COMPREHENSIVE ECONOMIC PARTNERSHIP AGREEMENT BETWEEN THE GOVERNMENT OF THE UNITED ARAB EMIRATES AND THE GOVERNMENT OF THE REPUBLIC OF INDONESIA

The Government of the United Arab Emirates (hereinafter referred to as "the UAE") and the Government of the Republic of Indonesia (hereinafter referred to as "Indonesia");

hereinafter being referred to individually as a "Party" and collectively as "the Parties";

RECOGNISING the long-standing friendship and strong economic and political ties between the UAE and Indonesia, and wishing to strengthen these links through the creation of a free trade area, thus establishing close and lasting relations;

DETERMINED to build on their respective rights and obligations under the Marrakesh Agreement Establishing the World Trade Organization;

CONSCIOUS of the dynamic and rapidly changing global environment brought about by globalisation and technological progress that presents various economic and strategic challenges and opportunities to the Parties;

DETERMINEDto develop and strengthen their economic and trade relations by expanding trade in goods and services in their common interest and for their mutual benefit;

AIMING to promote transfer of technology and expand trade;

CONVINCED that the establishment of a free trade area will provide a more favorable climate for the promotion and development of economic and trade relations between the Parties;

AIMING to facilitate trade by promoting efficient and transparent customs procedures that ensure predictability for their importers and exporters;

DETERMINEDto support the growth and development of micro, small and medium-sized enterprises by enhancing their ability to participate in and benefit from the opportunities created by this Agreement;

AIMING to establishing a clear, transparent, and predictable legal and commercial framework for business planning, that supports the growth of trade and investment;

RECOGNISINGtheir inherent right to regulate and resolve to preserve the flexibility of the Parties to set legislative and regulatory priorities, and protect legitimate public welfare objectives, such as health, safety, environmental protection, conservation of living or non-living exhaustible natural resources, integrity and stability of the financial system, and public morals, in accordance with the rights and obligations provided in this Agreement;

HAVE AGREED, in pursuit of the above, to conclude the following Agreement (hereinafter referred to as "this Agreement"):

Chapter 1. INITIAL PROVISIONS AND GENERAL DEFINITION

Article 1.1. Establishment of the Indonesia- United Arab Emirates Comprehensive Economic Partnership as a Free Trade Area

The Parties, consistent with Article XXIV of GATT 1994 and Article V of GATS, hereby establish the Indonesia-United Arab Emirate Comprehensive Economic Partnership as a free trade area in accordance with the provisions of this Agreement.

Article 1.2. General Definitions

For the purposes of this Agreement:

(a) administrative ruling of general application means an administrative ruling or interpretation that applies to all persons

and fact situations that fall generally within the ambit of that administrative ruling or interpretation and that establishes a norm of conduct, but does not include:

(i) a determination or ruling made in an administrative or quasi-judicial proceeding that applies to a particular person, good, or service of the other Party in a specific case; or

(ii) a ruling that adjudicates with respect to a particular act or practice;

(b) Agreement on Agriculture means the Agreement on Agriculture in Annex 1A to the WTO Agreement;

(c) Anti-Dumping Agreement means the Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade 1994 in Annex 1A to the WTO Agreement;

(d) customs authority means any authority that is responsible under the law of each Party for the administration and enforcement of its customs laws and regulations;

(e) customs duty means any customs or import duty and a charge of any kind imposed in connection with the importation of a good, but does not include any:

(i) charge equivalent to an internal tax imposed consistently with Article III of the GATT 1994;

(ii) anti-dumping or countervailing duty that is applied consistently with Article VI of the GATT 1994, the Anti Dumping Agreement on the Implementation of Article VI of the GATT 1994, and the SCM Agreement on Subsidies and Countervailing Measures in Annex 1A to the WTO Agreement; or

(iii) fee or other charge commensurate with the cost of services rendered in conformity with Article VIII of the GATT 1994;

(f) customs procedures means the measures applied by the customs authority of a Party to goods and to the means of transport that are subject to its customs laws;

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

(h) days means calendar days, including weekends and holidays;

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

(j) GATT 1994 means the General Agreement on Tariffs and Trade 1994 in Annex 1A to the WTO Agreement;

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

(l) Harmonized System or HS means the Harmonized Commodity Description and Coding System, including its General Rules for the Interpretation, Section Notes, Chapter Notes and Subheading Notes;

(m) Import Licensing Agreement means the Agreement on Import Licensing Procedures in Annex 1A to the WTO Agreement;

(n) Joint Committee means the Joint Committee established pursuant to Article 18.1 (Joint Committee);

(o) Safeguards Agreement means the Agreement on Safeguards in Annex 1A to the WTO Agreement;

(p) SCM Agreement means the Agreement on Subsidies and Countervailing Measures in Annex 1A to the WTO Agreement;

(q) SPS Agreement means the Agreement on the Application of Sanitary and Phytosanitary Measures in Annex 1A to the WTO Agreement;

(r) TBT Agreement means the Agreement on Technical Barriers to Trade in Annex 1A to the WTO Agreement;

(s) territory means:

(i) for the UAE, the land territories, internal waters, territorial sea, including the seabed and subsoil thereof, and airspace over such territories and waters, as well as the contiguous zone, the continental shelf and exclusive economic zone, over which the UAE has sovereignty, sovereign rights or jurisdiction as defined in its laws, and in accordance with international law;

(ii) for Indonesia, the land territories, internal waters, archipelagic waters, territorial sea, including the seabed and subsoil thereof, and airspace over such territories and waters, as well as the contiguous zone, the continental shelf and exclusive economic zone, over which Indonesia has sovereignty, sovereign rights or jurisdiction as defined in its laws, and in

accordance with international law, including the United Nations Convention on the Law of the Sea, done at Montego Bay on 10 December 1982;

(t) trade administration documents means forms issued or controlled by a Party that must be completed by or for an importer or exporter in relation to the import or export of goods;

(u) Trade Facilitation Agreement means the Agreement on Trade Facilitation in Annex 1A of the WTO Agreement

(v) TRIPS Agreement means the Agreement on Trade-Related Aspects of Intellectual Property Rights in Annex 1C to the WTO Agreement;

(w) WTO means the World Trade Organization; and

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

Article 1.3. Objectives

The objectives of this Agreement are to enhance and facilitate trade and investment between the Parties in accordance with the provisions of this Agreement.

Article 1.4. Relation to other Agreements

1. The Parties reaffirm their rights and obligations under existing agreements to which both Parties are party, including the WTO Agreement.

2. For greater certainty, this Agreement shall not be construed to derogate from any international legal obligation between the Parties that provides for more favorable treatment of goods, services, investments, or persons than that provided for under this Agreement.

3. Unless otherwise provided in this Agreement, in the event of any inconsistency between this Agreement and any other agreement to which both Parties are party, the Parties shall, upon request, consult with each other with a view to finding a mutually satisfactory solution.

Article 1.5. Regional and Local Government

1. Each Party shall take such reasonable measures as may be available to it to ensure observance of the provisions of this Agreement by the regional and local governments and authorities and by non governmental bodies in the exercise of governmental powers delegated by central, regional, and local governments and authorities within its territory.

2. This provision is to be interpreted and applied in accordance with the principles set out in paragraph 12 of Article XXIV of the GATT 1994 and paragraph 3 of Article I of the GATS.

Article 1.6. Transparency

1. Each Party shall publish or otherwise make publicly available, on the internet where feasible, its laws, regulations, and administrative rulings of general application as well as its respective international agreements, which may affect the operation of this Agreement.

2. Each Party shall, within a reasonable period of time, respond to specific questions and, upon request, provide information to the other Party on matters referred to in paragraph 1.

3. The Parties agree to cooperate in promoting transparency, including through exchange of information and best practices on their respective regulatory processes.

Article 1.7. Confidential Information

1. Each Party shall, in accordance with its laws and regulations, maintain the confidentiality of information designated as confidential by the other Party.

2. Nothing in this Agreement shall require a Party to disclose confidential information, the disclosure of which would impede law enforcement of the Party, or otherwise be contrary to the public interest, or which would prejudice the legitimate

commercial interests of any economic operator.

3. Where a Party provides information to the other Party in accordance with this Agreement and designates the information as confidential, the Party receiving the information shall maintain the confidentiality of the information. Such information shall be used only for the purposes specified and shall not be otherwise disclosed without the specific permission of the Party providing the information.

Article 1.8. Promotion of Competition

1. The Parties shall promote competition in their trade and investment by preventing unfair competition policies in their economic relations.

2. No Party shall have recourse to dispute settlement under Chapter 16 (Dispute Settlement) for any matter arising under this Article.

Chapter 2. TRADE IN GOODS

Article 2.1. Definitions

For the purposes of this Chapter:

(a) export subsidy means a subsidy as defined by Article 3 of the SCM Agreement and includes export subsidies listed in Article 9 of the Agreement on Agriculture.

(b) import licensing means an administrative procedure used for the operation of import licensing regimes requiring the submission of an application or other documentation (other than that required for customs purposes) to the relevant administrative body as a prior condition for importation into the customs territory of the importing Party; and

Article 2.2. Scope

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

Article 2.3. National Treatment on Internal Taxation and Regulation

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 III of the GATT 1994 and its interpretative notes are incorporated into and form part of this Agreement, mutatis mutandis.

Article 2.4. Reduction or Elimination of Customs Duties

1. Except as otherwise provided in this Agreement, each Party shall reduce or eliminate customs duties on originating goods of the other Party in accordance with its Schedule in Annex 2A (Schedules of Tariff Commitments).

2. Except as otherwise provided in this Agreement, a Party shall not increase any existing customs duty or introduce a new customs duty on an originating good as set out in its Schedule in Annex 2A (Schedules of Tariff Commitments).

3. If the most-favoured-nation (hereinafter referred to as “MFN” in this Chapter) rate of customs duty applied by a Party on a particular good is lower than the rate of customs duty provided for in its Schedule in Annex 2A (Schedules of Tariff Commitments), that Party shall:

(a) apply the lower rate to the originating good of the other Party; and

(b) publish changes to the MFN rate on the internet.

Article 2.5. Acceleration or Improvement of Tariff Commitments

1. Upon request by either Party, the Parties shall consult to consider accelerating, improving, or broadening the scope of the elimination of customs duties as set out in their Schedule in Annex 2A (Schedules of Tariff Commitments).

2. Further commitments between the Parties to accelerate or broaden the scope of the elimination of a customs duty on a good (or to include a good in Annex 2A (Schedule of Tariff Commitments) shall supersede any duty rate or staging category

determined pursuant to their respective Schedules upon the incorporation of the modification into this Agreement in accordance with Article 19.2 (Amendments).

3. Nothing in this Agreement shall prohibit a Party from unilaterally accelerating, or broadening the scope of, the elimination of customs duties set out in its Schedule to Annex 2A (Schedules of Tariff Commitments) to an originating good from the other Party. Any such unilateral acceleration, or broadening of the scope of, the elimination of customs duties will not permanently supersede any duty rate or staging category determined pursuant to their respective Schedule nor serve to waive that Party's right to impose at a later time the duty rate or staging category that is determined for that later time by their respective Schedule.

4. For greater certainty with respect to paragraph 3, a Party may:

(a) raise a customs duty back to the level established in its Schedule to Annex 2A (Schedule of Tariff Commitments) following a unilateral reduction; or

(b) maintain or increase a customs duty as authorised by the Dispute Settlement Body of the WTO.

Article 2.6. Classification of Goods and Transposition of Schedules of Tariff Commitments

1. The classification of goods in trade between the Parties shall be in conformity with the Harmonized Systems (HS) and its amendments.

2. The Parties shall mutually decide whether any revisions are necessary to implement Annex 2A (Schedule of Tariff Commitments) due to periodic amendments and transposition of the HS Code.

3. If the Parties decide that revisions are necessary in accordance with paragraph 2, the transposition of the Schedules shall be carried out in accordance with the methodologies and procedures adopted by the Committee on Trade in Goods. The said methodologies and procedures should be based on the methodology recommended by the WTO, at a minimum, provide for:

(a) the timely circulation by each Party of a draft schedule of tariff commitments in the nomenclature of the revised HS Code accompanied by a two-way transposition setting out at national tariff line level:

(i) a concordance between the draft schedule of tariff commitments in the nomenclature of the revised HS Code and the schedule of tariff commitments in the nomenclature of the then current HS Code; and

(ii) a concordance between the schedule of tariff commitments in the nomenclature of the then current HS Code and the draft schedule of tariff commitments in the nomenclature of the revised HS Code;

(b) the provision of comments by the other Party on the draft schedules circulated in accordance with subparagraph (a), and consultations between the Parties, as necessary, with a view to resolving any concerns raised. Consultations shall take place within 60 days of a Party requesting such consultations.

4. Following completion of the transposition process in paragraph 3, the Parties through the Committee on Trade in Goods shall endorse and publish such revisions in a timely manner.

5. Each Party shall ensure that the transposition of its schedule of tariff commitments under paragraph 3 does not afford treatment to an originating good of the other Party that is less favourable than that set out in its Schedule in Annex 2A (Schedules of Tariff Commitments).

Article 2.7. Temporary Admission of Goods

1. Each Party shall allow, as provided for in its laws and regulations, goods to be brought into its customs territory conditionally relieved, totally or partially, from payment of import duties and taxes, if such goods:

(a) are brought into its customs territory for a specific purpose; (b) are intended for re-exportation within a specific period; and

(c) have not undergone any change, except normal depreciation and wastage due to the use made of them.

2. Each Party shall, at the request of the importer and for reasons deemed valid by its customs authority, extend the time limit for temporary admission beyond the period initially fixed in accordance with its laws and regulations.

3. Each Party shall not impose any condition on the temporary admission of a good referred to in paragraph 1, other than to require that such good:

(a) be accompanied by a security deposit in an amount no greater than the customs duty and charges according to the respective laws and regulations that would otherwise be owed on importation, which shall be releasable on exportation of the good;

(b) be exported within such period of time as is reasonably related to the purpose of temporary admission;

(c) be capable of identification when imported and exported;

(d) not be sold or leased while in its territory;

(e) not be imported in a quantity greater than is reasonable for its intended use; and

(f) be otherwise admissible into the importing Party's territory under its laws and regulations.

4. If any condition that a Party imposes under paragraph 3 has not been fulfilled, that Party may apply the customs duty and any other charge (1) that would normally be owed on the good, as per its laws and regulations.

5. Each Party shall permit a good temporarily admitted pursuant to this Article to be re-exported through a customs port other than that through which it was admitted in accordance with its laws and regulations.

6. Each Party shall relieve the importer of liability for failure to export a temporarily admitted good upon presentation of satisfactory proof to its customs authority that the good has been destroyed within the original time limit for temporary admission or any lawful extension. A Party may condition relief of liability under this paragraph by requiring the importer to receive prior approval from its customs authority before the good can be so destroyed.

7. Each Party, through its customs authority, shall adopt and maintain procedures providing for the expeditious release of goods admitted under this Article. To the extent possible, these procedures shall provide that when such goods accompany a national or resident of the other Party who is seeking temporary entry, the good shall be released simultaneously with the entry of that national or resident.

(1) For the purposes of this paragraph, any other charge includes penalties whenever applicable under a Party's laws and regulations.

Article 2.8. Duty-Free Entry of Commercial Samples of Negligible Value

Each Party shall, in accordance with its respective laws and regulations, grant duty-free entry to commercial samples of negligible value imported from the territory of the other Party, regardless of their origin, but may require that commercial samples of negligible value be imported solely for this solicitation for goods of orders or services provided from the territory of the other Party or a non-Party and not be imported for commercial sale.

Article 2.9. General Elimination of Quantitative Restrictions

Except as otherwise provided in this Agreement, no Party shall adopt or maintain any prohibition or restriction other than duties, taxes, or other charges, whether made effective through quotas, import or export licenses or other 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 relevant provisions of the WTO Agreement. To this end, Article XI of the GATT 1994 and its interpretive notes are incorporated into and made a part of this Agreement, mutatis mutandis.

Article 2.10. Import Licensing

1. Neither Party shall adopt or maintain a measure that is inconsistent with the Import Licensing Agreement.

2. Each Party shall ensure that all automatic and non-automatic import licensing measures are implemented in a transparent and predictable manner, and applied in accordance with the Import Licensing Agreement.

3. Promptly after this Agreement enters into force, each Party shall notify the other Party of its existing import licensing procedures, if any. The notification shall contain the information as referred to in paragraph 2 of Article 5 of the Import Licensing Agreement.

4. On request of the other Party, a Party shall, promptly and to the extent possible, respond to the request of that other

Party for information on import licensing requirements of general application.

5. A Party shall be deemed to be in compliance with the obligations in paragraph 3 with respect to an existing import licensing procedure if:

(a) it has notified that procedure to the WTO Committee on Import Licensing provided for in Article 4 of the Import Licensing Agreement together with the information specified in paragraph 2 of Article 5 of that Agreement;

(b) in the most recent annual submission due before the date of entry into force of this Agreement for that Party to the WTO Committee on Import Licensing in response to the annual questionnaire on import licensing procedures described in paragraph 3 of Article 7 of the Import Licensing Agreement, it has provided, with respect to that procedure, the information requested in that questionnaire; and

(c) it has included in either the notice described in subparagraph (a) or the annual submission described in subparagraph (b) any information required to be notified to the other Parties under paragraph 8.

6. Each Party shall comply with paragraph 4(a) of Article 1 of the Import Licensing Agreement with respect to any new or modified import licensing procedure. Each Party shall also publish on an official government website any information that it is required to publish under paragraph 4(a) of Article 1 of the Import Licensing Agreement.

7. Each Party shall notify the other Party of any new import licensing procedures it adopts and any modifications it makes to its existing import licensing procedures, if possible, no later than 60 days before the new procedure or modification takes effect. In no case shall a Party provide the notification later than 60 days after the date of its publication. The notification shall include any information required under paragraph 8. A Party shall be deemed to be in compliance with this obligation if it notifies a new import licensing procedure or a modification to an existing import licensing procedure to the WTO Committee on Import Licensing in accordance with paragraph 1 through 3 of Article 5 of the Import Licensing Agreement and includes in its notification any information required to be notified to the other Parties under paragraph 8.

8. (a) A notice under paragraph 3, 5, or 7 shall state if, under any import licensing procedure that is a subject of the notice:

(i) the terms of an import licence for any product limit the permissible end users of the product; or

(ii) the Party imposes any of the following conditions on eligibility for obtaining a licence to import any product:

(A) membership in an industry association;

(B) approval by an industry association of the request for an import licence;

(C) a history of importing the product or similar products;

(D) minimum importer or end user production capacity;

(E) minimum importer or end user registered capital; or

(F) a contractual or other relationship between the importer and a distributor in the Party's territory.

(b) A notice that states, under subparagraph (a), that there is a limitation on permissible end users or a licence-eligibility condition shall:

(i) list all products for which the end-user limitation or licence-eligibility condition applies; and

(ii) describe the end-user limitation or licence-eligibility condition.

9. Each Party shall respond within 60 days to a reasonable enquiry from the other Party concerning its licensing rules and its procedures for the submission of an application for an import licence, including the eligibility of persons, firms and institutions to make an application, the administrative body or bodies to be approached and the list of products subject to the licensing requirement.

10. If a Party denies an import licence application with respect to a good of the other Party, it shall, on request of the applicant and within a reasonable period after receiving the request, provide the applicant with a written explanation of the reason for the denial.

11. Neither Party shall apply an import licensing procedure to a good of the other Party unless it has, with respect to that procedure, met the requirements of paragraph 3 or 6, as applicable.

Article 2.11. Customs Valuation

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 Customs Valuation Agreement, mutatis mutandis.

Article 2.12. Elimination of Export Subsidies

Neither Party shall adopt or maintain any export subsidy on any good destined for the territory of the other Party.

Article 2.13. Goods In Transit

Each Party shall continue to facilitate customs clearance of goods in transit from or to other Party in accordance with paragraph 3 of Article V of GATT 1994 and the relevant provisions of the Trade Facilitation Agreement.

Article 2.14. Transparency

Article X of the GATT 1994 is incorporated into and made a part of this Agreement, mutatis mutandis

Article 2.15. Restrictions to Safeguard the Balance-of-Payments

1. The Parties shall endeavour to avoid the imposition of restrictive measures for balance-of-payments purposes.

2. Any such measures taken for trade in goods shall be in accordance with Article XII of the GATT 1994 and the Understanding on the Balance-of-Payments Provisions of the GATT 1994, the provisions of which are incorporated into and made a part of this Agreement, mutatis mutandis.

Article 2.16. Administrative Fees and Formalities

1. Each Party shall ensure, in accordance with paragraph 1 of Article VIII of GATT 1994 and its interpretive notes and Article 6 of the Trade Facilitation Agreement, that all fees and charges of whatever character (other than import or export duties, charges equivalent to an internal tax or other internal charge applied consistently with paragraph 2 of Article III of GATT 1994, and anti-dumping and countervailing duties applied pursuant to a Party's law) 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 of imports or exports for fiscal purposes.

2. Each Party shall promptly make information available on the internet regarding the fees and charges it imposes in connection with importation or exportation.

Article 2.17. Non-Tariff Measures

1. A Party shall not adopt or maintain any non-tariff measure 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 or this Agreement.

2. Each Party shall ensure the transparency of its non-tariff measures permitted under paragraph 1 and shall ensure that any such measures are not prepared, adopted, or applied with the view to, or with the effect of, creating unnecessary obstacles to trade with the other Party.

3. Each Party shall ensure that its laws, regulations, procedures, and administrative rulings relating to non-tariff measures are promptly published, including on the internet where feasible, or otherwise made available in such a manner as to enable the other Party to become acquainted with them.

4. A Party may request technical consultations in writing with the other Party on a non-tariff measure that the requesting Party considers to be adversely affecting its trade. The request shall clearly identify the measure and the concerns as to how the measure adversely affects trade between the Parties. Technical consultations may be conducted via any means mutually agreed by the Parties.

5. If a Party considers that a non-tariff measure of the other Party is an unnecessary obstacle to trade, that Party may nominate such a non tariff measure for review by the Committee on Trade in Goods by notifying the other Party at least 30 days before the date of the next scheduled meeting of the Committee. A nomination of a non-tariff measure for review shall include reasons for its nomination and, if possible, suggested solutions. The Committee on Trade in Goods shall

immediately review the measure with a view to securing a mutually agreed solution to the matter. Review by the Committee on Trade in Goods is without prejudice to the Parties rights under Chapter 16 (Dispute Settlement).

Article 2.18. State Trading Enterprises

Nothing in this Agreement shall be construed to prevent a Party from maintaining or establishing a state trading enterprise in accordance with Article XVII of the GATT 1994.

Article 2.19. Exchange of Data

1. The Parties recognise the value of trade data to accurately analyse the implementation of this Agreement. The Parties shall cooperate with a view to conducting periodic exchanges of data relating to trade in goods between the Parties.

2. The Parties may engage in such periodic exchanges within the Committee on Trade in Goods pursuant to Article 2.20 (Committee on Trade in Goods) for such purposes or any purposes as the Joint Committee may determine.

3. A Party shall give positive consideration to a request from the other Party for technical assistance for the purposes of the exchange of data under paragraph 1.

Article 2.20. Committee on Trade In Goods

1. The Parties hereby establish a Committee on Trade in Goods under the Joint Committee, which shall comprise of representatives of each Party.

2. The Committee shall meet once a year or as often as the Parties consider necessary to consider any matters arising under this Chapter.

3. The Committee shall establish a contact point for each Party at a senior level to facilitate communication between the Parties, including to encourage consultation, as early as practicable, on any matter relating to this Chapter.

4. The Committee's functions shall include, inter alia: (a) reviewing and monitoring the implementation of this Chapter;

(b) promoting trade in goods between the Parties, including consultations on accelerating or improving tariff commitments under this Agreement and other issues as appropriate;

(c) addressing barriers to trade in goods between the Parties especially those related to the application of non-tariff measures, and, where appropriate, referring any matters to the Joint Committee for consideration;

(d) endorsing the transposition of the schedules of tariff commitments in Annex 2A (Schedules of Tariff Commitments) in accordance with Article 2.6 (Classification of Goods and Transposition of Schedules of Tariff Commitments), and consulting to resolve any conflicts; and

(e) discussing any other matter arising under this Chapter as mutually agreed by the Parties.

Chapter 3. RULES OF ORIGIN

Section A. RULES OF ORIGIN

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, or protection from predators;

(b) CIF value means the value of the imported good, inclusive of the cost of insurance and freight up to the port or place of entry into the country of importation;

(c) competent authority means the government authority that, according to the laws and regulations of each Party, is responsible for issuing a certificate of origin or for the designation of certification entities or bodies:

(i) in the case of the UAE, the Ministry of Economy, or its successor; and

(ii) in the case of Indonesia, the Ministry of Trade, or its successor;

(d) exporter means a person located in the exporting Party who exports a good from the exporting Party in accordance with the applicable laws and regulations of the exporting Party;

(e) FOB value means the value of the good free on board, inclusive of the cost of transport (regardless of the mode of transport) to the port or site of final shipment abroad;

(f) generally accepted accounting principles means those principles recognized by consensus or with 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 principles may encompass broad guidelines of general application as well as detailed standards, practices, and procedures;

(g) identical and interchangeable materials means materials that are fungible as a result of being of the same kind and commercial quality, possessing the same technical and physical characteristics, and which once they are incorporated into the finished product cannot be distinguished from one another for origin purposes by virtue of any markings or mere visual examination;

(h) importer means a person who imports a good into the importing Party in accordance with the applicable laws and regulations of the importing Party;

(i) indirect material means any material used in the production, testing, or inspection of a good but not physically incorporated into it or the operation of equipment associated with the production of a good, including:

(i) fuel and energy;

(ii) tools, dies, and moulds;

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

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

(v) gloves, glasses, footwear, clothing, and safety equipment;

(vi) equipment, devices, and supplies used for testing or inspecting the good;

(vii) catalysts and solvents; and

(viii) any other material that is not incorporated into the good but the use of which in the production of the good can reasonably be demonstrated to be a part of that production;

(j) material refers to any ingredient, raw material, component, or part, used in the production of a good;

(k) non-originating good or non-originating material means a good or material, which does not qualify as originating in accordance with this Chapter;

(l) producer means a person who engages in the production of goods; and

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

Article 3.2. Originating Goods

Except as otherwise provided in this Chapter, a good shall qualify as an originating good of a Party if the good is:

(a) wholly obtained or produced entirely in the territory of that Party as defined in Article 3.3 (Wholly Obtained or Produced Goods);

(b) not wholly obtained or produced entirely in the territory of that Party, provided that the good has satisfied the requirements of Article 3.4 (Not Wholly Obtained or Produced Goods); or

(c) produced entirely in the territory of that Party exclusively from originating materials,

and meets all other applicable requirements of this Chapter.

Article 3.3. Wholly Obtained or Produced Goods

For the purposes of this Chapter, the following goods shall be considered as wholly obtained or produced in the territory of a Party:

(a) plants and plant goods, including fruit, flowers, vegetables, trees, seaweed, fungi, and live plants, grown and harvested, picked, or gathered there;

(b) live animals born and raised there;

(c) goods obtained from live animals there;

(d) goods obtained by hunting, trapping, fishing, farming, aquaculture, gathering, or capturing conducted there;

(e) minerals and other naturally occurring substances, not included in subparagraphs (a) through (d), extracted or taken from its soil, waters, seabed, or subsoil beneath the seabed;

(f) goods of sea-fishing and other marine goods taken by vessels registered with the Party and entitled to fly its flag and other goods extracted or taken by the Party or a person of the Party, from the waters, seabed, or beneath the seabed in the continental shelf and the exclusive economic zone of that Party, provided 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 goods taken from the high seas in accordance with international law by any vessels registered with a Party and entitled to fly the flag of that Party;

(h) goods produced or made on board a factory ship from goods referred to in subparagraphs (f) and (g), provided such factory ship is registered with a Party and flying its flag;

(i) goods which are:

(i) waste and scrap resulting from production or consumption there, provided that such goods can no longer perform their original purpose nor are capable of being restored or repaired and are fit only for disposal, for the recovery of raw materials, or for recycling purposes; or

(ii) used articles collected there which can no longer perform their original purpose there nor are capable of being restored or repaired, and which are fit only for disposal or for the recovery of parts or raw materials; and

(j) goods obtained or produced there exclusively from goods referred to in subparagraphs (a) through (i), or from their derivatives, at any stage of production.

