

CHAPTER 20

COOPERATION

Part I – General Provisions

Article 20.01 General Objective

The main objective of this Chapter is to establish the guidelines within which the Government of the Republic of China (Taiwan) shall strengthen the cooperation relationship with the Government of the Republic of Guatemala, reaffirming its importance in the economic, financial and technical areas, as a way to contribute to the accomplishment of the objectives and principles derived from this Agreement.

Article 20.02 Specific Objectives

The specific objectives of this Chapter are the following:

- a) to strengthen and diversify cooperation activities between the Parties;
- b) to strengthen cooperation in order to develop, improve, intensify and diversify commercial relationships and environmental management systems;
- c) to strengthen and diversify financing modalities for development;
- d) to encourage cooperation for the protection and improvement of the environment within the territory of the Parties for the wellbeing of present and future generations;
- e) to improve the capacity of the public and private sectors to benefit from the opportunities offered by this Agreement; and
- f) to cooperate with the establishment of commercial, financial, and technological flows and investment between the Parties.

Article 20.03 Application Principle

None of the provisions of this Chapter shall be construed as granting either Party the rights to enforce its legislation in the territory of the other Party.

Article 20.04 Right to Act

None of the Parties shall have the right to act in its legislation against the other Party, based on the knowledge that the other Party has acted inconsistently with this Chapter.

Article 20.05 Information Protection

1. None of the provisions of this Chapter shall be construed as forcing either of the Parties to provide or give access to information:

- a) whose disclosure might hinder the enforcement of its legislation; or
- b) whose disclosure is protected by the laws relative to confidential business and commercial information, personal privacy, or confidentiality in decision-making by the Government.

2. Confidential information shall only be disclosed by express will of both Parties or by explicit authorization of one Party to the other.

Article 20.06 Dispute Settlement

None of the provisions of this Chapter shall apply to the dispute settlement mechanism contained in this Agreement.

Part – II Cooperation

Article 20.07 Cooperation Activities

1. The Parties may develop and initiate cooperation activities with the participation of experts from national and international institutions considered appropriate in order to accomplish the objectives and to fulfill the obligations according to the terms of this Agreement.

2. The cooperation activities shall be carry out taking into consideration:

- a) the economic, environmental, geographical, social, cultural and legal system differences between the Parties;
- b) the national priorities agreed upon by the Parties;
- c) the need to prevent duplication of the existing cooperation activities; and
- d) the intention of both Parties to develop and implement cooperation activities through initiatives taken by the Parties.

Article 20.08 Commercial and Industrial Cooperation

1. The Parties shall support and encourage measures to develop and strengthen the actions aiming to initiate a dynamic, integrated and decentralized administration of

commercial and industrial cooperation in order to create favorable conditions for economic development while acknowledging their mutual interests.

2. Said cooperation shall focus particularly on the following:

- a) to strengthen contacts among the economic agents of the Parties, through conferences, seminars and trade missions to identify commercial and technical opportunities, as well as to hold roundtable meetings, general and specific trade fairs for various sectors for the purpose of identifying and exploring areas of mutual commercial interests, to intensify trade, investment, industrial cooperation and projects for the transfer of technology;
- b) to strengthen and expand the existing dialogue among economic operators of the Parties by promoting consultation activities and additional coordination within this scope in order to identify and eliminate cooperation barriers;
- c) to encourage respect for the rules of competition, to guarantee the consistency of global measures and to help train human resources in foreign trade;
- d) to promote industrial cooperation initiatives, in the context of the privatization and liberalization processes for the purpose of encouraging investments through industrial cooperation among companies of the Parties;
- e) to promote the participation of the Parties in pilot projects and special cooperation programs for the improvement of capacities in matters of statistics and computer science, as well as in matters of negotiation opportunities with shipping companies; and
- f) to promote cooperation projects in areas of market intelligence and research, taking into account technical assistance in production, administration, and commercialization of export businesses, as well as the promotion of technology transfer.

