Demand*; *Goods*; *Production*; *Services*; *Utility*.

CONSUMPTION TAX — See *Excise Tax*.

CONTRACTING PARTY — A country or economic entity that has adhered to the General Agreement on Tariffs and Trade, thereby accepting the body of specified obligations and benefits contained therein. The signatories to the GATT are referred to in GATT documents as the CONTRACTING PARTIES, in full capital letters, when they act collectively within the framework of the GATT. The corresponding term for entities that have adhered to the WTO Agreement is "Member." See also *General Agreement on Tariffs and Trade*; *Protocol of Provisional Application*; *World Trade Organization*.

CONVENTIONAL TARIFF — A tariff established through a "convention" (or international agreement) resulting from tariff negotiations and, hence, not subject to modifications by national action. See also *General Tariff*.

CONVERSION PRODUCT — A product, such as pork, eggs, or poultry, whose price is affected under the EC's Common Agricultural Policy by the price of feed grains. Its value is determined by the feed cost per unit produced. See also *Common Agricultural Policy*.

CONVERTIBILITY — A characteristic of a currency when it may be legally exchanged by its holder for other currencies through banks in the issuing country. See also *Currency*; *International Monetary Fund*.

COORDINATING COMMITTEE FOR MULTILATERAL EXPORT CONTROLS (COCOM) — A committee consisting of representatives from all NATO countries (except Iceland) that, between 1949 and 1994, coordinated policies restricting exports of products of potential strategic value to the former Soviet Union and certain other countries. Created in 1949, the committee not only reviewed military technology transfer for potential embargo but also tried to anticipate the end use of products manufactured for civilian purposes, such as computers and transistors. For reasons including the disintegration of the Soviet Union and the goal of assisting economic and political reform in Russia and the Newly Independent States, the COCOM partners agreed in 1993 to end the Cold War regime effective March 31, 1994, and to work toward a new arrangement to enhance transparency and restraint in exporting conventional weapons and sophisticated technologies to countries whose behavior is cause for serious concern and to regions of potential instability. The successor regime to COCOM is the Wassenaar Arrangement on Export Controls for Conventional Arms and Dual-Use Goods and Technologies, which began operations in September 1996 and is headquartered in Vienna, Austria. See also *Boycott*; *Embargo*; *Export Administration Act of 1979*; *Wassenaar Arrangement*.

COPYRIGHT — An exclusive right conferred by a government for a specified period to the creator of literary or artistic works such as books, maps, articles, drawings, charts, photographs, musical compositions, motion pictures, recordings, or computer programs. The WTO Agreement on Trade-Related Aspects of Intellectual Property Rights incorporates all substantive trade-related protection afforded under the Bern Convention for the Protection of Literary and Artistic Works, clarifying that computer programs are protected as literary works and compilations of databases as intellectual creation. Protection extends for the duration of the life of the author plus 70 years, and includes rights of translation, reproduction, public performance, broadcasting, adaptation and arrangement, and rental. See also *Agreement on Trade-Related Aspects of Intellectual Property Rights*; *Bern Convention*; *General Agreement on Tariffs and Trade*; *Intellectual Property*; *Knowledge-Based Industry*; *National Treatment*; *Omnibus Trade and Competitiveness Act of 1988*; *Property*; *Section 337*; *Special 301*; *Technology*; *Technology Transfer*; *Uruguay Round*; *Uruguay Round Agreements Act*; *World Intellectual Property Organization*; *World Trade Organization*.

CORE COMMODITIES — See *Integrated Program for Commodities*.

CORE LABOR STANDARDS — Core labor standards are human rights agreed by the International Labor Organization and other groups to include freedom of association, the right to organize and bargain collectively, a prohibition on forced labor, a prohibition on discrimination in employment, and a prohibition on exploitive child labor. Founded in 1919, the ILO is the United Nations' specialized agency established to promote social justice and internationally recognized human and labor rights. See also *United Nations Development Program*; *Workers' Rights*.

COST AND FREIGHT — See *CFR*.

COST, INSURANCE, AND FREIGHT — See *CIF*.

COTTON TEXTILES — See *Multi-Fiber Arrangement Regarding International Trade in Textiles*; *Textiles*.

COUNCIL FOR MUTUAL ECONOMIC ASSISTANCE (COMECON) — An intergovernmental organization established in 1949 to coordinate the economies of member states, consisting of the Soviet Union, Bulgaria, Czechoslovakia, the German Democratic Republic (East Germany), Hungary, Mongolia, Poland, Romania, Cuba, and Vietnam. The purpose of the council, according to its charter, was to improve economic cooperation among participating countries and to accelerate their economic and technological progress. This organization was formally disbanded in June 1991. See also *Group D*.

