# 1981 AGREEMENT BETWEEN THE GOVERNMENTS OF MEMBER COUNTRIES OF ASEAN AND GOVERNMENT OF CANADA ON ECONOMIC COOPERATION

Signed in New York, United States of America on 25 September 1981

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# 1981 AGREEMENT BETWEEN THE GOVERNMENTS OF MEMBER COUNTRIES OF ASEAN AND GOVERNMENT OF CANADA ON ECONOMIC COOPERATION

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The Governments of the Republic of Indonesia, Malaysia, the Republic of the Philippines, the Republic of Singapore and the Kingdom of Thailand, member countries of the Association of Southeast Asian Nations (hereinafter referred to as the member countries of ASEAN) of the one part and the Government of Canada (hereinafter referred to as Canada) of the other part:

**INSPIRED** by the traditional links of friendship between the member countries of ASEAN and Canada as well as their own desire to develop and broaden their economic cooperation generally and contribute to the growth and prosperity of their respective economies;

**NOTING** the desire of the member countries of ASEAN to strengthen the process of their economic cooperation;

**RECOGNIZING** that the consolidation, deepening and diversifying of economic relations, namely, industrial, technical, financial, commercial and development cooperation generally on the basis of mutual benefit will be an important element of such cooperation;

**RECOGNIZING** also that closer, broader and diversified economic links including joint ventures between their respective entities are of mutual benefit to both the member countries of ASEAN and Canada; and

**DESIRING** to supplement their bilateral relations;

**HAVING AGREED AS FOLLOWS:** 

# PART I INDUSTRIAL COOPERATION

#### ARTICLE I

The Contracting Parties shall promote and enhance industrial cooperation between the member countries of ASEAN and Canada to the greatest possible extent in accordance with their respective economic and development policies and priorities. To this end, they shall make every effort to encourage greater cooperation on mutually advantageous terms between their respective governments, government agencies, companies and other entities in the industrial sector by means f bilateral agreements and arrangements, inter- agency agreements and arrangements, joint ventures as well as other forms of cooperation including transfer of technology through licensing arrangements and training and commercial exchanges. They also agree to encourage cooperation and participation of Canada, including its business and financial institutions, in ASEAN regional projects.

#### **ARTICLE II**

The Contracting Parties shall, as appropriate, exchange views regarding their priorities at both the national and the regional levels for industrial cooperation between the member countries of ASEAN and Canada. Such cooperation shall, inter alia, include:

- a) The transfer, adaptation and development of technology and related training including inplant training;
- b) strengthening of research and development facilities in the member countries of ASEAN through various forms of technical cooperation;
- c) research, pre-investment and pre-feasibility studies and other forms of project preparation;
- d) greater participation and increased investment in the industrial development of the member countries of ASEAN;
- cooperation between the respective governmental and non-governmental agencies and industries as well as the development of contacts and promotion of activities between firms and organizations in both the member countries of ASEAN and Canada;
- f) related market development under the Canadian industrial development cooperation programme.

#### **ARTICLE III**

Canada, through the industrial cooperation programme of the Canadian International Development Agency and such other mechanisms that may be developed, will make every effort to support and to promote the industrial development of the member countries of ASEAN by identifying the opportunities for investment and for international linkages which will contribute to the fulfillment of the industrialization objectives of the member countries of ASEAN, including the following:

- a) analysis of industrial information and presentation of opportunities for Canadian businesses and their counterparts in the member countries of ASEAN;
- b) identification of industrial cooperation linkages between entities in the member countries of ASEAN and their counterparts in Canada and facilitation of collaboration through studies, missions and visits:
- c) investigation of proposed collaborative ventures by financing starter studies and undertaking their assessment by viability studies;
- d) enhancing the developmental impact of industrial ventures by providing assistance with such inputs as project preparation, training, market development and support for technological transfers.

#### **ARTICLE IV**

- The Contracting Parties recognize the importance of facilitating an exchange of information on industrial plans, projects and investment possibilities. The Contracting Parties, in particular, the member countries of ASEAN, agree to encourage investment missions, seminars, briefings and similar measures to draw attention to possibilities for industrial cooperation, bearing in mind those sectors of acknowledged Canadian specialization and excellence
- 2. Subject to their respective laws, regulations and other related directives governing foreign investment and to international agreements and arrangements, the Contracting Parties undertake to maintain a mutually beneficial investment climate and recognize the importance of according fair and equitable treatment to individuals and enterprises of the member countries of ASEAN and Canada, including treatment with respect to investments, taxation, repatriation of profits and capital.

