

**ECONOMIC COOPERATION
AGREEMENT**

Between

**THE GOVERNMENT OF THE REPUBLIC
OF CHINA (TAIWAN)**

And

**THE GOVERNMENT OF THE REPUBLIC
OF THE MARSHALL ISLANDS**

PREAMBLE

WHEREAS the **Government of the Republic of China (Taiwan)** and the **Government of the Republic of the Marshall Islands** (hereinafter jointly referred to as the “Parties” and separately as a “Party”);

RECOGNIZING the catalytic role that bilateral economic cooperation can play towards accelerating trade and investment;

DESIRING to enhance mutually beneficial bilateral trade and investment between the Parties;

CONSCIOUS that this Agreement on Economic Cooperation (hereinafter referred to as the “Agreement”) will contribute to the promotion of closer links between the Parties;

HAVE AGREED as follows:

CHAPTER I **INITIAL PROVISIONS**

ARTICLE 1 **Objectives**

The Parties enter into this Agreement to ensure sustainable development that seeks to protect and preserve the environment and to explore new areas of economic, trade and investment through various methods, such as engaging in cooperation as provided in this Agreement or agreed by the Parties.

CHAPTER II BILATERAL COOPERATION

ARTICLE 2 **Economic Cooperative Programs**

In order to raise the standards of living and ensure full employment and a large and steadily growing volume of real income and effective demand, the Parties agree to the following Economic Cooperative Programs:

(a) Trade Cooperation

- (i) The Parties shall cooperate on sanitary and phytosanitary measures for the protection of human, animal and plant life.
- (ii) The Parties shall cooperate in the fields of standardization, metrology, conformity assessment and quality infrastructure, with the aim of enhancing

mutual understanding and promoting economic and trade relations and thereby eliminating technical barriers to trade.

- (iii) The Parties will cooperate in addressing supply side constraints with the aim of increasing competitiveness of the Parties at industry level. Such cooperation may include, but not be limited to, areas of innovation, production, technology, distribution, marketing and financing.
- (iv) For purposes of maintaining sustainable economic development, fostering growth and prosperity and increasing wealth and welfare, the Government of the Republic of China (Taiwan) will eliminate tariffs on the products listed in the List of Products of the Republic of China (Taiwan), as provided in Annex I, and the Government of the Republic of the Marshall Islands will eliminate tariffs on the products listed in the List of Products of the Republic of the Marshall Islands, as provided in Annex II.
- (v) For the purposes of Annexes I and II, the Parties shall engage in further consultations on their respective List of Products, including initial request and offer, date of consultations, and protocol of exchange.

(b) Services Cooperation

- (i) The Parties may engage in consultations on an agreement on trade in services after entry into force of this Agreement.
 - (ii) The consultations on the agreement on trade in services shall seek to:
 - (1) gradually reduce or eliminate restrictions on a large number of sectors in trade in services between the Parties;
 - (2) further increase the breadth and depth of trade in services; and
 - (3) enhance cooperation in trade in services between the Parties.
 - (iii) Either Party may accelerate the liberalization or elimination of restrictive measures at its discretion on the basis of the commitments to liberalization in the agreement on trade in services.
- (c) **Investment Cooperation**
- (i) The Parties shall require their designated agencies to hold regular consultations with investors of the Republic of China (Taiwan) in order to assist such investors with addressing issues and barriers to their investments in the Republic of the Marshall Islands.

(ii) The Government of the Republic of the Marshall Islands shall from time to time provide the Government of the Republic of China (Taiwan) with information to assist the Government of the Republic of China (Taiwan) in strengthening its investments in the Republic of the Marshall Islands.

(d) Technical Cooperation

(i) The Parties shall establish a technical cooperation mechanism in order to develop the major areas of agriculture, tourism, environment, education, information and communications technology, and public health and medicine, including agricultural products processing, fisheries, energy, mining, healthcare, pharmaceuticals, vocational education, finance, as well as other initiatives.

(ii) The Parties will encourage studies aiming at identifying potential investment sectors to develop clusters on agro-industrial activities.

