

CHAPTER 1

INITIAL PROVISIONS, DEFINITIONS AND INTERPRETATIONS

Article 1

Establishment of a Free Trade Area

The Parties, consistent with Article XXIV of GATT 1994 and Article V of GATS, hereby establish a free trade area.

Article 2

Relation to Other Agreements

The Parties confirm their rights and obligations under the WTO Agreement and the other agreements negotiated thereunder to which both Parties are party, and any other international agreement to which both Parties are party.

Article 3

Geographical Application

1. This Agreement shall apply to the respective Areas of the Parties.
2. Each Party is fully responsible for the observance of all provisions of this Agreement and shall take such reasonable measures as may be available to it to ensure their observance by local governments or local authorities, where applicable, in its Area.

Article 4

General Definitions

For the purposes of this Agreement, unless otherwise specified:

- (a) **Agreement** means the *Hong Kong, China – Georgia Free Trade Agreement*;
- (b) **Anti-dumping Agreement** means the *Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade 1994*, contained in Annex 1A to the WTO Agreement;
- (c) **Area** in respect of:
 - (i) Georgia means the territory of Georgia as defined by Georgian legislation, including land territory, its subsoil and the air space above it, internal waters and territorial sea, the sea bed, its subsoil and the air space above them, in respect of which Georgia exercises sovereignty, as well as the contiguous zone, the exclusive economic zone and continental shelf adjacent to its territorial sea, in respect of which Georgia exercises its sovereign rights and/or jurisdiction in accordance with international law; and
 - (ii) Hong Kong, China means the Hong Kong Special Administrative Region as delineated by the Order of the State Council of the People's Republic of China No. 221 dated 1 July 1997, which includes Hong Kong Island, Kowloon and the New Territories;
- (d) **Customs Valuation Agreement** means the *Agreement on the Implementation of Article VII of the General Agreement on Tariffs and Trade 1994*,

contained in Annex 1A to the WTO Agreement;

- (e) **days** means calendar days;
- (f) **existing** means in effect on the date of entry into force of this Agreement;
- (g) **FTA Joint Commission** means the Hong Kong, China – Georgia Joint Commission established under Article 1 (Establishment of the FTA Joint Commission) of Chapter 15 (Institutional Provisions);
- (h) **GATS** means the *General Agreement on Trade in Services*, contained in Annex 1B to the WTO Agreement;
- (i) **GATT 1994** means the *General Agreement on Tariffs and Trade 1994*, contained in Annex 1A to the WTO Agreement;
- (j) **Harmonized System (HS)** means the *International Convention on the Harmonized Commodity Description and Coding System*, including its General Rules for the Interpretation of the Harmonized System, Section Notes and Chapter Notes, as adopted and administered by the World Customs Organization;
- (k) **measure** includes any law, regulation, procedure, requirement or practice;
- (l) **natural person of a Party** means:
 - (i) for Hong Kong, China, a permanent resident of the Hong Kong Special Administrative Region of the People's Republic of China under its internal law; and
 - (ii) for Georgia, a natural person who under Georgian law is a national of Georgia;

- (m) **originating** means qualifying under the rules of origin set out in Chapter 3 (Rules of Origin) to this Agreement;
- (n) **SCM Agreement** means the *Agreement on Subsidies and Countervailing Measures*, contained in Annex 1A to the WTO Agreement;
- (o) **SPS Agreement** means the *Agreement on the Application of Sanitary and Phytosanitary Measures*, contained in Annex 1A to the WTO Agreement;
- (p) **WTO** means the World Trade Organization; and
- (q) **WTO Agreement** means the *Marrakesh Agreement Establishing the World Trade Organization*, done at Marrakesh on 15 April 1994.

Article 5

Interpretations

In this Agreement, unless the context otherwise requires:

- (a) in the case of Hong Kong, China, where an expression is qualified by the term “national”, such expression shall be interpreted as pertaining to Hong Kong, China;
- (b) in the case of Hong Kong, China, the term “international agreement” shall include an agreement or arrangement entered into by Hong Kong, China with other parts of the People’s Republic of China;
- (c) in the case of Hong Kong, China, any reference to an international agreement to which a Party is a party shall include an international agreement made applicable to Hong Kong, China, and any reference to the rights, obligations or undertakings of a Party under an international agreement shall include the rights,

obligations or undertakings made applicable to Hong Kong, China under such an international agreement; and

- (d) where anything under this Agreement is to be done within a number of days after, before, from or of a specified date or event, the specified date or the date on which the specified event occurs shall not be included in calculating that number of days.