AGREEMENT BETWEEN THE GOVERNMENT OF THE HASHEMITE KINGDOM OF JORDAN AND THE GOVERNMENT OF THE REPUBLIC OF SINGAPORE ON THE ESTABLISHMENT OF A FREE TRADE AREA

PREAMBLE

The Government of the Hashemite Kingdom of Jordan and the Government of the Republic of Singapore (hereafter, "the Parties"),

Conscious of their strong ties of friendship and desiring to strengthen their economic relations and cooperation;

Aspiring to promote their mutual interests through the liberalisation and expansion of trade in goods and services between their countries;

Wishing to establish clear, transparent and mutually advantageous rules governing their trade to enable businesses to conduct transactions freely, use resources efficiently and take planning decisions with certainty;

Recognising that their relations in the field of trade and economic activity should be conducted with a view to raising living standards and promoting economic growth, investment opportunities, development, prosperity and employment in their territories;

Building on their rights, obligations and undertakings at the World Trade Organisation and other multilateral, regional and bilateral agreements and arrangements;

Wishing to raise the capacity and international competitiveness of their goods and services sectors;

Desiring to promote business alliances between their private enterprises with a view to exploring business opportunities in third countries;

Believing that their cooperative relationship is a dynamic one that could also cover newer areas of economic cooperation;

HAVE DECIDED, in pursuit of the above, to conclude the following Agreement (hereafter, "this Agreement"):

Chapter 1. ESTABLISHMENT OF A FREE TRADE AREA

Article 1.1. Establishment of a Free Trade Area

1. The Parties to this Agreement, consistent with Article XXIV of the WTO General Agreement on Tariffs and Trade 1994 (hereafter, "GATT 1994") and Article V of the WTO General Agreement on Trade in Services (hereafter, "GATS"), hereby establish a free trade area in accordance with the provisions of this Agreement.

2. The Parties reaffirm their existing rights and obligations with respect to each other under existing bilateral, regional and multilateral agreements to which both Parties are party, including the Marrakesh Agreement establishing the World Trade Organization (hereafter, "WTO Agreement").

3. This Agreement shall not be construed to derogate from any international legal obligation between the Parties that entitles a good or a service, or the supplier of a good or service, to treatment more favourable than that accorded by this Agreement.

Chapter 2. TRADE IN GOODS

Article 2.1. National Treatment

Each Party shall accord national treatment to the goods of the other Party in accordance with Article I of the GATT 1994. To this end, the provisions of Article II of the GATT 1994 are incorporated into and shall form part of this Agreement.

Article 2.2. Elimination of Duties

1. Each Party shall eliminate its customs duties and charges having equivalent effect on originating goods of the other Party in accordance with Annex 2A.

2. Neither Party shall increase an existing customs duty and charges having equivalent effect or introduce any such new duties on imports of originating goods of the other Party.

3. Upon request by any Party, the Parties shall consult each other to consider the possibility of accelerating the elimination of customs duties and charges having equivalent effect as set out in Annex 2A. An agreement by the Parties to accelerate the elimination of customs duties and charges having equivalent effect on a good, when approved by each Party in accordance with its applicable legal procedures, shall supersede the terms established for the good in this Article and Annex 2A.

4. Nothing in this Chapter shall prevent a Party from imposing at any time on the importation or exportation of any good of the other Party:

(a) a charge equivalent to an internal tax, such as excise duties and other taxes, levied at the time of importation or exportation, imposed consistently with Article 2.1; or

(b) fees or other charges such as charges levied for a specific service such as demurrage, warehousing, transport, loading and unloading charges that:

(i) are limited in amount to the approximate cost of services rendered; and

(ii) do not represent a direct or indirect protection for domestic goods or a taxation of imports for fiscal purposes.

Article 2.3. Customs Value

The Parties shall determine the customs value of goods traded between them in accordance with the provisions of Article VII of the GATT 1994 and the WTO Agreement on Implementation of Article VII of the GATT 1994.

Article 2.4. Transparency

1. Each Party shall ensure that its laws, regulations and administrative rulings of general application respecting any matter covered by this Chapter are promptly published or otherwise made available in such a manner so as to enable interested persons and Parties to become acquainted with them.

2. Each Party shall, upon request by the other Party, promptly respond to specific questions from, and provide information to, the other Party with respect to matters referred to in Article 2.4.1.

Article 2.5. Non-Tariff Measures

1. Neither Party shall 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 WTO rights and obligations.

2. Each Party shall ensure the transparency of its non-tariff measures permitted under Article 2.5.1 and that they are not applied with a view to or with the effect of creating unnecessary obstacles to trade between the Parties.

Article 2.6. Subsidies and Countervailing Measures

The rights and obligations of the Parties in respect of subsidies shall be governed by Articles VI and XVI of the GATT 1994, the WTO Agreement on Subsidies and Countervailing Measures and the WTO Agreement on Agriculture.

Article 2.7. Safeguard MeasuresImposition of Bilateral Safeguard Measures

1. If as a result of the reduction or elimination of a customs duty (1) under this Agreement, an originating good of a Party

("the first Party") is being imported into the territory of the other Party ("the second Party") in such increased quantities, in absolute terms, or relative to domestic production, and under such conditions that the imports of such good from the first Party alone constitute a substantial cause of serious injury to the domestic industry of the second Party producing a like or directly competitive good, the second Party may, in accordance with this Article:

(1) A determination that an originating good is being imported as a result of the reduction or elimination of a duty provided for in this Agreement shall be made only if such reduction or elimination is a cause which contributes significantly to the increase in imports, but need not be equal to or greater than any other cause. The passage of a period of time between the commencement and termination of such reduction or elimination and the increase in imports shall not by itself preclude the determination referred in this footnote. If the increase in imports is demonstrably unrelated to such reduction or elimination, the determination referred in this footnote shall not be made.

(a) suspend the further reduction of any rate of duty provided for under this Agreement for such good; or

(b) increase the rate of duty on such good to a level not to exceed the lesser of

(i) the most-favoured nation (hereafter, "MFN") applied rate of duty in effect at the time the measure is taken; and

(ii) the MFN applied rate of duty in effect on the day immediately proceeding the date of entry into force of this Agreement; or

(c) in the case of a duty applied to a good on a seasonal basis, increase the rate of duty to a level not to exceed the lesser of the MFN applied rate of duty that was in effect on the good for the immediately preceding corresponding season or the date of entry into force of this Agreement.