Article 3.4. Not Wholly Obtained or Produced Goods

1. For the purposes of subparagraph (b) of Article 3.2 (Originating Goods), a good shall be deemed to be originating if the good satisfies any of the following:

(a) a Change in Tariff Heading (hereinafter referred to as “CTH”), which means that all non-originating materials used in the production of the good have undergone a change in tariff classification at the four digit level;

(b) a Qualifying Value Content (hereinafter referred to as “QVC”) of not less than 40% of the FOB value; or

(c) a QVC of not less than 35% of the Ex-Works value.

2. Notwithstanding paragraph 1, a good shall be deemed to be originating if the good satisfies the Product Specific Rules (hereinafter referred to as “PSR”). The Parties agree to develop and implement the Annex on PSR within 12 months from the date of entry into force of this Agreement.

3. For the purposes of paragraph 1, the QVC shall be calculated as follows:

(a) FOB

QVC = FOB value - V.N.M / FOB value x100

or

(b) Ex-Works (EXW)

QVC = EXW value - V.N.M / EXW value x 100

where :

QVC is the qualifying value content of a good, expressed as a percentage;

FOB is the Free on Board value of the finished good;

EXW is the price paid for the good ex-works to the manufacturer in the Party in whose undertaking the last working or processing is carried out, provided the price includes the value of all the materials used, minus any internal taxes which are, or may be, repaid when the good obtained is exported; and

VNM is the CIF value of the non-originating materials at the time of importation or the earliest ascertained price paid or payable in the Party where the production takes place for all non-originating materials, parts, or produce that are acquired by the producer in the production of the good. When the producer of a good acquires non

originating materials within that Party the value of such 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.

Article 3.5. Indirect Materials

Any indirect material used in the production of a good shall be treated as originating material irrespective of where such indirect material is originating.

Article 3.6. Non-Qualifying Operations

Notwithstanding any provisions in this Chapter, a good shall not be considered to be originating in the territory of a Party if only the following operations are undertaken exclusively by itself or in combination in the territory of that Party:

(a) operations to ensure the preservation of products in good condition during transport and storage such as drying, freezing, ventilation, chilling, and like operations;

(b) sifting, classifying, washing, cutting, slitting, bending, coiling or uncoiling, sharpening, simple grinding, or slicing;

(c) cleaning, including removal of oxide, oil, paint, or other coverings;

(d) painting and polishing operations;

(e) testing or calibration;

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

(g) simple mixing (2) of goods, whether or not of different kinds;

(h) simple assembly (3) of parts of products to constitute a complete good or disassembly of products into parts;

(i) changes of packing, unpacking or repacking operations, and breaking up and assembly of consignments;

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

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

(l) mere dilution with water or another substance that does not materially alter the characteristics of the goods.

(2) For the purposes of this Article, "simple mixing" generally describes an activity which does not need special skills, machine, apparatus or equipment especially produce or install for carrying out the activity. However, simple mixing does not include chemical reaction. "Chemical reaction" means a process (including a biochemical process) which results in a molecule with a new structure by breaking intramolecular bonds and by forming new intramolecular bonds, or by altering the spatial arrangement of atoms in a molecule.

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

Article 3.7. Accumulation

1. An originating good of a Party which is used in the processing or production in the territory of the other Party as material for finished goods shall be deemed as a material originating in the territory of the latter Party where the working or processing of the finished goods has taken place.

2. Notwithstanding paragraph 1, an originating material from a Party that does not undergo processing beyond the minimal or non qualifying operations listed in Article 3.6 (Non-Qualifying Operations) in the other Party shall retain its originating status of the former Party.

Article 3.8. Intermediate Goods

For a non-originating material that undergoes sufficient production in the territory of one or both Parties as provided in Article 3.4 (Not Wholly Obtained or Produced Goods), the total value of the resulting good shall be the originating value when that good is used in the subsequent production of another good.

Article 3.9. De Minimis

1. A good that does not satisfy a change in tariff classification requirement as set out in PSR to be agreed pursuant to paragraph 2 of Article 3.4 (Not Wholly Obtained or Produced Goods) shall be considered as originating if:

(a) 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; or

(b) for a good provided for in Chapters 50 through 63 of the HS Code, the weight or value 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 or the FOB value of the good,

and the good meets all other applicable criteria set forth in this Chapter for qualifying as an originating good.

2. The value of non-originating materials referred to in paragraph 1, however, shall be included in the value of non-originating materials for any applicable QVC requirement for the good.

Article 3.10. Identical and Interchangeable Materials

1. The determination of whether identical and interchangeable materials are originating shall be made either by physical segregation of each of the materials, or by the use of generally accepted accounting principle of stock control or inventory management practice applicable in the exporting Party.

2. The inventory management method used under paragraph 1 for particular identical and interchangeable materials shall continue to be used for that material throughout the fiscal year.

Article 3.11. Accessories, Spare Parts, and Tools

1. Accessories, spare parts, tools, and instructional or other information materials delivered with a good that form part of the good's standard accessories, spare parts, tools, and instructional or other information materials shall be regarded as a part of the good, and shall be disregarded in determining whether or not all the non-originating materials used in the production of the originating goods undergo the applicable change in tariff classification provided that:

(a) the accessories, spare parts, tools, and instructional or other information materials are classified with and not invoiced separately from the good; and

(b) the quantities and value of the accessories, spare parts, tools, and instructional or other information materials presented with the good are customary for the good.

2. Notwithstanding paragraph 1, if the goods are subject to a QVC requirement, the value of the accessories, spare parts, tools, and instructional or other information materials shall be taken into account as originating or non-originating materials, as the case may be, in calculating the QVC of the goods.

Article 3.12. Treatment of Packages, Packing Materials, and Containers

1. If a good is subject to the QVC requirement, the value of the packages and packing materials for retail sale, shall be taken

into account in determining the origin of such good as originating or non originating, as the case may be, provided that the packages and packing materials are considered to be forming a whole with the good.

2. If a good is subject to the change in tariff classification criterion, packages and packing materials for retail sale classified together with the packaged good according to the General Rules for the Interpretation of the Harmonised System, shall not be taken into account in determining the origin of such good.

3. Packing materials and containers used exclusively for the transportation of a good shall not be taken into account in determining the origin of such good.

Article 3.13. Consignment Criteria

1. An originating good shall be deemed as directly consigned from the exporting Party to the importing Party if:

(a) transported directly from the other Party; or

(b) transported for the purpose of transit through one or more intermediate non-Parties with or without transshipment or temporary storage in such non-Parties, provided that:

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

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

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

2. For the purposes of implementing paragraph 1 where transportation is effected through the territory of any non-Party, the customs authority of the importing Party may require importers who claim the preferential tariff treatment for the good to submit supporting documentation, such as:

(a) a single transport document covering the passage from the exporting Party to the importing Party; or

(b) supporting documents or any other information, given by the customs authority of such non-Party or other relevant entities in evidence that the requirements of subparagraph 1(b) have been complied with.

Article 3.14. Free Zones

A good produced in a free zone (4) situated within the territory of a Party shall be considered an originating good provided that it qualifies as originating under the provisions of this Chapter.

(4) For the purposes of this Article, “free zone” refers to the respective Parties relevant laws and regulations

Article 3.15. Claim for Preferential Tariff Treatment

A claim that a good is eligible for preferential tariff treatment under this Agreement shall be supported by a Proof of Origin in accordance with Article 3.16 (Proof of Origin).

Section B. OPERATIONAL CERTIFICATION PROCEDURES

Article 3.16. Proof of Origin

1. Goods originating in a Party shall, on importation into the other Party, benefit from preferential tariff treatment under this Agreement on the basis of a Proof of Origin.

2. Any of the following shall be considered as a Proof of Origin:

(a) a Certificate of Origin in paper format issued by a competent authority referred to in Article 3.17 (Certificate of Origin in Paper Format);

(b) an electronic Certificate of Origin issued by a competent authority and exchanged by a mutually developed electronic system referred to in Article 3.18 (Electronic Data Origin Exchange System); or

(c) a Declaration of Origin made out by an approved exporter, referred to in Article 3.19 (Origin Declaration).

3. The Proof of Origin in paragraph 2 shall be in the English language.

Article 3.17. Certificate of Origin In Paper Format

1. A Certificate of Origin in paper format:

(a) shall be on A4 size paper and utilize the form in Annex 3A (Certificate of Origin).

(b) may cover one or more goods under one consignment; and

(c) shall be in a printed format (5) or such other medium including electronic format.

2. Each Certificate of Origin shall bear a unique serial reference number separately given by each place or office of issuance.

3. A Certificate of Origin shall bear an authorised signature and the official seal of the competent authority. The signature and official seal may be applied electronically.

4. In case the signature or official seal is applied electronically, a verification of authenticity, such as QR code or secured website, shall be included.

(5) For the purposes of this Article, "a printed format" refers to a Certificate of Origin manually or electronically signed, stamped, and issued in the exporting Party directly from the competent authority system and printed by competent authority, producer, or exporter, or his authorised representative.

Article 3.18. Electronic Data Origin Exchange System

For the purposes of subparagraph 2(b) of Article 3.16 (Proof of Origin), the Parties shall endeavour to develop an electronic system for the exchange of information on origin with a view to ensure the effective and efficient implementation of this Chapter, particularly as regards transmission of electronic Certificate of Origin.

Article 3.19. Origin Declaration

For the purposes of subparagraph 2(c) of Article 3.16 (Proof of Origin), the Parties shall endeavour to negotiate and implement provisions allowing each competent authority to recognise a Declaration of Origin made by an approved exporter.

Article 3.20. Application for Certificate of Origin

At the time of carrying out the formalities for exporting the good under preferential treatment, the manufacturer, producer, or exporter of the good, or its authorised representative shall submit a formal application to the competent authority for the Certificate of Origin together with appropriate supporting documents proving that the good to be exported qualifies for the issuance of a Certificate of Origin.

Article 3.21. Examination of an Application for a Certificate of Origin

The competent authority shall, to the best of its competence and ability, carry out a proper examination in accordance with the laws and regulations of the exporting Party of each application for a Certificate of Origin to ensure that:

(a) the application and the Certificate of Origin is duly completed and signed by the authorised signatory;

(b) the origin of the good meets the requirements in this Chapter;

(c) the other statements on the Certificate of Origin are consistent with the supporting documentary evidence that has been submitted;

(d) the HS Code, description, quantity, and value indicated in the application conform to the good to be exported; and

(e) multiple items declared on the same Certificate of Origin shall be allowed, provided that each item must qualify separately in its own right.

Article 3.22. Treatment of Erroneous Declaration In the Certificate of Origin

Neither erasures nor superimposition shall be allowed on the Certificate of Origin. Any alterations shall be made by:

(a) striking out the erroneous material and making any required modifications. Such modifications shall be approved by a person authorised to sign the Certificate of Origin and certified by the appropriate competent authority. Unused spaces shall be crossed out to prevent any subsequent addition; or

(b) issuing a new Certificate of Origin to replace the erroneous one.

Article 3.23. Third Party Invoicing

1. An importing Party shall not deny a claim for preferential tariff treatment for the sole reason that an invoice was not issued by the exporter or producer of a good provided that the good meets the requirements in this Chapter.

2. In such circumstances, the exporter of the good shall indicate “third party invoicing” and the name, address, and country of the company issuing the invoice shall appear in the Certificate of Origin.

Article 3.24. Issuance of the Certificate of Origin

1. The Certificate of Origin shall be issued by the competent authority of the exporting Party prior to or at the time of shipment, or within five days thereafter. (6)

2. In exceptional cases where a Certificate of Origin has not been issued within the time-periods indicated in paragraph 1, due to involuntary errors or omissions or other valid causes, the Certificate of Origin may be issued retroactively, but not more than 12 months from the date of shipment, in which case it is necessary to indicate “ISSUED RETROACTIVELY” in box 14 of Form I-UAE CEPA (Annex 3A).

(6) For the purposes of this paragraph, the day of shipment shall not be regarded as part of the five days period.

Article 3.25. Theft, Loss, or Destruction of the Certificate of Origin

1. In the event of theft, loss, or destruction of a Certificate of Origin, the manufacturer, producer, exporter, or its authorised representative may apply to the competent authority that issued it for a certified true copy of the original Certificate of Origin to be made out on the basis of the export documents in possession of the competent authority.

2. The certified true copy of the original Certificate of Origin shall be endorsed with an official signature and seal and bear the words “CERTIFIED TRUE COPY” in box 12 and indicate the date of issuance of the original Certificate of Origin, and it shall be issued within the validity period of the original Certificate of Origin.

Article 3.26. Presentation of the Certificate of Origin

For the purposes of claiming preferential tariff treatment, the importer or its authorised representative shall submit to the customs authority of the importing Party, at the time of filing an import declaration, a Certificate of Origin including supporting documentation and other documents as required, in accordance with the laws and regulations of the importing Party.

Article 3.27. Validity Period of the Certificate of Origin

The following time limits for the presentation of the Certificate of Origin shall be observed:

(a) the Certificate of Origin shall be valid for a period of 12 months from the date of its issuance, and shall be submitted to the customs authority of the importing Party within its validity period;

(b) where the Certificate of Origin is submitted to the customs authority of the importing Party after the expiration of the time limit for its submission, such Certificate of Origin shall be accepted when failure to observe the time limit results from force majeure or other valid causes beyond the control of the exporter; and

(c) in all cases, the customs authority in the importing Party may accept such Certificate of Origin provided that the products

have been imported before the expiration of the time limit of the said Certificate of Origin.

Article 3.28. Treatment of Minor Discrepancies

1. The discovery of minor discrepancies 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 goods shall not necessarily invalidate the Certificate of Origin, if it does in fact correspond to the goods submitted.

2. 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 tariff treatment and customs clearance for the remaining items listed in that Certificate of Origin. Paragraph 3 of Article 3.30 (Retroactive Check) may be applied to the problematic items.

Article 3.29. Record-Keeping Requirement

1. For the purposes of the verification process pursuant to Article 3.30 (Retroactive Check) and Article 3.31 (Verification), the manufacturer, producer, or exporter applying for the issuance of a Certificate of Origin shall, subject to the laws and regulations of the exporting Party, keep the records supporting the application for not less than four years from the date of issuance of the Certificate of Origin.

2. The importer shall keep records relevant to the importation in accordance with the laws and regulations of the importing Party.

3. The application for a Certificate of Origin and all documents related to such application shall be retained by the competent authority for not less than four years from the date of issuance.

Article 3.30. Retroactive Check

1. The customs authority of the importing Party, through the competent authority of that Party, may submit a request to the competent authority of the exporting Party for a retroactive check at random. 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 goods in question or of certain parts thereof.

2. The request shall be accompanied by a copy of the Certificate of Origin concerned and, unless the retroactive check is requested on a random basis, the request shall specify the reasons for the request and any additional information suggesting that the information in the Certificate of Origin may be inaccurate.

3. The customs authority of the importing Party may suspend the provisions on preferential tariff treatment on that particular shipment while awaiting the result of the verification. However, it may release the goods to the importer subject to any administrative measures deemed necessary, provided that the goods are not subject to import prohibition or restriction and there is no suspicion of fraud.

4. The competent authority of the exporting Party shall respond to request promptly to a request for a retroactive check and, in any case, not later than 45 days after the receipt of the request.

5. When a reply from the competent authority of the exporting Party is not obtained within 45 days after the receipt of the request pursuant to paragraph 4, the customs authority of the importing Party may deny preferential tariff treatment to the good referred to in the Certificate of Origin that is the subject of the request for a retroactive check.

Article 3.31. Verification

1. If the customs authority of the importing Party is not satisfied with the outcome of the retroactive check, it may, under exceptional circumstances and for justifiable reasons, request to undertake a verification visit to the exporting Party.

2. Prior to conducting a verification visit pursuant to paragraph 1:

(a) the customs authority of the importing Party shall deliver a written notification of its intention to conduct the verification visit simultaneously to:

(i) the producer or exporter whose premises are to be visited;

(ii) the competent authority of the other Party in the territory of which the verification visit is to occur; and

(iii) the importer of the good subject to the verification visit. (b) the written notification mentioned in subparagraph (a) shall be as comprehensive as possible and shall include, among others:

(i) the name of the customs authority issuing the notification;

(ii) the name of the producer or exporter whose premises are to be visited;

(iii) the proposed date of the verification visit;

(iv) the coverage of the proposed verification visit, including reference to the good subject to the verification; and

(v) the names and titles of the officials performing the verification visit.

(c) the customs authority of the importing Party shall obtain the written consent from the producer or exporter whose premises are to be visited;

(d) when the written consent from the producer or exporter is not obtained within 30 days from the date of receipt of the notification pursuant to subparagraph (a), the customs authority of the importing Party may deny preferential tariff treatment to the good referred to in the Certificate of Origin that is the subject of the request for a verification visit; and

(e) the customs competent authority receiving the notification may postpone the proposed verification visit and notify the customs authority of the importing Party of such intention within 15 days from the date of receipt of the notification.

Notwithstanding any postponement, any verification visit shall be carried out within 60 days from the date of receipt of the notification, or a longer period as the Parties may agree.

3. The customs authority of the importing Party conducting the verification visit shall provide the producer or exporter, whose good is subject to such verification, and the competent authority of the exporting Party with a written determination of whether or not the good subject to such verification qualifies as an originating good.

4. Upon the issuance of the written determination referred to in paragraph 3 that the good qualifies as an originating good, the customs authority of the importing Party shall immediately restore preferential benefits and promptly refund the duties paid in excess of the preferential duty or release guarantees obtained in accordance with its laws and regulations.

5. The producer or exporter shall be allowed, 30 days from the date of receipt of the written determination, to provide in writing comments or additional information regarding the eligibility of the good for preferential tariff treatment. If the good is still found to be non originating, the final written determination shall be communicated to the competent authority of the exporting Party within 30 days from the date of receipt of the comments or additional information from the producer or exporter.

6. The verification visit process, including the actual visit and the determination under paragraph 3 of whether the good subject to such verification is originating or not, shall be completed and its results communicated to the competent authority of the exporting Party within a maximum six months from the first day of the initial verification visit was conducted. While the process of verification is being undertaken, paragraph 3 of Article 3.30 (Retroactive Check) shall be applied.

Article 3.32. Denial of Preferential Tariff Treatment

1. The customs authority of the importing Party may deny preferential tariff treatment where:

(a) the good does not meet the requirements of this Chapter; or

(b) the importer, exporter, or producer of the good fails to comply with any of the relevant requirements of this Chapter for obtaining preferential tariff treatment.

2. If the customs authority of the importing Party denies a claim for preferential tariff treatment, it shall provide the decision in writing to the importer that includes the reasons for the decision.

3. The customs authority of the importing Party may determine that a good does not qualify as an originating good and may deny preferential tariff treatment where:

(a) the customs authority of the importing Party has not received sufficient information to determine that the good is originating;

(b) the exporter, producer, or the competent authority of the exporting Party fails to respond to a written request for

information in accordance with Article 3.31 (Verification); or

(c) the request for a verification visit in accordance with Article 3.31 (Verification) is refused.

Article 3.33. Contact Points

Each Party shall, within 30 days of the date of entry into force of this Agreement for that Party, designate one or more contact points for the implementation of this Chapter and notify the other Party of the contact details of that contact point or those contact points. Each Party shall promptly notify the other Party of any change to those contact details.

Chapter 4. CUSTOMS PROCEDURES AND TRADE FACILITATION

Article 4.1. Definitions

For the purposes of this Chapter:

(a) customs laws means provisions laid down by legislations and regulations concerning the importation, exportation, transit of goods, or any other customs procedures whether relating to customs duties, taxes or any other charges collected by the Customs Administrations, or to measures for prohibition, restriction, or control enforced by the customs authority;

(b) customs procedures means the measures applied by the customs authority of a Party to goods and to the means of transport that are subject to its customs laws and regulations;

(c) Customs Mutual Assistance Agreement (CMAA) means the Agreement on Co-operation and Mutual Administrative Assistance in Customs Matters, done between the Parties on 24 July 2019;

(d) Authorised Economic Operator(s) (AEO) means the program which recognises an operator involved in the international movement of goods in whatever function that has been approved by the national customs authority as complying with the World Customs Organization (WCO) or equivalent supply chain security standards;

(e) Mutual Recognition Arrangement (MRA) means the arrangement between the Parties that mutually recognise AEO authorizations that has been properly granted by one of the customs authorities; and

(f) persons means both natural and legal person, unless the context otherwise requires.

Article 4.2. Objectives

The objectives of this Chapter are to:

(a) ensure predictability, consistency, and transparency in the application of the customs laws and regulations of each Party;

(b) promote efficient administration of the customs procedures of each Party, and the expeditious clearance of goods;

(c) simplify the customs procedures of each Party and harmonise them to the extent possible with relevant international standards;

(d) promote cooperation among the customs authorities of the Parties; and

(e) facilitate trade between the Parties, including through a strengthened framework for global and regional supply chains.

Article 4.3. Scope

This Chapter shall apply, in accordance with the respective laws, and regulations of the Parties, to customs procedures applied to goods traded between the Parties.

Article 4.4. General Provisions

1. Each Party shall ensure that its customs procedures and practices are predictable, consistent, transparent, non-discriminatory and avoid unnecessary procedural obstacles to trade.

2. Each Party shall ensure that its customs procedures, where possible and to the extent permitted by its customs laws and regulations conform with the standards and recommended practices of the World Customs Organization.

3. The customs authority of each Party shall review its customs procedures with a view to their further simplification and development to facilitate trade while ensuring effective control.

Article 4.5. Publication and Enquiry Points

1. For the purposes of this Chapter, in accordance with its respective laws and regulations, the customs authority of each Party shall:

(a) ensure that its laws, regulations, guidelines, procedures, and administrative rulings governing customs matters are promptly published, either on the Internet or in print form.

(b) designate, establish, and maintain one or more enquiry points to address enquiries from interested persons pertaining to customs matters, within its available resources, and shall endeavour to make available publicly through electronic means, information concerning procedures for making such enquiries.

(c) to the extent practicable, and in a manner consistent with its domestic law and legal system, ensure that new or amended laws and regulations of general application related to the movement, release, and clearance of goods, including goods in transit, are published, or information on them is made otherwise publicly available, as early as possible before their entry into force, so that interested parties have the opportunity to become acquainted with the new or amended laws and regulations.

(d) information and publications referred to in this Article, to the extent possible, and in accordance with each Party's laws and regulations, shall be made available in the English language.

2. Nothing in this Article or in any part of this Agreement shall require a Party to publish law enforcement procedures and internal operational guidelines including those related to conducting risk analysis and targeting methodologies.

Article 4.6. Risk Management

Each Party shall adopt or maintain a risk management method, that considers a system for assessment and targeting that enables its customs authority to focus its inspection activities on high-risk consignments and that simplifies the clearance and movement of low-risk consignments. Each Party may also select, on a random basis, consignments for such controls as part of its risk management.

Article 4.7. Application of Information Technology

1. Each Party shall endeavour to provide an electronic environment that supports business transactions between its customs authority and its trading entities based on internationally accepted standards for expeditious customs clearance and release of goods.

2. Each Party shall, to the extent possible, use information technology that expedites customs procedures for the release of goods, including the submission of data before the arrival of the shipment of those goods, as well as electronic or automated systems for risk management targeting.

3. Each Party shall endeavour to make its trade administration documents available to the public in electronic versions.

4. Each Party shall endeavour to accept trade administration documents submitted electronically as the legal equivalent of the paper version of those documents.

5. In developing initiatives that provide for the use of paperless trade administration, each Party is encouraged to take into account international standards or methods made under the auspices of international organizations, as well as those reflected in the CMAA signed between the two Parties.

Article 4.8. Advance Rulings

1. In accordance with its commitments under the WTO Trade Facilitation Agreement, the customs authority of each Party, upon request, shall issue, prior to the importation of a good into its territory, an advance ruling, in relation to:

(a) tariff classification;

(b) origin of the goods; and

(c) the application of valuation criteria for a particular case, in accordance with the application of the provisions set forth in the Customs Valuation Agreement.

2. The importing Party shall apply an advance ruling issued by it under paragraph 1 on the date that the ruling is issued or on a later date specified in the ruling, and it shall remain in effect for a reasonable period of time and in accordance with the national procedures on advanced rulings unless the advance ruling is modified or revoked.

3. An advance ruling issued by a Party shall be binding on only the person to whom the ruling is issued.

4. A Party may decline to issue an advance ruling if the facts and circumstances forming the basis of the advance ruling are the subject of a post clearance audit or an administrative, judicial, or quasi judicial review or appeal. A Party that declines to issue an advance ruling shall promptly notify, in writing, the person requesting the ruling, setting out the relevant facts and circumstances and the basis for its decision.

5. The importing Party may modify or revoke an advance ruling: (a) if the ruling was based on an error of fact;

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

(c) to conform with a modification of this Chapter; or

(d) to conform with a judicial decision or a change in its domestic law.

6. Each Party shall provide a written notice to the applicant explaining the Party's decision to revoke or modify the advance ruling issued to the applicant.

7. Each Party shall provide that any modification or revocation of an advance ruling shall be effective on the date on which the modification or revocation is issued, or on such later date as may be specified therein, and shall not be applied to importations of a good that have occurred prior to that date, unless the person to whom the advance ruling was issued has not acted in accordance with its terms and conditions.

8. For the issuance of the advance ruling, each Party shall apply its respective laws and procedures.

Article 4.9. Penalties

1. Each Party shall maintain measures imposing criminal, civil or administrative penalties, whether solely or in combination, for violations of the Party's customs laws, regulations or procedural requirements.

2. Each Party shall ensure that penalties issued for a breach of a customs law, regulations or procedural requirement are imposed only on the person(s) responsible for the breach under that Party's laws.

3. Each Party shall ensure that the penalty imposed by its customs authority is dependent on the facts and circumstances of the case and is commensurate with the degree and severity of the breach.

4. Each Party shall ensure that it maintains measures to avoid conflicts of interest in the assessment and collection of penalties and duties.

5. Each Party shall ensure that if a penalty is imposed by its customs authority for a breach of a its customs laws, regulation or procedural requirements, an explanation in writing is provided to the person(s) upon whom the penalty is imposed specifying the nature of the breach and the law, regulation or procedure used for determining the penalty amount.

Article 4.10. Release of Goods

1. In order to facilitate trade between the Parties, each Party shall adopt or maintain simplified customs procedures for the efficient release of goods. For greater certainty, this paragraph shall not require a Party to release a good if the Party's requirements for release have not been met.

2. Pursuant to paragraph 1, each Party shall adopt or maintain procedures that:

(a) provide for the immediate release of goods upon receipt of the customs declaration and fulfillment of all applicable requirements and procedures;

(b) provide for the electronic submission and processing of documentation and data, including manifests, prior to the arrival of the goods in order to expedite the release of goods from customs control upon arrival;

(c) allow goods to be released at the point of arrival, without temporary transfer to warehouses or other facilities, provided

all requirements are met; and

(d) require that the importer be informed if a Party does not promptly release goods, including, to the extent permitted by its laws and regulations, the reasons why the goods are not released and which border agency, if not the customs authority, has withheld release of the goods.

3. Each Party may allow, to the extent practicable, goods intended for importation to be moved within its territory under customs control from the point of entry into the Party's territory to another customs office in its territory from where the goods are intended to be released, provided the applicable regulatory requirements are met.

Article 4.11. Authorised Economic Operators

In order to facilitate trade and enhance compliance and risk management between them, the Parties agreed to implement the MRA of their respective Authorised Economic Operator (AEO) programs.

Article 4.12. Border Agency Cooperation

The Parties shall ensure that their authorities and agencies responsible for border controls and procedures dealing with the importation, exportation, and transit of goods cooperate with one another and coordinate their activities in order to facilitate trade pursuant to this Chapter.

Article 4.13. Expedited Shipments

Each Party shall adopt or maintain expedited customs procedures for goods entered through air cargo facilities while maintaining appropriate customs control. These procedures shall:

(a) provide for information necessary to release an express shipment to be submitted and processed before the shipment arrives;

(b) allow a single submission of information covering all goods contained in an express shipment, such as a manifest, if possible, through electronic means; (7)

(c) to the extent possible, provide for the release of certain goods with a minimum of documentation;

(d) under normal circumstances, provide for express shipments to be released as soon as possible after submission of the necessary customs documents, provided that the shipment has arrived;

(e) apply to shipments of any weight or value recognizing that a Party may require formal entry procedures as a condition for release, including declaration and supporting documentation and payment of customs duties, based on the good's weight or value; and

(f) provide that, under normal circumstances, no customs duties will be assessed on express shipments valued at or below a fixed amount set under the Party's law. (8) Each Party shall review the amount taking into account factors that it may consider relevant.

