

CHAPTER 13 ECONOMIC COOPERATION

Article 13.1 : Basic Principles

1. Recognizing the importance of economic cooperation between the Parties, the Parties shall promote cooperation in areas of mutual interest, taking into account the different levels of development and capacity of the Parties.
2. To promote and facilitate the implementation of economic cooperation, the Parties shall undertake cooperation 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 relevant forms of activities.
3. Reaffirming the value of ongoing economic cooperation initiatives between the Parties, the Parties shall respect and encourage their existing economic cooperation under frameworks other than this Agreement.
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 13.2 : Sectors of Cooperation

1. The Parties, on the basis of mutual benefit, shall explore and undertake cooperative activities.
2. Sectors related to industry may include:
 - (a) automotive;
 - (b) steel and metal;
 - (c) petrochemicals;
 - (d) electronics;
 - (e) machinery;
 - (f) garment, textiles and footwear;
 - (g) distribution and logistics; and
 - (h) 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) horticulture;
 - (c) improvement of investment conditions in the fields of fisheries and aquaculture;
 - (d) satisfying the needs of investors of fisheries and aquaculture sectors in accordance with each Party's relevant domestic laws and regulations;
 - (e) fishery resources management;
 - (f) forest management;
 - (g) agro-based and food processing; and
 - (h) 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) customs procedure;
 - (c) rules of origin and other aspects of implementation of tariff commitments;
 - (d) intellectual property; and
 - (e) other sectors of cooperation as may be agreed by the Parties.
5. Other sectors may include:
 - (a) supporting policy for small and medium-sized enterprises;
 - (b) statistics;
 - (c) fair competition;
 - (d) infrastructure;
 - (e) investment;
 - (f) services related to culture; and
 - (g) other sectors of cooperation as may be agreed by the Parties.

Article 13.3 : 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 views and information;
- (d) exchange of experts;
- (e) 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) basic 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 13.4 : Implementation

1. The cooperation shall be implemented in accordance with each Party's domestic laws and regulations.

2. For the purposes of the effective implementation and operation of this Chapter, a Committee on Economic Cooperation (hereinafter referred to as the "Committee") shall be established. The Parties shall conclude an implementing arrangement setting out the forms and functions of the Committee.

3. The Parties shall undertake cooperation projects at mutually agreed periods of time. The implementation of such projects shall be monitored and reviewed by the Committee to ensure their effective implementation.

4. Taking into account the different levels of development and capacity, the Parties shall contribute appropriately to the cost of implementation, according to mutual agreement.

Funding for implementation of cooperation sectors shall be set out in detail in the implementing arrangement.

Article 13.5 : Resources for Economic Cooperation

1. The Parties shall cooperate to employ 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.

ANNEX 13-A

COOPERATION IN SERVICES RELATED TO CULTURE

1. For the purposes of mutual benefits, recognizing that cooperation contributes to the enhancement of understanding between the Parties and the development of their services industries, the Parties shall endeavor to cooperate in service sectors, such as audio-visual, tourism, entertainment (including theater, live bands and circus services), cultural heritage, museum and library services.

2. With a view to improving relevant industries' development, in accordance with domestic laws and regulations, the cooperation shall be facilitated through the information and experience exchange as well as support for capacity building, with regard to each Party's domestic policies, standard technologies, and relevant laws and regulations.