Conditions and Limitations on the Imposition of Bilateral Safeguard Measures

2. The following conditions and limitations shall apply to an investigation or a bilateral safeguard measure under this Article:

(a) A Party shall immediately deliver written notice to the other Party upon:

(i) initiating an investigation described in Article 2.7.2(d) relating to serious injury; such notice shall state the reasons for initiating such investigation;

(ii) making a finding of serious injury caused by increased imports pursuant to the investigation described in Article 2.7.2(d); and

(iii) taking a decision to apply a safeguard measure under this Article;

(b) In making the notification referred to in Article 2.7.2(a), the Party proposing to apply a safeguard measure shall provide the other Party with all pertinent information, which shall include where available, evidence of serious injury caused by the increased imports, a precise description of the good involved and the proposed measure, the proposed date of introduction and the expected duration of the measure. The Party proposing to apply a measure is also obliged to provide, subject to Article 8.3, any additional information which the other Party considers necessary;

(c) A Party proposing to apply a measure shall provide adequate opportunity for prior consultations with the other Party as far in advance of taking any such measure as practicable, with a view to reviewing the information arising from the investigation conducted pursuant to Article 2.7.2(d), exchanging views on the measure and reaching an agreement on compensation under Article 2.7.4. The Parties shall in such consultations, teview, inter alia, the information provided under Article 2.7.2(b) to examine:

(i) compliance with this Article;

(ii) whether any proposed measure should be taken; and

(iii) whether any proposed measure would operate such as to constitute an unnecessary obstacle to trade between the Parties;

(d) A Party shall apply or take the measure only following an investigation by the competent authorities of that Party in accordance with Articles 3 and 4.2(c) of the WTO Agreement on Safeguards; and to this end, Articles 3 and 4.2(c) of the WTO Agreement on Safeguards are incorporated, mutatis mutandis, into and made a part of this Agreement;

(e) In undertaking the investigation described in Article 2.7.2.(d), a Party shall comply with the requirements of Articles 4.2(a) and (b) of the WTO Agreement on Safeguards; and to this end, Articles 4.2(a) and (b) are incorporated, mutatis mutandis, into and made a part of this Agreement;

(f) The investigation shall be promptly terminated and no measure shall be taken if imports of the good under investigation represent less than 5 per cent of apparent domestic consumption or less than 10 per cent of total imports (2);

(2) For the purposes of Article 2.7,.2(, the time frame to be used for calculating the applicable percentages shall be the 12 month period prior to the filing of an application to the Party requesting for the imposition of a safeguard measure.

(g) The investigation shall in all cases be completed within one year following its date of initiation;

(h) No measure shall be maintained:

(i) except to the extent and for such time as may be necessary to remedy serious injury and to facilitate adjustment;

(ii) for a period exceeding one year, except that in exceptional circumstances, the period may be extended by up to an additional two years, to a total maximum of three years from the date that the measure was first imposed, if the competent authorities of the Party applying such measure determine in conformity with procedures that are set out in Articles 2.7.2(a)-(g), that the safeguard measure continues to be necessary to prevent or remedy serious injury and to facilitate adjustment and that there is evidence that the industry is adjusting; or

(iii) beyond the expiration of the transition period;

(i) No investigation or bilateral safeguard measure shall be applied to the import of a particular good which has been previously subject to any other safeguard investigation under this Article; and

(j) Upon the termination of the safeguard measure, the rate of duty shall be the rate which would have been in effect if such measure was not applied.

Provisional Measures

3. In critical circumstances where delay would cause damage which would be difficult to repair, a Party may take a measure described in Article 2.7.1(a), (b) or (c) on a provisional basis pursuant to a preliminary determination that there is clear evidence that imports from the other Party have increased as a result of the reduction or elimination of a customs duty under this Agreement, and such imports constitute a substantial cause of serious injury, or threat thereof, to the domestic industry. The duration of such provisional measure shall not exceed 200 days, during which time the requirements of Articles 2.7.2(d) and 2.7.2(e) shall be met. Any increase in tariffs as a result of such provisional measure shall be promptly refunded if the investigation described in Article 2.7.2(d) does not result in a finding that the requirements of Article 2.7.1 are met. The duration of any provisional measure shall be counted as part of the period described in Article 2.7.2(g).

Compensation

4. The Party proposing to apply a measure described in Article 2.7.1 shall provide to the other Party mutually agreed adequate means of trade liberalizing compensation in the form of concessions having substantially equivalent trade effects or equivalent to the value of the additional duties expected to result from the measure. If the Parties are unable to agree on compensation within 30 days in the consultations under Article 2.7.2(c), the Party against whose originating good the measure is applied may take action having trade effects substantially equivalent to the measure applied under this Article. This action shall be applied only for the minimum period necessary to achieve the substantially equivalent trade effects. However, the right to take compensatory action shall not be exercised for the first 24 months from the date that the measure was applied, provided that the measure has been applied as a result of an absolute increase in imports and that the measure is in accordance with this Article.

Administration of Safeguard Investigation Proceedings

5. Each Party shall:

(a) ensure the consistent, impartial and reasonable administration of its laws, regulations, decisions and rulings governing all investigations described in Article 2.7.2(d);

(b) entrust determinations of serious injury in safeguard investigation proceedings to a competent investigating authority, subject to review by judicial or administrative tribunals, to the extent provided by domestic law. Negative injury determinations shall not be subject to modification, except by such review. The competent investigating authority empowered under domestic law to conduct such proceedings should be provided with the necessary resources to enable it to fulfil its duties; and

(c) adopt or maintain fair, timely, transparent and effective procedures for investigations described in Article 2.7.2(d).

Global Safeguard Measures

6. Each Party retains its rights and obligations under Article XIX of the GATT 1994 and the WTO Agreement on Safeguards. This Agreement does not confer any additional rights or obligations on the Parties with regard to actions taken pursuant to Article XIX of the GATT 1994 and the WTO Agreement on Safeguards, except that a Party taking a safeguard measure under Article XIX of the GATT 1994 and the WTO Agreement on Safeguards may exclude imports of an originating good from the other Party if such imports are not a substantial cause of serious injury or threat thereof.

Prohibition of Safeguard Investigations

7. No safeguard investigation described in Article 2.7.2(d) shall be initiated against a good, if the good is the subject matter of an anti-dumping measure.

Article 2.8. Anti-Dumping Measures

1. Except as otherwise provided in this Article, each Party retains its rights and obligations under the WTO Agreement on the Implementation of Article VI of the GATT 1994 (WTO Anti-Dumping Agreement). For the purposes of this Agreement, both Parties agree to the following changes in terms of implementation of the WTO Anti-Dumping Agreement, in order to bring greater discipline to anti- dumping investigations and to minimise the opportunities to use anti-dumping in an arbitrary or protectionist manner:

(a) the de minimis margin of 2 per cent, expressed as a percentage of the export price below which there shall be immediate termination of an investigation as provided for in Article 5.8 of the WTO Anti-Dumping Agreement, is taised to 5 per cent;

(b) the volume of dumped imports normally regarded as negligible under Article 5.8 of the WTO Anti-Dumping Agreement is raised from 3 per cent to 5 per cent of imports of the like good in the importing Party, below which there shall be an immediate termination of an investigation;

(c) Articles 2.8.1(a) and (b) shall apply to investigations and review cases initiated after the entry into force of this Agreement;

(d) Article 14 of the WTO Anti-Dumping Agreement on third country dumping shall not be applied by the Parties;

(e) the time frame to be used for determining material injury, calculation of the volume of dumped imports in an investigation or review shall be representative of the imports of both dumped and non-dumped goods and shall be for a reasonable period, and such reasonable period shall normally be at least 12 months;

(f) any anti-dumping duty shall be terminated on a date not later than 3 years from the date that the duty was imposed. In exceptional circumstances, the authorities of the Party applying such measure may initiate such review and consider the continued application of such measure;

(g) if a decision is taken to impose anti-dumping duty pursuant to Article 9.1 of the WTO Anti-Dumping Agreement, the Party taking such a decision, shall where possible, apply the ‘lesser duty’ rule, i.e. a duty which is less than the dumping margin where such lesser duty would be adequate to remove the injury to the domestic injury; and

(h) in the conduct of investigations and reviews, the margin of dumping and the resulting dumping duty based on such margin shall be calculated by strict price comparison on the basis of transaction to transaction, and weighted average to weighted average, and not weighted-average price and individual price. Where weighted-average prices are used, such prices shall be calculated based on the entire period of investigation, and not any particular period therein.

