

Jargon Explained

Glossary of Terms Commonly Used in the WTO

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133 Committee: The 133 Committee is the European Union’s trade decision-making body. It takes its name from Article 133 of the EC Treaty (Treaty of Amsterdam), which provides for the establishment of a special committee appointed by the European Council to assist the European Commission. Each EU Member State is represented on the 133 Committee. Chaired by whichever Member State holds the EU Presidency, the Committee meets on a weekly basis, usually on a Friday. The 133 Committee discusses the full range of trade policy issues affecting the EU. Civil society groups criticize it for its untransparent working methods.

27.3(b): Article 27.3 (b) of the WTO’s Agreement on Trade Related Intellectual Property Rights (TRIPS) governs the patentability of life forms. The Article stipulates that WTO Members are not required to issue patents on diagnostic, therapeutic and surgical methods, plants and animals (other than micro-organisms), nor on most biological processes for the production of plants or animals. However, plant varieties are subject to some form of intellectual property protection, for instance by a special (*sui generis*) system (see *sui generis* and *traditional knowledge* below).

You will find a list of other trade-related glossaries below at page 24.

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301: Section 301 is a provision of the *United States Uruguay Round Agreements Act 1994* which allows the US to respond to what the USTR considers “foreign unfair trading practices” wherever such practices occur. *Inter alia*, this law increases market access for US goods and services and allows the US Trade Department (USTR) to retaliate unilaterally by raising tariff barriers on imports from the offending country.¹

A

ACP: Bloc of African, Caribbean and Pacific states, linked to the EC States by the Lomé Agreements and now by the *Cotonou Agreement*. See www.acpsec.org (visited 19 July 2004).

ACP/LDC/Africa Union: Group of countries that are members of the *ACP* and/or the African Union and/or are least-developed countries (*LDCs*), who came together in an alliance during the WTO Ministerial Conference in Cancún. The alliance has also sometimes been known as the '*Tripartite Alliance*' or the '*G90*,' and since Cancún have most commonly been referred to as the G90. Since Cancún they continue to speak with one voice on many issues.

Ad Valorem Tariff: A tariff that has been calculated as a given percentage of the value of an imported good.

Alliance for Special Products (SPs) and a Special Safeguard Mechanism (SSM): This alliance (which has also been known as the G35 and the *G33*) was formed just before the Cancún Ministerial Conference. The alliance felt that simply applying *special and differential treatment* to developing countries in the agricultural context is not specific enough to address poverty alleviation and development goals. They thus advocate that developing countries be granted flexibility to self-designate a number of SPs on which they would not have to make any tariff reduction or tariff rate quota (TRQ) commitments. They also seek a new SSM for developing countries to enable them to counter market volatility and sudden import surges. Since Cancún the Alliance for SPs and SSM has most commonly been referred to as the G33. Members include Barbados, Cuba, Congo, Cote d'Ivoire, Dominican Republic, Honduras, Indonesia, Kenya, Mauritius, Mongolia, Mozambique, Nicaragua, Nigeria, Pakistan, Panama, Peru, Philippines, Senegal, Sri Lanka, Tanzania, Trinidad and Tobago, Turkey, Venezuela, Zambia and Zimbabwe.

Airgram: WTO parlance for the agenda of a WTO meeting (denoting the form in which it is sent to delegations).

Amber box: The WTO Agreement on Agriculture divides domestic subsidies (see *subsidies* below) to the agricultural sector into three categories using a bizarre and incomplete traffic light analogy: *blue box* (permitted) *green box* (permitted), amber box (to be reduced). The amber box contains a list of subsidies that WTO Members have agreed to reduce under the WTO agriculture negotiations. Some amber box subsidies are not allowed.

African Growth and Opportunity Act (AGOA): The African Growth and Opportunity Act is a US initiative adopted in 2000, which, according to the US government 'offers tangible incentives for African countries to continue their efforts to open their economies and build free markets.' AGOA is supposed to stimulate trade between the U.S. and Africa, and whilst US sources have hailed the increase in exports from Africa to the US, NGOs say that this has been mostly in oil. Moreover, the Act has come under criticism for being a means for the US to impose political conditionalities on African countries.

Amicus Brief: From the Latin *amicus curiae* meaning "friend of the court," an *amicus* brief is a submission to a legal proceeding made by an interested party (who is not one of the parties to the dispute), usually by leave or discretion of the tribunal. The WTO dispute settlement system's Appellate Body has signalled a willingness to receive and consider *amicus* briefs, and has also ruled that panels may consider such briefs, as they have done in a number of cases. However, a number of WTO Members remain firmly opposed to this practice – saying that consideration of non-state *amicus* briefs could jeopardize the exclusively inter-governmental character of the WTO. Whilst it is unclear how – or even whether – this stand-off between the judicial and the political branches of the WTO will be resolved, non-governmental actors continue to submit *amicus* briefs in WTO disputes.

APEC: Once mocked for being four adjectives in search of a noun,² the Asia-Pacific Economic Cooperation is a forum for cooperation on trade and investment amongst Asian and Pacific countries. Its 21 members include Australia, Canada, Chile, People's Republic of China, Hong Kong China, Malaysia, Mexico, Peru, Philippines, Russia and Singapore.

Applied Tariffs/Rates: In contrast to *bound* rates, which are the highest tariff rates that a WTO Member can charge on imports, applied tariffs/rates are those actually applied at the border. In practice, countries' (particularly developing countries') applied tariffs are usually lower than the bound rate. (See also *bindings* below.)

Article XX: This article of the General Agreement on Trade and Tariffs (GATT) sets out the general exceptions to the requirements of the GATT. Provided that states are not acting in an arbitrary or unjustifiably discriminatory fashion, Article XX allows them to derogate from GATT rules to protect various interests, including: public morals; human, animal or plant life or health; natural treasures of artistic, historic or archaeological value; exhaustible natural resources; and to prevent prison labour. Although WTO panels and the Appellate Body have been increasingly public-interest minded in allowing recourse to Article XX in recent years, Article XX is still infrequently invoked in dispute settlement.

Automaticity: Refers to the fact that in the WTO, each subsequent stage of the dispute settlement process unfolds automatically (panel established, panel report adopted, retaliation (if requested)) - within an established time frame unless there is consensus by Members to halt the process.

Autonomous Liberalization: (also referred to as *unilateral liberalization*) This term refers to trade liberalization measures a country takes unilaterally, before WTO negotiations. These are

noteworthy in the WTO context, where the general rule is that countries liberalize in exchange for other countries' commitments to liberalize, i.e. on a reciprocal rather than a unilateral basis (see ***Reciprocal Exchange of Concessions*** below). For example, one speaks of autonomous, or unilateral, liberalization, for instance, in the context of the General Agreement on trade in Services (GATS) negotiations, in which a number of developing countries are arguing that trade "credits" should be granted to them in acknowledgment of their liberalization efforts under IMF and World Bank structural adjustment programmes, before the GATS negotiations began.

B

Backloading: This term is used most commonly in the context of discussions on the WTO Agreement on Textiles and Clothing, which requires industrialized countries to gradually reduce or eliminate import quota restrictions on textiles by 2005, and thereby increase developing country textile producers' access to industrialized country markets. Developing countries lament that industrialized countries are "backloading" their commitments, i.e. that industrialized countries are refraining from allowing significant textile imports from developing countries until the last possible moment.

