

## **CHAPTER 18 CO-OPERATION**

### **ARTICLE 18.1: NON-APPLICATION OF DISPUTE SETTLEMENT PROVISIONS**

Chapter 20 (Dispute Settlement) shall not apply to any matter or dispute arising under this Chapter.

### **ARTICLE 18.2: INFORMATION AND COMMUNICATIONS TECHNOLOGY**

#### ***Co-operation in the Field of Information and Communications Technology***

1. The Parties, recognising the rapid development, led by the private sector, of Information and Communications Technology (“ICT”) and of business practices concerning ICT-related services both in the domestic and the international contexts, shall co-operate to promote the development of ICT and ICT-related services with a view to obtaining the maximum benefit of the use of ICT for the Parties.

#### ***Forms and Areas of Co-operation***

2. The forms of co-operation pursuant to paragraph 1 may include the following:

- (a) promoting dialogue on policy issues;
- (b) promoting co-operation between the private sectors of the Parties;
- (c) enhancing co-operation in international fora relating to ICT; and
- (d) undertaking other appropriate co-operative activities.

3. The areas of co-operation pursuant to paragraph 1 may include the following:

- (a) inter-operability of Public Key Infrastructure (“PKI”);
- (b) development, processing, management, distribution and trade of digital contents;
- (c) business opportunities in third markets; and
- (d) cross-recognition of professional ICT certification.

### **ARTICLE 18.3: ELECTRONIC COMMERCE**

1. The Parties shall encourage co-operation in research and training activities that would enhance the development of electronic commerce, including by sharing best practices on electronic commerce development.
2. Each Party shall maintain domestic legislation for electronic authentication that permits Parties to an electronic transaction to:
  - (a) determine the appropriate authentication technologies and implementation models for their electronic transaction, without limiting the recognition of technologies and implementation models; and
  - (b) have the opportunity to prove in court that their electronic transaction complies with any legal requirement.
3. The Parties shall work towards mutual recognition of digital certificates through a cross-recognition framework at government level based on internationally accepted standards.
4. The Parties shall encourage the inter-operability of digital certificates in the business sector.

### **ARTICLE 18.4: SCIENCE & TECHNOLOGY**

1. The Parties, recognising the importance of science and technology in their respective economies, shall develop and promote co-operative activities in the field of science and technology.
2. The Parties shall encourage, where appropriate, the co-operative activities between the private sectors of the Parties in the field of science and technology.
3. The co-operation under this Article may include the following forms:
  - (a) exchange of scientists, researchers, technicians and experts;
  - (b) exchange of documentation and information of a scientific and technological nature;

- (c) joint organisation of seminars, symposia, conferences and other scientific and technological meetings;
- (d) implementation of joint research and development activities in fields of mutual interest as well as exchange of the results of such research and development activities;
- (e) co-operation in the commercialisation of the results of scientific and technological activities; and
- (f) any other form of scientific and technological co-operation agreed upon by the Parties.

4. The co-operation under this Article may include the following areas:

- (a) biotechnology;
- (b) nanotechnology;
- (c) electronics;
- (d) microelectronics;
- (e) new materials;
- (f) information technology;
- (g) manufacturing technology;
- (h) environmental technology; and
- (i) science and technology (“S&T”) policy and research and development (“R&D”) systems.

## **ARTICLE 18.5: FINANCIAL SERVICES**

### ***Regulatory Co-operation***

1. The Parties shall promote regulatory co-operation in the field of financial services, with a view to:

- (a) implementing sound prudential policies, and enhancing effective supervision of financial institutions of either Party operating in the territory of the other Party;
- (b) responding properly to issues relating to globalisation in financial services, including those provided by electronic means;
- (c) maintaining an environment that does not stifle legitimate financial market

innovations; and

- (d) conducting oversight of global financial institutions to minimise systemic risks and to limit contagion effects in the event of crisis.

2. As a part of the regulatory co-operation set out in paragraph 1, the Parties shall, in accordance with their respective laws and regulations, co-operate in sharing information on their respective securities markets and securities derivatives markets, for the purpose of contributing to the effective enforcement of the securities laws of each Party. In this connection, the regulatory agencies of each Party shall be encouraged to formalise information sharing arrangement on securities markets and securities derivatives markets through a memorandum of understanding.

3. Articles 12.5, 12.8, 12.12 and 12.13 shall not apply to the co-operation between the Parties as set out in paragraph 2.

### ***Capital Market Development***

4. The Parties, recognising a growing need to enhance the competitiveness of their capital markets and to preserve and strengthen their stability in rapidly evolving global financial transactions, shall co-operate in facilitating the development of the capital markets of the Parties with a view to fostering sound and progressive capital markets and improving their depth and liquidity. The Parties shall, in accordance with their respective laws and regulations, give consideration to the implementation of linkage of exchanges located within the territories of the Parties, if both Parties determine that commercial interest exists for such linkage.

### **ARTICLE 18.6: TRADE AND INVESTMENT PROMOTION**

1. The Parties shall co-operate in promoting trade and investment activities by private enterprises of the Parties, recognising that efforts of the Parties to facilitate exchange and collaboration between private enterprises of the Parties will act as a catalyst to promote trade and investment between the Parties and furthermore in Asia.

