GLOSSARY

A

Absolute measure: Metric expressed in absolute units. For example, the number of people living in poverty, total export value in local currency, difference between the number of females and males enrolled in primary education. See also "Relative measure".

Agreement on Textiles and Clothing (ATC): Sector-specific WTO agreement on trade in textiles and clothing which entered into force on 1 January 1995. Its main purpose was to secure the phasing out of restrictions on imports of textile and clothing products – set by the Multi-Fibre Arrangement (MFA) – over a transitional period of ten years, thereby integrating the textile and clothing sector into the standard rules and disciplines of the WTO by 2004. See also "Multi-Fibre Arrangement".

Agricultural extension services: Activities aimed at educating and training rural workers on agricultural practices, including farming methods and techniques.

Agro-climatic zones: Territorial areas that share similar land, soil and climate characteristics and where the same kind of vegetation is found and the same crops are cultivated.

B

Bargaining power: Relative capacity of one party to exert influence over another party during a negotiation or a dispute. The party with a stronger bargaining power is able to secure an agreement closer to its own terms thereby achieving a more desirable outcome.

C

Capital intensity: Ratio of the amount of capital and labour used in production. It is commonly measured as the ratio of net fixed capital stock to the number of workers. See also "Labour intensity".

Cash crop: Agricultural crop grown for sale and not for the farmer's own consumption. See also "Subsistence crop".

Comparative advantage: The efficiency with which a country can produce one good relative to another in the standard theory of international trade. It is generally measured as the ratio of unit labour costs. Trade between countries occurs if their relative efficiencies in producing two goods are different. If a country *A* can produce product *X* at a relatively lower cost than country *B*, it has a comparative advantage in producing *X*. By exporting *X* and buying product *Y* from its trading partner country *B* at a relatively lower cost, it can get more *Y* and at a lower price through this exchange than if it produced both goods nationally. See also "Competitive advantage".

Competitive advantage: The idea that countries compete on absolute unit costs (rather than relative costs) and use different strategies such as unit cost reduction and price-cutting to outperform their competitors and gain market shares. The country that produces a good more efficiently (or at a lower cost) as compared to the other captures the export market, regardless of the relative cost of production of goods within the country. This contrasts with the standard trade theory based on comparative advantage in which trade is based on the relative cost of production within countries. See also "Comparative advantage".

Contract farming: It can be defined as agricultural production carried out according to an agreement between a buyer and farmers, which establishes conditions for the production and marketing of a farm product. Typically, the farmer commits to provide agreed quantities of a specific agricultural product, which should meet the quality standards of the purchaser and be supplied at the time determined by the purchaser. In turn, the buyer commits to purchase the product and, in some cases, to support production through, for example, the supply of farm inputs, land preparation and the provision of technical advice (FAO, 2012).

Contributing family worker: The term refers to a self-employed individual in a market-oriented establishment managed by a related person living in the same household. Contributing family workers cannot be considered as co-workers, because their degree of commitment to the operation of the establishment, in terms of working time or other factors, is not comparable to that of the head of the establishment (ILO, 1993).

Cross-border trade: Buying, selling and related activities, of goods and services between individuals or companies (traders) in neighbouring countries, with the seller(s) in one country and the buyer(s) in the other country. See also "Informal cross-border trade".

Customary law: An established practice that has become part of the accepted and expected conduct in a given social setting due to convention, tradition or social norms. Customary practices are enforced and accepted as law.

D

Defeminization of labour: The decline in the share of female employment in any given sector or industry. Some of the factors that may contribute to the defeminization of labour include: the shift to capital-intensive production (if women are concentrated in labour-intensive production); export contraction (if women are strongly present in exporting industries, such as manufacturing); higher wages in female-intensive production, which may attract men and contribute to push women out of employment (ECLAC, 2001). See also "Feminization of labour".

Downstream activities: Later stages of the production process that include the processing of raw materials into finished products and their distribution, through marketing and sale, to end-consumers (businesses and/or individuals). In the case of the fishing sector in the Gambia, downstream activities involve, for example, the processing (e.g. smoking) of fish.