Balance of Trade: The ratio of a country's imports to exports of goods and services over a given period of time. The unstated aim of a country's trade policy is often to ensure that exports exceed imports, thereby creating a trade surplus. However, it is more often the case that imports exceed exports, thereby leading to a trade deficit.³

Beggar-My-Neighbour Policy (also known as beggar-thy-neighbour): A course of action through which a country tries to address its own domestic economic and social problems (recession, unemployment, balance of payments difficulties) by imposing measures that seek to push the problems outside its country and on to other states, i.e. by raising tariffs and instituting non-tariff barriers that impede imports (to protect domestic industries and maintain domestic employment), or through competitive devaluation. This course of action was common in the 1930s and eventually led to a severe worldwide recession.

Bilateralism: Approach to international trade involving a treaty between two countries only (contrast with *plurilateral* and *multilateralism* below). Since 2003, an increasing number of countries, including WTO Members, have entered into bilateral trade agreements.

Bilateral Investment Treaty (BIT): A treaty between two countries that has been designed to promote and protect investment between the two partners. Typically, BITs offer investors national or most favoured nation treatment; free transfer of funds and personnel, as well as guarantees against denial of justice, and expropriation without compensation. Unlike the WTO system, many BITs offer private entities (investors) a right to bring states to an international arbitration tribunal for settlement of disputes, with the possibility of award of damages as a remedy.

Bind: (verb, see bindings)

Bindings: (see also *bound rate*) When a country commits not to raise the tariff on an item above a specified level, the level is called a “binding.” The levels at which Member bind their tariffs is agreed to through negotiations in the WTO. Thus a binding (also called a concession) is a legal obligation not to raise tariffs on particular products above the specified rate agreed to in negotiations. This rate is incorporated into a country's *schedule of concessions*. WTO Members can break a commitment (i.e. raise a tariff above the *bound rate*), but only through negotiations with the countries affected by this measure, which may require payment of compensation for trading partners' loss of trade.

Blue box: A category of domestic *subsidies* specific to the Agreement on Agriculture permitted only because they are believed to distort trade less than *amber box* subsidies. They are an exception to the general rule that all subsidies linked to agricultural production must be reduced or kept to minimal levels. These subsidies include payments linked to land size and livestock numbers under schemes such as the setting aside of agricultural land to limit over production.⁴

Bottom-up Approach: (also known as *GATS-type approach* or *positive-list approach*) This approach to liberalization allows countries to choose those areas in which they will open up their markets; areas not explicitly mentioned are presumed to be subject to no WTO commitment. This process is used in the WTO General Agreement on Trade in Services (GATS), where commitments to extend national treatment and market access to foreign service suppliers are made only in those areas where countries have expressly agreed to it. The bottom-up approach allows countries greater flexibility than the top-down approach (contrast with *top-down approach* below.)

Bound Rate: Refers to the specific level at which a tariff has been bound. By binding a tariff at a particular level, a country agrees not to raise the tariff above that level. In practice, countries' (particularly developing countries') *applied rates* are usually lower than the bound rate. (See also *binding*.)

Built-in Agenda: As part of the Uruguay Round of trade negotiations, it was agreed that a number of areas – most notably agriculture and services – would be negotiated as part of the WTO agenda after the Uruguay Round was officially completed, and before a new Round was officially launched. Thus the post-Uruguay Round negotiations already contained a Built-in Agenda. This term was frequently used in the late 1990s but its use has dwindled since the WTO's Doha Ministerial.

C

Cairns Group: Group of about fifteen agricultural exporting nations lobbying for agricultural trade liberalization, formed in 1986 in Cairns, Australia just before the beginning of the Uruguay Round. Members include Australia, Bolivia, Brazil, Canada, Chile, Colombia, Costa Rica, Fiji, Guatemala, Indonesia, Malaysia, New Zealand, Paraguay, Philippines, South Africa, Thailand

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and Uruguay. Hungary was a member until it pulled out in 1998 because of wanting to join the EU, whose position on agriculture in the WTO tends to be diametrically opposed to that of the Cairns group. Until Cancun, the Cairns group were the only influential player in WTO agriculture negotiations otherwise dominated by the US and EU. However, the Cairns Group performed poorly in Cancun, with many of its key players preferring to partner along other lines, and the **G20** took its place as the most influential grouping of countries in the agriculture talks, followed by the **G90** and the **G33**. Several key developing country Cairns group members are still focusing their efforts on the **G20**.

Cancun: Used in the WTO to refer to the WTO's Fifth Ministerial Conference, that took place in September 2003, and that ended abruptly and without agreement on the questions at issue.

Capital Process: Trade negotiations that take place between officials in the capitals of WTO Members (contrast with **Geneva process** below).

Carousel Retaliation: A proposed method of retaliation in a WTO dispute where the aggrieved country would respond to a WTO violation by another Member by periodically changing its list of goods targeted for **retaliation** in trade disputes. Carousel retaliation would be particularly damaging for the targeted country, as over time it would affect a maximum amount of trade sectors. The US first threatened to use carousel retaliation in 2000, to seek redress in two WTO trade disputes with the EU (relating to bananas and hormone-treated beef respectively). The EU countered that this would be contrary to the WTO Agreements. In the end, the United States did not use carousel retaliation, nor has any other WTO Member ever done so. Nevertheless, the EU continued to seek an explicit WTO statement that would disallow carousel retaliation.

CBD: (see **Convention on Biological Diversity** below)

Chairman's Text: Draft proposal on a particular trade area drafted by the Chair (presumably a man) of a WTO negotiating committee. A Chairman's Text is meant to be a faithful record of the status of negotiations and a basis for reaching a consensus decision, however Chairman's texts have been harshly criticised, particularly in the lead-up to Cancún, for failing to take into account all negotiating positions.

Chapter 11 (NAFTA): The investment provisions of the agreement between Mexico, the United States and Canada. Modelled upon the United States' bilateral investment treaties, and perceived by many as the template for the (failed) multilateral agreement on investment (MAI), Chapter 11 offers a number of guarantees to foreign investors, these include: freedom for financial transfers, national treatment, most-favoured nation treatment, transparency, protection from performance requirements, compensation in the event of expropriation and access to a dispute settlement mechanism that allows private investors to sue a state. Chapter 11 has been a source of controversy as investors have used its dispute settlement mechanism to launch challenges, sometimes successfully, against environmental regulations in host states, arguing that such host state measures are "tantamount" to (or indirect forms of) expropriation of the investor's property or profits.

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Codex: The Codex Alimentarius Commission is a body of the Food and Agriculture Organization (FAO) and the World Health Organization (WHO) dedicated to the formulation and harmonization of food and hygienic standards. Codex attained much greater visibility after it was identified as a relevant standard-setting body under the WTO Agreements on Technical Barriers to Trade (TBT) and on Sanitary and Phyto-Sanitary Measures (SPS).

Coherence: In the WTO context, this term is generally used to refer to institutional coherence between the policies of the WTO and those advocated by the World Bank and the IMF, notably in relation to liberalization of trade and investment. Currently, the WTO perspective on coherence does not extend to broader social and development orientated policy aims, and is criticized by civil society groups and some developing countries for this reason.

