Comprehensive Economic Partnership Agreement between the United Arab Emirates and the Republic of Costa Rica

PREAMBLE

The Governments of the United Arab Emirates (hereinafter referred to as the "UAE") and of the Republic of Costa Rica (hereinafter referred to as "Costa Rica") hereinafter referred to individually as a "Party" and collectively as "Parties";

RECOGNISING the strong economic and political ties between Costa Rica and the UAE, 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 opportunities to the Parties;

DETERMINED to develop and strengthen their economic relations on trade and investment matters through the liberalisation and expansion of 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 favourable climate for the promotion and development of economic relations on trade and investment matters between the Parties;

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

DETERMINED to 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 further expansion of trade and investment;

RECOGNIZING their inherent right to regulate and resolved 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 Comprehensive Economic Partnership Agreement on Trade and Investment (hereinafter referred to as "this Agreement" or "CEPA"):

Chapter 1. INITIAL PROVISIONS AND GENERAL DEFINITIONS

Section A. Initial Provisions

Article 1.1. Establishment of a Free Trade Area

The Parties hereby establish a free trade area, in accordance with Article XXIV of the General Agreement on Tariffs and Trade and Article V of General Agreement on Trade in Services and to promote opportunities for market access and trade liberalization for goods, services and investments; strengthen development of the digital economy; and deepen economic cooperation between the Parties.

Article 1.2. Objectives

1. The objectives, as elaborated more specifically through this Agreement, are, among others, to:

(a) encourage expansion and diversification of trade between the Parties;

(b) eliminate barriers to trade in, and facilitate the cross-border movement of, goods and services between the territories of the Parties;

(c) promote conditions of fair competition in the free trade area; (d) substantially increase investment opportunities in the territories of the Parties;

(e) provide adequate and effective protection and enforcement of intellectual property rights in each Party's territory;

(f) create effective procedures for the implementation and application of this Agreement, for its joint administration, and for the resolution of disputes; and

(g) establish a framework for further bilateral, regional, and multilateral cooperation to expand and enhance the benefits of this Agreement.

2. The Parties shall interpret and apply the provisions of this Agreement in the light of its objectives set out in paragraph 1 and in accordance with applicable rules of international law.

Article 1.3. Geographical Scope

This Agreement shall apply:

(a) for Costa Rica, its national territory including air and maritime space, where the State exercises complete and exclusive sovereignty or special jurisdiction in accordance with Articles 5 and 6 of the Constitution of the Republic of Costa Rica and international law; and

(b) for the UAE, its land territories, internal waters, including its Free Zones, 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 UAE has sovereignty, sovereign rights, or jurisdiction as defined in its laws, and in accordance with international law.

Article 1.4. Relation to other Agreements

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

2. In the event of any inconsistency between this Agreement and other agreements to which both Parties are party, the Parties shall immediately consult with each other with a view to finding a mutually satisfactory solution.

3. For greater certainty, this Agreement shall not be construed to derogate or nullify 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.

Article 1.5. Extent of Obligations

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 territories.

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

Each Party shall ensure that its laws, regulations, procedures, and respecting any matter covered by this Agreement, as well as their respective international agreements regarding trade and investment that may affect the operation of this Agreement, are published, or otherwise made publicly available in such a manner as the other Party to become acquainted with them.

Article 1.7. Confidential Information and Notification and Provision of 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 particular enterprises, public or private.

3. To the extent possible, each Party shall notify the other Party of any measure that the Party considers might materially affect the operation of this Agreement.

4. On request of the other Party, a Party shall with reasonable period of time, provide information and respond to questions pertaining to any measure. whether or not that other Party has been previously notified of that measure.

5. Any notification or information provided under this Article shall be without prejudice as to whether the measure is consistent with this Agreement.

6. Any information, request or notification provided under this Chapter shall be provided to the other Party through the contact points established in Article 17.2 (Communications), unless otherwise established in this Agreement or subsequently agreed by the Parties.

Section B. General Definitions

Article 1.8. General Definitions

For the purposes of this Agreement:

Agreement on Agriculture means the Agreement on Agriculture contained in Annex 1A to the WTO Agreement;

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

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

days means calendar days, including weekends and holidays;

DSU means the Understanding on Rules and Procedures Governing the Settlement of Disputes contained in Annex 2 to the WTO Agreement;

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

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

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;

Import Licensing Agreement means the Agreement on Import Licensing Procedures contained in Annex 1A to the WTO Agreement;

Joint Committee means the Joint Committee established pursuant to Article 17.1 (Joint Committee) of this Agreement;

measure means any measure, whether in form ofa law, regulation, rule, procedure, decision, practice, administrative action, or any other form;

Safeguards Agreement means the Agreement on Safeguards contained in Annex 1A to the WTO Agreement;

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

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

TBT Agreement means the Agreement on Technical Barriers to Trade contained in Annex 1A to the WTO Agreement;

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

WTO means the World Trade Organization; and

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

Chapter 2. TRADE IN GOODS

Article 2.1. Definitions

For the purposes of this Chapter:

customs authority means the authority that, according to the legislation of each Party, is responsible for the administration and enforcement of customs laws and regulations of the Party. In the case of the UAE, it shall be the Federal Authority for Identity, Citizenship, Customs & Port Security and in the case of Costa Rica, the National Customs Service (Servicio Nacional de Aduanas).

customs duty refers to any duty or charge of any kind imposed in connection with the importation of a product, including any form of surtax or surcharge in connection with such importation, but does not include any:

(a) charge equivalent to an internal tax imposed in conformity with Article III of the GATT 1994;

(b) safeguard, anti-dumping or countervailing duty that is applied consistently with the provisions of this Agreement, Article XIX of the GATT 1994, the Safeguards Agreement, Article VI of the GATT 1994, the Anti-Dumping Agreement, and the SCM Agreement; or

(c) fee or other charge in connection with importation commensurate with the cost of services rendered and which does not represent a direct or indirect protection for domestic goods or a taxation of imports for fiscal purposes.

inward processing means customs procedure under which certain goods can be brought into a Customs territory conditionally relieved from payment of import duties and taxes, on the basis that such goods are intended for manufacturing, processing or repair and subsequent exportation.

import licensing means an administrative procedure requiring the submission of an application or other documentation (other than that generally required for customs clearance purposes) to the relevant administrative body as a prior condition for importation into the territory of the importing Party.

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

1. The Parties shall accord national treatment to the goods of the other Party in accordance with Article II of the GATT 1994, including its interpretative notes. To this end, Article II of the GATT 1994 and its interpretative notes are incorporated into and form part of this Agreement, mutatis mutandis.

2. Paragraph 1 shall not apply to the measures set out in Annex 2A (National Treatment and Import and Export Restrictions).

Article 2.4. Elimination of Customs Duties

1. Except as otherwise provided in this Agreement, including as explicitly set out in each Partyâs schedule in Annex 2B (Elimination of Customs Duties), neither Party shall increase any existing customs duty, or adopt any new customs duty, on an originating good of the other Party.

2. Upon the entry into force of this Agreement, Costa Rica shall eliminate its customs duties applied on goods originating from the UAE in accordance with Annex 2B (Elimination of Customs Duties) and the UAE shall eliminate its customs duties on goods originating from Costa Rica in accordance with Annex 2B (Elimination of Customs Duties).

3. Where a Party reduces its most-favored-nation (hereinafter âMFNâ) applied rate of customs duty, that duty rate shall

apply to an originating good of the other Party if, and for as long as, it is lower than the customs duty rate on the same good calculated in accordance with Annex 2B (Elimination of Customs Duties).

Article 2.5. Acceleration or Improvement of Tariff Commitments

1. Upon request of a Party, the other Party shall consult with the requesting Party to consider accelerating or improving the scope of the elimination of customs duties as set out in its schedule of tariff commitments in Annex 2B (Elimination of Customs Duties).

2. Further commitments between the Parties to accelerate or improve the scope of the elimination of a customs duty on a good or to include a good in Annex 2B (Elimination of Customs Duties) shall supersede any duty rate or staging category determined pursuant to their respective Schedules upon its incorporation into this Agreement.

3. Nothing in this Agreement shall prohibit a Party from unilaterally accelerating or improving the scope of the elimination of customs duties set out in its schedule in Annex 2B (Elimination of Customs Duties) on originating goods. Any such unilateral acceleration or improvement 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 raise the customs duty back to the level established in its schedule in Annex 2B (Elimination of Customs Duties) following a unilateral reduction.

Article 2.6. Classification of Goods and Transposition of Schedules

1. The classification of goods in trade between the Parties shall be in conformity with the Harmonized Commodity Description and Coding Systems (HS) and its amendments. Each Party shall ensure consistency in applying its laws and regulations to the tariff classification of originating goods of the other Party.

2. The Parties shall mutually decide whether any revisions are necessary to implement Annex 2B (Elimination of Customs Duties) 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 of tariff commitments in Annex 2B (Elimination of Customs Duties) shall be carried out in accordance with the methodologies and procedures adopted by the Joint Committee.

4. Each Party shall ensure that the transposition of its schedule of tariff commitments under paragraph 3 does not afford less favourable treatment to an originating good of the other Party set out in its schedule of tariff commitments in Annex 2B (Elimination of Customs Duties).

5. A Party may introduce new tariff splits or eliminate tariff splits, as a result of the corresponding HS amendment, provided that the preferential conditions applied in the new transposition of each Partyâs schedule of tariff commitments in Annex 2B (Elimination of Customs Duties) are not less preferential than those applied originally.

Article 2.7. Import and Export Restrictions

1. Except as otherwise provided in this Agreement, neither Party may adopt or maintain any prohibition or restriction on the importation of any good of the other Party or on the exportation or sale for export of any good destined for the territory of the other Party, except in accordance with Article XI of GATT 1994 and its interpretative notes, and to this end Article XI of GATT 1994 and its interpretative notes are incorporated into and made a part of this Agreement, mutatis mutandis.

2. Paragraph 1 shall not apply to the measures set out in Annex 2A (National Treatment and Import and Export Restrictions).

Article 2.8. Import Licensing

1. Neither Party may adopt or maintain a measure that is inconsistent with the Import Licensing Agreement (1), which is hereby incorporated into and made part of this Agreement, mutatis mutandis.

2. Before applying any new or modified import licensing procedure, a Party shall publish it in such a manner as to enable governments and traders to become acquainted with it, including through publication on an official government internet site. To the extent possible, that Party shall do so at least 20 days before the new procedure or modification takes effect. Upon request of the other Party, the Party shall exchange information concerning its implementation in a reasonable period.

3. Within 30 days after this Agreement enters into force, each Party shall notify the other Party of its existing import licensing procedures, if any. The notification shall:

(a) include the information specified in Article 5 of the Import Licensing Agreement; and

(b) be without prejudice as to whether the import licensing procedure is consistent with this Agreement.

(1) For the purposes of paragraph 1 and for greater certainty, in determining whether a measure is inconsistent with the Import Licensing Agreement, the Parties shall apply the definition of "import licensing" contained in that Agreement.

Article 2.9. 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 2.10. Export Subsidies

Upon entry into force of this Agreement and in accordance with the provisions of the SCM Agreement, Agreement on Agriculture and the WTO Ministerial Conference Decision on Export Competition adopted in Nairobi on 19 December 2015, including the elimination of scheduled export subsidy entitlements for agricultural goods, neither Party shall maintain, introduce or reintroduce export subsidies or other measures with equivalent effect on any good destined for the territory of the other Party.

Article 2.11. 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 2.12. Administrative Fees and Formalities

1. Each Party shall ensure, in accordance with Article VII:1 of GATT 1994 and its interpretive notes, that all fees and charges of whatever character (other than import and export duties, charges equivalent to an internal tax or other internal charges applied consistently with Article III:2 of GATT 1994, and safeguard, anti-dumping and countervailing duties) imposed on, or in connection with, importation or exportation of goods are limited in amount to the approximate cost of services rendered, and shall not represent an indirect protection to domestic goods or a taxation of imports or exports for fiscal purposes.

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

Article 2.13. Non-Tariff Measures

1. Neither Party shall 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 for those adopted in conformity with Article 2.7 of this Agreement, the SPS and TBT Agreements or any other WTO rules.

2. Each Party shall ensure that its laws, regulations, procedures, and administrative rulings relating to non-tariff measures do not create unnecessary obstacles to trade with the other Party.

3. If a Party considers that a non-tariff measure of the other Party is creating an unnecessary obstacle to trade, that Party may nominate such a non-tariff measure for review by the Subcommittee on Trade in Goods by notifying through written request letter, which shall be submitted at least 30 days before the date of the next scheduled meeting of the Subcommittee on Trade in Goods. A nomination of a non-tariff measure for review shall include reasons for its nomination, how the measure adversely affects trade between the Parties, and if possible, suggested solutions. The Subcommittee on Trade in Goods shall immediately review the measure with a view to securing a mutually agreed solution to the matter. Review by the Subcommittee on Trade in Goods is without prejudice to the Parties' rights under Chapter 15 (Dispute Settlement).

Article 2.14. 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 and the Understanding on the Interpretation of Article XVII of the GATT 1994, mutatis mutandis.

Article 2.15. Temporary Admission of Goods

1. Each Party shall, in accordance with its respective domestic law, grant temporary admission free of customs duties for the following goods imported from the other Party, regardless of their origin:

(a) professional and scientific equipment, including their spare parts, and including equipment for the press or television, software, and broadcasting and cinematographic equipment, that are necessary for carrying out the business activity, trade, or profession of a person who qualifies for temporary entry pursuant to the laws of the importing Party;

(b) goods intended for display, demonstration oruse at theaters, exhibitions, fairs, or other similar events;

(c) commercial samples and advertising films and recordings; (d) goods admitted for sports purposes;

(e) containers and pallets that are used for the transportation of equipment or used for refilling; and

(f) goods entered for inward processing.

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.

3. Neither Party may condition the temporary admission of a good referred to in paragraph 1, other than to require that the good:

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

(b) be accompanied by a security in an amount no greater than the custom duties and any other tax imposed on imports that would otherwise be owed on entry or final importation, releasable on exportation of the good;

(c) be capable of identification when exported;

(d) be exported in accordance with the time period granted for temporary admission in accordance with its domestic law related to the purpose of the temporary admission;

(e) not be admitted in a quantity greater than is reasonable for its intended use; or (f) be otherwise admissible into the importing Partyâs territory under its law.

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 tax or charge that would normally be owed on the importation of the good and any other charges or penalties provided for under its law.

5. 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, such procedures shall provide that when such a good accompanies 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.

6. Each Party shall permit a good temporarily admitted under this Article to be exported through a customs port other than that through which it was admitted in accordance with its customs procedures.

7. Each Party shall provide that the importer of a good admitted under this Article shall not be liable for failure to export the good on presentation of satisfactory proof to the importing Party that the good has been destroyed within the original period fixed 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 the customs authority of the importing Party before the good can be so destroyed.

Article 2.16. Goods Re-Entered after Repair or Alteration

1. Neither Party shall apply a customs duty to a good, regardless of its origin, that re-enters its territory in accordance with

its laws and procedures after that good has been temporarily exported from its territory to the territory of the other Party for repair or alteration, regardless of whether such repair or alteration could be performed in the territory from which the good was exported, except that a customs duty or other taxes may be applied to the addition resulting from the repair or alteration that was performed in the territory of the other Party.

2. Neither Party shall apply a customs duty to a good, regardless of its origin, imported temporarily from the territory of the other Party for repair or alteration.

3. For purposes of this Article, "repair" or "alteration" does not include an operation or process that:

(a) destroys a good's essential characteristics or creates a new or commercially different good;

(b) transforms an unfinished good into a finished good; or (c) results in a change of the classification at a six-digit level of the Harmonized System (HS).

Article 2.17. Duty-Free Entry of Commercial Samples of Negligible Value and Printed Advertising Materials

Each Party, in accordance with its respective domestic law, shall grant duty-free entry to commercial samples of negligible value, and to printed advertising materials, imported from the territory of the other Party, regardless of their origin, but may require that:

(a) such samples be imported solely for the solicitation of orders for goods or services provided from the territory of the other Party or a non-Party; or

(b) such advertising materials be imported in packets, that each contain no more

than one copy of each such material, and that neither the materials nor the packets form part of a larger consignment.

Article 2.18. Subcommittee on Trade In Goods

1. The Parties hereby establish a Subcommittee on Trade in Goods under the Joint Committee comprising representatives of each Party.

2. The Subcommittee shall meet, in person or by any other technological means as determined by the Parties, at such times as agreed by the Parties and when they deem it appropriate, to consider matters arising under this Chapter.

3. The functions of the Subcommittee shall include, inter alia:

(a) monitoring and reviewing the implementation and administration of this Chapter, and making report and recommendation, if appropriate;

(b) promoting trade in goods between the Parties, including through consultations on accelerating or improving the scope of preferential treatment or tariff elimination under this Agreement and other issues as appropriate;

(c) addressing barriers to trade in goods between the parties including those related to the application of non-tariff measures which may restrict trade in goods between the Parties and, if appropriate, referring such matters to the Joint Committee for its consideration;

(d) providing advice and recommendations to the Joint Committee on technical cooperation needs regarding Trade in Goods matters;

(e) reviewing the amendments to the Harmonized System (HS) to ensure that each Partyâs obligations under this Agreement are not altered, and consulting to resolve any conflicts between such amendments to the Harmonized System (HS) and Annex 2B (Elimination of Customs Duties) and national nomenclatures;

(f) consulting on and endeavoring to resolve any difference that may arise among the Parties on matters related to the classification of goods under the Harmonized System (HS), including adoption and review of transposition methodologies and guidelines;

(g) reviewing data on trade in goods in relation the implementation of this Chapter;

(h) assessing matters that relate to trade in goods and undertaking any additional work that the Joint Committee may assign to it; and

(i) reviewing and monitoring any other matter related to the implementation of this Chapter.

Chapter 3. RULES OF ORIGIN

Article 3.1. Definitions

For the purposes of this Chapter:

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, inter alia, regular stocking, feeding, and protection from predators;

competent authority means:

(a) for Costa Rica, the Costa Rican Foreign Trade Corporation (Promotora del Comercio Exterior de Costa Rica, PROCOMER), or its successor; and

(b) for UAE, the Ministry of Economy, or its successor;

consignment means goods which are either sent simultaneously from one exporter to one consignee or covered by a single transport document covering their shipment from the exporter to the consignee or, in the absence of such a document, by a single invoice;

customs authority means:

(a) for Costa Rica, the National Customs Service (Servicio Nacional de Aduanas); and

(b) for UAE, the Federal Authority for Identity, Citizenship, Customs & Port Security (ICP);

customs value means the value as determined in accordance with the Agreement on implementation of Article VI of the General Agreement on Tariffs and Trade 1994 (WTO Agreement on Customs Valuation);

generally accepted accounting principles means the recognised consensus or substantial authoritative support in the territory of a Party, with respect to the recording of revenues, expenses, costs, assets, and liabilities, the disclosure of information, and the preparation of financial statements. These principles may encompass broad guidelines of general application, as well as detailed standards, practices, and procedures;

good means any merchandise, article, material that is, among others, obtained by growing,

raising, mining, harvesting, fishing, aquaculture, trapping, hunting, extracting or manufacturing, even if it is intended for later use in another manufacturing operation;

Harmonized System ("HS") means the Harmonized Commodity Description and Coding System, including its general rules of interpretation and legal notes, as adopted and implemented by the Parties in their respective national laws;

manufacture means any kind of working or processing, including assembly or specific operations;

material means a good that is used in the production of another good, including any ingredient, raw material, component or part;

non-originating goods / non-originating materials mean goods or materials that does not qualify as originating under this Chapter and (or) goods or materials of undetermined origin;

originating goods / originating materials mean goods or materials that qualify as originating under this Chapter;

production means growing, raising, mining, harvesting, fishing, aquaculture, trapping, hunting, manufacturing, processing, assembling, among others.

Section A. Origin Determination

Article 3.2. Originating Goods

1. For the purposes of implementing this Agreement, goods shall be considered as originating in territory of a Party, if:

(a) goods are wholly obtained or produced in territory of a Party, according to Article 3.3;

(b) goods are not wholly obtained or produced in territory of a Party, provided that the good has undergone sufficient working or processing according to Article 3.4; or

(c) goods produced entirely in territory ofa Party, exclusively from materials that qualify as originating pursuant to the provisions of this Chapter.

2. In each case provided in paragraph 1, the goods satisfied all other applicable requirements of this Chapter.

Article 3.3. Wholly Obtained or Produced Goods

For the purposes of Article 3.2.1. (a), the following goods shall be deemed to be wholly obtained or produced in the territory of a Party:

(a) plants and plants goods grown, gathered and harvested in the territory of a Party;

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

(c) goods obtained from live animals in the territory of a Party;

(d) mineral goods and natural resources extracted or taken from the territory of a Party;

(e) goods obtained from hunting, trapping, collecting, capturing, fishing or aquaculture conducted in the territory of a Party;

(f) goods of sea fishing and other marine goods taken from outside the territory of a Party by a vessel and/or produced or obtained by a factory ship registered, recorded, or licensed with a Party and flying its flag;

(g) goods, other than goods of sea fishing and other marine goods, taken or extracted from the seabed or the subsoil outside the territorial waters of a Party by a Party or a person of a Party, provided that such a Party or such a person of a Party has the right to exploit such seabed, or subsoil in accordance to international law and its legislation;

(h) raw materials recovered from used goods collected in the territory of a Party;

(i) wastes or scraps resulting from manufacturing or processing operations conducted in the territory of a Party;

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

(k) goods produced or obtained in the territory of a Party exclusively from goods referred to in subparagraphs (a) through (j) of this Article.

