

## **CHAPTER ONE**

### **GENERAL PROVISIONS**

#### **Article 1.1: 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 in accordance with the provisions of this Agreement.

#### **Article 1.2: Objectives**

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

#### **Article 1.3: Relations to Other Agreements**

1. The Parties reaffirm their rights and obligations under existing bilateral and multilateral agreements to which both Parties are party, including the WTO Agreement.
2. For greater certainty, this Agreement shall not be construed to derogate from any international legal obligation between the Parties that provides for more favorable treatment of goods, services, investments, or persons than that provided for under this Agreement.
3. Unless otherwise provided in this Agreement, in the event of any inconsistency between this Agreement and any agreement to which both Parties are party, the Parties shall consult with each other with a view to finding a mutually satisfactory solution taking into consideration the general principles of international law.

#### **Article 1.4: Extent of Obligations**

Each Party shall, subject to the provisions of this Agreement, ensure the observance of all obligations and commitments under this Agreement by its local governments and authorities and also any other body in the exercise of powers delegated to them by central and local governments or authorities, in accordance with its domestic law.

## Article 1.5: General Definitions

For purposes of this Agreement, unless otherwise specified:

**Agreement** means Comprehensive Economic Partnership Agreement between the Government of the Republic of Korea and the Government of Georgia;

**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 authority** means the authority that, in accordance with the legislation of each Party, is responsible for the administration and enforcement of its customs laws and regulations:

- (a) for Korea, the Ministry of Economy and Finance, or the Korea Customs Services; and
- (b) for Georgia, Revenue Service - Legal Entity of Public Law of the Ministry of Finance;

or their respective successors;

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

- (a) charge equivalent to an internal tax imposed consistently with Article III:2 of the GATT 1994;
- (b) duty imposed pursuant to a Party's laws and consistently with Chapter seven (Trade Remedies);
- (c) fee or other charge in connection with importation commensurate with the cost of services rendered;
- (d) premiums offered or collected on an imported good arising out of any tendering system in respect of the administration of quantitative import restrictions or tariff rate quotas; or
- (e) duty imposed pursuant to any agricultural safeguard measure taken under the WTO Agreement on Agriculture.

**customs laws and regulations** means the statutory and regulatory provisions relating to the importation, exportation, movement, or storage of goods, the administration and enforcement of which are specifically charged to a customs authority, and any regulations made by the customs authority, under its statutory powers;

**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;

**goods of a Party** means domestic products as these are understood in GATT 1994 or such goods as the Parties may agree, and includes originating goods of that Party;

**government procurement** means the process by which a government obtains the use of or acquires goods or services, or any combination thereof, for governmental purposes and not with a view to commercial sale or resale or use in the production or supply of goods or services for commercial sale or resale;

**Harmonized System (HS)** means the nomenclature of the Harmonized Commodity Description and Coding System defined in the *International Convention on the Harmonized Commodity Description and Coding System*, including all legal notes thereto, as in force and as amended from time to time;

**Joint Committee** means the Korea-Georgia Comprehensive Economic Partnership Agreement Joint Committee established under Article 18.2 (Joint Committee);

**juridical person** means any legal entity duly constituted or otherwise organized under applicable laws and regulations and whether privately-owned or governmentally-owned, including any corporation, trust, partnership, joint venture, sole proprietorship or association

**measure** means any measure by a Party, whether in the form of a law, regulation, rule, procedure, decision, administrative action or any other form;

**national** means:

- (a) for Korea, a Korean national within the meaning of the Nationality Act<sup>1</sup>, as amended; and
- (b) for Georgia, any person who is a Georgian citizen within the meaning of the *Organic Law of Georgia on Georgian Citizenship*, as amended;

**originating goods** means products or materials that qualify as originating under Chapter Three (Rules of Origin and Origin Procedures);

**person** means a natural person or a juridical person.

**preferential tariff treatment** means tariff concessions granted to originating goods as reflected by the tariff rates applicable under this Agreement;

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

**sanitary or phytosanitary measure** means any measure referred to in paragraph 1 of Annex A of the SPS 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;

**state enterprise** means an enterprise that is owned, or controlled through ownership interests, by a Party;<sup>2</sup>

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

**technical regulations, standards, and conformity assessment procedures** shall have the meanings assigned to those terms in Annex 1 of the TBT Agreement;

**territory** means:

- (a) for Korea, the land, maritime, and airspace under its sovereignty, and those maritime areas, including the seabed and subsoil adjacent to and beyond the outer limit of the territorial seas over

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<sup>1</sup> A natural person who is domiciled in the area north of the Military Demarcation Line on the Korean Peninsula shall not be entitled to benefits under this Agreement.

<sup>2</sup> For greater certainty, ownership, or control through ownership interests, may be direct or indirect.

which it exercises sovereign rights or jurisdiction in accordance with international law and its domestic law; and

- (b) for Georgia, this Agreement shall apply to the entire 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.

**Trade Facilitation Agreement** means *the Agreement on Trade Facilitation*, 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;<sup>3</sup>

**WTO** means the World Trade Organization; and

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

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<sup>3</sup> For greater certainty, “TRIPS Agreement” includes any waiver in force between the Parties of any provision of the TRIPS Agreement granted by WTO Members in accordance with the WTO Agreement.