COMESA: A trade agreement involving 21 nations of Eastern and Southern Africa. COMESA came into effect in 1994, replacing an earlier preferential trade area. The current members are: Angola, Burundi, Comoros, Congo, Djibouti, Egypt, Eritrea, Ethiopia, Kenya, Madagascar, Malawi, Mauritius, Namibia, Rwanda, Seychelles, Sudan, Swaziland, Uganda, Zambia, and Zimbabwe.

Committee on Trade and Development: WTO Committee whose mandate is limited to focusing on development issues. At the Doha Ministerial Conference the CTD was mandated to identify which *Special and Differential Treatment* provisions were mandatory, and what would be the effect of making those that were currently not mandatory into mandatory obligations (see also *Enabling Clause*).

Commitment: A legally binding undertaking made by a country under a WTO Agreement. Examples include tariff *bindings*, or commitments on services (see *schedules* below).

Compulsory Licensing: Process whereby countries are permitted to give licenses to companies or individuals without the patent owner's consent, in order to manufacture, use, sell or import the patented product. The WTO's Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) permits compulsory licensing only where certain conditions are respected.

Concession: A tariff reduction agreed to by a particular state (see *bindings* above).

Convention on Biological Diversity: The UN Convention on Biological Diversity, or Biodiversity (adopted in 1992) has the objective of promoting conservation, sustainable use of resources and the fair and equitable sharing of benefits arising out of the use of genetic resources. The CBD is one of the Multilateral Environmental Agreements whose rules may be considered as specific trade obligations (see *MEA* and *STO* below). The compatibility between the CBD and the WTO Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPs) is central to the debate on biodiversity, patents on life, traditional knowledge and benefit sharing. (See also *27.3(b)* above.)

Core Labour Standards: These refer to the cluster of rights contained in the 8 core Conventions of the International Labour Organization (ILO), covering freedom of association,

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equality, elimination of child labour and abolition of forced labour. Although the ILO has more than 180 conventions, the ILO's Governing Body has identified these 8 conventions as containing the fundamental worker rights that all ILO member states must respect.

Cotonou Agreement: The successor to the *Lomé Convention* between the European Union and African, Caribbean and Pacific countries (see *ACP* above), this trade-and-aid agreement was signed in Benin in June 2000. The Agreement gives preferential access for certain ACP products to EC markets, and sets the basis for ACP countries to negotiate 'WTO-compatible' trade agreements during the period from 2002-2008. These trade agreements would be implemented from 2008 to 2020. The Cotonou Agreement in fact reduces many ACP countries' preferential trade access to the EU market: 'WTO-compatible' in practice means reducing ACP countries' trade preferences and introducing reciprocity into their trade relations with EU countries.

Countervailing Duties: If a country can demonstrate that its domestic industry is being injured due to subsidized imports from another country, the WTO Agreement on Subsidies and Countervailing Measures (SCM) allows the aggrieved importing country to impose custom duties on these subsidized exports.

Covered Agreement: Agreement that is covered by the WTO Dispute Settlement Understanding and may give rise to a complaint to the WTO dispute settlement system. The covered agreements are listed in the Annex to the Dispute Settlement Understanding and include all the WTO legal texts that apply to all WTO Members, including the General Agreement on Tariffs and Trade (GATT 1994), the General Agreement on Trade in Services (GATS), the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) and the Agreement on Agriculture (AoA).

CTD: see *Committee on Trade and Development* above.

D

DDA: see *Doha Development Agenda* below.

Derbez text: This term is used to refer to the text drafted by Mexico's Foreign Minister Luis Ernesto Derbez at the Cancun Ministerial, that was on the table but not adopted when the talks broke down on September 13 2003. This text continued, during the first half of 2004, to be a reference point in WTO trade negotiations.

Development Box: Mechanism of special and differential treatment (see *SDT or S&D* below) proposed by a number of developing countries in the context of the negotiations of the Agreement on Agriculture (AoA), aimed at resolving issues of food security and development. This mechanism would allow developing countries flexibility to develop policies that are not necessarily AoA-consistent, such as support to domestic small farmers, promotion of domestic consumption, diversification of crops and improvement of export competitiveness (contrast with

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amber box, blue box and green box).⁵ Despite intense discussions following the first proposals submitted to the Committee on Agriculture in 2000 and 2001, the 'Development Box' is no longer at the forefront of the debate on SDT or in the agriculture negotiations.

Development Round: This term was coined mainly by the United Kingdom's then Development Secretary Clare Short, to emphasise that the new round of trade negotiations that was expected to be launched at the Seattle Ministerial Conference in 1999 should be expressly geared to meet the development needs and trade priorities of poorer nations. In the event, the Seattle Ministerial Conference failed to launch new negotiations. In the immediate lead-up to the 2001 WTO Ministerial Conference in Doha, Mike Moore, at that time WTO Director General, called for WTO Members to embark upon a new Development "Agenda" which was understood to be less ambitious than a "round" of negotiations (see *Doha Development Agenda*, and *round* below).

Disciplines: A term used to describe the binding rules contained in the WTO Agreements.

Doha Development Agenda: This is the name given by the WTO Secretariat to the trade negotiations that WTO Members agreed to embark on when they met in Doha for the WTO's Fourth Ministerial Conference, in November 2001. It used the term "development agenda" as opposed to "round" to make the negotiations seem less threatening to those (particularly developing countries) who had opposed the launch of a new round of trade talks. However, the term "Doha development agenda" is not defined or even mentioned in the text of the Doha Declaration, so many Members prefer the use of the term "Doha work programme", which is technically correct.⁶ In addition, critics point out that, whatever it is called, the work programme or agenda does not reflect the development priorities of developing countries.

Doha Work Programme: The technically correct term for the WTO negotiations agreed to at the WTO Doha Ministerial.

Drop: (in the context of *Singapore Issues*) When WTO Members speak of dropping the controversial Singapore issues, one should be attentive to the many things they can mean. These can include:

1. 'Drop from the WTO, or from the WTO agenda or the WTO work programme,' which implies that the work will not continue, even as discussion now (during Doha work period) or later (after Doha period).
2. 'Drop from the Doha work programme' implies they will not be on the Doha negotiating agenda; neither will it be on the discussion agenda, as the work of the working groups on Singapore Issues (and of the working groups on trade and finance, and trade and technology transfer) are part of the *Doha work programme*. This implies that the working groups would be suspended at least during the period of the Doha programme. The implication of this view is that the work could re-start after completion of the Doha work programme.
3. 'Drop from the *Doha development agenda*.' It is not clear what this phrase means, as the "Doha development agenda" is not defined or even mentioned in the text of the Doha

Declaration. In the context of the Singapore issues, it could be the case that the user of this phrase may take it to mean the negotiating agenda of the Doha programme; and thus argue that the Singapore issues are to continue as subjects of discussion in the working groups.

4. 'Drop from the single undertaking.' This does not mean that there will be no negotiations. An EC paper refers to *plurilateral* agreements when it mentions its willingness to drop an issue from the single undertaking. Dropping from the single undertaking could thus enable negotiations to take place even during the duration of the Doha work programme as (a) plurilateral negotiations and agreements are possible even during the Doha period, as it is not mandatory for members to be party to them; (b) multilateral negotiations may even be launched but not completed during the Doha period, and be carried over to the next Round.⁷

E

Early harvest: In the context of WTO negotiations, this term has been used to describe a decision by Members to agree to conclude part of the issues under negotiation even before agreement has been reached on all the issues being negotiated (contrast with *single undertaking* below).