Article 20.09 Cooperation in the Small and Medium Enterprise Sector

1. The Parties will promote a favorable environment for the development of the small and medium enterprises.

2. This cooperation will consist of the following:

- a) to encourage contacts among economic agents, to promote joint venture investments and the establishment of alliances between enterprises and information networks that allow the Parties to foster financial cooperation

among them, particularly those seeking to develop micro, small and medium enterprises; and

- b) to facilitate the administrative procedures in order to provide better financial access for the commercial, manufacturing and export sector.

Article 20.10 Cooperation in Matters of Export Opportunities

1. The Parties will establish a cooperation program aiming to carry out studies on export opportunities and on inactive production capabilities, as well as identifying possible investing fields, joint investments and strategic alliances that shall enable the expansion and diversification of trade flow between the Parties and towards other markets.

2. Cooperation programs will also be established regarding export opportunities, taking into account:

- a) technical assistance and the strengthening of the productive and export sectors, and in general diversification and technology transfer;
- b) support to specific programs in order to strengthen the development of the export sector; and
- c) cooperation for the development of strategies and programs that contribute to the increase, diversification and improvement of product quality, especially offering vocational training, consulting services and facilitating technology transfer.

Article 20.11 Cooperation in the Area of Tourism

1. The main cooperation objective in the area of tourism between the Parties is to improve the exchange of information and establish the most appropriate practices to guarantee the balanced and sustainable development of tourism.

2. For the purposes of this Article, the Parties will focus particularly on the following:

- a) to respect the integrity and interests of the local communities;
- b) to promote investments and joint investments that for the expansion of tourism;
- c) to exchange information regarding tourism development;
- d) to provide assistance in the areas of statistics and computer science, as well as the creation of business databases;

- e) education and training;
- f) organization of events and the participation in tourism fairs;
- g) cooperation in feasibility studies; and
- h) support in commercial promotion agreed by the Parties for micro, small and medium enterprises in the tourism sector.

Article 20.12 Cooperation Regarding Environment and Natural Resources

1. In all the cooperation measures that result from this Agreement, the Parties must take into account the need to preserve the environment and ecological balance.
2. The Parties commit themselves to develop cooperation activities in order to:
 - a) prevent environmental degradation;
 - b) promote the conservation and sustainable use of natural resources;
 - c) develop, disseminate and exchange information and experiences regarding environmental legislation;
 - d) promote the use of economic incentives so as to encourage their compliance;
 - e) strengthen environmental measures at different government levels;
 - f) promote training of human resources, education in matters related to the environment and joint research projects;
 - g) develop channels for social participation; and
 - h) promote cleaner production systems that contribute to environmental improvement and maintenance in the territory of the Parties.
3. The Parties will promote mutual access to programs in matters according to their specific characteristics, including cleaner production programs in micro, small and medium enterprises.
4. As a result of this cooperation, the Parties may enter into a sectoral agreement regarding environmental and natural resources, if it is considered relevant.

Article 20.13 Cooperation in the Energy Sector

1. The objective of the cooperation between the Parties shall be to develop their respective energy sectors, focusing on promoting the transfer of technology and information exchange regarding their respective legislations.

2. The cooperation in this sector will be carried out, fundamentally, by means of information exchange, training of human resources, technology transfer and joint technological, development and infrastructure projects agreed upon by the Parties, as well as the design of more efficient energy generation processes, the rational use of energy, support for the use of alternative and renewable energy sources that protect the environment, and promotion of recycling projects and waste management for energy use.

3. To promote cooperation with the institutions in charge of energy issues and formulation of energy policies.

Article 20.14 Cooperation in the Transportation Sector

1. The cooperation between the Parties regarding transportation matters will seek to:

a) support the improvement and modernization of transportation systems according to the capacity of the Parties; and

b) promote operational standards.

2. For the purposes of this Article, the Parties will give priority to:

a) information exchange among experts regarding their respective transportation policies and other topics of common interest; and

b) technical assistance to support the improvement and modernization of the transportation system, in every modality.

3. The Parties will study every aspect regarding exchange of information on international maritime transportation services, in order to prevent this from becoming barriers to mutual trade expansion.

