Dispute Settlement: Those institutional provisions in a trade agreement which provide the means for settling differences of view between the parties.

EFTA: European Free Trade Association. When founded in May 1960, there were 7 members. Currently, there are four (Iceland, Norway, Switzerland, and Liechtenstein) as others joined the European Union.

Expropriation: The seizure of private property by a foreign government without just or reasonable compensation.

Foreign Direct Investment (FDI): 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.

FTA: Free Trade Agreement. In particular, the Canada-U.S. Free Trade Agreement that entered into force on January 1, 1989.

FTAA: Free Trade Area of the Americas. Proposed agreement between 34 countries of the Western Hemisphere to create a Free Trade Area by 2005, launched in Miami in December 1994.

GATS: General Agreement on Trade in Services. The first set of multilaterally-agreed and legally-enforceable rules and disciplines ever negotiated to cover international trade in services.

GATT: General Agreement on Tariffs and Trade. Since 1947, the multilateral institution overseeing the global trading system. Superseded by the WTO in January 1995.

GDP: Gross Domestic Product. The total value of goods and services produced by a country.

Intellectual Property: A collective term used to refer to new ideas, inventions, designs, writings, films, etc. and protected by copyright, patents, trademarks, etc.

ITA: Information Technology Agreement. A WTO-based agreement endorsed by several members that calls for the gradual elimination of most-favoured-nation tariffs on many information technology products.

Liberalization: Reductions in tariff and other measures that restrict world trade, unilaterally, bilaterally or multilaterally. Trade liberalization has been the objective of all GATT/WTO trade negotiations as well as of the FTA and NAFTA negotiations.

MFN: Most-favoured-nation treatment (Article I of the GATT 1994) requiring countries not to discriminate between goods on the basis of country of origin or destination.

NAFTA: North American Free Trade Agreement, involving Canada, the United States and Mexico, the negotiation of which started in June of 1991. Came into force January 1994.

Non-Tariff Barriers (Measures): Government measures or policies other than tariffs which restrict or distort international trade. Examples include import quotas, discriminatory government procurement practices, measures to protect intellectual property. Such measures have become relatively more conspicuous impediments to trade as tariffs have been reduced during the period since World War II.

OECD: Organization for Economic Co-operation and Development. Paris-based organization of industrialized countries responsible for study of and co-operation on broad range of economic, trade, scientific and educational issues.

Osaka Action Agenda: Adopted in 1995, the Osaka Action Agenda is the framework for implementing the Leaders' Declaration (adopted in Bogor, Indonesia, 1994) that APEC member economies would achieve the free and open trade within the region by 2010/2020.

Quota: Explicit limit on the physical amounts of particular products which can be imported or exported during a specified time period, usually measured by volume but sometimes by value. The quota may be applied on a "selective" basis, with varying limits set according to the country of origin, or on a global basis which only specifies the total limit and thus tends to benefit more efficient suppliers.

Rules of Origin: Laws, regulations and administrative procedures which determine a product's country of origin. A decision by a customs authority on origin can determine whether a shipment falls within a quota limitation, qualifies for a tariff preference or is affected by an anti-dumping duty. These rules can vary from country to country.