

Background Information

Free Trade Area	A cooperative arrangement among two or more nations which agree to remove substantially all tariff and non-tariff barriers to trade with each other, while each maintains its differing schedule of tariffs applying to all other nations.
Functional Trade Agreement	A trade agreement limited to a particular type of measure used to restrict or manage trade, such as government procurement, emergency safeguards or countervailing duties.
GATT	The General Agreement on Tariffs and Trade (GATT) is a multilateral treaty, subscribed to by 91 countries or contracting parties which together account for more than four-fifths of world trade. GATT delineates rules for international trade. Its primary objective is to liberalize world trade and place it on a secure basis, thereby contributing to global economic growth and development.
Government Procurement	The term refers to purchases of goods and services by official government agencies. As a non-tariff barrier to trade, it refers to discriminatory purchases from domestic suppliers, even when imported goods are more competitive.
Import Quota	See Quantitative Restriction.
Injury	The term used in international commerce to describe the effect on domestic producers of a decline in output, lost sales, decline in market share, reduced profits and return on investment, reduced capacity utilization, etc., as a result of import competition. A distinction is often made between serious injury (required for emergency safeguard measures) and material injury (required for anti-dumping and countervailing duties).
Intellectual Property	A collective term used to refer to new ideas, inventions, designs, writings, films, etc. protected by copyright, patents, trademarks, etc.
Most-Favoured-Nation Treatment (MFN)	A commitment that a country will extend to another country the lowest tariff rates it applies to any third