FREE TRADE AGREEMENT BETWEEN THE GOVERNMENT OF THE PEOPLE'S REPUBLIC OF CHINA AND THE GOVERNMENT OF THE KINGDOM OF CAMBODIA

PREAMBLE The Governments of the People's Republic of China ("China") and the Kingdom of Cambodia ("Cambodia"), hereinafter referred to collectively as "the Parties":

Inspired by their longstanding friendship and growing bilateral economic relationship since the establishment of diplomatic relations in 1958;

Desiring to strengthen their economic partnership and further liberalise bilateral trade and promote investment to bring economic and social benefits;

Resolved to establish transparent and predictable rules governing the trade and investment between the Parties;

Committed to carrying out comprehensive pragmatic cooperation under the Belt and Road Initiative and jointly forging a community of shared future;

Building on their rights and obligations under the Marrakesh Agreement Establishing the World Trade Organisation;

Upholding the rights of their governments to regulate in order to meet national policy objectives, and to preserve their flexibility to safeguard the public welfare;

Recognising that the strengthening of their economic partnership through a Free Trade Agreement will produce mutual benefits for the Parties;

Have agreed as follows:

Chapter 1. INITIAL PROVISIONS AND DEFINITIONS

Article 1.1. Establishment of a Free Trade Area

The Parties, consistent with Article XXIV of GATT 1994 and Article V of GATS, hereby establish a free trade area.

Article 1.2. Relation to other Agreements

The Parties affirm their existing rights and obligations with respect to each other under the WTO Agreement and other existing agreements to which both Parties are party.

Article 1.3. Scope and Coverage

1. For China, this Agreement shall apply to the entire customs territory of the People's Republic of China, including land territory, territorial airspace, internal waters, territorial sea, and areas beyond the territorial sea within which China exercises sovereign rights or jurisdiction under its domestic laws, in accordance with international law.

2. For Cambodia, this Agreement shall apply to the territory of the Kingdom of Cambodia, as well as those maritime areas, including the seabed and subsoil adjacent to the outer limits of the territorial sea and airspace over which the Kingdom of Cambodia exercises, in accordance with international law, sovereign rights or jurisdiction.

3. Each Party is fully responsible for the observance of all provisions of this Agreement and shall take such reasonable measures as may be available to it to ensure their observance by local governments and authorities in its territory.

Article 1.4. General Definitions

For the purposes of this Agreement, unless otherwise specified:

(a) days means calendar days;

(b) existing means in effect on the date of entry into force of this Agreement;

(c) GATS means the General Agreement on Trade in Services, contained in Annex 1B to the WTO Agreement;

(d) GATT 1994 means the General Agreement on Tariffs and Trade 1994, which is part of the WTO Agreement;

(e) measure means any law, regulation, procedure, requirement, practice, in any other form.

(f) Person means either a natural person or a judicial person. (g) WTO means the World Trade Organisation; and

(h) WTO Agreement means the Marrakesh Agreement Establishing the World Trade Organisation, done at Marrakesh on 15 April 1994.

Chapter 2. TRADE IN GOODS

Article 2.1. Scope

Except as otherwise provided in this Agreement, this Chapter applies to trade in goods between the Parties.

Article 2.2. Definition

For the purposes of this Chapter, unless otherwise specified:

base rate of customs duty means the most-favoured-nation (MFN) import customs duty rate applied on 1 January 2017 provided by each Party.

customs duty includes any duty or charge of any kind imposed in connection with the importation of a good, but does not include:

(a) any charge equivalent to an internal tax imposed consistently with Article IIL.2 of GATT 1994;

(b) any anti-dumping or countervailing duty applied consistently with the provisions of Article VI of GATT 1994, the WTO Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade 1994, or the WTO Agreement on Subsidies and Countervailing Measures, and any duty applied consistently with Article 2.8 (Global Safeguard Measures);

(c) any fee or other charge in connection with importation commensurate with the cost of services rendered; goods and products shall be understood to have the same meaning, unless the context otherwise requires;

originating means qualifying under the rules of origin set out in Chapter 3 (Rules of Origin);

Article 2.3. National Treatment

Each Party shall accord national treatment to the goods of the other Party in accordance with Article III of the GATT 1994, including its interpretative notes. To this end, Article I of GATT 1994 and its interpretative notes are incorporated into and made part of this Agreement, mutatis mutandis.

Article 2.4. Reduction and/or Elimination of Customs Duties

1. Except as otherwise provided in this Agreement, each Party shall, upon entry into force of this Agreement, reduce and/or eliminate its customs duties on originating goods of the other Party in accordance with its schedule in Annex 1 (Schedule of Tariff Commitments).

2. Except as otherwise provided in this Agreement, neither Party may increase any existing import customs duty, or adopt any new customs duty, on an originating good of the other Party.

3. For each product the base rate of customs duties, to which the successive reductions set out in Annex 1 (Schedule of Tariff Commitments) are to be applied, shall be the most-favoured nation customs duty rate applied on 1 January 2017.

4. If a Party reduces its applied most-favoured-nation (hereinafter referred to as "MFN") customs duty rate after the entry into force of this Agreement, that duty rate shall apply as regards trade covered by this Agreement if and for as long as it is lower than the customs duty rate calculated in accordance with its Schedule to Annex 1 (Schedule of Tariff Commitments).

Article 2.5. Acceleration of Tariff Commitments

1. At the request of either Party, the Parties shall consult to consider accelerating the reduction and elimination of customs duties on originating goods as set out in their Schedules in Annex 1 (Schedule of Tariff Commitments).

2. An agreement by the Parties to accelerate the reduction and elimination of customs duties on originating goods shall supersede any duty rate determined pursuant to their Schedules for such good and shall enter into force following approval by each Party in accordance with their respective applicable legal procedures.

3. A Party may at any time accelerate unilaterally the reduction and elimination of customs duties on originating goods of the other Party set out in its Schedule in Annex 1 (Schedule of Tariff Commitments). A Party considering doing so shall inform the other Party as early as practicable before the new rate of customs duty takes effect.

Article 2.6. Quantitative Restriction and Non-tariff Measures

1. Unless otherwise provided in this Agreement, neither Party shall adopt or maintain any prohibition or restriction or measure having equivalent effect, including quantitative restrictions, on the importation of a good originating in the territory of the other Party, or on the exportation or sale for export of a good destined for the territory of the other Party except in accordance with WTO rights and obligations. To this end, Article XI of GATT 1994 is incorporated into and made part of this Agreement, mutatis mutandis.

2. A Party shall not adopt or maintain any non-tariff measures on the importation of any good of the other Party or on the exportation of any good destined for the territory of the other Party, except in accordance with its rights and obligations under the WTO Agreement or this Agreement.

3. Each Party shall ensure the transparency of its non-tariff measures permitted in paragraph 2 and shall ensure that any such measures are not prepared, adopted or applied with a view to, or with the effect of, creating unnecessary obstacles to trade between the Parties.

Article 2.7. Import Licensing Procedures

Each Party shall ensure that import licensing regimes applied to goods originating in the other Party are applied in accordance with the WTO Agreement, and in particular, with the provisions of the Agreement on Import Licensing Procedures.

Article 2.8. Global Safeguard Measures

Each Party retains its rights and obligations under Article XIX of GATT 1994 and the Safeguards Agreement.

Article 2.9. Administrative Fees and Formalities

1. Each Party shall ensure, in accordance with Article VIIL1 of GATT 1994 and its interpretative notes, that all fees and charges of whatever character (other than customs duties, charges equivalent to an internal tax or other internal charge applied consistently with Article 1.2 of GATT 1994, and anti-dumping and countervailing duties) imposed on or in connection with importation or exportation are limited in amount to the approximate cost of services rendered and do not represent an indirect protection to domestic goods or a taxation on imports or exports for fiscal purposes.

2. Each Party shall make available through the Internet or a comparable computer-based telecommunications network a current list of the fees and charges it imposes in connection with importation or exportation.

Article 2.10. Trade Promotion

1. The Parties shall intensify cooperation to promote bilateral trade by taking into account the importance of ensuring safe and reliable supplies, expanding mutual benefits, and narrowing development gap, in helping to alleviate poverty and supporting to advance social and economic development in their territories.

2. To further promote bilateral trade, the Parties shall provide good policy environment and work on an arrangement to expand commercial opportunity of market access for products under partial reduction and exclusion categories of each Party. The Parties shall encourage the industries and businesses to engage in communication exchange and cooperation in trade in goods.

Article 2.11. Exceptions

With respect to general and security exceptions, Articles XX and XXI of the GATT 1994 shall apply and are hereby incorporated into and made part of this Agreement, mutatis mutandis.

Article 2.12. Contact Points

Each Party shall designate one or more contact points to facilitate communications between the Parties on any matter covered by this Chapter, and shall provide details of such contact points to the other Party. The Parties shall notify each other promptly of any amendments to the details of their contact points.

Chapter 3. RULES OF ORIGIN

Section A.

Article 3.1. Definitions

For the purposes of this Chapter:

(a) aquaculture means the farming of aquatic organisms, including fish, molluscs, crustaceans, other aquatic invertebrates and aquatic plants, from seedstock such as eggs, fry, fingerlings and larvae, by intervention in the rearing or growth processes to enhance production, such as regular stocking, feeding, protection from predators, etc.;

(b) Costs, Insurance and Freight (CIF) means the value of the good imported, and includes the costs of freight and insurance up to the port or place of entry into the country of importation. The valuation shall be determined in accordance with the Customs Valuation Agreement;

(c) Free-on-board (FOB) means the free-on-board value of the good, inclusive of the costs of transport to the port or site of final shipment abroad. The valuation shall be determined in accordance with the Customs Valuation Agreement;

(d) Generally Accepted Accounting Principles (GAAP) means the accounting standards, recognised consensus or substantial authoritative support of a Party, with respect to the recording of revenues, expenses, costs, assets and liabilities; the disclosure of information; and the preparation of financial statements. These standards may encompass broad guidelines of general application as well as detailed standards, practices and procedures;

(e) good means any merchandise, product, article, or material;

(f) identical and interchangeable materials means materials being of the same kind which are fungible for commercial purposes, whose properties are essentially identical, and between which it is impractical to differentiate by a mere visual examination;

(g) material means any matter or substance used in the production of goods, physically incorporated into a good or subjected to a process in the production of another good;

(h) originating material or originating good means a material or good which qualifies as originating in accordance with the provisions of this Chapter;

(i) packing materials and containers for transportation means the materials and containers used to protect a good during its transportation, different from those materials and containers used for its retail sale;

(j) production means methods of obtaining goods, including growing, raising, mining, harvesting, fishing, aquaculture, farming, trapping, hunting, capturing, gathering, collecting, breeding, extracting, manufacturing, producing, processing, assembling a good, etc.;

(k) Product Specific Rules means rules that specify that the materials have undergone a change in tariff classification or a specific manufacturing or processing operation, or satisfy a Regional Value Content criterion or a combination of any of these criteria;

(l) Harmonised System means the Harmonised Commodity Description and Coding System of the World Customs Organisation;

(m) neutral element means a good used in the production, testing or inspection of another good but not physically incorporated into the good by itself;

(n) Customs Valuation Agreement means the Agreement on the Implementation of Article VII of the General Agreement on Tariffs and Trade 1994, which is a part of the Marrakesh Agreement Establishing the World Trade Organisation;

(o) non-originating good or non-originating material means a good or material that does not qualify as originating under this Chapter or a good or material of undetermined origin;

Article 3.2. Originating Goods

For the purposes of this Chapter, a good shall be treated as an originating good and eligible for preferential tariff treatment if it is either:

(a) wholly produced or obtained in a Party as provided in Article 3.3 (Goods Wholly Produced or Obtained) of this Chapter;

(b) produced in a Party exclusively from originating materials;

(c) produced from non-originating materials in a Party, provided that the good has satisfied the requirements of Article 3.4 (Goods Not Wholly Produced or Obtained) of this Chapter

and meets all other applicable requirements of this Chapter.

Article 3.3. Goods Wholly Produced or Obtained

For the purposes of Article 3.2 (a), the following goods shall be considered as wholly produced or obtained:

(a) plants and plant products (including fruits, flowers, vegetables, trees, seaweed, fungi and live plants) grown, harvested, picked, or gathered in a Party;

(b) live animals born and raised in a Party;

(c) goods obtained from live animals in a Party without further processing, including milk, eggs, natural honey, hair, wool, semen and dung;

(d) goods obtained from hunting, trapping, fishing, aquaculture, gathering, or capturing in a Party;

(e) minerals and other naturally occurring substances extracted or taken from the soil, waters, seabed or beneath the seabed in a Party;

(f) goods taken from the waters, seabed or beneath the seabed outside the territorial waters of that Party, provided that that Party has the rights to exploit such waters, seabed and beneath the seabed in accordance with international law;

(g) goods of sea fishing and other marine products taken from the high seas by vessels registered with a Party or entitled to fly the flag of that Party;

(h) goods processed and/or made on board factory ships registered with a Party or entitled to fly the flag of that Party, exclusively from products referred to in patagraph (g) above;

(i) waste and scrap derived from production process or from consumption in a Party provided that such goods are fit only for the recovery of raw materials; or

(j) used goods consumed and collected in a Party provided that such goods are fit only for the recovery of raw materials; and

(k) goods produced or obtained in a Party exclusively from products referred to in subparagraphs (a) to (j) or from derivatives of the goods produced or obtained in the Party exclusively from products referred to in subparagraphs (a) to (j).

Article 3.4. Goods Not Wholly Produced or Obtained

1. For the purposes of Article 3.2 (c) of this Chapter, except for those goods covered under paragraph 2, a good shall be treated as an originating good:

(a) if the good has a regional value content of not less than 40 per cent of FOB calculated using the formula as described in Article 3.5 (Calculation of Regional Value Content) of this Chapter, and the final process of production is performed within a Party; or

(b) for the purpose of goods classified in Chapters 25, 26, 28, 29 (1), 31 (2), 39 (3), 42-49, 57-59, 61, 62, 64, 66-71, 73-83, 86, 88, 91-97 of the Harmonised System if all non-originating materials used in the production of the goods have undergone a change in tariff classification (hereinafter referred to as "CTC") at the four-digit level, which is a change in tariff heading, of the Harmonised System.

2. In accordance with paragraph 1, and unless otherwise provided for in the Product Specific Rules as specified in Annex 2 (Product Specific Rules of Origin), a good shall be treated as an originating good if it meets a regional value content of not less than 40 per cent or those criteria in the Product Specific Rules.

(1) For Headings 29.01 and 29.02, the applied criterion is RVC 40%, unless otherwise mutually agreed by the Parties.