Dutch Disease: A situation when the discovery of new natural resources in a country or a boom in prices of such resources lead to a real appreciation of the country's currency, which in turn makes the country's non-natural resources exports less price-competitive on the world market, thus hampering the growth of manufacturing or other tradable sectors. Dutch Disease is often considered to be a temporary problem. In contrast, the so-called "resource curse" is the possible negative longer-term impact of Dutch Disease on technical progress in the country, mainly in manufacturing, caused by the diversion of financial resources from productive, growth-oriented use, due to rent-seeking behaviour (UNCTAD, 2012).

E

Efficient allocation: Distribution of assets and/or resources between economic actors (e.g. individuals and firms) that achieves the best outcome possible and makes everyone better off: each actor can only gain from a redistribution of assets and/or resources at the expense of someone else.

Export Processing Zones (EPZs): Areas generally set up in developing countries to attract foreign direct investment. The advantages offered by EPZs to firms (usually foreign owned) include: duty-free imports of raw and intermediate inputs for the processing of export products, facilitated licensing or building permits, reduced customs constraints, and overall fiscal advantages. Potential benefits of EPZs for the host country include: increase in foreign capital inflows, expansion of exports, transfer of technology and overall positive spillover effects on the domestic economy.

F

Factor endowments: Amount of production factors, typically land, labour and capital, which are available and can be exploited for the production of goods and/or services within a country.

Female (male) intensity of employment: The concentration of female (or male) employment in any given industry, sector or at the aggregate level. It is measured as the female (male) share of total employment. For example, EPZs display a high female intensity of employment, reaching up to 90 per cent in some countries. See also "Feminization of labour".

Feminization of labour: The increase in the share of women employed in wage work in a given sector. For example, the expansion of the manufacturing sector following a free trade agreement or foreign investment inflows may provide new work opportunities for women. See also "Defeminization of labour".

Foreign Direct Investment (FDI): "[FDI] is defined as an investment involving a long-term relationship and reflecting a lasting interest and control by a resident entity in one economy in an enterprise resident in an economy other than that of the foreign direct investor. FDI implies that the investor exerts a significant degree of influence on the management of the enterprise resident in the other economy. Such investment involves both the initial transaction between the two entities and all subsequent transactions between them and among foreign affiliates, both incorporated and unincorporated. FDI may be undertaken by individuals as well as business entities" (UNCTAD, 2013c).

G

Gender: Defines the socially constructed set of attributes, roles and opportunities ascribed to male and female sex categories. Aspects of gender vary greatly across socio-cultural contexts and determine what is the expected, valued and allowed behaviour in men and women. Substantial gender differences and inequalities can be found in most societies. See also "Gender equality".

Gender equality: The enjoyment of equal rights, opportunities, access to resources and decision-making power across different sex categories and genders in social, economic and political life. See also "Gender parity".

Gender mainstreaming: The process of taking gender considerations into account in different institutions with the objective to promote gender equality. The United Nations Economic and Social Council defined the concept as: "the process of assessing the implications for women and men of any planned action, including legislation, policies or programmes, in any area and at all levels. It is a strategy for making the concerns and experiences of women as well as of men an integral part of the design, implementation, monitoring and evaluation of policies and programmes in all political, economic and societal spheres, so that women and men benefit equally, and inequality is not perpetuated. The ultimate goal of mainstreaming is to achieve gender equality" (United Nations Economic and Social Council, 1997).

Gender parity: Equal representation of men and women. Gender parity can be achieved in employment (e.g. parity in all the professional levels of the workplace), in education (e.g. parity in enrolment rates, completion rates and literacy) or in political participation (e.g. parity in all the levels of government and decision-making bodies). See also "Gender equality".

Gender segregation: Unequal distribution of men and women in different occupations and functions produced by gender bias. Gender segregation in employment can be vertical (where men are typically concentrated at the top of the occupational hierarchy, while women at the bottom) or horizontal (where women and men carry out different tasks across occupations).

Gender wage gap: Difference between men's and women's pay as a result of discrimination and/or concentration in different occupations. It can be measured in various ways, including the difference between male and female average earnings expressed as a percentage of male earnings.

Global supply chains: The chains of supply of raw materials and components that contribute to production systems globally. Global supply chains integrate inputs originating from several countries, with each country specializing in a given stage of the production process that transforms raw materials and components into a finished product and delivers it to final customers (UNCTAD, 2013b).

