

Chapter XX

Cooperation

Article XX.1 Objectives

1. The Parties reaffirm the importance of all form of cooperation, with particular attention to economic, trade, financial, technical, educational and cultural cooperation, as means to contribute to implementing the objectives and principles derived from this Agreement.

2. The objectives of this Chapter are to facilitate the establishment of close cooperation aimed, inter alia, at :

- (a) strengthening the capacities of the Parties to maximize the opportunities and benefits deriving from this Agreement;
- (b) strengthening and develop cooperation at a bilateral, regional or multilateral level;
- (c) promoting economic and social development;
- (d) stimulating productive synergies, creating new opportunities for trade and investment and promoting competitiveness and innovation;
- (e) increasing the level of and deepening cooperation actions while taking into account the association relation between the Parties;
- (f) reinforcing and expand cooperation, collaboration and mutual interchanges in the cultural areas; and
- (g) encouraging the presence of the Parties and their goods and services in the international markets.

Article XX.2 Scope

1. The Parties affirm the importance of all forms of cooperation in contributing towards implementation of the objectives and principles of this Agreement

2. 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 XX.3 Economic Cooperation

1. The Parties will encourage the utilization of cooperation instruments and mechanisms with a view to strengthen the processes of economic integration and commercial exchange.

2. The objectives of economic cooperation will be:
 - (a) to build on existing agreements or arrangements already in place for trade and economic cooperation; and
 - (b) to advance and strengthen trade and economic relations between the Parties.

3. The Parties will encourage and facilitate, as appropriate, the following activities, including, but not limited to:
 - (a) dialogue about policies and regular exchanges of information and views on ways to promote and expand trade in goods and services between the Parties;
 - (b) joint elaboration of studies and technical projects of economic interest according to the economic development needs identified by the Parties;
 - (c) keeping each other informed of important economic and trade issues, and any impediments to furthering their economic cooperation;
 - (d) providing assistance and facilities to businesspersons and trade missions that visit each other's country with the knowledge and support of the relevant agencies;
 - (e) supporting dialogue and exchanges of experience among the respective business communities of the Parties;
 - (f) establishing and developing mechanisms for providing information and identifying opportunities for business cooperation, trade in goods and services, investment, and government procurement; and
 - (g) stimulating and facilitating actions of public and /or private sectors in areas of economic interest.

Article XX. 4 Research, Science and Technology Cooperation

1. The aims of cooperation in research, science and technology, carried out in the mutual interest of the Parties and in compliance with their policies, will be:
 - (a) to build on existing agreements already in place for cooperation on research, science and technology; to encourage, where appropriate, government agencies, research institutions, universities, private companies and other research organisations in each other's country to conclude direct arrangements in support of cooperative activities, programmes or projects within the

framework of this Agreement, specially related to trade and commerce; and

- (b) To focus cooperative activities towards sectors where mutual and complementary interests exist, with special emphasis on information and communication technologies and software development to facilitate trade between the Parties.

2. The Parties will encourage and facilitate, as appropriate, the following activities including, but not limited to:

- (a) identifying strategies, in consultation with universities and research centres, to encourage joint postgraduate studies and research visits;
- (b) exchange of technical and scientific personnel with the purpose of training and improvement in scientific and technical institutes, universities, factories, government agencies and other institutions of each country;
- (c) exchange of experts of each country with a view to offering technical and scientific know-how offering services specialized in certain fields of science and technology;
- (d) exchange and supply of non confidential scientific and technical data, as well as exchange of scientific samples;
- (e) promotion of advanced science and technology studies and projects that contribute to the long-term sustainable development of both Parties; and
- (f) promoting public/private sector partnerships in support of the development of innovative products and services and study joint efforts to enter into new markets.

Article XX.5 Information Technologies Cooperation

1. The aims of cooperation in Information Technologies sectors carried out in the mutual interest of the Parties and in compliance with their policies will be:

- (a) To focus on cooperatives activities towards information technology areas where mutual and complementary interests exists, and
- (b) to build on existing agreements and arrangements already in place between the Parties.

2. Information Technologies cooperation may include, but not be limited to:

- (a) Scientific and Technical cooperation for the Software Industry of the Parties and encouraging cooperation in software development for populations with specific needs.
- (b) Facilitate the cooperation on academic, industrial and entrepreneurial networks in the area of Information Technology
- (c) Encouraging exchange of experience on management and R & D for Information Technology Parks.
- (d) Research and development on Information Technology products and services, integrating TV, multimedia, and cellular telephones.
- (e) Encouraging exchange of experience for research and development in networks and telecommunications.

