

**IMPLEMENTING ARRANGEMENT
FOR ECONOMIC COOPERATION
PURSUANT TO CHAPTER 8 OF THE COMPREHENSIVE
ECONOMIC PARTNERSHIP AGREEMENT
BETWEEN THE GOVERNMENT OF THE REPUBLIC OF
INDONESIA AND THE GOVERNMENT OF THE REPUBLIC
OF KOREA**

Introduction

This Implementing Arrangement (hereinafter referred to as the "Arrangement") is an economic cooperation framework, designed to describe specific matters relating to Chapter 8 (Economic Cooperation) of the Comprehensive Economic Partnership Agreement between the Government of the Republic of Indonesia and the Government of the Republic of Korea (hereinafter referred to as the "Agreement"). It includes information and concepts regarding cooperation sectors which are agreed upon by the Republic of Indonesia and the Republic of Korea (hereinafter referred to collectively as the "Parties" and individually as a "Party").

It outlines the framework design of cooperation sectors which will be implemented as provided in this Arrangement and does not limit cooperation in other unspecified areas as may be agreed by the Parties. It consists of sectors agreed in the Agreement, and thus provides a synopsis for each component which identifies objectives and indicative activities. If deemed necessary, the Parties may flexibly revise or add diverse projects for economic cooperation which are not set out in this Arrangement according to mutual consent of the Parties.

The Parties carry out economic cooperation projects under the Agreement in accordance with their domestic laws and regulations, taking into account the different levels of development and capacity. The Parties make efforts to foster trade-driven economic growth, and in the long-term, facilitate joint-entry into the global market by strengthening competitiveness and building supply chains between the Parties.

The Parties make efforts to determine and consolidate specific and individual projects at the earliest date possible by concluding Sectoral Work Programs. For purposes of new project development and project improvement, the governments of the Parties and related businesses will establish and operate regular channels of communications.

The cost of implementing economic cooperation projects is jointly borne by the Parties considering the different levels of development and capacity which will be decided upon mutual agreement of the Parties. The Parties shall endeavor to make available the necessary funds and other resources for the implementation of cooperation under Chapter 8 of the Agreement in accordance with their respective laws and regulations.

Any personnel of a Party engaged in activities under this Arrangement will respect the other Party's domestic laws and regulations and avoid any activities inconsistent with the purposes of the Agreement.

Article 1: Functions and Procedures of the Committee of Economic Cooperation

1. The Committee on Economic Cooperation under Article 8.4 of the Agreement (hereinafter referred to as the "Committee") shall have the following functions:
 - (a) seeking prioritization of economic cooperation projects by mutual consent;
 - (b) working with other committees or working groups established under the Agreement, in support of the development and implementation of economic cooperation projects;
 - (c) monitoring, assessing and discussing progress, including development of mechanisms as appropriate, in implementing economic cooperation projects; and
 - (d) providing annual reports to the Joint Committee under Article 12.1 of the Agreement, describing the Committee's activities unless the Committee decides otherwise.
2. The Committee, where necessary and appropriate, invites private sector entities and non-governmental organizations to assist in the development and implementation of economic cooperation projects.
3. The Committee is composed of representatives of the Parties. Representatives of relevant entities other than the governments of the Parties with the necessary expertise relevant to the issues to be addressed may also be invited by the Committee.
4. The Committee shall meet as often as required and normally once a year either physically or through electronic conference. The Committee shall hold its first meeting within 60 days after the date of entry into force of the Agreement.

5. The Committee establishes rules and procedures for the conduct of its work. The Committee shall use its best endeavors in taking all decisions through consensus, unless the Committee decides otherwise.
6. The Committee may establish working groups to carry out projects for economic cooperation, taking into consideration the sectors and forms to cooperate. The working groups may be comprised of government or non-government representatives, or both. Each working group may conclude Sectoral Work Programs after deciding specific matters necessary for implementation and report this to the Committee.
7. Each Party shall designate a contact point to facilitate communication between the Parties on all matters relating to the activities of the Committees and the implementation of Chapter 8 of the Agreement and shall update the other Party on any changes to the details of its contact point.

Article 2: Sectoral Work Program

Both Parties will carry out the cooperation through Sectoral Work Program, which may include such as objective of the proposed project, work plan of activities, staffing, statement of work, duration of programs, cost estimation, funding scheme, intellectual property and other necessary terms of cooperation activities.

Article 3: Industry

1. Objectives

The Parties, recognizing the fundamental role of industries in their national economies, agree:

- (a) to cooperate on the basis of parity and mutual benefit in promoting the development of industries of both Parties; and
- (b) to accelerate the development of industrial sectors competitiveness through human resources development¹ and industrial infrastructure²

¹ Improvement of knowledge and skills.