(7) Additional documents may be required as a condition for release.

(8) Notwithstanding this Article, a Party may assess customs duties, or may require formal entry documents, for restricted or controlled goods, such as goods subject to import licensing or similar requirements.

Article 4.14. Review and Appeal

1. Each Party shall provide that any person to whom its customs authority issues an administrative decision has the right, within its territory, to:

(a) an administrative appeal to, or review by, an administrative authority higher than, or independent of, the official or office that issued the decision; and

(b) a judicial appeal or review of the decision.

2. Each Party shall ensure that its procedures for appeal and review are carried out in a non-discriminatory and timely manner.

3. Each Party shall ensure than an authority conducting a review or appeal under paragraph 1 notifies the person in writing of its determination or decision in the review or appeal, and the reasons for the determination or decision.

4. The legislation of a Party may require that an administrative appeal or review be initiated prior to a judicial appeal or review.

5. Each Party shall ensure that, in a case where the decision on appeal or review under subparagraph 1(a) is not given either:

(a) within set periods as specified in its laws or regulations; or

(b) without undue delay, the petitioner has the right to either further appeal to, or further review by, the administrative authority or the judicial authority or any other recourse to the judicial authority.

6. Each Party shall ensure that the person referred to in paragraph 1 is not treated unfavourably merely because that person seeks review of an administrative decision referred to in paragraph 1.

7. Each Party is encouraged to make the obligations in this Article applicable to administrative decisions issued by a relevant border agency other than its customs authority.

8. The decision, and the reasons for the decision, of an administrative or judicial review or appeal shall be provided in writing.

Article 4.15. Customs Cooperation

1. With a view to further enhancing customs cooperation and exchange of information between their customs authorities to secure and facilitate lawful trade, each Party shall implement and comply with the obligations in the CMAA.

2. The Parties shall facilitate initiatives for the exchange of information on best practices in relation to the implementation and management of customs procedures described in this Chapter, and in accordance with the CMAA.

Article 4.16. Confidentiality

1. Any information received under this Agreement shall be treated as confidential pursuant to the terms of the CMAA.

2. Each Party shall maintain, in accordance with its laws and regulations, the confidentiality of information obtained pursuant to this Chapter and shall protect that information from disclosure that could prejudice the competitive position of the persons providing the information.

Chapter 5. SANITARY AND PHYTOSANITARY MEASURES

Article 5.1. Definitions

For the purposes of this Chapter:

(a) the definitions provided in Annex A of the SPS Agreement shall apply;

(b) competent authority means those authorities within each Party recognised by the national government as responsible for developing and administering the sanitary and phytosanitary measures within that Party and;

(b) emergency measure means a sanitary or phytosanitary measure that is applied by an importing Party to the other Party to address an urgent problem of human, animal or plant life or health protection that arises or threatens to arise in the Party applying the measure.

Article 5.2. Objectives

The objectives of this Chapter are to:

(a) protect human, animal, or plant life or health in the territories of the Parties while facilitating trade between them;

(b) enhance the implementation of the SPS Agreement;

(c) strengthen communication, consultation, and cooperation between the Parties, and particularly between the Parties' competent authorities;

(d) ensure that sanitary or phytosanitary measures implemented by a Party do not create unnecessary barriers to trade;

(e) enhance transparency in and understanding of the application of each Party's sanitary and phytosanitary measures; and

(f) encourage the development and adoption of science-based international standards, guidelines, and recommendations, and promote their implementation by the Parties.

Article 5.3. Scope

This Chapter shall apply to all sanitary and phytosanitary measures of a Party that may, directly or indirectly, affect trade between the Parties.

Article 5.4. General Provision

The Parties affirm their rights and obligations with respect to each other under the SPS Agreement, and to this end, the SPS Agreement is incorporated into and made a part of this agreement, mutatis mutandis.

Article 5.5. Competent Authorities and Contact Points

1. The Parties shall exchange information on the application of sanitary and phytosanitary measures with regard to regulations, standards and procedures through designated competent authorities and contact points.

2. Each Party shall provide the other Party with a written description of the sanitary and phytosanitary responsibilities of its competent authorities, the contact points within each of these authorities, and the name and contact information of its primary representative. Each Party shall keep this information up to date.

Article 5.6. Committee on Sanitary and Phytosanitary Measures

1. For the purposes of the effective implementation and operation of this Chapter, the Parties hereby establish a Committee on Sanitary and Phytosanitary Measures ("Committee"), composed of government representatives of each Party responsible for sanitary and phytosanitary matters. The Committee shall carry out its work under the direction of the Joint Committee.

2. The objectives of the Committee are to:

(a) enhance each Party's implementation of this Chapter;

(b) consider sanitary and phytosanitary matters of mutual interest; and

(c) enhance communication and cooperation on sanitary and phytosanitary matters

3. The Committee shall establish its terms of reference at its first meeting and may revise those terms as needed. The Committee shall thereafter meet as needed at its own discretion or at the direction of the Joint Committee.

4. The Committee is intended to serve as a forum to:

(a) improve the Parties' understanding of sanitary and phytosanitary issues that relate to the implementation of the SPS Agreement and this Chapter;

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

(c) exchange information on the implementation of this Chapter;

(d) share information on a sanitary or phytosanitary issue that has arisen between them.

5. If a Party considers that there is a disruption to trade on sanitary and phytosanitary grounds, it may request technical consultations through the Committee on an urgent basis with a view to facilitating trade. On receiving a request under this paragraph, the other Party will endeavor to provide any requested information and respond to questions pertaining to the matter, and if requested, enter into technical consultations within a reasonable period of time after receiving such a request. The Parties shall make every effort to reach a mutually satisfactory resolution through technical consultations

within a period of time agreed upon by the Parties.

Article 5.7. Equivalence

1. The Parties recognise that the principle of equivalence as provided for under Article 4 of the SPS Agreement, has mutual benefits for both exporting and importing countries.

2. The Parties shall follow the procedures for determining the equivalence of SPS measures and standards developed by the WTO SPS Committee and relevant international standard setting bodies as referred to in Annex A of the SPS Agreement, mutatis mutandis.

3. Compliance by an exported product with an SPS measure or standard that has been accepted as equivalent to SPS measures or standards of the importing Party shall not remove the need for that product to comply with any other relevant mandatory requirements of the importing Party.

Article 5.8. Emergency Measures

1. If a Party adopts an emergency measure that is necessary for the protection of human, animal or plant life or health, the Party shall promptly notify the other Party of that measure through the primary representative and the relevant contact point referred to in Article 5.5 (Competent Authorities and Contact Points). The importing Party shall take into consideration any information provided by the other Party in response to the notification.

2. If a Party adopts an emergency measure referred to in paragraph 1, it shall ensure that the emergency measure is not maintained without scientific evidence and shall review the scientific basis of that measure within a reasonable period of time or, promptly on the request of the other Party, and make available the results of the review to the other Party on request. If the emergency measure is maintained after the review, because the reason for its adoption remains, the Party should review the measure periodically.

Article 5.9. Transparency

1. The Parties recognise the value of transparency in the adoption and application of sanitary and phytosanitary measures and the importance of sharing information about such measures on an ongoing basis.

2. In implementing this Article, each Party should take into account relevant guidance of the WTO SPS Committee and international standards, guidelines and recommendations.

3. Each Party agrees to notify a proposed sanitary or phytosanitary measure that may have an effect on the trade of the other Party, including any that conforms to international standards, guidelines, or recommendations, by using the WTO SPS notification submission system as a means of notification.

4. Unless urgent problems of human, animal or plant life or health protection arise or threaten to arise, or the measure is of a trade facilitating nature, the Party proposing a sanitary or phytosanitary measure shall normally allow at least 60 days for the other Party to provide written comments on the proposed measure, other than proposed legislation, after it makes a notification under paragraph 3. If feasible and appropriate, the Party proposing the measure should allow more than 60 days. The Party shall consider any reasonable request from the other Party to extend the comment period. On request of the other Party, the Party proposing the measure shall respond to the written comments of the other Party in an appropriate manner.

5. A Party that proposes to adopt a sanitary or phytosanitary measure shall discuss with the other Party, on request and if appropriate and feasible, any scientific or trade concerns that the other Party may raise regarding the proposed measure and the availability of alternative, less trade-restrictive approaches for achieving the objective of the measure.

6. The Parties encourage the publication, by electronic means including in a website, of the proposed sanitary or phytosanitary measure notified under paragraph 3 and the legal basis for the measure, and the written comments or a summary of the written comments that the Party has received from the public on the measure.

7. Each Party shall notify the other Party of final sanitary or phytosanitary measures through the WTO SPS notification submission system. Each Party shall ensure that the text or the notice of a final sanitary or phytosanitary measure specifies the date on which the measure takes effect and the legal basis for the measure. Each Party shall publish, preferably by electronic means, including in a website, notices of final sanitary or phytosanitary measures.

8. An exporting Party shall notify the importing Party through the contact points referred to in Article 5.5 (Competent

Authorities and Contact Points) in a timely and appropriate manner:

(a) if it has knowledge of a significant sanitary or phytosanitary risk related to the export of a good from its territory;

(b) of urgent situations where a change in animal or plant health status in the territory of the exporting Party may affect current trade;

(c) of significant changes in the status of a regionalised pest or disease;

(d) of new scientific findings of importance which affect the regulatory response with respect to food safety, pests or diseases; and

(e) of significant changes in food safety, pest or disease management, control or eradication policies or practices that may affect current trade.

9. A Party shall provide to the other Party, on request, all sanitary or phytosanitary measures related to the importation of a good into that Party's territory.

Article 5.10. Cooperation

1. The Parties shall cooperate on sanitary and phytosanitary matters to protect human, animal, fish and plant life, or, health through their respective competent authorities.

2. The Parties shall explore opportunities for cooperation and collaboration in e-certification, technical assistance, best practices, joint research, and other areas of mutual interest.

Chapter 6. STANDARDS, TECHNICAL REGULATIONS AND CONFORMITY ASSESSMENT PROCEDURES (STRACAP)

Article 6.1. Definitions

For the purposes of this Chapter, the terms and their definitions, including the chapeau and explanatory notes, provided in Annex 1 of the TBT Agreement shall apply mutatis mutandis.

Article 6.2. Objectives

The objectives of this Chapter are to facilitate trade in goods between the Parties by:

(a) ensuring that standards, technical regulations, and conformity assessment procedures do not create unnecessary obstacles to trade;

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

(c) strengthening information exchange and cooperation between the Parties in relation to the preparation, adoption and application of standards, technical regulations and conformity assessment procedures;

(d) strengthening cooperation between the Parties in the work of international bodies related to standardisation and conformity assessments; and

(e) providing a framework to implement supporting mechanisms to realise these objectives.

Article 6.3. Scope

1. This Chapter shall apply to the preparation, adoption and application of all standards, technical regulations and conformity assessment procedures that may affect trade in goods between the Parties.

2. Notwithstanding paragraph 1, this Chapter shall not apply to:

(a) sanitary and phytosanitary measures, as defined in Chapter 5 (Sanitary and Phytosanitary Measures); and

(b) purchasing specifications prepared by governmental bodies for production or consumption requirements of governmental bodies.

3. Each Party shall take such reasonable measures as may be available to it to ensure compliance, in the implementation of this Chapter, by local governments and non-governmental bodies within its territory that are responsible for the preparation, adoption and application of standards, technical regulations and conformity assessment procedures.

4. Nothing in this Chapter shall limit the right of a Party to prepare, adopt, and apply standards, technical regulations and conformity assessment procedures only to the extent necessary to fulfil a legitimate objective. Such legitimate objectives include, inter alia, national security requirements; the prevention of deceptive practices; the protection of human health or safety; animal or plant life or health; or the environment.

Article 6.4. Affirmation of the WTO TBT Agreement

1. The Parties affirm their existing rights and obligations with respect to each other under the TBT Agreement, of which Articles 2 through 6, and Article 9 as well as Annex 3 are incorporated into and made part of this Agreement, mutatis mutandis.

2. Neither Party shall have recourse to dispute settlement under Chapter 16 (Dispute Settlement) for any matter arising under this Chapter if the dispute concerns:

(a) exclusively claims made under the provisions under paragraph 1 of the TBT Agreement incorporated; or

(b) a measure that a Party alleges to be inconsistent with this Chapter that was referred to, or is subsequently referred to, a WTO dispute settlement panel or was taken to comply in response to a ruling of the WTO Dispute Settlement Body.

Article 6.5. Standards

1. The Parties recognising the important role that international standards, guides, and recommendations can play in supporting greater regulatory alignment and in reducing unnecessary barriers to trade.

2. With respect to the preparation, adoption and application of standards, each Party shall ensure that its standardising body accept and complies with Annex 3 to the TBT Agreement.

3. To determine whether there is an international standard, guide, or recommendation within the meaning of Articles 2 and 5 and Annex 3 of the TBT Agreement, each Party shall apply the TBT Committee Decision on International Standards.

4. No Party shall accord any preference to the consideration or use of standards that are developed through processes that:

(a) are inconsistent with the TBT Committee Decision on International Standards; or

(b) treat persons of the other Party less favorably than persons whose domicile is the same as the standardisation body.

Article 6.6. Technical Regulations

1. Where relevant international standards exist or their completion is imminent, each Party shall use them, or relevant parts of them, as a basis for their technical regulations except when such international standards or relevant parts would be an ineffective or inappropriate means for the fulfilment of the legitimate objectives pursued, for instance because of fundamental climatic or geographical factors or fundamental technological problems.

2. If a Party has not used such international standards or relevant parts of them, as a basis for a technical regulation, a Party shall, on request from the other Party, explain why it has not used a relevant international standard or has substantially deviated from an international standard.

3. Each Party shall give positive consideration to accepting as equivalent, technical regulations of the other Party, even if these regulations differ from its own, provided it is satisfied that these regulations adequately fulfil the objectives of its own regulations.

4. If a Party does not accept a technical regulation of the other Party as equivalent to its own, it shall, on request of the other Party, explain the reasons for its decision within a reasonable period of time.

5. In implementing paragraph 2 of Article 2 of the TBT Agreement, each Party shall consider available alternatives in order to ensure that the proposed technical regulations to be adopted are not more trade restrictive than necessary to fulfil a legitimate objective.

6. Each Party shall uniformly and consistently apply its technical regulations that are prepared and adopted in a manner

consistent with the provisions of the TBT Agreement to its whole territory.

7. On the request of a Party that has an interest in developing a technical regulation similar to a technical regulation of the other Party, the other Party shall endeavour to provide, to the extent practicable, relevant information, including studies or documents, except for confidential information, on which it has relied in its development.

8. Consistent with the obligations of the TBT Agreement each Party shall ensure that its technical regulations concerning labels:

(a) accord treatment no less favorable than that accorded to like goods of national origin; and

(b) do not create unnecessary obstacles to trade between the Parties.

Article 6.7. Conformity Assessment Procedures

1. Each Party shall ensure, whenever possible, that results of conformity assessment procedures in the other Party are accepted, even when those procedures differ from its own, unless those procedures do not offer an assurance of conformity with applicable technical regulations or standards equivalent to its own procedures.

2. A Party shall, on request of the other Party, explain its reason for not accepting the results. The Parties may consult with each other on matters such as the technical competence of the conformity assessments bodies involved.

3. Each Party recognises that, depending on the situation of the Party and the specific sectors involved, a broad range of mechanisms may exist to facilitate the acceptance of the results of conformity assessment procedures conducted in the other Party. Such mechanisms may include, but not limited to:

(a) recognition of cooperative arrangements between accreditation bodies in the territory of each Party;

(b) promotion of mutual recognition of conformity assessment procedures conducted by accredited conformity assessment bodies located in the territory of the other Party;

(c) use of existing regional and international multilateral recognition agreements and arrangements;

(d) designation by the government of a Party of conformity assessment bodies located in the territory of the other Party to perform conformity assessment procedures;

(e) acceptiance of a manufacture’s or supplier’s declaration of conformity where appropriate and mutually agreed; and

(f) other mechanisms as mutually agreed.

Article 6.8. Transparency

1. The Parties recognise the importance of the provisions relating to transparency in the TBT Agreement. In this respect, the Parties shall take into account relevant decisions and recommendations in the Decisions and Recommendations adopted by the WTO Committee on Technical Barriers to Trade since 1 January 1995 (G/TB//Rev.13) and 24 September 2019 (G/TBT/1/Rev.14), as may be revised, issued by the WTO TBT Committee.

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

3. Each Party shall ensure that the information relating to standards, technical regulations and conformity assessment procedures is published. Such information should be made available in electronic form and, where possible, in printed form.

Article 6.9. Cooperation

1. The Parties shall strengthen their cooperation in the field of standards, technical regulations and conformity assessment procedures, consistent with the objectives of this Chapter.

2. Each Party shall, on request of the other Party, give positive consideration to proposals for cooperation on matters of mutual interest on standards, technical regulations and conformity assessment procedures.

3. Such cooperation, which shall be mutually agreed by both Parties, may include:

(a) provision of advice, technical assistance, or capacity building relating to the development and application of standards, technical regulations and conformity assessment procedures;

(b) cooperation between conformity assessment bodies, in the Parties, on matters of mutual interest;

(c) 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, such as enhancing participation in the frameworks for mutual recognition developed by relevant regional and international bodies;

(d) enhancing cooperation in the development and improvement of standards, technical regulations and conformity assessment procedures;

(e) increasing the mutual understanding of the Parties' respective systems and mechanisms for standards, technical regulation and conformity assessment procedures;

(f) facilitating trade by good regulatory practices; and

(g) enhancing cooperation, as appropriate, to ensure that technical regulations and conformity assessment procedures are based on international standards or the relevant parts of them and do not create unnecessary obstacles to trade between the Parties.

4. Each Party shall, on request of the other Party, give consideration to sector-specific proposals for cooperation based on mutual benefit under this Chapter.

Article 6.10. Information Exchange and Technical Discussions

1. A Party may request that the other Party provide information on any matter arising under this Chapter. A Party receiving a request under this paragraph shall provide that information within a reasonable period of time, and if possible, by electronic means.

2. Each Party shall give prompt and positive consideration to any request from the other Party for technical discussions on any matter arising from this Chapter.

3. On a request of a Party for technical discussions on any matter arising under this Chapter, the Parties shall agree to enter into technical discussions by notifying the contact points established under Article 6.11 (Contact Points).

4. Technical discussions shall be carried out by the Parties within 30 days of the receipt of the request made under paragraph 1, unless the Parties otherwise agree, with a view to reaching a mutually satisfactory solution of the matter as expeditiously as possible. Technical discussions may be conducted via any means agreed by the Parties.

Article 6.11. Contact Points

1. Each Party shall designate a contact point who will be responsible for coordinating the implementation of this Chapter within 60 days of the date of entry into force of this Agreement.

2. Each Party shall ensure that its contact point facilitate the exchange of information between the Parties on standards, technical regulations and conformity assessment procedures in response to all reasonable requests for such information from the other Party.

3. All communications under this Chapter shall be made through the contact points, including facilitating discussions, requests, and the timely exchange of information on matters arising under this Chapter.

4. Each Party shall promptly notify the other Party of any change to its contact point or the details of the relevant officials.

Article 6.12. Committee on STRACAP

1. The Parties hereby establish a Committee on STRACAP under the Joint Committee, which shall comprise of representatives of each Party.

2. The Committee shall meet as mutually agreed by the Parties. Meetings may be conducted in person, or by any other means as mutually agreed by the Parties.

3. The functions of the Committee may include:

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

(b) coordinating cooperation pursuant to Article 6.9 (Cooperation);

(c) facilitating technical discussions;

(d) reporting its findings to the Joint Committee, where appropriate; and

(e) carrying out other functions as may be delegated by the Joint Committee.

Chapter 7. TRADE REMEDIES

Article 7.1. Scope

1. With respect to the UAE, this Chapter shall apply to investigations and measures that are taken under the authority of the Minister of Economy pursuant to Articles 2, 3, 4, and 8 of Federal Law No. 1 of 2017 on Anti-dumping, Countervailing and Safeguard Measures.

2. With respect to Indonesia, this Chapter shall apply to investigations and measures that are taken under the Government Regulation No. 34 of 2011 on Anti-dumping, Countervailing and Safeguard Measures, including its subsequent amendments and replacements.

Article 7.2. Anti-Dumping and Countervailing Measures

General

1. The Parties recognise the right to apply measures consistent with Article VI of the GATT 1994, the Anti-Dumping Agreement, and the SCM Agreement, as well as the importance of promoting transparency in anti-dumping and countervailing duty proceedings and ensuring the opportunity of all interested parties to participate meaningfully in such proceedings.

2. Except for paragraph 4, nothing in this Agreement shall be construed to impose any rights or obligations on a Party with respect to anti dumping or countervailing duty measures.

3. Neither Party may have recourse to dispute settlement under Chapter 16 (Dispute Settlement) for any matter arising under this Article.

Practices Relating to Anti-dumping and Countervailing Duty Proceedings

4. The Parties recognise the following practices as promoting the goals of transparency and due process in anti-dumping and countervailing duty proceedings:

(a) upon receipt by a Party's investigating authorities of a properly documented anti-dumping or countervailing duty application with respect to imports from the other Party, and no later than 10 days before initiating an investigation, the Party shall provide written notification of its receipt of the application to the other Party.

(b) immediately after a Party accepts an anti-dumping or countervailing duty application, and in any event before the Party initiates an investigation, the Party shall invite the other Party, to hold consultations, with the aim of clarifying the situation as to the matters referred to in the application.

(c) without prejudice to the obligation to afford reasonable opportunity for consultation, these provisions regarding consultations are not intended to prevent the authorities of a Party from proceeding expeditiously with regard to initiating the investigation, reaching preliminary or final determinations, whether affirmative or negative, or from applying provisional or final measures, in accordance with its laws and regulations.

(d) in any proceeding in which the investigating authorities determine to conduct an on-spot verification of information that is provided by a respondent (9), the investigating authorities shall promptly notify each respondent of their intent, and:

(i) provide to each respondent at least 14 working days advance notice of the dates on which the authorities intend to conduct an on-spot verification of the information; and

(ii) at least seven working days prior to an on-spot verification, provide to the respondent a document that sets out the topics the respondent should be prepared to address during the verification and that describes the types of supporting documentation to be made available for the purpose of verification.

(e) if, in an anti-dumping or countervailing duty action that involves imports from the other Party, a Party's investigating authorities determine that a timely response to a request for information does not comply with the request, the investigating authorities shall inform the interested party that submitted the response of the nature of the deficiency and, to the extent practicable in light of time limits established to complete the anti-dumping or countervailing duty action, provide that interested party with an opportunity to remedy or explain the deficiency. If that interested party submits further information in response to that deficiency and the investigating authorities find that the response is not satisfactory, or that the response is not submitted within the applicable time limits, and if the investigating authorities disregard all or part of the original and subsequent responses, the investigating authorities shall explain in the determination or otherwise in writing the reasons for disregarding the information.

(f) without prejudice to paragraph 5 of Article 6 of the Anti Dumping Agreement and paragraph 4 of Article 12 of the SCM Agreement, the investigating authorities shall ensure that in any case before the determination is made, full and meaningful disclosure to interested parties of all essential facts and considerations which form the basis for the decision to apply measures. Disclosures shall be made in writing and allow interested parties sufficient time to make their comments.

(g) the disclosure of the essential facts shall contain in particular:

(i) in the case of an anti-dumping investigation, the margins of dumping established, a sufficiently detailed explanation of the basis and methodology upon which normal values and export prices were established, and of the methodology used to compare the normal values and export prices, including any adjustments;

(ii) in the case of a countervailing duty investigation, the determination of countervailable subsidization, including sufficient details on the calculation of the amount and methodology followed to determine the existence of subsidization; and

(iii) information relevant to the determination of injury, including information concerning the volume of the dumped or subsidised imports and the effect of the dumped or subsidised imports on prices in the domestic market for like goods, the detailed methodology used in the calculation of price undercutting, the consequent impact of the dumped or subsidised imports on the domestic industry, and the demonstration of a causal relationship, including the examination of factors other than the dumped or subsidised imports.

(9) For the purposes of this paragraph, "respondent" refers to a producer, manufacturer, exporter, importer, and, where appropriate, a government or government entity, that submits the response to the investigating authorities of Anti-dumping or countervailing duty' questionnaires.

Article 7.3. Bilateral Safeguard Measures

Definitions

1. For the purposes of this Article:

(a) bilateral safeguard measure means a measure described in paragraph 2.

(b) domestic industry means, with respect to an imported good, the producers as a whole of the like or directly competitive good operating within the territory of a Party, or those producers whose collective production of the like or directly competitive good constitutes a major proportion of the total domestic production of that good;

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

(d) threat of serious injury means serious injury that, on the basis of facts and not merely on allegation, conjecture, or remote possibility, is clearly imminent;

(e) transition period means, in relation to a particular good, the period of the staged tariff elimination for that good; and

General

2. If, as a result of the reduction or elimination of a customs duty under this Agreement, an originating good of the other Party is being imported into the territory of a Party in such increased quantities, in absolute terms or relative to domestic production, and under such conditions that the imports of such originating good from the other Party causes serious injury, or threat thereof, to a domestic industry producing a like or directly competitive good, the Party may:

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

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

(i) the most-favored-nation (MFN) applied rate of duty on the good in effect at the time the action is taken; or

(ii) the MFN applied rate of duty on the good in effect on the day immediately preceding the date this Agreement enters into force.

Notification and Consultation

3. Each Party shall notify the other Party in writing in the English language:

(a) immediately on initiation of an investigation described in paragraph 5;

(b) immediately upon making a finding of serious injury or threat thereof caused by increased imports;

(c) before applying provisional measures pursuant to paragraph 12; and

(d) no less than 20 days in advance of applying a definitive safeguard measure or extending a bilateral safeguard measure.

4. Each Party shall consult with the other Party as far, in advance of applying a bilateral safeguard measure, as practicable, with a view to reviewing the information arising from the investigation and exchanging views on the measure.

Conditions and Limitations

5. Each Party shall apply a bilateral safeguard measure only following an investigation by the Party's competent authorities in accordance with Articles 3 and subparagraph 2(c) of Article 4 of the Safeguards Agreement, and to this end, Articles 3 and subparagraph 2(c) of Article 4 of the Safeguards Agreement are incorporated into and made a part of this Agreement, mutatis mutandis.

6. In the investigation described in paragraph 5, the Party shall comply with the requirements of subparagraph 2(a) of Article 4 of the Safeguards Agreement, and to this end, subparagraph 2(a) of Article 4 of the Safeguards Agreement is incorporated into and made a part of this Agreement, mutatis mutandis.

7. Each Party shall ensure that its competent authorities complete any such investigation within one year of its date of initiation.

8. Neither Party may apply a bilateral safeguard measure:

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

(b) for a period exceeding two years, except that the period may be extended by up to one year if the competent authorities of the importing Party determine, in conformity with the procedures specified in this Article, that the 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, provided that the total period of application of a bilateral safeguard measure, including the period of initial application and any extension thereof, shall not exceed three years; or

(c) beyond the expiration of the transition period.

9. No bilateral safeguard measure shall be applied to the import of a product which has been previously subject to such measure for a period of time equal to the period during which the previous measure was applied.

10. When the expected duration of the bilateral safeguard measure is greater than one year, the importing Party shall progressively liberalise it at regular intervals.

11. When a Party terminates a bilateral safeguard measure, the rate of customs duty shall be the rate that, according to the Party's Schedule in Annex 2A (Schedule of Tariff Commitments), would have been in effect but for the measure.

Provisional Measures

12. In critical circumstances where delay would cause damage that would be difficult to repair, a Party may apply a bilateral safeguard measure on a provisional basis pursuant to a preliminary determination by its competent authorities that there is clear evidence that imports of an originating good from the other Party have increased as the result of the reduction or elimination of a customs duty under this Agreement, and such imports have caused serious injury, or threat thereof, to the domestic industry.

13. If a Party's competent authorities make a preliminary determination, the Party shall make such determination available to interested parties, and shall provide interested parties at least 15 days after such disclosure to comment and submit their

arguments with respect to such determinations. A Party may not apply a provisional measure until at least 45 days after the date its competent authorities initiate an investigation.

14. The duration of any provisional measure shall not exceed 200 days, during which time the Party shall comply with the requirements of paragraphs 5 and 6.