Article 3.4. Sufficient Working or Processing

1. For the purposes of Article 3.2.1. (b), a good shall be considered to have undergone sufficient working or processing and shall deemed to be originating if the good satisfy any of the following:

(a) a Change in Tariff Heading (CTH), which means that all non-originating materials used in the production of the good have undergone a change in HS tariff classification at the 4-digit level; or

(b) a Qualifying Value Content (QVC) not less than 35% when calculated on the basis of the Ex-Works value.

2. Notwithstanding paragraph 1, if the good falls within the classifications included in the Product Specific Rules (PSR) list in Annex 3A (Product Specific Rules), then the good shall satisfy the specific rule detailed therein.

3. For the purposes of paragraphs 1 and 2, the QVC shall be calculated as follows:

QVC = Ex Works Value - V.N.M / Ex Works Value * 100

where:

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

Ex-Works Value is the price paid for the good Ex-Works to the manufacturer in the Parties 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;

V.N.M is the customs value of the non-originating materials at the time of importation, inclusive freight and insurance costs incurred in transporting the material to the importation port or place in the territory of the Party where the producer of the

good is located or the earliest ascertained price paid or payable in the Party where the production of the goods takes place for all non-originating materials 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 producerâs location.

Article 3.5. Intermediate Materials

When an originating intermediate material is used in the production of a good, no account shall be taken of the non-originating materials contained in such intermediate material for the purposes of determining the originating status of the good.

Article 3.6. Accumulation

1. An originating good of a Party which is used in the working or processing 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 good from a Party that does not undergo processing beyond insufficient operations listed in Article 3.8 in the other Party shall retain its originating status of the former Party.

3. The Parties may accumulate origin with third countries, including countries with which both Parties have trade agreements, provided that the Joint Committee establishes, through a decision, the necessary conditions for the application of this paragraph.

Article 3.7. Tolerance (De Minimis)

1. Notwithstanding Article 3.4, a good will be considered to have undergone a change in tariff classification if the value of all non-originating materials that are used in the production of the good and that do not undergo the applicable change in tariff classification does not exceed 10% of the Ex-Works value of the good, provided that the good satisfies all other applicable requirements of this Chapter.

2. The value of non-originating materials referred to in paragraph 1 shall be included in the value of the non-originating materials for any applicable qualifying value content requirement.

Article 3.8. Insufficient Working or Processing

1. The following operations shall be considered as insufficient working or processing to confer the status of originating goods, whether or not the requirements of Article 3.4 are satisfied:

(a) slaughter of animals;

(b) operations to ensure the preservation of goods in good condition during transport and storage, such as drying, freezing, ventilation, cooling, removal of damaged parts and like operations;

(c) sifting, simple classifying or sorting, washing, cutting, sharpening, simple grinding;

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

(e) simple painting and polishing operations;

(f) testing or calibration;

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

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

(i) simple assembly of parts of articles to constitute a complete good or disassembly of goods into parts;

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

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

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

(m) mere dilution with water or another substance that does not materially alter the characteristics of the goods; and

(n) a combination of two or more operations specified in subparagraphs (a) to (m).

2. For the purposes of paragraph 1 above, the term “simple” will be defined as following:

a) “Simple” generally describes an activity which does not need special skills, machines, apparatus or equipment specially produced or installed for carrying out the activity.

(b) “Simple mixing” generally describes an activity which does not need special skills, machine, apparatus or equipment specially 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.

Article 3.9. Indirect Materials

In order to determine whether a good is an originating good, no account shall be taken of the origin of the following indirect materials which might be used in its manufacture:

(a) energy and fuel;

(b) plant and equipment;

(c) machines and tools;

(d) other materials or goods used in the production, testing or inspection of a good and do not enter and which are not intended to enter into the final composition of the good.

Article 3.10. Accessories, Spare Parts, Tools

1. Accessories, spare parts, tools, and instructional or other information materials delivered with a good that form part of the goodâs 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 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 qualifying value content of the goods.

Article 3.11. Packaging Materials and Containers for Retail Sale

1. Each Party shall provide that packaging materials and containers in which a good is packaged for retail sale, if classified with the good, according to Rule 5 of the General Rules for the Interpretation of the Harmonized System, shall be disregarded in determining whether all the non-originating materials used in the production of the good undergo the applicable change in tariff classification set out in Article 3.4.1. (a) and 3.4.2.

2. If the good is subject to qualifying| value content (QVC) requirement, the value of such packaging materials and containers shall be taken into account as originating or non- originating materials, as the case may be, in calculating the qualifying value content of the good.

Article 3.12. Packing Materials and Containers for Transportation and Shipment

Each Party shall provide that packing materials and containers for transportation and shipment are disregarded in determining whether a good is originating.

Article 3.13. Fungible Goods and Materials

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

2. Each Party shall provide that an inventory management method selected under paragraph 1 of this Article for particular fungible goods or materials shall continue to be used for those fungible goods or materials throughout the fiscal year of the Party that selected the inventory management method.

Article 3.14. Sets of Goods

1. Sets, as defined in General Rule 3 of the HS, shall be regarded as originating when all component goods of the set are originating. However, when a set is composed of originating and non-originating goods, the set as a whole shall be regarded as originating, provided that the value of non-originating goods does not exceed 15% of the Ex- Works value of the set.

2. The provisions in paragraph 1 of this Article shall prevail over the provisions set out in Article 3.4.

Section B. Territorial Requirements

Article 3.15. Principle of Territoriality

1. The conditions for acquiring originating status set out in Article 3.2 must be fulfilled without interruption in the territory of the Party.

2. Where originating goods exported from the territory of a Party to a non-Party, return to the exporting Party, they must be considered as non-originating, unless it can be demonstrated to the satisfaction of the customs authority that:

(a) the returning goods are the same as those exported; and

(b) the returning goods have not undergone any operation beyond that necessary to preserve them in good condition while in that non-Party or while being exported.

3. Notwithstanding paragraphs 1 and 2, the acquisition of originating status set out in Article 3.2 shall not be affected by working or processing done outside a Party on materials exported from a Party and subsequently re-imported there, provided:

(a) the said materials are wholly obtained in any of the Parties or have undergone working or processing beyond the operations referred to in Article 3.8 prior to being exported;

(b) it can be demonstrated to the satisfaction of the customs authority that:

(i) the re-imported goods have been obtained by working or processing the exported materials; and

(ii) the total added value acquired outside a Party by applying the provisions of this Article does not exceed 15% of the Ex-Works value of the end good for which originating status is claimed;

(c) the conditions set out in Article 3.7 shall not apply the said material as referred to in paragraph 3 when determining the origin of the final good; and

(d) information relevant to this Article may be indicated in the Certificate of Origin.

4. For the purposes of applying the provisions of paragraph 3, total added value shall be taken to mean all costs arising outside the Party, including the value of the materials incorporated there.

5. Any working or processing of the kind covered by the provisions of this Article and done outside the Party shall be done under the outward processing arrangements or similar arrangements.

6. Paragraphs 2 to 5 shall be applicable after the Joint Committee has adopted a decision accepting its application.

Article 3.16. Transit and Transshipment

1. Each Party shall provide that an originating good retains its originating status if the good has been transported directly to the importing Party without passing through the territory of a non-Party.

2. Notwithstanding paragraph 1, each Party shall provide that an originating good retains its originating status if transited, transshipped, or is stored in a temporary warehousing through one or more non-Parties, provided that the good:

(a) remained under customs control in the territory of a non-Party; and

(b) have not undergone any operation there other than unloading, reloading, labelling, splitting of shipments or any operation required to keep them in good condition or any other operation that does not transform or change the originating status of the goods.

3. Evidence that the conditions set out in paragraph 2 have been fulfilled shall be supplied to the customs authority of the importing Party through the submission of:

(a) the transport documents, such as the airway bill, the bill of lading or the multimodal transport document, that demonstrate the transport from the country of origin to the importing Party, for those goods with transit or trans- shipment in a non-Party;

(b) the transport documents, such as the airway bill, the bill of lading or the multimodal transport document, that demonstrate the transport from the country of origin to the importing Party and certification issued by the customs authority of the non-Party or any other competent authority designated by the non-Party, for those goods with temporary warehousing in the territory of a non-Party; or

(c) inthe absence of any of the above documents, any other documents requested by the customs authority of the importing Party in accordance with its domestic legislation.

Article 3.17. Free Zones

For greater certainty, goods produced or manufactured in a free zone situated within a Party, shall be considered as originating goods in that Party when exported to the other Party provided that the treatment or processing is in conformity with the provisions of this Chapter and supported by a Proof of Origin.

Article 3.18. Third Party Invoicing

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

2. The Origin Declaration established in Article 3.22 shall not be provided on an invoice issued by a third Party, instead the Origin Declaration can appear on any other commercial document issued by the approved exporter in the territory of the exporting Party.

3. The exporter of the goods may indicate "THIRD PARTY INVOICING" and information as the name and country of the third party issuing the invoice in the appropriate field, as detailed in Annex 3B (Certificate of Origin).

4. For greater certainty, "third party" means a party other than the exporter or producer of the good and can be located in a Party or non-Party.

Section C. Origin Certification

Article 3.19. Proof of Origin

1. Goods originating in a Party shall, upon 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 issued by a competent authority, as per Article 3.20;

(b) an Electronic Certificate of Origin (E-Certificate) issued by a competent authority and exchanged by an electronic system as per Article 3.21; or

(c) an Origin Declaration made out by an approved exporter as per Article 3.22.

3. Each Party shall provide that a Proof of Origin shall be completed in the English language and shall remain valid for one year from the date on which it is issued.

Article 3.20. Certificate of Origin

1. A certificate of origin shall be issued:

(a) in paper format as per the specimen form set out in Annex 3B (Certificate of Origin) which shall be signed by the exporter, signed and stamped by the competent authority of the exporting Party and forwarded to the importer for submission to the customs authority of the importing Party; or

(b) in electronic format, provided that the Certificate of Origin includes:

(i) in the case of Costa Rica, a certified digital signature of the authorized official and the exporter, that have been issued by a registered certifier in accordance with the domestic legislation of the exporting Party (1) and a secured web address has been provided to verify such signatures; and

(1) For greater certainty, in the case of Costa Rica, it refers to the Law N° 8454 (Law of Certificates, Digital Signatures and Electronic Documents) and its regulations or its successors.

(ii) in the case of United Arab Emirates an electronic stamp of the competent authority (2), that has been issued by a registered certifier in accordance with the domestic legislation of the exporting Party (3) and a secured web address has been provided to verify such electronic stamp. The digital signature of the exporter on the Certificate of Origin is not mandatory, in which case the competent authority of the exporting Party shall credit, through its electronic stamp, that the Certificate of Origin was requested by the exporter or his authorized representative and such is responsible for the information contained in the Certificate, in accordance with its domestic legislation. The Certificate of Origin issued in electronic format, according to subparagraph (b), is the original Certificate of Origin and will not be accepted as a certificate of origin if presented in printed form.

(2) The electronic stamp refers to the digital signature of the competent authority of the United Arab Emirates.

(3) Tn the case of United Arab Emirates, it refers to the Federal Law N° 46 of 2021 (Federal Decree Law Conceming Electronic Transactions and Trust Services) and its regulations or its successors.

2. Each Certificate of Origin shall bear a unique serial reference number and may cover one or more goods under one consignment.

3. When it is not possible to verify the certified digital signature of the exporter, the authorized official or the electronic stamp of the competent authority in the Certificate of Origin in electronic format, as appropriate, the procedure will be in accordance with the provisions of Article 3.32.

4. The Joint Committee may, in compliance with the objectives of this Agreement, agree on a decision regarding the provisions related to the Certificate of Origin established in this Article.

Article 3.21. Electronic Data Origin Exchange System

For the purposes of Article 3.19.2. (b), the Parties shall endeavour to develop an electronic system for origin information exchange to ensure the effective and efficient implementation of this Chapter particularly on transmission of electronic Certificate of Origin.

Article 3.22. Origin Declaration

1. The competent authority of the exporting Party may authorise any exporter, (hereinafter referred to as âapproved exporterâ), who, among other conditions in accordance with its domestic legislation, makes frequent shipments under this Agreement, to make out Origin Declarations, a specimen of which appears in Annex 3C (Origin Declaration), irrespective of the value of the goods concerned.

2. An exporter seeking such authorisation must offer to the satisfaction of the competent authority of the exporting Party all guarantees necessary to verify the originating status of the goods, as well as the fulfilment of the other requirements of this Chapter.

3. The competent authority of the exporting Party may grant the status of approved exporter, subject to any conditions which they consider appropriate in accordance with its domestic legislation.

4. The competent authority shall grant to the approved exporter an authorisation number which shall appear on the Origin Declaration.

5. The competent authority of the exporting Party shall share or publish the names of approved exporters and periodically update it.

6. An Origin Declaration, the text of which appears in Annex 3C (Origin Declaration), shall be made out by the approved exporter by typing, stamping or printing the declaration on the invoice or any other commercial document (4) which describes the goods concerned in sufficient detail to enable them to be identified. The declaration may also be hand-written; if the declaration is hand-written, it shall be written in permanent ink in legible printed characters.

7. The approved exporter making out an Origin Declaration shall be prepared to submit at any time, at the request of the competent authority of the exporting Party, all appropriate documents proving the originating status of the goods concerned, as well as the fulfilment of the other requirements of this Chapter.

8. Origin Declarations shall bear the original signature of the approved exporter in manuscript. However, shall not be required to sign such declarations provided that he gives the competent authority of the exporting Party a written undertaking that he accepts full responsibility for any Origin Declaration which identifies him as if it had been signed in manuscript by him.

9. An Origin Declaration may be made out by the approved exporter when the goods to which it relates are exported, or after exportation on condition that it is presented in the importing Party no longer than the period established in Article 3.19.3.

10. The competent authority may withdraw the authorisation at any time. They shall do so where the approved exporter no longer offers the guarantees referred to in paragraph 2, or no longer fulfils the conditions referred to in paragraph 3 or otherwise makes an incorrect use of the authorisation.

(4) Any other commercial document is, for instance, the packing list which accompanies the goods.

Article 3.23. Procedure for the Issuance of a Certificate of Origin

1. Certificates of Origin shall be issued by the competent authority of the exporting Party, upon a request by the exporter or under the exporter's responsibility by his or her authorized representative, in accordance with the domestic regulations of the exporting Party.

2. The exporter applying for the issuance of a Certificate of Origin shall be prepared to submit at any time, at the request of the competent authority of the exporting Party, all appropriate documents proving the originating status of the goods concerned, as well as the fulfilment of the other requirements of this Chapter.

3. The competent authority issuing Certificates of Origin shall take any steps necessary to verify the originating status of the goods and the fulfilment of the other requirements of this Chapter, in accordance with its domestic legislation. For this purpose, it shall have the right to call for any evidence and to carry out any inspection of the exporter's accounting records, or any other check considered appropriate related to origin and according to the procedures of its domestic legislation.

Article 3.24. Certificate of Origin Issued Retrospectively

1. The Certificate of Origin shall be issued by the competent authority of the exporting Party prior to or at the date of shipment.

2. Notwithstanding paragraph 1, a Certificate of Origin may exceptionally be issued after the date of shipment of the goods to which it relates if:

(a) it was not issued prior to or at the date of shipment due to involuntary errors or omissions or other valid causes; or

(b) it is demonstrated to the satisfaction of the competent authority of the exporting Party that the Certificate of Origin was issued but was not accepted at importation for technical reasons.

3. Without prejudice to the provisions of paragraph 4 and Article 3.30, where paragraph 2 is applied, the Certificate of Origin shall be issued retrospectively within 12 months from the date of shipment and shall be endorsed with the words "ISSUED RETROSPECTIVELY"; and the retrospectively issued Certificate of Origin shall be valid for the remainder of the period established in the Certificate of Origin that was originally issued.

4. In cases referred to in paragraph 2 (b) above, where the customs authority of the importing Party determines that a Certificate of Origin cannot be accepted due to technical reasons, such as illegibility, errors, omissions, deletions, erasures, amendments, has writing between the lines, or has not been filled in accordance with the provisions of this Chapter or the instructions on the overleaf to complete the Certificate of Origin, it shall grant the importer, a one-time opportunity to present a retrospectively issued Certificate of Origin within the next 45 days of the notification of the rejection of said Certificate of Origin. The Certificate of Origin shall be endorsed with the words "ISSUED RETROSPECTIVELY" and the number and date of the Certificate of Origin that was originally issued in the appropriate field on the retrospectively issued Certificate of Origin as detailed in Annex 3B (Certificate of Origin).

Article 3.25. Transitional Provisions for Goods In Transit or Storage

The provisions of this Agreement shall be applied to goods which comply with the provisions of this Chapter and which, on the date of its entry into force, are either in transit or are in the territory of the Parties in temporary storage under customs control. This shall be subject to the submission to the customs authority of the importing Party, within six months from the said date, of a Proof of Origin issued retrospectively together with documents, showing that the goods have been transported directly in accordance with the provisions of Article 3.16.

Article 3.26. Duplicate Certificate of Origin

1. In the event of theft, loss or destruction of a Certificate of Origin, the exporter may apply to the competent authority which issued it for a duplicate made out on the basis of the export documents in their possession.

2. The duplicate of the original Certificate of Origin shall be endorsed with an official signature and seal and bear the word "DUPLICATE" and the number and date of issuance of the original Certificate of Origin in appropriate field as detailed in Annex 3B (Certificate of Origin). The duplicate of a Certificate of Origin shall be issued within the same validity period of the original Certificate of Origin.

3. The exporter shall immediately notify the theft, loss, or destruction to the competent authority of the exporting Party and undertake not to use the original Certificate of Origin for exports under this Agreement.

Article 3.27. Importation by Instalments

Where, at the request of the importer and on the conditions laid down by the customs authority of the importing Party, dismantled or non-assembled goods within the meaning of General Rule 2(a) of the HS are imported by instalments, a single Proof of Origin for such goods shall be submitted to the customs authority upon importation of the first instalment.

Article 3.28. Treatment of Minor Discrepancies and Formal Errors

1. The discovery of minor discrepancies between the statements made in the Proof 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 ipso- facto invalidate the Proof of Origin, if it does in fact correspond to the goods submitted.

2. Obvious formal errors such as typing or orthographic errors on a Proof of Origin should not cause this document to be rejected if these errors are not such as to create doubts concerning the correctness of the statements made in this document.

Article 3.29. Exceptions of Obligation of Submitting the Proof of Origin

1. Each Party may provide that a Proof of Origin shall not be required for:

(a) an importation of a good whose value does not exceed US$ 1000 or the equivalent amount in the currency of the importing Party or such higher amount as may be established by the importing Party; or

(b) an importation of a good for which the importing Party does not require the importer to present a Proof of Origin demonstrating origin.

2. Subject to paragraph 1, the exceptions shall be applicable, provided that the importation does not form part of a series of importations that may reasonably be considered to have been undertaken or arranged for the purpose of avoiding the certification requirements set out in this Chapter.

Article 3.30. Post-Importation Claim for Preferential Tariff Treatment

Each Party shall provide that, where a good was originating when it was imported into its territory, but the importer of the good did not make a claim for preferential tariff treatment at the time of importation, that importer may, no later than one year after the date of importation, make a claim for preferential tariff treatment and apply for a refund of any excess duties paid as the result of the good not having been accorded preferential tariff treatment, subject to the approval of its customs authority and the submission to it of:

(a) a written declaration stating that the good was originating at the time of importation;

(b) a Proof of Origin demonstrating that the good was originating; and (c) such other documents related to the importation of the good, in accordance with the domestic legislation of the importing Party.

Section D. Cooperation and Verification

Article 3.31. Denial of Preferential Tariff Treatment

1. Except as otherwise provided in this Chapter, the customs authority of the importing Party may deny a claim for preferential tariff treatment or recover unpaid duties, in accordance with its laws and regulations, where:

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

(b) the importer of the good failed to comply with any of the relevant requirements of this Chapter for obtaining preferential tariff treatment;

(c) the customs authority of the importing Party has not received sufficient information to determine that the good is originating in the case of a verification in accordance with Article 3.32; or

(d) the competent authority of the exporting Party, exporter or producer does not comply with the requirements of verification in accordance with Article 3.32.

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

3. Upon being communicated the reasons for denial of preferential tariff treatment, the importer may, within the period provided for in the custom laws of the importing Party, file an appeal against such decision with the customs authority under the customs laws and regulations of the importing Party.

Article 3.32. Verification of Proofs of Origin

1. Verifications of Proofs of Origin shall be carried out at any moment by the customs authority of the importing Party, either randomly or whenever it has reasonable doubts about:

(a) the authenticity of the Proofs of Origin, such as the validity of the digital certificate signature of the exporter, authorized official or the electronic stamp of the competent authority of the Certificate of Origin, as applicable or any other elements related to the filling out of the Proofs of Origin; or

(b) the originating status of the goods concerned or the fulfilment of the other requirements of this Chapter.

2. For the purposes of implementing the provisions of paragraph 1, the customs authority or the competent authority of the importing Party, as the case may be, shall send a verification request to the competent authority of the exporting Party, by e-mail or any other means that ensures receipt, including a copy of the Proof of Origin and the reasons for the inquiry. Any other document and information obtained suggesting that the information given on the Proof of Origin is incorrect shall be sent in support of the request for verification.