(e) Personnel Exchange and Cooperation

The Parties shall establish a professional personnel exchange and cooperation mechanism in order to promote the growth and development of their respective economies. For these purposes, the Parties

may cooperate through:

- (i) dispatching experts and scholars for exchange visits in order to provide assistance relating to the development of specific industry chains; and
 - (ii) with respect to agreed fields of industry cooperation, engaging in personnel exchanges by way of research and study, experience sharing, consultations, professional training, among others.
- (f) **Tourism Cooperation**

The Parties shall cooperate on encouraging tourism between the Republic of China (Taiwan) and the Republic of the Marshall Islands. For these purposes, the Parties may cooperate through opinion exchanges at tourism promotional events, or other methods as the Parties may agree.

CHAPTER III

INVESTMENT PROMOTION AND PROTECTION

ARTICLE 3

Investment Promotion

1. The Parties recognize the importance of promoting cross-border investment flows and technology

transfers as means for achieving economic growth and development. In order to increase investment flows, the Parties may cooperate through:

- (a) exchanging information, including potential sectors and investment opportunities, laws and regulations, so as to increase awareness on their investment environments;
 - (b) encouraging and supporting investment promotion activities such as investment conferences, fairs, exhibitions and investment promotion missions;
 - (c) discussing the possibility of negotiating bilateral investment promotion and protection agreements with a view to furthering investment flows and technology transfer; and
 - (d) developing mechanisms for investments conducted by the private sector on the basis of commercial considerations.
2. The Parties recognize that the objective of investment promotion shall be in conformity with their respective national legislation.

CHAPTER IV

CUSTOMS PROCEDURES AND COOPERATION

ARTICLE 4

Rules of Origin

In order to qualify for the trade cooperation in Article 2(a)(v), the imports listed in the List of Products of the Republic of China (Taiwan) in Annex I and the List of Products of the Republic of the Marshall Islands in Annex II of this Agreement shall meet the requirements of rules of origin as stipulated in Annex III of this Agreement.

ARTICLE 5

Duty-Free Importation of Certain Commercial Samples and Printed Advertising Material

Each Party shall authorize the duty-free importation of commercial samples of insignificant value and printed advertising materials from the territory of the other Party.

ARTICLE 6

Customs Valuation

1. Customs valuation rules shall be governed by the Parties' respective legislation.
2. The Parties shall cooperate with a view to reaching a common approach to issues relating to customs valuation.

ARTICLE 7

Facilitation of Customs Procedures

The Parties shall take all necessary measures to facilitate the customs procedures for originating products.

ARTICLE 8

Customs Cooperation

The Parties commit themselves to developing customs cooperation mechanisms to ensure that the provisions on trade are observed. For this purpose they shall establish a dialogue on customs matters and provide mutual assistance.

CHAPTER V

TRADE REMEDIES

ARTICLE 9

Antidumping, Subsidies and Countervailing Measures

In the application of antidumping or countervailing measures and with respect to subsidies, the Parties shall be governed by their respective legislation.

ARTICLE 10

Safeguard Measures

The rights and obligations of the Parties with respect to safeguard measures shall be governed by their respective legislation.

CHAPTER VI
INTELLECTUAL PROPERTY

ARTICLE 11
Intellectual Property

In the spirit of international organizations governing intellectual property rights, the Parties agree to:

- (a) promote the importance of intellectual property rights in fostering trade in goods and services, innovation, and economic, social and cultural development;
- (b) promote the effective protection, enforcement and maintenance of intellectual property rights; and
- (c) recognize the need to achieve a fair balance among the rights of intellectual property rights holders, the legitimate interest of users and the wider interest of the public with regard to protected subject matters.

CHAPTER VII
TRANSPARENCY

ARTICLE 12
Publication

Each Party shall promptly publish its laws, regulations, procedures and administrative rulings of general application regarding any matter covered by this Agreement.