Article 20.15 Cooperation in Agricultural and Rural Sectors and Sanitary and Phytosanitary Standards

1. The objective of cooperation in this area is to support and promote agricultural policy measures aimed at promoting and consolidating the efforts of the Parties in the sector of agriculture as well as to achieve agricultural and rural sustainable development.

2. Each Party may provide the other Party with advice, information and technical cooperation on mutually agreed terms and conditions in order to strengthen its sanitary

and phytosanitary measures as well as activities, procedures and systems concerning this matter.

3. For the purposes of this Article, the Parties will make efforts in the following areas, but not limited thereto:

- a) diversification and restructuring of agricultural sectors;
- b) mutual information exchange related to the evolution of the agricultural policies of the Parties;
- c) technical assistance for productivity increase and exchange of alternative agricultural technologies;
- d) technical and scientific experiments; and
- e) measures intended to increase the quality of agricultural goods and support commercial promotion activities.

Article 20.16 Cooperation Regarding Technical Barriers to Trade

1. Each Party shall promote technical cooperation between the standardization and metrology groups, in order to provide technical assistance or information to the extent of their possibilities and in the terms mutually agreed upon for the purpose of contributing to the implementation of this Article so as to be able to strengthen activities, processes, systems and standardization measures and metrology.

2. The Parties are committed to make joint efforts for the purpose of negotiating technical cooperation with countries which are not part of this Agreement.

3. The Parties shall seek to develop technical cooperation programs to fulfill the obligations agreed in this Article, taking into account the different levels of development in the standards, accreditation procedures, certification and oil institutions of the other Party. For this purpose, the Parties agree to strengthen their respective competent authorities on process issues and systems in this field as follows:

- a) development, implementation and review of technical cooperation and institutional programs;
- b) promotion of bilateral exchange of institutional and regulatory information;
- c) promotion of bilateral cooperation through their respective agencies for international and multilateral standards including metrology;

- d) promotion of cooperation to develop surveillance systems in matters of control and food safety, effective medicine and the like, to accomplish the system equivalence; and
- e) technical assistance in inspection systems and good manufacturing practices.

Article 20.17 Ministerial Cooperation Committee

1. The Parties hereby establish the Ministerial Cooperation Committee (“the Committee”) made up of Minister of Foreign Affairs and the Minister of Economic Affairs or their designees in the case of the Republic of China (Taiwan); and the Minister of Economy or his designee in the case of the Republic of Guatemala.

2. The Committee shall have the following functions:

- a) to promote activities that foster cooperation;
- b) to review any matter of mutual interest the Parties might decide to study in a timely and expeditious manner;
- c) to follow up cooperation programs contemplated in this Chapter;
- d) to create, in addition to what is established in this Chapter, the institutions and technical mechanisms to support its development.

3. The Parties agree that representatives of the private sector of their respective countries may participate in meetings of the Committee after consultation between them and by mutual agreement.

4. The Committee will meet within the first year following the entry into force of this Agreement and, unless otherwise agreed, annually thereafter alternatively in the Republic of China (Taiwan) or the Republic of Guatemala, in order to review the implementation of this Chapter and its progress, as well as to consider the status of the cooperation activities developed under this Chapter. Extraordinary meetings may be convened after request of either Party.

5. The chairmanship of the Committee shall be alternated annually between the Parties, and all the decisions will be adopted by consensus.

Article 20.18 Contact Points

1. The Parties shall designate contact points in order to pursue the decisions adopted by the Committee, as well as cooperation programs agreed upon by the Committee for the purpose of fulfilling the objectives of this Chapter.

2. The Parties agree to notify each other regarding the designation of these contact points, three (3) months after this Agreement enters into force.

Article 20.19 Work Plan

The Parties shall develop a work plan that reflects the national priorities regarding cooperation activities and to be agreed by the Committee. The work program may include short, medium and long term activities. The Committee shall be in charge of supervising the satisfactory implementation of this Plan.

Article 20.20 Public Information

1. The Parties will agree on the modalities of information given to the public regarding the activities, including the meetings of the Parties and the cooperation activities undertaken in accordance with this Chapter.

2. The Parties will make an effort to create opportunities to involve the public in activities undertaken for the implementation of this Chapter, whenever appropriate.