² Improvement of standard, R&D facilities, and supply/value chain.

which in turn will boost bilateral investment and the Parties' export of industrial product globally.

2. Indicative Activities

Contents of the specific projects to be carried out should be determined later in detail. The areas of common interests are as follows:

- (a) promotion of global exports in manufacturing industries such as automotive, steel, petrochemical, textile, food and beverage, electronics, and other sectors referred to in Article 8.2 of the Agreement;
- (b) promotion of bilateral investment of manufacturing industries and development of supply/value chain;
- (c) strengthening competitiveness of manufacturing industry, inter alia, capacity building for human resources development, industrial revolution 4.0, management, technology, research and development activities, and industrial standard;
- (d) support for establishing development policies such as human resource development in manufacturing industries;
- (e) encouraging and facilitating visits and exchanges of experts, and exchange of knowledge and technology;
- (f) promoting dialogue, seminar and workshops; and
- (g) other activities to be mutually agreed upon by the Parties.

Article 4: Rules and Procedures

Standardization, Technical Regulations, and Conformity Assessment Procedures

1. Objective

The objective of the rules and procedures for trade facilitation is to remove technical barriers to trade of both Parties through cooperation in the fields

of standardization, technical regulation and conformity assessment according to the international principles and norms.

2. Indicative Activities

- (a) joint research & development related to standards, conformity assessment and metrology;
- (b) operation of capacity building programs and joint action (symposia, course, workshops, exhibitions, training) to raise competency;
- (c) exchange of technical information and experts;
- (d) mutual cooperation in international and regional organization relating to standardization and conformity assessment; and
- (e) other forms of cooperation as agreed by the Parties.

Article 5: Movement of Natural Persons (MNP)

I. Professionals

1. Objectives

(a) Definition

Special Scheme for Professionals (hereinafter referred to as "Special Scheme") means the mechanism to assist the professionals to have information on the utilization of commitments, and to pursue training to achieve necessary qualifications, as well as to acquire necessary practical knowledge and skills.

(b) Principles and Objectives

The principles and objectives are:

- (i) to facilitate the utilization of commitments made under the Agreement with respect to temporary movement of Indonesian professionals in supplying services in Korea through Special Scheme; and

- (ii) to facilitate the capacity building and technical assistance of professionals related to professional services listed in each Party's Schedule of Appendix 6-B-4 under the Annex 6-B.

2. Indicative Activities

(a) Forms of Cooperation:

- (i) the development of Special Scheme for Professionals;
- (ii) exchange of information in relation to paragraph 1(b); and
- (iii) any other forms of technical cooperation as agreed by the Parties.

(b) Scope of Cooperation:

- (i) a list of certain occupations will be agreed by both Parties among the Parties' Schedule of Appendix 6-B-4 under the Annex 6-B, which will be subjected to the cooperation under this Article; and
- (ii) the scope and the operationalization of this Article will be discussed and implemented under the Committee.

II. Trainee

1. Objectives

(a) Definition

"Trainee" refers to a person who has been employed by a branch of juridical person of a Party in the territory of the other Party for at least one year, possesses a university degree and is temporarily transferred to a juridical person of a Party in the territory of that Party for career development purposes or to enhance professional capacity in business techniques or methods.

(b) Principles and Objectives

The principles and objectives are:

- (i) to facilitate the temporary movement of trainees in private sectors in accordance with the applicable immigration and labor laws and regulations; and

- (ii) to facilitate capacity building and technical assistance for trainees.

2. **Indicative Activities**

(a) **Forms of Cooperation:**

- (i) promotion of capacity buildings for trainees;
- (ii) facilitation of temporary movement of trainees in accordance with applicable laws and regulations of the Parties, including immigration laws and regulations; and
- (iii) any other forms of technical cooperation as agreed by the Parties.

(b) **Scope of Cooperation**

The scope and the operationalization of this Article will be discussed and implemented under the Committee.

Article 6: Other Areas of Cooperation

I. Fair Competition

1. **Objective**

To help secure the benefits of the Agreement, including facilitating trade and investment between the Parties, the Parties aim to cooperate on development of competitive environment and capacity building in relation to implementation of their competition laws and policies.

2. **Indicative Activities**

- (a) exchange of experiences regarding the promotion and enforcement of competition laws and policies;
- (b) exchange of publicly available information on competition laws and policies;
- (c) exchange of officials for training purposes;

- (d) exchange of consultants and experts in competition laws and policies;
- (e) participation of officials as lecturers, consultants, or participants in training courses on competition laws and policies;
- (f) participation of officials in advocacy programs;
- (g) exchange of information and experiences on activities related to competition advocacy and the promotion of competition culture; and
- (h) any other forms of technical cooperation as agreed by the Parties.

II. Infrastructure

1. Objective

The objective is to further pursue the development of reliable infrastructure as a key to improve the Parties' competitiveness, as well as to ensure that both Parties achieve mutual benefit through the implementation of the Agreement.

