Chapter 2

General Definitions

Article 2.01 Definitions of General Application

For purposes of this Agreement, unless otherwise specified:

**AD Agreement** means the WTO Agreement on Implementation of Article VI of the GATT 1994;

**Commission** means the Free Trade Commission established under Article 21.01 (The Free Trade Commission);

**covered investment** means, with respect to a Party, an investment, as defined in Article 10.28 (Definitions), in its territory by an investor of the other Party in existence as of the date of entry into force of this Agreement or established, acquired, or expanded thereafter;

**customs authority** means the competent authority that is responsible under the law of a Party for the administration of customs laws and regulations;

**customs duty** includes any customs or import duty and a 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, in respect of like, directly competitive, or substitutable goods of the Party, or in respect of goods from which the imported good has been manufactured or produced in whole or in part;

(b) antidumping or countervailing duty that is applied pursuant to a Party’s domestic law;

(c) fee or other charge in connection with importation commensurate with the cost of services rendered; or

(d) premium offered or collected on or in connection with an imported good arising out of any tendering system in respect of the administration of quantitative import restrictions, tariff rate quotas or tariff preference levels;

**Customs Valuation Agreement** means the WTO Agreement on Implementation of Article VII of the General Agreement on Tariffs and Trade 1994;

**days** means calendar days;
enterprise means any entity constituted or organized under applicable law, whether or not for profit, and whether privately-owned or governmentally-owned, including any corporation, trust, partnership, sole proprietorship, joint venture, or other association;

enterprise of a Party means an enterprise constituted or organized under the law of a Party;

existing means in effect on the date of entry into force of this Agreement;

GATS means the WTO General Agreement on Trade in Services;

GATT 1994 means the WTO General Agreement on Tariffs and Trade 1994;

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

Harmonized System (HS) means the Harmonized Commodity Description and Coding System, including its General Rules of Interpretation, Section Notes, and Chapter Notes, as adopted and implemented by the Parties in their respective tariff laws;

heading means the first four digits in the tariff classification number under the Harmonized System;

measure means any measure by a Party including law, regulation, procedure, requirement, or practice;

national means a natural person who has the nationality of a Party according to Annex 2.01 or a permanent resident of a Party;

originating means qualifying under the rules of origin set out in Chapter 4 (Rules of Origin and Related Customs Procedures);

Party means the Republic of China (Taiwan) or the Republic of Nicaragua;

person means a natural person or an enterprise;

person of a Party means a national or an enterprise of a Party;

preferential tariff treatment means the rate of a customs duty applicable under this Agreement to an originating good;

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

SCM Agreement means the WTO Agreement on Subsidies and Countervailing Measures;
**state enterprise** means an enterprise that is owned or controlled through ownership interests, by a Party;

**subheading** means the first six digits in the tariff classification number under the Harmonized System;

**territory** means the land, maritime, and air space under a Party’s sovereignty and the exclusive economic zone and the continental shelf within which it exercises sovereign rights and jurisdiction in accordance with international law and its domestic law;

**TRIPS Agreement** means the WTO Agreement on Trade Related Aspects of Intellectual Property Rights;

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

**WTO Agreement** means the Marrakesh Agreement Establishing the World Trade Organization, done on April 15, 1994.
Annex 2.01

Country-Specific Definitions

For purposes of this Agreement:

natural person who has the nationality of a Party means:

(a) with respect to Republic of Nicaragua, a nicaragüense as defined in Article 15 of the Constitución Política de la República de Nicaragua; and

(b) with respect to the Republic of China (Taiwan) a person who has the nationality of the Republic of China (Taiwan) by birth or naturalization according to Article 3 of the Constitution and Article 2 of the Nationality Law of the Republic of China (Taiwan).