15. A Party shall promptly refund any tariff increases if the investigation described in paragraph 5 does not result in a finding that the requirements of paragraph 2 are met. The duration of any provisional measure shall be counted as part of the period described in subparagraph 8(b).

Compensation

16. No later than 30 days after it applies a bilateral safeguard measure, a Party shall afford an opportunity for the other Party to consult with it regarding appropriate trade liberalising 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 bilateral safeguard measure. The applying Party shall provide such compensation as the Parties mutually agree.

17. If the Parties are unable to agree on compensation within 30 days after consultations begin, the Party against whose originating good the measure is applied may suspend the application of concessions with respect to originating goods of the applying Party that have trade effects substantially equivalent to the bilateral safeguard measure. The Party exercising the right of suspension may suspend the application of concessions only for the minimum period necessary to achieve the substantially equivalent effects.

18. A Party against whose originating good the bilateral safeguard measure is applied shall notify the Party applying the bilateral safeguard measure in writing at least 30 days before it suspends concessions in accordance with paragraph 17.

19. The right of suspension referred in paragraph 17 shall not be exercised for the first 24 months during which a bilateral safeguard measure is in effect, provided that the safeguard measure has been applied as a result of an absolute increase in imports and conforms to the provisions of this Agreement.

20. The applying Party's obligation to provide compensation under paragraph 16 and the other Party's right to suspend concessions under paragraph 17 shall terminate on the date the bilateral safeguard measure terminates.

Article 7.4. Global Safeguard Measures

1. The Parties maintain their rights and obligations under Article XIX of GATT 1994 and the Safeguards Agreement.

2. Actions taken pursuant to Article XIX of GATT 1994 and the Safeguards Agreement shall not be subject to Chapter 16 (Dispute Settlement).

3. Neither Party may apply, with respect to the same good, at the same time:

(a) a bilateral safeguard measure as provided in Article 7.3 (Bilateral Safeguard Measures); and

(b) a measure under Article XIX of GATT 1994 and the Safeguards Agreement.

Article 7.5. Committee on Trade Remedies

1. The Parties hereby establish a Committee on Trade Remedies, under the Joint Committee, which shall comprise of representatives at an appropriate level from the relevant authorities of each Party who have responsibility for trade remedies matters.

2. The Committee shall meet as and when necessary upon agreement by the Parties.

Article 7.6. Cooperation In Trade Remedies Investigations

The Parties' shall seek to cooperate within the context of this Chapter with a view to, inter alia:

(a) enhance each Party's knowledge and understanding of the other Party's trade remedy laws, policies, and practices;

(b) oversee the implementation of this Chapter;

(c) improve cooperation between the Parties' authorities having responsibility for trade remedy matters;

(d) provide a forum for the Parties to exchange information, to the extent possible, on issues relating to anti-dumping, subsidies and countervailing measures; and to discuss other relevant topics of mutual interest as the Parties may agree;

(e) develop educational programs related to the administration of trade remedy laws and regulations; and

(f) enhance the Parties knowledge and understanding of anti circumvention in the implementation of anti-dumping and countervailing duty measures.

Article 7.7. Use of the English Language

In order to ensure the maximum efficiency for the application of the trade remedies rules under this Chapter, the investigating authorities of each Party should use the English language for communications (10) issued in the context of trade remedies investigations between the Parties.

(10) For the purposes of this Article, “Communications” refers to questionnaire replies, written submissions, and letters.

Chapter 8. TRADE IN SERVICES

Article 8.1. Definitions

For the purposes of this Chapter:

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

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

(ii) the creation or maintenance of a branch or representative office within the territory of a Party for the purpose of supplying a service;

(b) juridical person means any legal entity duly constituted or otherwise organised under applicable law, whether for profit or otherwise, and whether privately-owned or governmentally owned, including any corporation, trust, partnership, joint venture, sole proprietorship or association;

(c) juridical person of the other Party means a juridical person which is either:

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

(a) that Party; or

(b) any Member of the WTO and is owned or controlled by natural persons of that other Party or by juridical persons that meet all the conditions of subparagraph (i)(a); or

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

(a) natural persons of that Party; or

(b) juridical persons of that other Party identified under subparagraph (i);

(d) a juridical person is:

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

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

(iii) "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;

(e) measure means any measure by a Party, whether in the form of a law, regulation, rule, procedure, decision, administrative action, or any other form;

(f) measures by a Party means measures taken by:

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

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

In fulfilling its obligations and commitments under this Chapter, each Party shall take such reasonable measures as may be available to it to ensure their observance by regional and local governments and authorities and non-governmental bodies within its territory;

(g) natural person of a Party (11) means:

(i) For the UAE, a national or a permanent resident (12) of the UAE;

(ii) For Indonesia, a natural person who is Indonesian national as defined in the Indonesia Law No. 12/2006;

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

(i) 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;

(j) service supplier of a Party means any natural or juridical person of a Party that supplies a service; (13)

(k) supply of a service includes the production, distribution, marketing, sale and delivery of a service.

(11) Neither Party shall have recourse to dispute settlement under this Agreement on matters in relation to permanent resident of a Party.

(12) For the purposes of the UAE, the term “permanent resident” refers to any natural person who is in possession of a valid residency permit under the laws and regulations of the UAE.

(13) Where the service is not supplied directly by a juridical person 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 the Agreement. 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 8.2. Scope

1. The Parties reaffirm their respective commitments under the WTO General Agreement on Trade in Services (“GATS”) and hereby lay down the arrangements for the progressive liberalisation of trade in services between them in conformity with Article V of the GATS.

2. This Chapter shall apply to measures by the Parties affecting trade in services, which is defined as the supply of a service through the following modes:

(a) from the territory of a Party into the territory of the other Party;

(b) in the territory of a Party to the service consumer of the other Party;

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

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

3. This Chapter shall not apply to:

(a) laws, regulations, or requirements 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, including government- supported loans, guarantees, and insurance;

(d) measures affecting natural persons of a Party seeking access to the employment market of the other Party, or measures regarding citizenship, residence or employment on a permanent basis;

(e) measures affecting air traffic rights or measures affecting services directly related to the exercise of air traffic rights, except as provided for in paragraph 3 of the GATS Annex on Air Transport Services. The definitions of paragraph 6 of the GATS Annex on Air Transport Services are hereby incorporated into and made part of this Chapter, mutatis mutandis; and

(f) measures affecting cabotage in maritime transport services.

4. Nothing in this Chapter or its annexes shall prevent a Party from applying measures to regulate the entry of natural persons into, or their temporary stay in, its territory, including those measures necessary to protect the integrity of, and to ensure the orderly movement of natural persons across, its borders, provided that such measures are not applied in such a manner as to nullify or impair the benefits accruing to any Party under the terms of a specific commitment. (14)

5. The provisions of this Chapter shall be read with Annex 8B (Financial Services) and Annex 8C (Movement of Natural Persons), which are hereby incorporated into and made part of this Agreement.

(14) The sole fact of requiring a visa for natural persons of certain country and not for those of others shall not be regarded as nullifying or impairing benefits under a specific commitment.

Article 8.3. Most-Favoured Nation Treatment

1. Where a Party schedules commitments in accordance with Article 8.7 (Schedules of Specific Commitments), with respect to the services sectors inscribed in its Schedule of Specific Commitments, and subject to any conditions and qualifications set out therein, it shall accord to services and service suppliers of the other Party treatment no less favourable than that it accords to like services and service suppliers of any non-party.

2. The obligations of paragraph 1 shall not apply to: (a) treatment granted under other existing or future agreements concluded by one of the Parties and notified under Article V or V bis of the GATS; and (b) treatment granted under measures benefiting from the coverage of a MFN exemption listed in accordance with Article II.2 of the GATS or under measures providing for recognition of qualifications or licences or prudential measures in accordance with Article VII of GATS or its Annex on Financial Services.

3. The rights and obligations of the Parties in respect of advantages accorded to adjacent countries shall be governed by paragraph 3 of Article II of the GATS, which is hereby incorporated into and made part of this Chapter.

4. If, after the entry into force of this Agreement, a Party enters into any agreement on trade in services with a non-Party, it shall give consideration, upon request by the other Party, to negotiate the incorporation into this Agreement of treatment no less favourable than that provided under the agreement with the non-Party. The Parties shall take into consideration the circumstances under which a Party enters into any agreement on trade in services with a non- Party.

5. Notwithstanding paragraph 1 and 4, each Party reserves the right to adopt or maintain any measure that accords differential treatment to services and service suppliers of: (a) In the case of Indonesia, any other ASEAN member state taken under any agreement on the liberalization of trade in goods or services or investment as part of a wider process of economic integration between or among ASEAN member states; and (b) In the case of the UAE, any other member state taken under the agreement between the member states of the Gulf Cooperation Council and the agreement between the Member States of the Greater Arab Free Trade Area (GAFTA).

Article 8.4. Market Access

1. Where a Party schedules commitments in accordance with Article 8.7 (Schedules of Specific Commitments), with respect to market access through the modes of supply identified in paragraph 2 of Article 8.2 (Scope) and the services sectors inscribed in its Schedule of Specific Commitments, it 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 of Specific Commitments.

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 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;

(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.

Article 8.5. National Treatment

1. Where a Party schedules commitments in accordance with Article 8.7 (Schedules of Specific Commitments), with respect to the services sectors inscribed in its Schedule of Specific Commitments, and subject to any conditions and qualifications set out therein, it 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.

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 by a Party shall be considered to be less favourable if it modifies the conditions of competition in favour of services or service suppliers of that Party compared to the like service or service suppliers of the other Party.

Article 8.6. Additional Commitments

The Parties may also negotiate commitments with respect to measures affecting trade in services not subject to scheduling under Articles 8.4 (Market Access) and 8.5 (National Treatment), including those regarding qualification, standards or licensing matters. Such commitments shall be inscribed in that Party's Schedule of Specific Commitments in accordance with Article 8.7 (Schedules of Specific Commitments).

Article 8.7. Schedules of Specific Commitments

1. Each Party shall set out in a schedule, called its Schedule of Specific Commitments, the specific commitments it undertakes in accordance with Articles 8.4 (Market Access), 8.5 (National Treatment), and Article 8.6 (Additional Commitments).

2. With respect to sectors where such commitments are undertaken, each Schedule of Specific Commitments 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.

3. Measures inconsistent with both Articles 8.4 (Market Access) and 8.5 (National Treatment) shall be inscribed in the column relating to Article 8.4 (Market Access). In this case, the inscription will be considered to provide a condition or qualification to Article 8.5 (National Treatment) as well.

4. The Parties' Schedule of Specific Commitments are set forth in Annex 8A (Schedules of Specific Commitments).

Article 8.8. Modification of Schedules

1. A Party may modify or withdraw any commitment in its Schedule (referred to in this Article as the "modifying Party"), at any time after three years have elapsed from the date on which that commitment entered into force, in accordance with the provisions of this Article. The modifying Party shall notify the other Party of its intent to modify or withdraw a commitment

pursuant to this Article no later than three months before the intended date of implementation of the modification or withdrawal.

2. At the request of the affected Party, the modifying Party shall enter into negotiations with a view to reaching agreement on any necessary compensatory adjustment within six months. In such negotiations and agreement, the affected Party and the modifying Party shall endeavor to maintain a general level of mutually advantageous commitments not less favourable to trade than that provided for in the Schedules of specific commitments prior to such negotiations. The Joint Committee shall be kept informed of the outcome of the negotiations.

3. If agreement is not reached between any affected Party and the modifying Party before the end of the period provided for negotiations, the affected Party may refer the matter to the procedures in Chapter 16 (Dispute Settlement).

4. If an affected Party does not refer the matter to dispute settlement 60 days from the expiration of the period referred to in paragraph 3 of this Article, the modifying Party shall be free to implement the proposed modification or withdrawal.

5. The modifying Party may not modify or withdraw its commitment until it has made compensatory adjustments in conformity with the findings of the panel established pursuant to Article 16.8 (Dispute Settlement).

6. If the modifying Party implements its proposed modification or withdrawal and does not comply with the findings of the panel established pursuant to Article 16.8 (Dispute Settlement), the affected Party may modify or withdraw substantially equivalent benefits in conformity with those findings.

Article 8.9. 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. Each Party shall maintain or institute as soon as practicable judicial, arbitral or administrative tribunals or procedures which provide, on 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.

3. The provisions of paragraph 2 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.

4. Where authorisation 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, on request of the applicant, where practicable, identify all the additional information that is required to complete the application and provide the opportunity to remedy deficiencies within a reasonable timeframe;

(b) on 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 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.

(d) endeavor to accept application in electronic format under the equivalent conditions of authenticity as paper submissions in accordance with domestic laws and regulations; and

(e) where they deem appropriate, accept copies of documents authenticated in accordance with domestic laws and regulations, in place of original documents.

5. In sectors in which a Party has undertaken specific commitments, with a view to 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 agree that such requirements should be, 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; and

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

6. In sectors in which a Party has undertaken specific commitments, 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:

(a) does not comply with the criteria outlined in subparagraphs 5(a), (b) or (c); and

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

7. In determining whether a Party is in conformity with the obligation under paragraph 6, account shall be taken of international standards of relevant international organisations applied by that Party.(15)

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

(15) The term “relevant international organisations” refers to international bodies whose membership is open to the relevant bodies of the Parties to this Agreement.

Article 8.10. Mutual Recognition

1. For the purposes of the fulfilment, in whole or in part, of its standards or criteria for the authorisation, licensing or certification of service suppliers, and subject to the requirements of paragraph 3, a Party may recognise, the education or experience obtained, requirements met, or licences or certifications granted in the other Party. Such recognition, which may be achieved through harmonisation or otherwise, may be based upon an agreement or arrangement between the Parties 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, whether existing or future, shall afford adequate opportunity for the other Party, on 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 the education, experience, licences or certifications obtained or requirements met in that other Party's territory should also be recognised.

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

4. Where a Party recognises, autonomously or by agreement or arrangement, the education or experience obtained, requirements 15 The term “relevant international organisations” refers to international bodies whose membership is open to the relevant bodies of the Parties to this Agreement. met, or licences or certifications granted in the territory of a non-Party, nothing in this Chapter shall be construed to require the Party to accord such recognition to the education or experience obtained, requirements met, or licences or certifications granted in the territory of the other Party.

5. The Parties agree to encourage, where possible, the relevant bodies in their respective territories responsible for issuance and recognition of professional and vocational qualifications to:

(a) establish dialogues with a view to recognizing professional and vocational qualifications, facilitating licensing or registration procedures, and working towards the development of mutually acceptable professional standards and criteria with respect to professional services in sectors of mutual importance to the Parties.

(b) take into account other relevant multilateral agreements, to which both countries are Parties, that relate to professional services in developing such arrangements on the recognition of professional qualifications, licensing and registration.

6. For purposes of transparency, on request of the other Party, a Party shall endeavour to, where practicable provide information concerning standards and criteria for the certification and licensing of professional service suppliers, or otherwise provide information concerning the appropriate regulatory or other body to consult regarding these standards and criteria.

Article 8.11. Payments and Transfers

1. Except under the circumstances envisaged in Article 8.12 (Restrictions to Safeguard the Balance-of-Payments), 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 Fund, 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 8.12 (Restrictions to Safeguard the Balance-of-Payments) or at the request of the International Monetary Fund.

Article 8.12. Restrictions to Safeguard the Balance-of-Payments

1. Where any of the Parties to this Agreement is in serious balance of payments difficulties, or under threat thereof, it may adopt or maintain restrictive measures with regard to trade in services, on which it has undertaken specific commitments, including on payments and transfers related to such commitments.

2. The rights and obligations of the Parties in respect of such restrictions shall be governed by paragraphs 1 to 3 of Article XII of the GATS. A Party adopting or maintaining such restrictions shall promptly notify the Joint Committee thereof.

Article 8.13. 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 8.14. Review

1. With the objective of further liberalising trade in services between them, the Parties agree to jointly review their Schedules of Specific Commitments within the framework of the Joint Committee taking into account any services liberalization developments as a result of on- going work under the auspices of the WTO.

2. The first such review shall take place no later than five years after the entry into force of this Agreement.

Article 8.15. Committee on Trade In Services

For the purposes of effective implementation and operation of this Chapter, the functions of the Committee on Trade in Services (hereinafter referred to in this Article as “the Committee”) established in accordance with Article 18.3 (Committees and Subsidiary Bodies) shall be:

(a) reviewing and monitoring the implementation and operation of this Chapter;

(b) discussing any issues related to this Chapter;

(c) reporting the findings of the Committee to the Joint Committee; and

(d) carrying out other functions as may be delegated by the Joint Committee in accordance with Article 18.1 (Joint Committee).

Article 8.16. Cooperation

The Parties shall endeavour to strengthen cooperation efforts in services sectors, including sectors which are not covered by existing cooperation arrangements, such as professional services. The Parties shall discuss and mutually agree on the sectors for cooperation and develop cooperation programs in these sectors in order to improve their domestic capacities, efficiencies and competitiveness.

ANNEX 8A. SCHEDULES OF SPECIFIC COMMITMENTS

Section 1. Schedule of Specific Commitments of Indonesia

ANNEX 8B. FINANCIAL SERVICES

Article 1. Definitions

For the purposes of this Annex:

(a) a financial service is any service of a financial nature offered by a financial service supplier of a Party. Financial services include all insurance and insurance-related services, and all banking and other financial services (excluding insurance). Financial services include the following activities:

Insurance and insurance-related services

(i) Direct insurance (including co-insurance):

(A) Life

(B) non-life;

(ii) Reinsurance and retrocession;

(iii) Insurance intermediation, such as brokerage and agency;

(iv) Services auxiliary to insurance, such as consultancy, actuarial, risk assessment and claim settlement services;

Banking and other financial services (excluding insurance)

(v) Acceptance of deposits and other repayable funds from the public;

(vi) Lending of all types, including consumer credit, mortgage credit, factoring and financing of commercial transaction;

(vii) Financial leasing;

(viii) All payment and money transmission services, including credit, charge and debit cards, travellers cheques and bankers drafts;

(ix) Guarantees and commitments;

(x) Trading for own account or for account of customers, whether on an exchange, in an over-the-counter market or otherwise, the following:

(A) money market instruments (including cheques, bills, certificates of deposits);

(B) foreign exchange;

(C) derivative products including, but not limited to, futures and options;

(D) exchange rate and interest rate instruments, including products such as swaps, forward rate agreements;

(E) transferable securities;

(F) other negotiable instruments and financial assets, including bullion.

(xi) Participation in issues of all kinds of securities, including underwriting and placement as agent (whether publicly or privately) and provision of services related to such issues;

(xii) Money broking;

(xiii) Asset management, such as cash or portfolio management, all forms of collective investment management, pension fund management, custodial, depository and trust services;

(xiv) Settlement and clearing services for financial assets, including securities, derivative products, and other negotiable instruments;

(xv) Provision and transfer of financial information, and financial data processing and related software by suppliers of other financial services;

(xvi) Advisory, intermediation and other auxiliary financial services on all the activities listed in subparagraphs (v) through (xv), including credit reference and analysis, investment and portfolio research and advice, advice on acquisitions and on corporate restructuring and strategy.

(b) a financial service supplier means any natural or juridical person of a Party wishing to supply or supplying financial services but the term"financial service supplier" does not include a public entity.

(c) public entity means:

(i) a government, a central bank or a monetary authority, of a Party, or an entity owned or controlled by a Party, that is principally engaged in carrying out governmental functions or activities for governmental purposes, not including an entity principally engaged in supplying financial services on commercial terms; or

(ii) a private entity, performing functions normally performed by a central bank or monetary authority, when exercising those functions.

Article 2. Scope

1. This Annex applies to measures affecting the supply of financial services. Reference to the supply of a financial service in this Annex shall mean the supply of a service as defined in subparagraph (k) (supply of a service) of Article 8.1 (Definitions);

2. For the purposes of subparagraph (h) (services) of Article 8.1 (Definitions), "services supplied in the exercise of governmental authority" means the following:

(a) activities conducted by a central bank or monetary authority or by any other public entity in pursuit of monetary or exchange rate policies;

(b) activities forming part of a statutory system of social security or public retirement plans; and

(c) other activities conducted by a public entity for the account or with the guarantee or using the financial resources of the Government.

3. For the purposes of subparagraph (h) (services) of Article 8.1 (Definitions), if a Party allows any of the activities referred to in subparagraphs (b) or (c)to be conducted by its financial service suppliers in competition with a public entity or a financial service supplier, "services" shall include such activities.

4. Subparagraph (i) (a service supplied in the exercise of governmental authority) of Article 8.1 (Definitions) shall not apply to services covered by this Annex.

Article 3. Prudential Measures, Exchange Rate and Financial Stability

1. Notwithstanding any other provisions of this Agreement, a Party shall not be prevented from taking measures for prudential reasons, including for the protection of investors, depositors, policy holders or persons to whom a fiduciary duty is owed by a financial service supplier; to ensure the integrity and stability of the financial system; or to ensure the stability of the exchange rate (16), including to prevent speculative capital flows, subject to the following:

(a) where such measures do not conform with the provisions of this Agreement, they shall not be used as a means of avoiding the Party’s commitments or obligations under this Agreement;

(b) for measures to ensure the stability of the exchange rate including to prevent speculative capital flows, such measures 16 shall be no more than necessary, and phased out when conditions no longer justify their institution or maintenance; and

(c) for measures to ensure the stability of the exchange rate including to prevent speculative capital flows, such measures shall be applied on a Most-Favoured-Nation basis.

2. Nothing in this Agreement shall be construed to require a Party to disclose information relating to the affairs and accounts of individual customers or any confidential or proprietary information in the possession of public entities.

(16) The measures to ensure the stability of the exchange rate including to prevent speculative capital flows shall not be adopted or maintained for the purpose of protecting a particular sector.

Article 4. Recognition

1. A Party may recognise prudential measures of any other country in determining how the Party's measures relating to financial services shall be applied. Such recognition, which may be achieved through harmonisation or otherwise, may be based upon an agreement or arrangement with the country concerned or may be accorded autonomously.

2. A Party that is a party to such an agreement or arrangement referred to in subparagraph (a), whether future or existing, shall afford adequate opportunity for other interested Parties to negotiate their accession to such agreements or arrangements, or to negotiate comparable ones with it, under circumstances in which there would be equivalent regulation, oversight, implementation of such regulation, and, if appropriate, procedures concerning the sharing of information between the parties to the agreement or arrangement. Where a Party accords recognition autonomously, it shall afford adequate opportunity for any other Party to demonstrate that such circumstances exist.

3. Where a Party is contemplating according recognition to prudential measures of any other country, paragraph 2 of Article 4 (Recognition) shall not apply.

Article 5. Dispute Settlement

Panels for disputes on prudential issues and other financial matters shall have the necessary expertise relevant to the specific financial service under dispute.

ANNEX 8C. MOVEMENT OF NATURAL PERSONS

Article 1. Scope

1. This Annex applies to measures by a Party affecting the entry or temporary stay of natural persons of the other Party covered by its Schedule of Specific Commitments.

2. This Annex shall not apply to measures affecting natural persons seeking access to the employment market of the other Party, nor shall it apply to measures regarding citizenship, nationality, residence or employment on a permanent basis.

3. Nothing in this Agreement shall prevent a Party from applying measures to regulate the entry of natural persons of the other Party into, or their temporary stay in, its territory, including those measures necessary to protect the integrity of, and to ensure the orderly movement of natural persons across, its borders, provided that those measures are not applied in such a manner as to nullify or impair the benefits accruing to either Party under this Annex.

4. The sole fact that a Party requires natural persons of the other Party to obtain a relevant permit (17) shall not be regarded as nullifying or impairing the benefits accruing to either Party under this Annex.

(17) For greater certainty, relevant permit refers to an entry permit, residency visa, or work permit

Article 2. Grant of Entry and Temporary Stay

1. The Parties shall ensure that their requirements and procedures relating to entry and temporary stay are pre-established and clearly specified.

2. In accordance with this Annex and subject to each Party's schedule of specific commitments in Annex 8A (Schedules of Specific Commitments), a Party shall grant temporary entry or extension of temporary stay to natural persons of the other Party to the extent provided for in those commitments, provided that those natural persons:

(a) follow the granting Party's prescribed application procedures under its relevant laws and regulations; and

(b) meet all relevant eligibility requirements for temporary entry or extension of temporary stay.

3. The sole fact that a Party grants temporary entry to a natural person of the other Party pursuant to this Annex shall not be construed to exempt that natural person from meeting any applicable licensing or other requirements, including any mandatory codes of conduct, to practice a profession or otherwise engage in business activities.

Article 3. Provision of Information

1. Each Party shall endeavor to make publicly available information necessary for an effective application for the grant of entry and temporary stay in its territory.

2. Information referred to in paragraph 1 may include a description of, in particular:

(a) all categories of visas and work permits relevant to the entry, temporary stay and work of natural persons covered by this Annex;

(b) requirements and procedures for application for, and issuance of, first-time entry, temporary stay and, where applicable, work permits, including information on documentation required, conditions to be met and method of filing; and

(c) requirements and procedures for application for, and issuance of, renewed temporary stay and, where applicable, work permits.

3. Each Party shall endeavor to provide the other Parties with details of relevant publications or websites where information referred to in paragraph 2 is made available.

Article 4. Expeditious Application Procedures

1. The competent authorities of each Party shall process expeditiously complete applications for granting entry, temporary stay or work permits (18) submitted by service suppliers of other Parties, including applications for extensions thereof.

2. If the competent authorities of a Party require additional information from the applicant in order to process its application, they shall notify the applicant without undue delay.

3. Upon request by an applicant, the competent authorities of a Party shall provide information concerning the status of its application within a reasonable time frame.

4. The competent authorities of each Party shall notify the applicant for entry, temporary stay or work permit of the outcome of its application within a reasonable time after a decision has been taken. The notification shall include, if applicable, the period of stay and any other terms and conditions.

5. If an application is terminated or denied, to the extent possible, each Party shall, if applicable, inform the applicant without undue delay the reasons for such action. The applicant may submit a new application at its discretion unless otherwise prohibited by each Party's domestic laws and regulations.

6. Any fees imposed in respect of the processing of an application for grant of entry and temporary stay, including those in respect of visa, work permit, or other authorisation shall be reasonable.

(18) With respect to working permits, a Party may, in accordance with its laws and regulations, limit the scope of this paragraph to applications submitted by the employer.

Article 5. Dispute Settlement

1. Neither Party shall have recourse to dispute settlement under Chapter 16 (Dispute Settlement) on matters in relation to the obligations as provided in paragraph 2 of Article 2 (Grant of Entry 18 and Temporary Stay) and paragraphs 5 and 6 of Article 4 (Expeditious Application Procedures).

2. In the event of any differences between Parties regarding the interpretation and application of this Annex, the Parties concerned shall first engage in consultations in good faith and make every effort to reach a mutually satisfactory solution.

3. In the event that the consultations referred in paragraph 2 fail to resolve the differences, either Party may refer the matter to the Joint Committee in accordance with Article 18.1 (Joint Committee).

Article 6. Cooperation

The Parties agree to discuss mutually agreed areas of cooperation with the aim of further facilitating the temporary entry and temporary stay of natural persons of the other Party in line with their respective laws and regulations, which shall take into consideration areas proposed by the Parties during the course of negotiations or other areas as may be identified by the Parties.

Chapter 9. DIGITAL TRADE

Article 9.1. Definitions

For the purposes of this Chapter:

(a) digital product means a computer programme, text, video, image, sound recording or other product that is digitally encoded, produced for commercial sale or distribution, and that can be transmitted electronically; (19), (20), (21)

(b) 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;

(c) electronic signature means data in electronic form that is in, affixed to, or logically associated with, an electronic document, and that may be used to identify the signatory in relation to the electronic document and indicate the signatory's approval of the information contained in the electronic document;

(d) electronic transmission or transmitted electronically means a transmission made using any electromagnetic means, not including content of the transmission;

(e) personal data means any information, including data, about an identified or identifiable natural person, either separately or combined with other information, either directly or indirectly;

(f) measure means any measure by a Party, whether in the form of a law, regulation, rule, procedure, decision, administrative action, or any other form; and

(g) unsolicited commercial electronic message means an electronic message which is sent for commercial or marketing purposes to an electronic address, without the consent of the recipient or despite the explicit rejection of the recipient, through an Internet access service supplier or, to the extent provided for under the laws and regulations of each Party, other telecommunications service. A Party may apply the definition to unsolicited electronic messages delivered through one or more modes of delivery, including short message services (SMS) or email.

