CHAPTER 21

ECONOMIC COOPERATION

Article 21.1
Objectives

1. The Parties acknowledge the importance of promoting cooperation under this Agreement for their mutual benefit to further facilitate trade and investment between the Parties and foster economic growth.

2. Cooperation under this Chapter shall be built upon a common understanding between the Parties to support the effectiveness and efficiency of the implementation and utilisation of this Agreement, with the objective of:

 (a) maximising the benefits of this Agreement;

 (b) supporting pathways to trade and investment facilitation; and

 (c) improving openness to contribute to the sustainable and inclusive economic growth and prosperity of the Parties.

Article 21.2
Scope

1. Consistent with Article 21.1 (Objectives), cooperation under this Chapter may initially focus on the following areas:

 (a) food security;

 (b) agriculture, forestry, and fisheries;

 (c) trade and investment promotion;

 (d) tourism;

 (e) promotion of electronic commerce;

 (f) trade and sustainable development;

 (g) logistics and international transportation, including maritime, air transport, and ports;

 (h) gems and jewellery;

 (i) halal-related areas;

 (j) scientific research and education;

 (k) competition policy;

 (l) global value chains (“GVCs”); and

 (m) other areas as may be mutually agreed.

2. The Parties acknowledge the provisions to encourage and facilitate economic and technical cooperation contained in other Chapters of this Agreement.

Article 21.3
Global Value Chains

1. The Parties affirm that:

(a) fair and open markets, underpinned by the rules-based multilateral trading system with the WTO at its core, are fundamental to building resilient supply chains; and

 (b) the Parties intend to act consistently with their respective obligations under the WTO Agreement.

2. The Parties acknowledge the importance of GVCs as a means to modernise and expand bilateral economic relations between the Parties’ traders and investors.

3. The Parties acknowledge that international trade and investment are engines of economic growth and intend to support their businesses’ internationalisation and insertion into GVCs.

4. The Parties affirm the relevance of SMEs in a countries’ productive structure and their impact on employment. The Parties further affirm that the adequate insertion of SMEs into GVCs will contribute to a better allocation of resources and the economic benefits derived from international trade, including diversification and enhancing of value added in exports.

5. The Parties acknowledge the importance of the participation of the private sector as well as the entrepreneurial community as fundamental actors within GVCs, and the relevance of creating an adequate environment.

6. The Parties recognise the importance of the services sector, especially those services associated to GVCs in trade integration, and their potential for their integration into GVCs.

7. Each Party shall domestically promote public knowledge of its laws, regulations, policies and practices relating to regional integrations and GVCs.

8. The priorities for economic cooperation activities shall be decided by the Parties based on their mutual interests and available resources.

Article 21.4

Animal Welfare

1. Each Party shall endeavour to ensure that its laws, regulations and policies provide for, and encourage, animal welfare and shall endeavour to continue to improve its level of animal welfare protection. This commitment shall not affect the right of each Party to establish its own policies and priorities for the protection of animal welfare and to adopt or modify its laws, regulations and policies in this area.

2. The Parties shall continue to strengthen and build on their existing cooperation and information exchange in the field of animal welfare, including on issues relating to the treatment of farmed animals. To this end, the Parties may work together in relevant international fora on areas of mutual interest related to the welfare of farmed animals.

3. At the request of either Party, the Parties shall meet to discuss any issue relating to animal welfare and any mutual cooperation.

Article 21.5

Organic Goods

Where appropriate, the Parties shall consider arrangements to facilitate trade in organic goods.

Article 21.6

Cooperative Framework

1. Recognising the critical role of the private sector in leveraging the full potential of this Agreement, the Parties shall endeavour to support voluntary collaborative engagement between relevant chambers of commerce, business councils, and similar entities in each Party, with the aim of promoting the Agreement and achieving tangible benefits.

2. This collaborative engagement may include, but is not limited to:

 (a) organising seminars and workshops to educate their respective business communities regarding the operational aspects of this Agreement, and to share success stories and challenges;

 (b) coordinating joint trade missions and networking events with a focus on establishing partnerships and identifying joint venture opportunities; and

 (c) providing support services to assist businesses in both Parties in understanding and utilising the Agreement.

Article 21.7
Resources

1. Resources for economic cooperation under this Chapter shall be provided in a manner as agreed by the Parties and in accordance with their respective laws and regulations.

2. The Parties, on the basis of their mutual benefit, may consider cooperation with external parties, such as international organisations to support the implementation of this Chapter.

**Article** **21.8
Means of Cooperation**

The Parties shall endeavour to encourage technical, technological and scientific economic cooperation, through means which may include, but not be limited to:

(a) supporting organisation of conferences, seminars, workshops, meetings, training sessions and outreach and education programmes;

(b) encouraging exchange of delegations, professionals, technicians and specialists from the academic sector, research institutions, and private sector and governmental agencies, including study visits and internship programmes for professional training;

(c) supporting dialogue and exchange of experiences between the Parties’ private sectors and agencies involved in trade promotion;

(d) supporting joint business initiatives between entrepreneurs of the Parties; and

(e) any other form of cooperation that may be agreed by the Parties.

Article 21.9
Subcommittee on Economic Cooperation

For the purposes of the effective implementation and operation of this Chapter, the Joint Committee may establish a Subcommittee on Economic Cooperation in accordance with Article 23.2 (Administrative and Institutional Provisions) to undertake functions which may include, but not be limited to:

(a) monitoring and assessing the implementation of this Chapter;

(b) identifying new opportunities and agreeing on new ideas for prospective cooperation or capacity-building activities;

(c) formulating and developing proposals for activities to support this Chapter and its implementation mechanisms;

(d) coordinating, monitoring and reviewing progress of activities under this Chapter and suggesting amendments to activities as relevant;

(e) cooperating with any other subcommittees, working groups or other subsidiary bodies established under this Agreement to perform stocktaking, monitoring, and benchmarking on any issues related to the implementation of this Agreement, as well as to provide feedback and assistance in the implementation and operation of this Chapter; and

(f) reporting to, and if deemed necessary, consulting with, the Joint Committee in relation to the implementation and operation of this Chapter.

Article 21.10
Non-Application of Dispute Settlement

The Parties shall not have recourse to dispute settlement under Chapter 25 (Dispute Settlement) for any matter arising under this Chapter.