(2) For Headings 31.05, the applied criterion is RVC 40%, unless otherwise mutually agreed by the Parties.

(3) For Headings 39.01, 39.02, 39.03, 39.07 and 39.08, the applied criterion is RVC 40%, unless otherwise mutually agreed by the Parties.

Article 3.5. Calculation of Regional Value Content

1. The Regional Value Content (RVC) shall be calculated as follows:

RVC = FOB-VNM/FOB x 100%

where:

RVC is the regional value content, expressed as a percentage;

VNM is the value of the non-originating materials.

2. VNM shall be determined according to the following circumstances:

(a) in case of the imported non-originating materials, VNM shall be the CIF value of the materials at the time of importation;

(b) in case of the non-originating materials obtained in a Party, VNM shall be the earliest ascertainable price paid or payable for the non-originating materials in that Party. The value of such non-originating materials shall not include freight, insurance, packing costs and any other costs incurred in transporting the material from the supplier's warehouse to the producer's location.

3. If a product which has acquired originating status in accordance with paragraph 1 in a Party is further processed in that Party and used as material in the manufacture of another product, no account shall be taken of the non-originating components of that material in the determination of the originating status of the product.

4. The valuation shall be determined in accordance with the Customs Valuation Agreement.

Article 3.6. Accumulation

Unless otherwise provided in this Chapter, goods originating in a Party, which are used in another Party as materials for finished goods eligible for preferential tariff treatment, shall be treated as originating in the latter Party where working or processing of the finished goods has taken place.

Article 3.7. Minimal Operations and Processes

Notwithstanding any provisions of this Chapter, the following operations when undertaken on non-originating materials to produce a good shall be considered as insufficient working or processing to confer on that good the status of an originating good:

(a) preserving operations to ensure that the good remains in good condition for the purposes of transport or storage;

(b) packaging or presenting goods for transportation or sale;

(c) simple (4) processes, consisting of sifting, screening, sorting, classifying, sharpening, cutting, slitting, grinding, bending, coiling, or uncoiling;

(d) affixing or printing of marks, labels, logos, or other like distinguishing signs on goods or their packaging;

(e) mere dilution with water or another substance that does not materially alter the characteristics of the good;

(f) disassembly of products into parts;

(g) slaughtering (5) of animals;

(h) simple painting and polishing operations;

(i) simple peeling, stoning, or shelling;

(j) simple mixing of goods, whether or not of different kinds; or

(k) any combination of two or more operations referred to in subparagraphs (a) through (j).

(4) For the purposes of this Article, "simple" describes an activity which does not need special skills, machines, apparatus, or equipment especially produced or installed for carrying out the activity.

(5) For the purposes of this Article, "slaughtering" means the mere killing of animals.

Article 3.8. Direct Consignment

1. Preferential tariff treatment shall be applied to goods satisfying the requirements of this Chapter and which are consigned directly between the exporting Party and the importing Party.

2. The following shall be considered as consigned directly from the exporting Party to the importing Party:

(a) goods transported directly from an exporting Party to the importing Party; or

(b) goods transported through one or more non-Parties, provided that:

(i) the transit entry is justified for geographical reason or by consideration related exclusively to transport requirements;

(ii) the goods have not entered into trade or consumption there; and

(iii) the goods have not undergone any operation there other than unloading and reloading or any other operation to preserve them in good condition.

Article 3.9. De Minimis

A good that does not satisfy a change in tariff classification requirement pursuant to Article 3.4 (Goods Not Wholly Produced or Obtained) of this Chapter will nonetheless be an originating good if:

(a) for a good, other than that provided for in Chapters 50 to 63 of the Harmonised System, the value of all non-originating materials used in the production of the good that did not undergo the required change in tariff classification does not exceed 10 per cent of the FOB value of the good;

(b) for a good provided for in Chapters 50 to 63 of the Harmonised System, the weight of all non-originating materials used in its production that did not undergo the required change in tariff classification does not exceed 10 per cent of the total weight of the good, or the value of all non-originating materials used in the production of the good that did not undergo the required change in tariff classification does not exceed 10 per cent of the FOB value of the good;

and the good meets all other applicable criteria of this Chapter.

Article 3.10. Treatment of Packing Materials, Packages and Containers

1. Packing materials, packages and containers for transportation shall not be taken into account in determining the origin of the goods.

2. Packing materials, packages and containers for use in packaging goods for retail sale:

(a) Where the goods are subject to a regional value content criterion, the value of the packing materials, packages and containers used for packaging goods for retail sale shall be taken into account in origin determination, provided that the packing materials, packages and containers are classified with the goods.

(b) Where the goods are subject to a change in tariff classification criterion, the origin of the packing materials, packages and containers in which goods are packaged for retail sale shall not be taken into account in origin determination, provided that the packing materials, packages and containers are classified with the goods.

Article 3.11. Accessories, Spare Parts and Tools

1. Accessories, spare parts, or tools presented and classified with the good shall be considered as part of the good, provided:

(a) they are invoiced together with the good; and

(b) their quantity and value are commercially customary for the good.

2. Where a good is subject to change in tariff classification criterion set out in Annex 2 (Product Specific Rules of Origin), accessories, spare parts, or tools described in paragraph 1 shall be disregarded when determining the origin of the good.

3. Where a good is subject to a regional value content criterion, the value of the accessories, spare parts or tools described in paragraph 1 shall be taken into account as originating materials or non-originating materials, as the case may be, in calculating the regional value content of the good.

Article 3.12. Neutral Elements

In determining whether a good is an originating good, the origin of the following neutral elements shall be disregarded:

(a) fuel, energy, catalysts and solvents;

(b) equipment, devices and supplies used for testing or inspecting the goods;

(c) gloves, glasses, footwear, clothing, safety equipment and supplies;

(d) tools, dies and moulds;

(e) spare parts and materials used in the maintenance of equipment and buildings;

(f) lubricants, greases, compounding materials and other materials used in production or used to operate equipment and buildings; and

(g) any other goods that are not incorporated into the good but whose use in the production of the good can reasonably be demonstrated to be a part of that production.

Article 3.13. Identical and Interchangeable Materials

Where originating and non-originating identical and interchangeable materials are used in the production of a good, the following methods shall be adopted in determining whether the materials used are originating:

(a) physical separation of the materials; or

(b) an inventory management method recognised in the generally accepted accounting principles of the exporting Party. Once a decision has been taken on the inventory management method, that method shall be used throughout the fiscal year

Article 3.14. Certificate of Origin

Unless otherwise provided, a claim that goods are eligible for preferential tariff treatment shall be supported by a Certificate of Origin issued by an Issuing Authority notified to the other Parties as set out in Annex 3 (Certificate of Origin).

Article 3.15. Consultations, Review and Modification

1.The Parties shall consult regularly to ensure that this Chapter is administered effectively, uniformly and consistently in order to achieve the spirit and objectives of the Agreement.

2.This Chapter may be reviewed and modified as and when necessary, upon request of a Party, and subject to the agreement of the Parties, and may be open to such reviews and modifications as may be agreed upon by the China-Cambodia Free Trade Area Joint Commission.

Article 3.16. Committee on Rules of Origin

1. The Committee on Rules of Origin (hereinafter referred to in this Article as "the Committee") consisting of representatives of both Parties is hereby established under the Joint Commission.

2. The Committee shall deal with the following issues relating to China-Cambodia Free Trade Agreement (CCFTA) Rule of Origin:

(a) monitor and review of measures taken and implementation of commitments;

(b) exchange of information and review developments;

(c) other matters as the Parties may agree;

(d) other matters that are referred to the Committee by the Joint Commission; and

(e) make recommendations and report to the Joint Commission as necessary.

3. The Committee shall be co-chaired by representatives of the competent authorities of Parties. The host Party shall act as the chair. The chairperson shall prepare a provisional agenda for each meeting of the Committee in consultation with the other Party and forward it to the other Party before the meeting.

4. The Committee shall meet as often as necessary upon instruction of the Joint Commission or as agreed by the Parties. The meeting shall take place either in China or Cambodia as mutually agreed by the Parties.

5. The Committee shall prepare a written report on the results of each meeting.

6. The Committee shall designate contact points to ensure the effective and efficient implementation of this Chapter.

Section B.

For the purpose of implementing the Rules of Origin for the CCFTA, the following operational procedures on the issuance and verification of the Certificate of Origin and other related administrative matters shall be followed:

DEFINITIONS

Rule 1

For the purposes of this Section:

"Customs Authority‟ means the competent authority that is responsible under the law of a Party for the Authority of customs laws and regulations (6);

"Exporter‟ means a natural or juridical person located in the territory of a Party from where a product is exported by such a person;

"Importer‟ means a natural or juridical person located in the territory of a Party into where a product is imported by such a person;

"Issuing Authority‟ means any government authority or other entity authorised under the domestic laws, regulations and administrative rules of a Party to issue a Certificate of Origin.

(6) Such laws and regulations administered and enforced by the Customs Authority of each Party concerning importation, exportation and transit of products as they relate to customs duties, charges or other taxes or prohibitions, restrictions and controls with respect to the

movement of controlled items across the boundary of the Customs Authority of each Party.

ISSUING AUTHORITIES

Rule 2

The Certificate of Origin shall be issued by the Issuing Authorities of the exporting Party.

Rule 3

(a) Each Party shall inform the other Party of the names and addresses of its respective Issuing Authorities and shall provide specimen signatures (7) and specimen of official seals, and correction stamps, if any, used by its Issuing Authorities.

(b) The above information shall be provided by the contact points electronically at least one month before they take effect. A Party shall promptly inform the other Party of any changes in names, addresses, or official seals in the same manner.

(c) A Party shall promptly provide confirmation to the other Party that it has received the information above and any change thereof.

(7) The requirement to circulate specimen signatures is not necessary when the issuing authority has established the website containing relevant information of Certificate of Origin that the importing party can access.

Rule 4

For the purpose of verifying the conditions for preferential treatment, the Issuing Authorities shall have the right to call for any supporting documentary evidence or to carry out any checks considered appropriate. If such right cannot be obtained through the existing domestic laws, regulations and administrative rules, it shall be inserted as a clause in the application form referred to in Rules 5 and 6 of this Section.

APPLICATIONS

Rule 5

(a) The exporter and/or the manufacturer of the products which qualify for preferential treatment shall apply to the Issuing Authorities requesting the pre-exportation verification of the origin of the products. The result of the verification, subject to review periodically or whenever appropriate, shall be accepted as the supporting evidence in verifying the origin of the said products to be exported thereafter. The pre-verification may not apply to the products which, by their nature, origin can be easily verified.

(b) For locally-procured materials, self-declaration by the final manufacturer exporting under the CCFTA shall be used as the basis when applying for the issuance of the Certificate of Origin.

Rule 6

At the time of carrying out the formalities for exporting the products under preferential treatment, the exporter or his authorised representative shall submit application for the Certificate of Origin together with appropriate supporting documents proving that the products to be exported qualify for the issuance of a Certificate of Origin (8),

(8) A manufacturer can apply for a Certificate of Origin in the case where the manufacturer needs to authorise other agencies to export on its behalf.

PRE-EXPORTATION EXAMINATION

Rule 7

The Issuing Authorities of each Party shall, to the best of their competence and ability, carry out proper examination of each application for the Certificate of Origin to ensure that:

(a) the application and the Certificate of Origin are duly completed in accordance with the requirements as defined in the overleaf notes of the Certificate of Origin, and signed by the authorised signatory;

(b) the origin of the product is in conformity with the Rules of Origin for the CCFTA;

(c) the other statements made in the Certificate of Origin correspond to the supporting documentary evidence submitted;

(d) the description, quantity and weight of products, marks and number of packages, number and kinds of packages, as specified, conform to the products to be exported;

(e) multiple items declared on the same Certificate of Origin shall be allowed subject to the domestic laws, regulations and administrative rules of the importing Party provided each item must qualify separately in its own right.

ISSUANCE OF CERTIFICATE OF ORIGIN

Rule 8

(a) The Certificate of Origin must be on ISO A4 size white paper in conformity to the specimen shown in Annex 3 (Certificate of Origin). It shall be filled out in English and bear an authorised signature and official seal of the issuing authorities of the exporting Party. The signature and seal shall be applied manually or electronically. The Certificate of Origin shall comprise one (1) original and two (2) copies, namely, the duplicate and triplicate copies.

(b) For a Certificate of Origin with multiple pages, the Parties shall use the attached Form shown in Annex 3 (Certificate of Origin). The continuing page(s) shall bear the same signature, seal and reference number as those on the first page.

(c) Each Certificate of Origin shall contain a unique reference number and cover one or more goods under one consignment.

(d) The original copy of the Certificate of Origin shall be forwarded by the exporter to the importer for submission to the Customs Authority at the port or place of importation if the submission of the original copy of the Certificate of Origin is required by Customs Authority of the importing Party. The duplicate copy shall be retained by the Issuing Authority in the exporting Party. The triplicate copy shall be retained by the exporter.

(e) In the case where a Certificate of Origin is rejected by the Customs Authority of the importing Party, the said rejected Certificate of Origin shall be marked accordingly in Box 4.

(f) In the case where a Certificate of Origin is not accepted, as stated in paragraph (e), the Customs Authority of the importing Party shall consider the clarifications made by the Issuing Authorities of the exporting Party and assess whether or not the Certificate of Origin can be accepted for the granting of the preferential treatment. The clarification shall be detailed and exhaustive in addressing the grounds for denial of preferential treatment raised by the importing Party.

Rule 9

To implement the provisions of Article 3.2 (Originating Goods) of this Chapter for the CCFTA, the Certificate of Origin issued by the exporting Party shall indicate the origin criteria or applicable percentage of CCFTA value content in Box 8.

Rule 10

Neither erasures nor superimposition shall be allowed on the Certificate of Origin. Any alteration shall be made by striking out the erroneous materials and making any addition required. Such alterations shall be approved by an official authorised to sign the Certificate of Origin and certified with official seals or correction stamps of the Issuing Authority. Unused spaces shall be crossed out to prevent any subsequent addition.

Rule 11

In principle, a Certificate of Origin shall be issued prior to or at the time of shipment. In exceptional cases where the Certificate of Origin has not been issued by the time of shipment or no later than three (3) days from the date of shipment, at the request of the exporter, the Certificate of Origin shall be issued retroactively in accordance with the domestic laws, regulations and administrative rules of the exporting Party within twelve (12) months from the date of shipment, in which case it is necessary to indicate "ISSUED RETROACTIVELY" in Box 13. In such cases, the importer claiming preferential treatment for the product may, subject to the domestic laws, regulations and administrative rules of the importing Party, provide the Customs Authority of the importing Party with the Certificate of Origin issued retroactively.

