

CHAPTER THIRTEEN

ECONOMIC COOPERATION

Article 13.1: Objectives

1. The Parties shall promote cooperation under this Agreement for their mutual benefit in order to liberalize and facilitate trade and investment between them and foster economic growth.
2. Economic cooperation under this Chapter shall be built upon a common understanding between the Parties to support the implementation of this Agreement, with the objective of maximizing its benefits, supporting pathways to trade and investment facilitation, and further improving market access and openness to contribute to the sustainable and inclusive economic growth and prosperity of the Parties.

Article 13.2: Scope

1. Economic cooperation under this Chapter shall support the effective and efficient implementation and utilization of this Agreement through activities that relate to trade and investment.
2. Economic cooperation under this Chapter shall initially focus on the following areas:
 - (a) energy and resources;
 - (b) advanced industry;
 - (c) circular economy;
 - (d) audiovisual services and co-production;
 - (e) smart farming and climate-smart agriculture;
 - (f) healthcare industry;
 - (g) tourism;
 - (h) transport;
 - (i) shipping and maritime;

- (j) digital economy/trade;
- (k) precious metals;
- (l) supply chain;
- (m) competition;
- (n) bioeconomy; and
- (o) any other areas as may be agreed by the Parties.

3. The Parties may agree in the Annual Work Program on Economic Cooperation Activities to modify the above list, including by adding other areas for economic cooperation.

4. Annexes 13-A-E form an integral part of this Chapter.

Article 13.3: Annual Work Program on Economic Cooperation Activities

1. The Committee on Economic Cooperation shall adopt an Annual Work Program on Economic Cooperation Activities (hereinafter referred to as the “Annual Work Program”) based on proposals submitted by the Parties.

2. Each activity in the Annual Work Program developed under this Chapter shall:

- (a) be guided by the objectives agreed in Article 13.1;
- (b) be related to trade or investment facilitation and support the implementation of this Agreement;
- (c) involve both Parties;
- (d) address the mutual priorities of the Parties; and
- (e) avoid duplicating existing economic cooperation activities.

Article 13.4: Supply Chain

1. The Parties recognize the need to ensure secure and resilient supply chains and to minimize disruptions and vulnerabilities, which may require improving coordination between public institutions and private sectors.

2. To achieve the goal of resilient supply chains that can anticipate, withstand, or rapidly recover from shocks and strengthen the competitiveness

of our economies, the Parties intend to undertake relevant activities based on the principles of transparency, diversification, security, and sustainability, while being in full observance of their respective laws and regulations.

Article 13.5: Competition Policy

1. The Parties recognize the importance of free and undistorted competition in their trade relations. The Parties may cooperate to exchange information relating to the development of competition policy, subject to their domestic laws, regulations, and available resources. The Parties may conduct such cooperation through their competent authorities.

2. The Parties may consult on matters related to anti-competitive practices and their adverse effects to trade. The consultations shall be without prejudice to the autonomy of each Party to develop, maintain, and enforce its domestic competition laws and regulations.

Article 13.6: Resources

1. Resources for economic cooperation under this Chapter shall be provided in a manner as agreed by the Parties and in accordance with each Party's laws and regulations.

2. The Parties, on the basis of mutual benefit, may consider cooperation with, and contributions from, external Parties to support the implementation of the Annual Work Program.

Article 13.7: Means of Cooperation

The Parties shall endeavor to encourage technical, technological, and scientific economic cooperation, through the following means:

- (a) joint organization of conferences, seminars, workshops, meetings, training sessions and outreach and education programs;
- (b) exchanges of delegations, professionals, technicians and specialists from the academic sector, institutions dedicated to research, private sector, and governmental agencies, including study visits and internship programs for professional training;

- (c) dialogue and exchange of experiences between the Parties' private sectors and agencies involved in trade promotion;
- (d) initiation of the knowledge-sharing platform aiming to transfer experience and best practices in the field of government development and modernization to other countries through UAE's Government Experience Exchange Program;
- (e) promotion of joint business initiatives between entrepreneurs of the Parties; and
- (f) any other form of cooperation that may be agreed by the Parties.

Article 13.8: Committee on Economic Cooperation

1. For purposes of the effective implementation and operation of this Chapter, the Parties hereby establish a Committee on Economic Cooperation (hereinafter referred to as the "Committee").

2. The Committee shall undertake the following functions:

- (a) monitor and assess the implementation of this Chapter;
- (b) identify new opportunities and agree on new ideas for prospective cooperation or capacity building activities;
- (c) formulate and develop Annual Work Program proposals and their implementation mechanisms;
- (d) coordinate, monitor and review progress of the Annual Work Program to assess its overall effectiveness and contribution to the implementation and operation of this Chapter;
- (e) suggest amendments to the Annual Work Program through periodic evaluations;
- (f) cooperate with other Committees or subsidiary bodies established under this Agreement to perform stocktaking, monitoring, and benchmarking on any issues related to the implementation of this Chapter, as well as to provide feedback and assistance in the implementation and operation of this Chapter; and
- (g) report to and, if deemed necessary, consult with the Joint Committee in relation to the implementation and operation of

this Chapter.