3. The verification shall be carried out by the competent authority of the exporting Party. For the purposes of paragraph 1

(b), they shall have the right to carry out inspections at the exporterâs or producerâs premises, to call for any evidence, check the exporterâs and the producerâs records, or any other check considered appropriate related to origin and according to the procedures of its domestic legislation.

4. The customs authority or the competent authority of the importing Party, as the case may be, requesting the verification shall be informed, by e-mail or any means that ensures receipt, of the results of this verification within 30 days in the case of a verification request pursuant to paragraph 1 (a) and within six months in the case of a verification request pursuant to paragraph 1 (b). These results must indicate clearly whether the documents are authentic and whether the goods concerned can be considered as originating or fulfil the other requirements of this Chapter, as applicable.

5. If the customs authority or the competent authority of the importing Party, as the case may be, receives no reply within the established period, or if the reply determines that the goods were not originating or that the Proofs of Origin were not authentic, the customs authority may deny preferential tariff treatment to the goods covered by the Proof of Origin which is subject to verification.

Article 3.33. Record Keeping Requirement

1. For the purposes of the verification process pursuant to Article 3.32, each Party shall require that:

(a) the producer or exporter retain, for a period not less than five years from the date of issuance of the Proof of Origin, or a longer period in accordance with its domestic laws and regulations, all supporting records necessary to prove that the good for which the Proof of Origin was issued was originating;

(b) the importers shall retain, for a period not less than five years from the date of importation of the good, or a longer period in accordance with its domestic laws and regulations, the records related to the importation, including the Proof of Origin; and

(c) the competent authority of the exporting Party retain, for a period not less than five years from the date of issuance of the Certificate of Origin, or a longer period in accordance with its domestic laws and regulations, all supporting records of the application for the Certificate of Origin.

2. The records referred to in paragraph 1 may be maintained in any medium that allows for prompt retrieval, including, but not limited to, digital, electronic, optical, magnetic, or written form.

Article 3.34. Confidentiality

1. All information related to the application of this Chapter communicated between the Parties shall be treated as confidential. It shall not be disclosed by the Parties authorities without express permission of the person or authority providing it.

2. If a Party receives information designated as confidential in accordance with paragraph 1, the Party receiving the information may nevertheless use or disclose the information for law enforcement purposes or in the course of judicial proceedings, in accordance with the legislation of the Party.

Article 3.35. Contact Points

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

Article 3.36. Mutual Assistance

1. The Parties shall, before entry into force of the Agreement, provide each other with the following, as appropriate:

(a) the print template of the official stamp used by the competent authority of the exporting Party to issue the Certificate of Origin in paper format, in accordance with Article 3.20.1. (a);

(b) the names of the authorized officials by the competent authority of the exporting Party to issue the Certificate of Origin in paper or electronic format;

(c) the graphic representation of the electronic stamp used by the competent authority of the exporting Party to issue the Certificate of Origin in electronic format, in accordance with Article 3.20.1. (b) (ii);

(d) information of the registered certifier and secured web address to verify the certified digital signature of the exporters, authorized officials or the electronic stamp of the competent authority, as applicable, in accordance with Article 3.20.1. (b);

(e) information related to any other security elements established by the competent authority of the exporting Party for the issuance of the Certificate of Origin, for example, QR codes;

(f) contact point, e-mail and address of the competent authority responsible for verifying the Proofs of Origin; and

(g) any other information that the competent authority of the exporting Party considers relevant.

2. The Parties shall provide each other with a secured web address or exchange the information on authorisation number of the approved exporters, as well as the names and authorisation numbers of the approved exporters.

3. Each Party shall notify in advance of any change in the information provided in

paragraphs 1 and 2, including the date such change shall become effective.

Article 3.37. Subcommittee on Rules of Origin

1. A Subcommittee on Rules of Origin (hereinafter referred to as the "Subcommittee") is hereby established, consisting of representatives of each Party. The Sub- Committee shall meet, in person or by any other technological means as determined by the Parties, at such times as agreed by the Parties and when they deem it appropriate, to consider matters arising under this Chapter.

2. The Subcommittee may consider any matter arising under this Chapter.

3. In relation to a matter referred to in paragraph 2, the functions of the Subcommittee may include:

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

(b) revising the Product Specific Rules (PSR) list in Annex 3A (Product Specific Rules), on the basis of the transposition of the HS or at the request of either Party,

(c) making recommendations to the Joint Committee with regards to matters of its competence;

(d) developing "Explanatory Notes" for the interpretation and application of this Chapter; and

(e) carrying out other functions as may be assigned by the Joint Committee or agreed by the Parties.

4. The Joint Committee shall establish the rules of working procedures of the Subcommittee.

Article 3.38. Annexes

The following annexes form an integral part of this Chapter:

(a) Annex 3A (Product Specific Rules);

(b) Annex 3B (Certificate of Origin);

(c) Annex 3C (Origin Declaration).

Chapter 4. CUSTOMS PROCEDURES AND TRADE FACILITATION

Article 4.1. Definitions

For the purposes of this Chapter:

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

Customs Administration means the General Customs Administration for Costa Rica and the Federal Authority of Identity, Citizenship, Customs and Port Security for the UAE ;

customs laws mean provisions implemented 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 Administrations;

Customs Mutual Assistance Agreement (CMAA) means the agreement that further enhances customs cooperation and exchange of information between the parties to secure and facilitate lawful trade;

customs procedure means the measures applied by the customs authority ofa Party to goods and to the means of transport that are subject to its customs laws and regulations;

Mutual Recognition Arrangement (MRA) means the arrangement between the Parties that mutually recognize AEO authorizations properly that has been granted by one of the Customs Administrations in accordance with the WCO SAFE Framework of Standards to Secure and Facilitate Global Trade; and

persons mean both natural and legal persons, unless the context otherwise requires.

Article 4.2. Scope

This Chapter shall apply, in accordance with the Parties' respective domestic laws, rules, and regulations, to customs procedures required for clearance of goods traded between the Parties.

Article 4.3. General Provisions

1. The Parties agree that their customs law and procedures shall be transparent, non- discriminatory, consistent, and avoid unnecessary procedural obstacles to trade.

2. Customs procedures of the Parties shall conform where possible, to the standards and recommended practices of the WCO.

3. The Customs Administration of each Party shall periodically review its customs procedures with a view to their further simplification and development to facilitate bilateral trade.

Article 4.4. Publication and Availability of Information

1. Each Party shall ensure that its laws, regulations, guidelines, procedures, and administrative rulings governing customs matters are promptly published, either on the Internet or in print form in the English language, to the extent possible.

2. Each Party shall designate, establish, and maintain one or more inquiry points to address inquiries from interested persons pertaining to customs matters, and shall endeavour to make available publicly through electronic means, information concerning procedures for making such inquiries.

3. Nothing in this Agreement shall require any Party to publish law enforcement procedures and internal operational guidelines including those related to conducting risk analysis and targeting methodologies.

4. Each Party shall, 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 made otherwise publicly available, as early as possible before their entry into force, so that interested parties have the opportunity to become acquainted with them. Such information and publications shall be available in the English language, to the extent possible.

Article 4.5. Risk Management

The Parties shall adopt a risk management approach in its customs activities, based on its identified risk of goods, in order to facilitate the clearance of low-risk consignments, while focusing its inspection activities on high-risk goods.

Article 4.6. Paperless Communications

1. For the purposes of facilitating bilateral exchange of international trade data and expediting procedures for the release of goods, the Parties shall endeavour to provide an electronic environment that supports business transactions between their respective Customs Administrations and their trading entities.

2. The Parties shall exchange views and information on realising and promoting paperless communications between their respective Customs Administrations and their trading entities.

3. The respective Customs Administration of the Parties, in implementing initiatives which provide for the use of paperless communications, shall take into account the methodologies agreed at the WCO.

Article 4.7. Advance Rulings

1. In accordance with its commitments under the Agreement of Trade Facilitation, contained in Annex 1A to the WTO Agreement (TFA), each Party shall provide for the issuance of an advance ruling, prior to the importation of a good into its territory, to an importer of the good in its territory or to an exporter or producer of the good in the territory of another Party.

2. For the purposes of paragraph 1, each Party shall issue rulings as to whether the good qualifies as an originating good or to assess the good's tariff classification. In addition, each Party may issue rulings that cover additional trade matters as specified in article 8 of the TFA. Each Party shall issue its determination regarding the origin or classification of the good within a reasonable time-bound manner from the date of receipt of a complete application for an advance ruling.

3. 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 remain in effect for a reasonable period of time after its issuance, unless the laws, regulations, facts or circumstances justifying that ruling have changed.

4. The advance ruling issued by the Party shall be binding to the person to whom the ruling is issued only.

5. 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.

6. 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.

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

8. 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. The issuing Party may modify, revoke or invalidate a ruling retroactively only if the ruling was based on inaccurate or false information.

9. Notwithstanding paragraph 4, the issuing Party shall postpone the effective date of the modification or revocation of an advance ruling for a reasonable period of time and in accordance with each Party's national procedures on advance rulings, where the person to whom the advance ruling was issued demonstrates that he has relied in good faith to his detriment on that ruling.

Article 4.8. 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 requirements are imposed only on the person(s) responsible for the breach under its laws.

3. Each Party shall ensure that the penalty imposed by its Customs Administration 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. No portion of the remuneration of a government official shall be calculated as a fixed portion or percentage of any penalties or duties assessed or collected.

5. Each Party shall ensure that if a penalty is imposed by its Customs Administration for a breach of a customs law, regulation, or procedural requirement, 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 4.9. Release of Goods

1. Each Party shall adopt or maintain simplified customs procedures for the efficient release of goods in order to facilitate trade.

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

(a) adopt or maintain procedures allowing the release of goods prior to the final determination of customs duties, taxes, fees, and charges, if such a determination is not done prior to, or upon arrival, or as rapidly as possible after arrival and provided that all other regulatory requirements and procedures have been met;

(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) to the greatest extent possible, allow goods to be released at the point of arrival without requiring temporary transfer to warehouses or other facilities; 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 administration, has withheld release of the goods.

3. Nothing in this Article requires a Party to release a good if its requirements for release have not been met nor prevents a Party from liquidating a security deposit in accordance with its law.

4. Each Party may allow, to the extent practicable and in accordance with its customs laws, goods intended for import 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 4.10. Authorized Economic Operators

1. In order to facilitate trade and enhance compliance and risk management between them, the Parties shall endeavour to mutually conclude a MRA.

2. The Parties shall promote the national adoption and implementation of AEO programs in accordance with the WCO SAFE Framework of Standards to Secure and Facilitate Global Trade. The obligations, requirements, formalities of the programs, as well as the benefits offered to the companies that comply with the requirements shall be established in accordance with the laws and regulations of each Party.

Article 4.11. Border Agency Cooperation

Each Party shall ensure that its 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 4.12. Expedited Shipments

1. Each Party shall adopt or maintain expedited customs procedures for goods entered through air cargo facilities while maintaining appropriate customs control and selection. 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 through, if possible, electronic means (1);

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

(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 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.(2)

(2) 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 4.13. Review and Appeal

1. Each Party shall ensure that any person to whom it issues a determination on a customs matter has access to:

(a) at least one level of administrative review of determinations by its Customs Administration independent (3) of either the official or office responsible for the decision under review; and

(b) judicial review of decisions taken at the final level of administrative review.

2. Each Party shall ensure that its procedures for appeal and review are carried out ina 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.

(3) The level of administrative review for the UAE may include the competent authority supervising the Customs Administration.

Article 4.14. Customs Cooperation

1. With a view to further enhancing customs cooperation through the exchange of information and the sharing of best practices between the Customs Administrations to secure and facilitate lawful trade, the Customs Administrations of the Parties will endeavour to conclude and sign a CMAA.

2. The Contracting Parties shall, for the purposes of applying customs law and to give effect to the provisions of this Agreement, endeavour to:

(a) co-operate and assist each other in the prevention and investigation of offences against customs law;

(b) upon request, provide each other information to be used in the enforcement of customs law; and

(c) co-operate in the research, development, and application of new customs procedures, in the training and exchange of personnel, sharing of best practices, and in other matters of mutual interest.

3. Assistance under this Chapter shall be provided in accordance with the domestic laws and regulations of the requested Party.

4. The Parties shall exchange official contact points with a view to facilitating the effective implementation of this Chapter.

Article 4.15. Confidentiality

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

2. Each Party shall maintain, in accordance with its domestic 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

1. The definitions in Annex A of the SPS Agreement are incorporated into and made part of this Chapter, mutatis mutandis.

2. In addition, for the purposes of this Chapter:

Competent Authority means a government body of each Party responsible for the Sanitary and Phytosanitary (hereinafter referred to as "SPS") measures and matters referred to in this Chapter;

Contact Point means the government body of each Party that is responsible for the implementation and coordination of this Chapter; and

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

Article 5.2. Objectives

The objectives of this Chapter are to protect human, animal, and plant life or health while facilitating trade, to enhance cooperation, communication, and transparency between the Parties, to ensure that the Parties' SPS measures are science-based and do not create unjustified barriers to trade.

Article 5.3. Scope

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

Article 5.4. General Provisions

1. The Parties affirm their rights and obligations under the SPS Agreement of the WTO.

2. Nothing in this Agreement shall limit the rights and obligations of each Party under the SPS Agreement.

Article 5.5. Contact Points and Competent Authorities

1. Upon the entry into force of this Agreement, each Party shall designate a Contact Point or Contact Points to facilitate communication on matters covered by this Chapter and promptly notify the other Party no later than 30 days after the entry into force of this Agreement.

2. For the purposes of implementing this Chapter, the Competent Authorities of the Parties shall be those listed in Annex 5A (Competent Authorities).

3. Each Party shall keep the information on Contact Points and Competent Authorities up to date and shall promptly inform the other Party of any change.

Article 5.6. Technical Consultations

1. The Parties will work expeditiously to address any specific SPS trade-related issue and commit to carry out the necessary technical level discussions in order to resolve any such issue.

2. At any time, a Party may raise a specific SPS issue with the other Party through the Competent Authorities, as referred to in Annex SA (Competent Authorities) and may request additional information related to the issue. The other Party shall respond in a timely manner.

3. If an issue is not resolved through the information exchanged under paragraph 2 and Article 5.9, upon request of either Party through its Contact Point, the Parties shall meet in a timely manner to discuss the specific SPS issue, to avoid a disruption in trade, or to reach a mutually acceptable solution. The Parties shall meet either in person or using available technological means.

Article 5.7. Equivalence

1. The Parties recognize 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 in accordance with Annex A of the SPS Agreement, mutatis mutandis.

3. The fact that an exported product achieves compliance with SPS measures or standards that have been accepted as equivalent to SPS measures and 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, that Party shall promptly notify the other Party of that measure through the relevant Contact Point and the Competent Authority referred to in Article 5.5. The Party adopting the emergency measure shall take into consideration any information provided by the other Party in response to the notification and, upon request of the other Party, consultations between the Competent Authorities shall be held within 14 days of the notification.

2. The importing Party shall consider information provided by the exporting Party in a timely manner when making decisions with respect to consignments that, at the time of adoption of the emergency measure, are being transported between the Parties.

3. If a Party adopts an emergency measure, it shall review the scientific basis of that measure within six months and make available the results of the review to the other Party on request. If the Party maintains the emergency measure after the review because the reason for its adoption remains, the Party should review the measure periodically.

Article 5.9. Transparency and Exchange of Information

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

2. In implementing this Chapter, 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. The Parties shall exchange information on proposed or actual SPS measures which affect or are likely to affect trade between them and relating to each Partyâs SPS regulatory system and to the extent that any Party desires to provide written comments on a proposed SPS measure by the other Party, the Party shall provide those comments in a timely 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. 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, notices of final sanitary or phytosanitary measures.

7. An exporting Party shall notify the importing Party through the Contact Points established under Article 5.5 in a timely and appropriate manner if it has knowledge of:

(a) a significant or urgent situation of a sanitary or phytosanitary risk in its territory that may affect current trade between the Parties; or

(b) significant changes in food safety, pest, or disease management, control, or eradication policies or practices that may affect current trade between the Parties.

8. A Party shall provide to the other Party, on request, all sanitary or phytosanitary measures related to the importation of a

good into that Partyâs territory.

9. Each Party shall provide information, upon request of the other Party, on results of import checks in case of rejected or non-compliant consignments, including the scientific basis for such rejections.

Article 5.10. Cooperation

1. The Parties shall cooperate to facilitate the implementation of this Chapter.

2. The Parties shall explore opportunities for further cooperation, collaboration, and information exchange between the Parties on SPS matters of mutual interest related to the implementation of the SPS Agreement, consistent with this Chapter. Those opportunities may include trade facilitation initiatives and technical assistance.

3. The Parties may promote cooperation on matters related to the implementation of the WTO SPS Agreement, and in relevant international standard-setting bodies such as the Codex Alimentarius Commission, the International Plant Protection Convention (IPPC), and the World Organisation for Animal Health (WOAH), as appropriate.

4. If there is mutual interest, and with the objective of establishing a common scientific foundation for each Partyâs regulatory approach, the Competent Authorities of the Parties are encouraged to:

(a) share best practices; and

(b) cooperate on joint scientific data collection.

Chapter 6. TECHNICAL BARRIERS TO TRADE

Article 6.1. Definitions

For the purposes of this Chapter, the definitions shall be those contained in Annex 1 of the TBT Agreement.

Article 6.2. Objectives

The objective of this Chapter is to facilitate trade, including by eliminating unnecessary technical barriers to trade between the Parties that may arise as a result of the preparation, adoption and application of technical regulations, standards and conformity assessment procedures, enhancing transparency, and promoting joint cooperation between the Parties. Article 6.3: Scope

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

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

(a) purchasing specifications prepared by a governmental body for its production or consumption requirements which are covered by Chapter 11 (Government Procurement); or

(b) sanitary or phytosanitary measures which are covered by Chapter 5 (Sanitary and Phytosanitary Measures).

Article 6.4. Affirmation and Incorporation of the TBT Agreement

The Parties affirm their existing rights and obligations with respect to each other under the TBT Agreement which is incorporated into and made part of this Agreement, mutatis mutandis, other than Articles 7 and 8 of the TBT Agreement.

Article 6.5. International Standards

1. Each Party shall use relevant international standards, guides, and recommendations, to the extent provided in Articles 2.4 and 5.4 of the TBT Agreement, as a basis for its technical regulations and conformity assessment procedures.

2. In determining whether an international standard, guide, or recommendation within the meaning of Articles 2 and 5 and Annex 3 of the TBT Agreement exists, each Party shall base its determination on the principles set out in the "Decision of the Committee on Principles for the Development of International Standards, Guides and Recommendations with relation to Articles 2, 5 and Annex 3 of the Agreement", adopted on 13 November 2000 by the WTO Committee on Technical Barriers to Trade (Annex 2 to PART 1 of G/TBT/1/Rev.14), and any subsequent version thereof.

3. The Parties shall encourage cooperation between their respective national standardizing organizations in areas of mutual interest, in the context of their participation in international standardizing bodies, to ensure that international standards developed within such organizations are trade facilitating and do not create unnecessary obstacles to international trade.

Article 6.6. Technical Regulations

1. The Parties shall use international standards as a basis for preparing their technical regulations, unless those international standards are ineffective or inappropriate for achieving the legitimate objective pursued. Each Party shall, upon request of the other Party, provide its reasons for not having used international standards as a basis for preparing its technical regulations.

2. Each Party shall give positive consideration to a request by the other Party to negotiate arrangements for achieving the equivalence of technical regulations of the other Party even if these regulations differ from its own, provided that these regulations adequately fulfill the objectives of its own regulations.

3. Each Party shall, upon request of the other Party, explain within a reasonable period of time, the reasons why it has not accepted a request by the other Party to negotiate such arrangements.

Article 6.7. Conformity Assessment Procedures

1. The Parties recognise that, depending on the specific sectors involved, a broad range of mechanisms exists to facilitate the acceptance in a Party's territory of the results of conformity assessment procedures conducted in the other Party's territory. Such mechanisms may include:

(a) recognizing existing international multilateral recognition agreements and arrangements among conformity assessment bodies;

(b) promoting mutual recognition of conformity assessment results by the other Party, through recognizing the other Party's designation of conformity assessment bodies;

(c) encouraging voluntary arrangements between conformity assessment bodies in the territory of each Party; (d) accepting a supplier's declaration of conformity where appropriate;

(e) harmonizing criteria for the designation of conformity assessment bodies, including accreditation procedures; or

(f) other mechanisms as mutually agreed by the Parties.

2. Each Party shall ensure, whenever possible, that the results of conformity assessment procedures conducted in the territory of the other Party are accepted, even when those procedures differ from its own, provided that those procedures offer a satisfactory assurance of applicable technical regulations or standards equivalent to its own procedures. Where a Party does not accept the results of a conformity assessment procedure conducted in the territory of the other Party, it shall, on request of the other Party, explain the reasons for its decision within a reasonable period of time.

3. In order to enhance confidence in the consistent reliability of conformity assessment results, the Parties may consult on matters such as the technical competence of the conformity assessment bodies involved.

4. Each Party shall give positive consideration to a request by the other Party to negotiate agreements or arrangements for the mutual recognition of the results of their respective conformity assessment procedures. The Parties shall consider the possibility of negotiating agreements or arrangements for mutual recognition of the results of their respective conformity assessment procedures in areas mutually agreed upon.