Rule 12

In the event of theft, loss or destruction of a Certificate of Origin, the exporter may apply in writing to the Issuing Authority which issued it for a certified true copy of the original and the triplicate to be made on the basis of the export documents in its possession bearing the endorsement of the words "CERTIFIED TRUE COPY" in Box 12. The certified true copy of the original Certificate of Origin shall bear the date of the original Certificate of Origin. The certified true copy of the original Certificate of Origin shall be issued no later than one (1) year from the date of issuance of the original Certificate of Origin and on condition that the exporter provides to the relevant Issuing Authority the triplicate copy of the Certificate of Origin or any proof of the issuance of the original Certificate of Origin.

PRESENTATION

Rule 13

The original Certificate of Origin shall be submitted to the Customs Authority of the importing Party at the time of import declaration for the products concerned claiming for preferential treatment, either manually or electronically, in accordance with the domestic laws, regulations and administrative rules of the importing Party.

Rule 14

The Certificate of Origin shall have the validity period of one (1) year from the date of its issuance. If the submission of the Certificate of Origin is required by the customs authority of the importing party, it must be done during the said period.

Rule 15

(a) In the case of the consignment of products originating in the exporting Party and not exceeding US$ 200.00 FOB, the production of a Certificate of Origin shall be waived and the use of a simplified declaration by the exporter that the products in question originated in the exporting Party shall be accepted. Products sent through the post not exceeding US$200.00 FOB shall also be similarly treated.

(b) Waivers provided for in paragraph (a) shall not be applicable when it is established by the customs authorities of the importing Party that the importation forms part of a series of importations that may reasonably be considered to have been undertaken or arranged for the purpose of avoiding the submission of a Certificate of Origin or Certificates of Origin.

Rule 16

(a) Where the CCFTA origin of the product is not in doubt, unsubstantial discrepancies such as tariff classification differences between the statements made in the Certificate of Origin and those made in the documents submitted to the Customs Authority of the importing Party for the purpose of carrying out the formalities for importing the products, shall not, ipso-facto, invalidate the Certificate of Origin, if it does in fact correspond to the products submitted.

(b) In cases where there are only unsubstantial discrepancies as indicated in paragraph (a) between the exporting Party and importing Party, the products shall be released without any delay subject to administrative measures, such as imposition of customs duties at the higher applied rate or its equivalent amount of deposit. Once the discrepancies have been resolved, the correct CCFTA rate is to be applied and any overpaid duty shall be refunded, in accordance with the domestic laws, regulations and administrative rules of the importing Party.

(c) For multiple items declared under the same Certificate of Origin, a problem encountered with one of the items listed shall not affect or delay the granting of preferential treatment and customs clearance of the remaining items listed in the Certificate of Origin. Rule 17(a)(ii) of this Chapter may be applied to the problematic items.

Rule 17

(a) The Customs Authority of the importing Party may request a retroactive check at random and/or when it has reasonable doubt as to the authenticity of the document or as to the accuracy of the information regarding the true origin of the products in question or of certain parts thereof.

(i) The request shall be made in writing, accompanied by a copy of the Certificate of Origin and shall specify the reasons and any additional information suggesting that the particulars given on the said Certificate of Origin may be inaccurate, unless the retroactive check is requested on a random basis.

(ii) The Customs Authority of the importing Party may suspend the granting of preferential treatment while awaiting the result of the verification. However, it may release the products to the importer subject to any administrative measures deemed necessary, including imposition of customs duties at the higher applied trate or equivalent amount of deposit, provided that they are not held to be subject to import prohibition or restriction and there is no suspicion of fraud.

(iii) The Customs Authority or the Issuing Authority of the exporting Party receiving a request for retroactive check shall respond to the request promptly and reply not later than ninety (90) days after the receipt of the request. The Customs Authority or the Issuing Authority of the exporting Party may request, in writing, an extension of time of up to ninety (90) days as long as the extension request is made within the initial ninety (90) day period.

(b) If the Customs Authority of the importing Party is not satisfied with the outcome of the retroactive check, it may, in exceptional cases, request verification visits to the exporting Party.

(i) Prior to the conduct of a verification visit pursuant to the provisions herein, the Customs Authority of the importing Party shall notify the competent authority of the exporting Party with the aim of mutually agreeing on the conditions and means of the verification visit.

(ii) The verification visit shall be conducted not later than sixty (60) days after receipt of the notification pursuant to sub-paragraph (b)(i).

(c) The verification process, including the retroactive check and verification visit, shall be carried out and its results communicated to the Customs Authority and/or the Issuing Authority of the exporting Party within a maximum of one hundred and eighty (180) days after the receipt of the request. In the event that an extension request has been made pursuant to sub-paragraph a(iii), the verification process, including the retroactive check and verification visit, shall be carried out and its results communicated to the Customs Authority and/or the Issuing Authority of the exporting Party shall be extended from one hundred and eighty (180) days to a maximum of two hundred and seventy (270) days after the receipt of the request. While awaiting the results of the verification visit, sub-paragraph (a)(ii) on the suspension of preferential treatment shall be applied.

(d) All exchanges of information regarding the verification request should be done only through the respective contact points of the Parties.

(e) The preferential treatment may be denied when the exporting Party fails to respond to the request to the satisfaction of the Customs Authority of the importing Party in the course of a retroactive check or verification process, as the case may be, within the time frame for verification specified in paragraphs (a), (b) and (c).

(f) Each Party shall maintain the confidentiality of the information and documents provided by the other Party in the course of the verification process. Such information and documents shall not be used for other purposes, including being used as evidence in administrative and judicial proceedings, without the explicit written permission of the Party providing such information.

RECORD KEEPING REQUIREMENT

Rule 18

(a) The application for the Certificate of Origin and all documents related to such application shall be retained by the Issuing Authority for not less than three (3) years from the date of issuance.

(b) Information relating to the validity of the Certificate of Origin shall be furnished upon request by the importing Party.

(c) Any information communicated between the Parties concerned shall be treated as confidential and shall be used for the validation of the Certificate of Origin purposes only.

(d) For the purposes of the verification process/retroactive check pursuant to Rule 17 of this Section, the producer and/or exporter applying for the issuance of a Certificate of Origin shall, subject to the domestic laws, regulations and administrative rules of the exporting Party, keep the supporting records for the said application for not less than three (3) years from the date of issuance of the Certificate of Origin.

SPECIAL CASES

Rule 19

For the purpose of implementing Article 3.8 (Direct Consignment) of the Rules of Origin for the CCFTA, where transportation is effected through the territory of one or more non-Parties, the following shall be submitted to the Customs Authority of the importing Party:

(a) A through Bill of Lading issued in the exporting Party;

(b) A Certificate of Origin issued by the relevant Issuing Authorities of the exporting Party;

(c) A copy of the original commercial invoice in respect of the product; and

(d) Supporting documents evidencing that the requirements of Article 8.2(b) sub-paragraphs (i), (ii) and (iii) of the Rules of Origin for the CCFTA are being complied with.

Rule 20

(a) Products sent from an exporting Party for exhibition in the other Party and sold during or after the exhibition for importation into a Party shall benefit from the preferential treatment on the condition that the products meet the requirements of the Rules of Origin for the CCFTA provided it is shown to the satisfaction of the Customs Authority of the importing Party that:

(i) an exporter has dispatched those products from the territory of the exporting Party to the other Party where the exhibition is held and has exhibited them there;

(ii) the exporter has sold the products or transferred them to a consignee in the importing Party; and

iii) the products have been consigned during the exhibition or immediately thereafter to the importing Party in the state in which they were sent for exhibition.

(b) For purposes of implementing the above provisions, the Certificate of Origin must be submitted to the Customs Authority of the importing Party. The name and address of the exhibition must be indicated, a certificate issued by the Issuing Authority of the Party where the exhibition took place together with supporting documents prescribed in Rule 19(d) of this Section may be required.

(c) Paragraph (a) shall apply to any trade, agricultural or crafts exhibition, fair or similar show or display in shops or business premises with a view to the sale of foreign products and where the products remain under customs control during the exhibition.

Rule 21

The Customs Authority of the importing Party shall accept a Certificate of Origin in cases where the sales invoice is issued either by a company located in a third country or by an CCFTA exporter for the account of the said company, provided that the product meets the requirements of the Rules of Origin for the CCFTA. The original invoice number or the third patty invoice number shall be indicated in Box 10 of the Certificate of Origin, the exporter and consignee must be located in the Parties and the third party invoice shall be attached to the Certificate of Origin when presenting the said Certificate of Origin to the Customs Authority of the importing Party if it is required to be submitted to the Customs Authority of the importing Party.

ACTION AGAINST FRAUDULENT ACTS

Rule 22

(a) When it is suspected that fraudulent acts in connection with the Certificate of Origin have been committed, the Government authorities of the Parties concerned shall co-operate in the action to be taken in the territory of the respective Parties against the persons involved.

(b) Each Party shall be responsible for providing legal sanctions for fraudulent acts committed in relation to the Certificate of Origin in accordance with its domestic laws, regulations and administrative rules.

Rule 23

In the case of a dispute concerning origin determination, classification of products or other matters, the Government authorities of the Parties concerned shall consult each other with a view to resolving the dispute. Rule 24 Both Parties

endeavour to develop an Electronic Origin Data Exchange System before the implementation of this Agreement to ensure the effective and efficient implementation of this Chapter in a manner jointly determined by the Parties.

Chapter 4. CUSTOMS PROCEDURES AND TRADE FACILITATION

Article 4.1. Definitions

For purposes of this Chapter:

Customs administration means:

(a) for China, the General Administration of Customs of the People's Republic of China; and

(b) for Cambodia, The General Department of Customs and Excise of Cambodia.

Customs law means the statutory and regulatory provisions relating to the importation, exportation, movement or storage of goods, the administration and enforcement of which are specifically charged to the Customs, and any regulations made by the Customs under their statutory powers;

Customs Procedures mean the treatment applied by the customs administration to goods and means of transport that are subject to that Party's customs law;

Customs Valuation Agreement means the Agreement on Implementation of Article VII of the General Agreement on Tariffs and Trade (GATT) 1994, contained in Annex 1A to the WTO Agreement; and

Means of Transport means various types of vessels, vehicles and aircrafts and pack-animals which enter or leave the territory carrying persons and/or goods under each Partyâs domestic laws and regulations.

Article 4.2. Scope and Objectives

1. This Chapter shall apply, in accordance with the Parties respective international obligations and their laws and regulations, to customs procedures applied to goods traded and to the movement of means of transport between the Parties.

2. The objectives of this Chapter are to:

(a) simplify customs procedures of the Parties and harmonise them to the extent possible with relevant international standards;

(b) ensure predictability, consistency and transparency in the application of customs law of the Parties;

(c) promote the efficient administration of customs procedures and expeditious clearance of goods;

(d) facilitate trade between the Parties including through a strengthened environment for global and regional supply chain; and

(e) promote cooperation between the customs administrations, within the scope of this Chapter.

Article 4.3. Facilitation

The customs administrations shall use efficient customs procedures, as appropriate, based on international standards, aiming to reduce costs and unnecessary delays in trade between them, in particular the standards and recommended practices of the World Customs Organisation International Convention on the Simplification and Harmonization of Customs Procedures (as amended), known as the Revised Kyoto Convention.

Article 4.4. Transparency

1. Each customs administration shall promptly publish, including on the Internet, its laws, regulations, and where applicable, administrative rules or procedures, of general application, relevant to trade in goods between the Parties.

2. Each customs administration shall designate one or more enquiry points to address enquiries from interested persons on customs matters, and shall make available on the Internet information concerning procedures for making such enquiries.

Article 4.5. Customs Valuation

The customs administrations shall determine the customs value of goods traded between them in accordance with the provisions of the Customs Valuation Agreement.

Article 4.6. Tariff Classification

The customs administrations shall apply the International Convention on the Harmonized Commodity Description and Coding System to goods traded between them.

Article 4.7. Customs Cooperation

Permitted by their laws and regulations, the customs administrations of both Parties shall assist each other, in relation to:

(a) the implementation and operation of this Chapter and the Memorandum of Understanding Between the General Administration of Customs of the People's Republic of China and the General Department of Customs and Excise of the Kingdom of Cambodia on Cooperation and Mutual Assistance in Customs Matters; and

(b) such other issues as the Parties may mutually agree.

Article 4.8. Use of Automated Systems

1. The customs administration of each Party, where applicable, shall have its own system that supports electronic customs operations.

2. In implementing initiatives, the customs administration of each Party, taking into consideration the available infrastructure and capabilities of each Party, shall take into account the relevant standards and best practices recommended by the World Customs Organisation.

Article 4.9. Advance Rulings

1. The customs administration of each Party shall issue an advance ruling, prior to the importation of a good into its territory, at the written request containing all necessary information, on an application of the exporter, importer or any person with a justifiable cause or a representative thereof (9), with respect to:

(a) Origin of a good;

(b) Tariff classification of a good;

(c) The appropriate method or criteria, and the application thereof, to be used for determining the customs value under a particular set of facts, in accordance with the provisions of the Customs Valuation Agreement; and

(d) such other matters as the Parties may decide.

2. The customs administration of the importing Party shall issue an advance ruling within ninety (90) days on receipt of all necessary information.

3. The customs administration of each Party shall establish a validity period for an advance ruling of three (3) years from the date of its issuance.

4. The customs administration of the importing Party may modify or revoke an advance ruling:

(a) if the advance ruling was based on an error of fact;

(b) if there is a change in the material facts or circumstances on which the advance ruling was based;

(c) to conform with a change in its domestic laws, a judicial decision or a modification of this Chapter; or

(d) if incorrect information was provided or relevant information was withheld.

(9) An applicant for an advance ruling from China shall be registered with China Customs.

Article 4.10. Release of Goods

1. The customs administration of each Party shall adopt or maintain simplified customs procedures for the efficient release of goods in order to facilitate trade between the Parties. This paragraph shall not require a Party to release a good if its requirements for release have not been met.

2. Pursuant to paragraph 1, each Party shall adopt or maintain procedures that allow the goods to be cleared from customs within a period no longer than that required to ensure compliance with its customs law.

3. For goods selected for further examination, such an examination shall be limited to what is reasonable and necessary, and undertaken and completed without undue delay.

Article 4.11. Risk Management

1. The customs administrations shall adopt a risk management approach in determining the tisk profile of goods to facilitate the clearance of low-risk consignments, while focusing its control measures on high-risk goods.