3. The Committee shall be coordinated by:
 - (a) in the case of Korea, the Ministry of Trade, Industry and Energy, or its successor; and
 - (b) in the case of the UAE, the Ministry of Economy, or its successor.

Article 13.9: Non-application of Chapter Fifteen (Dispute Settlement)

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

Annex 13-A

Energy and Resources

1. The Parties shall promote cooperation under this Chapter as a means of building a stronger, more stable, and mutually beneficial partnership in the field of energy and resources.
2. The Parties agree that their joint objective shall be to foster cooperation across the entire energy supply chain including, but not limited to:
 - (a) upstream activities such as the exploration, exploitation, and production of oil and gas;
 - (b) downstream and midstream activities such as the refining of oil, processing of petrochemicals, liquefaction of gas, and transportation and distribution of crude oil and oil products; and
 - (c) hydrogen production, storage, transportation, applications, and fueling stations.
3. Areas of energy and resources cooperation may include, but are not limited to:
 - (a) development and use of alternative and renewable energy sources such as natural gas, sustainable hydrocarbon energy (including CCUS and hydrogen), and bioenergy;
 - (b) design and development of mechanisms that allow an efficient use and administration of the territories of the Parties related to energy and resources; and
 - (c) construction of energy infrastructure with low environmental impact.

Annex 13-B

Advanced Industry

1. The Parties shall promote cooperation on advanced industry with the purpose of enhancing conditions for economic development, stability and prosperity that are grounded in resilience and sustainability.
2. Areas of advanced industry cooperation include, but are not limited to:
 - (a) advanced manufacturing, such as smart machinery and autonomous manufacturing; and
 - (b) advanced technology, such as artificial intelligence (AI), information technology (IT), and biotechnology.
3. The Parties shall foster cooperation in advanced industry through:
 - (a) implementing collaborative projects, strengthening business-to-business (B2B) and business-to-government (B2G) ties, promoting government-to-government (G2G) collaboration, and scaling cooperation into third countries (multilateral G2G);
 - (b) joint R&D and joint establishment of start-ups or joint ventures, as well as the provision of funding for such projects; and
 - (c) any other forms of cooperation on advanced industry as agreed by the Parties.

Annex 13-C

Smart Farming and Climate-Smart Agriculture

1. Recognizing sustainable farming as a shared vision, the Parties shall promote cooperation under this Chapter as a means of building a stronger, more stable, and mutually beneficial partnership in the field of smart farming and climate-smart agriculture.
2. The Parties shall endeavor to take the necessary measures to support, facilitate, and promote cooperation in the following areas:
 - (a) exchange of experiences, information, best practices, innovation, and modern technologies in the field of smart farming and climate-smart agriculture;
 - (b) research to find innovative solutions to the challenges related to smart farming and climate-smart agriculture that emphasizes economically beneficial technologies for smallholder farms;
 - (c) enhancement of opportunities and investment for collaboration between the Parties' private sectors in the field of smart farming and climate-smart agriculture;
 - (d) joint arrangement of projects in areas of mutual interest to the Parties; and
 - (e) any other areas of cooperation that may be jointly decided upon by the Parties through consultations.

Annex 13-D

Healthcare Industry

1. Both Parties shall encourage cooperation in the healthcare industry on the basis of mutual benefit and in accordance with the national legislations of each country.
2. Areas of healthcare industry cooperation include, but are not limited to:
 - (a) public health policy and management;
 - (b) medical and pharmaceutical policy and management;
 - (c) hospital healthcare;
 - (d) digital healthcare; and
 - (e) new technologies in health care and medical equipment.
3. The Parties shall foster cooperation in the healthcare industry through:
 - (a) personnel training in the fields of health care and medical and pharmaceutical science;
 - (b) improving access to the healthcare services of the Parties;
 - (c) promotion of medical institutions of one Party in the other Party; and
 - (d) cooperation on investment and financial support for promoting the healthcare industry.

Annex 13-E

Bioeconomy

Scope and Coverage

1. For purposes of this Annex:

The bioeconomy sector may include biopharmaceuticals, biochemical and bioenergy, bioenvironmental, biomedical equipment, bioinstrument and bioequipment, and bioresource sectors.

Section A: Cooperation on Innovation

2. The Parties recognize the importance of innovation in the bioeconomy sectors and shall cooperate to create an innovation ecosystem to encourage and promote technical innovation between the Parties. Cooperation to create an innovation ecosystem may include the following areas:

- (a) designation of a specific area agreed upon by the Parties;
- (b) actively supporting match-making between research institutes, enterprises, and investors. The Parties shall organize match-making events, including business forums and business roundtables. These events will be held at least twice a year and will encourage participants to exchange information, discuss ideas, and develop collaborative relationships to enable innovation; and
- (c) designing joint research projects, designating the research institutes and enterprises of the Parties to implement the projects, and providing financial and administrative support for the projects, as available and in accordance with national economic development and industry policies. The ownership and utilization of developed technologies and outputs through the projects shall be determined by prior agreement between the Parties and the project implementers.

