

CHAPTER 9

COOPERATION

Article 9.1: Basic Principles

1. The Parties shall, in accordance with their applicable laws and regulations, promote cooperation under this Agreement for their mutual benefit in order to facilitate trade and investment between them and to promote the well-being of the people of both countries.

2. For this purpose, the Parties shall cooperate and, where necessary and appropriate, encourage and facilitate cooperation between entities such as business communities and academia.

Article 9.2: General Objectives

The framework for cooperative activities established under this Chapter is aimed *inter alia* at:

- (a) enhancing socio-economic development;
- (b) strengthening economic competitiveness;
- (c) advancing human resources development;
- (d) creating new opportunities for trade and investment, fostering innovation and encouraging research and development;
- (e) increasing and further developing the level of cooperation activities between the Parties in areas of mutual interest;
- (f) recognising the role of the private sector in promoting and building strategic alliances to encourage mutual economic growth and development;
- (g) strengthening and building on existing cooperative relationships;
- (h) promoting sustainable development; and
- (i) improving overall well-being of the people of both countries.

Article 9.3: Scope

1. Cooperation between the Parties under this Chapter will complement the cooperation between the Parties set out in other Chapters of this Agreement.
2. Areas of cooperation may include:
 - (a) trade and economy;
 - (b) research, development and innovation;
 - (c) science and technology;
 - (d) agriculture and food industry;
 - (e) sustainable forest management;
 - (f) mining and mining related industry;
 - (g) energy;
 - (h) small and medium enterprises;
 - (i) intellectual property;
 - (j) tourism;
 - (k) education and human capital development;
 - (l) culture;
 - (m) environment; and
 - (n) promotion of investment.
3. Cooperative activities will be agreed between the Parties and may include:
 - (a) exchanges of people and information;
 - (b) dialogues, conferences and seminars;
 - (c) contacts between scientists and academia;
 - (d) the development of joint research programs; and
 - (e) encouraging private sector cooperation.

4. Areas of cooperation may be developed through existing agreements and through appropriate implementing arrangements.

Article 9.4: Research, Development and Innovation

Cooperation in innovation, research and development will be focused on cooperative activities in sectors where mutual and complementary interests exist. Where appropriate, they will also promote partnerships in the support of the development of innovative products and services and activities to promote linkage, innovation and technology exchange.

Article 9.5: Environment

1. Recognising the importance of strengthening capacity to promote sustainable development with their three interdependent and mutually reinforcing components: economic growth, social development and environmental protection, the Parties agree to cooperate in the field of environment.

2. The Parties agree that it is inappropriate to enact or use their environmental laws, regulations, policies and practices for trade protectionist purposes; as well as it is inappropriate to relax, or fail to enforce or administer, their environment laws and regulations to encourage trade and investment.

3. The aim of cooperation will be the prevention and/or reduction of contamination and degradation of natural resources and ecosystems and rational use of the latter; through developing and endorsing mutually agreed special programmes and projects dealing, *inter alia*, with the transfer of knowledge and technology.

4. The intention of the Parties is to cooperate in environmental areas of common global or domestic concern, which may include, among others:

- (a) climate change;
- (b) biodiversity and conservation of natural resources;
- (c) management of hazardous chemicals;
- (d) air quality;
- (e) water management;
- (f) waste management;

- (g) marine and coastal ecological conservation and pollution control;
- (h) strategic environmental impact assessment;
- (i) mining practices and mines rehabilitation; and
- (j) improvement of environmental awareness.

5. In order to facilitate communication for purposes of this Article, each Party will designate a contact point no later than six months from the date of entry into force of this Agreement. Each Party will notify the other Party promptly of any change of contact point.

Article 9.6: Cooperation Committee

1. For the purposes of this Chapter, the Parties hereby establish a Cooperation Committee comprising representatives of each Party.

2. The Cooperation Committee shall be coordinated and co-chaired by:

- (a) in the case of Chile, the General Directorate of International Economic Affairs, Ministry of Foreign Affairs, or its successor; and
- (b) in the case of Malaysia, the Ministry of International Trade and Industry

3. In order to ensure the proper functioning of the Cooperation Committee, each Party will designate a contact point no later than six months from the date of entry into force of this Agreement. Each Party will notify the other Party promptly of any change of contact point.

4. The Cooperation Committee shall meet in or shortly after the first year of entry into force of this Agreement, and thereafter as agreed by the Parties.

5. The Cooperation Committee shall:

- (a) establish its operating procedures;
- (b) identify and discuss cooperative activities which might be undertaken under this Chapter;
- (c) review and monitor the implementation and operation of this Chapter;
- (d) exchange information on the field of cooperation;

- (e) undertake such other functions within the context of this Chapter to foster cooperation including establishing working groups as the Parties may agree; and
- (f) report periodically to the Joint Committee the results of its meetings.

Article 9.7: Costs of Cooperation

1. The implementation of cooperation under this Chapter shall be subject to the availability of funds and the applicable laws and regulations of each Party.

2. Costs of cooperation under this Chapter shall be borne by the Parties within the limits of their own capacities and through their own channels, in an equitable manner to be mutually agreed upon between the Parties.

Article 9.8: Dispute Settlement

Chapter 12 (Dispute Settlement) shall not apply to this Chapter.