

- the North American Free Trade Agreement, which entered into force in 1994; and
- bilateral Free Trade Agreements with Israel (1997), Chile (1997) and Costa Rica (2002).

Canada also has signed over 20 bilateral Foreign Investment Protection Agreements (FIPAs) and has been an active participant in a number of bilateral/regional Free Trade Agreements (FTAs) negotiations and the Doha round of WTO negotiations that began in 2001.

### Core Principles and Obligations

The basic principles underlying our trade agreements are straightforward and likely already reflected in how municipalities do business. They essentially call for non-discrimination and fairness.

The principle of non-discrimination is found in the core obligations of most-favoured-nation (MFN) treatment and national treatment contained in most agreements.

- **MFN treatment** basically means that Canada may not discriminate between its trading partners. More specifically, Canada must treat businesses, products and services from one country no less favourably than it treats similar businesses, products and services from another country.
- **National treatment** means that Canada must treat businesses, products and services from foreign countries no less favourably than it treats similar domestic businesses, products and services.