Economies of scale: These occur when the mass production of goods or services results in a lower average cost per unit of product or service. For example, in the manufacture of a chair, the more chairs are produced, the lower the cost per unit of each additional chair.

ECOWAS: The Economic Community of West African States is a regional group of fifteen countries, founded in 1975. ECOWAS aims to promote greater economic integration at the regional level. Current members include: Benin, Burkina Faso, Cape Verde, Ghana, Guinea, Guinea Bissau, Liberia, Mali, Niger, Nigeria, Senegal, Sierra Leone, and Togo.

Enabling Clause: The expression "enabling clause" is used to describe the "Decision on Differential and More Favourable Treatment, Reciprocity and Fuller Participation of Developing Countries" adopted in 1979, in GATT. The aim of this clause was to allow developed countries to derogate from the requirements of most favoured nation (*MFN*) and national treatment (*NT*) in order to stimulate trade with developing countries. It is the legal basis for the General System of Preferences (*GSP*) and special and differential treatment (*SDT or S&D*). There is currently some controversy in the WTO over the enabling clause: many developing countries feel that the clause has been used in a discriminatory fashion, favouring the developing countries that already have strong economic ties with particular developed countries, the most vulnerable of developing countries or as a means of imposing conditionalities on developing countries.

External Transparency: A term used to refer to calls to the WTO to open itself up to greater scrutiny by non-Member-state stakeholders, particularly called for by civil society groups (contrast with *internal transparency* below).

Explicit Consensus: The Doha Declaration required that the decision to launch negotiations on the four *Singapore Issues* (investment, competition policy, government procurement and trade facilitation) had to be taken on the basis of an "explicit consensus on the modalities of the negotiations." The level of consensus Explicit Consensus requires has not been defined, although it is believed to require a very high threshold of explicit agreement between WTO Members. The term Explicit Consensus became a rallying cry in Cancún: NGOs handed out 'explicit consensus' necklaces that were worn by NGOs, delegates and journalists alike. One NGO commented that the fact that the rather arcane term explicit consensus became a rallying cry spoke volumes about what was not going on in drafting texts.⁸

F

Fast-Track (Authority): Now known as *Trade Promotion Authority*, referring to a power granted by the United States Congress to the President of United States. Under this power, the President can negotiate trade agreements that the House may accept or reject, but not amend. Advocates of Fast-Track note that if the President has Fast-Track, or Trade Promotion Authority, domestic political interests in the United States will not be able to undermine trade agreements negotiated between the US and other States. In contrast, public interest groups criticize Fast-Track as they fear that it could result in the US agreeing to trade agreements without domestic oversight to ensure that they take social and environmental concerns into account.

FDI: (see *foreign direct investment* below)

Five Interested Parties: US, EC, Brazil, India and Australia, meeting informally in the context of WTO talks in July 2004. .

Foreign Direct Investment (FDI): An investment in a country other than that of the investor, involving a long-term relationship and control of an enterprise by the investor.⁹

Friends of Multifunctionality: Group of WTO Members including the EU, Switzerland, Norway, Japan, Korea and Mauritius, that seeks to allow for agricultural policies that encourage environmental protection, rural development and food security.¹⁰ Whilst this group was prominent in the late 1990s and until Doha, they now defend the same interests but in different terms and the context of other country groupings. (See for instance *G10* below).

G

G10: South Korea, Taiwan, Liechtenstein, Israel, Bulgaria, Norway, Iceland, Mauritius, Switzerland and Japan keen to protect their domestic agricultural sector.

G20: A group of agricultural exporting countries who came together as one of the strongest negotiating forces during the WTO's Fifth Ministerial Meeting, in Cancún. The G20, which is 'united around agricultural reform' is led by Brazil, China, India and South Africa, and other members include Argentina, Bolivia, Chile, Costa Rica, Cuba, Ecuador, Egypt, Guatemala, Indonesia, Mexico, Pakistan, Philippines and Thailand. Together, these countries make up over half the world's population and two thirds of its farmers. The varying references to the group as G20, G20+ or even G22 during the Ministerial itself is due to the fact that a few countries have joined, and others – such as Peru and Colombia – left since September 2003. The G20 lost several of its Members following intense pressure on those countries by the US.

G20+: See G20 above.

G33: A group of countries that formed just before Cancun, and which advocates that developing countries be granted flexibility to self-designate a number of 'Special Products' on which they would not have to make any tariff reduction or tariff rate quota (TRQ) commitments. They also seek a new safeguard mechanism (*SSM*) for developing countries to enable them to counter market volatility and sudden import surges. Members include Barbados, Cuba, Congo, Cote d'Ivoire, Dominican Republic, Honduras, Indonesia, Kenya, Mauritius, Mongolia, Mozambique, Nicaragua, Nigeria, Pakistan, Panama, Peru, Philippines, Senegal, Sri Lanka, Tanzania, Trinidad and Tobago, Turkey, Venezuela, Zambia and Zimbabwe. (See also *Alliance for Special Products (SPs) and a Special Safeguard Mechanism (SSM)* above)

Geneva Process: The negotiations that take place amongst the trade delegations of WTO Members at the WTO in Geneva (contrast with *Capital Process* above).

Generalized System of Preferences: Trading system allowed under the *enabling clause*, whereby developed countries offer preferential treatment, such as zero tariffs, to products originating in developing countries, without the requirement that the developing country reciprocate these measures. The countries granting this preferential treatment unilaterally choose what product ranges and which countries can benefit.¹¹ However, they have also been criticized lately of using their GSP schemes to impose conditionality on developing countries.

Generalized System of Trade Preferences (GSTP) among developing countries: Originally conceived in the late 1970s, the GSTP was designed to promote trade amongst developing countries. It came into effect in the late 1980s, but was abandoned soon after, as a result of US pressures on developing countries as well as pressures from the IMF and World Bank. The **G20** revived the term again in June 2004, when it put forward the idea of launching a round of liberalisation using the GSTP.

Geographical Indications: In the WTO context this term refers to products with names related to their place of production, where a specific quality, reputation or other characteristic of the good is essentially attributable to this geographical origin. Examples are champagne or Basmati Rice. WTO Members are discussing the application of geographical indications (GIs) in the context of the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS), particularly with regard to wines and spirits, but the issue is very controversial. New world countries (US, Australia, Argentina, etc.) are emphatic that there are no WTO negotiations on GIs

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on any products other than wines and spirits, nor is there a mandate for such negotiations. Meanwhile other countries, led by the EC, maintain the contrary. The only GI issue that WTO Members are - so far without any success - negotiating is setting up a system of notification and registration of GIs for wines and spirits.

GI: (see *geographical indications* above)

Graduation: In the WTO context, this term refers to the process of a WTO Member changing from being considered a least-developed country (*LDC*, see below) to being considered a developing country (contrast with *product graduation* below). This issue is highly sensitive as some developed countries would like to tie the level of special and differential treatment more closely to a country's level of development, i.e. in essence create several categories of S&D and include the concept of a Member's 'graduating' to fewer privileges as its level of development improves. Also, whilst many developing countries feel there is a need to stay united regardless of their different levels of development, some feel they deserve more special treatment than others.