COUNCIL OF THE EUROPEAN COMMUNITY — See *European Community*.

COUNCIL OF THE EUROPEAN UNION — Usually referred to as the Council of Ministers, one of the official institutions of the European Union. (It should not be confused with the European Council of the European Union.) While the European Commission is charged with proposing legislation, the Council of Ministers has the power to adopt it, although in certain cases only with the approval of the European Parliament. Depending on the matter at issue, the Council of Ministers must take decisions either by qualified majority voting or by unanimity. The Council of Ministers is made up of representatives — usually government ministers — from all EU member states. As a result, the council is a forum in which EU member states attempt to assert their interests. The Council of Ministers, which is based in Brussels, Belgium, addresses the major areas of EU policy, including agriculture, economy, environment, foreign affairs, finance, industry, and transport. See also *European Community*; *European Commission*; *European Council*; *European Parliament*; *European Union*.

COUNCIL OF MINISTERS — See *Council of the European Union*.

COUNTERPURCHASE CONTRACTS — See *Countertrade*.

COUNTERTRADE (CT) — Arrangements under which the sale of goods or services from one country to another are linked to sales in the opposite direction. Countertrade arrangements frequently characterize East-West trade. Such transactions include:

- Counterpurchase contracts that stipulate that the vendor must purchase goods from the importer equivalent in value to a specified percentage of the value of the exported goods;
- Reverse countertrade contracts that require an importer (a U.S. buyer of machine tools from Eastern Europe, for example) to export goods equivalent in value to a specified percentage of the value of the imported goods — an obligation that can be sold to an exporter in a third country;
- Buy-back (or compensation) arrangements through which a company selling equipment, licenses, technology, or a turnkey plant agrees to accept in full or partial payment products manufactured with such equipment, licenses, technology, or plant;
- Clearing agreements between two countries that agree to purchase specific amounts of each other's products over a certain period of time, using a designated "clearing currency" in the transactions;
- Switch arrangements that permit the sale of unpaid balances in a clearing account to be sold to a third party, usually at a discount, that may be used for producing goods in the country holding the balance;
- Swap schemes through which products from different locations are traded to save transportation costs (for example, Russian oil may be swapped for oil from a Latin American producer, so the Russian oil is shipped to a country in South Asia, while the Latin American oil is shipped to Cuba);
- Barter arrangements through which two parties directly exchange goods deemed to be of approximately equivalent value without any flow of money taking place.

See also *Barter*; *East-West Trade*; *Nonmarket Economy*; *Offset Requirements*;

Tied Loan; *Turnkey Contract*.

COUNTERVAILING DUTIES (CVD) — Specific duties imposed on imports to offset the benefits of subsidies to producers or exporters in the exporting country. The executive branch of the U.S. government has been legally empowered since the 1890s to impose countervailing duties in amounts equal to any "bounties" or "grants" reflected in products imported into the United States. Under U.S. law and the Tokyo Round Agreement on Interpretation and Application of Articles VI, XVI, and XXIII of the General Agreement on Tariffs and Trade, usually referred to as the Subsidies Code, a wide range of practices are recognized as constituting subsidies that may be offset through the imposition of countervailing duties. The United States, which was a signatory to the 1979 Subsidies Code, modified U.S. trade law to conform to the code. Thus, the Trade Agreements Act of 1979 amended the Tariff Act of 1930 to establish rigorous procedures and deadlines for determining the existence of subsidies in response to petitions filed by interested parties such as domestic producers of competitive products and their workers. When the WTO Agreement on Subsidies and Countervailing Measures was concluded as a part of the Uruguay Round, the United States further modified U.S. trade law to conform to the new agreement. The 1995 Uruguay Round Agreements Act introduced a definition of subsidy, criteria for proving harm and determining whether the harm is caused by the subsidy at issue, and a method for calculating its impact. In cases involving subsidized products from countries that are signatories to the 1979 Subsidies Code, from member countries of the WTO, or from countries that have negotiated substantially equivalent obligations in a bilateral agreement with the United States, U.S. law permits countervailing duties to be imposed only after the U.S. International Trade Commission (USITC) determines that the imports are causing or threatening to cause material injury to an industry in the United States. Otherwise, where evidence of subsidization is found, countervailing duties may be imposed without the necessity for a material injury investigation by the USITC. See also *Agreement on Subsidies and Countervailing Measures*; *Bounties*; *Codes of Conduct*; *Domestic Subsidy*; *Export Subsidy*; *Illustrative List*; *Subsidy*; *Sunset Review*; *Tokyo Round*; *Trade Agreements Act of 1979*; *U.S. International Trade Commission*; *Uruguay Round*; *Uruguay Round Agreements Act*; *World Trade Organization*.

