

Article 2

Objectives

The objectives of this Agreement are:

- (a) to further the development of the Area through the expansion and diversification of trade between the Member States;
- (b) to further the development and use of the resources of the Area in accordance with the respective social and economic objectives of the Member States;
- (c) to further the development of the Area by the promotion of direct investment which is consistent with the foreign investment policies and priorities of the recipient Member States;
- (d) to promote and facilitate commercial, industrial, administrative and technical cooperation between the Member States; and
- (e) to contribute to the harmonious development and expansion of world trade and to the progressive removal of barriers to it.

Article 3

Free trade

1. A Free Trade Area is hereby established. The Area consists of Papua New Guinea and Australia.
2. Subject to the provisions of this Agreement, trade between the Member States shall be free of duties and other restrictive regulations of commerce.
3. This Article applies only to trade in goods which originate in a Member State.

Article 4

Rules of origin of goods

1. Goods shall be treated as originating in a Member State if those goods are:
 - (a) the unmanufactured raw products of that Member State, or
 - (b) manufactured goods in relation to which
 - (i) the process last performed in the manufacture was performed in that Member State, and
 - (ii) the expenditure
 - (A) on material that is of Member State origin,