2. Indicative Activities

Contents of the specific project to be carried out should be determined later in detail. For the purposes of achieving infrastructure development, the Parties shall closely cooperate in the capacity building in the areas of, but not limited to:

- (a) promoting workshop, short course and/or site visit, and master degree scholarship;
- (b) promoting research and development, including joint research and collaboration; and
- (c) other activities to be mutually agreed upon by the Parties.

III. Culture and Other Creative Areas

1. Objective

For purposes of mutual benefits, and recognizing that cooperation contributes to the enhancement of cultural industries and creative economy, such as game and animation, which in turn significantly contributes to the national economy of the Parties, with a view to providing more high-quality output and contributing to the development of their services industries, the Parties agree to cooperate in culture and other creative areas.

2. Indicative Activities

Contents of the specific projects to be carried out will be determined later in detail. The areas of common interests are as follows:

- (a) cooperation initiatives relating to:
 - (i) development, capacity building and business exchange of national and international game industry to improve the quality of content and professional work output; and
 - (ii) development and promotion of the animation industry relating to the information and experience exchange as well as promotion of business exchange in the industry.
- (b) cooperation in the development and promotion of other culture and other creative areas, through:
 - (i) exchange of information and experience as well as promotion of business exchange in the industry; and
 - (ii) exchange of experts for the development of services related to culture to drive creativity, innovation and entrepreneurship between the Parties.

IV. Energy and Mineral Resources

1. Objective

The objective is to further accelerate the development of energy and mineral resource sector competitiveness based on mutual benefit and to promote productivity and effective management of this sector.

2. Indicative Forms of Cooperation

- (a) promoting joint researches;

- (b) encouraging and facilitating visits and exchanges of experts, and exchange of knowledge and technology;
- (c) capacity building;
- (d) dialogue, seminar and workshops; and
- (e) other forms to be mutually agreed upon by the Parties.

V. Healthcare

1. Objective

Recognizing the fundamental role of healthcare sector in enhancing the competitiveness of national economies, the Parties agree to promote cooperation in the field of healthcare on the basis of reciprocity and mutual benefit.

2. Indicative Activities

Contents of the specific projects to be carried out should be determined later in detail. The areas of common interests are as follows:

- (a) promoting capacity building and cooperation on human resources for health of medical specialists and other healthcare professionals;
- (b) cooperation on sister hospital and/or between teaching hospital and university on organ transplant, cancer, robotic surgery and e-Health;
- (c) promoting dialogue, seminar, workshop, and business forum to strengthen pharmaceuticals, medical devices and cosmetics industries;
- (d) exchange of experience and information to strengthen public health policy, including national health social insurance; and
- (e) other activities to be mutually agreed upon by the Parties.

VI. Construction Service

1. Objective

Pursuant to Chapter 8 of the Agreement, the Parties, recognizing the important role of construction services to enhance competitiveness of the respective Parties, shall cooperate to promote the development of construction services for purposes of further improving the capacity of the Parties' construction services in order to strengthen its competitiveness, as well as, ensuring mutual benefit in the implementation of the Agreement.

2. Indicative Activities

Contents of the specific project to be carried out should be determined later in detail. The areas of common interest on construction services development are as follows:

- (a) promoting workshop, short course and/or site visit, and master degree scholarship;
- (b) promoting research and development, including joint research and collaboration;
- (c) cooperating in finalizing or developing competencies standards on construction services; and
- (d) other activities to be mutually agreed upon by the Parties.

Article 7: Intellectual Property Rights

The Parties agree that any intellectual property rights resulting from any activities carried out by the Parties pursuant to this Arrangement shall be protected in conformity with their respective national laws and regulations. The Parties shall consult each other on intellectual property rights issue that may arise in connection with those aforementioned activities.

Article 8: Amendment

This Arrangement may be amended by agreement between the Parties. The Parties shall, at the request of a Party, consult with each other as to whether to amend this Arrangement.

Article 9: Entry into Force

1. This Arrangement will enter into force on the same date as the entry into force of the Agreement.
2. Either Party may notify the other Party of its intention to denounce this Arrangement in writing through diplomatic channels. The denunciation shall take effect 60 days after the other Party notifies its consent.
3. In the event this Arrangement ceases to exist, the provisions of this Arrangement shall remain applicable to ongoing cooperation projects undertaken pursuant to this Arrangement until their completion, unless the Parties agree otherwise.

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

DONE in duplicate in the Indonesian, Korean, and English languages, each text being equally authentic. In case of any divergence in interpretation, the English text shall prevail.

**For the Government of
the Republic of Indonesia**



Signed at: Jakarta
On: January 5, 2021

**For the Government of
the Republic of Korea**



Signed at: Seoul
On: December 21, 2020