Global value chains (GVCs): GVCs comprise the set of different activities, involving two or more countries, which are needed to bring a product or service from conception, through the intermediary phases of production, delivery to final consumers, and final disposal after use. A typical GVC producing any end-product for final consumption will involve activities across multiple sectors and industries – from extractive industries or primary sector activities, to manufacturing and services – incorporating value added along the chain (UNCTAD, 2013c).

H

Heterodox economics: Heterodox economics is an umbrella term that is used to loosely describe non-neoclassical approaches to economics such as Keynesian, Marxist, feminist and institutionalist schools that are generally critical of the standard approach and based on different theoretical foundations. See also "Orthodox economics".

I

Informal cross-border trade: Informal cross-border operators can be classified into three categories: (a) unregistered traders operating entirely outside the realm of formality; (b) traders who are registered but who fully evade trade-related regulations and duties; and (c) operators who are registered but who partially evade regulations by resorting to illegal practices. Informal cross-border trade covers a wide spectrum of agricultural and manufactured items and refers to both small volumes of goods transported across the border on foot or by bicycle, and large volumes transported by land, sea or air. See also "Cross-border trade".

Informal economy: It refers to all economic activities by workers and economic units that are – in law or in practice – not covered or insufficiently covered by formal arrangements. Their activities are not included in the law, which means that they are operating outside the formal reach of the law; or they are not covered in practice, which means that – although they are operating within the formal reach of the law, the law is not applied or not enforced; or the law discourages compliance because it is inappropriate, burdensome, or imposes excessive costs" (ILO, 2002).

Informal employment: Work without legal or social protection inside or outside informal enterprises (Chen and Vanek, 2013).

Labour intensity: Ratio of the amount of labour and capital used in production. It is commonly measured as the ratio of the number of workers to net fixed capital stock. See also "Capital intensity".

Labour standards: A set of international conventions on labour and social policy that safeguard the rights of working persons. Core labour standards are basic human rights and include principles related to freedom of association and the right to collective bargaining, forced labour, equality of opportunity and treatment, and child labour (ILO, 1998). Core labour standards are defined in the Declaration on Fundamental Principles and Rights at Work, adopted by ILO member states in 1998.

M

Macroeconomic analysis: Branch of economics dealing with the study, forecast and research of the economy as a whole (at the national, regional or global level) as opposed to individual markets. It focuses on economy-wide indicators such as GDP, unemployment and inflation. See also "Microeconomic analysis".

***Maquila* (or *maquiladora*):** Mexican export-oriented assembly factories operating in the EPZs on the border with the United States. The term *maquil*a (or *maquiladora*) is also used with reference to similar factories in other countries in Latin America and Asia. See also "Export Processing Zones (EPZs)".

Market access: The conditions, i.e. tariff and non-tariff measures (e.g. quotas, subsidies, technical regulations, etc.), for the entry of goods into national or regional markets. From an exporter's perspective, the level of market access depends on: (a) the disadvantages or advantages that exporters face as compared to domestic producers; and (b) the relative advantages or disadvantages that exporters have over other external competitors.

Market entry: The ability of exporters to meet necessary requirements to enter a market. Market entry conditions may refer to product characteristics – including quality, appearance, or taste; safety – for example the presence of pesticide or artificial hormone residue; and authenticity – such as guarantee of geographical origin or use of a traditional production process. Other parameters may relate to the nature of the production process (e.g. with respect to workers' health and safety, or environmental impact), prices and speed of delivery. Market entry conditions are not mandatory by law, but are usually imposed by large distribution networks and large commercial customers. Failure to satisfy market entry conditions would result in *de facto* market exclusion (UNCTAD, 2003).

Micro-business: A business operating on a small scale and employing a limited number of people. Most microenterprises specialize in goods and services that are provided within a limited area and are a common feature in developing countries where they play a key role in job creation and poverty alleviation.

Microeconomic analysis: Study, forecast and research of the behaviour of economic entities (e.g. consumers, producers and firms) in the allocation of available and limited resources. It includes the study of the determinants of demand and supply, which in turn determine market prices. See also "Macroeconomic analysis".

Millennium Declaration: The United Nations Millennium Declaration, adopted at the Millennium Summit on 8 September 2000, aimed to shape the international agenda for the 21st century, calling for policies and measures to respond to the needs of developing countries and economies in transition. The Declaration set out a series of time-bound targets – with a deadline of 2015 – that are known as the Millennium Development Goals (MDGs).

