CHAPTER 12

COOPERATION

Article 12.1: Objective

The objective of this Chapter is to facilitate the establishment of close cooperation aimed, *inter alia*, at:

(a) strengthening the capacities of the Parties to maximize the opportunities and benefits under this Agreement;

(b) promoting economic and social development;

(c) stimulating productive synergies, creating new opportunities for trade and investment, promoting competitiveness, innovation and trade facilitation, among others; and

(d) encouraging the presence of the Parties and their goods and services in international markets.

Article 12.2: General Provisions

1. The Parties affirm the importance of all forms of cooperation, including capacity building and technical assistance, in particular in areas related to economy, trade and development. These may include, but not limited to, the areas listed in Article 12.4 (Fields of Cooperation) and any other that the Parties agree to include.

2. Cooperative activities will be agreed between the Parties and may include, but not limited to, those listed in Article 12.3.3 (Economic Cooperation).

3. Cooperation between the Parties under this Chapter shall complement the cooperation and cooperative activities between the Parties set out in other Chapters of this Agreement and in other bilateral cooperation mechanisms.

Article 12.3: Economic Cooperation

1. The Parties shall encourage the use of cooperation instruments and mechanisms between them, with a view to strengthening the processes of economic integration and increasing commercial exchanges.

2. The objectives of economic cooperation are to:

(a) build up a close relationship between the Parties on existing agreements or arrangements already in effect for trade and economic cooperation; and

(b) advance and strengthen trade and economic relations between the Parties.

3. The Parties shall encourage and facilitate, as mutually agreed, the following activities, including, but not limited to:

(a) dialogue on policies and regular exchanges of information and views on ways to promote and expand trade in goods, services and investment between the Parties;

(b) joint elaboration of studies and technical projects of economic interest according to the economic development needs identified by the Parties;

(c) providing assistance and facilities to business persons and trade missions of a Party that visit the other Party, with the knowledge and support of its relevant agencies;

(d) supporting dialogue and exchanges of experiences among the respective business communities and government agencies of the Parties;

(e) establishing and developing mechanisms for providing information and identifying opportunities for business cooperation, trade in goods, services and investment; and

(f) stimulating and facilitating roles of public and/or private sectors in areas of economic interest.

Article 12.4: Fields of Cooperation

The Parties, on the basis of mutual benefit, shall explore and undertake economic cooperation activities in the following fields:

(a) trade and investment promotion;

(b) micro, small and medium-sized enterprises (MSMEs);

(c) agriculture, fisheries and aquaculture, food industry and forestry;

(d) services sectors, including tourism;

(e) trade and environment;

(f) energy and mineral resources;

(g) science, technology, research and development, and innovation;

(h) information and communication technology;

(i) logistics and international transport;

(j) maritime transport cooperation;

(k) culture, education and human resource development; and

(l) other fields as may be mutually agreed upon between the Parties.

Article 12.5: Sub-Committee on Cooperation and Contact Points

1. The Parties hereby establish a Sub-Committee on Cooperation (hereinafter referred to as "the Sub-Committee") comprising representatives of each Party.

2. The Sub-Committee shall:

(a) monitor and assess the progress in implementing the cooperation projects agreed by the Parties;

(b) establish rules and procedures for the conduct of its work;

(c) make recommendations on the cooperative activities under this Chapter, in accordance with the strategic priorities of the Parties; and

(d) review, through regular reporting from the Parties, the operation of this Chapter and the application and fulfilment of its objectives.

3. Notwithstanding paragraph 2, the Parties may use diplomatic channels to promote dialogue and cooperation consistent with this Agreement.

4. Each Party shall designate a contact point to facilitate communication on possible cooperative activities. The contact points shall work with government agencies, business sector representatives, and educational and research institutions for the operation of this Chapter.

Article 12.6: Dispute Settlement

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