Green box: A category of domestic subsidies (see *subsidies* below) permitted by the WTO Agreement on Agriculture because they were believed to cause little or no trade distortion, and are funded by governments rather than consumers. The green box category includes direct payments to farmers that do not aim to encourage production, and payments for environmental protection measures (See also *amber box* and *blue box* above).¹² The US and the EU have recently started transferring subsidies from the amber and blue boxes to the green box. In addition, there is strong evidence to suggest that many green box subsidies in fact are trade-distorting.

Green Room: Refers to a process of informal consultations amongst a small number of WTO Members that is untransparent and undemocratic. In the days of the GATT, the Director General would convoke a small number of key trading powers to negotiate in a room near his office that was painted green, or according to other sources, in any room with a green baize-covered table. A decision brokered in the Green Room would be presented to the wider Membership as a *fait accompli*. In common usage Green Room has become a pejorative term used to denote trade negotiation processes which are exclusionary and lacking in transparency (See also *Internal Transparency*, below).

Group of 20, Group of 77 and other groups, see *G20, G77 etc* above.

GSP: See *Generalized System of Preferences* above.

GSTP: See *Generalized System of Trade Preferences*, above.

H

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Hardcore Cartel: In the context of the WTO trade negotiations on the interaction between trade and competition policy (see *Singapore issues* below), this term describes formal agreements between corporations aimed at sharing markets or reducing competition between them.

Heads of Delegations (HOD): These are the ambassadors that head the trade delegations of WTO Members in Geneva. The WTO Secretariat, in the lead up to the Cancún Ministerial Conference, convenes frequent meetings of HOD in order to stimulate the pace of negotiations.

HOD: (see *heads of delegation* above)

I

IF: (see *integrated framework* below)

Implementation: In the WTO context, implementation means more than just giving effect to a treaty or an agreed course of action. The term, which began to be commonly used from 1998, refers to the difficulties developing countries face in implementing existing WTO commitments, as well as their displeasure at the fact that many industrialized countries have still to implement their obligations, particularly in areas of concern to developing countries such as removing obstacles to textile imports.

Informals: Meetings of WTO Committees that take place outside of the official agenda of negotiations. These meetings are crucial to the WTO negotiations, and are in fact the point at which the main decisions are made. However their unofficial nature raises issues of accountability and transparency. For instance, no official records of these meetings are circulated, and not all WTO Members are invited to take part.

Integrated Framework (IF): This term describes the plan of action whereby six agencies (IMF, ITC, UNCTAD, UNDP, the World Bank and the WTO) have decided to coordinate the technical assistance they provide to least developed countries (see *LDCs* below). This technical assistance includes: institution-building to handle trade policy issues, strengthening of export supply capacity, trade support services, trade facilitation, training and human resource development and the creation of a supportive regulatory and policy framework that will encourage trade and investment.¹³ A number of civil society groups have criticized this framework for focusing solely on trade liberalization, to the detriment of other aspects and methods of development.

Internal Transparency: Refers to efforts within the WTO to ensure that all Members are informed of and able to participate in, WTO negotiations (See also *Green Room*, and contrast with *external transparency* above).

L

Least Developed Countries (LDCs): Least Developed Countries are the poorest countries in the world, characterized by of low gross domestic product, poverty amongst their inhabitants, and a low level of economic diversification. Different international bodies use different definitions of LDCs. The WTO uses the UN approach, which is to work from an agreed list of LDCs. There are currently 49 least-developed countries on the UN list, 31 of which to are WTO Members, including Angola, Bangladesh, Benin, Burkina Faso, Burundi, Central African Republic, Chad, Djibouti, Gambia, Guinea Bissau, Haiti, Lesotho, Madagascar, Malawi, Maldives, Mali, Mauritania, Mozambique, Myanmar, Nepal, Rwanda, Senegal, Sierra Leone, Solomon Islands, Tanzania, Togo, Uganda, Zambia. Five additional least-developed countries are in the process of negotiating their accession to the WTO. They are: Cape Verde, Laos, Samoa, Sudan and Vanuatu. Cambodia was accepted for WTO membership during the Cancún Ministerial Conference in September 2003, and so will become a member in 2004.

(Trade) Liberalization: The removal of barriers (such as tariffs or national controls) in order to create a ‘free’ market in goods, services or finance. Liberalization is a political philosophy that supports a reduced government role in the economy. It believes that markets should, as far as possible, be left to the forces of supply and demand.

Like Minded Group (LMG): This term was commonly used in the WTO until about 2001, to refer to a loose coalition of WTO Members with similar concerns about the WTO agenda. The term is hardly ever used in the WTO anymore. Although not all members signed on to all proposals, the LMG generally included: Cuba, Dominican Republic, Egypt, Honduras, India, Indonesia, Jamaica, Kenya, Malaysia, Mauritius, Pakistan, Sri Lanka, Tanzania, Uganda and Zimbabwe. Pet LMG issues have included opposition to negotiations on the Singapore issues, strong emphasis on implementation concerns and S&D, and calls for more transparent WTO procedures. Other LMG groups exist in other fora, notably the United Nations Commission on Human Rights and the Convention on Biological Diversity, however their purpose and composition differ from each other, as well as from that of the WTO LMG.

Like Product: Under WTO rules, imported and domestic products that are "like" must not be treated differently. On several occasions, WTO Panels have sought to define "like" products and have used criteria such as the intended end-use of a product, the product's properties and the commercial substitutability of the two products. In one recent case (*Asbestos*) the WTO Appellate Body emphasized the importance of the consumer perspective in determining whether products are or are not "like"; thus considerations such as the health impacts of different products might well be of critical importance, if they affect the preferences of the consumer. However, critics contend that the determination of "like" products does not take into sufficient account the processes through which products are made – processes that may not be visible in the final product, but that result in more or less environmental harm, or more or less respect for human rights and that might affect consumer preferences. (See *National Treatment, PPMs*, below). Many developing countries believe that allowing distinctions between products based on the way they are made will provide a new means for industrialized countries to disguise protectionist measures and discriminate against developing country exports.

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Linkages: In WTO talk, the term commonly refers to linkages between the different areas under negotiation, i.e. such as conditioning progress on industrial tariffs to progress in agriculture, and other trade-offs between different areas. This term is used (usually negatively) by some groups to refer to attempts to bring non-trade issues such as environment, human rights and labour issues into the WTO, thus linking trade with non-trade issues that may have protectionist intentions.¹⁴

Lomé Convention: The Lomé Convention is the treaty regulating trade and development co-operation between the European Union and ACP countries. It was succeeded in 2000 by the *Cotonou Agreement*.

LMG: (see *like minded group* above)

M

Market Access: The openness of a national market to foreign products. Market access reflects a government's willingness to permit imports to compete with similar domestically produced goods.

Marrakesh Agreement: The binding agreement signed at the Marrakesh Ministerial Conference in April 1994 setting up the WTO and containing the results of the Uruguay Round (see *Uruguay Round* below).

MEA: (see *multilateral environmental agreements* below)

MFN: (see *most favoured nation treatment* below)

Mid-Term Review: Assessment of the state of negotiations half way through a round of negotiations (see *round* below) often taking place at a WTO Ministerial Conference.

