

Multilateral Surveillance

The use of economic indicators to compare economic policies among countries and the analysis of the interaction of those economic policies.

The Group of Seven (G-7) Finance Ministers has developed and implemented strengthened arrangements for multilateral surveillance and coordination. As was noted in the Venice Summit Economic Declaration, the new process of coordination, involving the use of economic indicators, will enhance efforts to achieve more consistent and mutually compatible policies by Summit countries. (See Group of Seven in next section.)

Newly Industrializing Economics (NIEs)

Developing economies that have sustained rapid growth (over 6 per cent per annum) of their gross national product over the past 15 years, and have a high proportion of manufactured products as a percentage of total exports. Currently, the economies identified as NIEs include the Republic of Korea, Singapore, Taiwan and Hong Kong.

Plaza Agreement

The Group of Five Finance Ministers (G-5) — from France, the Federal Republic of Germany, Japan, the United States and the United Kingdom met at the Plaza Hotel in New York in September 1985. The formal communiqué prepared at the meeting was the first public statement released by the G-5.

The Ministers agreed to a coordinated exchange market intervention that would drive down the value of the US dollar as it was too strong in relation to other currencies and no longer reflected fundamental economic conditions.

Punta Del Este

A city in Uruguay that hosted the conference that launched the Uruguay Round of Multilateral Trade Negotiations.

Sherpas

The personal representatives of the leaders of the Summit countries, who are responsible for overseeing the preparatory process for the Summit meetings and advising their leaders on Summit matters. The sherpas, at their preparatory meetings, seek out areas of agreement which may form the elements of a Summit consensus approach on the main issues.

Prime Minister Mulroney's Personal Representative is Dr. Sylvia Ostry, who is also Canada's Ambassador for Multilateral Trade Negotiations.

Special Drawing Rights (SDRs)

These were created in 1969 by the International Monetary Fund (IMF) as a supplemental international monetary reserve asset. SDRs are available to governments through the Fund and may be used in transactions between the Fund and member governments. IMF member countries have agreed to regard SDRs as complementary to gold and reserve currencies in settling their international accounts. The SDR has become the unit of account used by the Fund and several national currencies are pegged to it.

Structural Adjustment

The adjustment of economies and institutions to microeconomic factors and to regulatory and institutional reforms. Structural features of national economies include the supply and allocation of factors of production; the market for goods and services; and the taxing, spending and regulatory functions of the public sector.

Structural Adjustment Facility (SAF) and Enhanced Structural Adjustment Facility (ESAF)

A funding facility of the International Monetary Fund, established in 1986, which provides loans to low-income member countries that are facing protracted balance of payments problems in support of medium-term macroeconomic and structural adjustment programs.

The Enhanced Structural Adjustment Facility, established in December 1987, strengthens the ability of the international financial community to support the structural adjustment growth-oriented programs of eligible countries by increasing significantly the resources available to low-income countries.

TRIMS

Trade Related Investment Measures. A Uruguay Round negotiating group established to examine the trade restrictive and distorting effects of investment measures. The group will develop, as appropriate, GATT provisions which would avoid such adverse affects.

TRIPS

Trade Related Intellectual Property. A Uruguay Round negotiating group established to pursue the objective of classifying GATT provisions and developing appropriate new rules on intellectual property.