

CHAPTER 1 GENERAL PROVISIONS

ARTICLE 1

Objectives

1. The EFTA States and Serbia shall establish a free trade area by means of this Agreement and the complementary agreements on trade in agricultural products, concurrently concluded between each individual EFTA State and Serbia, with a view to spurring prosperity and sustainable development in their territories.³
2. The objectives of this Agreement, which is based on trade relations between market economies and on the respect of democratic principles and human rights, are:
 - (a) to achieve the liberalisation of trade in goods, in conformity with Article XXIV of the General Agreement on Tariffs and Trade (hereinafter referred to as “the GATT 1994”);
 - (b) to mutually increase investment opportunities between the Parties, and to gradually develop an environment conducive to enhanced trade in services;
 - (c) to provide fair conditions of competition for trade between the Parties and to ensure adequate and effective protection of intellectual property rights;
 - (d) to gradually achieve further liberalisation on a mutual basis of the government procurement markets of the Parties; and
 - (e) to develop international trade in such a way as to contribute to the objective of sustainable development and to ensure that this objective is integrated and reflected in the Parties’ trade relationship; and⁴
 - (f) to contribute in this way to the harmonious development and expansion of world trade.⁵

³ As amended by the *Protocol amending the Free Trade Agreement between the EFTA States and the Republic of Serbia*, signed on 20 May 2015 and entered into force on 1 February 2017.

⁴ As amended by the *Protocol amending the Free Trade Agreement between the EFTA States and the Republic of Serbia*, signed on 20 May 2015 and entered into force on 1 February 2017.

⁵ As amended by the *Protocol amending the Free Trade Agreement between the EFTA States and the Republic of Serbia*, signed on 20 May 2015 and entered into force on 1 February 2017.

ARTICLE 2

Trade Relations Governed by this Agreement

This Agreement shall apply to trade relations between, on the one side, the individual EFTA States and, on the other side, Serbia, but not to the trade relations between individual EFTA States, unless otherwise provided for in this Agreement.

ARTICLE 3

Territorial Application

1. Without prejudice to Protocol B, this Agreement shall apply:
 - (a) to the land territory, internal waters, and the territorial sea of a Party, and the air-space above the territory of a Party, in accordance with international law; as well as
 - (b) beyond the territorial sea, with respect to measures taken by a Party in the exercise of its sovereign right or jurisdiction in accordance with international law.
2. This Agreement shall not apply to the Norwegian territory of Svalbard, with the exception of trade in goods.

ARTICLE 4

Central, Regional and Local Government

Each Party shall ensure within its territory the observance of all obligations and commitments under this Agreement by its respective central, regional and local governments and authorities, and by non-governmental bodies in the exercise of governmental powers delegated to them by central, regional and local governments or authorities.

ARTICLE 5

Transparency

1. The Parties shall publish or otherwise make publicly available their laws, regulations, judicial decisions, administrative rulings of general application and their respective international agreements that may affect the operation of this Agreement.

2. The Parties shall promptly respond to specific questions and provide, upon request, information to each other on matters referred to in paragraph 1. They are not required to disclose confidential information.