Millennium Round: The Round that wasn't. What the round to have been launched at Seattle (see *Seattle* below) was likely to have been called.

Mini-Ministerial: Meeting of a select group of WTO Members aimed at furthering WTO negotiations. Mini-Ministerials are a recent practice (since 2001), organized by a host country, outside of the realm of the official meetings organized by the WTO Secretariat. These meetings are heavily criticized: they exclude most of the WTO Membership, and are seen as part of the untransparent and exclusionary decision-making process of the WTO.

Ministerial Conference: This is the top official organ of the WTO, composed of representatives of all WTO Members and required to meet at least once every two years. It has the power to make decisions on all aspects of the WTO Agreements. Ministerial Conferences so far: 1st: Singapore (December 1996), 2nd: Geneva (May 1998), 3rd: Seattle (November-December 1999), 4th: Doha (November 2001), 5th: Cancún (September 2003). The 6th is scheduled to take

place in Hong Kong in 2005.

Most Favoured Nation Treatment (MFN): A commitment by a state to extend the same treatment it accords to its most-favoured trading partner, to all its trading partners. For instance, if Canada imposes a 1% tariff on imports of kiwi fruit from New Zealand, MFN treatment would demand that Canada extend the same treatment to the imports of kiwi fruit from other WTO Members. Together with national treatment (see below), MFN is at the core of the non-discrimination principle that lies at the heart of trade law.

Multifunctionality: The idea that agriculture is not limited to producing food and fibre, but that it is also has other functions, such as food security, environmental protection, landscape conservation and the preservation of rural employment.¹⁵ In the context of the WTO agriculture negotiations, these functions fall under the category of "non-trade concerns" (see *non-trade concerns* below). The word multifunctionality is used by a small group of countries, mostly industrialized countries that are big agriculture subsidizers. Other countries shun the word because of the broad scope advocated by its supporters, preferring the term "non-trade concerns", which they do not see synonymous with multifunctionality. Conscious of the negative connotations, the EU and other *friends of multifunctionality* are using the m-word less.

Multilateralism: Approach to international trade negotiations requiring the participation of a large group of countries¹⁶ (contrast with *bilateralism* and *plurilateralism* below).

Multilateral Environmental Agreements (MEA): Term used in the WTO context to describe international environmental treaties. In the WTO, MEA usually refers to those treaties that contain trade-related measures, including the Basel Convention (on hazardous wastes); the Convention on Biological Diversity (see *CBD* above); the Convention on International Trade in Endangered Species (CITES); the International Tropical Timber Agreement (ITTA); the Montreal Protocol on the ozone layer; and the United Nations Convention on Climate Change (UNFCCC).

N

NAMA: Non-agricultural market access, refers to a process mandated by the Doha *Ministerial*, aiming to liberalize trade in industrial and consumer products, in particular on products of export interest to developing countries.

National Treatment (NT): A commitment by a state to treat foreign products in the same manner as they would treat domestic products (provided that the foreign products are "like" their domestic counterparts).

Negative list approach: (also known as *top-down approach*) In the context of the General Agreement on Trade in Services (GATS), this is a list of the items to which the agreement will *not* apply. The WTO Member therefore commits to applying the agreement to all remaining items. (Contrast with *positive list* below).¹⁷

New Issues: (see *Singapore issues*, below).

Non-agricultural Market Access: see *NAMA*, above.

Non-Tariff Barriers (NTB): This can refer to a vast array of domestic measures or policies, apart from tariffs, which serve to or result in, discouraging imports. Non-Tariff barriers may include customs procedures, administrative requirements and even domestic regulations such as health, environmental or labour standards.¹⁸

Non-Trade Concerns: (see *multifunctionality* above) Term used in the WTO Agreement on Agriculture (AoA) to describe purposes of agriculture apart from food production, such as food security and environmental protection. WTO Members also cite rural development and employment, and poverty alleviation.¹⁹

Notification: Obligation of WTO Members to report to the WTO any new trade measures that might affect other Members' trade.²⁰

NTB: (see *non-tariff barriers* above)

NT: (see *national treatment* above)

Nullification and Impairment: This refers to a practice of a country that results in nullifying or impairing a commitment it has made under the WTO, thus damaging the trade benefits of other Members.

P

Paragraph 6: Paragraph 6 of the Doha Declaration on the TRIPS Agreement and Public Health instructs the Council for TRIPS to find an "expeditious solution" to the fact that WTO Members with insufficient or no manufacturing capacities in the pharmaceutical sector could face difficulties in acquiring essential medicines due to strict intellectual property protection. This paragraph is at the centre of the debate on the ability of developing countries to access essential medicines. WTO Members took nearly two years from Doha to reach find the solution, and only reached agreement in August 2003, after several postponed deadlines, last-minute deadlocks and late-night meetings. The Decision on the Implementation of Paragraph 6 of the Doha Declaration on the TRIPS Agreement on Public Health was finally adopted on 30 August, accompanied by a Chairperson's Statement committing Members to using the system established by the Decision "in good faith to protect public health" and not as "an instrument to pursue industrial or commercial policy objectives." The Statement also includes clarifications intended to prevent the diversion of medicines obtained using the system to rich country markets, as well as a list of countries that have voluntarily opted out from using the system as importers. Health advocacy groups have criticised both the Decision and the Statement for requiring too many conditions for the system to work in practice.

Parallel importation: this term is used in the context of intellectual property. It signifies a retailer taking advantage of lower prices in a different country to import products from that country in order to be able to sell at a price lower than the local price.

Peace Clause: Exemption of certain agricultural subsidies (including *green box* subsidies and export subsidies) from challenge in the WTO. "Peace clause" is the common way of referring to the "due restraint" clause set out in Article 13 of the WTO Agreement on Agriculture.²¹ The peace clause expired on 31 December 2003, although a number of countries would like it to be extended.

Plurilateral: WTO Agreements involving only a small group of countries willing to follow the particular rules advocated (contrast with *bilateralism* and *multilateralism* above). Almost all WTO agreements are multilateral since they apply to all WTO members. However, two of the WTO agreements are plurilateral, binding only a minority of WTO Members. These are the Agreement on Trade in Civil Aircraft, and the Agreement on Government Procurement.

Policy Space: Regulatory freedom advocated by governments in order to be able to adopt and promote policies adapted to their country's development needs. This demand for policy space arises as the increased liberalization of all sectors of the economy, and pressure by industrialized countries for the increasingly stringent and wide-reaching scope of WTO rules, leaves less and less room for countries to determine their own national policies.

Positive List Approach: (also known as *bottom-up approach*) In the context of the General Agreement on Trade in Services (GATS), this is a list of those items to which the agreement *will* apply, with no commitment to apply the agreement to anything else. (Contrast with *negative list* above and *top-down approach* below).²²

Positive Agenda: Trade measures that are thought to be supportive or beneficial to developing countries and least developed countries (see *LDCs* above), such as special and differential treatment, the right to obtain affordable medicines and fundamental reforms to agricultural subsidies (see *special and differential treatment* below).

