

Glossary

EFTA: European Free Trade Association. When founded via the Stockholm Convention in May 1960, EFTA had seven members. Since its founding, the composition has changed as new members joined and others acceded to the EU. Currently, there are four members: Iceland, Liechtenstein, Norway and Switzerland. (AELE: Association européenne de libre-échange)

FDI: Foreign direct investment. The funds committed to a foreign enterprise. The investor may gain partial or total control of the enterprise. An investor who buys 10% or more of the controlling shares of a foreign enterprise makes a direct investment. (IED: Investissement étranger direct)

FIPA: Foreign investment promotion and protection agreement. A FIPA is a bilateral agreement aimed at promoting and protecting foreign investment through legally binding rights and obligations.

FTA: Free trade agreement. Often refers to the Canada-U.S. Free Trade Agreement that entered into force on January 1, 1989. (ALE: Accord de libre-échange)

FTAA: Free Trade Area of the Americas. Proposed free trade agreement between the 34 democratic countries of the Western hemisphere. The FTAA process was conceived in Miami in 1994 and negotiations were launched in Santiago, Chile, in 1998. (ZLEA: Zone de libre-échange des Amériques)

GATT: General Agreement on Tariffs and Trade. From 1947 to 1994, the multilateral agreement overseeing the global trading system, as well as the international agreement governing trade in goods (GATT 1947).

The GATT was subsequently superseded in January 1995 by the new institution known as the World Trade Organization (WTO). GATT 1994 (the agreement), which reflects amendments to the original agreement and incorporates new WTO agreements, continues to govern trade in goods. Other WTO agreements apply to, for example, trade in services. All of these agreements that apply to all WTO members, including the GATT, are components of the WTO Agreement (1994). (GATT: Accord général sur les tarifs douaniers et le commerce)

GDP: Gross domestic product. The total value of goods and services produced in a country. (PIB: Produit intérieur brut)

INTELLECTUAL PROPERTY: A collective term used to refer to new ideas, inventions, designs, writings, films, etc., protected by copyright, patents, trademarks, etc. (Propriété intellectuelle)

ITA: Information technology agreement. A WTO-based agreement among over 50 members that provides for duty-free trade in information technology and telecommunications products. (ATI: Accord sur la technologie de l'information)

LIBERALIZATION: Unilateral, bilateral or multilateral actions to reduce tariffs and/or remove other measures that restrict international trade. (Libéralisation)

MFN: Most-favoured-nation treatment (Article I of the GATT 1994). Requires countries not to discriminate between their trading partners; any special treatment for one member must be granted to all. MFN treatment applies, for example, to trade in goods, services and