Article XX. 6 Education

1. The aims of education cooperation will be:
 - (a) to build on existing agreements or arrangements already in place for cooperation in education; and
 - (b) to promote networking, mutual understanding and close working relationships in the area of education between the Parties.
2. In pursuit of the objectives in Article 1, the Parties shall encourage and facilitate, as appropriate, exchanges between and among their respective education-related agencies, institutions, organizations, in fields such as:
 - (a) education quality assurance processes;
 - (b) pre school, primary and secondary education systems;
 - (c) higher education;
 - (d) technical education; and
 - (e) enterprise and industry collaboration for technical training
3. The Parties shall encourage cooperation in education focusing on:
 - (a) exchange of information, teaching aids, and demonstration materials;
 - (b) joint planning and implementation of programs and projects, and joint coordination of targeted activities in agreed fields;
 - (c) development of collaborative training, exchange of experiences, joint research and development, across graduate and postgraduate studies;

- (d) cooperation between the institutions of higher education of both Parties through the exchange of teaching staff, researchers and students in relation to academic programs.
- (e) developing a better understanding of each Parties' education systems and policies including information on evaluation of qualifications.
- (f) development of innovative quality assurance resources, and
- (g) means and methods to support learning and assessment, as well as the professional development of teachers and trainers
- (h) collaboration between higher education institutions and enterprises, to develop the level of specialized knowledge and skills to the labour market; and
- (i) development of an information system on educational statistics.

Article XX.7 Small and Medium-Sized Enterprises

1. The Parts will promote a favourable environment for the development of the small and medium enterprises (SMEs) on the basis of strengthening of the relevant private and governmental bodies, as well as the exchange of experiences and good practices with the SMEs.

2. Cooperation shall include, among other subjects:

- (a) the designing and development of mechanisms to encourage partnership and productive chain linkage development;
- (b) development of human resources and management skills to increase the knowledge of the Peruvian and Chinese markets;
- (c) defining and develop methods and strategies for clusters development;
- (d) increasing access to information regarding mandatory procedures and any other relevant information for an SME exporter;
- (e) defining technological transference: programs oriented to transfer technological innovation to SMEs and to improve their productivity;
- (f) increasing access to information on technological promotion programs for SMEs and financial support and encouragement programs for SMEs;

- (g) supporting new exporting SMEs (sponsorship, credits and guarantees, seed capital).
 - (h) Encouraging partnership and information exchange for SMEs financing institutions (credits, banks, guarantee organizations, venture capital firms)
3. Cooperation shall be developed, among other activities, through:
- (a) information exchange;
 - (b) conferences, seminars, experts dialogue and training programs with experts; and
 - (c) promoting contacts between economic operators, encouraging opportunities for industrial and technical prospecting.

Article XX. 8 Cultural Cooperation

1. The aims of cultural cooperation shall be:
- (a) to build on existing agreements or arrangements already in place for cultural cooperation; and
 - (b) to promote information and cultural exchanges between the Parties.
2. The Parties will encourage and facilitate, as appropriate, the following activities, including, but not limited to:
- (a) dialogue on cultural policies and promotion of local culture;
 - (b) exchange of cultural events and promote awareness of artistic works;
 - (c) exchange of experience in conservation and restoration of national heritage;
 - (d) exchange of experience on management for the arts;
 - (e) protecting archaeological monuments and cultural heritage; and
 - (f) having a consultation mechanism between the two countries' culture authorities.
 - (g) cooperation in the audio-visual field, mainly coproduction and training programs in this sector and means of communication, including training, development and distribution activities.

Article XX.9 Mining and Industrial Cooperation

1. The aims of cooperation in mining and industry sectors carried out in the mutual interest of the Parties and in compliance with their policies, will be:

- (a) to focus cooperative activities towards sectors where mutual and complementary interests exist; and
- (b) to build on existing agreements and arrangements already in place between the Parties.

2. Mining and Industrial cooperation may include work in, but not be limited to, the following areas:

- (a) bio-mining (mining using biotechnology procedures);
- (b) mining techniques, specially underground mining, and conventional metallurgy;
- (c) productivity in mining;
- (d) industrial robotics for mining and other sector applications;
- (e) informatics and telecommunication applications for mining and industrial plant production; and
- (f) software development for mining and industrial applications.

2. The Parties will encourage and facilitate, as appropriate, the following activities including, but not limited to:

- (a) exchange of information, documentation and institutional contacts in areas of interest;
- (b) mutual access to academic, industrial and entrepreneurial networks in the area of mining and industry;
- (c) identification of strategies, in consultation with universities and research centres, that encourage joint postgraduate studies, research visits and joint research projects;
- (d) exchange of scientists, researchers and technical experts;
- (e) promotion of public/private sector partnerships and joint ventures in the support of the development of innovative products and services specially related to productivity in the sector activities;
- (f) technology transfer in the areas mentioned in paragraph 2;
- (g) designing of innovation technology models based in public/private

cooperation and association ventures; and

- (h) information and experience exchange on mining environmental issues

Article XX.10 Tourism

1. In this field, the objective of the co-operation will be to strengthen the promotion of the tourist potentialities of both countries, as well as to facilitate the information exchange and the conservation of natural and cultural attractions.

2. The Parties will develop tourism through:

- (a) strengthening of public and private institutions related to the development of tourism; and
- (b) promotion of the main tourist destinations of each country.

Article XX.11 Competition Policy

1. The Parties recognize the importance of cooperation and technical assistance between their national competition authorities, including inter alia, the exchange of information and experiences, and the improvement of technical capacities in order to reinforce their competition policies.