2. The customs administration of each Party shall, determine which persons, goods or means of transport are to be examined and the extent of such examination, based on risk management.

3. The customs administrations shall exchange best practices on risk management techniques.

Article 4.12. Post Clearance Audit

With a view to enhancing customs control, each customs administration shall adopt or maintain post clearance audit to ensure compliance with its customs law.

Article 4.13. Authorised Economic Operators

1. The customs administration of each Party shall endeavour to implement the program of Authorised Economic Operators (hereinafter as "AEO") to promote informed compliance and efficiency of customs control.

2. The customs administrations of the Parties shall endeavour to work towards mutual recognition of AEO.

3. The customs administrations are encouraged to cooperate, where appropriate, and consider ways to designate customs officers as coordinators for authorised economic operators to resolve customs issues, as to enhance the benefits of such schemes.

Article 4.14. Consultation and Contact Point

1. The customs administration of each Party may at any time request consultations with the customs administration of the other Party, on any matter arising from the implementation or operation of this Chapter, in cases where there are reasonable grounds or truth provided by the requesting Party.

2. In the event that such consultations fail to resolve any such matter, the requesting Party may refer the matter to the Committee on Customs Procedures and Trade Facilitation referred to in Article 4.15 (Committee on Customs Procedures and Trade Facilitation) for further consideration.

3. Each customs administration shall designate one or more contact points for the purposes of this Chapter. Information on the contact points shall be provided to the other Party and any amendment of the said information shall be notified promptly.

Article 4.15. Committee on Customs Procedures and Trade Facilitation

1. With the view to the effective implementation and operation of this Chapter, a Committee on Customs Procedures and Trade Facilitation (hereinafter as "CPTF") is hereby established, under the Joint Commission of China-Cambodia FTA.

2. The function of the Committee on CPTF shall be as follows:

(a) ensure the proper function of this Chapter and resolve all issues arising from its application;

(b) review the interpretation and implementation of this Chapter;

(c) identify areas related to this Chapter to be improved for facilitating trade between the Parties; and

(d) make recommendations and report to the Joint Commission.

3. The Committee on CPTF shall consist of representatives from customs administrations of both Parties, and shall meet at such venues and times as agreed by the Parties. One or more contact points shall be designated for this purpose.

Chapter 5. TECHNICAL BARRIERS TO TRADE

Article 5.1. Objectives

The objectives of this Chapter are to:

(a) facilitate and promote trade in goods between the Parties by ensuring that standards, technical regulations, and conformity assessment procedures do not create unnecessary technical barriers to trade;

(b) strengthen cooperation, including information exchange in relation to the preparation, adoption and application of standards, technical regulations, and conformity assessment procedures;

(c) promote mutual understanding of each Party's standards, technical regulations, and conformity assessment procedures; and

(d) facilitate implementation of the principles of the Agreement on Technical Barriers to Trade (hereinafter referred to as "the TBT Agreement") in Annex 1A of the WTO Agreement.

Article 5.2. Scope

This Chapter shall apply to all standards, technical regulations, and conformity assessment procedures of each Party that may, directly or indirectly, affect trade in goods between the Parties. It shall exclude:

(a) the SPS measures which are covered in Chapter 6 (Sanitary and Phytosanitary Measures); and

(b) purchasing specifications prepared by governmental bodies for production or consumption requirements are not subject to the provisions of this Agreement but are addressed in the Agreement on Government Procurement, according to its coverage.

Article 5.3. Definitions

For the purposes of this Chapter, the definitions set out In Annex 1 to the TBT Agreement ahall apply.

Article 5.4. General Provision

Except as otherwise provided for in this Chapter, the TBT Agreement shall apply between the Parties and is hereby incorporated into and made part of this Agreement, mutatis mutandis.

Article 5.5. International Standards

For the purpose of this Chapter, validated standards issued, in particular, by the International Organisation for Standardization (ISO), the International Electrotechnical Commission (IEC), the International Telecommunication Union (ITU) and Codex Alimentarius Commission (CAC) shall be considered as relevant international standards in the sense of Article 2.4 of the TBT Agreement.

Article 5.6. Conformity Assessment Procedures

1. The Parties, with a view to increasing efficiency and ensuring cost effectiveness of conformity assessment, shall enhance cooperation in information exchange of each other's conformity assessment system through bilateral visits, technical training and seminars etc..

2. When cooperating in the area of conformity assessment, the Parties shall take into consideration their participation in

relevant international organisations.

Article 5.7. Measures at the Border

Where a Party detains, at a port of entry, goods exported from the other Party due to a perceived failure to comply with a technical regulation or a conformity assessment procedure, the reasons for the detention shall be promptly notified to the importer or his or her representative. Official measures taken in relation to such goods shall be proportionate to the risk associated with such goods.

Article 5.8. Transparency and Information Exchange

1. Each Party affirms its commitment to ensuring that information regarding proposed new or amended technical regulations or conformity assessment procedures is made available in accordance with the Article 2.9 and Article 5.6 of the TBT Agreement.

2. Each Party shall make available the full text of its notified technical regulations and conformity assessment procedures to the requesting Party within 15 working days of receiving the written request. English version shall prevail if available.

3. Each Party shall allow at least 60 days following the notification of its proposed technical regulations and conformity assessment procedures to WTO for the other Party to present comments except where risks to health, safety, and the environment arising or threatening to arise warrant urgent actions.

4. Each Party may request information from the other Party on a matter arising under this Chapter. The requested Party shall endeavour to provide available information to the requesting Party within a reasonable period of time.

Article 5.9. Technical Consultations

1. Where a Party considers that a relevant technical regulation or conformity assessment procedure of the other Party has constituted unnecessary obstacles to its exports, it may request technical consultations. The requested Party shall respond as early as possible to such a request.

2. The requested Party shall enter into technical consultations within a period mutually agreed, with a view to reaching a solution. Technical consultations may be conducted via any means mutually agreed by the Parties.

Article 5.10. Cooperation

With a view to increasing mutual understanding of their respective systems and facilitating bilateral trade, the Parties shall strengthen their technical cooperation in the following areas:

(a) communication between competent authorities of the Parties;

(b) exchange of information in respect of standards, technical regulations, conformity assessment procedures, and good regulatory practices;

(c) encouraging, where possible, cooperation between standardization and conformity assessment bodies of the Parties including training programmes, workshops and related activities;

(d) cooperation in areas of mutual interest in the work of relevant regional and international bodies relating to the development and application of standards and conformity assessment procedures;

(e) related activities in General Vocabulary defined in ISO/IEC Guide 2; and

(f) other areas mutually agreed by the Parties.

Article 5.11. Contact Point

1. Each Party shall designate contact points which shall, for that Party, have the responsibility for coordinating the implementation of this Chapter. The contact points will be:

(a) for China, the State Administration for Market Regulation; and

(b) for Cambodia, the Institute of Standards of Cambodia. 2. Each Party shall provide the other Party with the contact details

of the relevant officials in their respective contact points, including telephone, facsimile, email, and any other relevant details.

3. Each Party shall notify the other Party promptly of any change in its contact points or any amendment to the details of the relevant officials acting as or on behalf of its contact point.

Chapter 6. SANITARY AND PHYTOSANITARY MEASURES

Article 6.1. Objectives

The objectives of this Chapter are to:

(a) facilitate trade between the Parties while protecting human, animal or plant life or health in their territories;

(b) enhance transparency in and mutual understanding of the development and the application of each Party's Sanitary and Phytosanitary measures ("SPS measures"); and

(c) strengthen cooperation, communication and consultation between the Parties in the field of SPS measures.

Article 6.2. Definitions and Scope

For the purpose of this Chapter:

1. The definitions set out in Annex A to the Agreement on the Application of Sanitary and Phytosanitary Measures of WTO (hereinafter referred to as the SPS Agreement) shall apply.

2. Relevant definitions developed by Codex Alimentarius Commission ("Codex"), the World Organisation for Animal Health ("OIE"), and the International Plant Protection Convention ("IPPC") shall be taken into account.

3. This Chapter shall apply to all SPS measures of the Parties, which may, directly or indirectly, affect trade between the Parties.

Article 6.3. General Provisions

1. The Parties affirm their rights and obligations with respect to each other under the SPS Agreement.

2. The Parties commit to apply the principles of the SPS Agreement in the development and application of any SPS measure.

Article 6.4. Harmonisation

To harmonise SPS measures as broadly as possible, the Parties shall make best endeavour to base their SPS measures on international standards, guidelines or recommendations established by the Codex, OIE and IPPC.

Article 6.5. Equivalence

1. The Parties shall strengthen cooperation on equivalence in accordance with the SPS Agreement while taking into account relevant decisions of the WTO SPS Committee and international standards, guidelines and recommendations.

2. The Parties shall, upon request, make endeavour to enter into consultations with the aim of achieving recognition arrangements of the equivalence of specified SPS measures.

Article 6.6. Regionalization

The Parties agree to follow the principle of regionalization as provided for in Article 6 of the WTO SPS Agreement in the establishment and implementation of their SPS measures, taking into account the Guidelines to Further the Practical Implementation of Article 6 of the Agreement on the Application of Sanitary and Phytosanitary Measures adopted by the WTO SPS Committee and relevant international standards and guidelines.

Article 6.7. Transparency and Information Exchange

1. The Parties recognise the importance of transparency as set out in Annex B of the WTO SPS Agreement.

2. Each Party shall notify proposed measures or changes to existing SPS measures that may have a significant effect on the trade of the other Party through WTO/SPS Enquiry Points or Contact Points established under Article 6.10 (Competent authorities and Contact Points) in this Chapter. Each Party shall allow at least 60 days for the other Party to present comments on any notifications except where urgent problems of health protection arise or threaten to arise.

3. Each Party shall provide the full text of its notified SPS measures to the other Party within 5 working days after receiving the written request.

4. The Parties shall opportunely exchange information related to the sanitary and phytosanitary condition in their territories and shall provide the necessary information to develop risk assessment and equivalence processes.

5. The Parties shall communicate the significant, sustained or recurring non-compliance with Sanitary and Phytosanitary requirements of imported consignments on a timely manner.

Article 6.8. Measures at the Border

Where a Party detains, at a port of entry, goods exported from the other Party due to non-compliance with sanitary or phytosanitary requirements, the reasons for the detention shall be promptly notified to the importer or his or her representative.

Article 6.9. Cooperation

The Parties agree to explore further cooperation opportunities on sanitary and phytosanitary issues with a view to enhancing mutual understanding of the regulatory systems of the Parties and facilitating bilateral trade.

Article 6.10. Competent Authorities and Contact Points

1. The competent authorities of the Parties are the authorities which have responsibility for the implementation of this Chapter. The contact points of the Parties are the agencies responsible for the communication and notification of any matter covered by this Chapter between the Parties.

2. Each Party shall establish a contact point which shall have responsibility for coordinating the implementation of this Chapter. The contact points will be:

(a) for China, the General Administration of Customs; and

(b) for Cambodia, the Ministry of Agriculture, Forestry and Fisheries.

3. The Parties shall inform each other of any significant changes in the structure, organisation and the assignment of responsibilities within its competent authorities or any change of their contact points.

Article 6.11. Committee on Sanitary and Phytosanitary Measures

1. The Parties hereby agree to establish a Committee on Sanitary and Phytosanitary Measures composed of each Party's representatives who have responsibility for sanitary and phytosanitary measures. The Committee shall be coordinated by:

(a) in the case of China, the Director General of Department of International Cooperation of GACC, or its designated person; and

(b) in the case of Cambodia, the Director of Department of International Cooperation of the Ministry of Agriculture, Forestry and Fisheries or its designated person.

2. The Committee shall meet within one year from entry into force of this Agreement and thereafter at such venues and times as mutually determined by the Parties.

3. The functions of the Committee are to:

(a) enhance mutual understanding of each Party's sanitary and phytosanitary measures and the regulatory processes related to those measures;

(b) facilitate technical cooperation on sanitary and phytosanitary measures; and (c) monitor the implementation and operation of this Chapter.

4. The Committee may agree to establish ad hoc technical working groups in accordance with the Committee's terms of reference.

5. Meetings may occur in person, by teleconference, by video conference, or through any other means as agreed by the Parties.

Chapter 7. TRADE IN SERVICES

Article 7.1. Definitions

For the purposes of this Chapter:

commercial presence means any type of business or professional establishment, including through:

(a) the constitution, acquisition or maintenance of a juridical person; or

(b) the creation or maintenance of a branch or a representative office;

within the territory of a Party for the purpose of supplying a service;

a juridical person is:

(a) "owned" by persons of a Party if more than 50 per cent of the equity interest in it is beneficially owned by person of that Party;

(b) "controlled" by persons of a Party if such persons have the power to name a majority of it directors or otherwise to legally direct its actions;

(c) "affiliated" with another person when it controls, or is controlled by, that other person; or when it and the other person are both controlled by the same person;

juridical person of a Party means any legal entity duly constituted or otherwise organised under applicable law of a Party, whether for profit or otherwise, and whether privately-owned or governmentally owned, including any corporation, trust, partnership, joint venture, sole proprietorship or association, which is either:

(a) constituted or otherwise organised under the law of that Party, and is engaged in substantive business operations in the territory of that Party; or

(b) in the case of the supply of a service through commercial presence, owned or controlled by:

(i) natural persons of that Party; or

(ii) juridical persons of that Party identified under subparagraph (a);

measure means any measure by a Party, whether in the form of a law, regulation, rule, procedure, decision, administrative action, or any other form, taken by:

(a) central, regional or local governments and authorities; and

(b) non-governmental bodies in the exercise of powers delegated by central, regional or local governments or authorities;

measures by Parties affecting trade in services include measures in respect of:

(a) the purchase, payment or use of a service;

(b) the access to and use of, in connection with the supply of a service, services which are required by the Parties to be offered to the public generally;

(c) the presence, including commercial presence, of persons of a Party for the supply of a service in the territory of the other Party;

monopoly supplier of a service means any person, public or private, which in the relevant market of the territory of a Party is authorised or established formally or in effect by that Party as the sole supplier of that service;

natural person of a Party means:

(a) for China, a natural person who under the Chinese law is a national of China;

(b) for Cambodia, a natural person who under applicable laws of Cambodia is a national of Cambodia;

person of a Party means either a natural person or a juridical person of a Party;

services include any service in any sector except services supplied in the exercise of governmental authority;

sector of a service means:

(a) with reference to a specific commitment, one or more, or all, subsectors of that service, as specified in a Party's Schedule;

(b) otherwise, the whole of that service sector, including all of its subsectors;

service consumer means any person that receives or uses a service;

service supplied in the exercise of governmental authority means any service which is supplied neither on a commercial basis nor in competition with one or more service suppliers;

service supplier of a Party means any person of a Party that supplies a service; (10)

supply of a service includes the production, distribution, marketing, sale and delivery of a service;

trade in services is defined as the supply of a service:

(a) from the territory of a Party into the territory of the other Party ("cross-border supply Mode 1");

(b) in the territory of a Party to the service consumer of the other Party ("consumption abroad Mode 2");

(c) by a service supplier of a Party, through commercial presence in the territory of the other Party ("commercial presence Mode 3"); or

(d) by a service supplier of a Party, through presence of natural persons of a Party in the territory of the other Party ("presence of natural persons Mode 4").

