

Chapter 21

Administration of the Agreement

Article 21.01 The Free Trade Commission

1. The Parties hereby establish the Free Trade Commission, comprising cabinet-level representatives of the Parties, as set out in Annex 21.01, or their designees.

2. The Commission shall:

- (a) supervise the implementation of this Agreement;
- (b) oversee the further elaboration of this Agreement;
- (c) seek to resolve disputes that may arise regarding the interpretation or application of this Agreement;
- (d) supervise the work of all committees and working groups established under this Agreement; and
- (e) consider any other matter that may affect the operation of this Agreement.

3. The Commission may:

- (a) establish and delegate responsibilities to committees and working groups;
- (b) modify in fulfillment of the Agreement's objectives:
 - (i) the Schedules attached to Annex 3.03 (Customs Tariff Elimination Schedule), by accelerating tariff elimination; and
 - (ii) the rules of origin established in Annex 4.02 (Specific Rules of Origin);
- (c) Issue interpretations of the provisions of this Agreement;
- (d) seek the advice of non-governmental persons or groups; and
- (e) take such other action in the exercise of its functions as the Parties may agree.

4. Each Party shall implement, in accordance with its applicable legal procedures, any modification referred to in subparagraph 3(b) within such period as the Parties may agree.

5. The Commission shall establish its rules and procedures. All decisions of the Commission shall be taken by mutual agreement, unless the Commission otherwise decides.

6. The Commission shall convene at least once a year in regular session, unless the Commission otherwise decides. Regular sessions of the Commission shall be chaired successively by each Party.

Article 21.02 Free Trade Agreement Coordinators

1. Each Party shall appoint a free trade agreement coordinator, as set out in Annex 21.02.

2. The coordinators shall work jointly to develop agendas and make other preparations for Commission meetings and shall follow-up on Commission decisions, as appropriate.

Article 21.03 Administration of Dispute Settlement Proceedings

1. Each Party shall:

- (a) designate an office that shall provide administrative assistance to the panels established under Chapter 22 (Dispute Settlement) and perform such other functions as the Commission may direct; and
- (b) notify the Commission of the location of its designated office.

2. Each Party shall be responsible for:

- (a) the operation and costs of its designated office; and
- (b) the remuneration and payment of expenses of panelists and experts, as set out in Annex 21.03.

Annex 21.01

The Free Trade Commission

The Free Trade Commission shall be composed of:

- (a) in the case of the Republic of Nicaragua, the Ministro de Fomento, Industria y Comercio; and
- (b) in the case of Republic of China (Taiwan), the Minister of Economic Affairs,

or their successors.

Annex 21.02

Free Trade Agreement Coordinators

The free trade agreement coordinators shall be composed of:

- (a) in the case of the Republic of Nicaragua, the Director General de Comercio Exterior del Ministerio de Fomento, Industria y Comercio (MIFIC); and
- (b) in the case of Republic of China (Taiwan), the Director General of the Bureau of Foreign Trade, Ministry of Economic Affairs,

or their successors.

Annex 21.03

Remuneration and Payment of Expenses

1. The Commission shall establish the amounts of remuneration and expenses that will be paid to panelists and experts.
2. The remuneration of panelists and their assistants, experts, their travel and lodging expenses, and all general expenses of panels shall be borne equally by the disputing Parties.
3. Each panelist and expert shall keep a record and render a final account of the person's time and expenses, and the panel shall keep a record and render a final account of all general expenses.