

CHAPTER 22

COMPETITIVENESS AND BUSINESS FACILITATION

Article 22.1: Definitions

For the purposes of this Chapter:

supply chain means a cross-border network of enterprises operating together as an integrated system to design, develop, produce, market, distribute, transport, and deliver products and services to customers.

Article 22.2: Committee on Competitiveness and Business Facilitation

1. The Parties recognise that, in order to enhance the domestic, regional and global competitiveness of their economies, and to promote economic integration and development within the free trade area, their business environments must be responsive to market developments.

2. Accordingly, the Parties hereby establish a Committee on Competitiveness and Business Facilitation (Committee), composed of government representatives of each Party.

3. The Committee shall:

- (a) discuss effective approaches and develop information sharing activities to support efforts to establish a competitive environment that is conducive to the establishment of businesses, facilitates trade and investment between the Parties, and promotes economic integration and development within the free trade area;
- (b) explore ways to take advantage of the trade and investment opportunities that this Agreement creates;
- (c) provide advice and recommendations to the Commission on ways to further enhance the competitiveness of the Parties' economies, including recommendations aimed at enhancing the participation of SMEs in regional supply chains;
- (d) explore ways to promote the development and strengthening of supply chains within the free trade area in accordance with Article 22.3 (Supply Chains); and
- (e) engage in other activities as the Parties may decide.

4. The Committee shall meet within one year of the date of entry into force of this Agreement, and thereafter as necessary.

5. In carrying out its functions, the Committee may work with other committees, working groups and any other subsidiary body established under this Agreement. The Committee may also seek advice from, and consider the work of, appropriate experts, such as international donor institutions, enterprises and non-governmental organisations.

Article 22.3: Supply Chains

1. The Committee shall explore ways in which this Agreement may be implemented so as to promote the development and strengthening of supply chains in order to integrate production, facilitate trade and reduce the costs of doing business within the free trade area.

2. The Committee shall develop recommendations and promote seminars, workshops or other capacity building activities with appropriate experts, including private sector and international donor organisations, to assist participation by SMEs in supply chains in the free trade area.

3. The Committee shall, as appropriate, work with other committees, working groups and any other subsidiary body established under this Agreement, including through joint meetings, to identify and discuss measures affecting the development and strengthening of supply chains. The Committee shall ensure that it does not duplicate the activities of these other bodies.

4. The Committee shall identify and explore best practices and experiences relevant to the development and strengthening of supply chains between the Parties.

5. The Committee shall commence a review of the extent to which this Agreement has facilitated the development, strengthening and operation of supply chains in the free trade area during the fourth year after the date of entry into force of this Agreement. Unless the Parties agree otherwise, the Committee shall conduct further reviews every five years thereafter.

6. In conducting its review, the Committee shall consider the views of interested persons that a Party has received pursuant to Article 22.4 (Engagement with Interested Persons) and provided to the Committee.

7. No later than two years after the commencement of a review under paragraph 5, the Committee shall submit a report to the Commission containing the Committee's findings and recommendations on ways in which the Parties can promote and strengthen the development of supply chains in the free trade area.

8. Following the Commission's consideration of the report, the Committee shall make the report publicly available, unless the Parties agree otherwise.

Article 22.4: Engagement with Interested Persons

The Committee shall establish mechanisms appropriate to provide continuing opportunities for interested persons of the Parties to provide input on matters relevant to enhancing competitiveness and business facilitation.

Article 22.5: Non-Application of Dispute Settlement

No Party shall have recourse to dispute settlement under Chapter 28 (Dispute Settlement) for any matter arising under this Chapter.