5. The Parties shall endeavour to intensify their exchange of information on acceptance mechanisms with a view to facilitating the acceptance of conformity assessment results.

Article 6.8. Cooperation

1. The Parties shall strengthen their cooperation in the field of technical regulations, standards, and conformity assessment procedures with a view to:

(a) increasing the mutual understanding of their respective systems;

(b) enhancing cooperation between the Parties' regulatory agencies on matters of mutual interests including health, safety and environmental protection;

(c) facilitating trade by implementing good regulatory practices; and

(d) 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.

2. In order to achieve the objectives set out in paragraph 1, the Parties shall, as mutually agreed and to the extent possible, co-operate on regulatory issues, which may include the:

(a) promotion of good regulatory practices based on risk management principles;

(b) exchange of information with a view to improving the quality and effectiveness of their technical regulations;

(c) development of joint initiatives for managing risks to health, safety, or the environment, and preventing deceptive practices; and

(d) exchange of market surveillance information where appropriate.

3. The Parties shall encourage cooperation between their respective organizations responsible for standardization, conformity assessment, accreditation, and metrology, with the view to facilitating trade and avoiding unnecessary obstacles to trade between the Parties.

Article 6.9. Transparency

1. Each Party shall, upon request of the other Party, provide information, including the objective of, and rationale for, a technical regulation or conformity assessment procedure which the Party has adopted or proposes to adopt and may affect the trade between the Parties, within a reasonable period of time as agreed between the Parties.

2. When a proposed technical regulation is notified to the WTO, a Party shall give appropriate consideration to the comments received from the other Party, and, upon request of the other Party, provide written answers to the comments made by the other Party.

3. The Parties shall ensure that all adopted technical regulations and conformity assessment procedures are publicly available.

Article 6.10. Contact Points

1. For the purposes of this Chapter, the Contact Points are:

(a) for Costa Rica: the Ministry of Foreign Trade, or its successor; and

(b) for the UAE: the Standards and Regulation Sector, the Ministry of Industry and Advanced Technology, or its successor.

2. Each Party shall promptly notify the other Party of any change ofits Contact Point.

Article 6.11. Information Exchange and Technical Discussions

1. Any information or explanation that a Party provides upon request of the other Party pursuant to this Chapter shall be provided in print or electronically within a reasonable period of time. Each Party shall endeavor to respond to such a request within 60 days.

2. All communication between the Parties on any matter covered by this Chapter shall be conducted through the Contact Points designated under Article 6.10.

3. On request of a Party for technical discussions on any matter arising under this Chapter, the Parties shall endeavor, to the extent practicable, to enter into technical discussions by notifying the Contact Points designated under Article 6.10.

Article 6.12. Subcommittee on Technical Barriers to Trade and on Sanitary and Phytosanitary Matters

1. A Subcommittee on Technical Barriers to Trade and on Sanitary and Phytosanitary Matters (hereinafter referred to as the "Subcommittee") is hereby established, consisting of representatives of each Party. The Subcommittee shall meet, in person or by any other technological means as determined by the Parties, at such times as agreed by the Parties and when they

deem it appropriate, to consider matters arising under this Chapter and Chapter 5 (Sanitary and Phytosanitary Measures).

2. The Subcommittee may consider any matter arising under this Chapter and Chapter 5 (Sanitary and Phytosanitary Measures).

3. In relation to a matter referred to in paragraph 2, the functions of the Subcommittee shall include:

(a) monitoring the implementation and operation of this Chapter and Chapter 5 (Sanitary and Phytosanitary Measures);

(b) consult on SPS matters related to the development or application of SPS measures that affect, or may affect, trade between the Parties, or arising under Chapter 5 (Sanitary and Phytosanitary Measures);

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

(d) enhancing cooperation between the Parties in the initiatives set out in Article 6.8 and in Article 5.10 (Cooperation);

(e) making recommendations to the Joint Committee with regards to matters of its competence; and

(f) carrying out other functions as may be assigned by the Joint Committee or agreed by the Parties.

4. The Joint Committee shall establish the rules of working procedures of the Subcommittee.

Chapter 7. TRADE REMEDIES

Article 7.1. Scope

This Chapter shall apply to investigations and measures that are taken by the Parties' competent authorities as set forth in Article 7.2.

Article 7.2. Competent Authorities

For the purposes of this Chapter, the competent investigating authorities are:

(a) for Costa Rica, the Directorate of Trade Remedies of the Ministry of Economy, Industry and Commerce, or its successor; and

(b) for the UAE, the Ministry of Economy, or its successor.

Article 7.3. Anti-Dumping and Countervailing Measures

1. The Parties reaffirm their rights and obligations under the provisions of Article VI and Article XVI of GATT 1994; Anti-Dumping Agreement and SCM Agreement.

2. The Parties recognize their right to apply measures consistent with Article VI of the GATT 1994, the Anti-Dumping Agreement, and the SCM Agreement, and the importance of promoting transparency.

3. Except as otherwise stipulated in this Article, this Agreement does not confer any additional rights or obligations on the Parties with regard to anti-dumping and countervailing measures including the initiation and conduct of anti-dumping and countervailing duty investigations as well as the application of anti-dumping and/or countervailing measures.

4. When the investigating authority of a Party receives a properly documented antidumping application by or on behalf of its domestic industry for the initiation of an anti- dumping investigation in respect of a product from the other Party, the former Party shall notify the other Party of the application as far in advance of the initiation of such investigation as possible and no later than 10 days before the date of initiation of the investigation and upon request of the exporting Party, the other Party may afford a meeting or any other similar opportunity for discussion.

5. As soonas possible after accepting a properly documented countervailing application for a countervailing duty investigation in respect of a product of the other Party, and in any event before initiating an investigation, the Party shall provide written notification of its receipt of the application to the other Party and invite the other Party for consultations with the aim of clarifying the situation as to the matters referred to in the application and arriving at a mutually agreed solution.

6. The investigating authority of each Party shall ensure, before a final determination is made, the disclosure of all essential

facts under consideration which form the basis for the decision whether to apply definitive measures. This is without prejudice to Article 6.5 of the Anti-Dumping Agreement and Article 12.4 of the SCM Agreement. Disclosures shall be made in writing and allow interested parties sufficient time to make their comments.

7. Interested parties should be granted the right to express their views during anti- dumping and countervailing investigations in accordance with the conditions of each Party's internal legislation.

8. The Parties shall observe the following practices in anti-dumping or countervailing cases between them in order to enhance transparency in the implementation of the WTO Agreement:

(a) when dumping margins are established, assessed, or reviewed under Articles 2, 9.3, 9.5, and 11 of the Anti-Dumping Agreement regardless of the comparison bases under Article 2.4.2 of the Anti-Dumping Agreement, all individual margins, whether positive or negative, should be counted toward the average;

(b) if decision is taken to impose an anti-dumping duty pursuant to Article 9.1 of the Anti-Dumping Agreement, the Party taking such a decision may apply the "lesser duty" rule, by imposing a duty which is less than the dumping margin where such lesser duty would be adequate to remove the injury to the domestic industry; and

(c) if, in an anti-dumping or countervailing duty action that involves imports from the other Party, a Party's investigating authority determines that a timely response to a request for information does not comply with the request, the investigating authority 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 the 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 authority finds that the response is not satisfactory, or that the response is not submitted within the applicable time limits, and if the investigating authority disregards all or part of the original and subsequent responses, the investigating authority shall indicate in the determination or other written document the reasons for disregarding the information; This procedure shall not be used to cause unwarranted delays in the investigation or to circumvent the deadlines, which are provided in the Party's domestic laws and regulations

9. In an anti-dumping investigation, where a Party's authorities have made a preliminary affirmative determination of dumping and injury caused by such dumping, the Party shall afford due consideration, and adequate opportunity for consultations, to exporters of the other Party regarding proposed price undertakings which, if accepted, may result in suspension of the investigation without imposition of anti-dumping duties, through the means provided for in the Party's domestic laws and regulations.

10. In a countervailing duty investigation, where a Party's authorities have made a preliminary affirmative determination of subsidization and injury caused by such subsidization, the Party shall afford due consideration, and adequate opportunity for consultations, to the other Party and exporters of the other Party, regarding proposed undertakings on price, which, if accepted, may result in suspension of the investigation without imposition of countervailing duties, through the means provided for in the Party's domestic laws and regulations.

11. The Parties agree to examine, with special care, any application for initiation of an antidumping investigation on a good originating in the other Party and on which anti- dumping measures have been terminated in the previous 12 months as a result of a review.

12. Without prejudice to the proper application of Article 3.3 of the Anti-dumping Agreement and Article 15.3 of the SCM Agreement, the Parties shall examine with special care the conditions set forth respectively in 3.3. (b) and 15.3 (b).

Article 7.4. Transitional Safeguard Measures

1. For the purposes of this Article:

domestic industry means, with respect to an imported product, the producers as a whole of the like or directly competitive product operating within the territory of a Party, or those producers whose collective production of the like or directly competitive product constitutes

a major proportion of the total domestic production of that product;

provisional measure means a provisional bilateral safeguard measure described in paragraph 12;

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

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;

transition period, in relation to a particular product, means the period from the entry into force of this Agreement until 3 calendar years after the date on which that good becomes free of customs duties in accordance with Annex 2B (Elimination of Customs Duties); and

transitional safeguard measure means a transitional bilateral safeguard measure described in paragraph 0.

2. If, as a result of the reduction or elimination ofa customs duty under this Agreement, an originating product of a Party is being imported into the territory of the other Party in such increased quantities, in absolute terms or relative to domestic production, and under such conditions as to cause serious injury, or threat thereof, to a domestic industry producing a like or directly competitive product, the other Party may, to the extent necessary to prevent or remedy serious injury apply a transitional safeguard measure consisting of:

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

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

(i) the most-favored-nation (MFN) applied rate of customs duty on the product in effect at the date on which the transitional safeguard measure is taken; or

(ii) the base rate set forth in the corresponding schedule of tariff commitments in Annex 2B (Elimination of Customs Duties).

3. A Party shall notify the other Party in writing:

(a) immediately on initiation of an investigation described in paragraph 0;

(b) immediately upon making a finding of serious injury or threat thereof caused by increased imports of an originating product of the other Party as a result of the reduction or elimination of a customs duty on the product pursuant to this Agreement;

(c) before applying provisional measures pursuant to paragraph 0; and

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

4. A Party shall consult with the other Party as far in advance of applying a transitional safeguard measure as practicable, with a view to reviewing the non-confidential version of the information arising from the investigation and exchanging views on the measure.

5. A Party shall apply a transitional safeguard measure only following an investigation by the Partyâs competent authorities in accordance with Articles 3 and 4.2(c) of the Safeguards Agreement, and to this end, Articles 3 and 4.2(c) of the Safeguards Agreement are incorporated into and made a part of this Agreement, mutatis mutandis.

6. In the investigation described in paragraph 0, the Party shall comply with the requirements of Article 4.2 (a) and (b) of the Safeguards Agreement, and to this end, Article 4.2 (a) and (b) 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 transitional 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) fora 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 transitional 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, except with the consent of the other Party.

9. Neither Party may apply a transitional safeguard measure more than once against the same good.

10. Where the expected duration of the transitional safeguard measure is over one year, the importing Party shall progressively liberalize it at regular intervals.

11. When a Party terminates a transitional safeguard measure, the rate of customs duty shall be the rate that, according to its schedule of tariff commitments in Annex 2B (Elimination of Customs Duties), would have been in effect but for the measure.

12. In critical circumstances where delay would cause damage that would be difficult to repair, a Party may apply a transitional 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 product 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. Before applying a safeguard measure on a provisional basis, the applying Party shall notify the other Party. 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 0 and 0.

15. The Party shall, pursuant to Article 6 of the Safeguards Agreement, promptly refund any tariff increases if the investigation described in paragraph 0 does not result in a finding that the requirements of paragraph 0 are met. The duration of any provisional measure shall be counted as part of the period described in paragraph 0.

16. No later than 30 days after it applies a transitional safeguard measure, a Party shall afford an opportunity for the other Party to consult with it regarding appropriate trade liberalizing compensation in the form of concessions having substantially equivalent trade effects or equivalent to the value of the additional duties expected to result from the transitional 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 product the measure is applied may suspend the application of concessions with respect to originating product of the applying Party that have trade effects substantially equivalent to the transitional 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 product the transitional safeguard measure is applied shall notify the Party applying the transitional 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 12 months during which a transitional safeguard measure is in effect, provided that the transitional safeguard measure has been applied as a result of an absolute increase in imports.

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 transitional safeguard measure terminates.

Article 7.5. Global Safeguard Measures

1. Each Party retains its rights and obligations under Article XIX of GATT 1994 and the Safeguards Agreement. This Agreement does not confer any additional rights or obligations on the Parties with regard to actions taken under Article XIX of GATT 1994 and the Safeguards Agreement.

2. Neither Party shall apply, with respect to the same product, at the same time: (a) a transitional safeguard measure as provided in Article 7.4; and (b) a measure under Article XIX of GATT 1994 and the Safeguards Agreement.

3. A Party taking a global safeguard measure shall exclude imports of an originating good of the other Party as long as its share of imports of the product concerned in the importing Party does not exceed 3 per cent of total imports of the concerned product, provided that its share collectively with other developing countries with less than 3 per cent import account for not more than 9 per cent of total imports of the product concerned. (1)

(1) For greater clarity in the application of this paragraph, Costa Rica and the UAE mutually acknowledge their own self-declared status as developing countries, without prejudice to either Party modifying its own self- declared status.

4. For greater certainty, where, as a result of a global safeguard measure, a safeguard duty is imposed, the margin of

preference, in accordance with the Schedules of Concessions of the Parties under Chapter 2 (Trade in Goods), shall be maintained.

5. At the request of the other Party and/or provided that it has a substantial interest, the Party intending to take safeguard measures shall provide immediately written notification of all pertinent information on the initiation of the safeguard investigation, including the provisional findings and the final findings of the investigation, as well as offer the possibility for consultations to the other Party.

6. For the purpose of this Article, it is considered that a Party has a substantial interest when it is among the five largest suppliers of the imported goods during the most recent three-year period of time, measured in terms of either absolute volume or value.

Article 7.6. Cooperation on Trade Remedies

The Parties shall endeavour to encourage cooperation on trade remedies, between the relevant authorities of each Party who have responsibility for trade remedy matters.

Chapter 8. INVESTMENT

Article 8.1. UAE-Costa Rica Bilateral Investment Agreement

The Parties note the existence of and reaffirm the Agreement Between the Government of the United Arab Emirates and the Government of the Republic of Costa Rica for the Reciprocal Promotion and Protection of Investments, signed in San Jose, Costa Rica on 3 October 2017 (UAE-Costa Rica Bilateral Investment Agreement).

Article 8.2. Promotion of Investment

The Parties affirm their desire to promote an attractive investment climate to encourage the expansion of trade in products and services as well as to create favourable conditions for long-term economic development and diversification of trade between the two countries.

Article 8.3. Technical Council on Investment

The Parties shall establish a Costa Rica-United Arab Emirates Council on Investment (hereinafter referred to as the âCouncilâ), which shall be composed of representatives of the competent authorities of the Parties. The Council shall be chaired in the case of Costa Rica by the Ministry of Foreign Trade and in the case of the United Arab Emirates by the Ministry of Finance. The Council may establish working groups as the Parties deem necessary. The Joint Committee shall establish the rules of working procedures of the Council.

Article 8.4. Objectives of the Council

The objectives of the Council are as follows:

(a) to promote and enhance the economic cooperation on investment matters between the Parties;

(b) to monitor investment relations, to identify opportunities for expanding investment which may include interlinkages with trade;

(c) to hold consultations, where appropriate, on specific investment matters of interest to the Parties;

(d) to work toward the enhancement of investment flows;

(e) to identify impediments, to investment flows and work towards identifying the appropriate actions and channels to address them;

(f) to seek the views of the private sector, where appropriate, on matters related to the work of the Council;

(g) to make recommendations to the Joint Committee with regards to matters of its competence; and

(h) to carry out other functions as may be assigned by the Joint Committee or agreed by the Parties.

Article 8.5. Rules of Working Procedures of the Council

The Council shall meet, in person or virtually, at such times and venues as agreed by the Parties, but the Parties shall endeavour to meet once per year when they deem it appropriate. A Party may refer a specific investment matter to the Council by delivering a written request to the other Party that includes a description of the matter concerned. The Council shall endeavour to take up the matter promptly after the request is delivered unless the requesting Party agrees to postpone discussion of the matter. Each Party shall endeavour, where appropriate, to provide for an opportunity for the Council to discuss a matter before taking actions that could affect adversely the investment interests of the other Party.

Article 8.6. Non-Application of Dispute Settlement Mechanisms

The Parties agree that nothing in this Chapter shall be subject to any dispute settlement mechanism.

Chapter 9. TRADE IN SERVICES

Article 9.1. Definitions

For the purposes of this Chapter:

a 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;

aircraft repair and maintenance services mean such activities when undertaken on an aircraft or a part thereof while it is withdrawn from service and do not include so-called line maintenance;

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

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

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

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

computer reservation system services mean services provided by computerised systems that contain information about air carriers' schedules, availability, fares and fare rules, through which reservations can be made or tickets may be issued;

juridical person means any legal entity duly constituted or otherwise organized 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;

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

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

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

(i) natural persons of the other Party identified under paragraph (a) of the definition of natural person of a Party, excluding subparagraph (b) of the definition of natural person of a Party; or

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

a juridical person is:

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

(b) "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;

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

measures by Parties mean measures adopted or maintained by: (a) central, regional or local governments and authorities; and

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

measures by Parties affecting trade in services include measures in respect of (a) the purchase, payment or use of a service;

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

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

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

(a) is a national of that Party; or

(b) has the right of permanent residence in that Party provided that such Party accords substantially the same treatment to its permanent residents (1) as it does to its nationals in respect of measures affecting trade in services, provided that the Party is not obligated to accord to such permanent residents treatment more favourable than would be accorded by that Party to such permanent residents;

(1) With respect to the UAE, the term "permanent resident" shall mean any natural person who is in possession of a valid residency permit under the laws and regulations of the UAE.

person means either a natural person or a juridical person;

sector of a service means:

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

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

selling and marketing of air transport services mean opportunities for the air carrier concerned to sell and market freely its air transport services including all aspects of marketing such as market research, advertising and distribution. These activities do not include the pricing of air transport services nor the applicable conditions;

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

service consumer means any person that receives or uses a service; service of the other Party means a service which is supplied:

(a) from or in the territory of that other Party, or in the case of maritime transport, by a vessel registered under the laws of that other Party, or by a person of that other Party which supplies the service through the operation of a vessel and/or its use in whole or in part; or

(b) in the case of the supply of a service through commercial presence or through the presence of natural persons, by a service supplier of that other Party,;

service supplier means any person of a Party that seeks to supply or supplies a service; (2)

(2) 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 Chapter. Such treatment shall be extended to the presence through which the service is supplied and need not be extended to any other parts of the supplier located outside the territory where the service is supplied.

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

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

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

(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 of a Party in the territory of the other Party;

traffic rights mean the right for scheduled and non-scheduled services to operate and/or to carry passengers, cargo and mail for remuneration or hire from, to, within, or over the territory of a Party, including points to be served, routes to be operated, types of traffic to be carried, capacity to be provided, tariffs to be charged and their conditions, and criteria for designation of airlines, including such criteria as number, ownership, and control.

Article 9.2. Scope and Coverage (3)

(3) For greater certainty, nothing in this Chapter shall be subject to the investor-State dispute settlement procedure established in the Agreement between the Government of the United Arab Emirates and the Government of the Republic of Costa Rica for the Reciprocal Promotion and Protection of Investments.

1. This Chapter applies to measures adopted or maintained by Parties affecting trade in services.

2. This Chapter shall not apply to:

(a) government procurement

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

(c) subsidies or grants provided by a Party, including government-supported loans, guarantees, and insurance; and

(d) national and international air transport services, whether scheduled or non scheduled, and services directly related to the exercise of traffic rights, other than:

(i) aircraft repair and maintenance services;

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

(iii) computer reservation system services; and

(iv) other ancillary services that facilitate the operation of air carriers, as contained in Annex 9A (Schedules of Specific Commitments).

3. This Chapter shall not apply to measures affecting natural persons of the other Party seeking access to the employment market of the other Party, or measures regarding nationality, citizenship, residence or employment on a permanent basis.

4. Nothing in this Chapter 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. (4)

(4) The sole fact of requiring a visa for natural persons shall not be regarded as nullifying or impairing benefits under a specific commitment.

Article 9.3. Schedules of Specific Commitments

1. Each Party shall set out in its Schedule of Specific Commitments, the specific commitments it undertakes in accordance with Articles 9.5, 9.6, and 9.7.

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 referred to in Article 9.7; and

(d) where appropriate, the time-frame for implementation of such commitments; and the date of entry into force of such commitments.

3. Measures inconsistent with both Articles 9.5 and 9.6 shall be inscribed in the column relating to Article 9.5. In this case, the inscription will be considered to provide a condition or qualification to Article 9.6 as well.

4. The Parties' Schedules of Specific Commitments are set forth in Annex 9A (Schedules of Specific Commitments).

Article 9.4. Most-Favoured Nation Treatment (5)

(5) The Parties confirm their understanding that the Agreement between the Member States of the Cooperation Council for the Arab States of the Gulf and the Greater Arab Free Trade Area (GAFTA) are excluded from the application of the MFN obligation under this Article.

