

GLOSSARY OF TRADE AND RELATED TERMS

- Reverse Preferences Tariff advantages once offered by developing countries to imports from certain developed countries that granted them preferences. Reverse preferences characterized trading arrangements between the European Community and some developing countries prior to the advent of the Generalized System of Preferences (GSP) and the signing of the Lome Convention. See European Community, Generalized System of Preferences.
- Round of Trade A cycle of multilateral trade negotiations under Negotiations the aegis of GATT, culminating in simultaneous trade agreements among participating countries to reduce tariff and non-tariff barriers to trade. Seven "Rounds" have been completed thus far: Geneva, 1947-48; Annecy, France 1949; Torquay, England, 1950-51; Geneva, 1956; Geneva, 1960-62 (the Dillon Round); Geneva, 1963-67 (the Kennedy Round); and Geneva, 1973-79 (the Tokyo Round). A new round, the Uruguay Round, started in September, 1986.
- Rules of Origin The term for the set of measures used to differentiate between goods originating in one country from those in another for the purpose of the application of trade measures such as tariffs. For example, goods made up of components originating in various countries but which when assembled add 50% to their overall value may be considered to be goods originating in one country, whereas the addition of 25% in value would not qualify. Such rules are very important for countries which are members of a free-trade area.
- Safeguards The term safeguards refers to emergency actions in the form of additional duties or import quotas applied to fairly traded imports which nevertheless cause or threaten serious injury to domestic producers.
- SAGIT Sectoral Advisory Group on International Trade. Fifteen such groups have been established to provide the Canadian federal government with advice on trade negotiations from a sectoral perspective. See also ITAC.
- Section 301 (of the Trade Act of 1974) Provision of US law that enables the President to withdraw concessions or restrict imports from countries that discriminate against US exports, subsidize their own exports to the United States, or engage in other unjustifiable or unreasonable practices that burden or discriminate against US trade. Canada enacted similar legislation in the Special Imports Act of 1984.