COUNTRY OF ORIGIN CERTIFICATE — See *Customs and Administrative Entry Procedures*.

COURT OF INTERNATIONAL TRADE (CIT) — A court (formerly the U.S. Customs Court) established under Article III of the U.S. Constitution to provide a single forum with expertise in international trade law for the judicial review of administrative actions of government agencies arising from import transactions. The court reviews decisions of the United States Customs Service, the International Trade Administration of the U.S. Department of Commerce, and the U.S. International Trade Commission. Such cases include, among others, challenges to classification rates and duties charged, antidumping and countervailing duty determinations, and embargoes or other quantitative restrictions. Generally, in the review of administrative determinations of record, the court will uphold an agency decision unless it is found to be unsupported by substantial evidence or otherwise not in accordance with law. A party can appeal a decision by the CIT to the Court of Appeals for the Federal Circuit, which will apply the same standard of review. Finally, a party can appeal a decision of the Court of Appeals for the Federal Circuit by filing a *writ of certiorari* with the United States Supreme Court. See also *Customs*; *International Trade Administration*; *U.S. International Trade Commission*.

CPT — An international commercial term (Incoterm), meaning "carriage paid to," that is used in international sales contracts to signify that a seller must clear for export and pay the freight and all associated costs to transport goods to a destination named by the buyer. While the seller is responsible for the risk of loss or damage that might be incurred in conveying the goods to a carrier, such risk is transferred to the buyer when the goods are delivered to the carrier. The seller is not obligated to contract or to pay for insurance. See also *CFR*; *CIF*; *CIP*; *DAF*; *DDP*; *DDU*; *DEQ*; *DES*; *EXW*; *FAS*; *FCA*; *FOB*; *Incoterms*.

CREDIT — A promise of future payment, usually with interest, given in exchange for present delivery of money, goods, or services. Interest is set at a rate that varies with the risk involved and with the reputation as a risk that a particular borrower enjoys with an actual or potential lender. See also *Bond*; *Bridging Credit*; *Demand*; *Interest*; *Mixed Credits*; *Purchasing Power*; *Risk*.

CREDITOR CLUBS — See *Paris Club*.

CURRENCY — The circulating media of exchange in a country. Prior to World War I, currency generally meant coins and paper money. But with the expanding use of credit instruments, it has come to include checks drawn on bank accounts, postal money orders, and prepaid travelers checks that usually require identification of maker or endorser. Most business transactions are carried out by means of bank checks. See also *Convertibility*; *Devaluation*; *Mercantilism*; *Money*; *Par Value*; *Reserve Currency*.

CURRENT ACCOUNT — That portion of a country's balance of payments that records current (as opposed to capital) transactions, including visible trade (exports and imports), invisible trade (income and expenditures for services), profits earned from foreign operations, interest, and transfer payments. See also *Balance of Payments*; *Capital Account*; *Invisible Trade*; *Transfer Payments*; *Visible Trade*.

CUSTOMS — The government service responsible for the assessment and collection of import and export duties and taxes and the administration of other laws and regulations that apply to the importation, transit, and exportation of goods. See also *Agreement on Implementation of Article VII of GATT 1994*; *ATA Carnet*; *Consular Formalities and Documentation*; *Court of International Trade*; *Customs and Administrative Entry Procedures*; *Customs Classification*; *Customs Cooperation Council Nomenclature*; *Customs Harmonization*; *Customs Union*; *Free Zone*; *Harmonization*; *Harmonized System*; *Harmonized Tariff Schedule of the United States*; *Imports*; *Kyoto Convention*; *Licensing*; *Liquidation*; *Most-Favored-Nation Treatment*; *Nontariff Barriers*; *Port of Entry*; *Suspension of Liquidation*; *Tariff*; *Tariff Schedules*; *Transit Zone*; *Valuation*; *World Customs Organization*; *World Trade Organization*.

CUSTOMS AND ADMINISTRATIVE ENTRY PROCEDURES — Clearance formalities at national ports of entry. These may be considered nontariff barriers if they result in undue procedural delays that raise import costs. Such formalities may include licensing procedures, health and sanitary controls designed to protect consumers, certificates indicating the country of origin, and consular invoices confirming that the shipment is what it appears to be. See also *ATA Carnet*; *Consular Formalities and Documentation*; *Consular Invoice*; *Customs*; *Customs Classification*; *Customs Bond*; *Free Zone*; *Imports*; *Licensing*; *Liquidation*; *Nontariff Barriers*; *Port of Entry*; *Quarantine, Sanitary, and Health Laws and Regulations*; *Suspension of Liquidation*; *Tariff*; *Tariff Schedules*; *Transit Zone*; *Valuation*; *World Customs Organization*; *World Trade Organization*.