Precautionary Principle: The precautionary principle originated in international environmental law. It states that where there are threats of serious or irreversible damage, lack of full scientific certainty should not be used as a reason for postponing measures to protect the environment or human health. The Appellate Body of the WTO has stated that the Precautionary Principle may be relevant to the interpretation of various WTO legal provisions, though it does not override explicit treaty obligations, for example to conduct a risk assessment in the case of food safety (SPS, see below) regulations.

Process and Production Method (PPM): A familiar feature of the trade and environment debate. It is conventional wisdom in the WTO that countries may not discriminate against products merely on the basis of how they were produced; however, in the case of National Treatment, the significance of this distinction is somewhat questionable given that the kinds of considerations that have been ruled relevant to "likeness," such as consumer habits and

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preferences, seem to cut across the division between products/and processes. (see *like product*, and *National Treatment*, above).

Product Graduation: In the context of the WTO Agreement on Special and Differential Treatment (see *special and differential treatment* below) this term relates to the rule that once subsidized exports of developing countries become competitive then the subsidies have to be gradually eliminated (not to be confused with *graduation* above).

Protectionism: Favouring domestic business or producers over foreign competitors, in violation of the principles of ‘free’ trade.

PPM: (see *process and production methods* above)

Q

Quad: A term used to refer to four trading powers – USA, Canada, Japan and the European Union – who for a long time were the most powerful within the WTO. Whilst Quad members do not always agree on policies, they meet regularly to discuss negotiations. When their interests do coincide, they are by far the most powerful group within the WTO. The Quad still refers to the original four even though China, that joined the WTO in 2002, is one of the organization’s four biggest traders.

R

Reciprocal Exchange of Concessions: The process used to bargain in WTO negotiations, whereby WTO Members arrive at binding agreements via bilateral exchanges of trade concessions. The results of bilateral agreements are then granted to all other Members according to the MFN principle (see *MFN* above).

Retaliation: A measure available in the context of the WTO dispute settlement system, allowing a WTO Member to increase tariffs on imports from a country that has injured its exports by violating its WTO commitments (see *bindings* above).

Round: A session of multilateral trade negotiations aimed at reaching an agreement that will reduce barriers to world trade (see for instance *Development Round* and *Uruguay Round*).

S

Schedules: A country's schedule is the document which sets out the terms, conditions and qualifications under which it will import foreign goods or open service sectors to foreign competition. Each WTO Member has its schedule which sets out the areas in which it has made WTO commitments, for instance, the maximum tariff level (see *binding* or *bound* rate) for a particular product, or the service sectors to which it will apply the market access and national treatment obligations of the General Agreements on Trade in Services (GATS). Since schedules list a country's commitments sector-by-sector, they are long and complex documents.

SDT or S &D: (see *special and differential treatment* below).

Seattle: In WTO-speak Seattle is the WTO's Seattle Ministerial Conference that took place in November-December 1999, where Members failed to reach an agreement on a new round of negotiations, and where anti-globalization protesters demonstrated so massively against the organization that Ministerial participants were subject to curfew.

Sectoral Initiative: In the context of the second phase of WTO Agricultural negotiations this term relates to initiatives that aim to eliminate all tariffs on imports of specific products. A recent sectoral initiative is that put forth by four West and Central African (WCA) countries; Benin, Burkina Faso, Chad and Mali, demanding the elimination of cotton subsidies, and compensation for losses suffered as a result of subsidies. Several Members also support – and others oppose – sectoral liberalization for certain industrial goods.

Singapore Issues (aka New Issues): At the WTO's first ministerial conference in Singapore in 1996, working groups were set up to study the issues of investment, competition policy, government procurement and trade facilitation. The intention was that these issues would become part of the WTO agenda at a subsequent date. Many countries (particularly developing countries) have since then resisted the inclusion of these issues as part of the negotiating agenda of a new round of trade talks. Following the Doha and *Cancun Ministerial* Conferences uncertainty remains as to the future of these issues on the WTO's agenda, and the issue was most controversial in the lead-up to Cancun. In fact, it was because of lack of agreement on the Singapore issues that the Conference ended without agreement. The countries pushing to negotiate on the Singapore issues in the WTO were led by the EU, Canada, Japan. Civil society and countries like India, Malaysia and LDCs vocally opposed this. Since Cancun three of the four issues have been *dropped* from the WTO's agenda.

Singapore Work Programme: This term refers collectively to the progress and prospects of the 4 Singapore Issues.

Single Undertaking: In the WTO context, this term refers to the manner in which Members accept the results of trade negotiations. A single undertaking requires Members to accept or reject the whole package resulting from the negotiations, instead of being able to selectively accept parts of the negotiations (contrast with *early harvest* above).

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Special and Differential Treatment (SDT or S&D): Preferential treatment that WTO rules accord to developing countries, and which can be manifested in different ways: developing country exports may enjoy preferential access to developed country markets, developing countries may not be expected to offer full reciprocity in trade negotiations (i.e. they may gain more than they concede), and developing countries may enjoy greater flexibility and longer periods of time to phase in new commitments.

SP/SSM Alliance: See *G33* above.

Special Products: See *G33* above.

Specific Trade Obligation (STO): This term is used in the WTO context to describe binding obligations in Multilateral Environmental Agreements (see *MEA* above) that have an effect on trade. However, there is no consensus in the WTO on how to define STOs (so there is also no consensus on which MEAs contain STOs).

Standstill: An undertaking not to impose new restrictions on trade after the date the undertaking was made. In the context of the General Agreement on Trade in Services (GATS), this provision requires that only restrictions that were already in existence at the time a WTO Member committed to GATS may be permitted.

STO: (see *specific trade obligation* above)

Strategic Products: See *G33*, above.

Subsidies: Assistance provided by governments to domestic producers or exporters, consisting of direct or indirect financial contributions or assistance in-kind.

Sui Generis: In the context of the WTO's TRIPS Agreement (see *27.3(b)* below), a *sui generis* regime is a legal regime different from patents which could, for instance, be designed so as to give communities the ability to protect their traditional knowledge. Under the TRIPS Agreement an example of a *sui generis* regime for protecting plant varieties is the UPOV Convention, although UPOV is in itself controversial for being too pro-corporate.

Swiss Formula Approach: A tariff reduction formula currently used in the agriculture negotiations, that requires that WTO Members narrow the gap between high and low *tariffs* (known as "harmonizing the tariffs.") The "Swiss formula" is a special kind of harmonizing method. The Cairns group of agricultural exporting nations and the Like-Minded Group of developing countries support this formula (Switzerland doesn't!) (see *Cairns group* and *LMG* above, contrast with "*Uruguay Round*" *Approach* below).²³

T

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Tariff: A duty or tax on goods, imposed at the border.

Tariff Escalation: Policy whereby tariffs are low for raw or unfinished materials, somewhat higher for semi-finished products and highest for finished products. This policy aims to encourage local manufacture and employment and to discourage import of finished goods. It is commonly applied by industrialized countries and harmful to developing countries.

Tariff Line: Countries list all of the tariffs in a tariff schedule, organized product-by-product. A tariff line refers to any single line (i.e. any single product) in this tariff schedule.

