



## CHAPTER 1

### INITIAL PROVISIONS

#### **Article 1.1: Establishment of a Free Trade Area**

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

#### **Article 1.2: 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. This paragraph is without prejudice to the rights and obligations of a Party under Chapter 12 (Dispute Settlement).<sup>1</sup>

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