

5. IMPORT AND EXPORT RESTRICTIONS

Trade law agreements seek to ban the imposition of quantitative restrictions on either imports or exports. Such restrictions include quotas, import or export licences and other measures, although they do not usually include duties, taxes or other financial charges.

6. GOVERNMENT PROCUREMENT

NAFTA requires the states that are parties to the agreement to open up government procurement for goods and services to bids from corporations and individuals in other NAFTA states. This means that in certain circumstances federal government departments may be prevented from awarding a contract without seeking bids ("single sourcing"). Mexican and U.S. bids would have to be accorded the same treatment as Canadian ones. At present, the WTO Agreement on Government Procurement is a plurilateral rather than multilateral agreement.

7. TECHNICAL BARRIERS TO TRADE AND SANITARY AND PHYTOSANITARY MEASURES

Trade law requires that regulations, standards, testing and certification procedures do not create discriminatory or unjustified barriers to trade.

8. INTELLECTUAL PROPERTY RIGHTS

Intellectual property rights are covered by both the WTO and NAFTA. They can be subject to the "most-favoured-nation treatment" and "national treatment" obligations.

9. EXCEPTIONS

Trade law recognizes instances in which a country will not be obliged to apply treaty obligations. Thus, both GATT and NAFTA state that their provisions do not prevent, *inter alia*, the adoption of measures necessary to protect public morals, measures necessary to protect human, animal or plant life or health, or measures necessary for the protection of essential security interests.

10. DISPUTE SETTLEMENT

There are complex dispute settlement mechanisms built into GATT and NAFTA, and into the other multilateral agreements associated with the WTO. Very generally, these mechanisms work by having the parties first seek to settle a dispute through consultation. If consultations fail, the parties may resort to a binding dispute settlement procedure. Note, however, that a state cannot be forced to change its laws, even if they have been found to be contrary to a trade treaty. Where a state refuses to amend or withdraw an illegitimate measure, and absent agreed compensation, affected states are entitled to withdraw concessions of an equivalent value.