CUSTOMS AREA — A geographic area, usually but not necessarily identical to one or several contiguous national political jurisdictions, applying a particular tariff schedule on goods entering or leaving the area. See also *Common External Tariff*; *Customs*; *Customs Union*; *European Community*; *Free Trade Area Agreement*; *Free Trade Area of the Americas*; *Free Zone*; *General Agreement on Tariffs and Trade*; *Kyoto Convention*; *MERCOSUR*; *North American Free Trade Agreement*; *Tariff*; *Tariff Schedules*; *Trade Diversion*; *U.S.-Canada Free Trade Agreement*.

CUSTOMS CLASSIFICATION — The particular category in a tariff nomenclature in which a product is classified for tariff purposes. Also, the procedure for determining the appropriate tariff category in a country's nomenclature system used for the classification, coding, and description of internationally traded goods. Most major trading nations classify imported goods in conformity with the Harmonized Commodity Description and Coding System, also called the Harmonized System. The United States adopted the Harmonized System on January 1, 1989. See also *Customs*; *Customs Bond*; *Customs Classification*; *Customs Cooperation Council Nomenclature*; *Customs Harmonization*; *Harmonization*; *Harmonized System*; *Harmonized Tariff Schedule of the United States*; *Imports*; *Kyoto Convention*; *Most-Favored-Nation*

Treatment; *Tariff*; *Tariff Schedules*; *Valuation*; *World Customs Organization*; *World Trade Organization*.

CUSTOMS COOPERATION COUNCIL (CCC) — See *Customs Harmonization*; *Harmonized System*.

CUSTOMS COOPERATION COUNCIL NOMENCLATURE (CCCN) — A system for classifying goods for customs purposes, formerly known as the Brussels Tariff Nomenclature (BTN). See also *Agreement on Implementation of Article VII of GATT 1994*; *Codes of Conduct*; *Consular Formalities and Documentation*; *Customs*; *Customs Classification*; *Customs Harmonization*; *Harmonized System*; *Harmonized Tariff Schedule of the United States*; *Imports*; *Kyoto Convention*; *Tariff*; *Tariff Schedules*; *Valuation*; *World Customs Organization*.

CUSTOMS BOND — A bond that, in certain circumstances, importers must post to effect the entry of imported goods. A customs bond usually must be guaranteed by an approved surety. The bond acts as a security in order to ensure the collection of duties and taxes owed on imports and to facilitate compliance with other importation requirements. Customs bonds fall into three general categories: single entry bonds, continuous bonds, and carnets. See also *ATA Carnet*; *Bonded Goods*; *Bonded Warehouse*; *Customs Classification*; *Customs and Administrative Entry Procedures*; *Imports*; *Liquidation*; *Port of Entry*; *Tariff*.

CUSTOMS DUTY — See *Tariff*.

CUSTOMS HARMONIZATION — International efforts to increase the uniformity of customs nomenclatures and procedures in cooperating countries. The Harmonized System, a uniform system of tariff classification adopted by most major trading countries in recent years, was one such effort. Discussions and action to further these efforts are normally coordinated by the Customs Cooperation Council (CCC), an international organization with its secretariat headquartered in Brussels, Belgium. The CCC is also involved in developing international standards for the exchange of trade data and for determining international rules of origin and related international customs technical questions. See also *Codes of Conduct*; *Customs*; *Customs Classification*; *Customs Cooperation Council Nomenclature*; *Customs Harmonization*; *Harmonization*; *Harmonized System*; *Harmonized Tariff Schedule of the United States*; *Imports*; *Kyoto Convention*; *Most-Favored-Nation Treatment*; *Tariff*; *Tariff Schedules*; *Valuation*; *World Customs Organization*; *World Trade Organization*.

CUSTOMS UNION — A group of nations that have eliminated tariffs and sometimes other barriers that impede trade with each other, while maintaining a common external tariff on goods imported from outside the union. GATT Article XXIV defines the meaning of a customs union in GATT and the application of other GATT provisions to customs unions. See also *Common External Tariff*; *Customs Area*; *Customs*; *European Community*; *Free Trade Area Agreement*; *Free Trade Area of the Americas*; *Free Zone*; *General Agreement on Tariffs and Trade*; *Kyoto Convention*; *MERCOSUR*; *North American Free Trade Agreement*; *Tariff*; *Tariff Schedules*; *Trade Diversion*; *U.S.-Canada Free Trade Agreement*; *Welfare*.