(19) For greater certainty, digital product does not include a digitised representation of a financial instrument, including money.

(20) The definition of digital product should not be understood to reflect a Party's view on whether trade in digital products through electronic transmission should be categorised as trade in services or trade in goods.

(21) The Parties reserve the right to define whether a product is categorised as a trade in goods or trade in services.

Article 9.2. Objectives

1. The Parties recognise the economic growth and opportunity that digital trade provides, the importance of avoiding barriers to its use and development, the importance of frameworks that promote consumer confidence in digital trade, the importance of facilitating the development and use of electronic commerce, and the applicability of the WTO Agreement to measures affecting digital trade.

2. The objectives of this Chapter are to:

(a) promote digital trade between the Parties and the wider use of digital trade globally;

(b) contribute to creating an environment of trust and confidence in the use of digital trade; and

(c) enhance cooperation between the Parties regarding the development of digital trade.

Article 9.3. Scope

1. This Chapter shall apply to measures adopted or maintained by a Party that affect trade by electronic means.

2. This Chapter shall not apply to:

(a) government procurement;

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

3. For greater certainty, the Parties affirm that measures affecting the supply of a service delivered or performed electronically are subject to the relevant provisions of Chapter 8 (Trade in Services) and its Annexes, including any exceptions or limitations set out in this Agreement that are applicable to such provisions.

4. For greater certainty, the obligations contained in Article 9.12 (Cross- Border Flow of Information) shall not apply to

aspects of a Party's measures that do not conform with the obligation in Chapter 8 (Trade in Services) to the extent that such measures are adopted or maintained in accordance with:

(a) any terms, limitations, qualifications, and conditions specified in a Party' s commitments, or are with respect to a sector that is not subject to a Party' s commitments, made in accordance with Article 8.3 (Most-Favoured Nation Treatment) or Article 8.7 (Schedules of Specific Commitments); and

(b) any exception that is applicable to the obligations in Chapter 8 (Trade in Services) to be read in conjunction with any other relevant provisions in this Agreement.

Article 9.4. Customs Duties

1. Each Party shall maintain its current practice of not imposing customs duties on electronic transmissions between the Parties, not including content transmitted electronically.

2. The Parties may adjust their practice referred to paragraph 1 in light of any further WTO Ministerial Decisions or Agreements in relation to the Work Programme on Electronic Commerce.

3. For greater certainty, paragraphs 1 and 2 shall not preclude any Party to apply customs procedures for public policy purposes, or from imposing internal taxes, fees, or other charges on electronic transmissions, provided that such taxes, fees, or charges are imposed in a manner consistent with the relevant WTO agreements.

Article 9.5. Domestic Electronic Transactions Framework

1. Each Party shall maintain a legal framework governing electronic transactions consistent with the principles of the UNCITRAL Model Law on Electronic Commerce (1996) or the United Nations Convention on the Use of Electronic Communications in International Contracts done at New York on 23 November 2005.

2. Each Party shall endeavour to:

(a) avoid any unnecessary regulatory burden on electronic transactions; and

(b) facilitate input by interested persons in the development of its legal framework for electronic transactions.

Article 9.6. Electronic Authentication and Electronic Signatures

1. Except in circumstances otherwise provided for under its laws and regulations, neither Party shall deny the legal validity of a signature solely on the basis that the signature is in electronic form.

2. Taking into account international norms for electronic authentication, each Party shall:

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

b) not limit the recognition of electronic authentication technologies and implementation models for electronic transactions; and

c) permit participants in electronic transactions the opportunity to prove that their electronic transactions comply with its laws and regulations with respect to electronic authentication.

3. Notwithstanding paragraph 2, a Party may require that, for a particular category of transactions, the method of authentication meets certain performance standards or is certified by an authority accredited in accordance with its laws and regulations.

4. The Parties shall encourage the use of interoperable electronic authentication.

Article 9.7. Paperless Trading

1. Each Party shall endeavour to

(a) make trade administration documents available to the public in electronic form; and

(b) accept trade administration documents submitted electronically as the legal equivalent of the paper version of those

documents.

2. Each Party shall work towards implementing initiatives which provide for the use of paperless trading, taking into account the methods agreed by international organisations including the World Customs Organisation.

3. The Parties shall cooperate in international for a to enhance acceptance of electronic versions of trade administration documents.

Article 9.8. Online Consumer Protection

1. The Parties recognise the importance of adopting and maintaining transparent and effective measures to protect consumers from misleading, deceptive, and fraudulent commercial practices when they engage in digital trade.

2. Each Party shall adopt or maintain consumer protection laws and regulations to provide protection against misleading, deceptive, and fraudulent commercial activities that cause harm or potential harm to consumers engaged in digital trade.

3. The Parties recognise the importance of cooperation between their respective national consumer protection agencies or other relevant bodies on activities related to cross-border digital trade in order to enhance consumer protection.

4. Each Party shall publish information on the consumer protection it provides to users of electronic commerce, including how:

(a) consumers can pursue remedies; and

(b) business can comply with any legal requirements.

Article 9.9. Personal Data Protection

1. The Parties recognise the economic and social benefits of protecting the personal data of persons who conduct or engage in electronic transactions and the contribution that this makes to enhancing consumer confidence in digital trade.

2. Each Party shall adopt or maintain a legal framework which ensures the protection of personal data of the users of digital trade.

3. In the development of its legal framework for the protection of personal data, each Party shall take into account international standards, principles, guidelines, and criteria of relevant international organisations or bodies.

4. Each Party shall publish information on the personal information protection it provides to users of electronic commerce, including how: (a) individuals can pursue remedies; and (b) business can comply with any legal requirements.

5. The Parties shall encourage juridical persons to publish, including on the internet, their policies and procedures related to the protection of personal data.

6. The Parties shall cooperate, to the extent possible, for the protection of personal data transferred from a Party.

Article 9.10. Principles on Access to and Use of the Internet for Digital Trade

To support the development and growth of digital trade, each Party recognises that consumers in its territory should be able to:

(a) Access and use services and applications of their choice, unless prohibited by the Party’s laws and regulations;

(b) Run services and applications of their choice, subject to the needs of law enforcement; and

(c) Connect their choice of devices to the Internet, provided that such devices do not harm the network and are not prohibited by the Party’s laws and regulations.

Article 9.11. Unsolicited Commercial Electronic Messages

1. Each Party shall adopt or maintain measures regarding unsolicited commercial electronic messages that:

(a) require a supplier of unsolicited commercial electronic messages to facilitate the ability of a recipient to prevent ongoing reception of those messages;

(b) require the consent, as specified in the laws and regulations of each Party, of recipients to receive commercial electronic messages; or

(c) otherwise provide for the minimisation of unsolicited commercial electronic messages.

2. Each Party shall provide recourse against a supplier of unsolicited commercial electronic messages that does not comply with a measure adopted or maintained in accordance with paragraph 1.

3. The Parties shall cooperate in appropriate cases of mutual concern regarding the regulation of unsolicited commercial electronic messages.

Article 9.12. Cross-Border Flow of Information

1. Recognizing the importance of the free flow of information in facilitating trade, and acknowledging the importance of protecting personal information, the Parties shall endeavor to consider the possibility of easing barriers to electronic information flows across borders and of promoting cross-border flow of information, to the extent consistent with its laws and regulations.

2. Each party shall adopt or maintain any measures that it considers necessary for data protection that support the implementation of the cross-border flow of information and shall keep the implementation of those measures under review and assess their functioning.

3. Each Party may consult with the relevant authority of the other Party regarding the implementation of those measures in supporting the cross-border flow of information.

Article 9.13. Cooperation

1. Recognising the importance of digital trade to their collective economies, the Parties shall endeavour to maintain a dialogue on regulatory matters relating to digital trade with a view to sharing information and experiences, as appropriate, including on related laws, regulations, and their implementation, and best practices with respect to digital trade, including in relation to:

(a) digital products;

(b) online consumer protection;

(c) personal data;

(d) unsolicited commercial electronic messages;

(e) security in electronic communications;

(f) electronic authentication;

(g) intellectual property;

(h) challenges for small and medium-sized enterprises in digital trade; and

(i) digital government.

2. The Parties have a shared vision to promote secure digital trade and recognise that threats to cybersecurity undermine confidence in the digital economy. Accordingly, the Parties shall endeavour to cooperate to:

(a) build the capabilities of their government agencies responsible for computer security incident response;

(b) use existing collaboration mechanisms to cooperate to identify and mitigate malicious intrusions or dissemination of malicious code that affect the electronic net-works of the Parties; and

(c) develop a workforce in the area of cybersecurity, including possible initiatives relating to mutual recognition of qualifications, diversity and equality.

3. Each Party shall endeavor to cooperate to:

(a) assist small and medium enterprises to overcome obstacles in the use of digital trade;

(b) identify areas for targeted cooperation between the Parties which will help the Parties implement or enhance their digital

trade legal framework, such as research and training activities, capacity building, and the provision of technical assistance;

(c) share information, experiences, and best practices in addressing challenges related to the development and use of digital trade;

(d) encourage business sectors to develop methods or practices that enhance accountability and consumer confidence to foster the use of digital trade;

(e) actively participate in regional and multilateral fora to promote the development of digital trade; and

(f) foster an environment conducive to the further advancement of digital trade, including electronic commerce and the digital transformation of the global economy, by strengthening their bilateral relations on these matters.

4. The Parties shall endeavour to undertake forms of cooperation that build on and do not duplicate existing cooperation initiatives pursued in international fora.

Chapter 10. INVESTMENT

Article 10.1. Relation to the Bilateral Investment Agreement

The Parties reaffirm the Agreement Between the Government of the United Arab Emirates and the Government of the Republic of Indonesia for the Promotion and Reciprocal Protection of Investments, done at Bogor, Indonesia on 24 July 2019 ("UAE-Indonesia Bilateral Investment Agreement") and any subsequent amendments thereto.

Article 10.2. Objective

The Parties reaffirm their desire to promote an attractive investment climate that may contribute to, among others, the expansion of trade in goods and services under this Agreement.

Article 10.3. Cooperation and Facilitation of Investment

1. The Parties shall cooperate, to the extent possible, to promote and extend favourable conditions for foreign investment in their territory, in accordance with their laws and regulations, consistent with Article 5 (Promotion of Investments) of the UAE-Indonesia Bilateral Investment Agreement.

2. Cooperation as referred to in paragraph 1 may include:

(a) exchange of information on rules applicable to investment;

(b) identification of investment opportunities and activities to promote investment abroad, in particular partnerships involving small and medium-sized enterprises;

(c) encourage an investment climate conducive to investment flows; and

(d) facilitation, encouragement, and support for investments by the sovereign wealth funds of both countries.

Article 10.4. Committee on Investment

1. The Parties hereby establish a Committee on Investment under the Joint Committee, which shall comprise representatives of the Parties.

2. The UAE side will be chaired by Under Secretary of the Ministry of Finance or the Authorized Representative and the Indonesian side will be chaired by Deputy Chairman of Ministry of Investment/Investment Coordinating Board.

3. The Committee may establish working groups as the Parties deem necessary.

Article 10.5. Objective of the Committee on Investment

1. The objectives of the Committee on Investment are as follows:

(a) to promote and enhance economic cooperation and investment projects between the Parties;

(b) to monitor investment relations, to identify opportunities for expanding investment, and to identify issues relevant to

investment that may be appropriate for negotiation in an appropriate forum;

(c) to hold consultations on specific investment matters of interest to the Parties;

(d) to work toward the enhancement of investment flows;

(e) to identify and work toward the removal of impediments to investment flows; and

(f) to seek the views of the private sector, where appropriate, on matters related to the work of the Committee.

2. The Committee may coordinate with any other committee in this Agreement, to address possible cross-cutting issues.

3. For further clarification, the Committee shall not undertake "Settlements of Investment Disputes between an Investor of a Contracting Party and the other Contracting Party" as established by the UAE-Indonesia Bilateral Investment Agreement, and, in particular, the role that the Joint Committee established by that Agreement plays with respect to Article 17 of that Agreement.

Article 10.6. Meetings of the Committee on Investment

1. The Committee on Investment shall meet at such times and venues as agreed by the Parties, but the Parties shall endeavour to meet no less than once a year.

2. A Party may refer a specific investment matter to the Committee on Investment by delivering a written request to the other Party that includes a description of the matter concerned.

3. The Committee on Investment shall take up the matter promptly after the request is delivered unless the requesting Party agrees to postpone discussion of the matter.

4. Each Party shall endeavour to provide for an opportunity for the Committee on Investment to discuss a matter before taking actions that could affect adversely the investment interests of the other Party.

Chapter 11. GOVERNMENT PROCUREMENT

Article 11.1. Definitions

For the purposes of this Chapter:

(a) construction service means a service that has as its objective the realisation by whatever means of civil or building works, based on Division 51 of the United Nations Provisional Central Product Classification (CPC);

(b) government procurement means the process by which Ministries/Institutions obtain the use of or acquire goods or services, or any combination thereof, for governmental purposes and not with a view to commercial sale or resale or use in the production or supply of goods or services for commercial sale or resale, financed by the state budget or as provided in the respective Party's laws and regulations governing such process;

(c) in writing or written means any worded or numbered expression that can be read, reproduced and may be later communicated, and may include electronically transmitted and stored information;

(d) limited tendering means a procurement method whereby the procuring entity contacts a supplier or suppliers of its choice;

(e) multi-use list means a list of suppliers that a procuring entity has determined satisfy the conditions for participation in that list, and that the procuring entity intends to use more than once;

(f) notice of intended procurement means a notice published by a procuring entity inviting interested suppliers to submit a request for participation, a tender, or both;

(g) open tendering means a procurement method whereby all interested suppliers may submit a tender;

(h) procuring entity means an entity undertaking government procurement pursuant to each Party's laws and regulations governing government procurement, where expressly open to international competition;

(i) qualified supplier means a supplier that a procuring entity recognies as having satisfied the conditions for participation;

(j) selective tendering means a procurement method whereby the procuring entity invites only qualified suppliers to submit

a tender;

(k) services include construction services, unless otherwise specified;

(l) supplier means a person or a group of persons that provides or could provide a good or service to a procuring entity; and
(m) technical specification means a tendering requirement that:

(i) sets out the characteristics of:

(A) goods to be procured, including quality, performance, safety, and dimensions, or the processes and methods for their production, or

(B) services to be procured, or the processes or methods for their provision, including any applicable administrative provisions; or

(C) addresses terminology, symbols, packaging, marking, or labelling requirements, as they apply to a good or service.

Article 11.2. Objective

The Parties recognise the importance of promoting the transparency of laws, regulations, and procedures, and developing cooperation between the Parties, regarding government procurement.

Article 11.3. Scope

Application of Chapter

1. This Chapter applies to any measure regarding covered procurement.

2. For the purposes of this Chapter, covered procurement means government procurement where expressly open to international competition.

Activities Not Covered

3. Notwithstanding paragraph 2, this Chapter does not apply to:

(a) the acquisition or rental of land, existing buildings or other immovable property or the rights thereon;

(b) non-contractual agreements or any form of assistance that a Party, including its procuring entities, provides, including cooperative agreements, grants, loans, equity infusions, guarantees, subsidies, fiscal incentives and sponsorship arrangements;

(c) the procurement or acquisition of: fiscal agency or depository services; liquidation and management services for regulated financial institutions; or services related to the sale, redemption and distribution of public debt, including loans and government bonds, notes and other securities;

(d) public employment contracts;

(e) procurement:

(i) conducted for the specific purpose of providing international assistance, including development aid;

(ii) funded by an international organisation or foreign or international grants, loans or other assistance to which procurement procedures or conditions of the international organisation or donor apply; or

(iii) conducted under the particular procedure or condition of an international agreement relating to the stationing of troops or relating to the joint implementation by the signatory countries of a project.

Article 11.4. Exceptions

1. Nothing in this Chapter shall be construed to prevent a Party from taking any action or from not disclosing any information that it considers necessary for the protection of its essential security interests relating to the procurement:

(a) of arms, ammunition or war material;

(b) that is indispensable for national security; or

(c) for national defence purposes.

2. Subject to the requirement that the measure is not applied in a manner that would constitute a means of arbitrary or unjustifiable discrimination between the Parties where the same conditions prevail, or a disguised restriction on international trade between the Parties, nothing in this Chapter shall be construed to prevent a Party, including its procuring entities, from adopting or maintaining a measure:

(a) necessary to protect public morals, order or safety;

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

(c) necessary to protect intellectual property; or

(d) relating to the good or service of a person with disabilities, of philanthropic institutions, or of prison labour.

Article 11.5. General Principles

1. The Parties recognise the role of government procurement in furthering the bilateral trade relation and in promoting growth and employment. Where government procurement is expressly open to international competition, each Party, to the extent possible and as appropriate, shall conduct its government procurement in accordance with generally accepted government procurement principles as applied by that Party.

Further Negotiation

2. In the event that, after the entry into force of this Agreement, a Party offers a non-Party any advantages of access to its government procurement market, upon request of the other Party, the former Party shall, afford the latter Party adequate opportunity to enter into negotiations.

Procurement Methods

3. A procuring entity shall use an open tendering procedure for covered procurement unless Article 10.9 (Qualification of Suppliers) or Article 10.10 (Limited Tendering) applies.

Use of Electronic Means

4. The Parties shall endeavour to use electronic means in conducting covered procurement for the publication of procurement information, notices and tender documentation, and for the receipt of tenders.

5. When conducting covered procurement by electronic means, a procuring entity shall:

(a) ensure that the procurement is conducted using information technology systems, and software, including those related to authentication and encryption of information, that are generally available and interoperable with other generally available information technology systems, and software; and

(b) establish and maintain mechanisms that ensure the integrity of information provided by suppliers, including requests for participation and tenders.

6. Each Party shall establish single electronic system to facilitate the procurement process, which shall cover the procurement planning, the selection of suppliers, and the awarding of the contract.

Article 11.6. Publication of Procurement Information

1. Each Party shall make publicly available:

(a) its laws and regulations on government procurement;

(b) its government procurement procedures; and

(c) any standard contract clauses mandated by its laws or regulations regarding government procurement.

2. Each Party shall make available and update the information referred to in paragraph 1 through electronic means.

3. Each Party shall respond to any inquiries by the other Party relating to the information referred to in paragraph 1.

Article 11.7. Notices

1. Each Party shall publish a notice of intended procurement through a single point of access in the appropriate paper or electronic means listed in Annex 11A that is directly accessible and free of charge. The notices shall remain readily accessible to the public until at least the expiration of the time period for responding to the notice or the deadline for submission of the tender.

Notice of Intended Procurement

2. Unless otherwise provided in this Chapter, each notice of intended procurement shall include the following information, unless that information is provided in the tender documentation that is made available free of charge to all interested suppliers at the same time as the notice of intended procurement:

(a) the name and address of the procuring entity and other information necessary to contact the procuring entity and obtain all relevant documents relating to the procurement, and the cost and terms of payment to obtain the relevant documents, if any;

(b) a description of the procurement, including, if appropriate, the nature and quantity of the goods or services to be procured and a description of any options, or the estimated quantity if the quantity is not known;

(c) if applicable, the time-frame for delivery of goods or services or the duration of the contract;

(d) if applicable, the address and any final date for the submission of requests for participation in the procurement;

(e) the address and the final date for the submission of tenders;

(f) the language or languages in which tenders or requests for participation may be submitted, if other than an official language of the Party of the procuring entity;

(g) a list and a brief description of any conditions for participation of suppliers, that may include any related requirements for specific documents or certifications that suppliers must provide; and

(h) if, pursuant to Article 11.9 (Qualification of Suppliers), a procuring entity intends to select a limited number of qualified suppliers to be invited to tender, the criteria that will be used to select them and, if applicable, any limitation on the number of suppliers that will be permitted to tender.

Notice of Planned Procurement

3. The Parties are encouraged to publish, as early as possible in each fiscal year, a notice regarding their future procurement plans (notice of planned procurement) which should include the subject matter of the procurement and the planned time of selection of suppliers.

Article 11.8. Conditions for Participation

1. A procuring entity shall limit any conditions for participation in a covered procurement to those conditions that ensure that a supplier has the legal and financial capacities and the commercial and technical abilities to fulfil the requirements of that procurement.

2. In establishing the conditions for participation, a procuring entity:

(a) shall not impose the condition that, in order for a supplier to participate in a procurement, the supplier has previously been awarded one or more contracts by a procuring entity of a given Party or that the supplier has prior work experience in the territory of that Party; and

(b) may require relevant prior experience if essential to meet the requirements of the procurement.

Article 11.9. Qualification of Suppliers Registration Systems and Qualification Procedures

1. A Party, including its procuring entities, may maintain a supplier registration system under which interested suppliers are required to register and provide certain information and documentation.

Selective Tendering

2. If a procuring entity intends to use selective tendering, the procuring entity shall:

(a) publish a notice of intended procurement that invites qualified suppliers to submit a request for participation in a

covered procurement; and

(b) include in the notice of intended procurement the information specified in subparagraph 2(a), 2(b), 2(d), 2(g), and 2(h) of Article 11.7 (Notices).

3. The procuring entity shall:

(a) publish the notice sufficiently in advance of the procurement to allow interested suppliers to request participation in the procurement;

(b) provide, by the commencement of the time period for tendering, at least the information in subparagraph 2(c), 2(e), and 2(f) of Article 11.7 (Notices) to the qualified suppliers that it notifies as specified in Article 11.14 (Time Periods); and (c) allow all qualified suppliers to submit a tender, unless the procuring entity stated in the notice of intended procurement a limitation on the number of suppliers that will be permitted to tender and the criteria or justification for selecting the limited number of suppliers.

4. If the tender documentation is not made publicly available from the date of publication of the notice referred to in paragraph 2, the procuring entity shall ensure that the tender documentation is made available at the same time to all the qualified suppliers selected in accordance with paragraph 3(c).

Multi-Use Lists

5. A Party, including its procuring entities, may establish or maintain a multi-use list provided that it publishes annually, or otherwise makes continuously available by electronic means, a notice inviting interested suppliers to apply for inclusion on the list. The notice shall include:

(a) a description of the goods and services, or categories thereof, for which the list may be used;

(b) the conditions for participation to be satisfied by suppliers for inclusion on the list and the methods that the procuring entity or other government agency will use to verify a supplier's satisfaction of those conditions;

(c) the name and address of the procuring entity or other government agency and other information necessary to contact the procuring entity and to obtain all relevant documents relating to the list;

(d) the period of validity of the list and the means for its renewal or termination or, if the period of validity is not provided, an indication of the method by which notice will be given of the termination of use of the list; and

(e) the deadline for submission of applications for inclusion on the list, if applicable.

6. A Party, including its procuring entities, that establishes or maintains a multi-use list, shall include on the list, within a reasonable period of time, all suppliers that satisfy the conditions for participation set out in the notice referred to in paragraph 5.

7. If a supplier that is not included on a multi-use list submits a request for participation in a procurement based on the multi-use list and submits all required documents, within the time period provided for in Article 11.14 (Time Periods), a procuring entity shall examine the request. The procuring entity shall not exclude the supplier from consideration in respect of the procurement unless the procuring entity is not able to complete the examination of the request within the time period allowed for the submission of tenders.

Article 11.10. Limited Tendering

1. If a procuring entity uses limited tendering, it may choose, according to the nature of the procurement, not to apply Article 11.7 (Notices), Article 11.8 (Conditions for Participation), Article 11.9 (Qualification of Suppliers), Article 11.11 (Negotiations), Article 11.12 (Technical Specifications), Article 11.13 (Tender Documentation), Article 11.14 (Time Periods), or Article 11.15 (Treatment of Tenders and Awarding of Contracts). A procuring entity may use limited tendering only under the following circumstances:

(a) if, in response to a prior notice, invitation to participate, or invitation to tender:

(i) no tenders were submitted or no suppliers requested participation;

(ii) no tenders were submitted that conform to the essential requirements in the tender documentation;

(iii) no suppliers satisfied the conditions for participation; or

(iv) the tenders submitted were collusive,

provided that the procuring entity does not substantially modify the essential requirements set out in the notices or tender documentation;

(b) if the good or service can be supplied only by a particular supplier and no reasonable alternative or substitute good or service exists for any of the following reasons:

(i) the requirement is for a work of art;

(ii) the protection of patents, copyrights, or other exclusive rights; or

(iii) due to an absence of competition for technical reasons;

(c) for additional deliveries by the original supplier or its authorised agent, of good or service that were not included in the initial procurement if a change of supplier for such additional good or service:

(i) cannot be made for technical reasons such as requirements of interchangeability or interoperability with existing equipment, software, services, or installations procured under the initial procurement, or due to conditions under original supplier warranties; and

(ii) would cause significant inconvenience or substantial duplication of costs for the procuring entity;

(d) for a good purchased on a commodity market or exchange;

(e) if a procuring entity procures a prototype or a first good or service that is intended for limited trial or that is developed at its request in the course of, and for, a particular contract for research, experiment, study, or original development. Original development of a prototype or a first good or service may include limited production or supply in order to incorporate the results of field testing and to demonstrate that the prototype or the first good or service is suitable for production or supply in quantity to acceptable quality standards, but does not include quantity production or supply to establish commercial viability or to recover research and development costs. Subsequent procurements of these newly developed good or service, however, shall be subject to this Chapter;

(f) if additional service that were not included in the initial contract but that were within the objectives of the original tender documentation have, due to unforeseeable circumstances, become necessary to complete the construction services described therein. However, the total value of contracts awarded for additional service may not exceed 50 per cent of the value of the initial contract;

(g) for new services consisting of the repetition of similar services which conform to a basic project for which an initial contract was awarded and for which the entity has indicated in the notice of intended procurement concerning the initial service that limited tendering procedures might be used in awarding contracts for such new services;

(h) for purchases made under exceptionally advantageous conditions that only arise in the very short term, such as from unusual disposals, liquidation, bankruptcy, or receivership, but not for routine purchases from regular suppliers;

(i) if a contract is awarded to the winner of a design contest, provided that:

(i) the contest has been organized in a manner that is consistent with this Chapter; and

(ii) the contest is judged by an independent jury with a view to award a design contract to the winner;

(j) in so far as is strictly necessary if, for reasons of extreme urgency brought about by events unforeseeable by the procuring entity, the good or service could not be obtained in time by means of open or selective tendering; or

(k) any other circumstances as provided in the respective Party's laws and regulations.

2. For each contract awarded in accordance with paragraph 2, a procuring entity shall prepare a report in writing, or maintain a record, that includes the name of the procuring entity, the value and kind of good or service procured, and a statement that indicates the circumstances and conditions described in paragraph 2 that justified the use of limited tendering.

Article 11.11. Negotiations

1. A Party may provide for its procuring entities to conduct negotiations in the context of covered procurement if:

(a) the procuring entity has indicated its intent to conduct negotiations in the notice of intended procurement required under Article 11.7 (Notices);

(b) it appears from the evaluation that no tender is obviously the most advantageous in terms of the specific evaluation criteria set out in the notice of intended procurement or tender documentation;

(c) there is a need to clarify the terms and conditions; or

(d) all bids exceed the allocated prices provided for in the procuring entity's budget.

2. A procuring entity shall:

(a) ensure that any elimination of suppliers participating in negotiations is carried out in accordance with the evaluation criteria set out in the notice of intended procurement or tender documentation; and

(b) when negotiations are concluded, provide a common deadline for the remaining participating suppliers to submit any new or revised tenders.

Article 11.12. Technical Specifications

1. A procuring entity shall not prepare, adopt, or apply any technical specification or prescribe any conformity assessment procedure with the sole purpose or effect of creating an unnecessary obstacle to participation of suppliers of the other Party.

2. In prescribing the technical specifications for the good or service being procured, a procuring entity shall, if appropriate:

(a) set out the technical specification in terms of performance and functional requirements, rather than design or descriptive characteristics; and

(b) base the technical specification on international standards, if these exist and are applicable. In the absence of international standards, it shall base the technical specification on national technical regulations, recognized national standards, or building codes.

3. If design or descriptive characteristics are used in the technical specification, a procuring entity should indicate, if appropriate, that it will consider tenders of equivalent good or service that demonstrably fulfil the requirements of the procurement by including words such as "or equivalent" in the tender documentation.

4. A procuring entity shall not prescribe technical specification that require or refer to a particular trademark or trade name, patent, copyright, design, type, specific origin, producer, or supplier, unless there is no other sufficiently precise or intelligible way of describing the procurement requirements and provided that, in these cases, the procuring entity includes words such as "or equivalent" in the tender documentation.

