

APPENDIX 5

NEW CHAPTER 14 (COOPERATION)

CHAPTER 14

COOPERATION

Article 1 Objectives

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

- (a) strengthening and building on existing cooperative relationships between the Parties;
- (b) creating new opportunities for trade and investment;
- (c) creating new opportunities to encourage small and medium-sized enterprise (“SME”) business growth and management development;
- (d) supporting the important role of the private sector in promoting and building strategic alliances to encourage mutual economic growth and development;
- (e) encouraging the presence of the Parties and their goods and services in the respective markets of Asia and Pacific; and
- (f) increasing the level of and deepening cooperation activities between the Parties in areas of mutual interest.

Article 2 Scope

1. The Parties affirm the importance of all forms of cooperation in contributing towards implementation of the objectives and principles of this Agreement.
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.

Article 3 Economic Cooperation

1. The aims of economic cooperation under this Chapter are to:
 - (a) build on existing agreements or arrangements already in place for trade and economic cooperation, including those established under the *Trade and Economic Cooperation Framework between the People’s Republic of China and New Zealand*; and

- (b) advance and strengthen trade and economic relations between the Parties.

2. In pursuit of the objectives in paragraph 1, the Parties will encourage and facilitate, as appropriate, the following activities, including, but not limited to:

- (a) policy dialogue and regular exchanges of information and views on ways to promote and expand trade and investment between the Parties;
- (b) keeping each other informed of important economic and trade issues, and any impediments to furthering their economic cooperation;
- (c) providing assistance and facilities to business persons and trade missions that visit each other's country with the knowledge and support of the relevant agencies;
- (d) supporting dialogue and exchanges of experience among the respective business communities of the Parties; and
- (e) stimulating and facilitating activities of public and/or private sectors in areas of economic interest.

Article 4 Small and Medium-Sized Enterprises

1. The aims of cooperation on SMEs are to:

- (a) build on existing agreements or arrangements already in place for trade and economic cooperation;
- (b) promote a favourable trading environment for the development of SMEs; and
- (c) build the capacity of SMEs to trade effectively under this Agreement.

2. In pursuit of the objectives in paragraph 1, the Parties will encourage and facilitate, as appropriate, *inter alia*, the following activities:

- (a) promoting cooperation and information exchange between government institutions, business groups and industrial associations;
- (b) exploring jointly effective strategies and support policies for the development of SMEs, including financial support and intermediary services;

- (c) holding trade fairs and investment marts and promoting other mechanisms for exchanging goods and services involving SMEs of both Parties; and
- (d) promoting training and personnel exchange between SMEs of both Parties and relevant business advisors and industrial associations.

3. Cooperation activities will be oriented to improve knowledge and good practices among SMEs and to facilitate bilateral trade by SMEs, including through exchanges of information about regulatory regimes, local markets and regional and national economies of both Parties.

Article 5 Labour and Environmental Cooperation

The Parties shall enhance their communication and cooperation on labour and environment matters through both the *Memorandum of Understanding on Labour Cooperation* and the *Environment Cooperation Agreement* between the Parties.

Article 6 Agricultural Cooperation

1. The Parties acknowledge the role agricultural cooperation plays in furthering a strong bilateral relationship.
2. The Parties recognize the benefits of agricultural cooperation, including to:
 - (a) build mutual understanding of each Party's agricultural systems and sectors;
 - (b) further develop each Party's capability to promote trade;
 - (c) develop closer and deeper partnerships in areas of joint interest, including agricultural science and technology cooperation;
 - (d) encourage mutually beneficial relationships between each Party's business communities and enterprises; and
 - (e) maintain a constructive channel for dialogue and information exchange on agricultural issues.

Article 7 Mechanisms for Cooperation

1. The Parties will designate a contact point to facilitate communication on possible cooperation activities. The contact points will work with government

agencies, private sector representatives and educational and research institutions in the operation of this Chapter.

2. The Parties will make maximum use of diplomatic channels to promote dialogue and cooperation consistent with this Agreement.