CUSTOMS VALUATION CODE — See *Agreement on Implementation of Article VII of GATT 1994*.

CUSTOMS WAREHOUSE — See *Bonded Warehouse*.

CXT — See *Common External Tariff*.

ACRONYMS USED IN INTERNATIONAL TRADE

A B C D E F G H I J K L M N O P Q R S T U V W X Y Z

A

ACP	African, Caribbean, and Pacific Countries
ACTPN	Advisory Committee for Trade Policy and Negotiations
AD	Antidumping
ADB	Asian Development Bank
A/DS	Agent Distributor Service, U.S. Department of Commerce
AD VAL	Ad Valorem Tariff Rate
AGOA	African Growth and Opportunity Act
AECA	Arms Export Control Act
AFDB	African Development Bank
AFDF	African Development Fund
AIT	American Institute in Taiwan
APCAC	Asia-Pacific Council of American Chambers of Commerce
APEC	Asia-Pacific Economic Cooperation
APTA	Automotive Products Trade Act
ASEAN	Association of Southeast Asian Nations
ATA	Admission Temporaire (temporary admission)
ATAC(s)	Agricultural Technical Advisory Committee(s)
ATC	Agreement on Textiles and Clothing
ATCA	Agreement on Trade in Civil Aircraft
ATPA	Andean Trade Preference Act

AUI	ASEAN-United States Initiative
AVE	Ad Valorem Equivalent
	B
BAR	Buy American Restrictions
BDV	Brussels Definition of Value
BEA	Bureau of Economic Analysis, U.S. Department of Commerce
BFC	Business Facilitation Center, U.S. Department of Commerce
BIA	Best Information Available
BIRPI	United International Bureaux for the Protection of Intellectual Property
BIS	Bank for International Settlements
BISNET	Business Information Service for the Newly Independent States, U.S. Department of Commerce
BIT	Bilateral Investment Treaty
BNC	Binational Commission
BOND	Business Outreach to New Democracies (program)
BOP	Balance of Payments
BOT	Balance of Trade
BSP	Business Sponsored
BSP	Between-show Promotion
BTN	Brussels Tariff Nomenclature
BXA	Bureau of Export Administration, U.S. Department of Commerce
	C
C&F	Cost and Freight (Incoterm)
CACM	Central American Common Market
CADIC	Comparative Analysis of Domestic Industry's Condition
CAFC	Court of Appeals for the Federal Circuit
CAIP	Community Adjustment Investment Program
CAP	Common Agricultural Policy (EU)
CAP	Country Action Plan
CARIBCAN	Canadian-Caribbean Basin Initiative
CARICOM	Caribbean Common Market
CBERA	Caribbean Basin Economic Recovery Act
CBI	Caribbean Basin Initiative
CCC	Commodity Credit Corporation
CCC	Customs Cooperation Council
CCCN	Customs Cooperation Council Nomenclature

CCL	Commerce Control List (formerly Commodity Control List)
CCNAA	Coordination Council for North American Affairs (Taiwan)
CCPIT	China Council for the Promotion of International Trade
CEA	Chinese Economic Area
CEA	Council of Economic Advisers
CEP	Constructed Export Price
CER	Australia-New Zealand Closer Economic Relations
CET	Common External Tariff
CFIUS	Committee on Foreign Investment in the United States
CFR	Cost and Freight (Incoterm)
CFTA	United States-Canada Free Trade Agreement
CG-18	Consultative Group of Eighteen (GATT)
CIF	Cost, Insurance, and Freight (Incoterm)
CIME	Committee on International Investment and Multinational Enterprises (OECD)
CIMS	Commercial Information Management System, U.S. Department of Commerce
CIP	Carriage and Insurance Paid (Incoterm)
CIS	Commonwealth of Independent States
CIT	United States Court of International Trade
CITA	Committee for the Implementation of Textile Agreements
CITIC	China International Trust and Investment Corporation
CITT	Canadian International Trade Tribunal
CIV	Customs Import Value
CMP	Country Marketing Plan
CNUSA	Commercial News USA, U.S. Department of Commerce
COCOM	Coordinating Committee for Multilateral Export Controls
CODEX	Codex Alimentarius Commission
COE	Council of Europe
COMECON	Council for Mutual Economic Assistance
COP	Cost of Production
CP	Contracting Party
CPE	Centrally Planned Economy
CPT	Carriage Paid to (Incoterm)
CSCE	Conference on Security and Cooperation in Europe
CT	Countertrade
CTA	Committee on Trade in Agriculture (GATT)

