

## LAW OF INTERNATIONAL TRADE

### a) International Trade Law Treaties

1. *Marrakesh Agreement Establishing the World Trade Organization* and associated treaties

The World Trade Organization (WTO) was created in 1994 to provide a common institutional framework for the conduct of international trade. It is essentially a council made up of representatives from all member states. It oversees all the treaties created at the conclusion of the Uruguay Round of Multilateral Trade Negotiations, including the *General Agreement on Tariffs and Trade, 1994*, the *General Agreement on Trade in Services*, and the *Agreement on Trade Related Aspects of Intellectual Property Rights*. Through the WTO, member states seek to implement the obligations created by these treaties. The WTO is a forum for negotiations and consultations, and it administers the dispute settlement procedures in instances where member states are unable to resolve their differences. It is also expected to cooperate with organizations such as the International Monetary Fund, with a view to achieving greater coherence in global economic policy.

2. *General Agreement on Tariffs and Trade, 1994*

While this is a treaty associated with the WTO Agreement, it merits separate mention as one of the most important trade law treaties applying to Canada. The GATT 1994 is a multilateral treaty applying to most of the world's countries that sets out the basic rules covering trade in most goods, and it provides the foundation for many of the obligations contained in the *North American Free Trade Agreement* (see below). It is a continuation of the original GATT of 1947, and is virtually identical to it in substance, although it is legally a distinct treaty. It is through the GATT that global tariffs have been lowered, and that such principles as "most favoured nation" treatment and "national treatment" have been universalized. See section B) below for brief introductions to these obligations. Note that the GATT does not apply to trade in services, but such trade has been covered since 1994 by the *General Agreement on Trade in Services* (GATS).

3. *North American Free Trade Agreement*

The NAFTA applies only to Canada, the United States and Mexico. It covers trade in most goods, including some not covered by the GATT. It includes trade in services, and it even sets limits on rules governing investment by nationals of other member states. It also requires most government procurement contracts to be open to bids from corporations of the other member states.