CHAPTER VIII
FINAL PROVISIONS

ARTICLE 13
Exceptions

No provision of this Agreement shall be interpreted to prevent the Parties from adopting or maintaining exception measures including, but not limited to, those:

- (a) necessary to protect public morals;
- (b) necessary to protect human, animal or plant life or health; and
- (c) relating to the conservation of exhaustible natural resources.

ARTICLE 14
Joint Committee

1. A Joint Committee is hereby established.
2. The Joint Committee shall comprise of representatives from each Party appointed by the Minister of Economic Affairs of the Republic of China (Taiwan) and the Minister of Natural Resources and Commerce of the Republic of the Marshall Islands or their representatives.
3. The tasks of the Joint Committee shall be to:
 - (a) promote the effective administration and implementation of this Agreement;
 - (b) facilitate regular communication and consultation between the Parties;
 - (c) facilitate the exchange of information at the request of either Party;
 - (d) periodically review the possibility of further removal of obstacles to trade between the Parties; and
 - (e) within six (6) months of entry into force of this Agreement, define priority sectors for technical cooperation and request the Parties respective relevant authorities to identify specific projects and establish

mechanisms for their implementation.

4. The Joint Committee shall establish its own rules of procedure.
5. The Joint Committee shall establish subcommittees for any purpose under this Agreement.

ARTICLE 15

ENTRY INTO FORCE

This Agreement shall enter into force thirty (30) days after the Parties have formally notified, through diplomatic channels, the completion of the domestic procedures necessary to that effect.

ARTICLE 16

MISCELLANEOUS PROVISIONS

1. Either Party may terminate this Agreement by giving one (1) year written notice of its intention to terminate to the other Party through diplomatic channels.
2. This Agreement may be amended in writing by mutual consent of the Parties through the Exchange of Notes between the Parties through diplomatic channels.
3. This Agreement shall include the Annexes thereto, and all future legal instruments agreed pursuant to this Agreement.

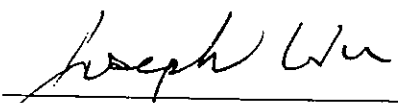
4. Each Party shall designate and notify to the other Party a contact point to facilitate communications between the Parties on any matter covered by this Agreement. At the request of one Party, the other Party's contact point shall identify the office or official responsible for the matter and assist, as necessary, in facilitating communication with the requesting Party.

DONE at Taipei on this 25 day of October
2019 in the English language.

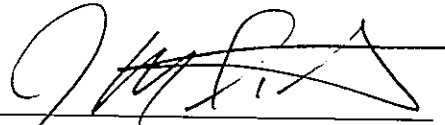
IN WITNESS WHEREOF, the undersigned, being duly
authorized by their respective Governments, have signed this
Agreement.

**FOR THE
GOVERNMENT OF
THE REPUBLIC OF
CHINA (TAIWAN)**

**FOR THE
GOVERNMENT OF THE
REPUBLIC OF THE
MARSHALL ISLANDS**



Joseph Wu
Minister
Ministry of Foreign Affairs



John M. Silk
Minister
Ministry of Foreign
Affairs and Trade

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ANNEX I

List of Products of the Republic of China (Taiwan)	
HS Code	Product description
	To be determined

ANNEX II

**List of Products of the Republic of the Marshall
Islands**

HS Code	Product description
	To be determined

ANNEX III
Rules of Origin

SECTION I
GENERAL PROVISIONS

ARTICLE 1
Scope of Application

This Annex applies to the List of Products of the Republic of China (Taiwan) in Annex I of this Agreement and the List of Products of the Republic of the Marshall Islands in Annex II of this Agreement.

ARTICLE 2
Definitions

For the purposes of this Annex:

- (a) “authorized body” means the Bureau of Foreign Trade, Ministry of Economic Affairs for the Government of the Republic of China (Taiwan), and the Ministry of Natural Resources and Commerce for the Government of the Republic of the Marshall Islands;
- (b) “customs authority” means the Customs Administration, Ministry of Finance for the Government of the Republic of China (Taiwan), and the Ministry of Finance, Banking and Postal Services

for the Government of the Republic of the Marshall Islands;

- (c) “manufacture” means working or processing, including assembling;
- (d) “material” means any ingredient, raw material, component or part used in the manufacture of a product;
- (e) “value of materials” means the customs value determined in accordance with their respective legislation; and
- (f) “heading” means a heading (four-digit code) of the Harmonized Commodity Description and Coding System.