2. In this sense, cooperation shall be conducted in accordance with their respective domestic laws and through their national competition authorities, who may sign a cooperation agreement.

Article XX.12 Traditional Medicine Cooperation

1. The aims of Traditional Medicine cooperation shall be:

- (a) to build on existing agreements or arrangements already in place for Traditional Medicine cooperation; and
- (b) to promote information exchanges on Traditional Medicine between the Parties.

2. In pursuit of the objectives in Article X.1, the Parties will encourage and facilitate, as appropriate, the following activities, including, but not limited to:

- (a) encouraging dialogue on Traditional Medicine policies and promotion of respective Traditional Medicine;
- (b) raising awareness of active effects of Traditional Medicine;
- (c) encouraging exchange of experience in conservation and restoration of Traditional Medicine ;

- (d) encouraging exchange of experience on management, R&D for Traditional Medicine;
- (e) encouraging cooperation in the Traditional Medicine education field, mainly through training programs and means of communication;
- (f) having a consultation mechanism between the two countries' Traditional Medicine authorities; and
- (g) encouraging cooperation in traditional medicine therapeutic services and products manufacturing.
- (h) encouraging cooperation in research in the fields of Traditional Medicine in order to contribute in efficacy and safety assessments of natural resources and products used in health care.

Article XX.13 Labor Cooperation

The Parties shall enhance their communication and cooperation on labor, social security and environment issues through between the Parties.

Article XX.14 Cooperation on Forestry Matters and Environmental Protection

1. The aim of this chapter will be, but not limited to, as follows:
 - (a) Establishment bilateral cooperation relations in the forestry sector;
 - (b) Developing a Training Program and studies for sustainable management of forests;
 - (c) Improving the rehabilitation and sustainable management of forest with the aim of increasing carbon sinks and reduce the impact of climate change in the Asia – Pacific region;
 - (d) Cooperation for the execution of national projects, aimed at: improving the management of forest plantations for its transformation for industrial purposes and environmental protection;
 - (e) Elaboration of studies on sustainable use of timber.
 - (f) Development of new technologies for the transformation and processing of timber and non- timber species;
 - (g) Improving cooperation in Agroforestry technologies.
2. To achieve the objectives of the Article XX, the Parties may focus, as a means of cooperation and negotiations on concluding a bilateral agreement on

forestry cooperation between the two countries. Such collaboration would be as follows:

- (a) Exchanges on science and technology as well as policies and laws relating the sustainable use of forest resources;
- (b) Cooperation in training programs, internships, exchange of experts and projects advisory;
- (c) Advice and technical assistance to public institutions and organizations of the Parties on sustainable use of forest resources and environmental protection;
- (d) Facilitating forest policy dialogue and technical cooperation under the Network of Sustainable Forest Management and Forest Rehabilitation in Asia Pacific region, initiated at the 15th APEC Meeting;
- (e) Encouraging joint studies, working visits, exchange of experiences, among others; and
- (f) Others activities mutually agreed.

Article XX. 15 Fishery

1. In this area, the objective of cooperation will be to strengthen the research and productive capacities for the development of crops and processing of hydro-biological species, with the aim of increasing direct human consumption, as well as to facilitate information exchange and the conservation of natural resources, under the approach of responsible fishing.

2. The Parties will develop fishery through:

- (a) Strengthening public and private institutions related to fisheries and aquaculture development;
- (b) Promoting in each country the consumption of the main hydro-biological resources; and
- (c) Combat of illegal, unreported and unregulated fishing.

Article XX. 16 Agricultural Cooperation

In this field, the objective of the cooperation will be to:

1. Promote sustainable rural development through the exchange of experience, generation of partnership and execution of projects in areas of mutual interest such as: agricultural innovation and technology transfer for the development of small farming, the conservation and management of the water resource for agricultural use, the application of good agricultural and agro

industrial practices, including gender approach in development policies and strategies, among others.

2. Promote the exchange of relevant information for agricultural exports between the two markets; and

3. Develop a training program addressed to leader producers, technicians and professionals for the application of new technologies in order to increase and improve agriculture and animal husbandry productivity and competitiveness, in particular of added value products.

Article XX.17 Mechanisms for Cooperation

1. Pursuant to Article XX.1 (Objectives), the Parties hereby establish a Committee on Cooperation comprising representatives of each Party.

2. The Parties will designate nationals contact points to facilitate communication on possible cooperation activities. The contact points will work with government agencies, business sector representatives and educational and research institutions for the operation of this Chapter.

3. The parties shall use diplomatic channels to promote dialogue and cooperation consistent with this Agreement.

4. The Committee shall have the following functions:

- (a) to monitor and assess the progress in implementing of the cooperation projects agreed by the Parties;
- (b) to establish rules and procedures for the conduct of its work;
- (c) to make recommendations of the cooperation activities under this Chapter, in accordance with the strategic priorities of the Parties;
- (d) to review through regular reporting from both Parties, the operation of this Chapter and the application and fulfilment of its objectives between the relevant institutions of the Parties.

Article XX.18 Dispute Settlement

No Party shall have recourse to Chapter XX for any issue arising from or relating to this Chapter.