

CHAPTER I INITIAL PROVISIONS

ARTICLE 1 Establishment of the Free Trade Area

The Parties, in accordance with this Agreement and in conformity with Article XXIV of the GATT 1994, hereby establish a free trade area.

ARTICLE 2 Objectives

The objectives of this Agreement are:

- a) to increase and enhance the economic co-operation between the Parties and raise the living standards of their people;
- b) to promote the expansion of bilateral trade through the harmonious development of the economic relations between the Parties;
- c) to eliminate obstacles and restrictions on trade in goods;
- d) to contribute, by the removal of barriers to trade, to the harmonious development and expansion of world trade; and
- e) to provide fair conditions of competition in trade between the Parties

ARTICLE 3 Relations to Multilateral Agreements

The Parties affirm their rights and obligations with respect to each other in accordance with the WTO Agreement, including the GATT 1994, and its successor agreements and other multilateral agreements to which the Parties are party.

ARTICLE 4 Trade Relations Governed by Other Agreements

1. The Parties, without prejudice to the rights and obligations provided for in this Agreement, preserve the right to maintain or establish customs unions, free trade areas or other arrangements with third countries.
2. In case the rights and obligations provided for under this Agreement are being affected, any Party may request to hold consultations within the Joint Committee concerning agreements establishing or adjusting customs unions or free trade areas and, where required, on other major issues related to the Parties' respective trade policies with third countries.