SECTION II

CONCEPT OF “ORIGINATING PRODUCTS”

ARTICLE 3

General Requirements

A product shall be considered as originating in one Party if:

- (a) it has been wholly obtained in one Party, in accordance with Article 5 of this Annex;
- (b) the non-originating materials used in the working or

processing have undergone sufficient working or processing in one Party, in accordance with Article 6 of this Annex; or

- (c) it has been produced in one Party exclusively from materials originating in the Party.

ARTICLE 4

Bilateral Accumulation of Origin

Notwithstanding Article 3, originating materials and products from one Party, used in working or processing of goods in the other Party, shall be considered as originating in the other Party, provided that they have undergone sufficient working or processing in one of the Parties, within the meaning of this Annex.

ARTICLE 5

Wholly Obtained Products

The following products shall be considered as wholly obtained in one Party:

- (a) minerals and other naturally occurring substances extracted or taken from its soil, waters, seabed or beneath the seabed there;
- (b) plant and plant products grown and harvested there;
- (c) live animals born and raised there;

- (d) products from live animals, raised there;
- (e) products from slaughtered animals born and raised there;
- (f) products obtained by hunting, trapping, fishing or aquaculture conducted there;
- (g) waste and scrap resulting from manufacturing operations conducted there fit only for the recovery of raw materials and not for their original purpose;
- (h) used products collected there fit only for the recovery of raw materials and not for their original purpose; or
- (i) products obtained or produced in one Party solely from products referred to in subparagraphs (a) to (h) or from their derivatives.

ARTICLE 6

Sufficient Working or Processing

Products which are not wholly obtained are considered to be sufficiently worked or processed when the conditions set out below are fulfilled:

- (a) goods have undergone working or processing in one Party and the CIF value of materials (raw materials, semi-finished or finished products) originating from countries other than either one of the Parties, and

materials of unknown origin used in the production does not exceed 50% of the FOB value of goods exporting from one Party; or

- (b) these goods are manufactured from materials or products of any heading, except that of the goods.

ARTICLE 7

Insufficient Working or Processing Operations

The following operations do not meet the sufficient processing criteria:

- (a) preserving operations to ensure that the products remain in good condition during transport and storage;
- (b) changes of packaging and breaking-up and assembly of packages;
- (c) washing, cleaning, the removal of dust, oxide, oil, paint or other coverings;
- (d) ironing or pressing of textiles;
- (e) simple painting and polishing operations;
- (f) husking, partial or total bleaching, polishing, and glazing of cereals and rice;
- (g) operations to colour or flavour sugar or form sugar lumps; partial or total milling of crystal sugar;

- (h) peeling, stoning and shelling, of fruits, nuts and vegetables;
- (i) sharpening, simple grinding, separating or simple cutting;
- (j) sifting, screening, sorting, classifying, grading, matching; (including the making-up of sets of articles);
- (k) simple placing in bottles, cans, flasks, bags, cases, boxes, fixing on cards or boards and all other simple packaging operations;
- (l) affixing or printing marks, labels, logos and other similar signs on products or their packaging;
- (m) simple mixing of products, whether or not of different kinds; mixing of sugar with any material;
- (n) simple assembly of non-originating parts to constitute a complete product or disassembly of products into parts;
- (o) simple addition of water or dilution or dehydration or denaturation of products;
- (p) a combination of two or more operations specified in subparagraphs (a) to (o); and
- (q) slaughter of animals.

ARTICLE 8

Treatment of Packing Materials and Containers

Packing materials and containers exclusively used for transportation and shipment of goods shall not be taken into account in determining the origin of any goods.

Packing materials and containers in which goods are packaged for retail sale, when classified together with those goods, shall not be taken into account in determining whether all of the non-originating materials used in the production of the goods have met the applicable change in tariff classification requirements for the goods.

