

## **CHAPTER 8 ECONOMIC COOPERATION**

### **Article 8.1: Basic Principles**

1. Recognizing the importance of economic cooperation under this Agreement, the Parties shall promote cooperation in areas of mutual interest, taking into account the different levels of development and capacity of the Parties. Special focus should be given to building capacity which will enhance economic complementarities to deepen and expand the Parties' roles in regional and global value chains.
2. To promote and facilitate the implementation of economic cooperation under this Agreement, the Parties shall undertake coordination between their respective governments and, where necessary and appropriate, encourage and facilitate cooperation where one or both sides are entities other than the governments of the Parties. Based on mutual benefits of the Parties towards the cooperative sectors in which the Parties have mutual interests, the Parties will cooperate on appropriate forms of activities.
3. Reaffirming the value of ongoing economic cooperation initiatives between the Parties, the Parties shall respect and continue their existing economic cooperation under frameworks other than this Agreement and shall ensure that there will be no duplication of work or activities.
4. The Parties acknowledge the provisions to encourage and facilitate economic cooperation as provided for in this Agreement in accordance with their respective domestic laws and regulations.

### **Article 8.2: Sectors for Cooperation**

1. The Parties, on the basis of mutual benefits, shall explore and undertake cooperative activities.
2. Sectors related to industry may include:
  - (a) automotive;
  - (b) steel and metal;
  - (c) chemicals;
  - (d) information and communication technology;

- (e) electronics;
  - (f) machinery;
  - (g) garment, textiles and apparel;
  - (h) ships;
  - (i) aircrafts;
  - (j) food and beverages; and
  - (k) other sectors of cooperation as may be agreed by the Parties.
3. Sectors related to agriculture, fishery and forestry may include:
- (a) livestock and crop production;
  - (b) improvement of investment conditions in the fields of fisheries and forestry;
  - (c) satisfying the needs of investors in fisheries and forestry sectors in accordance with each Party's relevant domestic laws and regulations;
  - (d) forest management;
  - (e) agro-based and food processing; and
  - (f) other sectors of cooperation as may be agreed by the Parties.
4. Sectors related to rules and procedures for trade may include:
- (a) standards, technical regulations and conformity assessment procedures;
  - (b) sanitary and phytosanitary;
  - (c) customs procedures;
  - (d) rules of origin and other aspects of implementation of tariff commitments;
  - (e) intellectual property; and
  - (f) other sectors of cooperation as may be agreed by the Parties.

5. Sectors related to movement of natural persons (MNP) may include:
  - (a) Professionals; and
  - (b) Trainee.
6. Other areas for cooperation may include:
  - (a) supporting policy for small and medium-sized enterprises;
  - (b) statistics;
  - (c) fair competition;
  - (d) infrastructure;
  - (e) investment;
  - (f) science, technology and innovation;
  - (g) culture and other creative areas;
  - (h) energy and mineral resources;
  - (i) health care;
  - (j) environment;
  - (k) construction service; and
  - (l) other sectors of cooperation as may be agreed by the Parties.

### **Article 8.3: Forms of Cooperation**

The forms of economic cooperation may include, but are not limited to:

- (a) technical assistance;
- (b) training of human resources;
- (c) exchange of data and information;
- (d) exchange of experts;

- (e) thematic seminar and workshop;
- (f) design and improvement of institutions;
- (g) formulation of sectoral master plan;
- (h) formulation of development strategy;
- (i) sharing of best practices;
- (j) base study;
- (k) joint research and development;
- (l) joint trade and investment promotion activities;
- (m) model and technology transfer; and
- (n) other forms of cooperation as may be agreed by the Parties.

#### **Article 8.4: Implementation**

1. The cooperation shall be implemented in accordance with each Party's domestic laws and regulations.
2. For purposes of the effective implementation and operation of this Chapter, the Parties hereby establish a Committee on Economic Cooperation (hereinafter referred to as the "Committee") and conclude an Implementing Arrangement setting out the functions and procedures of the Committee, building upon and complementing existing bilateral economic cooperation projects, initiatives and activities.
3. The Parties shall undertake cooperation projects according to their priority at mutually agreed periods of time. The projects shall be monitored and reviewed by the Committee to ensure their effective implementation to meet their intended objectives.
4. Taking into account the different levels of development and capacity, the Parties shall contribute appropriately to the cost of implementation based on a mutual understanding or agreement.
5. Funding for implementation of cooperation sectors shall be set out in detail in the implementing arrangement.

### **Article 8.5: Resources for Economic Cooperation**

1. The Parties shall cooperate to adopt the most effective means for the implementation of this Chapter.
2. The Parties shall endeavor to make available necessary financial and other resources for the implementation of economic cooperation under this Chapter in accordance with their respective domestic laws and regulations.
3. Funding for economic cooperation under this Chapter shall be borne according to mutual agreement, taking into account the different levels of development of the Parties.

### **Article 8.6: Dispute Settlement**

Neither Party shall have recourse to Chapter Ten (Dispute Settlement) for any matter arising under this Chapter. Any dispute between the Parties concerning interpretation and implementation of this implementing arrangement shall be settled through consultation amicably.