1. Except as provided for in its List of MFN Exemptions contained in Annex 9B (MFN Exemptions), a Party shall accord immediately and unconditionally, in respect of all measures covered by this Chapter, 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 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 as well as treatment granted in accordance with Article VII of the GATS.

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 Agreement.

4. If, after the entry into force of this Agreement, a Party enters into any agreement on trade in services notified under Article V or Article V bis of the GATS with a non- Party, it shall, upon request by the other Party, afford adequate opportunity to that Party to negotiate the benefits granted therein.

Article 9.5. Market Access

1. With respect to market access through the modes of supply identified in the definition of "trade in services" contained in Article 9.1, each Party shall accord services and service suppliers of the other Party treatment no less favourable than that provided for under the terms, limitations and conditions agreed and specified in its Schedule of Specific Commitments. (6)

(6) If a Party undertakes a market-access commitment in relation to the supply of a service through the mode of supply referred to in the definition of "trade in services" paragraph (a) contained in Article 9.1 and if the cross-border movement of capital is an essential part of the service itself, that Party is thereby committed to allow such movement of capital. If a Party undertakes a market-access commitment in relation to the supply of a service through the mode of supply referred to in in the definition of "trade in services" paragraph (c) contained in Article 9.1, it is thereby committed to allow related transfers of capital into its territory.

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

(a) limitations on the number of service suppliers whether in the form of numerical quotas, monopolies, exclusive service suppliers or the tequirements 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; (7)

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

(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 9.6. National Treatment

1. With respect to the services sectors inscribed in its Schedule of Specific Commitments, and subject to any conditions and qualifications set out therein, each Party shall accord to services and service suppliers of the other Party, in respect of all measures affecting the supply of services, treatment no less favourable than that it accords to its own like services and service suppliers. (8)

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

2. A Party may meet the requirement 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 9.7. Additional Commitments

The Parties may negotiate commitments with respect to measures affecting trade in services not subject to scheduling under Articles 9.5 and 9.6, including those regarding qualification, standards or licensing matters. Such commitments shall be inscribed in a Party's Schedule of Specific Commitments.

Article 9.8. Modification of Schedules

Upon written request by a Party, the Parties shall hold consultations to consider any modification or withdrawal of a specific commitment in the requesting Party's Schedule of Specific Commitments. The consultations shall be held within three months after the requesting Party made its request. In the consultations, the Parties shall aim to ensure that a general level of mutually advantageous commitments no less favourable to trade than that provided for in the Schedule of Specific Commitments prior to such consultations is maintained. Modifications of Schedules are subject to any procedures adopted by the Joint Committee established in Chapter 17 (Administration of the Agreement).

Article 9.9. 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. (a) 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.

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

3. Where 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) within a reasonable period of time after the submission of an application considered complete under domestic laws and regulations, inform the applicant of the decision concerning the application;

(b) in the case of an incomplete application for processing under the Party's domestic laws and regulations, within a reasonable period of time, to the extent practicable, at the request of the applicant, identify the additional information that is required to complete the application or otherwise provide guidance on why the application is considered incomplete and provide the applicant with the opportunity to provide the additional information that is required to complete the application;

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

(d) if an application is rejected, to the extent possible, either upon their own initiative or upon request of the applicant, inform the applicant the reasons for rejection and, if applicable, the procedures for resubmission of an application. An

applicant should not be prevented from submitting another application solely on the basis of a previously rejected application.

4. 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, in sectors where specific commitments are undertaken, the Parties shall endeavour to ensure, as appropriate for individual sectors, that such tequirements are:

(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.

5. 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.

6. The Parties shall jointly review the results of the negotiations on disciplines on domestic regulation, pursuant to Article VI.4 of the GATS, to consider incorporating them into this Chapter.

Article 9.10. 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 paragraph 3, a Party may recognise, or encourage its relevant competent bodies to 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 their relevant competent bodies, or may be accorded autonomously.

2. Where a Party recognises, by agreement or arrangement, the education or experience obtained, requirements met, or licenses or certifications granted in the territory of a non-party, that Party shall afford the other Party adequate opportunity to negotiate its accession to such an agreement or arrangement, whether existing or future, or to negotiate a comparable agreement or arrangement 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 other Party and non-parties 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. The Parties agree to encourage, where applicable and to the extent practicable, the relevant bodies in their respective territories responsible for issuance and recognition of professional and vocational qualifications to:

(a) strengthen cooperation and to explore possibilities for mutual recognition of respective professional and vocational qualifications; and

(b) pursue mutually acceptable standards and criteria for licensing and certification with respect to service sectors of mutual importance to the Parties.

Article 9.11. Payments and Transfers

1. Except under the circumstances envisaged in Article 9.12, 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 9.12 or at the request of the International Monetary Fund.

Article 9.12. Restrictions to Safeguard the Balance-of-Payments

1. The Parties shall endeavour to avoid the imposition of restrictions to safeguard the balance of payments.

2. Where a Party to this Agreement is in serious balance of payments and external financial difficulties, or under threat

thereof, it may adopt or maintain restrictive measures with regard to trade in services, including on payments and transfers.

3. 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, which are hereby incorporated into and made part of this Agreement. A Party adopting or maintaining such restrictions, or changing existing restrictions, shall promptly notify the Joint Committee thereof.

Article 9.13. Denial of Benefits

A Party may deny the benefits of this Chapter to a service supplier that is a juridical person of the other Party, if persons of a non-Party own or control that juridical person and the denying Party:

(a) does not maintain diplomatic relations with the non-Party; or

(b) adopts or maintains measures with respect to the non-Party or the person of the non-Party that prohibit transactions with the juridical person or that would be violated or circumvented if the benefits of this Chapter were accorded to the juridical person.

Article 9.14. Review

The Parties shall consult annually, or as otherwise agreed, with the aim to determine their mutual interest in reviewing their Schedules of Specific Commitments and their Lists of MEN Exemptions.

Article 9.15. Subcommittee on Trade In Services

1. A Subcommittee on Trade in Services (hereinafter referred to as the "Subcommittee") is hereby established, consisting of representatives of each Party. The Subcommittee shall meet, in person or by any other technological means as determined by the Parties, at such times as agreed by the Parties and when they deem it appropriate, to consider matters arising under this Chapter.

2. The Subcommittee may consider any matter arising under this Chapter.

3. In relation to a matter referred to in paragraph 2, the functions of the Subcommittee shall include:

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

(b) facilitating the exchange of information between the Parties, as well as technical cooperation on trade in services;

(c) reviewing topics of interest to the Parties related to trade in services that are discussed in this Chapter;

(d) considering other matters on trade in services related to this Chapter that are of mutual interest.

(e) making recommendations to the Joint Committee with regards to matters of its competence; and

(f) carrying out other functions as may be assigned by the Joint Committee or agreed by the Parties.

4. The Joint Committee shall establish the working procedures of the Subcommittee.

Article 9.16. Annexes

The following annexes form an integral part of this Chapter:

(a) Annex 9A (Schedules of Specific Commitments);

(b) Annex 9B (MFN Exemptions);

(c) Annex 9C (Telecommunication Services);

(d) Annex 9D (Sub-Committee on Trade in Services); and

(e) Annex 9E (Financial Services).

ANNEX 9D. SUBCOMMITTEE ON TRADE IN SERVICES

For the purposes of Article 9.15 (Subcommittee on Trade in Services), the Subcommittee on Trade in Services shall be

integrated as follows:

(a) for Costa Rica by representatives of the Ministry of Foreign Trade, or its successors; and

(b) for United Arab Emirates by representatives of the Ministry of Economy, or its successors.

ANNEX 9E. FINANCIAL SERVICES

1. Scope and Definition

(a) 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 Article 9.1 (Definitions).

(b) For the purposes of subparagraph 2(b) of Article 9.2 (Scope and Coverage), "services supplied in the exercise of governmental authority" means the following:

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

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

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

(c) For the purposes of subparagraph 2(b) of Article 9.2 (Scope and Coverage), if a Party allows any of the activities referred to in subparagraphs (b)(ii) or (b)(iii) of this paragraph to be conducted by its financial service suppliers in competition with a public entity or a financial service supplier, "services" shall include such activities.

(d) A service supplied in the exercise of governmental authority as defined in Article 9.1 (Definitions) shall not apply to services covered by this Annex.

2. Domestic Regulation

(a) Notwithstanding any other provisions of Chapter 9 (Trade in Services), 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, or to ensure the integrity and stability of the financial system. Where such measures do not conform with the provisions of Chapter 9 (Trade in Services), they shall not be used as a means of avoiding the Party's commitments or obligations under Chapter 9 (Trade in Services).

(b) Nothing in Chapter 9 (Trade in Services) 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.

3. Recognition

(a) A Party may recognize 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 harmonization or otherwise, may be based upon an agreement or arrangement with the country concerned or may be accorded autonomously.

(b) 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 Party 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.

4. 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.

5. 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;

(F) transferable securities;

(G) 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.

Chapter 10. DIGITAL TRADE

Article 10.1. Definitions

For the purposes of this Chapter:

APIs means Application Programming Interfaces;

authentication means the process or act of verifying the identity of a party to an electronic communication or transaction and ensuring the integrity of an electronic communication;

carrier medium means any physical object capable of storing the digital codes that form a digital product by any method now known or later developed, and from which a digital product can be perceived, reproduced, or communicated, directly or indirectly, and includes an optical medium, a floppy disk, and a magnetic tape;

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

(a) charge equivalent to an internal tax imposed consistently with paragraph 2 of Article III of the GATT 1994;

(b) fee or other charge in connection with the importation commensurate with the cost of services rendered; or

(c) antidumping or countervailing duty;

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; (1)(2)

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

(2) 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.

digital signature means data in digital or electronic form that is in, affixed to, or logically or cryptographically associated with, a digital or electronic document, and that may be used to identify or verify the signatory in relation to the digital or electronic document and indicate the signatory's approval of the information contained in the digital or electronic document, and legally binding the author to the digital or electronic document;

electronic transmission or transmitted electronically means a transmission made using any electromagnetic means, including by photonic means;

open data means non-proprietary information, including data, made freely available to the public by the central level of government;

personal data means any information, including data, about an identified or identifiable natural person;

trade administration documents means forms issued or controlled by a Party that must be completed by or for an importer or exporter in connection with the import or export of goods; and

unsolicited commercial electronic message means an electronic message which is sent for commercial or marketing purposes, 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.

Article 10.2. 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 promoting consumer confidence in digital trade, and the applicability of the WTO Agreement to measures affecting digital trade.

2. The Parties seek to 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.

Article 10.3. General Provisions

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:

(a) to government procurement; and

(b) except for Article 10.14, to 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 using electronic means are subject to the relevant provisions of Chapter 8 (Investment) and Chapter 9 (Trade in Services) and including any exceptions or limitations set out in this Agreement that are applicable to such provisions.

4. For greater certainty, nothing in this Chapter shall be construed to prevent a Party from imposing internal taxes, directly or indirectly, on digital products, provided they are imposed in a manner consistent with this Agreement.

Article 10.4. Customs Duties

1. No Party shall impose customs duties, fees, or other charges on or in connection with the importation or exportation of digital products by electronic transmission, between a person of a Party and a person of the other Party.

2. For the purposes of determining applicable customs duties, each Party shall determine the customs value of an imported carrier medium bearing a digital product based on the cost or value of the carrier medium alone, without regard to the cost or value of the digital product stored on the carrier medium.

Article 10.5. Non-Discriminatory Treatment of Digital Products

1. A Party shall not accord less favourable treatment to some digital products transmitted electronically than it accords to other like digital products transmitted electronically:

(a) on the basis that:

(i) the digital products receiving less favourable treatment are created, produced, published, stored, transmitted, contracted for, commissioned, or first made available on commercial terms, in the territory of the other Party; or

(ii) the author, performer, producer, developer, or distributor of such digital products is a person of the other Party; or

(b) so as otherwise to afford protection to the other like digital products that are created, produced, published, stored, transmitted, contracted for, commissioned, or first made available on commercial terms, in its territory.

2. A Party shall not accord less favourable treatment to digital products transmitted electronically:

(a) that are created, produced, published, stored, transmitted, contracted for, commissioned, or first made available on commercial terms, in the territory of the other Party than it accords to like digital products transmitted electronically that are created, produced, published, contracted for, commissioned, or first made available on commercial terms in the territory of a non-Party; or

(b) whose author, performer, producer, developer, or distributor of such digital products is a person of the other Party than it accords to like digital products transmitted electronically whose author, performer, producer, developer, or distributor of such digital products transmitted electronically is a person of a non-Party.

3. Paragraphs 1 and 2 of this Article are subject to the relevant exceptions, limitations or reservations set out in this Agreement or its Annexes, if any.

4. This Article shall not apply to broadcasting.

Article 10.6. Domestic Electronic Transactions Framework

1. Each Party shall endeavour to 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 November 23, 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, including in relation to trade documentation.

Article 10.7. Authentication and Digital Signature

1. Except in circumstances otherwise provided for under its law, a Party shall not deny the legal validity of a signature solely on the basis that the signature is in digital form.

2. Neither Party shall adopt or maintain measures regarding authentication that would:

(a) prohibit parties to an electronic transaction from mutually determining the appropriate authentication methods for that transaction; or

(b) prevent parties to an electronic transaction from having the opportunity to establish before judicial or administrative authorities that their transaction complies with any legal requirements with respect to authentication.

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

4. The Parties shall encourage the use of interoperable digital signatures.

Article 10.8. Paperless Trading

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.

Article 10.9. 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 laws or regulations to proscribe misleading, deceptive, and fraudulent conducts that cause harm or potential harm to consumers engaged in online commercial activities.

3. The Parties recognise the importance of cooperation between their respective national consumer protection agencies on activities related to cross-border electronic commerce in order to enhance consumer welfare.

Article 10.10. Personal Data Protection

1. The Parties recognise the benefits of adopting or maintaining legislation for the protection of personal data of the users of digital trade and the contribution that this makes to enhancing consumer confidence in digital trade.

2. To this end, each Party shall adopt or maintain a legal framework that provides for the protection of the personal data of the users of digital trade. In the development of any legal framework for the protection of personal data, each Party should endeavour to take into account principles and guidelines of relevant international organisations.

Article 10.11. Principles on Access to and Use of the Internet for Digital Trade

To support the development and growth of digital trade and subject to applicable policies, laws and regulations, each Party recognizes that consumers in its territory should be able to:

(a) access and use services and applications of their choice, available on the Internet, subject to reasonable network management; (3) and

(3) The Parties recognize that an Internet access service provider that offers its subscribers certain content on an exclusive basis would not be acting contrary to this principle.

(b) connect the devices of their choice to the Internet, provided that such devices do not harm the network.

Article 10.12. 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 endeavour to cooperate in appropriate cases of mutual concern regarding the regulation of unsolicited commercial electronic messages.

Article 10.13. Cross-Border Flow of Information

1. The Parties recognize that each Party may have its own regulatory requirements concerning the transfer of information by electronic means.

2. Recognizing the importance of the free flow of information in facilitating trade, and acknowledging the importance of protecting personal data, the Parties shall endeavour to refrain from imposing or maintaining unnecessary barriers to electronic information flows across borders.

Article 10.14. Open Government Data

1. The Parties recognise that facilitating public access to and use of government information available to the public may foster economic and social benefits, competitiveness and innovation.

2. To the extent that a Party chooses to make government information, including data, available to the public, it shall endeavour to ensure, to the extent practicable, that the information is made available in a:

(a) machine readable and open format that allows it to be searched and tetrieved; and

(b) spatially enabled format with reliable, easy to use and freely available APIs and is regularly updated.

3. The Parties shall endeavour to cooperate to identify ways in which each Party can expand access to and use of open data, with a view to enhancing and generating business and research opportunities, especially for small and medium-sized enterprises.

Article 10.15. Cooperation

1. The Parties recognize the importance of cooperation mechanisms on issues arising from electronic commerce, inter alia to address the following:

(a) consumer protection in the field of electronic commerce;

(b) personal data protection;

(c) the treatment of unsolicited commercial electronic messages;

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

(e) the security of electronic commerce;

(f) digital identities;

(g) digital government; and

(h) electronic invoicing.

2. Recognizing the global nature of electronic commerce, the Parties shall strive to actively participate in regional and multilateral forums to promote the development of electronic commerce and to exchange views, as necessary, within the framework of such forums on matters related to electronic commerce.

Chapter 11. GOVERNMENT PROCUREMENT

Article 11.1. Definitions

For the purposes of this Chapter:

construction service means a service that has as its objective the realization by whatever means of civil or building works, based on Division 51 of the United Nations Provisional Central Product Classification (CPC);

goods or services means goods or services that a procuring entity needs to carry out its business;

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;

limited tendering means a procurement method whereby the procuring entity contacts a supplier or suppliers of its choice;

list of suppliers 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;

measure means any law, regulation, policy, procedure, administrative guidance or practice, or any action of a procuring entity relating to a procurement;

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;

open tendering means a procurement method whereby a procuring entity announces to all interested qualified suppliers to submit a tender, thereby providing equal opportunities for all suppliers interested in submitting their bids;

procurement means the purchase by a procuring entity of goods or services. The procurement process is a sequence of activities undertaken by a procuring entity to obtain the required goods or services;

procuring entity Means an entity listed by a Party in Annex 11A (Government Procurement Coverage);

publish means to disseminate information through paper or electronic means that is distributed widely and is readily accessible to the general public;

qualified supplier means a supplier that a procuring entity recognizes as having satisfied the conditions for participation;

services any service that has been specified by the procurement entity;

supplier means a person or group of persons that provides or could provide a good or service to a procuring entity; and

technical specification means a tendering requirement that:

(a) sets out the characteristics of:

(i) goods to be procured, including quality, performance, safety, and dimensions, or the processes and methods for their production, or

(ii) services to be procured, or the processes or methods for their provision or

(b) addresses terminology, symbols, packaging, marking, or labelling requirements, as they apply to a good or service.

Article 11.2. General

The Parties recognize the importance of government procurement in trade relations and set as their objective the effective, reciprocal, and progressive opening of their government procurement markets. The Parties will endeavour to cooperate bilaterally on procurement matters.

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:

(a) of a good, service or any combination thereof;

(b) by any contractual means, including: purchase; rental or lease, with or without an option to buy;

(c) by a procuring entity; and

(d) for which the value, as estimated in accordance with paragraphs 7 and 8 equals or exceeds the relevant threshold specified by each Party in Annex 11A (Government Procurement Coverage) at the time of publication of a notice;

(e) that is not otherwise excluded from coverage by this Chapter; and subject to the conditions specified in Annex 11A (Government Procurement Coverage); and

(f) not procured with a view to commercial sale or resale, or for use in the production or supply of goods or services for commercial sale or resale.

Activities Not Covered

3. 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 and fiscal incentives;

(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; For greater certainty, this Chapter shall not apply to procurement of banking, financial, fiduciary, or specialised services related to the following activities:

(i) the incurring of public indebtedness; or

(ii) public debt management.

(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. If the procedures or conditions of the international organisation or donor do not restrict the participation of suppliers then the procurement shall be subject to Article 11.5.1;

(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;

(f) procurement of goods and services for specific contracts. Compliance

4. Each Party shall ensure that its procuring entities comply with this Chapter in conducting procurements.

5. No procuring entity shall prepare or design a procurement, or otherwise structure or divide a procurement into separate

procurements in any stage of the procurement, in order to avoid the obligations of this Chapter.

6. Nothing in this Chapter shall be construed to prevent a Party, including its procuring entities, from developing new procurement policies, procedures or contractual means, provided that they are not inconsistent with this Chapter.

7. In estimating the value of a procurement for the purposes of ascertaining whether it is a covered procurement, a procuring entity shall:

(a) neither divide a procurement into separate procurements nor use a particular valuation method for estimating the value of a procurement with the intention of totally or partially excluding it from the application of this Chapter;

(b) taking into account all forms of remuneration, including premiums, fees, commissions and interest.

8. Where the estimated maximum total value of a procurement over its entire duration is not known, the procurement shall be covered by this Chapter.

Article 11.4. Exceptions

1. Subject to the requirement that the measure is not applied in a manner that would constitute a means of arbitrary or unjustifiable discrimination between 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 or not-for-profit institutions, or of prison labour.

2. The Parties understand that subparagraph (b) includes environmental measures necessary to protect human, animal, or plant life or health.

Article 11.5. General Principles

National Treatment and Non-Discrimination

1. With respect to any measure regarding covered procurement without prejudice of the notes in Sections A (Central Government Entities), B (Other Covered Entities), C (Services) and Section D (General Notes) of Annex 11A (Government Procurement Coverage) each Party, including its procuring entities, shall accord immediately and unconditionally to the goods and services of the other Party and to the suppliers of the other Party, treatment no less favourable than the treatment that the Party, including its procuring entities, accords to domestic goods, services, and suppliers.

2. With respect to any measure regarding covered procurement, each Party, including its procuring entities, without prejudice of the notes in Sections A (Central Government Entities), B (Other Covered Entities), C (Services) and Section D (General Notes) of Annex 11A (Government Procurement Coverage) shall not:

(a) treat a locally established supplier less favourably than another locally established supplier on the basis of the degree of foreign affiliation to or ownership by, a person of the other Party; or

(b) discriminate against a locally established supplier on the basis that the good or service offered by that supplier for a particular procurement is a good or service of the other Party.

Procurement Methods

1. A procuring entity shall use an open tendering procedure for procurement unless Article 11.9 or Article 11.10 applies.

