

\* WTO (World Trade Organisation) :- It is a global organisation dealing with rules of trade between nation establishment in 1st Jan 1995. It was resolved in Uruguay round negotiation in the Geneva Switzerland.

Functions of WTO -

- 1- Administration of WTO agreement and their operation.
- 2- It provides a platform of negotiation.
- 3- Responsibility to settle the disputes.
- 4- It provides the assistance and technical support to the developing nations.

\* Organisational structure of WTO :-

- 1- Ministerial - It is the apex body of WTO where the representative ministers are associated once in a two year.
- 2- General Council - It is also a sub-unit which consist government official as representative and the function is to form agreement, policies and rules.
- 3- Dispute Settlement body - (Tury).
- 4- Trade Policy review body.
- 5- Different councils.
- 6- Functional Committees and Verificational body.

7- Membership - It is mandatory for members to follow the rules and facts of WTO in order to be WTO.

★ Principles of WTO :-

1- National treatment - WTO gives the due respect to the law of the member countries and suggest them the necessary changes for the global business.

2- Tariffication - (Transportation)  
To maintain the sound tariff ways and to protect the domestic factors.

★ DSU (Dispute Settlement Unit)

1- Consultation and mediation

2- Panel proceeding.

3- Appellate body

4- Adoption of the result.

★ Globalisation :- Globalisation is the operation of trade activities across the countries. Here, the firms which operates business into multiple nations known as MNC's. Every MNC has a parent country or origin and spreads its business into other nations.

### ★ Features of MNC'S :-

1. Integration of market.
2. Production of variety.
3. Cross-cultural organisation.
4. Production Integration
5. It is the cost effective trade practice.

### ★ Aspects of globalisation :-

1. Economic aspect - Globalisation provides cheap labour, free market economy.
2. Technological aspect - Nowadays our earth is sitting on the technology boom due to the heavy development of IT is making the world as a small village.
3. Cultural aspects - During the process of globalisation the multinational firms are supposed to take care about the cultural co  
foren :- The MC donalds provides the regional foods as staffing in the respective nations as in arab as Arabian Kofta.
4. Military aspects - Every host country is bound to provide safety & security to the MNC, And in case of break the military actions can be initiated.
5. Political aspects - Global business always provides a chance for mutual political cooperation b/w two nations because the interests are present for both the nations.

Outsourcing :- It is a process where business moves the produce of goods and services outside from a country to get the benefits of low cost, taxes, cheap labour and rich market.

Forms of outsourcing -

1. CRO (Contract research organisation)
2. Customer service
3. Contract production
4. Outsourcing of ware houses.

★ G-20 :- It is a group of 20 nations and was established in 1999 and the member countries are -

- |              |                    |
|--------------|--------------------|
| 1- Argentina | 11- Japan          |
| 2- Australia | 12- Mexico         |
| 3- Brazil    | 13- Russia         |
| 4- Canada    | 14- Saudi Arabia   |
| 5- China     | 15- South Africa   |
| 6- France    | 16- South Korea    |
| 7- Germany   | 17- Turkey         |
| 8- India     | 18- UK             |
| 9- Indonesia | 19- America        |
| 10- Italy    | 20- European Union |

Last five chairs of G-20 :-

- 1- India (2015) (2002)
- 2- Germany (2017)

- 3- China (2016)
- 4- Turkey (2015)
- 5- Turkey (2014)

Objectives of G-20:-

- 1- Policy coordination b/w member countries in order to achieve economic stability.
- 2- Promotion of financial and mutual interest.
- 3- Modernisation in aspect of trade & technology.

Features of G-20 -

- 1- 90% of GDP
- 2- 80% of international trade.
- 3- 2/3 population of world.
- 4- 84% fossil fuel pollution.

Exim Policy (2004, 2009) (Export-Import)

Exim policy is the set of foreign trade policies in form of various designs, regulations & trade practices.

Objectives of the exim policy -

- 1- To accelerate the economic growth with max. profit.
- 2- To setup the stable economic growth with the help of domestic components.

- 3- To enable the Indian agriculture industry in front of global.
- 4- To generate the global employment.

★ Main features of 2004-2009-

- 1- Free export and import.
- 2- To advise government on policy measures.
- 3- To review the export performance.
- 4- To examine the existing infrastructure as compare to global facilities.
- 5- To set the review standards and norms.
- 6- To solve the disputes.
- 7- To advance the internal technical structure.

★ Trips: Trade Related Intellectual Property  
Tribbe.

Intellectual property includes any inventions, literature or artistic works and also include property. By the means of Trips

to the individuals, firms and nations to enjoy their own development.

Principles -

- 1- How ~~to~~ the Intellectual property agreement should be applied.
- 2- To secure the adequate protection to the Intellectual property rights by the means

- of copyrights, patents and licence.
- 3- To call the nations for their separate loss.
  - 4- To settle the dispute of titlement. Special transitional during the period when the new system being introduced.

★ **Dumping** :- The price a firm charges for a given good in the domestic market is sometimes different from the price it charges for the same good in an export market. The most common form of price discrimination is dumping.

is price stick practise in which a firm charges a lower price to foreign costumers than to local costumers.

Condition : 2 major Conditions :-

- 1- The industry must be imperfectly competitive.
- 2- Market must be segmented in the sense that domestic residence can't easily purchase goods.

Reasons for dumping -

- 1- The firms often have less figure of competition in dumping situation because the firm may select the market with the low.

- 2- Dumping provides the surplus profit to the firm.
- 3- Dumping gives the chance to enhance the market share because at the same time the firm is interacting with multiple customers.
- 4- It brings down the storage cost for the firm.