(10) Where the service is not supplied directly by a juridical person of a Party but through other forms of commercial presence such as a branch or a representative office, the service supplier (i.e. the juridical person) shall, nonetheless, through such presence be accorded the treatment provided for service suppliers under this Chapter. Such treatment shall be extended to the presence through which the service is supplied and need not be extended to any other parts of the supplier located outside the territory where the service is supplied.

Article 7.2. Scope

1. This Chapter shall apply to measures adopted or maintained by a Party affecting trade in services.

2. This Chapter shall not apply to:

(a) laws, regulations, policies, or procedures of general application governing the procurement by government agencies of services purchased for governmental purposes and not with a view to commercial resale or with a view to use in the supply of services for commercial sale;

(b) services supplied in the exercise of governmental authority;

(c) subsidies or grants provided by a Party;

(d) measures affecting natural persons seeking access to the employment market of a Party;

(e) cabotage in maritime transport services.

3. This Chapter shall not apply to measures affecting:

(a) air traffic rights, however granted; or

(b) services directly related to the exercise of air traffic rights, other than measures affecting:

(i) aircraft repair and maintenance services;

(ii) the selling and marketing of air transport services;

(ii) computer reservation system ("CRS") services.

Article 7.3. National Treatment

1. In the sectors inscribed in its Schedule, and subject to any conditions and qualifications set out therein, a Party shall accord to services and service suppliers of the other Party, in respect of all measures affecting the supply of services, treatment no less favourable than that it accords to its own like services and service suppliers. (11)

2. A Party may meet the requirement in paragraph 1 by according to services and service suppliers of the other Party either formally identical treatment or formally different treatment to that it accords to its own like services and service suppliers.

3. Formally identical or formally different treatment shall be considered to be less favourable if it modifies the conditions of competition in favour of services or service suppliers of the Party compared to the like service or service suppliers of the other Party.

(11) Specific commitments assumed under this Article shall not be construed to require any Party to compensate for any inherent competitive disadvantages which result from the foreign character of the relevant services or service suppliers.

Article 7.4. Market Access

1. With respect to market access through the modes of supply identified in the definition of trade in services contained in Article 7.1 (Definitions), a Party shall accord services and service suppliers of the other Party treatment no less favourable than that provided for under the terms, limitations and conditions agreed and specified in its Schedule. (12)

2. In sectors where market-access commitments are undertaken, the measures which a Party shall not maintain or adopt either on the basis of a regional subdivision or on the basis of its entire territory, unless otherwise specified in its Schedule, are defined as:

(a) limitations on the number of service suppliers whether in the form of numerical quotas, monopolies, exclusive service suppliers or the requirements of an economic needs test;

(b) limitations on the total value of service transactions or assets in the form of numerical quotas or the requirement of an economic needs test;

(c) limitations on the total number of service operations or on the total quantity of service output expressed in terms of designated numerical units in the form of quotas or the requirement of an economic needs test; (13)

(d) limitations on the total number of natural persons that may be employed in a particular service sector or that a service supplier may employ and who are necessary for, and directly related to, the supply of a specific service in the form of numerical quotas or the requirement of an economic needs test;

(e) measures which restrict or require specific types of legal entity or joint venture through which a service supplier may supply a service; and

(f) limitations on the participation of foreign capital in terms of maximum percentage limit on foreign shareholding or the total value of individual or aggregate foreign investment.

(12) If a Party undertakes a market-access commitment in relation to the supply of a service through the mode of supply referred to in subparagraph (a) of the definition of trade in services contained in Article 7.1 (Definitions), and if the cross-border movement of capital is an essential part of the service itself, that Party is thereby committed to allow such movement of capital. If a Party undertakes a market-access commitment in relation to the supply of a service through the mode of supply referred to in subparagraph (c) of the definition of trade in services contained in Article 7.1 (Definitions), it is thereby committed to allow related transfers of capital into its territory.

(13) Subparagraph 2(c) does not cover measures of a Party which limit inputs for the supply of services.

Article 7.5. Schedules of Specific Commitments

1. Each Party shall set out in a schedule the specific commitments it undertakes under Articles 7.3 (National Treatment), 7.4

(Market Access) and 7.6 (Additional Commitments). With respect to sectors where such commitments are undertaken, each schedule shall specify:

(a) terms, limitations and conditions on market access;

(b) conditions and qualifications on national treatment;

(c) undertakings relating to additional commitments; and

(d) where appropriate the time-frame for implementation of such commitments.

2. Measures inconsistent with both Articles 7.3 (National Treatment) and 7.4 (Market Access) shall be inscribed in the column relating to Article 7.4 (Market Access). In this case the inscription will be considered to provide a condition or qualification to Article 7.3 (National Treatment) as well.

3. Schedules of Specific Commitments shall be annexed to this Agreement as Annex 4 (Schedules of Specific Commitments).

Article 7.6. Additional Commitments

The Parties may negotiate commitments with respect to measures affecting trade in services not subject to scheduling under Articles 7.3 (National Treatment) or 7.4 (Market Access), including but not limited to those regarding qualifications, standards or licensing matters. Such commitments shall be inscribed in a Partyâs Schedule.

Article 7.7. Domestic Regulation

1. In sectors where specific commitments are undertaken, each Party shall ensure that all measures of general application affecting trade in services are administered in a reasonable, objective and impartial manner.

2. (a) Each Party shall maintain or institute as soon as practicable judicial, arbitral or administrative tribunals or procedures which provide, at the request of an affected service supplier, for the prompt review of, and where justified, appropriate remedies for, administrative decisions affecting trade in services. Where such procedures are not independent of the agency entrusted with the administrative decision concerned, the Party shall ensure that the procedures in fact provide for an objective and impartial review.

(b) Subparagraph (a) shall not be construed to require a Party to institute such tribunals or procedures where this would be inconsistent with its constitutional structure or the nature of its legal system.

3. Where authorization is required for the supply of a service on which a specific commitment under this Chapter has been made, the competent authorities of each Party shall:

(a) in the case of an incomplete application, at the request of the applicant, identify all the additional information that is required to complete the application and provide the opportunity to remedy deficiencies within a reasonable timeframe;

(b) at the request of the applicant, provide without undue delay information concerning the status of the application; and

(c) if an application is terminated or denied, to the maximum extent possible, inform the applicant in writing and without delay the reasons for such action. The applicant will have the possibility of resubmitting, at its discretion, a new application.

4. With the objective of ensuring that measures relating to qualification requirements and procedures, technical standards and licensing requirements do not constitute unnecessary barriers to trade in services, the Parties shall jointly review the results of the negotiations on disciplines on the measures pursuant to Paragraph 4 of Article VI (Domestic Regulation) of GATS, with a view to their incorporation into this Agreement. The Parties note that such disciplines aim to ensure that such requirements are, inter alia:

(a) based on objective and transparent criteria, such as competence and the ability to supply the service;

(b) not more burdensome than necessary to ensure the quality of the service;

(c) in the case of licensing procedures, not in themselves a restriction on the supply of the service.

5. (a) In sectors in which a Party has undertaken specific commitments, pending the incorporation of the disciplines referred to in paragraph 4, that Party shall not apply licensing and qualification requirements and technical standards that nullify or impair its obligation under this Agreement in a manner which:

(i) does not comply with the criteria outlined in subparagraphs 4(a), (b) or (c) of this Article; and

(ii) could not reasonably have been expected of that Party at the time the specific commitments in those sectors were made.

(b) In determining whether a Party is in conformity with the obligation under subparagraph 5(a) of this Article, account shall be taken of international standards of relevant international organisations applied by that Party. (14)

6. In sectors where specific commitments regarding professional services are undertaken, a Party shall provide for adequate procedures to verify the competence of professionals of the other Party.

(14) The term "relevant international organizations" refers to international bodies whose membership is open to the relevant bodies of the Parties.

Article 7.8. Recognition

1. For the purposes of the fulfillment, in whole or in part, of its standards or criteria for the authorization, licensing, or certification of service suppliers, and subject to the requirements of paragraph 3 of this Article, a Party may recognise, or encourage its relevant competent bodies to recognise, the education or experience obtained, requirements met, or licenses or certifications granted in the other Party. Such recognition, which may be achieved through harmonization or otherwise, may be based upon an agreement or arrangement between the Parties or their relevant competent bodies, or may be accorded autonomously.

2. A Party that is a party to an agreement or arrangement of the type referred to in paragraph 1 of this Article, whether existing or future, shall afford adequate opportunity for the other Party, upon request, to negotiate its accession to such an agreement or arrangement or to negotiate comparable ones with it. Where a Party accords recognition autonomously, it shall afford adequate opportunity for the other Party to demonstrate that education, experience, licenses or certifications obtained or requirements met in that other Party's territory should be recognised.

3. A Party shall not accord recognition in a manner which would constitute a means of discrimination between countries in the application of its standards or criteria for the authorization, licensing, or certification of service suppliers, or a disguised restriction on trade in services.

Article 7.9. Qualifications Recognition Cooperation

Both Parties endeavor to encourage their authorities responsible for issuance and recognition of professional and vocational qualifications to strengthen cooperation to explore possibilities for recognition of other qualifications and professional and vocational licenses.

Article 7.10. Payments and Transfers

1. Except in the circumstances envisaged in Article 15.6 (Measures to Safeguard the Balance of Payment) of Chapter 15 (Exceptions), a Party shall not apply restrictions on international transfers and payments for current transactions relating to its specific commitments.

2. Nothing in this Chapter shall affect the rights and obligations of the Parties as members of the International Monetary Fund under the Articles of Agreement of the International Monetary Fund ("Articles of Agreement"), including the use of exchange actions which are in conformity with the Articles of Agreement, provided that a Party shall not impose restrictions on any capital transactions inconsistently with its specific commitments regarding such transactions, except under Article 15.6 (Measures to Safeguard the Balance of Payment) of Chapter 15 (Exceptions) or at the request of the International Monetary Fund.

Article 7.11. Denial of Benefits

A Party may deny the benefits of this Chapter:

(a) to the supply of a service, if the Party establishes that the service is supplied from or in the territory of a non-Party;

(b) in the case of the supply of a maritime transport service, if the Party establishes that the service is supplied:

(i) by a vessel registered under the laws of a non-Party; and

(ii) by a person of a non-Party which operates and/or uses the vessel in whole or in part.

(c) to a service supplier that is a juridical person, if the Party establishes that it is not a service supplier of another Party.

Article 7.12. Transparency

1. The Parties recognise that transparent measures governing trade in services are important in facilitating the ability of service suppliers to gain access to, and operate in, each other's markets. Each Party shall promote regulatory transparency in trade in services.

2. Each Party shall publish promptly and, except in emergency situations, at the latest by the time of their entry into force:

(a) all relevant measures of general application affecting trade in services; and

(b) all international agreements pertaining to, or affecting, trade in services to which a Party is a signatory.

3. To the extent possible, each Party shall make the measures and international agreements of the kind referred to in paragraph 2 of this Article available on the internet.

4. Where publication referred to in paragraph 2 and paragraph 3 of this Article is not practicable such information (15) shall be made otherwise publicly available

5. To the extent provided for under its domestic legal framework, each Party shall endeavour to provide a reasonable opportunity for comments by interested persons of the Parties on measures referred to in subparagraph 2(a) of this Article before adoption.

6. Each Party shall respond promptly to all requests by a Party for specific information on:

(a) any measures referred to in subparagraph 2(a) of this Article or international agreements referred to in subparagraph 2(b) of this Article; and

(b) any new, or any changes to existing, laws, regulations or administrative guidelines which significantly affect trade in services covered by the Party's specific commitments under this Chapter, whether or not the other Party has been previously notified of the new or changed law, regulation or administrative guideline.

7. Where a license is required for the supply of a service as committed under this Chapter, to the extent practicable, each Party shall ensure that all relevant measures relating to licensing of such services are made publicly available.

8. Each Party shall, in accordance with its laws and regulations, ensure that, on request, an applicant receives reasons for the denial of, revocation of, refusal to renew, or the imposition or modification of conditions on, a license. Each Party shall endeavour to provide, to the extent possible, such information in writing.

(15) For greater certainty, the Parties agree that such information may be published in each Party's chosen language.

Article 7.13. Monopolies and Exclusive Service Suppliers

1. Each Party shall ensure that any monopoly supplier of a service in its territory does not, in the supply of the monopoly service in the relevant market, act in a manner inconsistent with that Partyâs obligations under its specific commitments.

2. Where a Party's monopoly supplier competes, either directly or through an affiliated company, in the supply of a service outside the scope of its monopoly rights and which is subject to that Party's specific commitments, the Party shall ensure that such a supplier does not abuse its monopoly position to act in its territory in a manner inconsistent with such commitments.

3. If a Party has reason to believe that a monopoly supplier of a service of the other Party is acting in a manner inconsistent with paragraph 1 or paragraph 2 of this Article, that Party may request the other Party establishing, maintaining or authorizing such supplier to provide specific information concerning the relevant operations.

4. This Article shall also apply to cases of exclusive service suppliers, where a Party, formally or in effect, (a) authorises or establishes a small number of service suppliers and (b) substantially prevents competition among those suppliers in its territory.

Article 7.14. Business Practices

1. The Parties recognise that certain business practices of services suppliers, other than those falling under Article 7.13 (Monopolies and Exclusive Service Suppliers), may restrain competition and thereby restrict trade in services.

2. Each Party shall, at the request of another Party (the "Requesting Party"), enter into consultations with a view to eliminating practices referred to in paragraph 1 of this Article. The Party addressed (the âRequested Partyâ) shall accord full and sympathetic consideration to such a request and shall cooperate through the supply of publicly available non-confidential information of relevance to the matter in question. The Requested Party shall also provide other information available to the Requesting Party, subject to its domestic law and regulations and to the conclusion of satisfactory agreement concerning the safeguarding of its confidentiality by the Requesting Party.

