

CHAPTER 19 COOPERATION

ARTICLE 19.1: SCOPE

1. The Parties affirm the importance of all forms of cooperation, with particular attention to the economic, technical and commercial cooperation, as a means to contribute to the implementation of the objectives of this Chapter, taking into account their different levels of development and the size of their economies.
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 and in other bilateral cooperation mechanisms.
3. The Parties shall endeavor to give priority to cooperation in the fields identified in this Chapter; however, this does not constitute a limitation to the inclusion of other sectors or areas.

ARTICLE 19.2: OBJECTIVE

The objective of this Chapter is to facilitate the establishment of close cooperation aimed, *inter alia*, at:

- (a) strengthening the capacities of the Parties to maximize the opportunities and benefits of this Agreement;
- (b) developing cooperation at 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) supporting and promoting the development of micro, small and medium-sized enterprises (hereinafter referred to as the “MSMEs”) in order to achieve their insertion in international trade or global value chains;
- (f) increasing the level of cooperation activities, given the cooperative relationship between the Parties;
- (g) encouraging the presence of the Parties and their goods and services in international markets; and
- (h) supporting and complementing the efforts of the Parties to implement the priorities set in their own policies and development strategies.

ARTICLE 19.3: METHODS AND MODALITIES

1. Cooperation between the Parties will be implemented through the tools, resources and mechanisms available to them, following the rules and procedures and through the appropriate agencies.
2. In particular, for the identification, development and implementation of projects, the Parties may use instruments and modalities, such as exchange of information, experiences and best practices, technical assistance and refundable and non-refundable financial cooperation including the triangular cooperation among others.

ARTICLE 19.4: COOPERATION COMMITTEE

1. The Parties hereby establish a Cooperation Committee (hereinafter referred to as the “Committee”) comprising representatives of each Party.
2. For the purposes of this Chapter, the Committee's functions shall include:
 - (a) agreeing on and developing areas of cooperation between the Parties;
 - (b) establishing a work plan for the development of cooperation;
 - (c) collecting and consolidating the work plans of cooperation developed by each of the committees formed within this Agreement;
 - (d) reviewing and evaluating proposals for cooperation;
 - (e) monitoring programs, projects and other initiatives of cooperation;
 - (f) ensuring the implementation and fulfillment of the objectives of the programs, projects and other initiatives of cooperation;
 - (g) providing support and advice for the presentation of programs, projects and other initiatives of cooperation, in accordance with the strategic priorities of the Parties; and
 - (h) carrying out other functions as may be assigned by the Joint Committee or agreed by the Parties.
3. Unless the Parties otherwise agree, the Committee shall meet at least once a year. Meetings may be conducted in person or by any technological means available to the Parties.

ARTICLE 19.5: CONTACT POINTS

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

2. For the implementation of this Chapter, the following contact points are designated:

- (a) for Korea, Ministry of Trade, Industry and Energy;
- (b) for Costa Rica, Ministry of Foreign Trade (*Ministerio de Comercio Exterior*);
- (c) for El Salvador, Ministry of Economy (*Ministerio de Economía*);
- (d) for Honduras, Secretariat of Economic Development (*Secretaría de Desarrollo Económico*);
- (e) for Nicaragua, Ministry of Trade, Industry and Development (*Ministerio de Fomento, Industria y Comercio*); and
- (f) for Panama; Ministry of Commerce and Industries (*Ministerio de Comercio e Industrias*),

or their successors or the office that the Parties notify.

ARTICLE 19.6: AREAS OF COOPERATION

1. The Parties will promote the use of instruments and mechanisms of cooperation through mutually advantageous conditions, including but not limited to the following areas:

- (a) micro, small and medium-sized enterprises;
- (b) culture (including tourism and audiovisual services);
- (c) promotion of a more favorable business environment;
- (d) healthcare industry;
- (e) agriculture, livestock (including agro-industrial);
- (f) industry and commerce (including textile and apparel);
- (g) science and technology (including information technology and communication);
- (h) transport, logistics and distribution;

- (i) trade and sustainable development (including forestry and renewable energy);
- (j) fisheries and aquaculture;
- (k) financial services sector¹; and
- (l) other areas agreed by the Parties.

2. The Parties shall endeavor to develop, promote and strengthen cooperation in the areas described in paragraph 1 as well as the activities or areas of cooperation established in other Chapters of this Agreement.

ARTICLE 19.7: DISPUTE SETTLEMENT

Neither Party shall have recourse to Chapter 22 (Dispute Settlement) for any matter arising under this Chapter.