If goods are subject to article 6(a) requirement, the value of the packing materials and containers in which the goods are packaged for retail sale shall be taken into account as originating or non-originating materials, as the case may be, in calculating the value content of the goods under article 6(a).

ARTICLE 9

Accessories, Spare Parts, Tools and Instructional or Information Material

Accessories, spare parts, tools and instructional or other information materials presented with the goods shall be considered part of those goods and shall be disregarded in determining whether all the non-originating materials used in the production of the originating goods have undergone the applicable change in tariff classification, provided these

are classified with and not invoiced separately from the goods.

The value of the accessories, spare parts, tools and instructional or other information materials presented with the goods shall be taken into account as originating or non-originating materials, as the case may be, in calculating the value content of the goods under article 6(a).

This Article applies only where the accessories, spare parts, tools and instructional or other information materials are presented with the goods are not invoiced separately from the originating goods; and the quantities and value of the accessories, spare parts, tools and instructional or other information materials presented with the goods are customary for those goods.

ARTICLE 10

Direct Consignment and Direct Purchase

Preferential tariff treatment shall be granted for goods originating from the exporting Party provided that such goods are purchased directly in that country and transported directly to the customs territory of the importing Party.

Originating goods shall be considered as purchased directly if the importer has acquired them from a person duly registered as a business entity in exporting Party.

Originating goods shall be considered as direct consignment if they are transported through the territories of other countries due to geographic, transport-related, technical or economic reasons, provided that such goods remain under customs control, including during their temporary storage in the territories of transit countries.

Direct consignment shall apply to goods purchased by the importer at exhibitions or fairs in a non-Party, provided that:

- (a) goods are transported from one Party to the non-Party where the exhibition or fair is being held and remained under customs control during the event;
- (b) goods are not used from the moment of their transportation to the exhibition or fair for any purpose other than demonstration.

ARTICLE 11

Proof of Origin

Products originating in one Party shall, on importation into the other Party, benefit from this Agreement upon submission of a Certificate of Origin, issued by authorized bodies designated by each Party.

The certificate shall be valid for the granting of tariff preferences for 12 months from its date of issuance.

The certificate shall be submitted to the customs authorities of the importing Party in a hard copy in English language.

In case of loss of the certificate, an officially certified duplicate shall be issued on the basis of the exporter documents in their possession.

The certificate is not required in order to confirm the origin of small consignments where the customs value does not exceed the amount of 5,000 US dollars or the equivalent amount. In this case, the exporter can declare the country of origin in commercial or other shipping documents.

In case of reasonable doubt about the authenticity of declared information the customs authority may require to provide the certificate of origin.

The Implementing Arrangement on Rules of Origin Operational Procedures, including the template and its instructions for a Certificate of Origin and declaration of origin, shall be implemented after the agreement is reached through the customs authorities of the Parties.

ARTICLE 12

Administrative Cooperation

Each Party shall inform the other Party the names, addresses and specimen impressions of stamps of each authorised body designated to issue certificates.

Where the customs authorities or other authorised bodies of the importing Party have a reasonable doubt about the authenticity of a certificate and information contained herein or the compliance of the goods, covered by the certificate, with the origin criteria, they may send a verification request for additional or more detailed information to the authorized bodies of the exporting Party. The customs authorities or other authorized bodies may request its Embassy in the territory of the other Party for assistance in those matters.

A certificate may be regarded as invalid if:

- (a) the customs authority receives no reply within a maximum of six (6) months after the date of a verification request from the authorized bodies of the exporting Party;
- (b) the authorized body of the exporting Party has confirmed that the certificate had not been issued (i.e. forged) or had been issued on the basis of invalid documents and/or false information;
- (c) according to the research by customs authority of the importing Party and (or) on the basis of information received by the requests made to the authorized bodies of the exporting Party, revealed that the certificate has been issued with violations of the requirements of these Rules.

Goods shall not be considered as originating in the exporting Party until duly completed certificate and other requested information are submitted.

Tariff preferences for such goods are provided only after receiving a satisfactory response of the authorized bodies of the exporting Party.