

CHAPTER 1 INITIAL PROVISIONS AND GENERAL DEFINITIONS

Article 1.1: Establishment of a Free Trade Area

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

Article 1.2: Objectives

The objectives of this Agreement are to liberalise and facilitate trade and investment between the Parties in accordance with the provisions of this Agreement.

Article 1.3: General Definitions

For the purposes of this Agreement:

Agreement on Agriculture means the Agreement on Agriculture in Annex 1A to the WTO Agreement;

Anti-Dumping Agreement means the Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade 1994 in Annex 1A to the WTO Agreement;

customs duty refers to any duty or charge of any kind imposed in connection with the importation of a good, and any form of surtax or surcharge in connection with such importation, but does not include any:

- (a) charge equivalent to an internal tax imposed in conformity with paragraph 2 of Article III of the GATT 1994;
- (b) anti-dumping or countervailing duty that is applied consistently with Article VI of the GATT 1994, the Anti-Dumping Agreement, and the SCM Agreement, or
- (c) fee or other charge in connection with importation commensurate with the cost of services rendered and which does not represent a direct or indirect protection for domestic goods or a taxation of imports for fiscal purposes;

Customs Valuation Agreement means the Agreement on Implementation of Article VII of the General Agreement on Tariffs and Trade 1994 in Annex 1A to the WTO Agreement;

days means calendar days, including weekends and holidays;

existing means in effect on the date of entry into force of this Agreement;

GATS means the General Agreement on Trade in Services in Annex 1B to the WTO Agreement;

GATT 1994 means the General Agreement on Tariffs and Trade 1994 in Annex 1A to the WTO Agreement;

GPA means the Agreement on Government Procurement in Annex 4 to the WTO Agreement;

Harmonized System or HS means the Harmonized Commodity Description and Coding System, including its General Rules for the Interpretation, Section Notes, Chapter Notes and Subheading Notes;

Import Licensing Agreement means the Agreement on Import Licensing Procedures in Annex 1A to the WTO Agreement;

Joint Committee means the Joint Committee established pursuant to Article 20.1 (Joint Committee) of this Agreement;

measure means any measure, whether in form of a law, regulation, rule, procedure, decision, practice, administrative action, or any other form;

Safeguards Agreement means the Agreement on Safeguards in Annex 1A to the WTO Agreement;

SCM Agreement means the Agreement on Subsidies and Countervailing Measures in Annex 1A to the WTO Agreement;

SPS Agreement means the Agreement on the Application of Sanitary and Phytosanitary Measures in Annex 1A to the WTO Agreement;

territory means:

- (a) for Chile, the land, maritime, and air space under its sovereignty, and the exclusive economic zone and the continental shelf within which it exercises sovereign rights and jurisdiction in accordance with international law and its domestic law, and
- (b) for the UAE, its land territories, internal waters, including its Free Zones,

territorial sea, including, the seabed, and subsoil thereof, and airspace over such territories and waters, as well as the contiguous zone, the continental shelf and exclusive economic zone, over which the UAE has sovereignty, sovereign rights or jurisdiction as defined in its laws, and in accordance with international law;

TBT Agreement means the Agreement on Technical Barriers to Trade in Annex 1A to the WTO Agreement;

TRIPS Agreement means the Agreement on Trade-Related Aspects of Intellectual Property Rights in Annex 1C to the WTO Agreement;

WTO means the World Trade Organization, and

WTO Agreement means the Marrakesh Agreement Establishing the World Trade Organization, done at Marrakesh, 15 April 1994.

Article 1.4: Relation to Other Agreements

1. The Parties affirm their existing rights and obligations with respect to each other under the WTO Agreement and other agreements to which the Parties are party.
2. If a Party considers that a provision of this Agreement is inconsistent with a provision of another agreement to which it and the other Party are party, the Parties shall, on request, consult with each other with a view to reaching a mutually satisfactory solution.¹

Article 1.5: Central, Regional and Local Government

Each Party shall take such reasonable measures as may be available to it to ensure observance of the provisions of this Agreement by the central, regional and local governments and authorities, where applicable, and by non-governmental bodies in the exercise of governmental powers delegated by central, regional and local governments and authorities, where applicable, within its territories.

¹ For the purposes of application of this Agreement, the Parties agree that the fact that an agreement provides more favourable treatment of goods, services, investments and persons than that provided for under this Agreement does not mean that there is an inconsistency within the meaning of paragraph 2.