

Terms for Regional Integration

| Terms | Meanings |
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| Regional Integration | The unification of countries through economic agreements. |
| Developed country | A country which has high economic development, advanced infrastructure and high standard of living relative to other countries. |
| Economies of scale | The financial advantages which result from producing goods in large quantities. For example, the unit cost of production may fall as output increases. |
| Bi-lateral agreement | An agreement between two groups or countries |
| Multi-lateral agreement | An agreement among many groups or countries |
| Common External Tariff (CET) | A tax agreed by all members of a custom union or common market to be applied to imports from outside the common market. |
| Economic integration | An arrangement in which a group of countries agree to remove tariff and non-tariff barriers to trade and the movement of capital and labour between the members of the group. |
| Free trade association (area) | A group of countries which agree to remove the tariff and non-tariff barriers on goods which they produce and sell to each other, while imposing their individual tariffs on imports from countries which are not members of the group. |
| Tariff barriers | A form of taxes on imports and exports |
| Non-tariff barriers | Hindrances to imports and exports that are not taxes. They include quotas, licensing arrangements, and foreign-exchange controls. |
| Globalization | The process by which the world's separate economies are becoming interconnected as a result of the improvements in transportation and communication and the removal of the barriers to trade and the flow of capital and information. |
| Trade liberalization | The removal of or the reduction of trade practices that restrict the free flow of goods from one country to another. |
| World Trade Organization | The WTO deals with global rules of trade between countries. Its aim is to ensure that trade flows as freely as possible. |
| Preferential trade agreement | An agreement which allows countries which are usually poor to export selected goods to richer countries duty free. The objective is to help promote the development of the poor countries. |
| Trade bloc | A group of countries trading among themselves. |
| Caribbean Community (Caricom) | This is an association of sovereign Caribbean countries with a common desire to work together to overcome the challenges which face the region and promote their mutual well-being. |