

CHAPTER 1

ESTABLISHMENT OF FREE TRADE AREA, OBJECTIVES AND GENERAL DEFINITIONS

Article 1 Objectives

The objectives of this Agreement are to:

- (a) progressively liberalise and facilitate trade in goods among the Parties through, *inter alia*, progressive elimination of tariff and non-tariff barriers in substantially all trade in goods among the Parties;
- (b) progressively liberalise trade in services among the Parties, with substantial sectoral coverage;
- (c) facilitate, promote and enhance investment opportunities among the Parties through further development of favourable investment environments;
- (d) establish a co-operative framework for strengthening, diversifying and enhancing trade, investment and economic links among the Parties; and
- (e) provide special and differential treatment to ASEAN Member States, especially to the newer ASEAN Member States, to facilitate their more effective economic integration.

Article 2
**Establishment of the ASEAN-Australia-New Zealand
Free Trade Area**

The Parties hereby establish, consistent with Article XXIV of GATT 1994 and Article V of GATS, an ASEAN, Australia and New Zealand Free Trade Area.

Article 3
General Definitions

For the purposes of this Agreement, unless the context otherwise requires:

- (a) **AANZFTA** means the ASEAN-Australia-New Zealand Free Trade Area;
- (b) **Agreement** means the *Agreement Establishing the ASEAN-Australia-New Zealand Free Trade Area*;
- (c) **Agreement on Customs Valuation** means the *Agreement on Implementation of Article VII of the General Agreement on Tariffs and Trade 1994* in Annex 1A to the WTO Agreement;
- (d) **ASEAN** means the Association of Southeast Asian Nations which comprises of Brunei Darussalam, the Kingdom of Cambodia, the Republic of Indonesia, the Lao People's Democratic Republic, Malaysia, the Union of Myanmar, the Republic of the Philippines, the Republic of Singapore, the Kingdom of Thailand and the Socialist Republic of Viet Nam and whose members are referred to in this Agreement collectively as the **ASEAN Member States** and individually as an **ASEAN Member State**;

- (e) **customs duties** means any customs or import duty and a charge of any kind, including any tax or surcharge, imposed in connection with the importation of a good, but does not include any:
- (i) charge equivalent to an internal tax imposed consistently with the provisions of paragraph 2 of Article III of GATT 1994, in respect of the like domestic product or in respect of an article from which the imported product has been manufactured or produced in whole or in part;
 - (ii) anti-dumping or countervailing duty applied consistently with the provisions of Article VI of GATT 1994, the *Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade 1994*, as may be amended and the *Agreement on Subsidies and Countervailing Measures* in Annex 1A to the WTO Agreement, as may be amended; or
 - (iii) fee or any charge commensurate with the cost of services rendered;
- (f) **days** means calendar days, including weekends and holidays;
- (g) **FTA Joint Committee** means the ASEAN, Australia and New Zealand FTA Joint Committee established pursuant to Article 1 (FTA Joint Committee) of Chapter 16 (Institutional Provisions);
- (h) **GATS** means the *General Agreement on Trade in Services* in Annex 1B to the WTO Agreement;

- (i) **GATT 1994** means the *General Agreement on Tariffs and Trade 1994* in Annex 1A to the WTO Agreement;
- (j) **HS Code** means the Harmonized Commodity Description and Coding System established by the *International Convention on the Harmonized Description and Coding System* signed at Brussels on 14 June 1983, as amended;
- (k) **IMF Articles of Agreement** means the *Articles of Agreement of the International Monetary Fund*;
- (l) **newer ASEAN Member States** means the Kingdom of Cambodia, the Lao People's Democratic Republic, the Union of Myanmar and the Socialist Republic of Viet Nam;
- (m) **originating good** means a good that qualifies as originating under Chapter 3 (Rules of Origin);
- (n) **Parties** means the ASEAN Member States, Australia and New Zealand collectively;
- (o) **Party** means an ASEAN Member State or Australia or New Zealand;
- (p) **TRIPS Agreement** means the *Agreement on Trade-Related Aspects of Intellectual Property Rights*, in Annex 1C to the WTO Agreement;
- (q) **WTO** means the World Trade Organization; and
- (r) **WTO Agreement** means the *Marrakesh Agreement Establishing the World Trade Organization*, done on 15 April 1994.