2. The Parties recognise that certain co-operation between parties, one or both of whom are entities in their respective territories other than the governments of the Parties, could contribute to trade and investment promotion between the Parties. Such co-

operation shall be specified in Section 1 of Annex 18A.

3. The Parties shall review the co-operation set forth in paragraph 1 and, where appropriate, recommend ways or areas of further co-operation between the parties to such co-operation.

#### **ARTICLE 18.7: PAPERLESS TRADING**

1. The Parties shall co-operate with a view to realising and promoting paperless trading between the Parties, on the basis of the knowledge that paperless trading greatly contributes to the promotion of trade between the Parties.

2. The Parties shall exchange views and information to study the development of paperless trading for a domestic electronic environment that enables the cross-border transaction between the Parties.

3. The Parties shall encourage their relevant public and private entities to co-operate on the activities related to paperless trading. Such activities may include:

- (a) the establishment and operation of facilities to provide paperless trading between the enterprises and their respective governments of the Parties;
- (b) the joint studies on how to use and exchange electronic trade-related information and electronic documents and on possible action for standardisation and establishment of legal infrastructure; and
- (c) the execution of the feasible pilot projects, including the electronic transmission of the trade-related documents, such as invoice, packing list and certification of origin.

#### **ARTICLE 18.8: BROADCASTING**

1. The Parties, recognising the importance of broadcasting as a means for promoting cultural exchanges and understanding and the rapid development of broadcasting technology and innovative broadcasting services, will encourage co-operation in the field of broadcasting between the Parties.

2. The scope, form and other details relating to the co-operation in the field of broadcasting will be specified in Section 2 of Annex 18A.

#### **ARTICLE 18.9: ENVIRONMENT**

Desiring to promote closer co-operation between interested organisations and industries of the Parties in the field of CNG technologies and applications to environmental protection, the Parties have concluded a Memorandum of Understanding to facilitate such co-operation.

#### **ARTICLE 18.10: HUMAN RESOURCES MANAGEMENT AND DEVELOPMENT**

1. The Parties, recognising that sustainable economic growth and prosperity largely depend on people's knowledge and skills, shall develop co-operation between the Parties and encourage mutually beneficial co-operation between parties, one or both of whom are entities in their respective territories other than the governments of the Parties, in the field of human resource development. Such co-operation activities may include the following:

- (a) exchange of government officials -

the Parties shall promote exchanges of their government officials with a view to enhancing mutual understanding of the policies of their respective governments and the details of such exchanges of such government officials shall be specified in Section 3 of Annex 18A;

- (b) co-operation between educational institutions -

the Parties shall facilitate the launch of double degree programmes between higher educational institutions of the Parties, such as in the area of digital media technology;

- (c) third country training programme -

the Parties re-affirm the importance of the Parties' Third Country Training Programme ("TCTP") in jointly rendering meaningful and productive technical assistance to third countries, in particular, in developing their social and economic resources and in recognition of the importance of the TCTP and its role in bringing the Parties' bilateral relations to a higher level, the Parties shall make effort to increase the current level of co-operation in the TCTP;

(d) ageing population -

the Parties shall exchange views and experiences on policy issues concerning an ageing population; and

(e) people developer -

the Parties shall promote the exchange of views and experiences on people developer between the Parties.

#### **ARTICLE 18.11: MARITIME TRANSPORT**

1. The Parties, acknowledging the importance of maritime transport in their respective economies, shall develop and promote co-operative activities in the field of maritime transport. Such co-operative activities may include the following:

- (a) exchange of maritime simulation instructors/assessors and Certificate of Competency ("CoC") examiners through study visits to learn how each Party uses simulators for their respective CoC training and other maritime applications; and
- (b) development of a low-cost Automatic Identification System for marine applications such as fleet management for non-SOLAS vessels, monitoring of aids to navigation and monitoring of dumping activities at sea.

2. The Parties shall conduct consultation on specifying the co-operative activities and additional maritime co-operation in accordance with the Agreement on Maritime

Transport between the Government of the Republic of Korea and the Government of the Republic of Singapore, signed on May 26, 1981.

#### **ARTICLE 18.12: ENERGY**

1. The Parties, recognising the importance of energy in the respective economies, shall develop and promote co-operative activities in the field of energy.
2. The co-operation may include the following forms:
  - (a) facilitation of co-operation between the private sectors of both Parties for the purpose of oil/gas exploration;
  - (b) facilitation of co-operation between research institutes, and universities of both Parties for the purpose of engaging in joint R&D projects; and
  - (c) exchange of information and sharing experiences in the fields of electricity and gas restructuring efforts, through study visits or such other activities as mutually agreed upon by the implementing authorities.

#### **ARTICLE 18.13: FILM PRODUCTION**

1. The Parties, recognising the importance of the co-production of films in developing and expanding the film industries of both Parties and the potential for such co-productions to promote understanding and cultural exchanges between the Parties, shall promote co-operation in this area.
2. The scope, form and other details relating to the co-operation in the area of film production will be specified in the Section 4 of Annex 18A.

#### **ARTICLE 18.14: GAMING AND ANIMATION**

The Parties, recognising both the potential of the gaming and animation industries as means for promoting understanding between the Parties and the rapid development of innovative media services, shall promote co-operation in this area between the Parties.