Multi-Fibre Arrangement (MFA): International trade agreement of 1974 that governed trade in textile and clothing through quotas negotiated bilaterally between developed and developing countries. This meant that selective quantitative restrictions were applied when surges in imports of particular products caused, or threatened to cause, serious damage to the industry of the importing country. On 1 January 1995, the MFA was replaced by the WTO Agreement on Textiles and Clothing. See also "Agreement on Textiles and Clothing (ATC)".

N

Non-tradable sectors: Sectors producing goods and/or services that cannot be traded on international markets because of their nature, high trading costs or logistical reasons. Their prices are largely determined on the domestic market. For example, infrastructure and haircutting services are non-tradable sectors. See also "Tradable sectors".

Non-market activities: Refers to the production of goods and services that household members produce for their own consumption (e.g. subsistence agriculture), or reproduction and unpaid care work (such as taking care of children, the elderly, ill and able-bodied adults). See also "Reproductive sphere".

Non-tariff measures (NTMs): NTMs are policy measures, other than customs tariffs, that can potentially have an economic effect on international trade in goods, changing quantities traded, their prices or both. They can be divided into three categories: (a) measures which are directly trade-related (e.g. import quotas, import restrictions, licences, anti-dumping measures); (b) measures which have a link to trade in as far as their implementation is monitored at the border (e.g. labelling, packaging, sanitary and phytosanitary requirements, technical specifications); and (c) measures arising from general public policy (e.g. government procurement, investment restrictions, subsidies, extent of intellectual property rights protection) (UNCTAD, 2013a). See also "Tariffs".

O

Orthodox (standard) economics: "Traditional" economic theory taught in most universities that is based on the assumptions of a utility-maximizing individual with rational preferences and expectations, and full information about the market. Orthodox economists often use mathematical models including calculus, optimization and comparative statistics to describe individuals' behaviour. See also "Heterodox economics".

P

Patriarchal social system: A social system based on the authority of elder males. Broadly, patriarchal society is a system where women are subordinate to men, who have authority and privilege in the family, politics and society. It also includes social mechanisms that reproduce male dominance and privilege.

Perfect competition: A type of market structure characterized by: (a) a large number of small producers (firms) and consumers; (b) price-taking behaviour; (c) production of homogeneous goods and/or services; (d) free entry and exit of producers from the market; and (e) availability of complete information on prices and quantities produced.

Productive capacity: The productive resources, entrepreneurial capabilities and production linkages that together determine the capacity of a country to produce goods and/or services and generate productive employment. Productive capacity determines the type and quantity of goods and services a country can export. Productive capacity is influenced by trade through, for example, economies of scale, more efficient use of resources and acquisition of technology (UNCTAD, 2006).

R

Relative measure: A metric that compares two absolute measures. For example, a ratio of female to male primary enrolment of 63 per cent indicates that there are 63 females enrolled in primary education for every 100 males. See also "Absolute measure".

Reproductive sphere: Refers to the domestic realm and is associated with family and household tasks, including childbearing and childrearing responsibilities, food preparation, housekeeping, water and fuel collection.

S

Sex-disaggregated: Compilation of statistical and analytical information (e.g. education, employment, health) by sex. Sex-disaggregated data are essential to assess differences in the conditions of women and men and determine whether or not such conditions change over time.

Skill level: Defines the complexity and range of tasks and duties to be performed in an occupation. It is measured by considering the nature of the work performed, the level of formal education required for a given occupation, and the amount of informal training and/or previous experience required to carry out the tasks and duties involved. The International Standard Classification of Occupations (ISCO) defines four skill levels: these range from occupations involving simple and manual tasks and requiring basic literacy levels (low-skilled), to occupations involving complex problem-solving and decision-making for which high levels of education and training are required (high-skilled) (ILO, 1990).

Spillover effect: Consequences resulting from an economic activity or process that spread into areas not directly in its sphere. For example, investment in infrastructure can have positive spillover effects by stimulating the economy through employment, improved labour mobility and increased demand of related productive sectors.