2. Immediately following the acceptance of a properly documented application from an industry in a Party for the initiation of an anti-dumping investigation in respect of goods from the other Party, the Party that has accepted the properly documented application shall immediately inform the other Party of the acceptance of the application. Should the recipient Party observe any variation in the volume statistics relating to exports and imports, consultations with a view to reaching a satisfactory solution shall take place upon the recipient Party's request and such solution shall be reached within 30 days from receipt of such request.

3. No anti-dumping investigations shall be initiated against a good if that good is subject to a safeguard measure under Article 2.7.

Article 2.9. Restrictions to Safeguard the Balance of Payments

Article XII of the GATT 1994 and the Understanding on the Balance-of-Payments Provisions of the GATT 1994 shall apply to measures taken by any Party for balance of payments purposes for trade in goods.

Article 2.10. General Exceptions

Subject to the requirement that such measures are not applied in a manner which would constitute a means of arbitrary or unjustifiable discrimination between the Parties where the same conditions prevail, or a disguised restriction on international trade, nothing in this Agreement shall be construed to prevent the adoption or enforcement by any Party of measures:

(a) necessary to protect public morals;

(b) necessary to protect human, animal or plant life or health;

(c) relating to the importations or exportations of gold or silver;

(d) necessary to secure compliance with laws or regulations which are not inconsistent with the provisions of this Agreement, including those relating to customs enforcement, the enforcement of monopolies operated under paragraph 4 of Article II and Article XVII of the GATT 1994, the protection of patents, trade marks and copyrights, and the prevention of deceptive practices;

(e) relating to the products of prison labour;

(f) imposed for the protection of national treasures of artistic, historic or archaeological value;

(g) relating to the conservation of exhaustible natural resources if such measures are made effective in conjunction with restrictions on domestic production or consumption;

(h) undertaken in pursuance of obligations under any intergovernmental commodity agreement which conforms to criteria submitted to the WTO and not disapproved by it or which is itself so submitted and not so disapproved;

(i) involving restrictions on exports of domestic materials necessary to ensure essential quantities of such materials to a domestic processing industry during periods when the domestic price of such materials is held below the world price as part of a governmental stabilization plan; provided that such restrictions shall not operate to increase the exports of or the protection afforded to such domestic industry, and shall not depart from the provisions of this Agreement relating to non discrimination;

(j) essential to the acquisition or distribution of products in general or local short supply; provided that any such measures shall be consistent with the principle that all WTO members are entitled to an equitable share of the international supply of such products, and that any such measures which are inconsistent with the other provisions of this Agreement shall be discontinued as soon as the conditions giving rise to them have ceased to exist.

Article 2.11. Definitions

For the purposes of this Chapter and Annex 2A, a reference to:

(a) “Annex 2A” includes its headnotes;

(b) “customs duties and charges having equivalent effect” means charges imposed by a Party in accordance with the customs tariffs on imported goods, as well as other charges imposed on imported goods and excludes the taxes, duties and charges referred to in Articles 2.2.4(a)-(b).

(c) “domestic industry” means the producers as a whole of the like or directly competitive good operating in the territory of a Party, or those whose collective output of the like or directly competitive goods constitutes a major proportion of the total domestic production of the goods;

(d) “GATT 1994” means the GATT 1994 in effect on the date of entry into force of this Agreement, and includes the interpretive notes, where applicable.

(e) “serious injury” means a significant overall impairment in the position of a domestic industry;

(f) “transition period” means the 15-year period following entry into force of this Agreement.

Chapter 3. RULES OF ORIGIN

Section A. DEFINITIONS

Article 3.1. Definitions

For purposes of this Chapter:

1. “appraised value” means the value determined under Articles 1 through 8, Article 15 and the corresponding interpretative notes of the WTO Customs Valuation Agreement, as adjusted to exclude any costs, charges, or expenses incurred for transportation, insurance, and related services incident to the international shipment of the merchandise from the country of exportation to the place of importation;

2. “fungible goods or materials” means goods or materials that are interchangeable for commercial purposes and whose properties are essentially identical;

3. “generally accepted accounting principles” means the recognized consensus or substantial authoritative support in the territory 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;

4. “goods wholly obtained in the territory of one or both of the Parties” means goods that are:

(a) mineral goods extracted there;

(b) vegetable goods, as such goods are defined in the Harmonized System, harvested there;

(c) live animals born and raised there;

(d) goods obtained from hunting, trapping, fishing, or aquaculture conducted there;

(e) goods (fish, shellfish, and other marine life) taken from the sea by vessels registered or recorded with a Party and flying its flag;

(f) goods produced exclusively from goods referred to in Article 3.1.4(e) on board factory ships registered or recorded with a Party and flying its flag;

(g) goods taken by a Party, or a person of a Party, from the seabed or beneath the seabed outside territorial waters, provided that the Party has rights to exploit such seabed; or

(h) waste and scrap derived from

(i) production there; or

(ii) used goods collected there, provided that such goods are fit only for the recovery of raw materials;

5. “goods produced entirely in the territory of one or both of the Parties” means goods that are produced there exclusively from goods referred to in Article 3.1.4 or from their derivatives, at any stage of production.

6. “Harmonized System” means the Harmonized Commodity Description and Coding System;

7. “indirect material” means a good used in the production, testing or inspection of a good but not physically incorporated into the good, or a good used in the maintenance of buildings or the operation of equipment associated with the production of a good, including:

(a) fuel and energy;

(b) tools, dies, and molds;

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

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

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

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

(g) catalysts and solvents; and

(h) 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;

8. “material” means a good that is used in the production of another good;

9. “non-originating material” means a material that has not satisfied the requirements of this Chapter;

10. “preferential treatment” means the customs duty rate and any other charges having equivalent effect and treatment under Article 2.2 that is applicable to an originating good pursuant to this Agreement;

11. “producer” means a person who grows, raises, mines, harvests, fishes, traps, hunts, manufactures, processes, assembles or disassembles a good;

12. “production” means growing, raising, mining, harvesting, fishing, trapping, hunting, manufacturing, processing, assembling or disassembling a good; and

13. “used” means used or consumed in the production of goods.

Section B. ORIGIN DETERMINATION

Article 3.2. Criteria of Origin

For purposes of this Agreement, an originating good means a good which fulfils Article3.12 and any of the following:

(a) wholly obtained in the territory of a Party;

(b) produced entirely in the territory of one or both of the Parties; or

(c) for goods:

(i) other than goods subject to Article 3.3, fulfills a minimum of a local value content of 35%, calculated using the following method:

LVC = AV - VNM / AV x 100

Where:

“LVC” is the local value content, expressed as a percentage;

“AV” is the appraised value; and

“VNM” is the value of non-originating materials that are acquired and used by the producer in the production of the good.

(ii) subject to Article 3.3, satisfies the conditions set out in Article 3.3.