Tariff Peak: A tariff that is much higher than the average national tariff. A tariff peak would mean that the product or group of products in that tariff line is benefiting from higher protection than the other products in the schedule. Peak tariff rates are to a large extent a relative concept, though during the Uruguay Round they were defined for negotiating purposes as any tariffs above 15%.²⁴

TK: (see *traditional knowledge* below)

Top-Down Approach: (also known as *negative list approach*) A list of the items to which the General Agreement on Trade in Services (GATS) will *not* apply. The WTO Member therefore commits to applying the agreement to all remaining items. (contrast with *bottom-up approach* and *positive list approach* above).

TPA or Trade Promotion Authority: (see *Fast-Track Authority* above)

Traditional Knowledge: Knowledge that has been used by indigenous and local communities, often for many generations or centuries. Examples include traditional production processes, biological resources such as medicines and seeds, as well as cultural expressions including musical works and handicrafts. This is a critical issue in the WTO due to the risks raised by the Trade-Related Aspects of Intellectual Property Rights Agreement (*TRIPS*) regarding the patenting by private interests of biological processes and resources originating from traditional knowledge. Consultations are taking place between the WTO, the World Intellectual Property Organization (WIPO) and the Convention on Biological Diversity (CBD) to attempt to find a way to protect traditional knowledge.

TNC: Trade Negotiations Committee. In the WTO the TNC refers to the General Council meeting in special negotiating session, to oversee multilateral trade negotiations. It is currently in charge of the *Doha work programme* launched in November 2001. TNCs exist in other contexts: there is a Trade Negotiations Committee (TNC) for the Free Trade Area of the Americas (FTAA) negotiations. The acronym TNC is also used to refer to Transnational Corporations, as in the Draft Norms on the human rights obligations of TNCs, adopted by the UN's Sub-Commission on Human Rights in August 2003.

Tripartite Alliance: See *ACP/LDC/Africa Union* above.

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TRIPS: The WTO's Agreement on Trade-Related Intellectual Property Rights.

U

Unbound Tariff: Tariffs that can fluctuate and are not fixed at a particular level (contrast with *bound/bindings* above).

Unilateral Liberalization: (see *autonomous liberalization* above)

Uruguay Round: The multilateral round of trade negotiations that began in 1986 and concluded at the Marrakesh Ministerial meeting in April 1994. The Uruguay Round had many significant outcomes including the creation of the WTO.

Uruguay Round Approach: Tariff reduction formula put forth in the agriculture negotiations, that requires WTO Members to reduce tariffs on agricultural products by the same percentage, no **matter** what the starting tariff level of a product is, ie: whether it is 70% or 5% of the price of a product, these tariffs percentages would all be reduced by a further 35% (see *tariff* above). This method is less ambitious than the *Swiss Formula approach* (see above), in that it would still allow some tariff rates on particular agricultural products to remain high. In the lead-up to Cancún, this approach to tariff reduction is supported mainly by the EU, Norway, Switzerland, Mauritius and India.²⁵

W

Waiver: Permission granted by (at least three quarters of) WTO Members allowing a WTO Member not to comply with certain of its normal commitments under the WTO agreements. Such waivers have time limits and are subject to regular review.

WIPO: (see *World Intellectual Property Organization* below)

World Intellectual Property Organization (WIPO): The WIPO is an institution of the United Nations dedicated to protecting and regulating intellectual property rights. The WTO and WIPO have signed a cooperation agreement in the context of the Trade Related Intellectual Property Rights Agreement (TRIPS) and are also cooperating on the issue of traditional knowledge (see *traditional knowledge* above).

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Other Trade-Related Glossaries

For other useful glossaries, see:

Agricultural Trade Policies and Issues Glossary - <http://www.agtrade.org/glossary.htm>

Deardoff's Glossary of International Economics - <http://www-personal.umich.edu/~alandear/glossary/>

Eurojargon - http://europa.eu.int/abc/eurojargon/index_en.htm

GATS Glossary - http://www.igtn.org/GATS/GATS_Glossary.pdf or <http://www.igtn.org/EconoLit/Literacy.html>

Glossary of Development Terms and Abbreviations (UK Department of International Development)

http://www.dfid.gov.uk/aboutdfid/files/glossary_m.htm

Walter Goode, *Dictionary of Trade Policy Terms*, 1998.

Google Glossary - <http://labs1.google.com/glossary>

Halifax Initiative Finance Glossary - http://www.halifaxinitiative.org/index.php/Resources_Glossary

Investment Watch Technical Glossary - <http://www.investmentwatch.org>

UNDP Human Development Reports Glossary - <http://hdr.undp.org/hd/glossary.cfm>

WTO Informal Press Guide to WTO Speak -

http://www.wto.org/english/thewto_e/minist_e/min01_e/brief_e/brief22_e.htm

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¹Goode, p. 243

² *The Economist*, 27 October 2001.

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³Walter Goode, *Dictionary of Trade Policy Terms*, 1998, p.30 [hereafter Goode].

⁴WTO Agriculture Negotiations Backgrounder.

⁵ Duncan Green, CAFOD and Shishir Priyadarshi, South Centre, *Proposal for a 'Development Box' in the WTO Agreement on Agriculture*, October 2001: www.cafod.org.uk/policy/devbox.htm

⁶ THE TWISTS AND TURNS OF THE SINGAPORE ISSUES: The Many Ways To Drop (or Not Drop) An Issue, TWN Info Service on WTO Issues (June04/2), Third World Network, 26 May 2004.

⁷ THE TWISTS AND TURNS OF THE SINGAPORE ISSUES: The Many Ways To Drop (or Not Drop) An Issue, TWN Info Service on WTO Issues (June04/2), Third World Network, 26 May 2004.

⁸ See CPATH REPORT, *TURNAROUND AT THE WTO: VITAMINS FOR FAIR TRADE*, email of 18 September 2003.

⁹UNDP, Human Development Reports Glossary: <http://hdr.undp.org/hd/glossary.cfm>

¹⁰ ICTSD, *Doha Round Briefing Series, Agriculture*, Vol.1, No.2, February 2003

¹¹ WTO: Development: Main Legal Provisions.

¹² Kamal Malhotra, *Making Global Trade Work for People*, Earthscan Publications 2003, p. xxv

¹³ An Integrated Framework for trade-related technical assistance, WT/LDC/HL/1/Rev.1, 23 October 1997, www.wto.org/english/tratop_e/devel_e/teccop_e/frame_e.htm

¹⁴ <http://cuts.org/linkages-twinsal.htm>

¹⁵ WTO Informal Press Guide to "WTO Speak": www.wto.org/english/thewto_e/minist_e/min01_e/brief_e/brief22_e.htm

¹⁶ Goode, p. 187.

¹⁷ Deardoff's Glossary of International Economics.

¹⁸ For a list of some of the most common non-tariff barriers, see Deardoff's Glossary of International Economics.

¹⁹ WTO Informal Press Guide to "WTO Speak".

²⁰ Goode, p. 202.

²¹ WTO, Agricultural Negotiations Backgrounder, Phase 1: The Peace Clause:

www.wto.org/english/tratop_e/agric_e/negs_bkgrnd13_peace_e.htm

²² Deardoff's Glossary of International Economics.

²³ WTO background fact sheet on tariff negotiations in agriculture,

www.wto.org/english/tratop_e/agric_e/agnegs_swissformula_e.htm

²⁴ Goode, p. 215.

²⁵ ICTSD Doha Round Briefing Papers, Agriculture, February 2003