Article 7.15. Miscellaneous Provisions

Annex on Movement of Natural Persons Supplying Services, Annex on Air Transport Services, Annex on Financial Services, and Annex on Telecommunications under GATS shall be incorporated, mutatis mutandis, into and form an integral part of this Agreement.

Chapter 8. INVESTMENT COOPERATION

Article 8.1. Relationship to other Agreements and other Arrangements

1. The Parties recognise the importance of the Agreement Between the Government of the People's Republic of China and the Government of the Kingdom of Cambodia for the Promotion and Protection of Investments of 1996 and Agreement on Investment of the Framework Agreement on Comprehensive Economic Cooperation Between the Association of Southeast Asia Nations and The People's Republic of China of 2009 in creating favourable conditions for investments between the Parties, and thus reaffirm the commitments under the Agreements and other arrangements related to investment between the Parties.

2. The Parties acknowledge the effectiveness of the existing institutional arrangements and its vital role to realise the bilateral production capacity and investment cooperation, and thus determine to strengthen and further deepen such cooperation.

Article 8.2. Promotion of Investment

1. The Parties recognise the importance of promoting cross-border investment flows as a means for achieving economic growth and development. Subject to their laws and regulations, the Parties shall cooperate to promote investments between China and Cambodia through, amongst others:

(a) identifying investment opportunities;

(b) intensifying investment promotion campaign;

(c) sharing information on measures to promote investment abroad;

(d) exchanging of information on investment law, regulations and policies;

(e) assisting investors to understand the investment regulations and the investment environment in both Parties;

(f) improving environment conducive to increased investment flows; and

(g) promoting linkages between China and Cambodia's agencies with a view to promoting bilateral investment.

2. Recognising that facilitating the "Go Global" efforts of Chinese enterprises is a key pillar of bilateral cooperation, the Parties shall intensify their collaboration in this area. To this effect, the Parties shall endeavour to identify and share information on potential outgoing investment sectors and activities and encourage such enterprises to invest in the other Party.

Article 8.3. Facilitation of Investment

1. Subject to its laws and regulations, each Party shall facilitate investments from the other Party through, amongst others:

(a) improving transparency and efficiency of their domestic investment environment, with the aim of facilitating quality investment between the Parties.

(b) creating the necessary environment for all forms of investment including but not limited to the creation of favourable condition for money transfer for any investment project;

(c) simplifying procedures for investment applications and approvals;

(d) promoting the dissemination of investment information, including, but not limited to, investment rules, regulations, policies, other bilateral and multilateral trade agreements, and procedures; and

(e) enhancing one-stop investment arrangement in the respective host Parties to provide assistance and advisory services to the business sectors including facilitation of operating licences and permits.

2. Subject to the domestic laws and regulations, the Party shall make available the measures prescribing the formalities of establishing an investment to investors and their investments of the other Party. The Party shall protect any confidential business information from any disclosure that would prejudice the competitive position of the investor or the investment. Nothing in this paragraph shall be construed to prevent a Party from otherwise obtaining or disclosing information in connection with the equitable and good faith application of its domestic law.

3. Parties shall facilitate investors and their investments to comply with required standards on environmental impact assessment and social impact assessment and assessment processes applicable to their proposed investments prior to their establishment, as required by the laws of the host Party for such an investment.

Article 8.4. Environmental Measures

Recognising the importance of promoting investment for green growth, the Parties shall refrain from encouraging investment by investors of the other Party by relaxing environmental measures. To this effect each Party should not waive or otherwise derogate from such environmental measures as an encouragement for the establishment, acquisition or expansion of investments in its territory.

Article 8.5. Committee on Investment Cooperation

1. The Parties shall establish a Committee on Investment Cooperation (hereinafter in this article referred to as "the Committee"), with a view to accomplishing the objectives of this Chapter. The functions of the Committee shall be:

(a) to act as the contact point of investment issues raised from Chapter of Investment Cooperation;

(b) to discuss and review the implementation and operation of this Chapter;

(c) to discuss any other investment-related matters concerning this Chapter; and

(d) to discuss the measures adopted or maintained for the purpose of encouraging favourable conditions for investors of the Parties.

2. The Committee may, as necessary, make appropriate recommendations by consensus to the Parties for the more effective functioning or the attainment of the objectives of this Agreement.

3. The Committee shall be composed of representatives of the Parties. The Committee shall determine its own rules of procedure to carry out its functions.

4. The Committee, upon mutual consent of the Parties, may hold joint meetings with the private sectors. Article 8.6: Non-Application of Dispute Settlement

No Parties shall have recourse to Chapter 14 (Dispute Settlement) for any issue arising from or relating to this Chapter.

Chapter 9. Cooperation Under the Belt and Road Initiative

Article 9.1. General Provisions

1. The Parties appreciate the progress made in the cooperation framework under the Belt and Road Initiative, especially the outcomes in areas indicated in the Outline of Bilateral Cooperation Plan to Jointly Build the Silk Road Economic Belt and the 21st century Maritime Road between the Peopleâs Republic of China and the Kingdom of Cambodia and Rectangular Strategy Phase IV of the Royal Government of Cambodia.

2. The Parties shall strengthen the role of the Belt and Road Initiative as an important instrument and seek to further

strengthen high-quality Belt and Road cooperation in promoting policy coordination, facility connectivity, unimpeded trade, financial integration and people-to-people bond, thereby enhancing practical cooperation for the well-being of our peoples and support the implementation of this Agreement.

3. The Parties understand the need for deepening comprehensive strategic partnership under the scope and coverage of this Agreement, guided by the principle of extensive consultation, joint efforts and shared benefits, the approach of open green and clean cooperation, and the pursuit of high standard, people-centered and sustainable development. The Parties agree to take further actions to implement the elements under the Outline of Bilateral Cooperation Plan to Jointly Build the Silk Road Economic Belt and the 21st century Maritime Road and Rectangular Strategy Phase IV.

4. The Parties agree to further strengthen cooperation in the key areas of infrastructure, investment, economic corridors, economic cooperation zones, agriculture, capacity building, industrial parks and cluster areas, culture and tourism, and finance and environment protection. Such cooperation would explore new sources of growth and seek to offer opportunities for economic and social development, and contribute to win-win cooperation and co-prosperity. The Parties will explore potential cooperation areas, for the purpose of boosting infrastructure connectivity, strengthening development policy synergy and promoting sustainable development.

5. The Parties will jointly promote the cooperation under the Belt and Road Initiative and the Rectangular Strategy Phase IV through the existing bilateral cooperation mechanisms, such as the China-Cambodia Joint Council for Bilateral Cooperation, and multilateral mechanisms participated by the Parties, including East-Asia Summit, Lancang-Mekong Cooperation, Asia-Europe Meeting, and Greater Mekong Sub-region Cooperation, to explore potential cooperation areas.

6. The Parties agree to make full play of the geographical advantages of Cambodia to upgrade the connectivity level, encourage the enterprises of the two countries to conduct trade, investment, production capacity and environment protection cooperation with each other, thereby contributing to improving trade and sustainable economic development of the two countries.

7. The Parties agree to promote the use of available resources under the Belt and Road Initiative, where appropriate, to maximize the benefits of this Agreement, and also encourage the participation from the private sector, academic institutions, and non-governmental organisations, aiming to promote relevant expertise and managerial skills, innovation, science and technology, competitiveness, trade and investment opportunities.

8. The Parties agree on the importance of implementing national development policies to maximize the benefits and opportunities created by this Agreement. Article 9.2: Non-Applicable of Dispute Settlement

No Party shall have recourse to dispute settlement under the Chapter 14 (Dispute Settlement) for any issue arising from or relating to this Chapter.

Chapter 10. ELECTRONIC COMMERCE

Article 10.1. Definitions

For purposes of this Chapter:

Electronic Authentication means the process of verifying or testing an electronic statement or claim, in order to establish a level of confidence in the statement's or claim's reliability;

Electronic Signature has for each Party the meaning set out in its laws and regulations;

Document in Electronic Form refers to form of information, data or document which are created, sent/transmitted, received or stored in electronic system;

Personal Information means any information, including data, about an identified or identifiable individual;

Trade Administration Documents mean forms issued or controlled by a Party which must be completed by or for an importer or exporter in relation to the import or export of goods.

Article 10.2. Scope and General Provisions

1. The Parties recognise the economic growth and trade opportunities that electronic commerce provides, and the importance of promoting and facilitating the use and development of electronic commerce between the Parties.

2. The purposes of this Chapter are to enhance cooperation between the Parties regarding the development of electronic

commerce to contribute to creating an environment of trust and confidence in the use of electronic commerce and to promote the wider use of electronic commerce globally.

3. The Parties shall, in principle, endeavour to ensure that bilateral trade in electronic commerce shall be no more restricted than comparable non-electronic bilateral trade.

4. This Chapter shall not apply to:

(a) government procurement; or

(b) Information held or processed by or on behalf of a Party, or measures related to such information, including measures related to its collection.

Article 10.3. Customs Duties

1. Each Party shall maintain its practice of not imposing customs duties on electronic transmissions between the Parties, consistent with the WTO Ministerial Decision of 8 December 2017 in relation to the Work Programme on Electronic Commerce ((WT/MIN(17)/65)).

2. Each Party reserves the right to adjust its practice referred to in paragraph 1 in accordance with any further WTO Ministerial Decisions in relation to the Work Programme on Electronic Commerce.

Article 10.4. Electronic Authentication and Electronic Signatures

1. Unless in circumstances otherwise provided for under its laws and regulations, no Party shall deny the legal validity of a signature solely on the basis that the signature is in electronic form.

2. Each Party shall maintain domestic legislation and measures for electronic signature that permits:

(a) participants in electronic transactions to determine the appropriate authentication technologies and implementation models for their electronic transactions; And

(b) participants in electronic transactions to have the opportunity to prove that their electronic transactions comply with the Party's domestic laws and regulations with respect to authentication.

3. Each Party shall work towards the mutual recognition of digital certificates and electronic signatures.

4. Each Party shall encourage the use of digital certificates in the business sector.

Article 10.5. Online Consumer Protection

Each Party shall, to the extent possible and in a manner considered appropriate, adopt or maintain measures which provide protection for consumers using electronic commerce that is at least equivalent to measures which provide protection for consumers of other forms of commerce.

Article 10.6. Online Personal Information Protection

Recognizing the importance of protecting personal information in electronic commerce, each Party shall adopt or maintain domestic laws and other measures which ensure the protection of the personal information of the users of electronic commerce.

Article 10.7. Paperless Trade

1. Each Party shall endeavour to make trade administration documents available to the public in electronic form.

2. Each Party shall endeavour to accept the electronic versions of trade administration documents as the legal equivalent of paper documents except where:

(a) there is a domestic or international legal requirement to the contrary; or

(b) doing so would reduce the effectiveness of the trade administration process.

Article 10.8. Network Equipment

1. Both Parties recognise the importance of network equipment, and products related to electronic commerce to the safeguarding of the healthy development of electronic commerce.

2. Both Parties should endeavour to create beneficial environment for public telecommunications networks, service providers or value-added service providers to independently choose the network equipment, products and technologies.

Article 10.9. Cooperation on Electronic Commerce

1. The Parties agree to share information and experience on issues related to electronic commerce, including, inter alia, laws and regulations, rules and standards, and best practices.

2. The Parties shall encourage cooperation in research and training activities to enhance the development of electronic commerce.

3. The Parties shall encourage business exchanges, cooperative activities and joint electronic commerce projects.

4. The Parties shall actively participate in regional and multilateral fora to promote the development of electronic commerce in a cooperative manner. Article 10.10: Non-Application of Dispute Settlement

No Party shall have recourse to dispute settlement under the Chapter 14 (Dispute Settlement) for any issue arising from or relating to this Chapter.

Chapter 11. ECONOMIC AND TECHNICAL COOPERATION

Article 11.1. Objective and General Provisions

1. The objective of this Chapter is to establish a framework for promoting mutually supportive trade, investment and other trade-related activities through Economic and Technical Cooperation under this Agreement.

2. The Parties shall strengthen the importance of Economic and Technical Cooperation in contributing toward the effective utilization of this Agreement and the implementation of the Chapters in this Agreement.

3. The Parties agree to implement capacity-building programmes and technical assistance, particularly Joint Activities that are to address the specific needs and requirements consistent with the priority areas of Economic and Technical Cooperation under this Agreement.

4. The Parties acknowledge the different levels of economic development of the Parties, and agree to utilize the existing financial channels or other resources available in the future for Economic and Technical Cooperation activities under this Agreement.

Article 11.2. Scope and Priority Areas

Economic and Technical Cooperation under this Chapter shall support the inclusive, effective and efficient implementation and utilization of this Agreement through the implementation of trade or investment related activities, including capacity building, technical assistance and financial support from available resources, focusing on the following:

(a) Trade Promotion. To continuously promote and expand trade through trade promotion and facilitation activities, business exchanges and matching. The Parties shall continually strengthen the Government-to-Government mechanisms, enhancing cooperation on various platforms including China International Import Expo and China-ASEAN Expo, One Village-One Product movement, as well as giving full play to the role of the existing FTAs between both Parties in promoting bilateral trade.

(b) Trade in Services. The Parties shall strengthen cooperation efforts in service sectors, that are mutually agreed, including but not limited to human resource development, research and development and institutional capacity building in order to improve their domestic capacities, efficiencies and competitiveness.

(c) Tourism Promotion. The Parties shall continue to strengthen cooperation in tourism promotion and exchanges through regular dialogues, and the establishment of promotion programmes to expand and deepen tourism cooperation sector by exploring ways and initiatives to introduce greater convenience to travellers, tour operators and travel agencies.

(d) Industrial Cooperation. The Parties shall further enhance planning and interconnection of industrial cooperation

between the two countries, develop and implement potential projects and industrial development policy and provide support to maintain support to enterprises in the areas of startups incubation, innovation development of SMEs and establishment and operation of industrial parks to enable them to leapfrog toward industry 4.0.

(e) Transport and Logistic. The Parties shall enhance cooperation in the areas of land, air and maritime transport and logistics through simplifying and harmonizing the cross-border transport and trade regulations, improving physical infrastructure and the quality of logistics services, supporting the implementation of GMS Cross-Border Transport Agreement (CBTA) as to increase the level of connectivity between the two countries.

(f) Agriculture. The Parties shall enhance high-level exchanges in agriculture, and strengthen cooperation in priority areas, such as exchange of research institutions and personnel in agriculture sectors, human resources development, promotion of trade in agriculture products through streamlining import-export procedure and establishment of platforms for agricultural enterprises and boosting agricultural trade cooperation.