5. For greater certainty, a procuring entity may conduct market research in developing specification for a particular procurement.

6. For greater certainty, this Article is not intended to preclude a procuring entity from preparing, adopting, or applying technical specification to promote the conservation of natural resources or the protection of the environment. Such specification, where applicable, shall be based on relevant and mutually international standards.

7. For greater certainty, this Chapter is not intended to preclude a Party, or its procuring entity, from preparing, adopting, or applying technical specification required to protect sensitive government information, including specification that may affect or limit the storage, hosting, or processing of such information outside the territory of the Party.

Article 11.13. Tender Documentation

1. A procuring entity shall promptly make available or provide on request to any interested supplier tender documentation that includes all information necessary to permit the supplier to prepare and submit a responsive tender. Unless already provided in the notice of intended procurement, that tender documentation shall include a complete description of:

(a) the procurement, including the nature, scope, and, if known, the quantity of the good or service to be procured or, if the quantity is not known, the estimated quantity, and any requirements to be fulfilled, including any technical specifications, conformity assessment certification, plans, drawings, or instructional materials;

(b) any conditions for participation of suppliers, including any financial guarantees, information, and documents that

suppliers are required to submit in connection with the conditions for participation;

(c) all evaluation criteria to be considered in the awarding of the contract and, unless price is the sole criterion, the relative importance of those criteria;

(d) if the procuring entity will conduct the procurement by electronic means, any authentication and encryption requirements or other requirements related to the submission of information by electronic means;

(e) if there will be a public opening of tenders, the date, time, and place for the opening, and, if appropriate, the persons authorised to be present;

(f) any other terms or conditions relevant to the evaluation of tenders; and

(g) any date for delivery of good or the supply of service.

2. Subject to any fees if applicable, an entity should make relevant tender documentation publicly available through electronic means or a computer-based telecommunications network openly accessible to all interested suppliers.

3. In establishing any date for the delivery of good or the supply of service being procured, a procuring entity shall take into account factors such as the complexity of the procurement, the extent of subcontracting anticipated, and the realistic time required for production, de-stocking, and transport of good from the point of supply or for supply of service.

4. A procuring entity shall promptly reply to any reasonable requests for relevant information by an interested or participating supplier, provided that such information does not give that supplier an advantage over other suppliers.

5. If, prior to the award of a contract, a procuring entity modifies the evaluation criteria or requirement set out in a notice of intended procurement or tender documentation provided to a participating supplier, or amends, or re-issues a notice or tender documentation, it shall publish or provide those modifications, or the amended or re- issued notice or tender documentation:

(a) to all suppliers that are participating in the procurement at the time of the modification, amendment, or re-issuance, if those suppliers are known to the procuring entity, and, in all other cases, in the same manner as the original information was made available; and

(b) in adequate time to allow those suppliers to modify and re- submit their initial tender, if appropriate.

Article 11.14. Time Periods

General

1. A procuring entity shall, consistent with its own reasonable needs, provide sufficient time for a supplier to obtain the tender documentation and to prepare and submit a request for participation and a responsive tender, taking into account factors such as:

(a) the nature and complexity of the procurement;

(b) the extent of subcontracting anticipated; and

(c) the time necessary for transmitting tenders by non-electronic means from foreign as well as domestic points if electronic means are not used.

Deadlines

2. The time period for covered procurement shall be in accordance with each Party’s laws and regulations.

Article 11.15. Treatment of Tenders and Awarding of Contracts Treatment of Tenders

1. A procuring entity shall receive, open, and treat all tenders under procedures that guarantee the fairness and impartiality of the procurement process and the confidentiality of tenders.

2. If the tender of a supplier is received after the time specified for receiving tenders, the procuring entity shall not penalize that supplier if the delay is due solely to the mishandling on the part of the procuring entity.

3. If a procuring entity provides a supplier with an opportunity to correct unintentional errors of form, the procuring entity shall provide the same opportunity to all participating suppliers.

Awarding of Contracts

4. To be considered for an award, a tender shall be submitted in writing and shall, at the time of opening, comply with the essential requirement set out in the notice and tender documentation and be submitted by a supplier who satisfies the conditions for participation.

5. Unless a procuring entity determines that it is not in the public interest to award a contract, it shall award the contract to the supplier that the procuring entity has determined to be fully capable of fulfilling the terms of the contract and that, based solely on the evaluation criteria specified in the notice and tender documentation, submits:

(a) the most advantageous tender; or

(b) if price is the sole criterion, the lowest price.

6. Consistent with the terms of this Chapter, a procuring entity may require a supplier to comply with general terms and conditions pursuant to the terms of the contract.

7. If a procuring entity received a tender with a price that is abnormally lower than the prices in other tenders submitted, it may verify with the supplier that it satisfies the conditions for participation and is capable of fulfilling the terms of the contract.

Article 11.16. Post-Award Information

Information Provided to Suppliers

1. A procuring entity shall inform participating suppliers that have submitted a tender of the entity's contract award decision and shall do so in writing.

2. To the extent practicable and consistent with its laws and regulations, subject to Article 11.17 (Disclosure of Information), a procuring entity shall, on request, provide an unsuccessful supplier with an explanation of the reasons why the procuring entity did not select the unsuccessful supplier's tender or an explanation of the relative advantages of the successful supplier's tender.

Maintenance of Records

3. A procuring entity shall maintain the documentation, records and reports relating to tendering procedures and contract awards for covered procurement, including the records and reports provided for in Article 11.10 (Limited Tendering), for at least three years after the award of a contract.

Article 11.17. Disclosure of Information

Provision of Information to a Party

1. In the case that the supplier of a Party submitted a tender to a procuring entity of the other Party, on request of the former Party, the latter Party shall provide promptly information sufficient to demonstrate whether a procurement was conducted fairly, impartially and in accordance with this Chapter, including, if applicable, information on the characteristics and relative advantages of the successful tender, without disclosing confidential information. The Party that receives the information shall not disclose it to any suppliers, except after consulting with, and obtaining the agreement of, the Party that provided the information.

Non-Disclosure of Information

2. Notwithstanding any other provisions of this Chapter, a Party, including its procuring entities, shall not, except to the extent required by law or with the written authorisation of the supplier that provided the information, disclose information that would prejudice legitimate commercial interests of a particular supplier or that might prejudice fair competition between suppliers.

3. Nothing in this Chapter shall be construed to require a Party, including its procuring entities, authorities, and review bodies, to disclose confidential information if that disclosure:

(a) would impede law enforcement;

(b) might prejudice fair competition between suppliers;

(c) would prejudice the legitimate commercial interests of particular persons, including the protection of intellectual property; or

(d) would otherwise be contrary to the public interest.

Article 11.18. Conduct of Procurement

Each Party shall ensure that criminal or administrative measures exist to address corruption in its government procurement. These measures may include procedures to render ineligible for participation in the Party's procurements, either indefinitely or for a stated period of time, suppliers that the Party has determined to have engaged in fraudulent or other illegal actions in relation to government procurement in the Party's territory. Each Party shall also ensure that it has in place policies and procedures to eliminate to the extent possible or manage any potential conflict of interest on the part of those engaged in or having influence over a procurement.

Article 11.19. Facilitation of Participation by Small and Medium Enterprises

The Parties recognise the important contribution that Small and Medium Enterprises (SMEs) can make to economic growth and employment and the importance of facilitating the participation of SMEs in government procurement.

2. If a Party maintains a measure that provides preferential treatment for SMEs, the Party shall ensure that the measure, including the criteria for eligibility, is transparent.

3. To facilitate participation by SMEs in covered procurement, each Party shall, to the extent possible and if appropriate:

(a) provide comprehensive procurement-related information that includes a definition of SMEs in a single electronic portal;

(b) endeavour to make all tender documentation available free of charge;

(c) conduct procurement by electronic means or through other new information and communication technologies; and

(d) consider the size, design, and structure of the procurement, including the use of subcontracting by SMEs.

Article 11.20. Financial Obligations

1. This Chapter does not entail any financial obligations to the Parties.

2. Each Party is responsible for any financial expenses to fulfil its role in this Chapter.

Article 11.21. Language

Each Party shall, where possible, endeavour to make the information referred to in Article 11.6 (Publication of Procurement Information) available in the English language in its publication of materials or information pursuant to that Article.

Article 11.22. Review

Notwithstanding Article 19.7 (General Review), the Parties may review this Chapter within three years of the entry into force of this Agreement, with a view to making improvements of this Chapter so as to further facilitate government procurement, as agreed by the Parties.

Article 11.23. Contact Points

1. Exchange of information and cooperation under this Chapter shall be facilitated through the following contact points: (a) for the UAE, Ministry of Economy; and (b) for Indonesia, the National Public Procurement Agency (NPPA).

2. Each Party shall notify the other Party of any changes to its contact point.

Article 11.24. Cooperation

The Parties shall endeavour to cooperate on matters relating to government procurement, with a view to achieving a better understanding of each Party's respective government procurement systems and markets and improve the capacity of procurement stakeholders. Such cooperation may include:

(a) exchanging information, to the extent possible, on the Parties' laws, regulations, and procedures, and any modifications thereof;

(b) encouraging inclusive and sustainable procurement to help ensure that the benefits of the Chapter are widely shared;

(c) sharing experience on the use of electronic means in government procurement systems; and

(d) promoting linkages and business-to-business relations to increase the understanding and awareness of the Chapter among the potential suppliers or businesses, especially SMEs.

Article 11.25. Committee on Government Procurement

1. The Parties hereby establish a Committee on Government Procurement under the Joint Committee, which shall comprise representatives of the Parties.

2. The functions of the Committee shall include:

(a) reviewing and monitoring the implementation and operation of this Chapter;

(b) discussing ways to facilitate cooperation between relevant entities of the Parties in the field of government procurement;

(c) reporting the findings of the Committee to the Joint Committee; and

(d) carrying out other functions as may be delegated by the Joint Committee in accordance with Article 18.1 (Joint Committee).

Chapter 12. INTELLECTUAL PROPERTY

Section A. GENERAL PROVISIONS

Article 12.1. Definitions

For the purposes of this Chapter:

(a) intellectual property means all categories of intellectual property that are the subject of Sections 1 through 7 of Part II of the TRIPS Agreement;

(b) a national means, in respect of the relevant right, a person of a Party that would meet the criteria for eligibility for protection provided for in the TRIPS Agreement.

(c) geographical indication means an indication, which identifies goods as originating in the territory of a Party, or a region or locality in that territory, where a given quality, reputation or other characteristic of such goods is essentially attributable to their geographical origin.

Article 12.2. Objective

The protection and enforcement of intellectual property rights should contribute to the promotion of technological innovation and to the transfer and dissemination of technology, to the mutual advantage of producers and users of technological knowledge and in a manner conducive to social and economic welfare, and to a balance of rights and obligations.'

Article 12.3. Principles

1. Each Party may, in formulating or amending its laws and regulations, adopt measures necessary to protect public health and nutrition, and to promote the public interest in sectors of vital importance to its socio-economic and technological development, provided that such measures are consistent with the provisions of this Chapter.

2. Appropriate measures, provided that they are consistent with the provisions of this Chapter, may be needed to prevent the abuse of intellectual property rights by right holders or the resort to practices which unreasonably restrain trade or adversely affect the international transfer of technology.

3. Further to paragraph 2, the Parties recognise the need to foster competition.

Article 12.4. Understandings In Respect of this Chapter

Having regard to the underlying public policy objectives of national systems, the Parties recognise the need to:

(a) promote innovation and creativity; and

(b) facilitate the diffusion of information, knowledge, technology, culture, and the arts

through their respective intellectual property systems, while respecting the principles of transparency and due process, and taking into account the interests of relevant stakeholders, including right holders, service providers, users, and the public.

Article 12.5. Nature and Scope of Obligations

Each Party shall give effect to the provisions of this Chapter. Each Party may, but shall not be obliged to, provide more extensive protection for, or enforcement of, intellectual property rights under its law than is required by this Chapter, provided that such protection or enforcement does not contravene the provisions of this Chapter. Each Party shall be free to determine the appropriate method of implementing the provisions of this Chapter within its own legal system and practice.

Article 12.6. Understandings Regarding Certain Public Health Measures

Each Party affirms its rights and obligations under the TRIPS Agreement, including its commitment to the Declaration on the TRIPS Agreement and Public Health adopted in Doha on 20 November 2001.

Article 12.7. National Treatment

1. In respect of all categories of intellectual property covered by this Chapter, each Party shall accord to nationals of the other Party treatment no less favourable than it accords to its own nationals with regard to the protection (22) of intellectual property rights.

2. With respect to secondary uses of phonograms by means of analog communications and free over-the-air broadcasting, however, each Party may limit the rights of the performers and producers of the other Party to the rights its persons are accorded within the jurisdiction of the other Party.

3. Each Party may derogate from paragraph 1 in relation to its judicial and administrative procedures, including requiring a national of the other Party to designate an address for service of process in its territory, or to appoint an agent in its territory, provided that such derogation is:

(a) necessary to secure compliance with laws or regulations that are not inconsistent with this Chapter; and

(b) not applied in a manner that would constitute a disguised restriction on trade.

4. Paragraph 1 does not apply to procedures provided in multilateral agreements concluded under the auspices of WIPO relating to the acquisition or maintenance of intellectual property rights.

(22) For the purposes of this paragraph, “protection” shall include matters affecting the availability, acquisition, scope, maintenance, and enforcement of intellectual property rights as well as matters affecting the use of intellectual property rights specifically covered by this Chapter. For greater certainty, “matters affecting the use of intellectual property rights specifically covered by this Chapter” in respect of works, performances, and phonograms, include any form of payment, such as licensing fees, royalties, equitable remuneration, or levies, in respect of uses that fall under the copyright and related rights in this Chapter. The preceding sentence is without prejudice to a Party’s interpretation of “matters affecting the use of intellectual property rights” in footnote 3 of the TRIPS Agreement.

Article 12.8. Transparency

1. Each Party shall ensure that its laws and regulations of general application that pertain to the availability, scope, acquisition, enforcement, and prevention of the abuse of intellectual property rights are made publicly available in at least the national language of that Party or in the English language.

2. Each Party shall endeavour to make available the information referred to in Paragraph 1, which is publicly available, in the English language and on the internet.

3. Each Party shall endeavour to make available on the internet databases of any pending and registered trademark rights in its jurisdiction.

Article 12.9. Application of Chapter to Existing Subject Matter and Prior Acts

1. Unless otherwise provided in this Chapter, this Chapter gives rise to obligations in respect of all subject matter existing at the date of entry into force of this Agreement for a Party and that is protected on that date in the territory of a Party where protection is claimed, or that meets or comes subsequently to meet the criteria for protection under this Chapter.

2. Unless provided for in this Chapter, a Party shall not be required to restore protection to subject matter that on the date of entry into force of this Agreement for that Party has fallen into the public domain in its territory.

3. This Chapter does not give rise to obligations in respect of acts that occurred before the date of entry into force of this Agreement for a Party.

Article 12.10. Exhaustion of Intellectual Property Rights

Nothing in this Agreement prevents a Party from determining whether or under what conditions the exhaustion of intellectual property rights applies under its legal system.(23)

(23) For greater certainty, this Article is without prejudice to any provisions addressing the exhaustion of intellectual property rights in international agreements to which a Party is a party.

Section B. COOPERATION

Article 12.11. Cooperation Activities and Initiatives

The Parties shall endeavour to cooperate on the subject matter covered by this Chapter, such as through training and exchange of information between the respective intellectual property offices of the Parties, or other institutions, as determined by each Party. Cooperation may cover areas such as:

(a) developments in domestic and international intellectual property policy;

(b) intellectual property administration and registration systems;

(c) education and awareness relating to intellectual property;

(d) intellectual property issues relevant to:

(i) small and medium-sized enterprises;

(ii) science, technology and innovation activities; and

(iii) the generation, transfer and dissemination of technology;

(e) policies involving the use of intellectual property for research, innovation and economic growth;

(f) implementation of multilateral intellectual property agreements, such as those concluded or administered under the auspices of WIPO; and

(g) technical assistance.

Article 12.12. Patent Cooperation and Work Sharing

1. The Parties shall endeavour to, where appropriate, cooperate among their respective patent offices to facilitate the sharing of search and examination work, and exchanges of information on quality assurance systems which may facilitate better understanding in the Parties' patent systems.

2. The Parties may cooperate on issues relating to the procedures and processes of their respective patent offices, with a view to reducing the complexity and the cost of obtaining the grant of a patent.

Article 12.13. Cooperation on Request

Cooperation activities and initiatives undertaken under this Chapter shall be subject to the availability of resources, and on request, and on terms and conditions mutually agreed between the Parties.

Section C. TRADEMARKS

Article 12.14. Use of Identical or Similar Signs

Each Party shall provide that the owner of a registered trademark has the exclusive right to prevent third parties that do not have the owner's consent from using in the course of trade identical or similar signs for goods or services that are related to those goods or services in respect of which the owner's trademark is registered, where such use would result in a likelihood of confusion. In the case of the use of an identical sign for identical goods or services, a likelihood of confusion shall be presumed.

Article 12.15. Well-Known Trademarks

1. No Party shall require as a condition for determining that a trademark is well-known that the trademark has been registered in the Party or in another jurisdiction, included on a list of well-known trademarks, or given prior recognition as a well-known trademark.

2. Article 6bis of the Paris Convention shall apply, mutatis mutandis, to goods or services that are not identical or similar to those identified by a well-known trademark, (24) whether registered or not, provided that use of that trademark in relation to those goods or services would indicate a connection between those goods or services and the owner of the trademark, and provided that the interests of the owner of the trademark are likely to be damaged by such use.

3. Each Party recognises the importance of the Joint Recommendation Concerning Provisions on the Protection of Well-Known Marks as adopted by the Assembly of the Paris Union for the Protection of Industrial Property and the General Assembly of WIPO at the Thirty- Fourth Series of Meetings of the Assemblies of the Member States of WIPO from 20 to 29 September 1999.

4. Each Party shall provide for appropriate measures to refuse the application or cancel the registration and prohibit the use of a trademark that is identical or similar to a well-known trademark (25), for identical or similar goods or services, if the use of that trademark is likely to cause confusion with the prior well-known trademark. A Party may also provide such measures including in cases in which the subsequent trademark is likely to deceive.

(24) In determining whether a trademark is well-known in a Party, that Party need not require that the reputation of the trademark extend beyond the sector of the public that normally deals with the relevant goods or services.

(25) The Parties understand that a well-known trademark is one that was already well-known before, as determined by a Party, the application for, registration of, or use of the first- mentioned trademark.

Article 12.16. Procedures and Classification of Trademarks

1. Each Party shall maintain a trademark classification system that is consistent with the Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks done at Nice on 15 June 1957, as amended from time to time.

2. Each Party shall provide high quality trademark rights through the conduct of examination as to substance and formalities and through opposition and cancellation procedures.

Article 12.17. Term of Protection for Trademarks

Each Party shall provide that initial registration and each renewal of registration of a trademark is for a term of no less than 10 years.

Article 12.18. Exceptions

A Party may provide limited exceptions to the rights conferred by a trademark, such as fair use of descriptive terms,

provided that those exceptions take account of the legitimate interest of the owner of the trademark and of third parties.

Section D. COUNTRY NAMES

Article 12.19. Country Names

Each Party shall provide the legal means for interested persons to prevent commercial use of the country name of a Party in relation to a good in a manner that misleads consumers as to the origin of that good.

Section E. GEOGRAPHICAL INDICATIONS

Article 12.20. Recognition of Geographical Indications

The laws and regulations of each Party shall ensure adequate and effective means to protect geographical indications. The Parties recognize that geographical indications may be protected through a trademark or sui generis system or other legal means.

Section F. PATENTS

Article 12.21. Grace Period

Each Party shall disregard at least information contained in public disclosures used to determine if an invention is novel or has an inventive step, if the public disclosure of any form: (26), (27)

(a) was made by the patent applicant or by a person that obtained the information directly or indirectly from the patent applicant; and

(b) occurred within at least six months prior to the effective date stated in the law and regulation of each Party.

(26) No Party shall be required to disregard information contained in applications for, or registrations of, intellectual property rights made available to the public or published by a patent office, unless erroneously published or unless the application was filed without the consent of the inventor or their successor in title, by a third person who obtained the information directly or indirectly from the inventor

(27) For greater certainty, a Party may limit the application of this Article to disclosures made by, or obtained directly or indirectly from, the inventor or joint inventor. For greater certainty, a Party may provide that, for the purposes of this Article, information obtained directly or indirectly from the patent applicant may be information contained in the public disclosure that was authorized by, or derived from, the patent applicant

Article 12.22. Exceptions

A Party may provide limited exceptions to the exclusive rights conferred by a patent, provided that such exceptions do not unreasonably conflict with a normal exploitation of the patent and do not unreasonably prejudice the legitimate interests of the patent owner, taking account of the legitimate interests of third parties.

Article 12.23. Genetic Resources and Traditional Knowledge

1. The Parties reaffirm their sovereign rights over their natural resources. The Parties also recognize their rights and obligations as established by the Convention on Biological Diversity, the International Treaty on Plant Genetic Resources for Food and Agriculture and other relevant international agreements to which they are a party with respect to access to genetic resources and associated traditional knowledge, the fair and equitable sharing of benefits arising out of the utilization of these genetic resources, and associated traditional knowledge, considering the close and traditional dependence of indigenous and local communities embodying traditional lifestyles on genetic resources.

2. The Parties recognize the importance and the value of biological diversity and traditional knowledge of indigenous and local communities. Each Party shall determine the access conditions to its genetic resources in accordance with its international obligations.

3. The Parties shall take policy, legislative, and administrative measures in accordance with their international obligations, as appropriate, for the fulfilment of terms and conditions for access to genetic resources and associated traditional knowledge.

4. The Parties shall take legislative, administrative, or policy measures in accordance with their international obligations, as appropriate, with the aim of sharing in a fair and equitable way the benefits arising from commercial or other utilization of genetic resources and associated traditional knowledge. Such sharing shall be based upon mutually agreed terms established at the time of access.

5. The Parties may, by mutual agreement, review this Article in light of the results of multilateral negotiations.

Section G. COPYRIGHT AND RELATED RIGHTS

Article 12.24. Rights of Reproduction, Distribution and Communication

1. Each Party shall provide (28) to authors, performers, and producers of phonograms (29) the exclusive right to:

(a) authorise or prohibit all reproduction of their works, performances, or phonograms in any manner or form, including in electronic form; and

(b) authorise or prohibit the making available to the public of the original and copies (30) of their works, performances and phonograms through sale or other transfer of ownership.

2. Each Party shall provide to authors of literary and artistic works the exclusive right to authorise or prohibit the communication to the public of their works, by wire or wireless means, including the making available to the public of their works in such a way that members of the public may access these works from a place and at a time individually chosen by them.(31)

(28) For greater certainty, the Parties understand that it is a matter for each Party's law to prescribe that works, performances or phonograms in general or any specified categories of works, performances and phonograms are not protected by copyright or related rights unless the work, performance or phonogram has been fixed in some material form.

(29) References to "authors, performers, and producers of phonograms" refer also to any of their successors in interest.

(30) The expressions "copies" and "original and copies", that are subject to the right of distribution in this Article, refer exclusively to fixed copies that can be put into circulation as tangible objects.

(31) The Parties understand that the mere provision of physical facilities for enabling or making a communication does not in itself amount to communication within the meaning of this Chapter or the Berne Convention. The Parties further understand that nothing in this Article precludes a Party from applying Article 11bis (2) of the Berne Convention.

Article 12.25. Related Rights

1. Each Party shall accord the rights provided for in this Chapter with respect to performers and producers of phonograms: to the performers and producers of phonograms that are nationals (32) of the other Party; and to performances or phonograms first published or first fixed (33) in the territory of the other Party. (34) A performance or phonogram shall be considered first published in the territory of a Party if it is published in the territory of that Party within 30 days of its first publication.

2. Each Party shall provide to performers the exclusive right to authorise or prohibit:

(a) the broadcasting and communication to the public of their unfixed performances, unless the performance is already a broadcast performance; and

(b) the fixation of their unfixed performances.

3. Each Party shall provide to performers and producers of phonograms the exclusive right to authorise or prohibit the broadcasting or any communication to the public of their performances or phonograms, by wire or wireless means,(35),

(36) and the making available to the public of those performances or phonograms in such a way that members of the public may access them from a place and at a time individually chosen by them.

4. Notwithstanding paragraph 3 and Article 12.26 (Limitations and Exceptions), the application of the right referred to in paragraph 3 to analog transmissions and non-interactive free over-the-air broadcasts, and exceptions or limitations to this right for those activities, is a matter of each Party's law. (37)

(32) For the purposes of determining criteria for eligibility under this Article, with respect to performers, a Party may treat "nationals" as those who would meet the criteria for eligibility under Article 3 of the WIPO Performance and Phonograms Treaty (WPPT).

(33) For the purposes of this Article, fixation means the finalisation of the master tape or its equivalent.

(34) For greater certainty, in this paragraph with respect to performances or phonograms first published or first fixed in the territory of a Party, a Party may apply the criterion of publication, or alternatively, the criterion of fixation, or both. For greater certainty, consistent with Article 11.7 (National Treatment), each Party shall accord to performances and phonograms first published or first fixed in the territory of another Party treatment no less favourable than it accords to performances or phonograms first published or first fixed in its own territory.

(35) With respect to broadcasting and communication to the public, a Party may satisfy the obligation by applying Article 15(1) and Article 15(4) of the WPPT and may also apply Article 15(2) of the WPPT, provided that it is done in a manner consistent with that Party's obligations under Article 11.7 (National Treatment).

(36) For greater certainty, the obligation under this paragraph does not include broadcasting or communication to the public, by wire or wireless means, of the sounds or representations of sounds fixed in a phonogram that are incorporated in a cinematographic or other audio-visual work.

(37 For the purposes of this paragraph the Parties understand that a Party may provide for the retransmission of non-interactive, free over-the-air broadcasts, provided that these retransmissions are lawfully permitted by that Party's government communications authority; any entity engaging in these retransmissions complies with the relevant rules, orders or regulations of that authority; and these retransmissions do not include those delivered and accessed over the Internet. For greater certainty this footnote does not limit a Party's ability to avail itself of this paragraph.

Article 12.26. Limitations and Exceptions

With respect to this Section, each Party shall confine limitations or exceptions to exclusive rights to certain special cases that do not conflict with a normal exploitation of the work, performance, or phonogram, and do not unreasonably prejudice the legitimate interests of the right holder.

Section H. ENFORCEMENT

Article 12.27. General Obligation In Enforcement

Each Party shall ensure that enforcement procedures as specified in this Section are available under its law so as to permit effective action against any act of infringement of intellectual property rights covered by this Chapter, including expeditious remedies to prevent infringements and remedies that constitute a deterrent to future infringements. These procedures shall be applied in such a manner as to avoid the creation of barriers to legitimate trade and to provide for safeguards against their abuse.

Chapter 13. SMALL AND MEDIUM-SIZED ENTERPRISES

Article 13.1. General Principles

1. The Parties, recognizing the fundamental role of small and medium- sized enterprises (SMEs) in maintaining dynamism and enhancing competitiveness of their respective economies, shall foster close cooperation between SMEs of the Parties

and cooperate in promoting jobs and growth in SMEs.

2. The Parties recognise that SMEs, including micro enterprises, contribute significantly to economic growth, employment, and innovation, and therefore seek to promote information sharing and cooperation in increasing the ability of SMEs to utilise and benefit from the opportunities created by this Agreement.

3. The Parties acknowledge the provisions of various Chapters in this Agreement that contribute to encouraging and facilitating the participation of SMEs in this Agreement.

4. The Parties recognize the role of the private sector in the SMEs cooperation to be implemented under this Chapter.

Article 13.2. Cooperation

1. The Parties shall strengthen their cooperation under this Chapter, which may include:

(a) promoting cooperation between the Parties' small business support infrastructure, including dedicated SMEs centres, incubators, and accelerators, export assistance centres, and other centres as appropriate, to create an international network for sharing best practices, exchanging market research, and promoting SMEs participation in international trade, as well as business growth in local markets;

(b) strengthening their collaboration on activities to promote SMEs owned by women and youth, as well as start-ups, and promote partnership among these SMEs and their participation in international trade;

(c) promoting good regulatory practices and building capacity in formulating regulations, policies, and programmes that contribute to SMEs development;

(d) increasing the participation of SMEs in the halal industry;

(e) exchanging information and best practices in areas including improving SMEs access to capital and credit, SMEs participation in covered government procurement opportunities, and helping SMEs adapt to changing market conditions;

(f) encouraging the utilisation of platforms, for business entrepreneurs and counsellors to share information and best practices to help SMEs link with international suppliers, buyers, and other potential business partners in order to contribute to global value chains;

(g) promoting the use of digital trade by SMEs, with due regard to the Parties' laws and regulations;

(h) encouraging innovation and use of technology; and

(i) promoting awareness, understanding, and effective use of the intellectual property system among SMEs.

