

GLOSSARY OF TRADE AND RELATED TERMS

Restrictive Business Practices (RBPs)	Action taken by a country whose exports are adversely affected by the raising of tariffs on other trade restricting measures by another country. The GATT permits an adversely affected country to impose limited restraints on imports from a country that has raised its trade barriers after consultations with countries whose trade might be affected. In theory, the volume of trade affected by such retaliatory measures should approximate the volume of trade affected by the precipitating change in import protection.
Retaliation	Action taken by a country to restrain its imports from a country that has increased a tariff or imposed other measures that adversely affect its exports in a manner inconsistent with GATT. The GATT, in certain circumstances, permits such reprisal, although this has very rarely been practiced. The value of trade affected by such retaliatory measures should, in theory, approximately equal the value affected by the initial import restriction.
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 Negotiations	A cycle of multilateral trade negotiations under 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.