

ARTICLE I

OBJECTIVE

The objective of this Agreement, as elaborated more specifically in its provisions, is to establish a framework of balanced rights and obligations and agreed rules for the conduct of trade and commercial relations between Canada and the Republic of Latvia.

ARTICLE II

DEFINITIONS

In this Agreement,

"Territory" means:

with respect to Canada, the territory to which its customs laws apply, including any areas beyond the territorial sea of Canada within which, in accordance with international law and its domestic laws, Canada may exercise rights with respect to the seabed and subsoil and their natural resources; and,

with respect to the Republic of Latvia, the territory to which its customs laws apply, including any areas beyond the territorial sea of the Republic of Latvia within which, in accordance with international law and its domestic laws, Latvia may exercise rights with respect to the seabed and subsoil and their natural resources.

"Person" of a country means a citizen or permanent resident of the country or a body corporate constituted under the laws applicable in, or principally carrying on its business within, the territory of the country.

"Third country" means any country other than Canada or the Republic of Latvia.

"Transit" means the passage across the territory of a country, with or without trans-shipment, warehousing, breaking bulk, or change in the mode or means of transport, when such passage is only a portion of a complete journey beginning and terminating beyond the frontier of the country across whose territory the traffic passes.