Structural Adjustment Programmes (SAPs): Set of economic policies prescribed by the World Bank and the IMF and implemented in many developing countries since the 1980s as part of a loan package to countries that were in economic difficulty. SAP guiding principles included export-led growth; privatization and liberalization; and the efficiency of the free market. To achieve these objectives, countries were required to take several of the following measures: devalue their currencies against the dollar; lift import and export restrictions; balance their budgets; and remove price controls and state subsidies. Due to the criticisms surrounding SAPs, in 1999, it was determined that concessional lending would be negotiated under nationally-owned poverty reduction strategies (Poverty Reduction Strategy Papers – PRSPs).

Structural barriers/constraints: Fundamental impediments to the achievement of a specific goal, rooted in the economic, political, cultural and social systems in which the actor operates. For example, gender bias in educational institutions about women's limited technical abilities can translate into discriminatory admissions policies.

Structural transformation: The shift of output and employment in an economy from agriculture to manufacturing and services that is characteristic of the development process. It is usually accompanied by rising urbanization and the growth of a modern industrial and service-based economy.

Subsidized credit: Loans and/or cash payments provided at more favourable conditions than normally applied market rates. They are usually granted by governments to promote particular forms of economic activity. For example, subsidized credit can be targeted at small and own-account farmers in agriculture-based economies to expand production.

Subsistence crop: Agricultural crop grown for the farmer's and his/her family's own consumption. See also "Cash crop".

T

Tariff: Tax imposed on goods imported into a country. A tariff is specific when it is imposed as a fixed sum per unit of the imported good. A tariff is ad valorem when it is calculated as a percentage of the value of the imported good. Mixed and compound tariffs are combinations of specific and ad valorem tariffs. Bound tariff rates are those that are negotiated by countries under bilateral, regional or multilateral trade agreements. Once agreed upon, they represent the maximum level of tariffs the parties are authorized to use in relation to imports from countries. The applied tariff rates are those *de facto* used by countries; they are generally lower than the bound rates (UNCTAD, 2001).

Tariff escalation: Tariffs escalate when they increase with the level of processing: tariff rates on semi-processed and processed products are thus higher than on unprocessed products and raw materials. Tariff escalation protects the processing industry in the importing country against foreign competition as it makes it difficult for suppliers of raw materials or unprocessed products in the exporting country to move to higher stages of processing and diversify their production.

Tradable sectors: Sectors producing goods and/or services that are or can be traded between countries. Their prices are largely determined in the world market. Most goods and several services are tradable. See also "Non-tradable sectors".

Trade liberalization: Removal or lowering of barriers and restrictions to international trade. Measures of trade liberalization include removal or lowering of tariff (e.g. import duties) and non-tariff obstacles (e.g. quotas, import licensing rules, etc.). See also "Trade protectionism".

Trade openness in policy: Set of government measures including laws, regulations and requirements determining the degree to which countries are open to international trade. Openness in policy is defined in relation to barriers to international trade imposed by governments, which may include tariff and non-tariff measures (such as quotas, import licensing systems, sanitary regulations, prohibitions, etc.).

Trade openness in practice: Indicates a country's degree of integration into the world economy, and thus, the importance of international trade relative to domestic activities. Measures of trade openness in practice include either import or export values, or both as shares of GDP.

Trade protectionism: Restrictions of trade meant to protect domestic producers from competition originating from imported goods. Protectionist measures may include tariffs on imports, restrictive quotas, subsidies and tax cuts. See also "Trade liberalization".

Trade reforms: Change in laws and practices that govern a country's international trade. Generally speaking, trade reforms can include both measures directed towards liberalization and protectionism.

U

Upstream activities: Initial stages of the production process which include searching for, collecting, gathering and extracting raw materials. In the case of the fisheries sector in the Gambia, for example, upstream activities involve the fishing of the fish. See also "Downstream activities."

V

Vocational training: Education and training aimed at providing workers with specific professional skills to perform successfully in a given occupation. Examples of professions requiring vocational training include: IT specialist, electrician, or cook.

W

Women's empowerment: The process of enabling women to participate fully in the economic, social and political life and to ensure that they can exercise their right to make independent choices, to have access to opportunities and resources and to have control over their own lives, both within and outside the domestic sphere. See also "Women's economic empowerment".

Women's economic empowerment: Women's ability to enjoy full economic rights and independence. This includes access to employment; appropriate working conditions; equal pay for equal work; access to training, information and technology; access to markets; control over economic resources; and the ability to influence economic decision-making, including the formulation of financial, monetary, commercial and other economic policies. See also "Women's empowerment".