Rules of Origin

1. For the purposes of procurement, a Party shall not apply rules of origin to goods or services imported from or supplied from the other Party that are different from the rules of origin the Party applies at the same time in the normal course of trade to imports or supplies of the same goods or services from the same Party.

Measures Not Specific to Procurement

2. Paragraphs 1 and 2 shall not apply to customs duties and charges of any kind imposed on or in connection with importation, the method of levying such duties and charges, other import regulations or formalities, and measures affecting trade in services other than measures governing procurement.

Use of Electronic Means

3. The Parties shall seek to provide opportunities for procurement to be undertaken through electronic means, including for the publication of procurement information, notices, and tender documentation, and for the receipt of tenders, generally, the full cycle of procure to pay.

4. When conducting procurement by electronic means, a procuring entity shall:

(a) ensure that the procurement is conducted using Procurement System, information technology systems, and software, including those related to authentication and encryption of information, that are generally available and interoperable with other generally available Procurement System, 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.

Article 11.6. Publication of Procurement Information

1. Each Party shall promptly publish any measure of general application relating to procurement, and any change or addition to this information.

2. Each Party shall list the paper or electronic means through which the Party publishes the information described in paragraph 1 and the notices required by Article 11.7, Article 11.9.3, and Article 11.16.3.

3. Each Party shall, on request, respond to inquiries relating to the information referred to in paragraph 1.

Article 11.7. Notices of Intended Procurement

1. For each procurement, except in the circumstances described in Article 11.10, a procuring entity shall publish a notice of intended procurement through the appropriate paper or electronic means. 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.

2. The notices shall, if accessible by electronic means, be provided free of charge for covered procuring entities through a single point of access.

3. 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;

(h) if, pursuant to Article 11.9, 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; and

(i) an indication that the procurement is covered by this Chapter.

4. For greater certainty, paragraph 3 does not preclude a Party from charging a fee for tender documentation if the notice of intended procurement includes all of the information set out in paragraph 3.

Notice of Planned Procurement

5. Procuring entities 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 date of publication of the notice of intended procurement.

Article 11.8. Conditions for Participation

1. A procuring entity shall limit any conditions for participation in a 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, unless this condition is objectively justifiable and linked to the subject matter of the procurement; and

(b) may require relevant prior experience if essential to meet the requirements of the procurement.

3. In assessing whether a supplier satisfies the conditions for participation, a procuring entity shall:

(a) evaluate the financial capacity, the commercial and technical abilities of a supplier on the basis of that supplier's business activities both inside and outside the territory of the Party of the procuring entity (1); and

(1) For greater certainty, it is the responsibility of the supplier to provide accurate information, and the procuring entity may reasonably rely on information provided to it by the supplier.

(b) base its evaluation solely on the conditions that the procuring entity has specified in advance in notices or tender documentation.

4. If there is supporting evidence, a Party, including its procuring entities, may exclude a supplier on grounds such as:

(a) bankruptcy or insolvency;

(b) false declarations;

(c) significant or persistent deficiencies in the performance of any substantive requirement or obligation under a prior contract or contracts;

(d) final judgments in respect of serious crimes or other serious offences;

(e) professional misconduct or actions or omissions that adversely reflect on the commercial integrity of the supplier; or

(f) failure to pay taxes.

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 procurement; and

(b) include in the notice of intended procurement the information specified in Article 11.7.3. (a), (b), (d), (g), (h), and (i).

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 Article 11.7.3. (c), (e), and (f) to the qualified suppliers that it notifies as specified in Article 11.14.2; 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 3, the procuring entity shall ensure that the tender documentation is made available at the same time to all the qualified suppliers selected.

List of Suppliers

5. A Party, including its procuring entities, may establish or maintain a 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 supplierâs 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;

(e) the deadline for submission of applications for inclusion on the list, if applicable; and

(f) an indication that the list may be used for procurement covered by this Chapter, unless that indication is publicly available through information published pursuant to Article 11.6.2.

6. A Party, including its procuring entities, that establishes or maintains a 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 list submits a request for participation in a procurement based on the list and submits all required documents, within the time period provided for in Article 11.14.2, 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.

Information on Procuring Entity Decisions

8. A procuring entity or other entity of a Party shall promptly inform any supplier that submits a request for participation in a procurement or application for inclusion on a list of the decision with respect to the request or application.

9. If a procuring entity or other entity of a Party rejects a supplier's request for participation or application for inclusion on a list, ceases to recognize a supplier as qualified, or removes a supplier from a list, the entity shall promptly inform the supplier and on request of the supplier, promptly provide the supplier with a written explanation of the reason for its decision.

Article 11.10. Limited Tendering

1. Subject to paragraph 2, a procuring entity may use limited tendering.

2. If a procuring entity uses limited tendering, it may choose, according to the nature of the procurement, not to apply Article 11.7, Article 11.8, Article 11.9, Article 11.11, Article 11.12, Article 11.13, Article 11.14, or Article 11.15. A procuring entity may use limited tendering taking into consideration the following circumstances:

(a) if, inresponse 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 authorized agents, of goods or services that were not included in the initial procurement if a change of supplier for such additional goods or services:

(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 goods or services, however, shall be subject to this Chapter;

(f) if additional services 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 services 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.

3. 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 procurement if:

(a) the procuring entity has indicated its intent to conduct negotiations in the notice of intended procurement required under Article 11.7;

(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 purpose or effect of creating an unnecessary obstacle to trade between the Parties

2. In prescribing the technical specifications for the good or service being procured, a procuring entity shall, if appropriate:

(a) set out the technical specifications in terms of performance and functional requirements, rather than design or descriptive characteristics; and

(b) base the technical specifications on international standards, if these exist; otherwise, on national technical regulations, recognized national standards or building codes.

3. A procuring entity shall not prescribe technical specifications 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.

4. A procuring entity shall not seek or accept, in a manner that would have the effect of precluding competition, advice that may be used in the preparation or adoption of any technical specification for a specific procurement from a person that may have a commercial interest in the procurement.

5. For greater certainty, a procuring entity may conduct market research in developing specifications for a particular procurement.

6. For greater certainty, this Article is not intended to preclude a procuring entity from preparing, adopting, or applying technical specifications to promote the conservation of natural resources or the protection of the environment.

7. For greater certainty, this Chapter is not intended to preclude a Party, or its procuring entities, from preparing, adopting, or applying technical specifications required to protect sensitive government information, including specifications 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.

2. 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 certification, plans, drawings, or instructional materials;

(b) any conditions for participation, including any financial guarantees, information, and documents that suppliers are required to submit;

(c) all criteria to be considered in the awarding of the contract and the relative importance of those criteria;

(d) if there will be a public opening of tenders, the date, time, and place for the opening;

(e) any other terms or conditions relevant to the evaluation of tender; and

(f) any date for delivery of a good or supply of a service.

3. To the extent possible an entity should make relevant tender documentation publicly available through electronic means or a computer-based telecommunications network openly accessible to all suppliers.

4. In establishing any date for the delivery of a good or the supply of a service being procured, a procuring entity shall take into account factors such as the complexity of the procurement.

5. A procuring entity shall promptly reply to any reasonable request for relevant information by an interested or participating supplier, provided that the information does not give that supplier an advantage over other suppliers.

Modifications

6. If, prior to the award of a contract, a procuring entity modifies the evaluation criteria or requirements set out in a notice of intended procurement or tender documentation provided to participating suppliers, 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) inadequate time to allow those suppliers to modify and re-submit their initial tender, if appropriate.

Article 11.14. Time Periods

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 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) whether tenders can be received by electronic means.

2. The time periods for procurement in each Party shall be in accordance with Section I of Annex 11A (Government Procurement Coverage).

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 between the opening

of tenders and the awarding of the contract, 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 requirements 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.

8. A procuring entity shall not use options, cancel a procurement, or modify or terminate awarded contracts in order to avoid the obligations of this Chapter, unless the procuring entity gives justifications.

Article 11.16. Transparency and Post-Award Information

Information Provided to Suppliers

1. A procuring entity shall promptly inform suppliers that have submitted a tender of the contract award decision. The procuring entity may do so in writing, or through the prompt publication of the notice in paragraph, provided that the notice includes the date of award. If a supplier has requested the information in writing, the procuring entity shall provide it in writing.

2. Subject to Article 11.17, 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 if the supplier requested.

Maintenance of Records

3. A procuring entity shall maintain the documentation, records and reports relating to tendering procedures and contract awards for procurement, including the records and reports provided for in Article 11.10.

Article 11.17. Disclosure of Information

Provision of Information to Parties

1. On request of the other Party, a Party may exchange information to demonstrate whether a procurement was conducted in accordance with this Chapter.

Non-Disclosure of Information

2. Notwithstanding any other provision of this Chapter, a Party, including its procuring entities, shall not, except to the extent required by law or with the written authorization 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. Ensuring Integrity In Procurement Practices

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. Domestic Review

1. Each Party shall maintain, establish, or designate at least one impartial administrative or judicial authority (review authority) that is independent of its procuring entities to review, in a non-discriminatory, timely, transparent, and effective manner, a challenge or complaint (complaint) by a supplier that there has been:

(a) a breach of this Chapter; or

(b) if the supplier does not have a right to directly challenge a breach of this Chapter under the law of a Party, a failure of a procuring entity to comply with the Party's measures implementing this Chapter, arising in the context of a procurement, in which the supplier has, or had, an interest. The procedural rules for these complaints shall be in writing and made generally available.

2. In the event of a complaint by a supplier, arising in the context of procurement in which the supplier has, or had, an interest, that there has been a breach or a failure as referred to in paragraph 1, the Party of the procuring entity conducting the procurement shall encourage, if appropriate, the procuring entity and the supplier to seek resolution of the complaint through consultations. The procuring entity shall accord impartial and timely consideration to the complaint in a manner that is not prejudicial to the supplier's participation in ongoing or future procurement or to its right to seek corrective measures under the administrative or judicial review procedure. Each Party shall make information on its complaint mechanisms generally available.

3. If a body other than the review authority initially reviews a complaint, a Party shall ensure that the supplier may appeal the initial decision to the review authority that is independent of the procuring entity that is the subject of the complaint.

4. If the review authority has determined that there has been a breach or a failure as referred to in paragraph 1, a Party may limit compensation for the loss or damages suffered to either the costs reasonably incurred in the preparation of the tender or in bringing the complaint, or both.

5. Each Party shall ensure that, if the review authority is not a court, its review procedures are conducted in accordance with the following procedures:

(a) a supplier shall be allowed sufficient time to prepare and submit a complaint in writing, based on laws and regulations of both parties from the time when the basis of the complaint became known or reasonably should have become known to the supplier;

(b) a procuring entity shall respond in writing to a supplierâs complaint and provide all relevant documents to the review authority;

(c) a supplier that initiates a complaint shall be provided an opportunity to reply to the procuring entity's response before the review authority takes a decision on the complaint; and

(d) the review authority shall provide its decision on a supplier's complaint in a timely manner, in writing, with an explanation of the basis for the decision.

6. Each Party shall adopt or maintain procedures that provide for:

(a) prompt interim measures, pending the resolution of a complaint, to preserve the supplier's opportunity to participate in the procurement and to ensure that the procuring entities of the Party comply with its measures implementing this Chapter; and

(b) corrective action that may include compensation under paragraph 4.

The procedures may provide that overriding adverse consequences for the interests concerned, including the public interest, may be taken into account when deciding whether those measures should be applied. Just cause for not acting shall be provided in writing.

Article 11.20. Facilitation of Participation by SMEs

1. The Parties recognize the important contribution that SMEs can make to economic growth and employment and the importance of facilitating and promoting 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 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 11.21. 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 their role in this Chapter.

Article 11.22. Language

To improve market access to each Partyâs procurement market, each Party shall, where possible, use English in its publication of materials or information pursuant to Article 11.6.

Article 11.23. Annex

The following annex forms an integral part of this Chapter:

(a) Annex 11A (Government Procurement Coverage).

Chapter 12. INTELLECTUAL PROPERTY

Section A. General Provisions

Article 12.1. Definition

For the purposes of this Chapter:

intellectual property embodies:

(a) copyright, including copyright in computer programs and in databases, and related rights;

(b) patents and utility models;

(c) trademarks;

(d) industrial designs;

(e) layout-designs (topographies) of integrated circuits;

(f) geographical indications;

(g) plant varieties; and

(h) protection of undisclosed information.

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 agreements listed in Article 12.5 or the TRIPS Agreement.

Article 12.2. Objectives

The protection and enforcement of intellectual property rights should contribute to the promotion of trade, investment, technological innovation and creativity by providing certainty for the right holders and users of intellectual property rights and facilitating the enforcement of intellectual property rights to the transfer and dissemination of technology, to the mutual advantage of producers and users of technological knowledge in a manner conducive to social and economic welfare, and to maintain a balance of rights and obligations between the legitimate interest of the right holders and the public at large.

Article 12.3. Principles

Nothing in this Chapter shall prevent a Party from adopting appropriate measures to prevent the abuse of intellectual property rights by right holders or the resort to practices that unreasonably restrain trade or adversely affect the international transfer of technology provided that such measures are consistent with this Agreement.

Article 12.4. Nature and Scope of Obligations

Each Party shall give effect to the provisions of this Chapter. A 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 12.5. International Agreements

1. The Parties reaffirm their rights and obligations with respect to each other under the TRIPS Agreement and any other agreements relating to intellectual property to which they are parties. To this end, nothing in this Chapter shall derogate from the existing rights and obligations that Parties have to each other under the TRIPS Agreement or the following multilateral agreements:

(a) Patent Cooperation Treaty of 19 June 1970, as revised by the Washington Act of 2001;

(b) Paris Convention of 20 March 1883 for the Protection of Industrial Property, as revised by the Stockholm Act of 1967;

(c) Berne Convention of 9 September 1886 for the Protection of Literary and Artistic Works, as revised by the Paris Act of 1971;

(d) WIPO Performances and Phonogram Treaty of 20 December 1996 (WPPT);

(e) International Rome Convention of 26 October 1961 for the Protection of Performers, Producers of Phonograms and Broadcasting Organizations;

(f) WIPO Copyright Treaty of 20 December 1996 (WCT);

(g) Budapest Treaty of 28 April 1977 on the International Recognition of the Deposit of Microorganisms for the Purposes of Patent Procedure; and

(i) Marrakesh Treaty to Facilitate Access to Published Works for Persons Who Are Blind, Visually Impaired or Otherwise Print Disabled.

2. Each Party shall endeavour to ratify or accede to each of the following agreements, if itis not already a party to that agreement:

(a) International Convention for the Protection of New Varieties of Plants (UPOV) 1991.

(b) Madrid Protocol of 27 June 1989 relating to the Madrid Agreement concerning the International Registration of Marks; and

(c) Beijing Treaty for Audiovisual Performances.

Article 12.6. Intellectual Property and Public Health

1. A Party may, in formulating or amending its laws and regulations, adopt measures necessary to protect public health and nutrition, and make use of exceptions and flexibilities to promote the public interest in sectors of vital importance to their socio-economic and technological development, provided that such measures are consistent with the provisions of this Chapter.

2. The Parties recognise the principles established in the Declaration on the TRIPS Agreement and Public Health adopted on 14 November 2001 (hereinafter referred to as the "Doha Declaration") by the Ministerial Conference of the WTO and confirm that the provisions of this Chapter are without prejudice to the Doha Declaration.

Article 12.7. National Treatment

1. In respect of all categories of intellectual property covered in this Chapter, each Party shall accord to nationals of another Party treatment no less favourable than it accords to its own nationals with regard to the protection of intellectual property rights in accordance with Article 3(1) of TRIPS.

2. A Party may derogate from paragraph 1 in relation to its judicial and administrative procedures, including requiring a national of another 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.

3. 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.

Article 12.8. Transparency

1. Each Party shall endeavour, subject to its legal system and practice, to make information concerning application and registration of trademarks, geographical indications, industrial designs, patents and plant variety rights accessible for the general public.

2. The Parties also acknowledge the importance of informational materials, such as publicly accessible databases of registered intellectual property rights that assist in the identification of subject matter that has fallen into the public domain.

3. Each Party might make its best effort availing such information in English language.

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 without unreasonably impairing the fair interest of the third parties.

2. Unless provided 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.

Article 12.10. Exhaustion of Intellectual Property Rights

Without prejudice to any provisions addressing the exhaustion of intellectual property rights in international agreements to which a Party is a member, 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.

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 appropriate

coordination, training, and exchange of information between the respective intellectual property offices of the Parties, or other institutions, as determined by each Party. 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 upon between the Parties. Cooperation may cover areas such as:

(a) developments in domestic and international intellectual property policy; patent examination quality and efficiency;

(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;

(iii) the generation, transfer and dissemination of technology; and (iv) empowering women and youth;

(f) policies involving the use of intellectual property for research, innovation and economic growth;

(g) implementation of multilateral intellectual property agreements, such as those concluded or administered under the auspices of WIPO;

(h) capacity-building;

(i) enforcement of intellectual property rights; and

(j) other activities and initiatives as may be mutually determined between the Parties.

Section C. Trademarks

Article 12.12. Types of Signs Registrable as Trademarks

1. The Parties shall grant adequate and effective protection to trademark right holders of goods and services.

2. Each Party shall provide that trademarks shall include collective, certification, and sound marks, and may include scent marks.

3. Each Party shall provide that the owner of a registered trademark shall have the exclusive right to prevent all third parties not having the owner's consent from using in the course of trade identical or similar signs goods or services that are identical or similar 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. The rights described above shall not prejudice any existing prior rights, nor shall they affect the possibility of Parties making rights available on the basis of use.

4. A Party may require a concise and accurate description, or graphical representation, or both, as applicable, of the trademark.

Article 12.13. 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. The rights described above shall not prejudice any existing prior rights, nor shall they affect the possibility of Parties making rights available on the basis of use.

Article 12.14. 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.

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, (1) 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 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 (2), for identical or similar goods or services, if the use of that trademark is likely to cause confusion or to mislead or to deceive or risk associating the trademark with the prior well-known trademark or constitutes unfair exploitation of the reputation of the well-known trademark. A Party may also provide such measures including in cases in which the subsequent trademark is likely to deceive.

(1) 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.

(2) 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. Registration and Examination of Trademarks

Each Party shall provide a system for the examination and registration of trademarks which includes among other things:

(a) communicating to the applicant in writing, which may be by electronic means, the reasons for any refusal to register a trademark;

(b) providing the applicant with an opportunity to respond to communications from the competent authorities, to contest any initial refusal, and to make a judicial appeal of any final refusal to register a trademark;

(c) providing an opportunity to oppose the registration of a trademark or to seck cancellation of a trademark; and

(d) requiring administrative decisions in opposition and cancellation proceedings to be reasoned and in writing, which may be provided by electronic means.

Article 12.17. Electronic Trademarks System

Each Party shall provide:

(a) a system for the electronic application for, and maintenance of, trademarks; and

(b) a publicly available electronic information system, including an online database, of trademark applications and of registered trademarks.

Article 12.18. Classification of Goods and Services

Each Party shall adopt or 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, June 15, 1957, as revised and amended (Nice Classification). Each Party shall provide that:

(a) registrations and the publications of applications indicate the goods and services by their names, grouped according to the classes established by the Nice Classification; (3) and

(b) goods or services may not be considered as being similar to each other on the ground that, in any registration or publication, they are classified in the same class of the Nice Classification. Conversely, each Party shall provide that goods or services may not be considered as being dissimilar from each other on the ground that, in any registration or publication, they are classified in different classes of the Nice Classification.

(3) A Party that relies on translations of the Nice Classification shall follow updated versions of the Nice Classification to the extent that official translations have been issued and published.

Article 12.19. 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 12.20. Non-Recordal of a License

No Party shall require recordal of trademark licenses:

(a) to establish the validity of the license; or

(b) as a condition for use of a trademark by a licensee to be deemed to constitute use by the holder in a proceeding that relates to the acquisition, maintenance or enforcement of trademarks.

Article 12.21. Domain Names

In connection with each Party's system for the management of its country-code Top-Level Domain (ccTLD) domain names, the following shall be available:

(a) an appropriate procedure for the settlement of disputes, based on, or modelled along the same lines as, the principles established in the Uniform Domain- Name Dispute-Resolution Policy, as approved by the Internet Corporation for Assigned Names and Numbers (ICANN) or that:

(i) is designed to resolve disputes expeditiously and at low cost;

(ii) is fair and equitable;

(iii) is not overly burdensome; and

(iv) does not preclude resort to judicial proceedings; and

(b) online public access to a reliable and accurate database of contact information concerning domain name registrants, in accordance with each Party's law and,

if applicable, relevant administrator policies regarding the protection of privacy and personal data.

Section D. Country Names

Article 12.22. 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 12.23. Protection of Geographical Indications (4)

(4) For greater certainty, protection of Geographical Indications collectively means protection by registration or recognition.

1. Geographical indication means an indication that identifies a good 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 the good is essentially attributable to its geographical origin.

2. The Parties reaffirm that geographical indications may be protected through a trademark or sui generis system or other legal means.

3. Geographical indications, within the meaning of paragraph 1 of Article 22 of the TRIPS Agreement, protected in the United

Arabs Emirates, will be protected as geographical indications in the territory of Costa Rica, once they have followed domestic registration procedures.

4. Geographical indications, within the meaning of paragraph 1 of Article 22 of the TRIPS Agreement, protected in Costa Rica, will be protected as geographical indications in the territory of United Arabs Emirates, once they have followed domestic registration procedures.

