

# **UNIT 2**

# **INTERNATIONAL BUSINESS**



Asst. Prof. Dr. Panchaya Hiranrithikorn

# INTERNATIONAL TRADE

## HOW DOES TRADE WORK?



W101

# HISTORY OF SILK ROAD



# **GENERAL AGREEMENT ON TARIFFS AND TRADE (GATT)**

The General Agreement on Tariffs and Trade (GATT), signed in 1947 by 23 countries, is a treaty minimizing barriers to international trade by eliminating or reducing quotas, tariffs, and subsidies. It was intended to boost economic recovery after World War II.

GATT was expanded and refined over the years, leading to the creation in 1995 of the World Trade Organization (WTO), which absorbed the organization created to implement GATT. By then, 125 nations were signatories to its agreements, which covered about 90% of global trade.



# **WORLD TRADE ORGANIZATION (WTO)**



The WTO is based on agreements signed by a majority of the world's trading nations. The main function of the organization is to help producers of goods and services, as well as exporters and importers, protect and manage their businesses.

As of 2021, the WTO has 164 member countries, with Liberia and Afghanistan the most recent members, having joined in July 2016, and 25 “observer” countries and governments.

# **THE WORLD TRADE ORGANIZATION (WTO)**



# GATT VS WTO





# **GLOBAL SYSTEM OF TRADE PREFERENCES AMONG DEVELOPING COUNTRIES**



# EVERYTHING BUT ARMS (EBA)

"View of EU GSP Arrangements of Myanmar as of 1 February 2014"   
 11 May 14 - Yangon, Myanmar - Myanmar Trade Exports 2014

## 2. What is... EBA ? (continued...)

*"As a Least Developed Country (LDC), Myanmar benefits from the EU's Everything But Arms (EBA) scheme, part of the EU's Generalised System of Preferences (GSP). The EBA gives the world's 47 Least Developed Countries - including Myanmar – duty- and quota-free access to the EU for all their exports, except for arms and ammunition."*

Source: European Commission - website: Trade > Policies > Countries & Regions > Myanmar

<http://ec.europa.eu/trade/policy/countries-and-regions/countries/myanmar/>

# EXPORT IMPORT PROCEDURES



# ENTRY MODE DECISION - INTERNATIONALIZATION - GLOBAL MARKETING



Q & A