Article 3.3. Textile and Apparel Goods

General rule:

A textile or apparel good shall be considered to be wholly the growth, product or manufacture of a Party, or a new or different article of commerce that has been grown, produced, or manufactured in a Party; only if

(a) the good is wholly obtained or produced in a Party;

(b) the good is a yarn, thread, twine, cordage, rope, cable, or braiding, and,

(i) the constituent staple fibers are spun in that Party, or

(ii) the continuous filament is extruded in that Party;

(c) the good is a fabric, including a fabric classified under Chapter 59 of the Harmonized System, and the constituent fibers, filaments, or yarns are woven, knitted, needled, tufted, felted, entangled, or transformed by any other fabric-making process in that Party; or

(d) the good is any other textile or apparel product that is wholly assembled in that Party from its component pieces.

2. Special rules:

(a) Notwithstanding Article 3.3.1(d), and except as provided in Articles 3.3.2(c) and (d), whether this Agreement shall apply to a good that is classified under one of the following Harmonized System headings or subheadings shall be determined under Article 3.3.1(a), (b) or (c), as appropriate: 5609, 5807, 5811, 6209.20.50.40, 6213, 6214, 6301, 6302, 6304, 6305, 6306, 6307.10, 6307.90, 6308, or 9404.90.

(b) Notwithstanding Article 3.3.1(d), and except as provided in Articles 3.3.2(c) and (d), this Agreement shall apply to a textile or apparel good which is knit to shape in a Party.

(c) Notwithstanding Article 3.3.1(d), this Agreement shall apply to goods classified under Harmonized System heading 6117.10, 6213.00, 6214.00, 6302.22, 6302.29, 6302.52, 6302.53, 6302.59, 6302.92, 6302.93, 6302.99, 6303.92, 6303.99, 6304.19, 6304.93, 6304.99, 9404.90.85, or 9404.90.95, except for goods classified under such headings as of cotton or of wool or consisting of fiber blends containing 16 percent or more by weight of cotton, if the fabric in the goods is both dyed and printed, when such dyeing and printing is accompanied by 2 or more of the following finishing operations: bleaching, shrinking, fulling, napping, decating, permanent stiffening, weighting, permanent embossing, or moireing.

(d) Notwithstanding Article 3.3.1(c), this Agreement shall apply to fabric classified under the Harmonized System as of silk, cotton, man-made fiber or vegetable fiber if the fabric is both dyed and printed in a Party, and such dyeing and printing is accompanied by 2 or more of the following finishing operations: bleaching, shrinking, fulling, napping, decating, permanent stiffening, weighting, permanent embossing, or moireing.

Article 3.4. Value of Materials

The value of a material used in production of a good in a Party shall be the Cost, Insurance and Freight (CIF) value and shall be determined in accordance with Article VII of the GATT 1994 and the WTO Agreement on Customs Valuation, or, if this is not known and cannot be ascertained, the first ascertainable price known by the manufacturer to have been paid for the material in the Party.

Article 3.5. Minimal Operations

A good shall not be considered to be originating solely by reason of:

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

(b) preserving operations to ensure that the good remains in good condition during transport and storage;

(c) bulk breaking and assembly of packages;

(d) washing, cleaning; removal of dust, oxide, oil, paint or other coverings;

(e) ironing or pressing of textiles;

(f) simple painting and polishing operations;

(g) husking, partial or total bleaching, polishing and glazing of cereals and rice;

(h) operations to color sugar or form sugar lumps;

(i) peeling, stoning and shelling, of fruits, nuts and vegetables;

(j) sharpening, simple grinding or simple cutting;

(k) sifting, screening, sorting, classifying, grading, matching; (including the making-up of sets of articles);

(l) simple placing in bottles, cans, flasks, bags, cases, boxes, fixing on cards or boards and all other simple packaging operations;

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

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

(o) simple assembly of parts of articles to constitute a complete article or disassembly of products into parts;

(p) a combination of two or more operations specified in Articles 3.5(a)-(o); or

(q) slaughter of animals.

Article 3.6. Accumulation

1. For the purpose of determining whether a good is an originating good of the other Party, either Party shall consider the production in its territory as that in the territory of the other Party, where such good is produced in the territory or territories of one or both Parties.

2. The production of a Party includes the production at different stages undertaken by one or more producers located in its territory.

3. The Parties shall explore the application of the concept of diagonal accumulation between the Parties and third parties should there be a free trade agreement between each of the Parties and the third party in question.

Article 3.7. Accessories, Spare Parts and Tools

Each Party shall provide that accessories, spare parts, or tools delivered with a good that form part of the good's standard accessories, spare parts, or tools, shall be taken into account as originating or non-originating materials, as the case may be, in calculating the local value content of the good.

Article 3.8. Fungible Goods and Materials

1. Each Party shall provide that the determination of whether fungible goods or materials are originating goods shall be made either by physical segregation of each good or material or through the use of any inventory management method, such as averaging, last-in, first-out, or first-in, first out, recognized in the generally accepted accounting principles of the Party in which the production is performed or otherwise accepted by the Party in which the production is performed.

2. Each Party shall provide that that an inventory management method selected under Article 3.8.1 for particular fungible goods or materials shall continue to be used for those fungible goods or materials throughout the fiscal year of the person that selected the inventory management method.

Article 3.9. Packaging Materials and Containers for Retail Sale

Each Party shall provide that the value of packaging materials and containers in which a good is packaged for retail sale, shall be taken into account as originating or non- originating materials, as the case may be, in calculating the local value content of the good.

Article 3.10. Packing Materials and Containers for Shipment

Each Party shall provide that packing materials and containers in which a good is packed for shipment shall be disregarded in determining whether the good satisfies the local value content requirement.

Article 3.11. Indirect Materials

Each Party shall provide that an indirect material shall be treated as an originating material without regard to where it is produced and its value shall be the cost registered in the accounting records of the producer of the good.

Article 3.12. Direct Transpor

A good shall be considered to be directly transported if the good is:

(a) transported directly from the territory of a Party to the territory of the other Party;

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

(i) did not undergo operations other than packing, packaging, unloading, reloading or operations to preserve them in good condition in the territory of any such non-Party; and

(ii) were not traded or used in the territory of any such non-Party ; and

(iii) invoices and bills of lading show that the good was shipped from a Party, and that the other Party is the final destination.

Section C. SUPPORTING INFORMATION AND VERIFICATION

Article 3.13. Certificate of Origin

1. Goods eligible for preferential treatment shall be supported by a Certificate of Origin issued by the relevant authorities of the exporting Party and notified to the other Party.

2. Such Certificate of Origin shall include minimum data specified in Annex 3A.

3. The issued Certificate of Origin shall be valid for 12 months from the date of issue and must be submitted within such period to the customs authorities of the importing Party.

4. Each Party shall inform the other Party of the names and addresses of its authorized officials issuing the Certificate of Origin and shall provide specimen signatures and official seals used by such government officials.

5. Any change in the names, addresses, signatures or official seals referred to in Article 3.13.4 shall be promptly notified to the other Party.

6. A Certificate of Origin for an originating good shall be completed in the English language.

7. Each Party shall:

(a) require an exporter in its territory to complete and sign an application for a Certificate of Origin for any good for which an importer may claim preferential tariff treatment on importation of the good into the territory of the other Party; and

(b) provide that where an exporter in its territory is not the producer of the good, the exporter may complete and sign an application for a Certificate of Origin on the basis of:

(i) its knowledge that the good qualifies as an originating good,

(ii) its reasonable reliance on the producer's written representation that the good qualifies as an originating good.