CTF	Certified Trade Fair, U.S. Department of Commerce
CV	Constructed Value
CVD	Countervailing Duty
CXT	Common External Tariff
	D
DAC	Development Assistance Committee (OECD)
DAF	Delivered at Frontier (Incoterm)
DAV	Domestic Added Value
DDP	Delivered Duty Paid (Incoterm)
DDU	Delivered Duty Unpaid (Incoterm)
DEQ	Delivered Ex Quay (Incoterm)
DES	Delivered Ex Ship (Incoterm)
DF	Duty Free
DISC	Domestic International Sales Corporation
DOC	United States Department of Commerce
DS	Dispute Settlement
DSU	Dispute Settlement Understanding (i.e., WTO Understanding on Rules and Procedures Governing the Settlement of Disputes)
	E
EAA	Export Administration Act (United States)
EAEC	East Asia Economic Caucus
EAI	Enterprise for the Americas Initiative
EAPC	Euro-Atlantic Partnership Council
EAR	Export Administration Regulations (United States)
EBRD	European Bank for Reconstruction and Development
EC	European Community
ECA	Economic Cooperation Administration
ECB	European Central Bank
ECCN	Export Control Classification Number
ECDC	Economic Cooperation Among Developing Countries
ECE	Economic Commission for Europe
ECGF	Export Credit Guarantee Facility
ECS	Échantillons Commerciaux (commercial samples)
ECS	European Cooperation System
ECSB	European System of Central Banks
ECSC	European Coal and Steel Community

ECU	European Currency Unit
EDI	Electronic Data Interchange
EEA	European Economic Area
EEC	European Economic Community
EEP	Export Enhancement Program (United States)
EFTA	European Free Trade Association
EIB	European Investment Bank
EITCA	United States-Soviet Union Agreement to Facilitate Economic, Industrial, and Technical Cooperation
EMS	European Monetary System
EMU	European Monetary Unit
EP	Export Price
EPC	Economic Policy Council (United States)
EPC	European Patent Convention
ER	Export Restraint
ERM	Exchange Rate Mechanism
ERP	European Recovery Program
ESA	European Space Agency
ESAF	Enhanced Structural Adjustment Facility
ESCB	European System of Central Banks
ESP	Exporter's Sales Price
ETC	Export Trading Company
ETSI	European Telecommunications Standards Institute
EU	European Union
EXW	Ex-works (Incoterm)
EX-IM BANK	Export-Import Bank of the United States
	F
FA	Facts Available
FAO	Food and Agriculture Organization, United Nations
FARA	Foreign Agents Registration Act
FAS	Foreign Agricultural Service, U.S. Department of Agriculture
FAS	Free Alongside Ship (Incoterm)
FCA	Free Carrier (Incoterm)
FCIA	Foreign Credit Insurance Association (United States)
FCN	Freedom, Commerce, and Navigation Treaty
FCO	Foreign and Commonwealth Office (United Kingdom)

FCPA	Foreign Corrupt Practices Act (United States)
FCS	Foreign Commercial Service, U.S. Department of Commerce
FDI	Foreign Direct Investment
FDIUS	Foreign Direct Investment in the United States
FICA	Federal Insurance Corporation of America
FISC	Foreign International Sales Corporation
FMC	Federal Maritime Commission (United States)
FMS	Foreign Military Sales
FMSCR	Foreign Military Sales Credit
FMV	Foreign Market Value
FOB	Free on Board (Incoterm)
FOGS	Functioning of the GATT System
FOR	Free on Rail (Incoterm)
FOREX	Foreign Exchange
FOT	Free on Truck (Incoterm)
FR	Federal Register (United States)
FSC	Foreign Sales Corporation
FTA	Free Trade Area
FTA	Free Trade Agreement
FTAA	Free Trade Area of the Americas
FTC	Federal Trade Commission (United States)
FTZ	Foreign Trade Zone
FTZ-BOARD	Federal Trade Zone Board
FTZ-SZ	FTZ-Subzone
FV	Fair Value
FX	Foreign Exchange Service
	G
G-5	Group of Five (the United States, Japan, Germany, France, and the United Kingdom)
G-7	Group of Seven (the United States, Japan, Germany, France, Italy, the United Kingdom, and Canada)
G-8	Group of Eight (the United States, Japan, Germany, France, Italy, the United Kingdon, Canada, and Russia)
G-77	Group of Seventy-seven [all countries within UNCTAD Groups "A" (African and Asian countries, with the exception of Israel and South Africa) and "C" (Latin America) — now comprising more than 120 developing countries]
GAB	General Agreement to Borrow