(g) Non-Tariff Measures. The Parties shall promote transparency of laws, regulation related to trade, import-export procedures and trade policies by making them available online to facilitate cross-border procedures and align trade facilitation measures in line with the international best practices.

(h) Information and Communications Technology. The Parties shall promote cooperation in information and telecommunication and innovation through personnel exchanges, cooperation in R&D and human resource development.

(i) Electronic commerce. The Parties shall cooperate in electronic commerce in the areas of joint studies, legal framework establishment and enforcement, experience sharing in policy making and government management of e-commerce, capacity enhancement for suppliers to directly access to the marketplace.

(j) Other areas as mutually agreed by the Parties.

Article 11.3. Work Programme

1. By taking into consideration the priority areas of Economic and Technical Cooperation, The Work Programme shall be developed by the Committee on Economic and Technical Cooperation in consultation with other established Committees under this Agreement.

2. To encourage effective implementation and utilization of this Agreement, priority shall be given to the Joint Activities that provide capacity building, and technical assistance and financial support from available resources in areas as mutually agreed by the Parties.

3. The Work Programme shall be modified by the Committee as and when necessary, subject to the consent of all Parties.

Article 11.4. Committee on Economic and Technical Cooperation

1. For the purposes of the effective implementation of this Chapter, the Parties hereby establish a Committee on Economic and Technical Cooperation composed of government representatives of each Party.

2. The Committee shall develop and coordinate a Work Programme and its implementing mechanism, as well as work with other Committees to establish and maintain effective communication and coordination on Economic and Technical Cooperation activities and relevant issues. The Committee shall review progress of Work Programme and provide recommendation, if necessary, for improving the implementation of Joint Activities.

3. Each Party shall designate relevant officials as contact points for coordinating the implementation of the Work Programme after the entry into force of this Agreement. Each Party shall provide the contact details of the relevant officials in their respective contact points, and notify promptly of any change in its contact points or any amendment to the details of the relevant officials acting as or on behalf of its contact point.

Article 11.5. Non-Application of Dispute Settlement

No Party shall have recourse to dispute settlement under the Chapter 14 (Dispute Settlement) for any issue arising from or relating to this Chapter.

Chapter 12. TRANSPARENCY

Article 12.1. Publication

1. Each Party shall ensure that its laws, regulations, procedures and administrative rulings of general application respecting any matter covered by this Agreement are promptly published, including on the internet where feasible, or otherwise made available in such a manner as to enable interested persons and the other Party to become acquainted with them.

2. To the extent possible and practicable, each Party shall taking into account the circumstances of its domestic laws and regulations:

(a) publish in advance any such laws, regulations, procedures and administrative rulings of general application with respect to any matter covered by this Agreement that it proposes to adopt; and

(b) provide, where appropriate, interested persons and the other Party with a reasonable opportunity to comment on any such laws, regulations, procedures and administrative rulings of general application with respect to any matter covered by this Agreement.

Article 12.2. Notification and Provision of Information

1. To the extent possible and practicable, each Party shall, taking into account the circumstances of its domestic laws and regulations, notify the other Party of any proposed or actual measure that the Party considers might materially affect the operation of this Agreement or otherwise substantially affect the other Party's legitimate interests under this Agreement.

2. To the extent possible and practicable, on the request of the other Party, a Party shall, within 30 days of receipt of the request, provide information and respond to questions pertaining to any actual or proposed measure that the other Party considers might materially affect the operation of this Agreement, whether or not the other Party has been previously notified of that measure.

3. The information referred to under this Article shall be considered to have been provided when it has been made available by appropriate notification to the WTO or when it has been made available on the official, public accessible website of the Party concerned.

4. Any notification, request, or information under this Article shall be conveyed to the other Party through Contact Point of this Agreement.

Article 12.3. Administrative Proceedings

1. Each Party shall ensure that all laws, regulations, procedures and administrative rulings of general application to which this Agreement applies are administered in a consistent, impartial, objective and reasonable manner.

2. With a view to administering its laws, regulations, procedures and administrative rulings of general application with respect to any matter covered by this Agreement in a consistent, impartial, objective and reasonable manner, each Party shall ensure, in its administrative proceedings applying these measures to particular persons, goods or services of the other Party in specific cases that:

(a) wherever possible, persons of the other Party that is directly affected by such a proceeding are provided with reasonable notice, in accordance with its domestic proceeding, when a proceeding is initiated, including a description of the nature of the proceeding, a statement of the legal authority under which the proceeding is initiated, and a general description of any issues in question;

(b) such persons are afforded a reasonable opportunity to present facts and arguments in support of their positions prior to any final administrative action, when time, the nature of the proceeding and the public interest permit; and

(c) it follows its procedures in accordance with its laws and regulations.

Article 12.4. Review and Appeal

1. Each Party shall establish or maintain judicial, quasi-judicial, or administrative tribunals or procedures for the purposes of the prompt review and, where warranted, correction of final administrative actions regarding matters covered by this Agreement. Such tribunals shall be impartial and independent of the office or authority entrusted with administrative enforcement and shall not have any substantial interest in the outcome of the matter.

2. Each Party shall ensure that, in any such tribunals or procedures, the parties to the proceeding are provided with the right to:

(a) areasonable opportunity to support or defend their respective positions; and

(b) a decision based on the evidence and submissions of record or, where required by the law of the Party, the record compiled by the administrative authority.

3. Each Party shall ensure, subject to appeal or further review as provided in its law, that such decision shall be implemented by, and shall govern the practice of, the office or authority with respect to the administrative action at issue.

Chapter 13. ADMINISTRATIVE AND INSTITUTIONAL PROVISIONS

Article 13.1. Establishment of the China-Cambodia Free Trade Area Joint Commission

The Parties hereby establish the China-Cambodia Free Trade Area Joint Commission (hereinafter referred to as the "Joint Commission") comprising representatives of both Parties as follows:

(a) in the case of China, the Ministry of Commerce (MOFCOM); and

(b) in the case of Cambodia, the Ministry of Commerce (MOC).

Article 13.2. Functions of the Joint Commission the Joint Commission Shall:

(a) review, monitor, oversee, supervise and coordinate the implementation and operation of this Agreement and all legal instruments under it;

(b) consider and recommend to any amendments to this Agreement and all legal instruments under it;

(c) negotiate amendments to or any matter arising from the operation of this Agreement and all legal instruments under it;

(d) supervise and coordinate the work of Committees under this Agreement and all legal instruments under it;

(e) adopt, where appropriate, decisions and recommendations of Committees pursuant to this Agreement and all legal instruments under it;

(f) consider any other matter that may affect the operation of this Agreement and all legal instruments under it or that is entrusted to it by the Parties; and

(g) carry out any other functions as the Parties may agree.

Article 13.3. Rules of Procedure of the Joint Commission

1. The Joint Commission shall convene the first session within one year from the entry into force of this Agreement and the following sessions at least once every two years on a regular basis, or as otherwise mutually determined by the Parties.

2. When special circumstances arise, the Parties shall, at the request of a Party, meet at any time upon agreement by both Parties.

3. Regular sessions of the Joint Commission shall be held alternately in the territory of each Party and chaired successively by each Party.

Article 13.4. Establishment of the Committees

1. The following Committees are hereby established under the auspices of the Joint Commission:

(a) The Committee on Trade in Goods;

(b) The Committee on Trade in Services;

(c) The Committee on Rules of Origin;

(d) The Committee on Customs Procedure and Trade Facilitation;

(e) The Committee on Sanitary and Phytosanitary Measures;

(f) The Committee on Investment Cooperation; and

(g) The Committee on Economic and Technical Cooperation.

2. All decisions made by the Committees shall be subject to the endorsement of the Joint Commission.

3. The Committees shall convene in regular session every 2 years at the same time the Joint Commission convenes. When special circumstances arise, the Parties shall meet at any time upon agreement at the request of one Party. Regular sessions of the Committees shall be chaired successively by each Party. Other sessions of the Committee shall be chaired by the Party hosting the meeting.

Article 13.5. Functions of the Committees

The Committees shall act to as follows:

(a) ensure the proper function of respective Chapters in this Agreement and resolve issues arising from the application of respective areas;

(b) review the interpretation and implementation of respective Chapters;

(c) identify areas related to respective Chapters in this Agreement to be improved;

(d) make recommendations and report to the Joint Commission; and

(e) carry out any other functions as may be delegated by the Joint Commission.

Chapter 14. DISPUTE SETTLEMENT

Article 14.1. Cooperation

The Parties shall at all times endeavour to agree on the interpretation and application of this Agreement, and shall make every attempt through cooperation to arrive at a mutually satisfactory resolution of any matter that may affect its operation when a dispute occurs.

Article 14.2. Scope of Application

Unless otherwise provided in this Agreement, wherever a measure adopted by a Party is inconsistent with its obligations under this Agreement or a Party has otherwise failed to carry out its obligations under this Agreement, the dispute settlement provisions of this Chapter shall apply.

The dispute settlement provisions of this Agreement may be invoked in respect of measures affecting their observance taken by local governments or authorities of the Party.

Article 14.3. Choice of Forum

1. Where a dispute arises under this Agreement and under any other agreement to which both Parties are party, including the WTO agreements, the complaining Party may recourse to dispute settlement procedures available under any of such agreements to settle the dispute.

2. Once the complaining Party has requested establishment of, or otherwise referred a matter to, a panel or tribunal under an agreement referred to in paragraph 1, the forum selected shall be used to the exclusion of other fora.

Article 14.4. Consultations

1. The Parties shall make every attempt to arrive at a mutually satisfactory resolution of any dispute through consultations under this Article.

2. The request for consultations shall be made in writing and shall set out the reasons for the request, including identification of the measure at issue and an indication of the legal basis for the complaint. The complaining Party shall forward the request to the responding Party. Upon receipt of the request, the responding Party shall acknowledge the receipt of the request to the complaining Party, otherwise the date when the request was made shall be deemed to be the date of the responding Party's receipt of the request.

3. If a request for consultations is made, the responding Party shall reply to the request within 20 days after the date of its

receipt and shall enter into consultations in good faith, with a view to reaching a mutually satisfactory solution, within a period of no more than:

(a) 20 days after the date of receipt of the request for urgent matters concerning perishable goods; or

(b) 30 days after the date of receipt of the request for all other matters.

4. The consultations shall be confidential and are without prejudice to the rights of either Party in any further proceedings.

5. If the responding Party does not reply or enter into consultations within the timeframe specified in paragraph 3, then the complaining Party may proceed directly to request the establishment of an arbitral tribunal.

Article 14.5. Good Offices, Conciliation and Mediation

1. The Parties may at any time voluntarily agree to good offices, conciliation and mediation. These procedures may begin at any time and be terminated at any time, including the time within which the Arbitral proceeding is taking place.

2. Proceedings involving good offices, conciliation and mediation, and in particular positions taken by the Parties during those proceedings, shall be confidential and without prejudice to the rights of either Party in any further or other proceedings.

Article 14.6. Establishment of an Arbitral Tribunal

1. If the consultation referred to in the Article 14.4 (Consultations) fails to resolve a matter within 60 days or 30 days in relation to urgent matters concerning perishable goods, after receipt of the request for consultations, the complaining Party may request in writing the establishment of an arbitral tribunal to consider the matter.

2. The complaining Party shall indicate in the request whether consultations were held, identify the specific measures at issue and provide a brief summary of the legal basis of the complaint sufficient to present the problem clearly, and shall forward the request to the responding Party. An arbitral tribunal is established upon receipt of the request.

3. The responding Party shall acknowledge its receipt of the request for the establishment of an arbitral tribunal made pursuant to paragraph 5 of Article 14.4 (Consultations) and paragraph 1 of this Article indicating the date on which the request was received, otherwise the date when the request was made shall be deemed to be the date of the responding Partyâs receipt of the request.

Article 14.7. Composition of an Arbitral Tribunal

1. An arbitral tribunal shall comprise three members.

2. Within 15 days after the establishment of an arbitral tribunal, each Party shall appoint one arbitrator of the arbitral tribunal respectively.

3. The Parties shall appoint by common agreement the third arbitrator within 30 days after the establishment of an arbitral tribunal. The arbitrator thus appointed shall chair the arbitral tribunal. 4. If any arbitrator of the arbitral tribunal has not been appointed within 30 days after the establishment of an arbitral tribunal, either Party may request that the Director-General of the WTO designate an arbitrator within 30 days of the date of such request. If one or more arbitrators are designated according to this paragraph, the Director-General of the WTO shall be authorised to designate the chair of the arbitral tribunal. 5. The chair of the arbitral tribunal shall:

(a) not be a national of either Party;

(b) not have his or her usual place of residence in the territory of either Party; and

(c) not have dealt with the matter in any capacity.

6. All arbitrators shall:

(a) have expertise or experience in law, international trade, other matters covered by this Agreement, or the resolution of disputes arising under international trade agreements;

(b) be chosen strictly on the basis of objectivity, reliability, and sound judgment;

(c) be independent of, and not be employed by, affiliated with or take instructions from either Party;

(d) disclose, to the Parties to the dispute, information which may give rise to justifiable doubts as to his or her independence or impartiality; and

(e) comply with a code of conduct in conformity with the rules established in the document WT/DSB/RC/1 of the WTO.

7. If an arbitrator appointed under this Article resigns or becomes unable to act, a successor shall be appointed in the same manner and timeframe as prescribed for the appointment of the original arbitrator and the successor shall have all the powers and duties of the original arbitrator. The work of the arbitral tribunal shall be suspended during the replacement of the successor.

Article 14.8. Functions of Arbitral Tribunal

1. The function of an arbitral tribunal is to make an objective assessment of the matter before it, including an examination of the facts of the case and the applicability of and conformity with this Agreement.

2. Unless the Parties otherwise agree within 20 days from the date of the establishment of the arbitral tribunal, the terms of reference shall be:

"To examine, in the light of the relevant provisions of this Agreement, the matter referred to in the request for the establishment of an arbitral tribunal pursuant to Article 14.6 (Establishment of an Arbitral Tribunal) and to make findings of law and fact together with the reasons as well as recommendations, if any, for the resolution of the dispute."

3. The arbitral tribunal may at any time consult with the Parties to the dispute and provide adequate opportunities for the Parties to the dispute to develop a mutually agreed solution.

4. Where an arbitral tribunal concludes that a measure is inconsistent with this Agreement, it shall recommend that the responding Party bring the measure into conformity with this Agreement.

5. The arbitral tribunal shall consider this Agreement in accordance with customary rules of interpretation of public international law. The arbitral tribunal, in their findings and recommendations, cannot add to or diminish the rights and obligations provided in this Agreement.