Article 12.24. Administrative Procedures for the Protection of Geographical Indications

Parties shall provide administrative procedures for the registration or recognition of geographical indications through a trademark or a sui generis system. The Parties shall, with respect to applications for that registration or requests for the recognition, ensure that its laws and regulations governing the filing of those applications or requests are readily available to the public and clearly set out the procedures for these actions.

Article 12.25. Date of Protection of a Geographical Indication

If a Party grants protection to a geographical indication, the protection shall commence no earlier than the filing date (5) or the registration date in either of Parties according to the national laws and regulations of each Party.

(5) For greater certainty, the filing date referred to in this Article includes, as applicable, the priority filing date under the Paris Convention.

Section F. Patent and Industrial Design

Article 12.26. Patentable Subject Matter

1. Each Party shall make patents available for any invention, whether a product or process, in all fields of technology, provided that they are new, involve an inventive step, and are capable of industrial application. The Parties may exclude from patentability inventions, the prevention within its territory of the commercial exploitation of which is necessary to protect ordre public or morality, including to protect human, animal or plant life or health or to avoid serious prejudice to the environment, provided that such exclusion is not made merely because the exploitation is prohibited by its law.

2. The Parties may also exclude from patentability:

(a) diagnostic, therapeutic, and surgical methods for the treatment of humans or animals; and

(b) plants and animals other than micro-organisms, and essentially biological processes for the production of plants or animals other than non-biological and microbiological processes.

Article 12.27. Grace Period

1. Each Party shall disregard information contained in public disclosure of an invention related to an application to register a patent (6) if the public disclosure:

(6) For greater certainty, patent may include utility model in accordance with the respective national law and regulations.

(a) was made by the inventor, applicant or a person that obtained the information from the inventor or applicant inside or outside the territory of each Party; and

(b) occurred within at least 12 months prior to the date of filing of the application or priority date as applicable.

2. Each Party shall disregard information contained in public disclosure of a design related to an application to register an industrial design if the public disclosure:

(a) was made by the designer, applicant or a person that obtained the information from the designer or applicant inside or outside the territory of each Party; and

(b) occurred within at least 12 months prior to the date of filing of the application or priority date as applicable.

Article 12.28. Procedural Aspects of Examination, Opposition and Invalidation of

Certain Registered Patent and Industrial Design

Each Party shall provide a system for the examination and registration of patents or industrial designs which includes among other things:

(a) communicating to the applicant in writing, which may be by electronic means, the reasons for any refusal to register patent or industrial design;

(b) providing the applicant with an opportunity to respond to communications from the competent authorities, to contest any initial refusal, and to make a judicial appeal of any final refusal to register patent or industrial design;

(c) providing an opportunity for interested parties to seek cancellation or invalidation of a registered patent or industrial design, and in addition may provide an opportunity for interested parties to oppose the registration of patent or industrial design; and

(d) making decisions in opposition, cancellation, or invalidation proceedings to be reasoned and in writing, which may be delivered by electronic means.

Article 12.29. Amendments, Corrections, and Observations

1. Each Party shall provide an applicant for patent or industrial design with at least one opportunity to make amendments, corrections or observations in connection with its application.

2. Each Party shall provide a right holder of patent or industrial design with opportunities to make amendments or corrections after registration provided that such amendments or corrections do not change or expand the scope of the patent or industrial design right as a whole. (7)

(7) It is understood that an amendment or correction does not change or expand the scope of the right where the scope of the patent or industrial design right stays the same as before or is reduced.

Article 12.30. Industrial Design Protection

1. The Parties shall ensure that requirements for securing or enforcing registered industrial design protection do not unreasonably impair the opportunity to obtain or enforce such protection.

2. The duration of protection available for registered industrial designs shall amount to at least 10 years from the date of filing.

Article 12.31. Exceptions

A Party may provide limited exceptions to the exclusive rights conferred by a patent or an industrial design, provided that such exceptions do not unreasonably conflict with a normal exploitation of the patent or an industrial design and do not unreasonably prejudice the legitimate interests of the right holder, taking account of the legitimate interests of third parties.

Section G. Copyright and Related Rights

Article 12.32. Protection Granted (8)

The Parties shall comply with the following Agreements: (8)

(8) This Article applies without prejudice to the reservations that a Party has made under one or more agreements referred to in Article 12.32.

(a) the Berne Convention for the Protection of Literary and Artistic Works (1971) (the Berne Convention);

(b) the International Convention for the Protection of Performers, Producers of Phonograms and Broadcasting Organizations (1961) (the Rome Convention);

(c) the WIPO Copyright Treaty (1996); and

(d) the WIPO Performances and Phonograms Treaty (1996).

Article 12.33. Right of Reproduction

Each Party shall provide that authors, performers, producers of phonograms have the right to authorize or prohibit (9) all reproductions of their works, performances (10), phonograms, and broadcasts in any manner or form, permanent or temporary (including temporary storage in electronic form).

(9) With respect to copyrights and related rights, the "right to authorize or prohibit" for the purposes of this Chapter refers to exclusive rights.

(10) With respect to copyright and related rights, a performance for purposes of this Chapter means a performance fixed in a phonogram unless otherwise specified.

Article 12.34. Right of Distribution

Each Party shall provide to authors, performers, and producers of phonograms the right to authorize or prohibit the making available to the public of the original and copies (11) of their works, performances, and phonograms through sale or other transfer of ownership.

(11) As used in Article 12.34, "copies" and "original and copies", being subject to the right of distribution in this Article, refer exclusively to fixed copies that can be put into circulation as tangible objects.

Article 12.35. Term of Protection for Copyright and Related Rights

Each Party shall provide that in cases in which the term of protection of a work, performance or phonogram is to be calculated:

(a) on the basis of the life of a natural person, the term shall be not less than the life of the author and 50 years after the author's death;

(b) the term of protection to be granted to performers under the Agreement shall last, at least, until the end of a period of 50 years computed from the end of the year in which the performance was fixed;

(c) the term of protection to be granted to producers of phonograms and of videograms under this Agreement shall last, at least, until the end of a period of 50 years computed from the end of the year in which the phonogram and videogram was published or failing such publication within 50 years from fixation of the phonogram and videogram, 50 years from the end of the year in which the fixation was made; and

(d) the term of protection to be granted to broadcasting organizations under this Agreement shall last, at least, until the end of a period of 20 years computed from the end of the year in which the broadcast took place.

Article 12.36. Limitations and Exceptions

1. 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.

2. This Article does not reduce or extend the scope of applicability of the limitations and exceptions permitted by the TRIPS Agreement, the Berne Convention, the WCT or the WPPT.

Article 12.37. Balance In Copyright and Related Rights Systems

Each Party shall endeavour to achieve an appropriate balance in its copyright and related rights system, among other things by means of limitations or exceptions that are consistent with Article 12.36, including those for the digital environment, giving due consideration to legitimate purposes such as, but not limited to: criticism; comment; news reporting; teaching, scholarship, research, and other similar purposes; and facilitating access to published works for persons who are blind, visually impaired or otherwise print disabled. (12) (13)

(12) As recognised by the Marrakesh Treaty to Facilitate Access to Published Works for Persons Who Are Blind, Visually Impaired, or Otherwise Print Disabled, done at Marrakesh, June 27, 2013 (Marrakesh Treaty).

(13) For greater certainty, a use that has commercial aspects may in appropriate circumstances be considered to have a legitimate purpose under Article 12.36.

Article 12.38. Application of Article 18 of the Berne Convention and Article 14.6 of the TRIPS Agreement

Each Party shall apply Article 18 of the Berne Convention and Article 14.6 of the TRIPS Agreement, mutatis mutandis, to the subject matter, rights, and obligations in this Section.

Article 12.39. No Formality

No Party may subject the enjoyment and exercise of the rights of authors, performers and producers of phonograms provided for in this Chapter to any formality.

Article 12.40. Contractual Transfers

Each Party shall provide that for copyright and related rights, any person acquiring or holding any economic right (14) in a work, performance or phonogram:

(14) For greater certainty, this provision does not affect the exercise of moral rights.

(a) may freely and separately transfer that right by contract; and

(b) by virtue of contract, including contracts of employment underlying the creation of works, performances or phonograms, shall be able to exercise that right in that personâs own name and enjoy fully the benefits derived from that right. (15)

(15) Nothing in this Article affects a Party's ability to establish: (i) which specific contracts underlying the creation of works, performances or phonograms shall, in the absence of a written agreement, result in a transfer of economic rights by operation of law; and (ii) reasonable limits to protect the interests of the original right holders, taking into account the legitimate interests of the transferees.

Article 12.41. Obligations Concerning Protection of Technological Measures and Rights Management Information

1. Each Party shall provide adequate and effective legal remedies against any person who knowingly, without authorisation removes or alter any electronic rights management information and/or distribute, import for distribution, broadcast or communicate to the public, without authority, works or copies of works knowing that electronic rights management information has been removed or altered without authority.

2. For the purposes of this Article, the expression "rights management information" means any information provided by a right holder that identifies the work or other subject matter that is the object of protection under this Chapter, the author or any other right holder, or information about the terms and conditions of use of the work or other subject matter, and any numbers or codes that represent such information. Paragraph 1 shall apply when any of these items of information is associated with a copy of, or appears in connection with the communication to the public of, a work or other subject matter that is the object of protection under this Chapter.

Article 12.41. Collective Management

The Parties recognise the role of collective management societies for copyright and related rights in collecting and distributing royalties based on practices that are fair, efficient, transparent and accountable, which may include appropriate record keeping and reporting mechanisms.

Section H. Enforcement

Article 12.42. 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.

Article 12.43. Border Measures

1. Each Party shall, in conformity with its law and regulations and the provisions of Part If, Section 4 of the TRIPS Agreement adopt or maintain procedures to enable a right holder, who has valid grounds for suspecting that the importations of counterfeit trademark or pirated copyright goods may take place, to lodge an application in writing with the competent authorities, in the Party in which the border measure procedures are applied, for the suspension by that Party's customs authorities of the release into free circulation of such goods.

2. A Party may enable such an application to be made in respect of goods which involve other infringements of intellectual property rights, provided that the requirements of Part II, Section 4 of the TRIPS Agreement are met. A Party may also provide for corresponding procedures concerning the suspension by the customs authorities of the release of infringing goods destined for exportation from their territory as per its domestic laws and regulation.

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 (hereinafter referred to as "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 recognize the integral role of the private sector in the SME cooperation to be implemented under this Chapter.

Article 13.2. Cooperation to Increase Trade and Investment Opportunities for SMEs

With a view to more robust cooperation between the Parties to enhance commercial opportunities for SMEs, each Party shall seek to increase trade and investment opportunities, including:

(a) promote cooperation between the Parties' small business support infrastructure, including dedicated SME centers, incubators and accelerators, export assistance centers, and other centers as appropriate, to create an international network for sharing best practices, exchanging market research, and promoting SME participation in international trade, as well as business growth in local markets;

(b) strengthen its collaboration with the other Parties 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) enhance its cooperation with the other Party to exchange information and best practices in areas including improving SME access to capital and credit, SME participation in covered government procurement opportunities, and helping SMEs adapt to changing market conditions; and

(d) encourage participation in purpose-built mobile or web-based platforms, for business entrepreneurs and counselors to share information and best practices to help SMEs link with international suppliers, buyers, and other potential business partners.

Article 13.3. Information Sharing

1. Each Party shall establish or maintain its own free, publicly accessible website containing information regarding this Agreement, including:

(a) the text of this Agreement; a summary of this Agreement; and information designed for SMEs that contains:

(i) a description of the provisions in this Agreement that the Party considers to be relevant to SMEs; and

(ii) any additional information that would be useful for SMEs interested in benefitting from the opportunities provided by this Agreement.

2. Each Party shall include in its website links or information through automated electronic transfer to:

(a) the equivalent websites of the other Party; and

(b) the websites of its own government agencies and other appropriate entities that provide information the Party considers useful to any person interested in trading, investing, or doing business in that Party's territory.

3. Subject to each Party's laws and regulations, the information described in paragraph 2(b) may include:

(a) customs regulations, procedures, or enquiry points;

(b) regulations or procedures concerning intellectual property;

(c) technical regulations, standards, conformity assessment procedures, and sanitary and phytosanitary measures relating to importation and exportation;

(d) foreign investment regulations;

(e) business registration;

(f) trade promotion programs;

(g) competitiveness programs;

(h) SME investment and financing programs;

(i) taxation, accounting;

(j) government procurement opportunities; and

(k) other information which the Party considers to be useful for SMEs.

4. Each Party shall regularly review the information and links on the website referred to in paragraphs 1 and 2 to ensure the information and links are up-to-date and accurate.

5. When possible, each Party shall endeavor to make the information referred to in this Article available in English.

Article 13.4. Subcommittee on SME Issues

1. A Subcommittee on SME Issues (hereinafter referred to as the "Subcommittee") is hereby established, consisting of representatives of each Party. The Subcommittee shall meet, in person or by any other technological means as determined by the Parties, at such times as agreed by the Parties and when they deem it appropriate, to consider matters arising under this Chapter.

2. The Subcommittee may consider any matter arising under this Chapter. The functions of the Subcommittee shall include:

(a) identify ways to assist SMEs in the Parties' territories to take advantage of the commercial opportunities resulting from this Agreement and to strengthen SME competitiveness;

(b) identify and recommend ways for further cooperation between the Parties to develop and enhance partnerships between SMEs of the Parties;

(c) exchange and discuss each Party's experiences and best practices in supporting and assisting SME exporters with respect to, among other things, training programs, trade education, trade finance, trade missions, trade facilitation, digital trade, identifying commercial partners in the territories of the Parties, and establishing good business credentials;

(d) promote seminars, workshops, webinars, mentorship sessions, or other activities to inform SMEs of the benefits available to them under this Agreement;

(e) explore opportunities for capacity building to facilitate each Party's work in developing and enhancing SME export counseling, assistance, and training programs;

(f) recommend additional information that a Party may include on the website teferred to in Article 13.3;

(g) review and coordinate its work program with the work of other subcommittees, working groups, and other subsidiary bodies established under this Agreement, as well as of other relevant international bodies, to avoid duplication of work programs and to identify appropriate opportunities for cooperation to improve the ability of SMEs to engage in trade and investment opportunities resulting from this Agreement;

(h) collaborate with and encourage subcommittees, working groups and other subsidiary bodies established under this Agreement to consider SME-related commitments and activities into their work;

(i) review the implementation and operation of this Chapter and SME-related provisions within this Agreement and report findings and make recommendations to the Joint Committee that can be included in future work and SME assistance programs as appropriate;

(j) facilitate the development of programs to assist SMEs to participate and integrate effectively into the Parties' regional and global supply chains;

(k) promote the participation of SMEs in digital trade in order to take advantage of the opportunities resulting from this Agreement and rapidly access new markets;

(l) facilitate the exchange of information on entrepreneurship education and awareness programs for youth and women to promote the entrepreneurial environment in the territories of the Parties;

(m) submit on an annual basis, unless the Parties decide otherwise, a report of its activities and make appropriate recommendations to the Joint Committee; and

(n) consider any other matter pertaining to SMEs as the Subcommittee may decide, including issues raised by SMEs regarding their ability to benefit from this Agreement.

3. The Subcommittee may seek to collaborate with appropriate experts and international donor organizations in carrying out its programs and activities.

4. The Joint Committee shall establish the rules of working procedures of the Subcommittee.

Article 13.5. Non-Application of Dispute Settlement

No Party shall have recourse to dispute settlement under Chapter 15 (Dispute Settlement) for any matter arising under this Chapter.

Chapter 14. ECONOMIC COOPERATION

Article 14.1. Objectives

1. The Parties shall promote cooperation under this Agreement for their mutual benefit in order to facilitate the implementation of the overall objectives of this Agreement, in particular to enhance liberalization of trade and foster investment opportunities arising from this Agreement.

2. All forms of cooperation under this Chapter, with particular attention to economic, technical and commercial cooperation, 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 inclusive economic growth and prosperity of the Parties.

3. Cooperation between the Parties under this Chapter will supplement the cooperation and cooperative activities between the Parties set out in other Chapters of this Agreement.

Article 14.2. Scope and Areas of Cooperation

1. 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.

2. Economic cooperation under this Chapter shall initially focus on, but shall not be limited to, the following areas:

(a) manufacturing industries;

(b) pharmaceutical and healthcare;

(c) agriculture and fisheries;

(d) trade and investment promotion;

(e) tourism;

(f) education;

(g) information and communication technology including e-commerce and digital trade;

(h) trade in services;

(i) renewable energies; and

(j) sustainable development and trade.

3. The Joint Committee may agree on a Work Programme on Economic Cooperation Activities and may modify the above list, including by adding other areas for economic cooperation.

Article 14.3. Work Programme on Economic Cooperation Activities

1. The Subcommittee on Economic Cooperation shall recommend to the Joint Committee to adopt the Work Program on Economic Cooperation Activities (hereinafter referred to as the "Work Programme") based on proposals submitted by the Parties.

2. Each activity in the Work Programme developed under this Chapter shall:

(a) be in accordance with the legislation and policy of each Party;

(b) be guided by the objectives agreed in Article 14.1;

(c) be related to trade or investment and support the implementation of this Agreement;

(d) involve both Parties;

(e) address the mutual priorities of the Parties; and

(f) avoid duplicating existing economic cooperation activities.

Article 14.4. Resources

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

2. The Parties, on the basis of mutual benefit, may consider cooperation with, and contributions from, external parties to support the implementation of the Work Programme.

Article 14.5. Methods and Means of Cooperation

The Parties will endeavour to encourage cooperation under this Chapter, through the following:

(a) joint organization of conferences, seminars, workshops, meetings, training sessions and outreach and education programs;

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

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

(d) initiation of the knowledge-sharing platform aiming to transfer experience

(e) and best practices in the field of government development and modernization to other countries through UAE's Government Experience Exchange

(f) Programme; promoting joint business initiatives between entrepreneurs of the Parties; technical assistance and capacity building; and

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

Article 14.6. Subcommittee on Economic Cooperation

1. For the purposes of the effective implementation and operation of this Chapter, the Parties hereby establish a Subcommittee on Economic Cooperation (hereinafter referred to as the "Subcommittee") comprising relevant representatives of each Party.

2. The Subcommittee shall undertake the following functions:

(a) coordinate everything related to the cooperation generated within the framework of this Agreement;

(b) monitor and assess the implementation of this Chapter;

(c) identify new opportunities and agree on new ideas for prospective cooperation or capacity building activities;

(d) formulate and develop Work Programme proposals and their implementation mechanisms;

(e) coordinate, monitor and review progress of the Work Programme to assess its overall effectiveness and contribution to the implementation and operation of this Chapter;

(f) suggest to the Joint Committee amendments to the Work Programme through periodic evaluations;

(g) cooperate with other subcommittees and / 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;

(h) report to and, if deemed necessary, consult with the Joint Committee in relation to the implementation and operation of this Chapter; and

(i) carrying out other functions as may be assigned by the Joint Committee.

3. Meetings may be conducted in person or by any technological means available to the Parties.

Article 14.7. Non-application of Chapter 15 (Dispute Settlement)

Neither Party shall have recourse to dispute settlement under Chapter 15 (Dispute Settlement) for any matter arising under this Chapter.

Article 14.8. Annexes

The following annexes form an integral part of this Chapter:

(a) Annex 14A (Cooperation to Support Trade in Sustainable Agricultural Products);

(b) Annex 14B (Joint Efforts for Enhancing Participation in Global Value Chains); and

(c) Annex 14C (Competition Policy).

ANNEX 14A. COOPERATION TO SUPPORT TRADE IN SUSTAINABLE AGRICULTURAL PRODUCTS

1. The Parties should collaborate to promote dialogue and cooperative activities that support trade and investment as essential elements to building sustainable and resilient agri- food systems, including initiatives that will aim to support trade facilitation for deforestation- free products.

2. The Parties should also collaborate exchanging ideas and supporting initiatives that accelerate the contimed transition to best practice sustainable agri-food systems with the aim of addressing global food security concerns, limiting the effects of climate change, and reducing the impact of agri-food systems on the environment.

3. Such cooperative activities and initiatives shall be WTO compliant.

ANNEX 14B. JOINT EFFORTS FOR ENHANCING PARTICIPATION IN GLOBAL VALUE CHAINS

The Parties shall endeavour to participate in programs or activities oriented to enhance their participation in Global Value Chains (hereinafter referred to as "GVCs"), as a means to:

(a) modernize and widen bilateral economic relations between their traders and investors;

(b) boost economic growth and facilitate their companies' internationalization and insertion into GVCs;

(c) foster linkages with Micro, Small and Medium Enterprises (hereinafter referred to as "MSMEs") to contribute to employment creation and better allocation of resources; and

(d) broaden the outreach of the economic benefits derived from international trade, including through diversification and enhancing of value added in exports.

ANNEX 14C. COMPETITION POLICY

1. The Parties recognise the importance of free and undistorted competition in their trade relations. The Parties may cooperate to exchange information relating to the development of competition policy, subject to their domestic laws and regulations and available resources. The Parties may conduct such cooperation through their competent authorities.

2. The Parties may consult on matters related to anti-competitive practices and their adverse effects to trade. The consultations shall be without prejudice to the autonomy of each Party to develop, maintain and enforce its domestic competition laws and regulations.