¹ This subparagraph shall only apply for Honduras.

ANNEX 19-A
COOPERATION IN MICRO, SMALL AND MEDIUM-SIZED ENTERPRISES

The Parties shall endeavor to facilitate cooperation in micro, small and medium-sized enterprises aimed, *inter alia*, at:

- (a) cooperating and sharing information and experience in the development of policies and programs to promote productive development and support micro, small and medium-sized enterprises;
- (b) establishing networking opportunities for micro, small and medium-sized enterprises of the Parties to facilitate collaboration and/or sharing of best practices in fields such as management skill development, technology transfer, product quality improvement, global value chain linkages, development of suppliers, information technology, access to financing and technical assistance; and
- (c) facilitating the mutual advancement and the investment flows of micro, small and medium-sized enterprises of the Parties.

ANNEX 19-B
AUDIOVISUAL CO-PRODUCTION AND SERVICES

ARTICLE 1: AUDIOVISUAL CO-PRODUCTION

1. Recognizing that audiovisual co-productions in the areas including film, animation and broadcasting program can significantly contribute to the development of audiovisual industry and to an intensification of cultural and economic exchange and understanding between them, the Parties agree to consider the negotiation of an audiovisual co-production agreement.
2. The co-production agreement in accordance with paragraph 1, after its entry into force², shall become an integral part of this Agreement, but shall be interpreted and applied solely in accordance with its own terms.
3. The co-production agreement would be negotiated between the competent authorities of the Parties³.

ARTICLE 2: AUDIOVISUAL SERVICES

1. The Parties agree to cooperate, including by facilitating support, through different means, *inter alia*, training, exchange of information, expertise and experiences, as well as in usage and transfer of technology and *know-how*.
2. The Parties shall endeavor to identify areas of opportunity for technical assistance and for promoting the production and exchange of goods and services in relation to the audiovisual sector, with the aim of encouraging its development.
3. The cooperation in audiovisual services would be consulted with the competent authorities of the Parties.

² Entry into force of the co-production agreements shall be determined by the internal procedures of each of the Parties.

³ The competent authorities are:

- (a) for Korea, the Ministry of Culture, Sports and Tourism and the Korea Communications Commissions;
- (b) for Panama, the Ministry Commerce and Industries (Ministerio de Comercio e Industrias), General Directorate of the Cinematographic and Audiovisual Industry (Dirección General de la Industria Cinematográfica y Audiovisual); and
- (c) for Costa Rica, El Salvador, Honduras and Nicaragua, the authority notified by the Contact Point according to Article 21.3 (Contact Points),
or their successors.

ANNEX 19-C
IMPROVEMENT OF THE BUSINESS ENVIRONMENT

1. The Parties shall endeavor to create a more favorable business environment with a view to promoting trade and investment activities by the public and private sectors of the Parties.
2. To achieve the purposes of paragraph 1, the Parties may have consultations to address issues relating to the improvement of the business environment on the margins of the meeting of the Cooperation Committee.
3. For the attainment of any objective of this Annex, the Committee may:
 - (a) discuss ways and means to improve the business environment of the Parties;
and
 - (b) invite representatives of relevant entities other than the governments of the Parties.

ANNEX 19-D
HEALTHCARE INDUSTRY COOPERATION

1. The Parties shall endeavor to cooperate for mutual growth and development in the sector of healthcare industry including pharmaceuticals, medical devices and cosmetics, recognizing the importance of improving and protecting public health.
2. Areas of cooperation in the sector of healthcare industry include, but are not limited to the following:
 - (a) information exchange on:
 - (i) laws, regulations and resolutions on drug registration, importation, distribution and marketing of pharmaceuticals and medical devices; and
 - (ii) conferences, seminars, workshops, exhibitions, fairs and other events to encourage participation;
 - (b) capacity building through mechanisms such as exchange of information and experiences, seminars, conferences, workshops and courses on matters that include, but are not limited to, the following issues:
 - (i) registration procedures for pharmaceutical products and medical devices; and
 - (ii) internships for health care professionals and students of pharmacy degree, on the different production areas of the pharmaceutical industry;
 - (c) cooperation in relevant private sector for:
 - (i) exchange of researchers, students and those involved in relevant industries;
 - (ii) joint research programs and projects;
 - (iii) product quality upgrade, supply chain networking, technology trade, etc.; and
 - (iv) promotion and facilitation of mutual investment opportunities.