Article 14.9. Rules of Procedure of an Arbitral Tribunal

1. Unless the Parties agree otherwise, the arbitral tribunal shall follow the rules of procedure set out in Annex 5 (Rules of Procedures of Arbitral Tribunal) and may, after consulting with the Parties, adopt additional rules of procedure not inconsistent with Annex 5 (Rules of Procedures of Arbitral Tribunal).

2. Unless the Parties otherwise agree, the remuneration of the arbitrators and other expenses associated with the conduct of the arbitral tribunal shall be borne by the Parties in equal shares.

Article 14.10. Suspension or Termination of Proceedings

1. The arbitral tribunal may suspend its work at any time at the request of the complaining Party for a period not to exceed 12 months. The arbitral tribunal shall suspend its work at any time if the Parties request it to do so. In the event of such suspension, any relevant period of time for the arbitral proceedings shall be extended by the period of time that the work was suspended. If the work of the arbitral tribunal has been suspended for more than 12 months, the authority for establishment of the arbitral tribunal shall lapse unless the Parties agree otherwise.

2. The Parties may agree to terminate the proceedings of an arbitral tribunal.

Article 14.11. Report of the Arbitral Tribunal

1. The arbitral tribunal shall base its report on the relevant provisions of this Agreement, the submissions and arguments of the Parties and other information, if any, it has obtained pursuant to paragraph 14 of Annex 5 (Rules of Procedures of Arbitral Tribunal).

2. The arbitral tribunal shall set out in its report:

(a) a descriptive section summarising the arguments of the Parties to the dispute and Third Parties;

(b) its findings on the facts of the case and on the applicability of the provisions of this Agreement;

(c) its determinations as to whether:

(i) the measure at issue is not in conformity with the obligations under this Agreement; or

(ii) the responding Party has otherwise failed to carry out its obligations under this Agreement; and

(d) the reasons for its findings and determinations referred to in subparagraphs (b) and (c).

3. Procedures of arbitral tribunal should provide sufficient flexibility so as to ensure high quality reports, while not unduly delaying the panel process.

4. Unless the Parties to the dispute otherwise agree, the arbitral tribunal shall issue the initial report to the Parties within 120 days after the date of its composition or in case of urgent matters concerning perishable goods, within 90 days after the date of its composition.

5. In exceptional cases, if the arbitral tribunal considers it cannot issue its initial report within 120 days or within 90 days in case of urgent matters concerning perishable goods, it shall inform the Parties in writing of the reasons for the delay together with an estimate of the period within which it will issue its report. Any delay shall not exceed a further period of 30 days unless the Parties otherwise agree.

6. Each Party may submit written comments to the arbitral tribunal within 15 days of the issuance of the initial report. After considering these written comments by the Parties and making any further examination it considers appropriate, the arbitral tribunal shall present the Parties its final report within 30 days of issuance of the initial report, unless the Parties otherwise agree.

7. The arbitral tribunal shall make every effort to make its decisions by consensus. If the arbitral tribunal is unable to reach consensus, it may make its decision by majority vote. Arbitrators may furnish separate opinions on matters not unanimously agreed. All opinions expressed in the arbitral tribunal's report by individual arbitrators shall be anonymous.

8. The final report of the arbitral tribunal is final and binding only between the Parties and in respect of the matter to which the report refers under this Agreement.

9. Unless either Party disagrees, the final report shall be made available to the public no later than 15 days after its issuance to the Parties, subject to the protection of confidential information.

Article 14.12. Implementation of Arbitral Tribunal's Final Report

1. Where the arbitral tribunal concludes that a Party has not conformed to either fully or partially to its obligations under this Agreement, the resolution, whenever possible, shall be to eliminate the non-conformity.

2. Unless the Parties reach agreement on compensation or other mutually satisfactory solution, the responding Party shall implement the recommendations and rulings in the final report of the arbitral tribunal.

3. Within 30 days of the date of the issuance of the arbitral tribunal's final report to the Parties, the responding Party shall notify the complaining Party of its intentions with respect to the implementation and:

(a) if the responding Party considers it has complied with the obligation under paragraph 1, it shall notify the complaining Party without delay. The responding Party shall include with the notification a description of any measure it considers achieves compliance, the date the measure comes into effect, and the text of the measure, if any; or

(b) if it is impracticable to comply immediately with the obligation under paragraph 1, the responding Party shall notify the complaining Party of the reasonable period of time the responding Party considers it would need to comply with the obligation under paragraph 1 along with an indication of possible actions it may take for such compliance.

Article 14. Reasonable Period of Time

1. The reasonable period of time referred to in Article 14.12 (Implementation of Arbitral Tribunal's Final Report) shall be mutually determined by the Parties. Where the Parties fail to agree on the reasonable period of time within 45 days after the issuance of the arbitral tribunal's final report, either Party may, to the extent possible, refer the matter to the original arbitral tribunal, which shall determine the reasonable period of time.

2. The arbitral tribunal shall provide its determination to the Parties within 60 days after the date of the referral of the matter to it. When the arbitral tribunal considers that it cannot provide its report within this timeframe, it shall inform the Parties in writing of the reasons for the delay together with an estimate of the period within which it will provide its

determination. Any delay shall not exceed a further period of 30 days unless the Parties otherwise agree.

3. The reasonable period of time normally should not exceed 15 months from the date of issuance of the arbitral tribunal's final report.

Article 14.14. Compliance Review

1. Where there is disagreement as to the existence or consistency with this Agreement of measures taken to comply with the recommendations and rulings of the arbitral tribunal, such dispute shall be decided through recourse to the dispute settlement procedures under this Chapter, including wherever possible by resort to the original arbitral tribunal.

2. The arbitral tribunal shall provide its report to the Parties within 60 days after the date of the referral of the matter to it. When the arbitral tribunal considers that it cannot provide its report within this timeframe, it shall inform the Parties in writing of the reasons for the delay together with an estimate of the period within which it will provide its report. Any delay shall not exceed a further period of 30 days unless the Parties otherwise agree.

3. The provisions in this Chapter concerning the procedure of arbitral tribunal shall apply mutatis mutandis to the procedure under this Article.

Article 14.15. Compensation and Suspension of Concessions or other Obligations

1. Compensation and the suspension of concessions or other obligations are temporary measures available in the event that the responding Party does not comply with the obligation under Article 14.12 (Implementation of Arbitral Tribunal's Final Report) within the reasonable period of time. However, neither compensation nor the suspension of concessions or other obligations is preferred to compliance with the obligation under Article 14.12 (Implementation of Arbitral Tribunal's Final Report). Compensation is voluntary and, if granted, shall be consistent with this Agreement.

2. Where any of the following circumstances exists:

(a) the responding Party has notified the complaining Party that it does not intend to comply with the obligation under paragraph 1 of Article 14.12 (Implementation of Arbitral Tribunal's Final Report);

(b) the responding Party fails to notify the complaining Party in accordance with paragraph 3 of Article 14.12 (Implementation of Arbitral Tribunal's Final Report); or

(c) the Compliance Review Panel determines that the responding Party has failed to comply with the obligation under paragraph 1 of Article 14.12 (Implementation of Arbitral Tribunal's Final Report) in accordance with Article 14.14 (Compliance Review),

the responding Party shall, on request of the complaining Party, enter into negotiations with a view to developing mutually acceptable compensation.

3. If the Parties to the dispute have:

(a) been unable to agree on compensation within 30 days after the date of the receipt of the request made pursuant to paragraph 2; or

(b) agreed on compensation but the responding Party has failed to observe the terms and conditions of that agreement,

the complaining Party shall thereafter notify the responding Party that it intends to suspend the application to the responding Party of concessions or other obligations equivalent to the level of nullification or impairment, and shall have the right to begin suspending concessions or other obligations 30 days after the date of the receipt of the notification.

4. Notwithstanding paragraph 3, the complaining Party shall not exercise the right to begin suspending concessions or other obligations under that paragraph where:

(a) a review is being undertaken pursuant to paragraphs 3 to10; or

(b) a mutually agreed solution has been reached.

5. A notification made pursuant to paragraph 3 shall specify the level of the intended suspension of concessions or other obligations and indicate the relevant sector(s) in which the complaining Party proposes to suspend such concessions or other obligations.

6. The level of the suspension of concessions or other obligations shall be equivalent to the level of the nullification or impairment.

7. In considering what concessions or other obligations to suspend:

(a) the complaining Party should first seek to suspend concessions or other obligations in the same sector(s) in which the arbitral tribunal has determined that there is non-conformity with, or failure to carry out an obligations under this Agreement; and

(b) if the complaining Party considers that it is not practicable or effective to suspend concessions or other obligations in the same sector(s), it may suspend concessions or other obligations in other sectors. The communication in which it announces such a decision shall indicate the reasons on which it is based.

8. Upon written request of the responding Party, the original arbitral tribunal shall determine whether the level of concessions or other obligations to be suspended by the complaining Party is excessive pursuant to paragraph 6 and/or whether paragraph 7 has not been followed. If the arbitral tribunal cannot be established with its original members, it shall be composed in accordance with the procedures set out in Article 14.7 (Composition of an Arbitral Tribunal).

9. The arbitral tribunal shall present its determination within 60 days from the request made pursuant to paragraph 8, or if an arbitral tribunal cannot be established with its original members, from the date on which the last arbitrator is appointed.

10. The complaining Party may not suspend the application of concessions or other obligations before the issuance of the arbitral tribunal's determination pursuant to this Article.

Article 14.16. Post Suspension

1. Without prejudice to the procedures in Article 14.15 (Compensation and Suspension of Concessions or Other Obligations), if the responding Party considers that it has eliminated the non-conformity that the arbitral tribunal has found, it may provide written notice to the complaining Party with a description of how non-conformity has been removed. If the complaining Party disagrees, it may refer the matter to the original arbitral tribunal within 60 days after receipt of such written notice. Otherwise, the complaining Party shall promptly stop the suspension of concessions or other obligations.

2. The arbitral tribunal shall issue its report within 60 days after the referral of the matter by the complaining Party pursuant to paragraph 1. If the arbitral tribunal concludes that the responding Party has eliminated the non-conformity, the complaining Party shall promptly stop the suspension of concessions or other obligations.

Article 14.17. Private Rights

Neither Party may provide for a right of action under its domestic law against the other Party on the ground that a measure of the other Party is inconsistent with this Agreement.

Chapter 15. EXCEPTIONS

Article 15.1. General Exceptions

1. For the purposes of Chapter 2 (Trade in Goods), Chapter 3 (Rules of Origin), Chapter 4 (Customs Procedures and Trade Facilitation), Chapter 5 (Technical Barriers to Trade), Chapter 6 (Sanitary and Phytosanitary Measures), and Chapter 10 (Electronic Commerce), Article XX of GATT 1994, including its interpretative notes, is incorporated into and made part of this Agreement, mutatis mutandis.

2. For the purposes of Chapters 7 (Trade in Services) and Chapter 10 (Electronic Commerce), Article XIV of GATS, including the footnotes, is incorporated into and made part of this Agreement, mutatis mutandis.

Article 15.2. Security Exceptions

Article XXI of GATT 1994 and Article XIV bis of GATS are incorporated into and made part of this Agreement, mutatis mutandis.

Article 15.3. Taxation

1. For the purposes of this Article:

(a) tax convention means a convention for the avoidance of double taxation or other international taxation agreement or arrangement to which both Parties are party; and

(b) taxation measures do not include a customs duty defined in Article 2.2 (Definition).

2. Except as otherwise provided for in this Article, nothing in this Agreement shall apply to taxation measures.

3. (a) Nothing in this Agreement shall affect the rights and obligations of the Parties under any tax convention to which both Parties are party. In the event of any inconsistency relating to a taxation measure between this Agreement and any such convention, that convention shall prevail to the extent of the inconsistency;

(b) In the case of a tax convention between the Parties, the competent authorities under that convention shall have sole responsibility for determining whether any inconsistency exists between this Agreement and that convention.

4. Notwithstanding paragraph 3, this Agreement shall only grant rights or impose obligations with respect to taxation measures: where corresponding rights or obligations are also granted or imposed under the WTO Agreement.

5. For the purposes of this Article, competent authorities means:

(a) for China, the Ministry of Finance and State Administration of Taxation; and

(b) for Cambodia, the Ministry of Economy and Finance.

Article 15.4. Disclosure of Information

Nothing in this Agreement shall be construed to require a Party to furnish or allow access to confidential information, the disclosure of which would impede law enforcement, or otherwise be contrary to the public interest, or which would prejudice the legitimate commercial interests of particular enterprises, public or private.

Article 15.5. Confidentiality

Unless otherwise provided in this Agreement, where a Party provides information to another Party in accordance with this Agreement and designates the information as confidential, the other Party shall, subject to its laws and regulations, maintain the confidentiality of the information.

Article 15.6. Measures to Safeguard the Balance of Payments

Where the Party is in serious balance of payments and external financial difficulties or threat thereof, it may, in accordance with the WTO Agreement and consistent with the Articles of Agreement of the International Monetary Fund, adopt measures deemed necessary.

Chapter 16. Final Provisions

Article 16.1. Annexes and Footnotes

The Annexes and footnotes to this Agreement constitute an integral part of this Agreement.

Article 16.2. Entry Into Force

This Agreement shall enter into force 30 days after the date on which the Parties exchange through diplomatic channels written notifications certifying that they have completed their respective necessary internal requirements or on such other date as the Parties may agree.

Article 16.3. Amendments

1. The Parties may agree in writing to amend this Agreement. Any amendment shall enter into force in accordance with the procedures required for entry into force of this Agreement.

2. If any provision of the WTO Agreement or any other agreement to which both Parties are party that has been incorporated into this Agreement is amended, the Parties shall consult on whether to amend this Agreement, unless this Agreement provides otherwise.

Article 16.4. Termination

1. This Agreement shall remain in force unless either Party notifies the other Party in writing to terminate this Agreement. Such termination shall take effect 180 days following the date of receipt of the notification.

2. Within 30 days of a notification under paragraph 1, either Party may request consultations regarding whether the termination of any provision of this Agreement should take effect on a later date than provided under paragraph 1. Such consultations shall commence within 30 days of a Party's delivery of such request.

Article 16.5. Authentic Texts

This Agreement shall be done in the Chinese, Khmer and English languages. All texts are equally valid and authentic. In case of any divergence, the English text shall prevail.

IN WITNESS WHEREOF, the undersigned, being duly authorised by their respective Governments, have signed this Agreement.

DONE at [ ], this [ ] day of [1, [ ], in duplicate, each Party shall keep one copy in the Chinese, Khmer and English languages.

For the Government of the Kingdom of Cambodia

For the Government of the People's Republic of China