8. Each Party shall provide that a Certificate of Origin that has been issued by its relevant authorities is valid for a single shipment of the good into the other Party's territory.

Article 3.14. Claims for Preferential Treatment

1. The importing Party shall grant preferential treatment to goods imported into its territory from the other Party, provided that the importer claiming preferential tariff treatment:

(a) has the original Certificate of Origin or an authenticated copy thereof in its possession; and

(b) provides the original Certificate of Origin or an authenticated copy thereof if requested by the importing Party.

2. Where an authenticated copy of the Certificate of Origin is used, such copy shall be certified true and correct by the relevant authorities of the exporting Party and carry the date of the authentication, the signature of the certifying officers and the name and stamp of the relevant authorities.

3. The importing Party may, in addition to the conditions listed in Article 3.14.1, require the importer claiming preferential tariff treatment to make a written declaration that the good qualifies as an originating good, in accordance with the domestic law and procedures of the importing Party.

4. The importing Party shall grant preferential tariff treatment to goods imported after the date of entry into force of this Agreement, even if the conditions in Article 3.1.4.1 were not fulfilled at time of import, if:

(a) a sum amounting to the rate of customs duties payable is paid at the time of import;

(b) the importer indicates at time of import of goods that a claim of preferential tariff treatment will be made subsequently; and

(c) the claim for preferential tariff treatment is made and the documents required under Article 3.14.1 are provided within 7 days from the date of payment of the sum in Article 3.14.4(a), or such longer period as provided for under the importing Party's domestic laws, subject to domestic laws and practices in the importing Party.

5. Upon satisfaction of the conditions in this paragraph, the importing Party shall refund the difference between the

preferential customs duties and charges and non- preferential duties and charges to the importer.

Article 3.15. Obligations Relating to Importations

1. Each Party shall grant preferential treatment under this Agreement for any claim made in accordance with this Section, unless the Party possesses information that the claim is invalid.

2. A Party may deny preferential treatment under this Agreement to an imported good if the importer fails to comply with any requirement of this Chapter.

3. If a Party denies a claim for preferential treatment under the Agreement, it shall issue a written determination within 30 days from the date of denial, containing its findings of fact and the legal basis for the determination.

Article 3.16. Waiver of Requirement for Certificate of Origin

The importing Party shall not require a Certificate of Origin from importers for:

(a) an importation of a consignment of a good whose aggregate customs value does not exceed USD$1000 or its equivalent amount; or

(b) an importation of a good into its territory, for which the importing Party has waived the requirement for a certification of origin.

Article 3.17. Record Keeping Requirement

Each Party may require that importers maintain for up to 3 years after the date of importation, records relating to the importation of the good, and may require that an importer provide, upon request, records which are necessary to demonstrate that a good qualifies as an originating good, including records concerning:

(a) the purchase of, cost of, value of, and payment for, the good;

(b) the purchase of, cost of, value of, and payment for, all materials, including indirect materials, used in the production of the good; and

(c) the production of the good in the form in which the good is exported.

Article 3.18. Cooperation on Verification on Certificates of Origin

1. The importing Party may request the certifying authorities of the exporting Party to assist it in verifying:

a. the authenticity of a Certificate of Origin issued by the exporting Party and/or

b. the accuracy of any information contained in the Certificate of Origin issued by the exporting Party.

2. For the purpose of Article 3.18.1, the customs administration of the importing Party shall provide the certifying authority of the exporting Party with:

a. the reasons why such assistance is sought,

b. the Certificate of Origin, or a copy thereof; and

c. any information and documents as may be necessary for the purpose of such assistance.

3. Any verification carried out pursuant to this Article shall be carried out by the certifying authorities of the exporting Party.

Article 3.19. Verification

1. For the purposes of determining whether a good imported into its territory from the territory of the other Party qualifies as an originating good, a Party may conduct a verification by means of:

(a) requests for information from the importer;

(b) written requests for information to an exporter or a producer in the territory of the other Party through the customs authorities of the exporting Party;

(c) visits to the premises of an exporter or a producer in the territory of the other Party, with their consent and in accordance with any procedures that the Parties jointly adopt pertaining to such verification; or

(d) such other procedures as the Parties may agree.

2. The Party conducting a verification shall provide the exporter or producer whose good is the subject of the verification with a written determination of whether the good qualifies as an originating good, including findings of fact and the legal basis for the determination.

3. Where verifications by a Party indicate a pattern of conduct by an exporter or a producer of false or unsupported representations that a good imported into its territory qualifies as an originating good, the Party may withhold preferential tariff treatment to identical goods exported or produced by such exporter or producer until that exporter or producer establishes compliance with rules of origin in this Chapter.

4. Each Party shall provide that where it determines that a certain good imported into its territory does not qualify as an originating good based on a tariff classification or a value applied by the Party to one or more materials used in the production of the good, which differs from the tariff classification or value applied to the materials by the Party from whose territory the good was exported, the Party's determination shall not become effective until it notifies in writing both the importer of the good and the person that completed and signed the Certificate of Origin for the good of its determination.

5. If a Party denies preferential tariff treatment to a good pursuant to a determination made under Article 3.19.4, it shall postpone the effective date of the denial of preferential tariff treatment for a period not exceeding 90 days where the importer of the good or the person who completed and signed the Certificate of Origin for the good demonstrates that it has relied in good faith to its detriment on the tariff classification or value applied to such materials by the customs administration of the Party from whose territory the good was exported.

Article 3.20. Advanced Rulings

1. The importing Party shall provide for the issuance of written advance rulings to a person described in Article 3.20.2(a) concerning tariff classification of a good under this Agreement, prior to the importation of such good into its territory.

2. Each Party shall adopt or maintain procedures for the issuance of advance rulings that:

(a) provide that an importer in its territory or an exporter or producer in the territory of the other Party, or their agents, may request such a ruling prior to the importation in question;

(b) include a detailed description of the information required to process a request for an advance ruling; and

(c) provide that the advance ruling be based on the facts and circumstances presented by the person requesting the ruling.

3. Each Party shall provide that its customs authorities:

(a) may request, at any time during the course of evaluating a request for an advance ruling, additional information necessary to evaluate the request;

(b) shall issue the advance ruling expeditiously, and within 120 days after obtaining all necessary information; and

(c) shall provide, upon request of the person who requested the advance ruling, a full explanation of the reasons for the ruling.

4. Subject to Article 3.20.5, each Party shall provide that an advance ruling issued by its customs authorities is effective either on the date of issuance of the ruling or on such date(s) as may be specified in the advance ruling. The treatment provided by the advance ruling shall be applied to importations without regard to the identity of the importer, exporter or producer, provided that the facts and circumstances are identical in all material respects.

5. A Party may modify or revoke an advance ruling issued by its customs authorities upon its determination that:

(a) the ruling was based on an error of fact or law; or

(b) if there is a change of either the law (and that such change in law is not inconsistent with this Agreement), material facts or circumstances on which the advance ruling is based.

The issuing Party shall notify the applicant of such modification or revocation. The issuing Party may postpone the effective date of such modification or revocation for a period of not less than 60 days if the person to whom the ruling was issued has relied in good faith on that ruling.