3. The Parties hereby establish a Bioeconomy Task Force comprising officials of each Party to carry out the areas set out in paragraph 2 and any other activities as the Parties may agree. The Task Force shall hold regular meetings at least once a year to review progress, exchange ideas, and plan future activities. The Task Force shall make best efforts to ensure that the designation of areas for cooperation as set out in paragraph 2(a) of this Section is initiated promptly after the entry into force of this Agreement. The Task

Force shall also make best efforts to ensure that the other areas set out in paragraph 2(b) of this Section are initiated promptly after the entry into force of this Agreement.

4. Both Parties shall cooperate to enhance the understanding of open innovation models by relevant government representatives and research professionals. This will include the exchange and dissemination of information and experiences on the organization and functioning of open innovation, its advantages, and the necessary regulatory framework to encourage such models.

Section B: Cooperation on Supply Chain Resilience

Definitions

5. For purposes of this Section:

Bio Supply Chains means the economic, commercial, and trade relationships between and among enterprises in the bioeconomy sector of the Parties.

Supply Chain Disruptions include severe interruptions, delays, or shortages that:

- (a) impact either Party; and
- (b) significantly impair cross-border movement of, or access to, materials, articles, or commodities.

Cooperation on Supply Chain Resilience

6. The Parties shall endeavor to minimize unnecessary, arbitrary, and unjustifiable restrictions or impediments affecting Bio Supply Chains in accordance with the rights and obligations of the Parties under this Agreement. The Parties shall endeavor to share relevant information if requested.

7. In developing, adopting, and applying a measure, and in accordance with the rights and obligations of the Parties under this Agreement, the Parties shall endeavor to consider the effect of measures on Bio Supply Chains.

8. Both Parties shall endeavor to monitor import dependencies, prices and trade volumes, and changes of global supply and demand where appropriate and feasible to assess Bio Supply Chains vulnerabilities.

9. Both Parties shall endeavor to promote diversification of sources where market concentration exists for the sector or good regarding raw material needs, demand expectations, manufacturing, and processing capacities.

10. Both Parties shall jointly determine which materials, articles, or commodities are essential for the bioeconomy, and shall endeavor to assess storage capacities on their respective territories for such products. Each Party shall endeavor to promote the optimization and enhancement of its storage capacities for such products and assess available capacity as requested by the other Party, to the extent practicable.

Cooperation in Times of Supply Chain Disruptions

11. The Parties shall endeavor to cooperate to respond promptly to Supply Chain Disruptions and support each other to recover from Supply Chain Disruptions.

12. Upon request of a Party experiencing Supply Chain Disruptions, the Parties shall endeavor to:

- (a) establish a Working Group comprising government representatives of each Party and meet either in-person or virtually within a reasonable timeframe from the receipt of a request;
- (b) share information on the sector or product experiencing Supply Chain Disruptions (hereinafter referred to as “affected sector or product”), such as: the cause of the Supply Chain Disruptions; the expected duration of the Supply Chain Disruptions; and assistance that would be helpful from the other Party; and
- (c) discuss measures or policies to respond to Supply Chain Disruptions such as expediting customs procedures for the affected sector or product, providing information on enterprises willing to export the necessary product, and other measures or policies that both Parties consider helpful.

13. If a Party imposes measures that may significantly affect Bio Supply Chains during a Supply Chain Disruption, those measures shall be targeted, proportionate, transparent, temporary, and in conformance with their rights and obligations under this Agreement, under the WTO Agreement and other relevant international agreements. A Party which has imposed or maintained such measures or policies shall endeavor to:

- (a) ensure the timely publication and dissemination of all relevant information about the measure, in accordance with the relevant provisions of this Agreement;
- (b) upon request **of** the other Party, undertake consultations regarding the measure. These consultations shall take place as

soon as possible, and may be held by e-mail, video or telephone conference, or any means agreed between the Parties; and

- (c) undertake any steps as may be agreed in such consultations.

Section C: Capacity Building and Professional Personnel Exchanges in the Bioeconomy Sector

14. The Parties shall cooperate to develop and operate demand-based workforce training programs that meet the needs of the bioeconomy industry, with a specific focus on areas as agreed by the Parties. The Parties shall collaborate on the development of training curricula, methodologies, and materials, leveraging each Party's know-how and expertise.

15. The Parties shall cooperate to develop and operate training programs for relevant government officials and to promote exchanges of information and knowledge between government officials. The Parties shall facilitate cooperation among the government agencies in the bioeconomy sector.

16. The Parties shall exchange information on policies and strategies related to capacity building and professional personnel exchanges in the bio industry and share best practices and experiences in the development and operation of training programs.