

CHAPTER I

GENERAL PROVISIONS

ARTICLE 1

Objectives

1. The Parties hereby establish a free trade area in accordance with the provisions of this Agreement, which is based on trade relations between market economies.
2. The objectives of this Agreement are to:
 - (a) achieve the liberalisation of trade in goods in conformity with the General Agreement on Tariffs and Trade (hereinafter referred to as “the GATT 1994”);
 - (b) substantially increase investment opportunities in the free trade area;
 - (c) promote adequate and effective protection of intellectual property rights;
 - (d) establish a framework for the further development of their trade and economic relations with a view to expanding and enhancing the benefits of this Agreement; and
 - (e) contribute in this way to the harmonious development and expansion of world trade by the removal of barriers to trade.

ARTICLE 2

Trade and Economic Relations Governed by this Agreement

The provisions of this Agreement apply to the trade and economic relations between, on the one side, the individual EFTA States and, on the other side, the individual SACU States or, where specifically provided for, the SACU States acting jointly as SACU. In relation to SACU, the meaning to be attributed to “Parties” or “Party” in each case is to be deduced from the relevant provisions of this Agreement and from the respective competencies of SACU and the SACU States as they follow from the SACU Agreement 2002, as amended from time to time. This Agreement applies neither to the trade relations amongst the EFTA States, nor to the trade relations amongst the SACU States.

ARTICLE 3

Geographical Scope

1. Without prejudice to Annex V, 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 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 rights or jurisdiction in accordance with international law.
2. Annex I applies with respect to Norway.

ARTICLE 4

Relation to Other International Agreements

1. The Parties confirm their rights and obligations under the Marrakesh Agreement Establishing the World Trade Organization and the other agreements negotiated thereunder (hereinafter referred to as “the WTO Agreement”) to which they are parties and any other international agreement applicable between them.
2. No provision of this Agreement shall be interpreted as exempting the Parties from the obligations which are incumbent on them under other international agreements.

ARTICLE 5

Preferential Agreements with Third Countries

This Agreement shall not preclude the maintenance, establishment or enlargement of customs unions, free trade areas, arrangements for frontier trade and other preferential agreements of the Parties to the extent that these do not interfere with the fulfillment of obligations under this Agreement. The Parties shall inform each other in the Joint Committee established in accordance with Article 33 (hereinafter referred to as “the Joint Committee”) about such agreements with third countries.