

Chapter 13
Improvement of the Business Environment

Article 138
Principles and Cooperation

1. Each Party shall, in accordance with its laws and regulations, take appropriate measures to further improve the business environment for the persons of the other Party conducting their business activities in the Area of the former Party.
2. The Parties shall, in accordance with their respective laws and regulations, promote cooperation to further improve the business environment in the Area of the Parties and take necessary measures including establishing such institutions as provided for in Articles 139, 140 and 141.

Article 139
Sub-Committee on Improvement of the Business Environment

1. For purposes of the effective implementation and operation of this Chapter, a Sub-Committee on Improvement of the Business Environment (hereinafter referred to in this Chapter as "the Sub-Committee") shall be established pursuant to Article 13.
2. The functions of the Sub-Committee shall be:
 - (a) supervising the activities of each Consultative Group on Improvement of the Business Environment (hereinafter referred to in this Chapter as "Consultative Group") to be established under Article 140;
 - (b) addressing and resolving issues that the Sub-Committee considers appropriate taking into account, as necessary, the findings reported by each Consultative Group and each Liaison Office on Improvement of the Business Environment (hereinafter referred to in this Chapter as "Liaison Office") to be designated under Article 141;
 - (c) reporting the findings and making recommendations to the Parties including the measures to be taken by the Parties, regarding such functions as referred to in subparagraphs (a) and (b) above and relevant issues. Such recommendations shall be taken into consideration by the Parties;

- (d) where appropriate, reviewing the measures taken by the Parties in relation to the recommendations referred to in subparagraph (c) above;
- (e) making available to those concerned, in an appropriate manner, the recommendations referred to in subparagraph (c) above and the results of the review referred to in subparagraph (d) above, to the extent allowed by the respective laws and regulations of the Parties;
- (f) reporting the findings and recommendations referred to in subparagraph (c) above and other findings in relation to the implementation and operation of this Chapter to the Joint Committee as fully and expeditiously as possible;
- (g) establishing its rules and procedures; and
- (h) performing other functions as may be delegated by the Joint Committee pursuant to Article 13.

3. The Sub-Committee shall cooperate with other Sub-Committees in an appropriate manner with a view to avoiding unnecessary duplication of works with those of other Sub-Committees established under this Agreement.

4. The composition, frequency of meetings and other details of the Sub-Committee shall be set forth in the Implementing Agreement.

Article 140
Consultative Group
on Improvement of the Business Environment

1. The Sub-Committee shall establish a Consultative Group in the Area of each Party.

2. The composition, functions, and frequency of meetings of the Consultative Group shall be set forth in the Implementing Agreement.

Article 141
Liaison Office on Improvement of the Business Environment

1. Each Party shall designate and maintain a Liaison Office in the Area of the Party.

2. The functions and other details of the Liaison Office shall be set forth in the Implementing Agreement.

Article 142
Resolution of Issues through Diplomatic Channels

1. A Party may, through diplomatic channels, request the other Party to take measures for resolving issues which the requesting Party considers adversely affecting the business activities of its persons in the Area of the requested Party.

2. The requested Party shall promptly respond to such request, and shall, where warranted, endeavor to take measures to resolve such issues in accordance with its applicable laws and regulations. The requested Party shall inform the requesting Party of the measures it has taken.

Article 143
Non-Application of Chapter 15

The dispute settlement procedures provided for in Chapter 15 shall not apply to this Chapter.

Chapter 14
Cooperation

Article 144
Basic Principles

The Parties shall promote cooperation under this Agreement for their mutual benefits in order to facilitate and liberalize trade and investment between the Parties in order to assist development goals and to promote the well-being of the peoples of the Parties. For this purpose, the Parties shall cooperate between the Governments of the Parties and, where necessary and appropriate, encourage and facilitate cooperation between parties, one or both of whom are entities other than the Governments of the Parties, in the following fields:

- (a) Human Resource Development
- (b) Financial Services
- (c) Information and Communications Technology
- (d) Energy and Environment
- (e) Science and Technology
- (f) Trade and Investment Promotion
- (g) Small and Medium Enterprises