Chapter 1
General Provisions

Article 1.1
Objective

The objective of this Agreement is to create a new economic dynamism between the Parties by means of the following, taking into account the stage of development and economic needs of the Parties:

(a) liberalizing and facilitating trade in goods and services between the Parties;

(b) facilitating movement of natural persons between the Parties;

(c) increasing investment opportunities and strengthening protection for investments and investment activities in the Parties;

(d) enhancing protection of intellectual property;

(e) promoting cooperation and coordination for the effective enforcement of competition laws in each Party;

(f) establishing a framework for further reinforcing, broadening and deepening bilateral cooperation in all fields relevant to trade and investment and improvement of the business environment; and

(g) creating effective procedures for the implementation and operation of this Agreement and for the prevention and resolution of disputes.

Article 1.2
General Definitions

For the purposes of this Agreement, unless otherwise specified:

(a) the term "Agreement on Customs Valuation" means the Agreement on Implementation of Article VII of the General Agreement on Tariffs and Trade 1994 in Annex 1A to the WTO Agreement;

(b) the term "Area" means:

(i) for Japan, the territory of Japan, and the exclusive economic zone and the continental shelf with respect to which Japan exercises sovereign rights or jurisdiction in accordance with international law; and

(ii) for Mongolia, the territory of Mongolia;

Note: Nothing in this subparagraph shall affect the rights and obligations of the Parties under international law, including those under the UNCLOS.

(c) the term "commercial presence" means any type of business or professional establishment, including through:

(i) the constitution, acquisition or maintenance of a juridical person; or

(ii) the creation or maintenance of a branch or a representative office,

within the Area of a Party for the purposes of supplying a service;

(d) the term "customs authority" means the authority that, according to the legislation of each Party or a non-Party, is responsible for the administration and enforcement of customs laws and regulations:

(i) for Japan, the Ministry of Finance, or its successor; and

(ii) for Mongolia, the Customs General Administration, or its successor;

(e) the term "days" means calendar days, including weekends and holidays;