

APPENDIX 11

NEW CHAPTER 21 (GLOBAL SUPPLY CHAIN)

CHAPTER 21

GLOBAL SUPPLY CHAIN

Article 21.1: Objectives

1. The objectives of this Chapter are to build safe and reliable supply chains with greater certainty and consistency, in order to expand bilateral trade, promote trade and investment facilitation, and foster the integration and connectivity of global supply chains.
2. To this end, the Parties recognise the importance of creating an enabling environment for global supply chain development and shall endeavour to enhance cooperation and deepen the synergies between different efforts, taking account of their respective national priorities and circumstances.

Article 21.2: Connectivity

The Parties shall encourage to enhance seamless connectivity of different modes of transport to create more transport alternatives for commercial exchange.

Article 21.3: Logistics Corridors

1. The Parties shall promote the development of logistics corridors for foreign trade, identifying main infrastructure and promoting multimodal transport, with the purpose of improving competitiveness and integration between the Parties.
2. The Parties recognise the importance of infrastructure to ensure the flow of the supply chain and trade facilitation.

Article 21.4: Use of Information Technology

1. The Parties shall encourage the use of information technology in supply chains and promote its digitalization, in order to ensure the security, traceability and visibility of the cargo along the supply chain in foreign trade operations.
2. The Parties are encouraged to cooperate in promoting the interoperability of electronic documents used in trade operations, including, electronic bill of lading.
3. The Parties recognise the importance of promoting the green and sustainable development of logistics industry by applying high technologies, including Artificial Intelligence and Internet of Things.

Article 21.5: Electronic Information Exchange

1. The Parties shall encourage the cooperation between the national logistics platforms that contain information about logistics services, with the purpose of improving transparency and predictability of the supply chain.
2. The Parties recognised that each Party may adopt or maintain measures to evaluate the information that may be exchanged through these electronic platforms, subject to applicable policies, laws and regulations.

Article 21.6: Cooperation and Assistance

Considering the impact of the development of the global supply chain competitiveness on foreign trade, the Parties shall endeavour to assist and cooperate with each other in:

- (a) implementing and operating this Chapter;
- (b) exchanging knowledge and best practices on: management and development of logistics platforms, supply chain security, traceability and visibility of the cargo, transport and services, strategic planning for the development of international supply chains, initiatives for the associativity of logistics service providers, mechanisms of collaborative supply chain, mechanisms for the development of sustainable supply chains and the establishment of electronic platforms that analyze and provide information of international logistics;
- (c) exchanging information of methodology to measure time, logistics costs, and of other elements that permit to identify critical points in the supply chain;
- (d) promoting investments in port, air, rail, road and other infrastructures;
- (e) promoting supply chain connectivity and the development of logistics industry;
- (f) encouraging the participation of the Parties in initiatives related with logistics corridors and safe and reliable supply chains;
- (g) enhancing capacity building cooperation in the field of logistics between the Parties;
- (h) strengthening cooperation under bilateral and multilateral fora to promote the development of logistics industry and the sharing of resources and information; and
- (i) other issues agreed by the Parties.

Article 21.7: Contact Points

The Parties establish the following points of contact:

- (a) for Peru, the Ministry of Foreign Trade and Tourism (Ministerio de Comercio Exterior y Turismo - MINCETUR), or its successor;
- (b) for China, the Ministry of Transport, or its successor.

Article 21.8: Non-Application of Dispute Settlement

Neither Party shall have recourse to dispute settlement under Chapter 15 (Dispute Settlement) of the Free Trade Agreement for any matter arising under this Chapter.