CHAPTER I GENERAL PROVISIONS

ARTICLE 1

Objectives

- 1. The EFTA States and Tunisia shall establish a free trade area in accordance with the provisions of this Agreement with a view to spurring economic activities in their territories, thereby raising standards of living and improving employment conditions and contributing to Euro-Mediterranean economic integration.
- 2. The objectives of this Agreement, which is based on trade relations between market economies 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 gradually develop an environment conducive to increased investment flows and enhanced trade in services;
 - (c) to provide fair conditions of competition for trade between the Parties to the Agreement and to ensure adequate and effective protection of intellectual property rights; and
 - (d) to support the harmonious development of economic relations between the Parties through the expansion of trade and economic co-operation and technical assistance.

ARTICLE 2

Trade relations governed by this Agreement

This Agreement applies to trade relations between, on the one side, the individual EFTA States and, on the other side, Tunisia, but not to the trade relations between individual EFTA States, except if otherwise provided for in this Agreement.

ARTICLE 3

Territorial application

This Agreement shall apply to the territories of the Parties except as provided for in Annex I.