GATS	General Agreement on Trade in Services
GATT	General Agreement on Tariffs and Trade
GCC	Gulf Cooperation Council
GDP	Gross Domestic Product
GEC	Global Electronic Commerce
GEF	Global Environmental Facility
GII	Global Information Infrastructure
GNG	Group of Negotiations on Goods
GNP	Gross National Product
GNP	Government Procurement
GNS	Group of Negotiations on Services
GPA	WTO Agreement on Government Procurement
GP-ZONE	General Purpose Free Trade Zone
GSP	Generalized System of Preferences
GSTP	Global System of Trade Preferences
	H
HM	Home Market
HS	Harmonized System
HTS	Harmonized Tariff Schedule
HTSUS	Harmonized Tariff Schedule of the United States
	I
IA	Import Administration, U.S. Department of Commerce
IADB (or IDB)	Inter-American Development Bank
IAEA	International Atomic Energy Agency
IBRD	International Bank for Reconstruction and Development (World Bank)
IC	Industry Committee of the OECD
ICA	International Coffee Agreement
ICA	International Cocoa Agreement
ICA	International Commodity Agreement
ICAO	International Civil Aviation Organization
ICB	International Competitive Bidding
ICC	International Chamber of Commerce
ICITO	Interim Commission of the International Trade Organization
ICO	International Coffee Organization
ICSID	International Center for the Settlement of Investment Disputes

IDA	International Development Association
IDB (or IADB)	Inter-American Development Bank
IEC	International Electrotechnical Commission
IEEPA	International Emergency Economic Powers Act
IESC	International Executive Service Corps
IFAD	International Fund for Agricultural Development
IFC	International Finance Corporation
IFI	International Finance Institution
IIC	Inter-American Investment Corporation
IIPA	International Intellectual Property Alliance
ILO	International Labor Organization
IMF	International Monetary Fund
IMO	International Maritime Organization
INCOTERMS	International Commercial Terms
INR	Initial Negotiating Right
INRA	International Natural Rubber Agreement
INRO	International Natural Rubber Organization
INTELSAT	International Telecommunications Satellite Organization
IOS	International Organization for Standardization
IP	Intellectual property
IPAC	Industry Policy Advisory Committee (United States)
IPC	Integrated Program for Commodities
IPR	Intellectual property rights
ISA	International Sugar Agreement
ISAC	Industry Sector Advisory Committee (United States)
ISO	International Standards Organization
ITA	International Trade Administration, U.S. Department of Commerce
ITA	International Tin Agreement
ITA	Information Technology Agreement
ITAR	International Traffic in Arms Regulations
ITC	International Trade Commission (United States)
ITC	International Trade Center, UNCTAD/WTO
ITO	International Trade Organization
ITU	International Telecommunication Union
	J

JCCT	United States-Mexico Joint Commission on Commerce and Trade
JCP	Japan Corporate Program
JETRO	Japan External Trade Organization
	K
K.D.	Knocked Down
	L
LAFTA	Latin America Free Trade Area
LASU	Large Aircraft Sector Understanding
LC	Letter of Credit
LIBOR	London Interbank Offered Rate
LOT	Level of Trade Adjustment
LTA	Long-Term Agreement on International Trade in Cotton Textiles
LTL	Less Than Load (Shipment)
LTFV	Less Than Fair Value
	M
MAC	Market Access and Compliance Unit, U.S. Department of Commerce
MAI	Multilateral Agreement on Investment
MDB	Multilateral development bank
MERCOSUR	Mercado Común del Sur (Southern Common Market)
MFA	Multi-Fiber Arrangement
MFN	Most-Favored Nation
MIF	Multilateral Investment Fund
MIGA	Multilateral Investment Guarantee Agency
MITI	Ministry of International Trade and Industry (Japan)
MNC	Multinational Corporation
MOFERT	Ministry of Foreign Economic Relations and Trade (People's Republic of China)
MOSS	Market-oriented sector-specific negotiation process (United States-Japan)
MOU	Memorandum of Understanding
MPT	Ministry of Posts and Telecommunications
MRA	Mutual Recognition Agreement
MSA	Multilateral Steel Agreement
MT	Metric Ton
MTN	Multilateral Trade Negotiations

