

CHAPTER 17

ADMINISTRATION OF THE AGREEMENT

Section A - Commission, Sub-commission and Secretariat

Article 17.01 Administrative Commission of the Agreement

1. The Parties hereby establish the Administrative Commission of the Agreement, which is composed of the officials referred to Annex 17.01, or of the persons designated by them.
2. The Commission shall:
 - a) supervise the implementation and the correct application of the provisions of this Agreement;
 - b) evaluate the results in the application of this Agreement;
 - c) monitor the development of the Agreement and recommend to the Parties any modifications which it deems necessary;
 - d) resolve any disputes that may arise regarding the interpretation or application of this Agreement, as stipulated in Chapter 18 (Dispute Settlement);
 - e) supervise the work of all committees established or created under this Agreement, as indicated in Article 17.05 (3); and
 - f) consider any matter that may affect the operation of this Agreement, or any other to be entrusted by the Parties.
3. The Commission may:
 - a) establish and delegate responsibilities to committees, permanent or ad hoc, and working groups of experts;
 - b) modify, in fulfillment of the Agreement's objectives:
 - i) the schedules attached to Annex 3.04 (Tariff Reduction Schedule) with the objective of incorporating merchandise excluded from the tariff elimination;
 - ii) the period referred in Annex 3.04 (Tariff Reduction Schedule) to speed the process;

- iii) the rules of origin established in Annex 4.03 (Specific Rules of Origin);
 - iv) the Uniform Regulations;
 - v) Annex I, II, III and IV of Chapter 10 (Investment); and
 - vi) Annex I, II and V of Chapter 11 (Cross-border Trade in Services);
- c) seek the advice of non-governmental persons or groups;
 - d) develop any regulations needed for the implementation of this Agreement; and
 - e) take any other actions as are necessary in the exercise of its functions if the Parties so decide.

4. Each Party shall implement, in accordance with its applicable legal procedures, any modification referred to in subparagraph 3(b).

5. The Commission shall establish its rules and procedures. All decisions of the Commission shall be taken by consensus.

6. The Commission shall convene at least once a year in regular session, and if requested by one of the Parties, in extraordinary session. Regular sessions of the Commission shall be chaired successively by each Party.

Article 17.02 Administrative Sub-commission of the Agreement

1. The Parties hereby establish the Administrative Sub-commission of the Agreement, which is composed of the officials as set out in Annex 17.02 or persons designated by them.

2. The Administrative Sub-commission shall:

- a) prepare and revise technical documents for decision-making under this Agreement;
- b) follow-up on the decisions taken by the Commission;
- c) supervise the committees, the sub-committees and the working groups of experts established under this Agreement as described in Article 17.05(3), and in accordance with Article 17.01(2); and
- d) consider any other matter that may affect the operation of this Agreement, assigned by the Commission.

3. The Commission shall establish its rules and procedures to ensure the operation of the Administrative Sub-commission of the Agreement.

Article 17.03 Secretariat

1. Each Party shall:

- a) designate a permanent office or official responsible for acting on behalf of the National Section of the Secretariat of such Party and shall notify the Commission of the address, phone number and any other relevant information where its National Section is located;
- b) be responsible for:
 - i) the operation and costs of the National Section; and
 - ii) the remuneration and expenses to be paid to arbiters, their assistants and experts appointed as stipulated in this Agreement, in Annex 17.03; and
- c) designate a Secretary of its National Section, who shall be the civil employee responsible for its administration.

2. The Secretariat shall:

- a) assist the Commission and the Sub-commission;
- b) support the arbitrating groups created pursuant to Chapter 18 (Dispute Settlement) and the procedures established in Article 18.11 (Model Rules of Procedure);
- c) support the work of the committees, sub-committees and groups of experts established under the Agreement, as instructed by the Commission;
- d) carry out the communications and notifications pursuant to Article 16.08 (Communications and Notifications); and
- e) conduct any other matters instructed by the Commission.

Section B - Committees, Sub-committees and Groups of Experts

Article 17.04 General Provisions

1. The provisions in this Section shall apply to all the committees, sub-committees and groups of experts established under the framework of this Agreement.

2. Each committee, sub-committee and group of experts shall be composed of representatives of the Parties. All decisions shall be taken by consensus.

Article 17.05 Committees

1. The Commission may create committees other than the ones established in Annex 17.05.

2. Each committee shall:

- a) supervise the implementation of the Chapters of this Agreement under its competency;
- b) consider any actual measures submitted by a Party, that may affect the effective implementation of the Agreement;
- c) request technical reports by the competent authorities, and take necessary actions to resolve the issue;
- d) evaluate and recommend to the Commission any proposal for modifications, amendments or any other additional provisions to the Chapters of this Agreement under its competency;
- e) propose to the Commission to revise a Party's effective measures considered to be infringing the obligations under this Agreement or causing the nullification or impairment as established in Annex 18.02 (Nullification and Impairment); and
- f) carry out the matters instructed by the Commission as established under this Agreement and any other mechanisms derived from it.

3. The Commission and the Sub-commission shall supervise the work of all committees established under this Agreement.

4. Each committee may establish its own rules and procedures, and shall meet upon request of any of the Parties or the Commission.

5. When it considers advisable, each committee may establish sub-committees, assigning tasks according to the areas of competency of each.

Article 17.06 Groups of Experts

1. Notwithstanding Article 17.01(3) (a), a committee or sub-committee may create *ad hoc* groups of experts, for completing the technical studies it deems necessary to carry out its mandate, whose work shall be supervised. The group of experts shall strictly

complete the mandate entrusted to it, in accordance within the terms and timeframes established and shall report to its corresponding committee or sub-committee.

2. The rules and procedures of a group of experts may be established by the corresponding committee or sub-committee.

ANNEX 17.01

MEMBERS OF THE ADMINISTRATIVE COMMISSION OF THE AGREEMENT

The Administrative Commission of the Agreement under Article 17.01(1) shall be composed of:

- a) in the case of the Republic of Guatemala, the Minister of Economy; and
- b) in the case of the Republic of China (Taiwan), the Minister of Economic Affairs,
or their successors.

ANNEX 17.02

MEMBERS OF THE ADMINISTRATIVE SUB-COMMISSION OF THE AGREEMENT

The Administrative Sub-commission of the Agreement established in Article 17.02 shall be composed of:

- a) in the case of the Republic of Guatemala, the Director of the Bureau of Foreign Trade Administration; and
 - b) in the case of the Republic of China (Taiwan), the Director General of the Bureau of Foreign Trade, Ministry of Economic Affairs,
- or their successors.

ANNEX 17.03

REMUNERATION AND PAYMENT OF EXPENSES

1. The Commission shall establish the amounts of remuneration and expenses that will be paid to arbiters, their assistants and experts.
2. The remuneration of the arbiters, their assistants and experts, their travel and lodging expenses, and general expenses of the panel shall be taken care of by the Parties; however, the level of development of the Parties shall be taken into account.
3. Each arbiter, assistant and expert shall keep a record and render a final account of the person's time and expenses, and the panel shall keep a record and render a final account of all general expenses.

ANNEX 17.05

COMMITTEES

Committee on Trade in Goods (Article 3.15)

Committee on Sanitary and Phytosanitary Measures (Article 8.12)

Committee on Standards, Metrology and Authorization Procedures (Article 9.13)

Committee on Investment and Cross Border Trade in Services (Article 11.13)

Air Transportation Committee (Article 13.04)

Committee of Maritime Transportation (Article 14.04)

Intellectual Property Committee (Article 15.07)

Ministerial Cooperation Committee (Article 20.17)