Article 13.3. Information Sharing

1. Each Party shall promote the sharing of information related to this Agreement that is relevant to SMEs, including through the establishment and maintenance of a publicly accessible information platform and information exchange to share knowledge, experiences, and best practices between the Parties.

2. The information to be made publicly accessible in accordance with paragraph 1 will include:

(a) the full text of this Agreement;

(b) information on trade and investment-related laws and regulations that the Party considers relevant to SMEs;

(c) a description of the provisions in this Agreement that the Party considers to be relevant to SMEs; and

(d) additional business-related information that the Party considers useful for SMEs interested in benefitting from the opportunities provided by this Agreement.

3. Each Party shall take reasonable steps to ensure that information referred to in paragraph 2 is accurate and up-to-date.

Article 13.4. Committee on Small and Medium-Sized Enterprises

1. The Parties hereby establish a Committee on Small and Medium- Sized Enterprises under the Joint Committee, which shall comprise representatives of the Parties.

2. A Committee composed of representatives designated by the Parties will be established to formulate, implement, coordinate, and monitor the collaborative activities determined under this Chapter.

3. The members of the Committee shall consist of representatives from the government departments of each Party responsible for SMEs development and, when necessary, SME representatives.

4. The function of Committee is to develop and discuss the possible areas of cooperation agreed upon by the Parties, coordinate and monitor the implementation of action plans for the agreed cooperation based on this Chapter, and consider issues of mutual interest arising from the implementation of this Chapter.

5. The Committee meetings will be held as and when necessary on mutually agreed dates in the Indonesia and UAE.

6. The Committee shall report periodically to the respective Ministers in each Party who are responsible for SMEs development.

Article 13.5. Contact Points

Each Party shall, within 30 days of the date of entry into force of this Agreement for that Party, designate one or more contact points to facilitate cooperation and information sharing under this Chapter and notify the other Party of the contact details of that contact point or those contact points. Each Party shall notify the other Party of any changes to those contact details.

Chapter 14. ISLAMIC ECONOMY

Article 14.1. Definitions

For the purposes of this Chapter:

(a) Halal means permissible in accordance with Islamic rules and principles; and

(b) Islamic economy means economic activities and processes, including, inter alia, securing, producing, trading, disseminating, and financing of goods and services that are in accordance with Islamic rules and principles.

Article 14.2. Context, Objective, and Scope

1. This Agreement recognizes that both parties reserve the right to supervise their respective Islamic economic sectors in accordance with their respective national interests and governing laws and regulations, consistent with the rights and obligations of both Parties under this Agreement.

2. The Parties agree to promote current and future sectors of the Islamic economy.

3. The Parties recognize that all sectors of the Islamic economy are interdependent and mutually reinforce the growth, promotion, and development of the industry. Both Parties recognize that promoting the development of the Islamic economy can be an engine for sustainable economic growth and economic diversification.

4. This Chapter is based on the principles of mutual cooperation, and the Parties' common values and interests, considering the differences in their level of development as appropriate.

5. The Parties shall endeavour to expand bilateral trade volumes, knowledge transfer, and investment in the Islamic economy to achieve desired outcomes and fully tap the market potential of the Islamic economy.

6. Unless otherwise provided for in this Chapter, this Chapter applies to all aspects of Islamic economy in all its dimensions.

Article 14.3. Islamic Economy Development

1. The Parties recognize that the various sectors of the Islamic economy consist of, but are not limited to:

(a) raw materials;

(b) food and beverages;

(c) pharmaceuticals and cosmetics;

(d) modest fashion;

(e) tourism;

(f) media and recreation; and

(g) Islamic finance.

2. The Parties shall strive to facilitate and promote investment, financing, trade in, and dissemination of, goods and services that contribute to the development of the Islamic economy.

3. The Parties underline the importance of promoting inclusive economic growth through supporting the contribution of micro, small, and medium-sized enterprises to the Islamic economy.

4. The Parties agree that sectors related to the Islamic economy need to be provided with capacity building programs to support Islamic economic development.

5. The Parties emphasize the importance of information, innovation, education, training, empowerment, and digitalization in multiple sectors of the Islamic economy at all levels in order to contribute to Islamic economic development.

6. The Parties agree to exchange views and conduct mutual cooperation in this area, including bilaterally, regionally, or multilaterally, as appropriate.

Article 14.4. Mutual Recognition on Halal Certification

1. For the purposes of this Agreement, the halal standards shall apply to all goods and related services whose consumption is determined through Islamic principles.

2. The Parties agree to pursue the following, decided by the Committee specified in Article 14.12 (Committee on Islamic Economy Cooperation), for the purposes of mutual recognition:

(a) principles for recognition of the equivalence and acceptance of conformity assessment results as applicable within the scope of this Agreement;

(b) a mechanism for providing the halal conformity assessment in the absence of International Halal Accreditation Forum (IHAF) recognition;

(c) principles for mutual recognition of halal logos, marks, or labels;

(d) a process of mutual recognition of halal certificates;

(e) identification of various responsibilities associated with mutual recognition such as, but not limited to, notification to the relevant stakeholders about the mutual recognition agreement and its amendments; and

(f) striving to be active IHAF members and support its implementation.

3. Each Party has the right to impose any additional control measures for Halal products entering that Party's territory such as shipment inspection, laboratory testing, and market surveillance, or any national food control programs as an added food safety measure to ensure Halal integrity of the supply chain, with the objective of simplifying the processes and without creating unnecessary obstacles to trade.

4. Each Party shall give the other Party a reasonable opportunity to prove that the production process, standardization, requirements, or certification obtained and completed in the territory of the other Party can be recognized based on common criteria and the mutual recognition process derived from the principles and conditions as agreed by both Parties.

5. The Parties agree to negotiate and finalise an Annex on mutual recognition on halal goods and related services within 12 months from the date of entry into force of this Agreement.

6. The Parties shall jointly work, when deemed necessary, on the halal accreditation of conformity assessment bodies in keeping with internationally accepted principles and rules, within a framework of international organizations which both Parties are members of.

7. The Parties shall endeavour to work together, in cooperation with relevant intergovernmental and non-governmental organizations, towards the establishment and adoption of common international halal standards and criteria for goods and services.

Article 14.5. Cooperation In Halal Goods and Services

1. The Parties recognise the importance of developing sectors related to halal goods and services including, but not limited to, foods and beverages, pharmaceuticals and cosmetics, modest fashion, tourism, and media and recreation.

2. For the purposes of paragraph 1, and in a manner consistent with Article 14.2 (Context, Objectives, and Scope), the Parties commit to cooperate to:

(a) promote and provide necessary support for economic cooperation between enterprises relating to halal goods and services that operate in both Parties' territories, in accordance with their respective laws and regulations;

(b) facilitate and promote cross-border investment between both Parties that contribute to the development of sectors related to halal goods and services including, but not limited to, halal funds for the Islamic economy, halal industrial parks or estates, halal ports, special economic zones for tourism, and other supporting infrastructure for halal industry;

(c) develop and implement an effective and integrated value chain of halal goods and services between both Parties' territories;

(d) establish international halal hubs in regions of each Party in order to expand economic cooperation on the Islamic economy with other Organisation of Islamic Cooperation (OIC) member countries;

(e) develop and promote the Halal Assurance System on halal industrial estate for securing domestic needs and reaching export market potential for both Parties; and

(f) develop guiding principles, technical guidance, or best practices in order to advance sectors related to halal goods and services.

Article 14.6. Islamic Finance and Social Finance

The Parties recognise the importance of developing the sector of Islamic finance and social finance, in which they agree to cooperate to:

(a) integrate Islamic finance and Islamic social finance with sectors related to halal goods and services;

(b) promote and facilitate cross-border investment between the Parties that contributes to Islamic financial sector development;

(c) facilitating the operation of Islamic financial institutions of one Party within the other Party's territory, including by licensing activities and business process support, in compliance with each Party's laws and regulations;

(d) promote the effective utilization of Islamic social finance, including but not limited to zakat and waqf management, productive and impact-based waqf schemes, and cross- border waqf fund allocation between both Parties that contribute to Islamic social finance development;

(e) collaborate in harmonizing standards in Shariah-compliant finance with the involvement of relevant stakeholders of both Parties; and

(f) promote the integration of islamic finance with sustainable finance.

Article 14.7. Micro, Small and Medium Enterprises

The Parties recognize the importance of developing micro, small and medium-sized enterprises (MSMEs) operating in sectors of the Islamic economy, in accordance with promoting inclusive growth, where they agree to cooperate to:

(a) provide effective literacy and empowerment programs in order to strengthen and upscale MSMEs of the Islamic economy; and

(b) integrate MSMEs in both Parties into the global value chain of sectors of the Islamic economy.

Article 14.8. Digital Islamic Economy

1. The Parties recognise the importance of the digitalization of the Islamic economy;

2. The Parties agree to cooperate to expand all aspects of the digital Islamic economy between both Parties, including, but not limited to, data centers of the Islamic economy, integrated information systems or digitized value chains for halal traceability, digital Islamic economic ecosystem, incubator facilities, and Shariah-compliant venture capital for digital startups in the Islamic economy.

Article 14.9. Cooperation In Research, Innovation, and Human Resources

1. The Parties agree to strengthen their cooperation on jointly enhancing their capabilities in human resources and collaborating on research and innovation in order to achieve a global competitive edge in sectors of the Islamic economy.

2. For the purposes of paragraph 1, the Parties agree to cooperate on initiatives including, but not limited to, formulating competency standard for human resources in the Islamic economy, developing halal incubation centers for empowering micro and small enterprises, and supporting halal research and development (R&D) centers and universities for producing breakthrough innovation related to sectors of the Islamic economy.

Article 14.10. Cooperation In International Fora

The Parties agree to strengthen their cooperation on issues of mutual interest to jointly promote the Islamic economy, including its trade and investment-related aspects, and the harmonization of standards in relevant bilateral, regional, and multilateral fora.

Article 14.11. Transparency and Exchange of Information In the Islamic Economy

1. Each Party shall disclose its regulations and procedures for trade in goods, services, and processes under the Islamic economy. Each Party shall endeavour to provide and update that information electronically and in the English language. Each Party shall communicate any additions, amendments, or exclusions.

2. The Parties shall exchange information on promotion and dissemination of halal and Islamic certifications or accreditations, conformity assessments, conformity schemes, permissible commercial information related to the Islamic economy, and other related areas of mutual interest to respective government bodies, government-owned enterprises, and private business entities.

3. Each Party may request the other Party to provide permissible information on any matter arising under this Chapter. A Party receiving a request under this paragraph shall provide that information within 60 days, and, if possible, by electronic means, addressed to the contact point identified in Article 14.15 (Contact Points).

4. For greater certainty, each Party may request technical discussions with the other Party regarding technical regulations and equivalency procedures that may have a significant effect on trade.

5. The Parties shall discuss the matter raised within 60 days of the date of the request. If the requesting Party considers that the matter is urgent, it may request that discussions take place within a shorter time frame. The Parties shall attempt to obtain satisfactory resolution of the matter as expeditiously as possible, recognising that the time required to resolve a matter will depend on a variety of factors, and that it may not be possible to resolve every matter through technical discussions.

Article 14.12. Committee on Islamic Economy Cooperation

1. The Parties hereby establish a Committee on Islamic Economy Cooperation under the Joint Committee, which shall comprise representatives of the Parties, to further the trade of goods and services, as well as investment in Islamic economy.

2. This Committee is also responsible for issues related to mutual recognition under Article 14.4 (Mutual Recognition on Halal Certification).

3. The Committee, at its discretion, may form subcommittees or working groups either on a long term or temporary basis as needed.

4. The Committee should meet once a year or at closer intervals as needed.

Article 14.13. Review

The Committee shall periodically review progress achieved in pursuing the implementation of the provisions and outcomes of this Chapter and shall consider relevant international developments to identify areas where further action could promote these objectives.

Article 14.14. Contact Points

1. Within 60 days of the date of entry into force of this Agreement, each Party shall designate a contact point for matters arising under this Chapter.

2. Each Party shall promptly notify the other Party of any changes to its contact point or the details of the relevant officials.

3. The responsibilities of each contact point shall include:

(a) communicating with the other Party's contact points, including facilitating discussions, requests, and the timely exchange of information on matters arising under this Chapter;

(b) communicating with and coordinating the involvement of relevant government agencies, including regulatory authorities, in its territory on relevant matters pertaining to this Chapter;

(c) consulting and, if appropriate, coordinating with interested persons in its territory on relevant matters pertaining to this Chapter; and

(d) carrying out any additional responsibilities specified by the Committee on Islamic Economy Cooperation.

Chapter 15. ECONOMIC COOPERATION

Article 15.1. Objective

1. The Parties reaffirm the importance of economic cooperation activities between them and shall promote cooperation under this Agreement for their mutual benefit, taking into account ongoing efforts and resources available under other programs between the Parties, so as to facilitate trade and investment between the Parties and foster their economic growth.

2. Economic cooperation under this Agreement shall be built upon a common understanding between the Parties to support the implementation of this Agreement, with the objective of maximising its benefits, supporting pathways to trade and investment facilitation, and further improving market access and openness to contribute to the sustainable economic growth and prosperity of the Parties, through enhancing the Parties' capacities, especially in the sectors of the economy affected by it.

3. The Parties acknowledge the provisions that encourage and facilitate economic cooperation included in various Chapters of this Agreement.

Article 15.2. Scope

Economic cooperation under this Chapter shall support the effectiveness and efficiency of the implementation and utilisation of this Agreement through activities that relate to trade and investment as set out in the Implementing Arrangement to be agreed by the Parties and those further developed in the Work Programme.

Article 15.3. Committee on Economic Cooperation

1. The Parties hereby establish a Committee on Economic Cooperation under the Joint Committee, which shall comprises representatives of the Parties.

2. The functions of the Committee shall include:

(a) monitor and assess the implementation of this Chapter;

(b) identify new opportunities and agree on new ideas for prospective cooperation or capacity building activities;

(c) develop and establish the Work Programme;

(d) coordinate, monitor, and review progress of the Implementing Arrangement and the Work Programme to assess their overall effectiveness and contribution to the implementation and operation of this Chapter;

(e) may modify or suggest modifications to the Work Programme through periodic evaluations;

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

(g) report to and, if deemed necessary, consult with the Joint Committee particularly in relation to the implementation and operation of this Chapter.

3. Each Party shall designate a contact point to facilitate communication between the Parties on all matters relating to the implementation of this Chapter and shall update the other Party on any changes to the details of the contact points.

Article 15.4. Relations with other Chapters

The provisions of this Chapter apply to all provisions on economic cooperation included in other Chapters of this Agreement, unless otherwise specified.

Article 15.5. Work Programme

1. The Committee on Economic Cooperation shall establish a Work Programme on Economic Cooperation Activities (Work Programme) based on proposals submitted by the Parties for areas of cooperation, which may include fields and forms of cooperation, contact points, financial and expert resources, and, if applicable, timeframes for the fulfilment of economic cooperation and capacity building. The Work Programme shall also take into consideration the needs identified by Committees established pursuant to Chapter 18 (Administration of the Agreement).

2. Each activity in the Work Programme shall:

(a) be guided by the objectives agreed in Article 15.1 (Objectives);

(b) be related to trade or investment and support the implementation of this Agreement;

(c) involve both Parties;

(d) address the mutual priorities of the Parties; and

(e) take into account existing cooperation activities between the Parties.

3. The Work Programme shall include periodic reporting to the Parties, and shall be subject to periodic review and modification from time to time by the Committee on Economic Cooperation.

Article 15.6. Cooperation on Competition Policy

The Parties encourage cooperation in the area of competition policy to prevent anti-competitive practices and their adverse effects on trade. The Parties may cooperate through consultation and exchange of information related to the implementation and development of competition policy, subject to their laws and regulations. The Parties may conduct such cooperation through their competent authorities.

Article 15.7. Resources

1. Resources for economic cooperation under this Chapter shall be provided in a manner agreed by the Parties and in accordance with each Party's laws and regulations.

2. The Parties, on the basis of mutual benefit, and as deemed appropriate, may consider cooperation with, and contributions from, external parties to support the implementation of this Chapter.

Chapter 16. DISPUTE SETTLEMENT

Section A. OBJECTIVE AND SCOPE

Article 16.1. Objective

The objective of this Chapter is to establish an effective and efficient mechanism for avoiding and settling disputes between

the Parties concerning the interpretation and application of this Agreement with a view to reaching, where possible, a mutually agreed solution.

Article 16.2. Cooperation

The Parties shall 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 might affect its operation.

Article 16.3. Scope of Application

1. Unless otherwise provided for in this Agreement, this Chapter shall apply with respect to the settlement of any disputes between the Parties concerning the interpretation, implementation, or application of this Agreement (hereinafter referred to as "covered provisions"), wherever a Party considers that:

(a) a measure of the other Party is inconsistent with its obligations under this Agreement; or

(b) the other Party otherwise failed to carry out its obligations under this Agreement.

2. The Parties agree that neither Party shall have recourse to dispute settlement under this Chapter for any matter arising under the following Chapters of this Agreement:

(a) Chapter 5 (Sanitary and Phytosanitary Measures);

(b) Chapter 9 (Digital Trade);

(c) Chapter 10 (Investment);

(d) Chapter 11 (Government Procurement);

(e) Chapter 13 (Small and Medium Enterprises);

(f) Chapter 14 (Islamic Economy); and

(g) Chapter 15 (Economic Cooperation).

Article 16.4. Contact Points

1. Each Party shall designate a contact point to facilitate communications between the Parties with respect to any dispute initiated under this Chapter.

2. Any request, notification, written submission or other document made in accordance with this Chapter shall be delivered to the other Party through its designated contact point.

Section B. CONSULTATIONS AND MEDIATION

Article 16.5. Request for Information

Before a request for consultations, good offices or mediation is made pursuant to Article 16.6 (Consultations) or Article 16.7 (Good Offices, Conciliation, or Mediation) respectively, a Party may request in writing any relevant information with respect to a measure at issue. The Party to which that request is made shall make all efforts to provide the requested information in a written response to be submitted no later than 20 days after the date of receipt of the request.

Article 16.6. Consultations

1. The Parties shall endeavour to resolve any dispute referred to in Article 16.3 (Scope of Application) by entering into consultations in good faith with the aim of reaching a mutually agreed solution.

2. A Party shall seek consultations by means of a written request delivered to the other Party identifying the reasons for the request, including the measure at issue, a description of its factual basis, and the legal basis specifying the covered provisions that it considers applicable.

3. The Party to which the request for consultations is made shall reply to the request promptly, but no later than 10 days after the date of receipt of the request. Consultations shall be held within 30 days of the date of receipt of the request. The

consultations shall be deemed to be concluded within 30 days of the date of receipt of the request, unless the Parties agree otherwise.

4. Consultations on matters of urgency, including those regarding perishable or seasonal goods, shall be held within 15 days of the date of receipt of the request. The consultations shall be deemed to be concluded within those 15 days unless the Parties agree otherwise.

5. During consultations, each Party shall provide sufficient information so as to allow a complete examination of the measure at issue including how that measure is affecting the operation and application of this Agreement.

6. Consultations, including all information disclosed and positions taken by the parties during consultations, shall be confidential, and without prejudice to the rights of either Party in any further proceedings.

7. Consultations may be held in person or by any other means of communication agreed by the parties. Unless the parties agree otherwise, consultations, if held in person, shall take place in the territory of the Party to which the request is made.

8. If the Party to which the request is made does not respond to the request for consultations within 10 days of the date of the receipt of the request, or if consultations are not held within the timeframes laid down in paragraph 3 or in paragraph 4 respectively, or if the Parties agree not to have consultations, or if consultations have been concluded and no mutually agreed solution has been reached, the Party that sought consultations may have recourse to Article 16.8 (Establishment of a Panel).

Article 16.7. Good Offices, Conciliation, or Mediation

1. The Parties may at any time agree to enter into procedures for good offices, conciliation, or mediation. They may begin at any time and be terminated by either Party at any time.

2. If the Parties agree, procedures for good offices, conciliation, or mediation may continue while the panel procedures set out in Section C (Panel Procedures) proceed.

3. Proceedings involving good offices, conciliation, or mediation and the particular positions taken by the Parties in these proceedings, shall be confidential and without prejudice to the rights of either Party in any further proceedings under this Chapter or any other proceedings before a forum selected by the Parties.

Section C. PANEL PROCEDURES

Article 16.8. Establishment of a Panel

1. If the Parties fail to resolve the dispute through recourse to consultations as provided for in Article 16.6 (Consultations), the Party that sought consultations may request the establishment of a panel.

2. The request for the establishment of a panel shall be made by means of a written request delivered to the other Party and shall identify the measure at issue and indicate the legal basis, specifying the relevant covered provisions in a manner sufficient to present how such measure is inconsistent with those provisions.

3. When a request is made by the complaining party in accordance with paragraph 1, a panel shall be established.

Article 16.9. Composition of a Panel

1. Unless the Parties agree otherwise, a panel shall consist of three panelists.

2. Unless the Parties agree otherwise, the panelists shall not be nationals of the Parties to the dispute.

3. Within 20 days of the establishment of a panel, each Party shall appoint a panelist. The Parties shall, by common agreement, appoint the third panelist, who shall serve as the chairperson of the panel, within 40 days of the establishment of a panel.

4. If either Party fails to appoint a panelist within the time period established in paragraph 3, the other Party may request that the Director-General of the World Trade of Organization designate a panelist within 20 days of that request.

5. If the Parties do not agree on the chairperson of the panel within the time period established in paragraph 3, they shall within the next 10 days, exchange their respective lists comprising three nominees, none of whom shall be nationals of either Party. The chair shall then be appointed by draw of lot from the lists within 10 days of the expiry of the time period

during which the Parties shall exchange their respective lists of nominees. The selection by lot of the chairperson of the panel shall be made by the Joint Committee.

6. If a Party fails to submit its list of three nominees within the time period established in paragraph 4, the chairperson shall be appointed by draw of lot from the list submitted by the other Party.

7. The date of composition of the panel shall be the date on which the last of the three selected panelists has notified the Parties of the acceptance of his or her appointment.

Article 16.10. Requirements for Panelists

1. Each panelist shall:

(a) have demonstrated expertise in law, international trade, and other matters covered by this Agreement;

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

(c) serve in his or her individual capacity and shall not take instructions from any organization or government with regard to matters related to the dispute;

(d) comply with the Code of Conduct for Panelists established in Annex 16B;

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

(f) disclose to the Parties information which may give rise to justifiable doubts as to his or her independence or impartiality.

2. The chairperson shall also have experience in dispute settlement procedures.

3. Persons who provided good offices or mediation to the Parties, pursuant to Article 16.7 (Good Offices, Conciliation, or Mediation) in relation to the same or a substantially equivalent matter, shall not be eligible to be appointed as panelists in that matter.

Article 16.11. Replacement of Panelists

If any of the panelists of the original panel becomes unable to act, withdraws, or needs to be replaced because that panelist does not comply with the requirements of the Code of Conduct, a successor panelist shall be appointed in the same manner as prescribed for the appointment of the original panelist, and the successor shall have the powers and duties of the original panelist. The work of the panel shall be suspended during the appointment of the successor panelist.

Article 16.12. Functions of the Panel

Unless the Parties agree otherwise, the panel:

(a) shall make an objective assessment of the matter before it, including an objective assessment of the facts of the case and the applicability and conformity of the measure at issue with the covered provisions;

(b) shall set out, in its decisions and reports, the findings of fact and law and the rationale behind any findings and conclusions that it makes; and

(c) should consult regularly with the Parties and provide adequate opportunities for the development of a mutually agreed solution.

Article 16.3. Terms of Reference

1. Unless the Parties agree otherwise, within 15 days of the date of establishment of the panel, the terms of reference of the panel shall be:

“to examine, in the light of the relevant covered provisions of this Agreement cited by the Parties, the matter referred to in the request for the establishment of the panel, to make findings on the conformity of the measure at issue with the relevant covered provisions of this Agreement as well as recommendations, if any, on the means to resolve the dispute, and to deliver a report in accordance with Articles 16.18 (Interim Report) and 16.19 (Final Report).”

2. If the Parties agree on other terms of reference than those referred to in paragraph 1, they shall notify the agreed terms

of reference to the panel no later than 5 days after their agreement.

Article 16.14. Decision on Urgency

1. If a Party so requests, the panel shall decide, within 15 days of its composition, whether the dispute concerns matters of urgency.

2. In cases of urgency, the applicable time periods set out in Articles 16.18 (Interim Report) and 16.19 (Final Report) shall be half of the time prescribed therein.

Article 16.15. Rules of Interpretation

1. The panel shall interpret the covered provisions in accordance with customary rules of interpretation of public international law, including those codified in the Vienna Convention on the Law of Treaties done at Vienna on 23 May 1969.

2. When appropriate, the panel may also take into account relevant interpretations in reports of prior panels established under this Chapter and reports of panels and the Appellate Body adopted by the Dispute Settlement Body of the WTO.

Article 16.16. Rules of Procedure for the Panel

1. Unless the parties agree otherwise, the panel shall follow the model rules of procedure set out in Annex 16A (Rules of Procedure for the Panel).

2. The panel may, after consulting with the Parties, adopt additional rules of procedure not inconsistent with the model rules of procedure.

Article 16.17. Receipt of Information

1. The panel, on request of a Party or on its own initiative, may seek from the Parties relevant information it considers necessary and appropriate. The Parties shall respond promptly and fully to any request by the panel for information.

2. The panel, on request of a Party or on its own initiative, may seek information or technical advice of experts from any sources it considers appropriate, provided that the Parties agree and subject to any terms and conditions agreed by the Parties.

3. Any information obtained by the panel under this Article shall be made available to the Parties, and the Parties may provide comments on that information.

Article 16.18. Interim Report

1. The panel shall deliver an interim report to the Parties within 120 days of the date of composition of the panel. When the panel considers that this deadline cannot be met, the chairperson of the panel shall notify the Parties in writing, stating the reasons for the delay and the date on which the panel plans to deliver its interim report. Under no circumstances shall the delay exceed 30 days after the deadline.

2. The interim report shall set out a descriptive part and the panel’s findings and conclusions.

3. Each Party may submit to the panel written comments and a written request to review precise aspects of the interim report within 15 days of the date of issuance of the interim report. Each Party may comment on the other Party's request within 10 days of the delivery of the request.

4. After considering any written comments and requests by each Party on the interim report, the panel may modify the interim report and make any further examination it considers appropriate.

Article 16.19. Final Report

1. The panel shall deliver its final report to the Parties within 150 days of the date of composition of the panel. When the panel considers that this deadline cannot be met, the chairperson of the panel shall notify the Parties in writing, stating the reasons for the delay and the date on which the panel plans to deliver its final report. Under no circumstances shall the delay exceed 30 days after the deadline.

2. The final report shall include a discussion of any written comments and requests made by the Parties on the interim report. The panel may, in its final report, suggest ways in which the final report could be implemented.

3. The final report shall be made public within 15 days of its delivery to the Parties unless the Parties agree to publish the final report only in parts or not to publish the final report.

Article 16.20. Implementation of the Final Report

1. When the panel finds that the respondent Party has acted inconsistently with a covered provision, the respondent Party shall take any measures necessary to comply promptly and in good faith with the findings and conclusions in the final report.

2. The respondent Party shall, no later than 30 days after delivery of the final report, notify the complaining Party of the length of the reasonable period of time necessary for compliance with the final report, and the Parties shall endeavour to agree on the reasonable period of time required for compliance with the final report.

Article 16.21. Reasonable Period of Time for Compliance

1. If the Parties have not agreed on the length of the reasonable period of time, the complaining Party may, no later than 20 days after the date of receipt of the notification made by the respondent Party in accordance with paragraph 2 of Article 16.20 (Implementation of the Final Report), request in writing that the original panel determine the length of the reasonable period of time. Such request shall be notified simultaneously to the respondent Party. The 20-day period referred to in this paragraph may be extended by mutual agreement of the Parties.

