

## **Section B – Initial Provisions**

### **Article 1.03: Establishment of the Free Trade Area**

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

### **Article 1.04: 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. In the event of any inconsistency between this Agreement and the agreements referred to in paragraph 1, this Agreement shall prevail, except as otherwise provided in this Agreement.
3. The WTO Agreement exclusively governs the rights and obligations of the Parties regarding subsidies and the application of anti-dumping and countervailing measures, including the settlement of any disputes about those matters. This paragraph does not apply to Articles 2.04(5) and 2.13 (National Treatment and Market Access for Goods – Tariff Elimination and Agricultural Export Subsidies).

### **Article 1.05: Extent of Obligations**

Each Party is fully responsible for the observance of all provisions of this Agreement and shall take such reasonable measures as may be available to it to ensure observance of the provisions of this Agreement, except as otherwise provided in this Agreement, by the sub-national governments and authorities within its territory.