Section D. CONSULTATIONS, MODIFICATIONS AND APPLICATION

Article 3.21. Consultations, Modifications and Application

1. The Parties shall consult and cooperate to ensure that this Chapter is applied in an effective and uniform manner.

2. The Parties shall consult as provided in Article 8.1 to discuss necessary amendments to this Chapter and Annex 3A, taking into account developments in technology, production processes, and other related matters.

3. For the purposes of this Chapter:

(a) the basis for tariff classification is the Harmonized System;

(b) any cost and value referred to in this Chapter shall be recorded and maintained in accordance with the generally accepted accounting principles applicable in the territory of the Party in which the good is produced.

Chapter 4. TRADE IN SERVICES

Article 4.1. Scope and Coverage

This Chapter applies to measures by a Party affecting trade in services between the Parties.

Article 4.2. Market Access

1. With respect to market access through the modes of supply identified in Article 1:2(a)-(d) of the GATS, each Party shall accord services and service suppliers of the other Party treatment no less favorable than that provided for under the terms, limitations and conditions agreed and specified in its Schedule of specific commitments (3).

(3) If a Party undertakes a market-access commitment in relation to the supply of a service through the mode of supply referred to in sub-paragraph 2(a) of Article I of the GATS 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 sub-paragraph 2(c) of Article 1 of the GATS, it is thereby committed to allow related transfers of capital into its territory.

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 of specific commitments, are those measures set out in Article XVI:2 (a)-(f) of the GATS.

Article 4.3. National Treatment

1. In the sectors inscribed in its Schedule of specific commitments, and subject to any conditions and qualifications set out therein, each 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 favorable than that it accords to its own like services and service suppliers (4).

(4) 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.

2. A Party may meet the requirement of Article 4.3.1 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 a Party compared to like services or service suppliers of the other Party.

Article 4.4. Incorporation of Provisions from the GATS (5)

(5) - Nothing in this Chapter shal! constitute an obligation on a Party towards Article II of the GATS. - Nothing in this Chapter shall require a Party

to take any action with regard to the WTO or a Council, Committee, Body or the Ministerial Conference of the WTO.

1. The following provisions of the GATS shall be incorporated into this Chapter, mutatis mutandis, as if those provisions were fully set out herein.

a. Articles I:2-3; IX; and XIV:(a)-(d);

b. Paragraphs 1, 2 and 4 of the Annex on Movement of Natural Persons Supplying Services under the Agreement; the Annex on Financial Services; paragraphs 1, 2, 3, 4 and 6 of the Annex on Air Transport Services; and paragraphs 1-5 of the Annex on Telecommunications.

2. Article XXVIII of the GATS is incorporated into this Chapter, mutatis mutandis, as if those provisions were fully set out herein, except sub-paragraph (k) of Article XXVIII of the GATS which the Parties agree to incorporate as modified below:

"natural person of a Party means a natural person who resides in the territory of the Party or elsewhere and who under the law of that Party:

a. is a national of that Party; or

b. has the right of permanent residence in that Party."

3. For the purposes of incorporation of the GATS under Article 4.4.1 and Article 4.4.2, any reference in the GATS to:

a. "Member" refers to "Party";

b. "Members" or "Countries" refers to "Parties";

c. "Article II" refers to Article 4.14 of this Agreement;

d. "Article VII" refers to Article 4.10 of this Agreement;

e. "Article XVI" refers to Article 4.2 of this Agreement; and

f. "Article XVII" refers to Article 4.3 of this Agreement.

4. The Parties shall review the treatment of safeguard measures, subsidies and domestic regulation in the context of developments at the WTO including the results of the negotiations on disciplines on domestic regulation measures pursuant to Article VI:4 of the GATS. Pursuant to such developments, the Parties shall enter into consultations to consider any amendment to this Agreement as appropriate.

5. Unless they are specifically defined in the Parties' Schedules of specific commitments, terms used in such Schedules that are also used in the Parties' GATS Schedules of specific commitments shall be construed, mutatis mutandis, in accordance with their meaning in the GATS.

6. Any reference in this Chapter to a provision of the GATS includes any footnote to that provision.

7. All references in this Chapter to the GATS are to the GATS in effect on the date of entry into force of this Agreement.

Article 4.5. Schedule of Specific Commitments

1. Each Member shall set out in a schedule the specific commitments it undertakes under Articles 4.2, 4.3 and 4.6. 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;

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

(e) the date of entry into force of such commitments.

2. Measures inconsistent with both Articles 4.2 and 4.3 shall be inscribed in the column relating to Article 4.2. In this case the inscription will be considered to provide a condition or qualification to Article 4.3 as well.

3. a. Jordan's Schedule of specific commitments is set out in Annex 4A.

b. Singapore's Schedule of specific commitments is set out in Annex 4B.

4. Neither Party may amend or otherwise modify its Schedule of specific commitments unless in accordance with Article 4.5.5.

5. The Parties shall, on request in writing by either Party, hold consultations within three months from the date of such request to consider any modification or withdrawal of a commitment in the Schedule of specific commitments. In such consultations, the Parties shall aim to ensure that a general level of mutually advantageous commitments not less favourable to trade than that provided for the in the Schedule of specific commitments prior to such consultations is maintained. Such modifications shall take effect on such dates as may be agreed by the Parties.

Article 4.6. Additional Commitments

The Parties may negotiate commitments with respect to measures affecting trade in services not subject to scheduling under Articles 4.2 or 4.3, including those regarding qualifications, standards or licensing matters. Such commitments shall be inscribed in a Party's Schedule of specific commitments.

Article 4.7. New Services

At the meetings of the Joint Committee pursuant to Article 8.1, the Parties shall consider possible ways of improving commitments in the context of new services, taking into account the level of development of such services in each Party.

Article 4.8. Recognition

1. For the purposes of the fulfillment of its standards or criteria for the authorization, licensing or certification of services suppliers, a Party may recognize the education or experience obtained, requirements met, or licenses or certifications granted in the other Party.

2. The Parties shall encourage their relevant competent bodies to enter into negotiations on recognition of professional qualifications and/or registration procedures with a view to the achievement of early outcomes.

Article 4.9. Domestic Regulation

1. Paragraphs 1, 2, 3 and 6 of Article VI of the GATS are incorporated into this Chapter, mutatis mutandis, as if those provisions were fully set out herein.

2. Pending the incorporation of disciplines pursuant to Article VI:4 of the GATS, for sectors where a Party has undertaken specific commitments in its Schedule of specific commitments and subject to any terms, limitations, conditions or qualifications set out therein, a Party shall not apply licensing and qualification requirements and technical standards that nullify or impair such specific commitments in a manner which:

a. does not comply with the following criteria:

i. Requirements and standards referred to in Article 4.9.2 shall be based on objective and transparent criteria, such as competence and the ability to supply the service;

ii. Requirements and standards referred to in Article 4.9.2 shall not be more burdensome than necessary to ensure the quality of the service;

iii. In the case of licensing procedures, such licensing procedures referred to in Article 4.9.2 shall not be in themselves a restriction on the supply of the service;

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

3. In determining whether a Party is in conformity with the obligation under Article 4.9.2, account shall be taken of international standards of relevant international organisations (6) applied by that Party.

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

Article 4.10. Monopolies and Exclusive Service Suppliers

1. Paragraphs 1, 2 and 5 of Article VIII of the GATS are incorporated into this Chapter, mutatis mutandis, as if those provisions were fully set out herein.