MTO	Multilateral Trade Organization
	N
NADBANK	North American Development Bank
NAFTA	North American Free Trade Agreement
NAICS	North American Industry Classification System
NME	Nonmarket Economy
NP	Nairobi Protocol
NSC	National Security Council (United States)
NTB	Nontariff Barrier
NTDB	National Trade Data Bank (United States)
NTE	New to Export
NTE	National Trade Estimates Report
NTM	New to Market
NTM	Nontariff Measure
NV	Normal Value
	O
OAS	Organization of American States
ODA	Official Development Assistance
OECD	Organization for Economic Cooperation and Development
OEEC	Organization for European Economic Cooperation
OEM	Original Equipment Manufacturer
OFAC	Office of Foreign Assets Control, U.S. Department of the Treasury
OMA	Orderly Marketing Agreement
OPEC	Organization of Petroleum Exporting Countries
OPIC	Overseas Private Investment Corporation (United States)
	P
PCG	Policy Coordinating Group
PEC	President's Export Council (United States)
PFC	Priority Foreign Country
PL	Public Law
PL 480	Public Law 480, Agricultural Trade Development and Assistance Act ("Food For Peace") (United States)
POI	Period of Investigation
POR	Period of Review
PPA	Protocol of Provisional Application
PRC	People's Republic of China

PSI	Pre-shipment Inspection
PUDD	Potential Uncollected Dumping Duty
PWL	Priority Watch List
	Q
QR	Quantitative Restriction
	R
R&D	Research and Development
RBP	Restrictive Business Practice
RO-RO	Roll On-Roll Off
	S
S&D	Special and Differential Treatment
SAA	Statement of Administrative Action
SAF	Structural Adjustment Facility
SB	Surveillance Body
SBA	Small Business Administration (United States)
SCM	Subsidies and Countervailing Measures
SDN	Specially Designated National
SDR	Special Drawing Rights
SECOFI	Secretaría de Comercio y Fomento Industrial (Mexico)
SED	Shipper's Export Declaration
SIC	Standard Industrial Classification
SII	Structural Impediments Initiative (United States-Japan)
SIMIS	Single Internal Market Information Systems
SIMS	Single Internal Market Service
SITC	Standard International Trade Classification
SNPA	Substantial New Program of Action
SPS	Sanitary and Phytosanitary Measures
STC	Security Trade Control
STE	State Trading Enterprise
STR	Special Representative for Trade Negotiations
	T
TAA	Trade Adjustment Assistance (United States)
TABD	Transatlantic Business Dialogue
TBT	Technical Barriers to Trade
TCC	Trade Compliance Center, U.S. Department of Commerce
TCMD	Third Country Meat Directive
TD	Trade Development (U.S. Department of Commerce)

TDP	Trade and Development Program
TEC	Tariff Extérieur Commun (Common External Tariff)
TEP	Transatlantic Economic Partnership
TEU	Treaty on European Union (Maastricht Treaty)
TNC	Trade Negotiations Committee
TNC	Transnational Corporation
TPC	Trade Policy Committee (United States)
TPM	Trigger-Price Mechanism
TPRG	Trade Policy Review Group (United States)
TPRM	Trade Policy Review Mechanism
TPSC	Trade Policy Staff Committee (United States)
TPSC	Trade Policy Subcommittee (United States)
TRIMS	Trade-Related Investment Measures
TRIPS	Trade-Related Aspects of Intellectual Property Rights
TSB	Textile Surveillance Body
TSUS	Tariff Schedule of the United States
TVA	Value-Added Tax (Taxe à la Valeur Ajoutée)
TWA	Trade-Weighted Average
TWEA	Trading With the Enemy Act
	U
UN	United Nations
UNCITRAL	United Nations Commission on International Trade Law
UNCTAD	United Nations Conference on Trade and Development
UNCTC	United Nations Center on Transnational Corporations
UNDP	United Nations Development Program
UNEP	United Nations Environment Program
UNESCO	United Nations Educational, Scientific, and Cultural Organization
UNIDO	United Nations Industrial Development Organization
UR	Uruguay Round
URAA	Uruguay Round Agreements Act
USAID	U.S. Agency for International Development
USF&CS	United States Foreign and Commercial Service
USC	United States Code
USDA	United States Department of Agriculture
USDOC	United States Department of Commerce
USEC	United States Mission to European Communities

USITC	United States International Trade Commission
USOECD	United States Mission to the Organization for Economic Cooperation and Development
USP	United States Price
USTR	United States Trade Representative, or Office of the United States Trade Representative
USTTA	United States Travel and Tourism Administration, U.S. Department of Commerce
USUN	United States Mission to the United Nations
	V
VAR	Value-Added Reseller
VAT	Value-Added Tax
VER	Voluntary Export Restraint
VL	Variable Levy
VRA	Voluntary Restraint Agreement
	W
WCO	World Customs Organization
WCT	WIPO Copyright Treaty
WEPZA	World Export Processing Zones Association
WIPO	World Intellectual Property Organization
WL	Watch List
WPPT	WIPO Performances and Phonograms Treaty
WTDR	World Traders Data Report
WTO	World Trade Organization
WTO	World Tourism Organization
	X Y Z

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