

CHAPTER 1

INITIAL PROVISIONS AND GENERAL DEFINITIONS

ARTICLE 1.1

Establishment of a Free Trade Area

As developing country World Trade Organization (WTO) Members, the Parties to this Comprehensive Economic Partnership Agreement (CEPA) hereby establish a free trade area, in conformity with the Decision of 28 November 1979 on Differential and More Favourable Treatment, Reciprocity and Fuller Participation of Developing Countries (Enabling Clause) and Article V of the General Agreement on Trade in Services (GATS).

ARTICLE 1.2

Objectives

The objectives of this Agreement are:

- (a) to strengthen and enhance trade and economic cooperation in the fields agreed between the Parties;
- (b) to liberalise and facilitate trade between the Parties in accordance with the provisions of this Agreement;
- (c) to enhance investment facilitation and cooperation between the Parties in accordance with the provisions of this Agreement;
- (d) to improve the efficiency and competitiveness of the Parties' manufacturing and services sectors and to expand trade between the Parties, including joint exploitation of commercial and economic opportunities in non-Parties;
- (e) to facilitate and enhance regional economic cooperation and integration; and
- (f) to build upon the Parties' commitments at the WTO.

ARTICLE 1.3

General Definitions

For the purposes of this Agreement:

"agreement" means this instrument, the India-UAE CEPA;

"Agreement on Agriculture" means the Agreement on Agriculture, set out in Annex 1A to the WTO Agreement;

"Customs Valuation Agreement" means the Agreement on Implementation of Article VII of the General Agreement on Tariffs and Trade 1994, set out in Annex 1A to the WTO Agreement;

“days” means calendar days, including weekends and holidays;

“direct taxes” comprise all taxes on total income, on total capital or on elements of income or of capital, including taxes on gains from the alienation of property, taxes on estates, inheritances and gifts, and taxes on the total amounts of wages or salaries paid by enterprises, as well as taxes on capital appreciation; and also include the taxes covered under the Agreement Between the Government of the Republic of India and the Government of the United Arab Emirates for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income and on Capital, as amended by the Protocols thereto;

“DSU” means the Understanding on Rules and Procedures Governing the Settlement of Disputes, set out in Annex 2 to the WTO Agreement;

“GATS” means the General Agreement on Trade in Services, set out in Annex 1B to the WTO Agreement;

“GATT 1994” means the General Agreement on Tariffs and Trade 1994, set out in Annex 1A to the WTO Agreement;

“Import Licensing Agreement” means the Agreement on Import Licensing Procedures, set out in Annex 1A to the WTO Agreement;

“Joint Committee” means the Joint Committee established pursuant to Article 17.1 (Joint Committee – Administration of the Agreement) of this Agreement;

“measure” means any measure, whether in the form of a law, regulation, rule, procedure, decision, practice, administrative action, or any other form;

“WTO” means the World Trade Organization; and

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

ARTICLE 1.4 Geographical Scope

This Agreement shall apply to the territory of the Parties, in accordance with their respective Constitutions, including their land territory, territorial waters, and the airspace above it and other maritime zones including the Exclusive Economic Zone and continental shelf over which the Parties have sovereignty, sovereign rights or exclusive jurisdiction, in accordance with their laws and regulations in force, and applicable rules of international law.

ARTICLE 1.5 Relation to Other Agreements

1. The Parties reaffirm their rights and obligations with respect to each other under the WTO Agreement and other agreements to which they are party.

2. In the event of any inconsistency between this Agreement and other agreements to which both Parties are party, the Parties shall immediately consult with each other with a view to finding a mutually satisfactory solution.

ARTICLE 1.6
Regional and Local Government

1. Each Party shall take such reasonable measures as may be available to it to ensure observance of the provisions of this Agreement by the regional and local governments and authorities within its territory.

2. This provision is to be interpreted and applied in accordance with the principles set out in paragraph 12 of Article XXIV of the GATT 1994.

ARTICLE 1.7
Transparency

1. Without prejudice to Article 1.8 (Confidential Information), each Party shall publish or otherwise make publicly available their laws, regulations, judicial decisions and administrative rulings of general application, as well as their respective international agreements which may affect the operation of this Agreement.

2. Each Party shall, within a reasonable period of time, respond to specific questions and provide, upon request, information to each other on matters referred to in paragraph 1.

3. Each Party shall make available to the public, the names and addresses of the competent authorities responsible for laws, regulations, administrative procedures, and administrative rulings, referred to in paragraph 1.

4. The Parties shall endeavour to make available all information, published or otherwise under paragraphs 1 to 3, in the English language. The Parties shall provide such information in the English language, if any request is made by an individual before the competent authority, within a reasonable period of time.

ARTICLE 1.8
Confidential Information

1. Each Party shall, in accordance with its laws and regulations, maintain the confidentiality of information designated as confidential by the other Party.

2. Information provided in confidence pursuant to this Agreement shall be used only for the purposes specified by the Party providing the information.

3. Notwithstanding paragraph 1, confidential information provided pursuant to this Agreement may be transmitted to a third party subject to the prior consent of the Party providing the information.

4. Nothing in this Agreement shall require a Party to disclose confidential information, the disclosure of which would impede law enforcement of the Party, or otherwise be contrary to the public interest, or which would prejudice the legitimate commercial interests of any economic operator.