2. 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 paragraphs 1 or 2 of Article VIII of the GATS, it may request the other Party establishing, maintaining or authorizing such supplier to provide specific information concerning the relevant operations.

Article 4.11. Government Procurement

Articles 4.2 and 4.3 shall not apply to laws, regulations or requirements governing the procurement by governmental 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.

Article 4.12. Payments and Transfers

1. Except under the circumstances envisaged in Article 4.13, 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, including the use of exchange actions which are in conformity with the said Articles of Agreement, provided that a Party shall not impose restrictions on any capital transactions in a manner inconsistent with its specific commitments regarding such transactions, except as otherwise provided under Article 4.13 or at the request of the International Monetary Fund.

Article 4.13. Restrictions to Safeguard Balance of Payments

1. In the event of serious balance of payments and external financial difficulties or threat thereof, a Party may adopt or maintain restrictions on trade in services on which it has undertaken specific commitments, including on payments or transfers for transactions relating to such commitments. It is recognised that particular pressures on the balance of payments of a Party in the process of economic development may necessitate the use of restrictions to ensure, inter alia, the maintenance of a level of financial reserves adequate for the implementation of its programme of economic development.

2. The restrictions referred to in Article 4.13.1 shall:

a. be consistent with the Articles of Agreement of the International Monetary Fund;

b. avoid unnecessary damage to the commercial, economic and financial interests of the other Party;

c. not exceed those necessary to deal with the circumstances described in Article 4.13.1;

d. be temporary and be phased out progressively as the situation specified in Article 4.13.1 improves; and

e. be applied on a basis such that the other Party is treated no less favorably than any non-Party.

3. In determining the incidence of such restrictions, Parties may give priority to the supply of services which are more essential to their economic or development programmes. However, such restrictions shall not be adopted or maintained for the purpose of protecting a particular service sector.

Any restrictions adopted or maintained under Article 4.13.1, or any changes therein, shall be promptly notified 4. to the other Party.

5. The Party adopting any restrictions under Article 4.13.1 shall commence consultations with the other Party in order to review the restrictions adopted by it.

Article 4.14. Transparency

1. Each Party shall publish promptly and, except in emergency situations, at the latest by the time of their entry into force, all relevant measures of general application which pertain to or affect the operation of this Chapter. International agreements

pertaining to or affecting trade in services to which a Party is a signatory shall also be published.

2. Where publication as referred to in 4.14.1 is not practicable, such information shall be made otherwise publicly available.

3. Each Party shall respond promptly to all requests by the other Party for specific information on any of its measures of general application or international agreements within the meaning of Article 4.14.1. Any request for specific information shall be made to the Contact Point designated by a Party pursuant to Article 8.2.

Article 4.15. Denial of Benefits

A Party may deny the benefits of this Chapter:

a. to the supply of a service, if it 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 it establishes that the service is supplied:

i. by a vessel registered under the laws of a non-Party, and

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

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

Article 4.16. Telecommunications

After 4 years of the entry into force of this Agreement and at subsequent meetings of the Joint Committee pursuant to Article 8.1, the Parties shall review their commitments in telecommunications services under this Agreement with a view to making improved commitments to each other in the area of telecommunications regulation, taking into account developments in the telecommunications environment in both Parties. If, at the first and second meetings of the Joint Committee, there is mutual interest by both Parties, they will review their commitments in the telecommunications services.

Article 4.17. Financial Services Cooperation

The Parties recognize the growing importance of financial services, including capital markets (7), treasury (8) and commodities. In their efforts to promote financial services, including Islamic financial services and facilitate the development of financial markets, the Parties agree to develop a framework for mutual understanding and cooperation between the regulators of both Parties.

(7) Covers fund raising, distribution and trading activities in debt, loan syndication, equity markets, clearance and settlements.

(8) Covers foreign exchange and derivatives.

Article 4.18. Transport Cooperation

The Parties shall encourage, as appropriate, cooperation between their enterprises, associations and authorities operating in the field of land, maritime and aviation transport in order to facilitate the transportation of passengers and flow of goods between the Parties.

Chapter 5. ELECTRONIC COMMERCE

Article 5.1. Electronic Transmissions

Recognizing the economic growth and opportunities provided by electronic commerce and the importance of avoiding barriers to its use and development, each Party shall seek to tefrain from:

a. deviating from its existing practice of not imposing customs duties on electronic transmissions;

b. imposing unnecessary barriers on electronic transmissions, including digitized products; and

c. impeding the supply through electronic means of services subject to a commitment under Chapter 4, except as otherwise

set forth in the Party's Schedule of specific commitments.

Article 5.2. Transparency

The Parties shall make publicly available all relevant laws, regulations, and requirements affecting electronic commerce.

Chapter 6. BUSINESS COOPERATION

Article 6.1. Scope and Coverage

The Parties recognise that efforts to facilitate exchange and collaboration between private enterprises of the Parties will act as a catalyst to promote trade and investment in Jordan, Singapore, the Middle East and Southeast Asia. To this end, the Parties shall cooperate in promoting trade and investment activities by private enterprises of the Parties.

Article 6.2. Forms of Cooperation

For the purposes of Article 6.1, cooperation between the Parties means the following:

a. jointly organising industry-specific missions with a focus on high growth sectors, including but not limited to, the info-communications technology, electronics, water treatment, healthcare and logistics sectors;

b. promoting business alliances between the private enterprises of the Parties with a view to exploring business opportunities through business matching in Jordan, Singapore, the Middle East and Southeast Asia;

c. developing a one-stop business information database to facilitate business activities between the Parties;

d. establishing a trade promotion helpdesk to facilitate business activities between the Parties;

e. encouraging the national carriers of the Parties to promote air links between Jordan and Singapore to facilitate business and tourism-related travel; and

f. encouraging private sector enterprises of the Parties to explore opportunities for investment in industrial zones, including the establishment and management of such zones.

Article 6.3. Review

The Parties shall, at the meetings of the Joint Committee pursuant to Article 8.1, review the forms of cooperation set forth in this Chapter and shall, where appropriate, recommend ways or areas of further cooperation between the Parties.

Chapter 7. DISPUTE SETTLEMENT

Article 7.1. Scope and Coverage

1. The provisions of this Chapter and Annex 7A shall apply with respect to the avoidance or settlement of disputes between the Parties concerning their rights and obligations under this Agreement.

2. The rules, procedures and timeframes set out in this Chapter and Annex 7A may be waived, varied or modified by the mutual written agreement of the Parties.

3. Where a dispute regarding any matter referred to in Articles 7.2.2(a) and (b) arises under both this Agreement and the WTO Agreement and any amendments thereto, the complaining Party may select the forum in which to settle the dispute.

4. Once dispute settlement procedures have been initiated by a complaining Party, the forum selected shall be used to the exclusion of the other.

5. For the purposes of Article 7.1.4, a Party shall be deemed to have selected a forum when it has requested the establishment of, or referred the matter to, a dispute settlement panel or arbitral tribunal.

Article 7.2. Consultations

1. The Parties shall at all times endeavour to agree on the interpretation and application of this Agreement, and shall make

every attempt possible to arrive at a mutually satisfactory resolution of any matter that might affect its operation.