2. The original panel shall deliver its decision to the Parties within 20 days of the date of submission of the request made under paragraph 1.

3. The length of the reasonable period of time for compliance with the final report may be extended by mutual agreement of the Parties.

Article 16.22. Compliance Review

1. The respondent Party shall deliver a written notification of its progress in complying with the final report to the complaining Party at least 30 days before the expiry of the reasonable period of time unless the Parties agree otherwise.

2. The respondent Party shall, no later than the date of expiry of the reasonable period of time, deliver a notification to the complaining Party of any measures that it has taken to comply with the final report.

3. When the Parties disagree on the existence of measures to comply with the final report, or their consistency with the covered provisions, the complaining Party may request in writing that the original panel decide on the matter. Such request shall be notified simultaneously to the respondent Party.

4. The request made under paragraph 3 shall provide the factual and legal basis for the complaint, including an identification of the specific measures at issue and an indication of why any measures taken by the respondent fail to comply with the final report or are otherwise inconsistent with the covered provisions.

5. The panel shall deliver its decision to the Parties within 60 days of the date of submission of the request.

Article 16.23. Temporary Remedies In Case of Non-Compliance

1. If the respondent Party:

(a) fails to notify any measures taken to comply with the final report before the expiry of the reasonable period of time;

(b) notifies the complaining party in writing that it is not possible to comply with the final report within the reasonable period of time; or

(c) the original panel finds that no measure taken to comply exists or that the measure taken to comply with the final report as notified by the party complained against is inconsistent with the covered provisions;

the respondent Party shall, on request of the complaining Party, enter into consultations with a view to reaching a mutually satisfactory agreement or any necessary compensation.

2. If the Parties fail to reach a mutual satisfactory agreement or to agree on compensation within 20 days of the date of receipt of the request made in accordance with paragraph 1, the complaining Party may deliver a written notification to the respondent Party that it intends to suspend the application to that Party of benefits or other obligations under this Agreement. The notification shall specify the level of intended suspension of benefits or other obligations.

3. The complaining Party may begin the suspension of benefits or other obligations referred to in the preceding paragraph 20 days after the date on which it served notice to the respondent Party, unless the respondent Party made a request under paragraph 7.

4. The suspension of benefits or other obligations:

(a) shall be at a level equivalent to the nullification or impairment that is caused by the failure of the respondent Party to comply with the final report; and

(b) shall be restricted to benefits accruing to the respondent Party under this Agreement.

5. In considering what benefits to suspend in accordance with paragraph 2, the complaining Party shall apply the following principles:

(a) the complaining Party should first seek to suspend benefits in the same sector or sectors affected by the measure that the panel has found to be inconsistent with this Agreement or have caused nullification or impairment; (38)

(b) the complaining Party may suspend benefits in other sectors if it considers that it is not practicable or effective to suspend benefits or other obligations in the same sector.

6. The suspension of benefits or other obligations shall be temporary and shall only apply until the inconsistency of the measure with the relevant covered provisions which has been found in the final report has been removed, or until the Parties have reached a mutually satisfactory agreement or any necessary compensation.

7. If the respondent Party considers that the suspension of benefits does not comply with paragraphs 4 and 5, that Party may request in writing to the original panel to examine the matter no later than 15 days after the date of receipt of the notification referred to in paragraph 2. That request shall be notified simultaneously to the complaining Party. The original panel shall notify to the Parties its decision on the matter no later than 30 days of the receipt of the request from the respondent Party. The complaining Party shall not suspend benefits or other obligations until the original panel has delivered its decision. The suspension of benefits or other obligations shall be consistent with this decision.

(38) For purposes of this paragraph, “sector” means: (i) with respect to goods, all goods; (ii) with respect to services, a principal sector as identified in the current “Services Sectoral Classification List” which identifies such sectors.

Article 16.24. Review of Any Measures Taken to Comply after the Adoption of Temporary Remedies

1. Upon the notification by the respondent Party to the complaining Party of the measure taken to comply with the final report:

(a) in a situation where the right to suspend benefits or other obligations has been exercised by the complaining Party in accordance with Article 16.23 (Temporary Remedies in Case of Non-Compliance), the complaining Party shall terminate the suspension of benefits or other obligations no later than 30 days after the date of receipt of the notification, with the exception of the cases referred to in paragraph 2; or

(b) in a situation where necessary compensation has been agreed, the respondent Party may terminate the provision of such compensation no later than 30 days after the date of receipt of the notification, with the exception of the cases referred to in paragraph 2.

2. If the Parties do not reach an agreement on whether the measure notified in accordance with paragraph 1 is consistent with the relevant covered provisions within 30 days of the date of receipt of the notification, the complaining Party shall request in writing that the original panel examine the matter. That request shall be notified simultaneously to the respondent Party. The decision of the panel shall be notified to the Parties no later than 45 days of the date of submission of the request. If the panel decides that the measure notified in accordance with paragraph 1 is consistent with the relevant covered provisions, the complaining Party shall terminate the suspension of benefits or other obligations, or the respondent Party shall terminate the provision of the compensation, no later than 15 days of the date of the decision. If the panel determines that the notified measure achieves only partial compliance with the covered provisions, the level of suspension

of benefits or other obligations, or of the compensation, shall be adapted in light of the decision of the panel.

Article 16.25. Suspension and Termination of Proceedings

If both Parties so request, the panel shall suspend its work for a period agreed by the Parties and not exceeding 12 consecutive months. In the event of a suspension of the work of the panel, the relevant time periods under this Section shall be extended by the same period of time for which the work of the panel was suspended. The panel shall resume its work before the end of the suspension period at the written request of both Parties. If the work of the panel has been suspended for more than 12 consecutive months, the authority of the panel shall lapse and the dispute settlement procedure shall be terminated.

Section D. General Provisions

Article 16.26. Choice of Forum

1. Unless otherwise provided in this Article, this Chapter is without prejudice to the rights of the Parties to have recourse to dispute settlement procedures available under other international trade agreements to which they are both Parties.

2. When a dispute arises with regard to the alleged inconsistency of a particular measure with an obligation under this Agreement and a substantially equivalent obligation under another international trade agreement to which both Parties are party, including the WTO agreements, the complaining Party may select the forum in which to settle the dispute.

3. Once a Party has selected the forum and initiated dispute settlement proceedings under this Chapter or under the other international agreement with respect to the particular measure referred to in paragraph 2, that Party shall not initiate dispute settlement proceedings in another forum with respect to that particular measure unless the forum selected first fails to make findings on the issues in dispute for jurisdictional or procedural reasons.

4. For the purpose of paragraph 3:

(a) dispute settlement proceedings under this Chapter are deemed to be initiated when a Party requests the establishment of a panel in accordance with Article 16.8 (Establishment of a Panel);

(b) dispute settlement proceedings under the WTO Agreement are deemed to be initiated when a Party requests the establishment of a panel in accordance with Article 6 of the Understanding on Rules and Procedures Governing the Settlement of Disputes in Annex 2 to the WTO Agreement; and

(c) dispute settlement proceedings under any other agreements are deemed to be initiated when a Party requests the establishment of a dispute settlement panel in accordance with the relevant provisions of that agreement.

Article 16.27. Costs

1. Unless the Parties agree otherwise, the costs of the panel and other expenses associated with the conduct of its proceedings shall be borne in equal parts by both Parties.

2. Each Party shall bear its own expenses and legal costs in the panel proceedings.

Article 16.28. Mutually Agreed Solution

1. The Parties may reach a mutually agreed solution at any time with respect to any dispute covered by this Chapter.

2. If a mutually agreed solution is reached during the panel procedure, the Parties shall jointly notify that solution to the chairperson of the panel. Upon such notification, the panel shall be terminated.

3. Each Party shall take measures necessary to implement the mutually agreed solution within the agreed time period.

4. No later than the expiry of the agreed time period, the implementing Party shall inform the other Party, in writing, of any measures that it has taken to implement the mutually agreed solution.

Article 16.29. Time Periods

1. All time periods laid down in this Chapter shall be counted in calendar days from the day following the act to which they refer.

2. Any time periods referred to in this Chapter may be modified by mutual agreement of the Parties.

Article 16.30. Annexes

The Joint Committee may modify Annex 16A (Rules of Procedure for the Panel) and Annex 16B (Code of Conduct for Panelists).

Annex 16A. Rules of Procedure for the Panel

Timetable

1. After consulting the Parties, the panel shall, whenever possible, within seven days of the date of composition of the panel, fix the timetable for the panel process. The indicative timetable attached to this Annex should be used as a guide.

2. The panel process shall, as a general rule, not exceed 150 days from the date of composition of the panel until the date of the final report, unless the Parties agree otherwise.

3. Should the panel consider there is a need to modify the timetable, it shall consult with the Parties in writing regarding the proposed modification and the reason for it and make necessary procedural or administrative adjustments as may be required.

Written Submissions and other Documents

4. Unless the panel otherwise decides, the complaining Party shall deliver its first written submission to the panel no later than 15 days after the date of composition of the panel. The responding Party shall deliver its first written submission to the panel no later than 45 days after the date of delivery of the complaining Party's first written submission. Copies shall be provided for each panellist.

5. Each Party shall also provide a copy of its first written submission to the other Party at the same time as it is delivered to the panel.

6. Within 10 days of the conclusion of the hearing, each Party may deliver to the panel and to the other Party a supplementary written submission responding to any matter that arose during the hearing.

7. All written documents provided to the panel or by one Party to the other Party shall also be provided in electronic form.

8. Minor errors of a clerical nature in any request, notice, written submission, or other document related to the panel proceeding may be corrected as soon as possible by delivery of a new document clearly indicating the changes.

Operation of the Panel

9. The Chair of the panel shall preside at all of its meetings. The panel may delegate to the Chair the authority to make administrative and procedural decisions.

10. Panel deliberations shall be confidential. Only panellists may take part in the deliberations of the panel. The Panel Report shall be drafted without the presence of the Parties in light of the information provided and the statements made.

11. Opinions expressed in the Panel Report by individual panellists shall be anonymous.

12. Except as otherwise provided in this Annex, the panel may conduct its activities by any means, including by telephone, facsimile transmission, and any other means of electronic communication.

Hearings

13. The timetable established in accordance with Rule 1 shall provide for at least one hearing for the Parties to present their cases to the panel.

14. The panel may convene additional hearings if the Parties so agree.

15. All panellists shall be present at hearings. Panel hearings shall be held in closed session with only the panellists and the Parties in attendance. However, in consultation with the Parties, assistants, translators, or designated note takers may also be present at hearings to assist the panel in its work. Any such arrangements established by the panel may be modified with the agreement of the Parties.

16. The hearing shall be conducted by the panel in a manner ensuring that the complaining Party and the responding Party

are afforded equal time to present their case. The panel shall conduct the hearing in the following manner: argument of the complaining Party; argument of the responding Party; reply of the complaining Party; counter-reply of the responding Party; closing statement of the complaining Party; and closing statement of the responding Party. The Chair may set time limits for oral arguments to ensure that each Party is afforded equal time.

17. The Parties to the dispute shall make available to the panel written versions of their oral statements within one day of the date of the hearing.

Questions

18. The panel may direct questions to either Party at any time during the proceedings. The Parties shall respond promptly and fully to any request by the panel for such information as the panel considers necessary and appropriate.

19. When the question is in writing, each Party shall also provide a copy of its response to such questions to the other Party at the same time as it is delivered to the panel. Each Party shall be given the opportunity to provide written comments on the response of the other Party.

Confidentiality

20. The panel's hearings and the documents submitted to it shall be confidential. Each Party shall treat as confidential information submitted to the panel by the other Party which that Party has designated as confidential.

21. Where a Party designates as confidential its written submissions to the panel, it shall, on request of the other Party, provide the panel and the other Party with a non-confidential summary of the information contained in its written submissions that could be disclosed to the public no later than five days after the date of request. Nothing in these Rules shall prevent a Party from disclosing statements of its own positions to the public.

Role of Experts

22. On request of a Party, or on its own initiative, the panel may seek information and technical advice from any individual or body that it deems appropriate, provided that the Parties agree and subject to such terms and conditions as the Parties agree. The panel shall provide the Parties with any information so obtained for comment.

Working Language

23. The working language of the panel proceedings, including for written submissions, oral arguments or presentations, the report of the panel and all written and oral communications between the Parties and with the panel, shall be the English language.

Venue

24. The venue for the hearings of the panel shall be decided by agreement between the Parties. If there is no agreement, the first hearing shall be held in the territory of the responding Party, and any additional hearings shall alternate between the territories of the Parties.

Expenses

25. The panel shall keep a record and render a final account of all general expenses incurred in connection with the proceedings, including those paid to its assistants, designated note takers, or other individuals that it retains.

Indicative Timetable for the Panel

Panel established on xx/xx/xxxx.

1. Receipt of first written submissions of the Parties:

(a) complaining Party: 15 days after the date of the composition of the panel;

(b) responding Party: 45 days after (a);

2. Date of the first hearing with the Parties: 15 days after receipt of the first submission of the responding Party;

3. Receipt of written supplementary submissions of the Parties: 10 days after the date of the first hearing;

4. Issuance of initial report to the Parties: 35 days after receipt of written supplementary submissions;

5. Deadline for the Parties to provide written comments on the initial report: 15 days after the issuance of the initial report;

and

6. Issuance of final report to the Parties: within 30 days of presentation of the initial report.

ANNEX 16B . CODE OF CONDUCT FOR PANELISTS

Definitions

1. For the purposes of this Annex:

(a) assistant means a person who, under the terms of appointment of a panelist, conducts research or provides support for the panelist;

(b) panelist means a member of a panel established under Article 16.8 (Establishment of a Panel);

(c) proceeding, unless otherwise specified, means the proceeding of a panel under Chapter 16 (Dispute Settlement); and

(d) staff, in respect of an panelist, means persons under the direction and control of the panelist, other than assistants.

Responsibilities to the Process

2. Every panelist shall avoid impropriety and the appearance of impropriety, shall be independent and impartial, shall avoid direct and indirect conflicts of interests, and shall observe high standards of conduct so that the integrity and impartiality of the dispute settlement process are preserved. Former panelists shall comply with the obligations established in paragraphs 17 through 20.

Disclosure Obligations

3. Prior to confirmation of his or her selection as an panelist under this Agreement, a candidate shall disclose any interest, relationship, or matter that is likely to affect his or her independence or impartiality, or that might reasonably create an appearance of impropriety or bias in the proceeding. To this end, a candidate shall make all reasonable efforts to become aware of any such interests, relationships, and matters.

4. Once selected, a panelist shall continue to make all reasonable efforts to become aware of any interests, relationships, and matters referred to in paragraph 3 and shall disclose them by communicating them in writing to the Joint Committee for consideration by the Parties. The obligation to disclose is a continuing duty, which requires a panelist to disclose any such interests, relationships, and matters that may arise during any stage of the proceeding.

Performance of Duties by Panelists

5. A panelist shall comply with the provisions of this Chapter and the applicable rules of procedure.

6. On selection, a panelist shall perform his or her duties thoroughly and expeditiously throughout the course of the proceeding with fairness and diligence.

7. A panelist shall not deny other panelists the opportunity to participate in all aspects of the proceeding.

8. A panelist shall consider only those issues raised in the proceeding and necessary to rendering a decision and shall not delegate the duty to decide to any other person.

9. A panelist shall take all appropriate steps to ensure that the panelist's assistant and staff are aware of, and comply with, paragraphs 2, 3, 4, 19, 20, and 21.

10. A panelist shall not engage in ex parte contacts concerning the proceeding.

11. A panelist shall not communicate matters concerning actual or potential violations of this Annex by another panelist unless the communication is to both Parties or is necessary to ascertain whether that panelist has violated or may violate this Annex.

Independence and Impartiality of Panelists

12. A panelist shall be independent and impartial. A panelist shall act in a fair manner and shall avoid creating an appearance of impropriety or bias.

13. A panelist shall not be influenced by self-interest, outside pressure, political considerations, public clamor, loyalty to a Party, or fear of criticism.

14. A panelist shall not, directly or indirectly, incur any obligations or accept any benefit that would in any way interfere, or appear to interfere, with the proper performance of the panelist's duties.

15. A panelist shall not use his or her position on the panel to advance any personal or private interests. A panelist shall avoid actions that may create the impression that others are in a special position to influence the panelist. A panelist shall make every effort to prevent or discourage others from representing themselves as being in such a position.

16. A panelist shall not allow past or existing financial, business, professional, family, or social relationships or responsibilities to influence the panelist's conduct or judgment.

17. A panelist shall avoid entering into any relationship, or acquiring any financial interest, that is likely to affect the panelist's impartiality or that might reasonably create an appearance of impropriety or bias.

Duties in Certain Situations

18. A panelist or former panelist shall avoid actions that may create the appearance that the panelist was biased in carrying out the panelist's duties or would benefit from the decision or report of the panel.

Maintenance of Confidentiality

19. A panelist or former panelist shall not at any time disclose or use any non-public information concerning the proceeding or acquired during the proceeding except for the purposes of the proceeding and shall not, in any cases, disclose or use any such information to gain personal advantage, or advantage for others, or to affect adversely the interest of others.

20. A panelist shall not disclose a panel report, or parts thereof, prior to its publication.

21. A panelist or former panelist shall not at any time disclose the deliberations of a panel, or any panelist's view, except as required by legal or constitutional requirements.

Chapter 17. GENERAL PROVISIONS AND EXCEPTIONS

Article 17.1. Administrative Proceedings

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, to the extent practicable and in accordance with its laws and regulations, shall ensure in its administrative proceedings applying such measures to a particular person, good, or service of the other Party in specific cases that:

(a) wherever possible, a person of the other Party that is directly affected by such a proceeding is provided with reasonable notice, in accordance with its domestic procedures, of 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) wherever possible, a person of the other Party that is directly affected by such a proceeding is afforded a reasonable opportunity to present facts and arguments in support of that person's position prior to any final administrative action, when time, the nature of the proceeding, and the public interest permit; and it follows its procedures in accordance with its laws and regulations.

Article 17.2. Review and Appeal

1. Each Party may establish or maintain judicial, quasi-judicial, or administrative tribunals or procedures for the purposes of prompt review and, where warranted, correction of final administrative actions with respect to any matter covered by this Agreement and in a manner consistent with its laws and regulations.

2. The provisions of paragraph 1 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.

Article 17.3. Measures Against Corruption

1. Each Party shall, in accordance with its laws and regulations, take appropriate measures to prevent and combat corruption with respect to any matter covered by this Agreement.

2. Neither Party shall have recourse to dispute settlement under Chapter 16 (Dispute Settlement) for any matter arising

under this Article.

Article 17.4. General Exceptions

1. For the purposes of Chapters 2 (Trade in Goods), 3 (Rules of Origin), 4 (Customs Procedures and Trade Facilitation), 5 (Sanitary and Phytosanitary Measures), and 6 (Standards, Technical Regulations and Conformity Assessment Procedures), Article XX of the GATT 1994 and its interpretative notes are incorporated into and form part of this Agreement, mutatis mutandis.

2. For the purposes of Chapter 8 (Trade in Services) and its Annexes and Chapter 9 (Digital Trade) (39), Article XIV of the GATS, including its footnotes, is incorporated into and forms part of this Agreement, mutatis mutandis.

(39) This paragraph is without prejudice to whether a Party considers a digital product to be a good or service.

Article 17.5. Security Exceptions

Nothing in this Agreement shall be construed:

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

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

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

(ii) 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;

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

(iv) relating to the protection of critical public infrastructure (40), including, but not limited to, critical communications infrastructures, power infrastructures and water infrastructures, from deliberate attempts intended to disable or degrade such infrastructures;

(v) taken in time of domestic emergency, or war or other emergency in international relations;

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

(40) For clarity, this includes critical public infrastructures whether publicly or privately owned.

Article 17.6. Taxation Measures

1. Except as provided in this Article, nothing in this Agreement shall apply to taxation measures.

2. This Agreement shall only grant rights or impose obligations with respect to taxation measures where corresponding rights and obligations are also granted or imposed under the WTO Agreement.

3. 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 tax convention, that convention shall prevail to the extent of the inconsistency. The competent authorities under that convention shall have the sole responsibility for jointly determining whether any inconsistency exists between this Agreement and that convention.

4. Nothing in this Agreement shall oblige a Party to extend to the other Party the benefit of any treatment, preference or privilege arising from any existing or future tax convention by which the Party is bound.

5. 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 the Parties are party; and

(b) taxes and taxation measures do not include customs duties.

Chapter 18. ADMINISTRATION OF THE AGREEMENT

Article 18.1. Joint Committee

1. The Parties hereby establish a Joint Committee.

2. The Joint Committee shall meet at the level of Minister unless the Parties otherwise agree. If the Joint Committee meets at the level of Ministers, it shall be preceded by a Senior Officials level meeting.

3. The Joint Committee: (a) shall be composed of representatives of the UAE and Indonesia; and (b) may establish standing or ad hoc sub-committees or working groups and assign any of its responsibilities thereto.

4. The Joint Committee shall meet within one year from the entry into force of this Agreement. Its meetings shall be chaired jointly by the Parties or as otherwise mutually determined by the Parties. Thereafter, it shall meet every two years, unless the Parties agree otherwise, to consider any matter relating to this Agreement. The regular sessions of the Joint Committee shall be held alternately in the territories of the Parties.

5. The Joint Committee may also hold special sessions without undue delay from the date of a request thereof from either Party.

6. The functions of the Joint Committee shall be as follows:

(a) to review and assess the results and overall operation of this Agreement in the light of the experience gained during its application and its objectives;

(b) to consider any amendments to this Agreement that may be proposed by either Party, including the modification of concessions made under this Agreement;

(c) to endeavour to amicably resolve disputes between the Parties arising from the interpretation or application of this Agreement, or any other agreements relating to market liberalization to which they are both parties;

(d) to supervise and coordinate the work of all committees and subsidiary bodies established under this Agreement;

(e) consider any other matter that may affect the operation of this Agreement;

(f) adopt decisions or make recommendations as envisaged by this Agreement; and

(g) to carry out any other functions relating to the areas covered by this Agreement as may be agreed by the Parties.

7. The Joint Committee shall adopt its own rules of procedures at its first meeting.

8. Meetings of the Joint Committee and of any committees or subsidiary bodies may be conducted in person or by any other means as determined by the Parties.

9. The Joint Committee shall take decisions on any matter within its functions by mutual agreement. The decisions taken shall be binding upon the Parties, subject to their respective applicable legal requirements and procedures.

10. The Parties may invite, by mutual agreement, representatives of other relevant entities, including business stakeholders, with necessary expertise relevant to the issues to be discussed, to attend meetings of the Joint Committee.

Article 18.2. Committees and Subsidiary Bodies

1. The following Committees are established under this Agreement:

(a) Committee on Trade in Goods, in accordance with Article 2.21 (Committee on Trade in Goods) of Chapter 2 (Trade in Goods);

(b) Committee on Sanitary and Phytosanitary Measures, in accordance with Article 5.6 (Committee on Sanitary and Phytosanitary Measures) of Chapter 5 (Sanitary and Phytosanitary Measures);

(c) Committee on STRACAP, in accordance with Article 6.12 (Committee on STRACAP) of Chapter 6 (Standards, Technical Regulations, and Conformity Assessment Procedures);

(d) Committee on Trade Remedies, in accordance with Article 7.5 (Committee on Trade Remedies) of Chapter 7 (Chapter Remedies);

(e) Committee on Trade in Services, in accordance with Article 8.5 (Committee on Trade in Services) of Chapter 8 (Trade in Services);

(f) Committee on Investment, in accordance with Article 10.4 (Committee on Investment) of Chapter 10 (Investment);

(g) Committee on Government Procurement in accordance with Article 11.25 (Committee on Government Procurement) of Chapter 11 (Government Procurement);

(h) Committee on Small and Medium Enterprises, in accordance with Article 13.4 (Committee on Small and Medium Enterprises) of Chapter 13 (Small and Medium-Sized Enterprises);

(i) Committee on Economic Cooperation, in accordance with Article 15.3 (Committee on Economic Cooperation) of Chapter 15 (Economic Cooperation);

(j) Committee on Islamic Economy Cooperation in accordance with Article 14.12 (Committee on Islamic Economy Cooperation) of Chapter 14 (Islamic Economy).

2. Unless otherwise provided in this Agreement, any committee or subsidiary body shall:

(a) be composed of representatives of the Parties;

(b) be chaired jointly by the Parties;

(c) take decisions on any matter within its functions by mutual agreement; and

(d) meet annually or as mutually determined by the Parties. Meetings may be conducted in person or by any other means of communication as mutually determined by the Parties.

3. The committees and subsidiary bodies shall inform the Joint Committee of their schedule and agenda sufficiently in advance of their meetings. They shall report to the Joint Committee on their activities at each regular meeting of the Joint Committee. The creation or existence of a committee or subsidiary body shall not prevent either Party from bringing any matter directly to the Joint Committee.

4. The Joint Committee may decide to change the task assigned to a committee or subsidiary body, undertake itself the task assigned to a committee or subsidiary body, or dissolve a committee or subsidiary body.

Article 18.3. Contact Points

1. In order to facilitate communications between the Parties on any trade matter covered by this Agreement, the Parties hereby establish the following contact points: (a) for United Arab Emirates, the Ministry of Economy; and (b) for Indonesia, the Ministry of Trade; or their respective successors.

2. Upon request of either Party, the contact point of the other Party shall indicate the office or official responsible for any matter relating to the implementation of this Agreement, and provide the required support to facilitate communications with the requesting Party. Each Party shall notify the other Party of any changes in its contact point.

3. All official communications in relation to this Agreement shall be in the English language.

Chapter 19. Final Provisions

Article 19.1. Annexes, Appendices, Side Letters, and Footnotes

The Annexes, Appendices, side letters, and footnotes to this Agreement constitute an integral part of this Agreement.

Article 19.2. Amendments

This Agreement may be amended by written agreement between the Parties. Either Party may submit proposals for amendments to this Agreement to the Joint Committee for consideration. Upon agreement between the Parties, amendments to this Agreement shall enter into force in the same manner as provided for in Article 19.6 (Entry into Force), unless otherwise agreed by the Parties.

Article 19.3. Amendment of International Agreements

If any international agreement, or a provision therein, referred to in this Agreement or incorporated into this Agreement is amended, the Parties shall, on request, consult on whether it is necessary to amend this Agreement, unless this Agreement provides otherwise.

Article 19.4. Accession

Any country or group of countries may accede to this Agreement subject to such terms and conditions as may be agreed between the country or group of countries and the Parties and following approval in accordance with the applicable legal requirements and procedures of each Party and acceding country.

Article 19.5. Duration and Termination

1. This Agreement shall remain in force unless terminated pursuant to paragraph 2.

2. Either Party may terminate this Agreement by written notification to the other Party, and such termination shall take effect six months after the date of the notification.

Article 19.6. Entry Into Force

This Agreement shall enter into force on the first day of the second month following the date of the receipt of the last written notification through the diplomatic channels by which the Parties inform each other that all necessary requirements have been fulfilled, unless the Parties agree otherwise.

Article 19.7. General Review of the Agreement

1. In accordance with Article 18.1 (Joint Committee), the Joint Committee shall undertake a general review of this Agreement five years after the date of entry into force of this Agreement, and every five years thereafter, with a view to updating and enhancing this Agreement to further its objectives, through negotiations, as appropriate. The review shall include, but not be limited to, consideration of deepening liberalisation, reducing or eliminating remaining discrimination, further expanding market access and improving facilitation and cooperation to foster the utilization of this Agreement.

2. In conducting a review under this Article, the Joint Committee shall take into account:

(a) the work of all committees and subsidiary bodies established under this Agreement;

(b) relevant developments in international fora; and

(c) input from experts, as appropriate.

Article 19.8. Authentic Texts

This Agreement is done in duplicate in the Indonesian, English, and Arabic languages. All texts of this Agreement shall be equally authentic. In case of divergence of interpretation, the English text shall prevail.

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

DONE at Abu Dhabi, on this 1st day of July in the year 2022, in duplicate in the Indonesian, English, and Arabic languages.

FOR THE GOVERNMENT OF THE REPUBLIC OF INDONESIA

ZULKIFLI HASAN MINISTER OF TRADE

FOR THE GOVERNMENT OF THE UNITED ARAB EMIRATES

ABDULLA BIN TOUQ AL MARRI

MINISTER OF ECONOMY