TRADE AND INVESTMENT FRAMEWORK AGREEMENT BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE ROYAL GOVERNMENT OF CAMBODIA

The Royal Government of Cambodia and the Government of United States of America, (hereinafter referred to individually as a "Party" and collectively as the "Parties");

Desiring to enhance the friendship and spirit of cooperation between both countries;

Desiring to develop further the trade and investment existing between the two countries for economic betterment;

Desiring to encourage and facilitate private sector contacts between the two countries;

Recognizing the importance of fostering an open and predictable environment for international trade and investment and that the liberalization of trade and investment promotes economic growth and development;

Recognizing that trade distorting investment measures and protectionist trade barriers would deprive the two countries of these benefits;

Recognizing the essential role of investment, both domestic and foreign, that it fosters growth, creates jobs, expands trade, improves technology and enhances economic development;

Recognizing the increased importance of services in their economies and in their bilateral relations;

Taking into account the need to eliminate non-tariff barriers in order to facilitate greater access to the markets of both countries and the mutual benefits thereof;

Desiring to promote transparency, enhance good governance, and eliminate bribery and, corruption in international trade and investment in the two countries;

Recognizing the importance of providing adequate and effective protection and enforcement of intellectual property rights (IPR) and the encouragement it provides for technological innovation and investment, as well as the importance of membership in and adherence to IPR conventions;

Recognizing the importance of providing adequate and effective protection and enforcement of worker rights in accordance with each nation's own labor laws and each Party's commitment to the observance of internationally recognized core labor standards as expressed in the declarations of the WTO Ministerial Conferences;

Desiring to ensure that trade and environmental policies are mutually supportive in the furtherance of sustainable development;

Reaffirming their membership in and support for the World Trade Organization;

Desiring that this Framework Agreement reinforce the multilateral trading system; and

Considering that it 'Would be in their mutual interest to establish a bilateral mechanism between the two countries;

Hereby agree as follows:

Article One.

The Parties affirm their desire to promote an attractive investment climate and expand trade in products and services. The Paiiies agree to cooperate, coordinate, and consider ways, as appropriate, to enhance and liberalize trade and investment between the two countries at the bilateral, regional and multilateral levels; including, as appropriate, to enhance their efforts to advance the Doha Development Agenda. Such cooperation and coordination should occur in a joint council established

under Article Two of this Framework Agreement and in the various bodies of the WTO.

Article Two.

The Parties shall, in accordance with their respective prevailing laws and regulations, establish a United States-Cambodia Joint Council on Trade and Investment (the "Joint Council").

Article Three.

1. The Joint Council shall be comprised of representatives of both Parties. All meetings of the Joint Council shall be jointly chaired by the Minister of Commerce on behalf of the Royal Government of Cambodia and the United States Trade Representative (USTR) on behalf of the Government of the United States of America. The chairs may delegate their authority to their respective senior officials to conduct a meeting of the Joint Council. The USTR and the Minister of Commerce may be assisted by officials from their respective government agencies, as necessary.

2. The Joint Council may establish ad hoc working groups that may meet concurrently or separately to facilitate its work.

Article Four.

The Joint Council shall meet at least once a year and at such times to be mutually agreed upon, for the purpose of:

1. Overseeing the implementation of this Framework Agreement, including implementing the work program in the areas outlined in the Annex and periodic reviews of progress in the work program.

2. Monitoring trade and investment relations, identifying opportunities for expanding trade and investment, and identifying issues relevant to trade or investment, that may be suitable for negotiation in an appropriate forum.

3. Organizing consultations on specific trade or investment issues; and

4. Resolving amicably any issues that might arise from implementing the provisions of this Framework Agreement.

Article Five.

1. The Joint Council shall initiate consultations with a view to implementing the work program for the mutual benefit of the Parties on any of the areas covered in the Annex.

2. At the appropriate time, the USTR and Minister of Commerce may decide to proceed to Part II of the Annex.

Article Six.

This Framework Agreement is without prejudice to the domestic laws and regulations of either Party or the rights and obligations of either Party under any other international agreement to which it is a Party.

Article Seven.

This Framework Agreement may be amended at any time by written mutual consent of the Parties.

Article Eight.

This Framework Agreement is effective from the date of signature by both Parties and shall remain in effect unless terminated by written mutual consent of the Parties or by either Party upon six (6) months written notice to the other Party.

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

Done in English in duplicate at Washington, D.C. on July 14, 2006.

For the Government of The United States of America

KARAN K. BHATIA

DEPUTY UNITED STATES TRADE REPRESENTATIVE

For the Royal Government of Cambodia

CHAM PRASIDH

SENIOR MINISTER

MINISTER OF COMMERCE