2. A Party may make a request for consultations with the other Party whenever it considers:

(a) that a measure of the other Party is inconsistent with the provisions of this Agreement; or

(b) that a benefit accruing to it under this Agreement, either directly or indirectly, is being nullified or impaired by a measure applied by the other Party as a result of a measure that is not inconsistent with this Agreement.

3. Any request for consultations shall be submitted in writing and shall give the reasons for the request, including identification of the measures at issue and an indication of the legal basis of the complaint.

4. If a request for consultations is made, the Party to which the request is made shall reply to the request within 7 days after the date of its receipt and shall enter into consultations within a period of no more than 30 days after the date of receipt of the request, with a view to reaching a mutually satisfactory solution.

5. The Parties shall provide each other with sufficient information as may be reasonably available to them to enable a full examination of how the measure might affect the operation of the Agreement and they shall treat as confidential any information exchanged in the consultations which the other Party has designated as confidential.

Article 7.3. Reference of Disputes to the Joint Committee or the Arbitral Tribunal

1. If the Parties fail to resolve a dispute within 30 days of the commencement of consultations under Article 7.2, either Party may refer the matter to the Joint Committee, which shall convene and endeavour to resolve the dispute as it deems appropriate.

2. If a matter referred to the Joint Committee has not been resolved within a period of 45 days after the dispute was referred to it, or within such other period as the Joint Committee has specified, the complaining Party may make a written request to the other Party to appoint an arbitral tribunal, which should include a statement of the claim and the grounds on which it is based.

3. Any matter relating to the arbitral tribunal, including its constitution and functioning is governed by Annex 7A.

Chapter 8. GENERAL PROVISIONS

Article 8.1. Joint Committee

1. A Joint Committee is hereby established to supervise the proper implementation of this Agreement and to review the trade relationship between the Parties.

2. The functions of the Joint Committee shall include, inter alia,:

(a) reviewing the functioning and results of this Agreement and the Bilateral Investment Treaty signed between the Parties at Amman, Jordan on 16 May 2004 (hereafter, "the Bilateral Investment Treaty"), in light of their objectives, and considering ways of improving trade relations, investment and cooperation between the Parties, and furthering the objectives of this Agreement and the aforesaid Bilateral Investment Treaty;

(b) considering any matter that may affect the operation of this Agreement;

(c) reviewing any claim by a Party pursuant to the letter exchange on Article 5 of the Bilateral Investment Treaty;

(d) considering and adopting by mutual agreement, any amendment to this Agreement. If the Parties agree, any amendment may be considered and adopted by mutual agreement in writing without requiring a meeting of the Joint Committee. The adoption of any amendment shall be subject to Article 8.11;

(e) facilitating the avoidance and settlement of disputes in accordance with Chapter 7;

(f) developing guidelines, explanatory materials, and rules on the proper implementation of this Agreement as may be agreed upon by the Parties.

3. The Joint Committee shall be composed of representatives of the Parties and shall be headed by each Party's minister primarily responsible for international trade or its designees.

4. The Joint Committee may establish committees, subcommittees and working groups and designate its responsibilities to

them.

5. The Joint Committee shall convene within one year of the date of entry into force of this Agreement. The Joint Committee shall thereafter normally convene every two years thereafter in regular sessions, or at such other dates and intervals as may be agreed upon by the Parties, and shall alternately be held in the territory of each Party. Special meetings of the Joint Committee shall be convened within 45 days at the request of either Party and shall be held in the territory of the responding Party. Any subsequent special meetings in respect of the same matter shall be alternately held in the territory of each Party.

6. The Joint Committee may establish its rules of procedure as necessary. All decisions of the Joint Committee shall be taken by mutual agreement.

Article 8.2. Contact Points

Each Party shall designate, before the entry into force of this Agreement, a Contact Point to facilitate communications between the Parties on any matter covered by this Agreement. On the request of a Party, the Contact Point of the requested Party shall identify the office or official responsible for the matter in question and assist, as necessary, in facilitating communication with the requesting Party. The Contact Point shall receive official correspondence related to this Agreement and provide administrative assistance to the Joint Committee and to arbitral tribunals established under Chapter 7.

Article 8.3. Disclosure of Confidential Information

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

Article 8.4. Security and Confidentiality

Nothing in this Agreement shall be construed:

(a) to require any Party to furnish any information, the disclosure of which it considers contrary to its essential security interests;

(b) to prevent any Party from taking any action which it considers necessary for the protection of its essential security interests:

(i) relating to fissionable and fussionable materials or the materials from which they are derived;

(ii) relating to the supply of services as carried out directly or indirectly for the purpose of provisioning a military establishment;

(iii) relating to the traffic in arms, ammunition and implements of war and to such traffic in other goods and materials as is carried on directly or indirectly for the purpose of supplying a military establishment; or

(iv) taken in time of war or other emergency in international relations;

(c) to prevent any Party from taking any action in pursuance of its obligations under the United Nations Charter for the maintenance of international peace and security.

Article 8.5. Taxation

1. Unless otherwise provided for in this Agreement, this Agreement shall not apply to any taxation measure.

2. Nothing in this Agreement shall affect the rights and obligations of either Party under any tax convention. In the event of any inconsistency between this Agreement and any such convention, that convention shall prevail to the extent of the inconsistency.

Article 8.6. Government Procurement

Pursuant to Jordan's 12th July 2000 application to accede to the WTO Agreement on Government Procurement, the Parties shall enter into negotiations with regard to Jordan's accession to that Agreement.

Article 8.7. Investment Matters

Subject to Chapter 4, the rights and obligations of the Parties in respect of investments shall be governed by the Bilateral Investment Treaty signed between the Parties at Amman, Jordan on 16 May 2004.

Article 8.8. Intellectual Property Rights

Each Party affirms its commitments in connection with intellectual property rights under the WTO Agreement.

Article 8.9. General Definitions

For the purposes of this Agreement:

(a) “days” means calendar days, including weekends and holidays;

(b) “WTO” means the World Trade Organization

Article 8.10. Annexes and Footnotes

The Annexes and footnotes to this Agreement are integral parts of this Agreement.

Article 8.11. Entry Into Force

This Agreement and any amendments to it shall come into force 60 days after the date of the last notification through which the Parties have informed each other, through diplomatic channels, that the necessary domestic requirements for entry into force have been complied with, or after such other period as the Parties may agree.

Article 8.12. Duration and Termination

This Agreement shall remain in force unless terminated by either Party by written notification to the other Party. This Agreement shall expire six months after the date of such notification.

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

DONE at Amman, Jordan, in duplicate, in the English language, this 16th day of May 2004, which corresponds to this 26th day of Rabi' Al-Awal, 1425 H. An Arabic text of the Agreement shall be prepared by Jordan that shall be considered equally authentic upon receipt of the text by Singapore via diplomatic channels. In the event of a discrepancy, the English text shall prevail.

FOR THE GOVERNMENT OF THE HASHEMITE KINGDOM OF JORDAN

DR. MOHAMAD HALAIQAH

DEPUTY PRIME MINISTER

MINISTER OF INDUSTRY AND TRADE

FOR THE GOVERNMENT OF THE REPUBLIC OF SINGAPORE

MR. RAYMOND LIM

MINISTER OF STATE

FOR FOREIGN AFFAIRS AND TRADE AND INDUSTRY