3. Each Party shall promote competition by adopting or maintaining national competition laws that proscribe anti-competitive practices in its territory and shall take measures as it deems appropriate and effective to counter such practices

Chapter 15. DISPUTE SETTLEMENT

Article 15.1. 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 15.2. 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 15.3. Scope of Application

1. Except as provided in paragraphs 2 and 3, this Chapter shall apply with respect to the avoidance or settlement of any dispute between the Parties concerning the interpretation, 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 has otherwise failed to carry out its obligations under this Agreement.

2. This Chapter shall not cover non-violation complaints and other situation complaints.

3. 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 8 (Investment); (b) Chapter 13 (Small and Medium-Sized Enterprises); and (c) Chapter 14 (Economic Cooperation).

Article 15.4. 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.

Article 15.5. Request for Information

Before a request for consultations, good offices, conciliation, or mediation is made pursuant to Article 15.6 or 15.7 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 15.6. Consultations

1. The Parties shall endeavour to resolve any dispute referred to in Article 15.3 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 and 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 in writing 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 which concern perishable goods or where appropriate, seasonal goods (1) or goods or services that rapidly lose their trade value such as certain seasonal goods or services, 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.

(1) For greater certainty, perishable goods mean perishable agricultural and fish goods classified in HS Chapters 1 through 24. Seasonal goods are goods whose imports, over a representative period, are not spread over the whole year but concentrated on specific times of the year as a result of seasonal factors.

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 its receipt, 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 15.8.

Article 15.7. Good Offices, Conciliation or Mediation

1. The Parties may at any time agree to enter voluntarily into procedures for good offices, conciliation, or mediation. They may begin at any time, and be terminated by either Party at any time.

2. 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.

3. If the Parties agree, procedures for good offices, conciliation or mediation may continue while the panel procedures proceed.

Article 15.8. Establishment of a Panel

1. The complaining Party may request the establishment of a panel ift

(a) the respondent Party does not reply to the request for consultations in accordance to the time frames referred in Article 15.6; or

(b) the consultations referred to in Article 15.6 are not held or fail to settle a dispute within 30 days (Article 15.6.3) or 15 days in relation to urgent matters (Article 15.6.4) after the date of the receipt of the request for consultations by the respondent Party.

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 factual basis of the complaint and the legal basis specifying the relevant covered provisions in a manner sufficient to present how such measure is inconsistent with those provisions.

3. A panel shall be established upon the date of receipt of the request referred to in paragraph 1.

Article 15.9. Composition of a Panel

1. Unless the Parties agree otherwise, a Panel shall consist of three panellists.

2. Within 20 days after the request for the establishment of a panel is made in accordance with Article 15.8.2, each Party shall appoint a panellist. The Parties shall, by common agreement, appoint the third panellist, who shall serve as the chairperson of the panel, within 40 days after the establishment of a panel in accordance with Article 15.8.3.

3. If either Party fails to appoint a panellist within the period established in paragraph 2, the other Party shall appoint the remaining panellist.

4. The Parties shall endeavour to agree on a third panellist who shall serve as chairperson within 40 days after the establishment of a panel in accordance with Article 15.8.3.

5. If the Parties do not agree on the chairperson of the panel within the time period established in paragraph 2, they shall within the next 10 days, exchange their respective lists comprising up to three nominees each who shall not be nationals of either Party. The chairperson shall then be appointed by draw of lot from the lists within 10 days after the expiry of the time period during which the Parties shall exchange their respective lists of nominees. The selection of the chairperson of the panel shall be made by the appointed panellists. To this end, the appointed panelist will provide an invitation for both Parties. The absence of either Party or both of them is with no prejudice to the selection process.

6. If a Party fails to submit its list of up to three nominees within the time period established in paragraph 5, the chairperson shall be appointed by draw of lot from the list submitted by the other Party. In this case, the appointed panelists shall meet within ten days and select the chairperson. To this end, the appointed panelist will provide an invitation for both Parties. The absence of either Party or both of them is with no prejudice to the selection process.

7. The date of composition of the panel shall be the date on which the last of the three selected panellists has notified to the Parties the acceptance of his or her appointment. If both Parties inform the appointed panelists, in writing, of their intention to desist the proceeding, the Panel is deemed not constituted.

Article 15.10. Decision on Urgency

If a Party so requests, the panel shall give a preliminary ruling, within 15 days of its composition, whether the dispute concerns matters of urgency.

Article 15.11. Requirements for Panellists

1. Each Panellist shall:

(a) have demonstrated expertise or experience 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 their individual capacities and not take instructions from any organisation or government with regard to matters related to the dispute;

(d) comply with the Code of Conduct (Code of Conduct for Panellists and Others Engaged in Dispute Settlement Proceedings under this Agreement); and

(e) be chosen strictly on the basis of objectivity, reliability, and sound judgment.

2. The chairperson shall also have experience in dispute settlement procedures.

3. Persons who provided good offices, conciliation, or mediation to the Parties, pursuant to Article 15.7 in relation to the same or a substantially equivalent matter, shall not be eligible to be appointed as panelists in that matter.

Article 15.12. Replacement of Panellists

If any of the panellists of the original panel becomes unable to act, withdraws or needs to be replaced because that panellist does not comply with the requirements of the code of conduct, a successor panellist shall be appointed in the same manner as prescribed for the appointment of the original panellist under Article 15.9 and the successor shall have all the powers and duties of the original panelist. In such a case, any time period applicable to the panel proceedings shall be suspended for a period beginning on the date when the original panelist becomes unable to serve and ending on the date when the new panelist is appointed.

Article 15.13. Functions of the Panel

Unless the Parties otherwise agree, 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 of 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 15.14. Terms of Reference

1. Unless the Parties otherwise agree within 15 days after the date of establishment of the panel, the terms of reference of the panel shall be:

"to examine, in the light of the relevant 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 15.18 and 15.19."

2. If the Parties agree on other terms of reference than those referred to in paragraph 1 within the timeline specified therein, they shall notify the agreed terms of reference to the panel no later than 5 days after their agreement.

Article 15.15. Rules of Interpretation

1. The panel shall interpret the covered provisions in accordance with customary rules of interpretation of public international law.

2. When appropriate, the panel may also take into account relevant interpretations in reports of panels established under this Agreement and reports of panels and the Appellate Body adopted by the Dispute Settlement Body of the WTO.

3. The rulings of the panel cannot add to or diminish the rights and obligations of the Parties provided under this Agreement.

Article 15.16. Procedures of the Panel

1. Unless the Parties otherwise agree, the panel shall follow the model Rules of Procedure (Rules of Procedure for the Panel) and may, after consulting with the Parties, adopt additional rules of procedure not inconsistent with the model rules.

2. There shall be no ex parte communications with the panel concerning matters under its consideration.

3. The deliberations of the panel and the documents submitted to it shall be kept confidential.

4. A Party asserting that a measure of the other Party is inconsistent with the provisions of this Agreement shall have the burden of establishing such inconsistency. A Party asserting that a measure is subject to an exception under this Agreement shall have the burden of establishing that the exception applies.

5. The panel should consult with the Parties as appropriate and provide adequate opportunities for the development of a mutually agreed solution.

6. The panel shall make its decisions, including its reports by consensus, but if consensus is not possible then by majority vote. Any member may furnish separate opinions on matters not unanimously agreed, and such separate opinions shall not be disclosed.

7. Rulings of the panel shall be binding on the Parties.

Article 15.17. Receipt of Information

1. Upon the request of a Party, or on its own initiative, the panel 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. Upon the request of a Party or on its own initiative, the panel may seek from any source any information it considers appropriate.

3. On request of a Party, or on its own initiative, the panel may seek technical advice or expert opinion from any individual or body that it deems appropriate, and subject to any terms and conditions as the Parties agree.

4. 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 15.18. Interim Report

1. The panel shall deliver an interim report to the Parties within 90 days after 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 and the Joint Committee 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. The interim report shall not be made public.

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. A Party may comment on the others Party's request within six 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 15.19. Final Report

1. The panel shall deliver its final report to the Parties within 30 days of the presentation of the interim report, unless the Parties to the dispute otherwise agree. 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; subject to the protection of confidential information; unless the Parties otherwise agree to publish the final report only in parts or not to publish the final report.

4. The final report of a panel shall be final and binding unless the Parties to the dispute otherwise agree. The report of the panel shall set out the findings of fact, the applicability of the relevant provisions of this Agreement and the rationale behind any findings and conclusions that it makes.

Article 15.20. Implementation of the Final Report

1. Where the panel finds that the respondent Party has acted inconsistently with a covered provision pursuant to Article 15.3, the respondent Party shall take any measure necessary to comply promptly and in good faith with the Panel ruling.

2. If it is impossible to comply immediately, the respondent Party shall, no later than 30 days after the delivery of the final report, notify the complaining Party and the Joint Committee 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 15.21. 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 shall, 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 15.20 request in writing the original panel to determine the length of the reasonable period of time. Such request shall be notified simultaneously to the respondent Party and the Joint Committee. 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 and the Joint Committee within 20 days from the relevant request.

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 15.22. Compliance Review

1. The respondent Party shall deliver a written notification of its progress in complying with the final report to the complaining Party and the Joint Committee at least one month before the expiry of the reasonable period of time for compliance with the final report unless the Parties agree otherwise.

2. The respondent Party shall, no later than at the date of expiry of the reasonable period of time, deliver a notification to the complaining Party and the Joint Committee of any measure that it has taken to comply with the final report along with a description on how the measure ensures compliance sufficient to allow the complaining Party to assess the measure before the expiry of the reasonable period of time.

3. Where 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 the original panel to decide on the matter before compensation can be sought or suspension of benefits can be applied in accordance with Article 15.23.1. (c). Such request shall be notified simultaneously to the respondent Party and the Joint Committee.

4. The request shall provide the factual and legal basis for the complaint, including the identification of the specific measures at issue and an indication of why any measures taken by the respondent Party 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 and the Joint Committee within 60 days of the date of submission of the request.

Article 15.23. Temporary Remedies In Case of Non-Compliance

1. If the respondent Party:

(a) fails to notify any measure 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 respondent Party is inconsistent with the covered provisions; The respondent Party shall, on request of the complaining Party, enter into discussions with a view to agreeing on mutually satisfactory compensation or any alternative arrangement.

2. If the Parties fail to reach a mutually satisfactory agreement within 20 days after 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 of concessions or other obligations under this Agreement.

3. The complaining Party may begin the suspension of concessions or other obligations referred to in the preceding paragraph 20 days after the date when it served notice on the respondent Party, unless the respondent Party made a request under paragraph 7.

4. The suspension of concessions 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 concessions or other obligations to suspend in accordance with paragraph 2, the complaining Party shall apply the following principles:

(a) the complaining Party should first seek to suspend the concessions or other obligations in the same sector or sectors as that affected by the measure that the panel has found to be inconsistent with this Agreement; and

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

6. The suspension of concessions or other obligations or the mutually satisfactory agreement foreseen in the paragraph 1 shall be temporary and shall only apply until the inconsistency of the measure with the relevant covered provisions has been removed, or until the Parties have reached a mutually agreed solution pursuant to Article 15.28.

7. If the respondent Party considers that the suspension of concessions or other obligations does not comply with paragraphs 4 and 5, that Party may request in writing 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 and to the Joint Committee. The original panel shall notify to the Parties and the Joint Committee its decision on the matter no later than 45 days of the receipt of the request from the respondent Party, or if the original panel cannot be established with its original members, from the date on which the last panellist of the newly established panel is appointed. Concessions or other obligations shall not be suspended until the panel has delivered its decision pursuant to this paragraph. The suspension of concessions or other obligations shall be consistent with this decision.

Article 15.24. Review of Any Measure Taken to Comply after the Adoption of Temporary Remedies

1. Upon the notification by the respondent Party to the complaining Party and the Joint Committee of the measure taken to comply with the final report panel ruling:

(a) in a situation where the right to suspend concessions or other obligations has been exercised by the complaining Party in accordance with Article 15.23, the complaining Party shall terminate the suspension of concessions 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 application 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 after the date of receipt of the notification, the complaining Party shall request in writing the original panel to examine the matter. That request shall be notified simultaneously to the respondent Party and the Joint Committee. The decision of the panel shall be notified to the Parties and the Joint Committee no later than 30 days after the date of submission of the request. If the panel decides that the measure notified in accordance with paragraph 1 is consistent with the covered provisions, the suspension of concessions or other obligations, or the application of the compensation, as the case may be, shall be terminated no later than 15 days after 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 15.25. Suspension and Termination of Proceedings

If the Parties so request in writing, the panel shall suspend for a period agreed by the Parties and not exceeding 12 consecutive months from such request. 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 the 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.

Article 15.26. 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 both Parties are party.

2. Ifa dispute with regard to a particular measure arises under this Agreement and under another international trade agreement to which both Parties are party, including the WTO Agreement, the complaining Party may select the forum in which to settle the dispute.

3. Once a Party has requested the establishment of a dispute settlement panel under an agreement referred to in paragraph 2, the selected forum shall be used to the exclusion of other fora.

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 15.8;

(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 DSU; and

(c) dispute settlement proceedings under any other agreement are deemed to be initiated in accordance with the relevant provisions of that agreement.

Article 15.27. Costs

1. Unless the Parties otherwise agree, the costs of the panel and other expenses associated with the conduct of its proceedings shall be borne in equal parts by the Parties.

2. Each Party shall bear its own expenses and legal costs in the panel proceedings.

Article 15.28. Mutually Agreed Solution

1. The Parties may reach a mutually agreed solution at any time with respect to any dispute referred to in Article 15.3.

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 and the Joint Committee. Upon such notification, the panel shall be terminated.

3. Before the panel provides its final report, it may at any stage of the proceedings propose to the Parties to the dispute that the dispute be settled amicably.

4. Each Party shall take measures necessary to implement the mutually agreed solution within the agreed time period.

5. No later than at the expiry of the agreed time period, the implementing Party shall inform the other Party, in writing, of any measure that it has taken to implement the mutually agreed solution.

Article 15.29. Time Periods

1. All time periods laid down in this Chapter, including the limits for the panels to issue their rulings, shall be counted in calendar days from the day following the act or fact to which they refer, unless otherwise specified in this Chapter.

2. Any time period referred to in this Chapter may be modified by mutual agreement of the Parties.

Chapter 16. EXCEPTIONS

Article 16.1. General Exceptions

1. For the purposes of Chapter 2 (Trade in Goods), Chapter 3 (Rules of Origin), Chapter 4 (Customs Procedures and Trade

Facilitation), Chapter 5 (Sanitary and Phytosanitary Measures), and 6 (Technical Barriers to Trade), Article XX of the GATT 1994 and its interpretative note are incorporated into and form part of this Agreement, mutatis mutandis.

2. For the purposes of Chapter 9 (Trade in Services) and Chapter 10 (Digital Trade) (1),Article XIV of the GATS, including its footnotes, is incorporated into and forms part of this Agreement, mutatis mutandis.

(1) This paragraph is without prejudice to whether a Party considers a digital product to be a good or service.

Article 16.2. Security Exceptions

1. Nothing in this Agreement shall be construed:

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

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

(i) relating to fissionable and 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) taken in time of war or other emergency in international relations; or

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

Article 16.3. Taxation

1. Nothing in this Agreement shall apply to any taxation measure. (2)

(2) For the avoidance of doubt, provisions where corresponding rights and obligations are also granted or imposed under the WTO Agreement shall apply to taxation measures.

2. Nothing in this Agreement shall affect the rights and obligations of any Party under any tax convention. In the event of any inconsistency between this Agreement and any such tax convention, that tax convention shall prevail to the extent of the inconsistency. In the case ofa tax convention between the Parties, the competent authorities under that convention shall have sole responsibility for determining whether any inconsistency exists between this Agreement and that convention.

Chapter 17. ADMINISTRATION OF THE AGREEMENT

Article 17.1. Joint Committee

1. The Parties hereby establish a Joint Committee.

2. The Joint Committee shall be composed of ministerial-level representatives of Costa Rica (1) and the UAE, or their designees.

(1) Annex 17A (Joint Committee) applies.

3. The Joint Committee shall:

(a) consider ways to further enhance trade relations between the Parties;

(b) oversee the further elaboration of this Agreement;

(c) establish its own rules of working procedures;

(d) consider any amendments to this Agreement that may be proposed by either Party, including the modification of concessions made under this Agreement;

(e) endeavour to amicably resolve disputes between the Parties arising from the interpretation or application of this Agreement;

(f) supervise and coordinate the work of all sub-committees and working groups established under this Agreement;

(g) if requested by either Party, propose mutually agreed interpretation to be given to the provisions of this Agreement;

(h) adopt decisions or make recommendations as envisaged by this Agreement;

(i) consider any other matter that may affect the operation of this Agreement; and

(j) carry out any other functions as may be agreed by the Parties.

4. The Joint Committee may:

(a) establish and delegate responsibilities to ad hoc and standing committees, working groups, or other bodies;

(b) make a recommendation to the Parties to consider amendments to this Agreement;

(c) modify in fulfilment of the Agreement's objectives: (2)

(2) Annex 17B (Joint Committee) applies.

(i) Annex 2B (Elimination of Customs Duties);

(ii) Annexes 3A (Product Specific Rules (PSR)),3B (Certificate of Origin) and 3C (Origin Declaration);

(iii) Annex 11A (Government Procurement Coverage); and

(iv) Annexes 9A (Schedule of Specific Commitments); 9B (List of MFN Exemptions) and 9D (Subcommittee on Trade in Services); and

(d) take such other action in the exercise of its functions as the Parties may agree.

5. The Joint Committee shall meet within two years from the entry into force of this Agreement, unless the Parties agree otherwise. 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 or at such location as the Parties may agree.

6. The Joint Committee shall also hold special sessions 30 days from the date of a request thereof from either Party, unless the Parties agree otherwise. Such sessions shall be held in the territory of the other Party or at such location as the Parties may agree.

7. Meetings of the Joint Committee and of any standing or ad hoc sub-committees or working groups may be conducted in person or by any other technological means as determined by the Parties.

Article 17.2. Communications

1. Each Party shall designate a contact point to receive and facilitate official communications among the Parties on any matter relating to this Agreement. The designation of contact points is without prejudice to the specific designation of competent authorities or contact points under specific provisions of this Agreement.

2. Upon request of the other Party, a Party's contact point shall identify the office or official responsible for the matter and assist, as necessary, in facilitating communications with the other Party.

Article 17.3. Annexes

The following annexes form an integral part of this Chapter:

(a) Annex 17A (Joint Committee); and

(b) Annex 17B (Implementation of Modifications Approved by the Joint Committee).

ANNEX 17A. JOINT COMMITTEE (3)

Costa Rica shall be represented by the Minister of Foreign Trade (Ministro de Comercio Exterior) or their successor.

(3) For greater certainty, Annex 17A applies only to Costa Rica.

ANNEX 17B. IMPLEMENTATION OF MODIFICATIONS APPROVED BY THE JOINT COMMITTEE (4)

For Costa Rica, decisions of the Joint Committee under Article 17.1.4(c) will be equivalent to the instrument referred to in Article 121.4, third paragraph (protocolo de menor rango) of the Political Constitution of the Republic of Costa Rica (ConstituciÃ©n Politica de la Republica de Costa Rica).

(4) For greater certainty, Annex 17B applies only to Costa Rica.

Chapter 18. FINAL PROVISIONS

Article 18.1. Annexes, Appendices, Side Letters, and Footnotes

The Annexes, Appendices, Side Letters, and Footnotes to this Agreement constitute an integral part of this Agreement.

Article 18.2. Amendments

1. Either Party may submit proposals for amendments to this Agreement to the Joint Committee for consideration and recommendation.

2. Amendments to this Agreement shall, after recommendation by the Joint Committee, be submitted to the Parties for ratification, acceptance or approval in accordance with their internal legal procedures.

3. Amendments to this Agreement shall enter into force in the same manner as provided for in Article 18.6, unless otherwise agreed by the Parties.

Article 18.3. Amendments to the WTO Agreement

If any provision of the WTO Agreement that the Parties have incorporated into this Agreement is amended, the Parties shall consult to consider amending the relevant provision of this Agreement, as appropriate, in accordance with Article 18.2.

Article 18.4. 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 18.5. Duration and Termination

1. This Agreement shall be valid for an indefinite period.

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 18.6. Entry Into Force

1, The Parties shall ratify, approve or accept this Agreement in accordance with their internal legal procedures.

2. When a Party has ratified this Agreement in accordance with its internal legal procedures, that Party shall notify the other Party of such ratification, approval or acceptance in writing, through diplomatic channels, within a period of 60 days from such ratification, or as otherwise agreed by the Parties.

3. Unless the Parties agree otherwise, where both Parties have notified each other of such ratification, approval or acceptance, this Agreement shall enter into force on the first day of the second month following the date of receipt of the last written notification.

Article 18.7. Reservations and Interpretative Declarations

This Agreement does not allow unilateral reservations or unilateral interpretative declarations.

Article 18.8. Authentic Texts

This Agreement is done in duplicate in Arabic, Spanish and English languages. All texts shall be equally authentic. In case of any divergence, the English text shall prevail.

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

DONE at San José, Costa Rica, on April 17, 2024.

FOR THE GOVERNMENT OF THE UNITED ARAB EMIRATES:

Thani bin Ahmed Al Zeyoudi

Minister of State for Foreign Trade

FOR THE GOVERNMENT OF THE REPUBLIC OF COSTA RICA:

Manuel Tovar Rivera

Minister of Foreign Trade