## PART II COMMERCIAL COOPERATION

#### **ARTICLE V**

The Contracting Parties shall, in their commercial relations, accord to the products originating in the territories of the other Contracting Parties most-favoured-nation treatment in accordance with the provisions of the General Agreement on Tariffs and Trade, or, in the case of a member country of ASEAN which is not a contracting party to the General Agreement on Tariffs and Trade, in accordance with any bilateral agreement between Canada and that country concerned on the matter.

#### **ARTICLE VI**

The Contracting Parties undertake to promote the development and diversification of their reciprocal commercial exchanges to the highest possible level.

#### **ARTICLE VII**

The Contracting Parties agree to encourage regular consultations between them to liberalize and expand their trade and commercial relations without prejudice to the provisions of the General Agreement on Tariffs and Trade or to any other bilateral agreement and arrangement between the Contracting Parties on the matter.

#### **ARTICLE VIII**

Recognising that ASEAN is a developing region and that the member countries of ASEAN are seeking to attain economic resilience, the Contracting Parties, in accordance with their laws, regulations and other related directives, agree to exert their best endeavours to grant each other the widest facilities for commercial transactions and shall:

- a) take into account, to the extent possible, their respective interests in improving market access for each others' manufactured, semi-manufactured and primary products, as well as the further processing of resources;
- b) cooperate multilaterally and bilaterally in the solution of commercial problems of common interest including those related to commodities and trade related services;

- study and recommend trade promotion measures that would encourage ASEAN-Canada trade. Such measures could include trade fairs and missions, seminars, export training programmes and the establishment of promotion centres on trade, investment and tourism;
- d) encourage cooperation and participation of Canada in ASEAN regional projects.

# PART III DEVELOPMENT COOPERATION

#### **ARTICLE IX**

In order to supplement bilateral agreements and arrangements for intergovernmental cooperation, and in addition to the development cooperation activities described in the other Articles of this Agreement, Canada will cooperate with the member countries of ASEAN to realize regional projects and programmes of a developmental nature designed to promote ASEAN's regional development as proposed by the member countries of ASEAN and as agreed to by Canada on the basis of mutually agreed priorities.

#### **ARTICLE X**

Canada undertakes to consider the provision of specific technical aid financial support within its development assistance programmes for an agreed programme of regional projects among the member countries of ASEAN.

#### **ARTICLE XI**

The Contracting Parties will make every effort to encourage cooperation among institutions in their respective countries, such as universities, professional associations, co-operatives and similar institutions. Such cooperation could include management development programmes. The Contracting Parties shall also encourage the provision of grants and other assistance for scholarships and fellowships in areas of mutual interest.

#### **ARTICLE XII**

The Contracting Parties shall, as appropriate, encourage and facilitate cooperation in the field of science and technology.

#### **ARTICLE XIII**

The Contracting Parties, having regard to their respective laws and regulations, shall make every effort to facilitate the movement of experts, specialists, investors and businessmen and their dependents as well as material and equipment related to activities falling within the scope of this Agreement.

#### **ARTICLE XIV**

The Contracting Parties agree to explore methods for the transfer of technology between the member countries of ASEAN and Canada such as programmes for technical cooperation, the provision of technical and consultancy services and the undertaking of training in related areas.

### PART IV RELATED AGREEMENTS AND INSTITUTIONAL ARRANGEMENTS

#### **ARTICLE XV**

Subject to their respective laws, regulations and other related directives and to such obligations under multilateral agreements and arrangements as may be relevant, the Contracting Parties agree to strengthen the basis of their economic cooperation by encouraging the involvement of business and financial institutions and facilities which are appropriate to the objectives of this Agreement, and where mutually acceptable, the Parties agree to explore alternative or additional mechanisms to support further the objectives of this Agreement.

#### **ARTICLE XVI**

The Contracting Parties shall periodically review the development of cooperation between the member countries of ASEAN and Canada, and upon request shall consult on individual subjects. They shall also review, as appropriate, matters relevant to this Agreement arising in international organizations and agencies.

#### **ARTICLE XVII**

- The Contracting Parties agree to establish a Joint Cooperation Committee to promote and review
  the various cooperation activities envisaged between the member countries of ASEAN and Canada
  under this Agreement. To this end, consultations shall be held in the Committee at an appropriate
  level in order to facilitate the implementation and to further the general aims of the present
  Agreement.
- 2. The Committee shall normally meet once a year. Special meetings of the Committee may be held at the request of either the member countries of ASEAN or Canada.
- The Committee shall adopt its own rules of procedure and programme of work and, in order to discharge more effectively its functions, may establish such subsidiary bodies as may be necessary.

#### PART V

### ARTICLE XVIII TERRITORIAL APPLICATIONS

The Agreement shall apply, on the one hand, to the territories of Indonesia, Malaysia, the Philippines, Singapore and Thailand, and, on the other hand, to the territory of Canada.

### ARTICLE XIX DURATION

- 1. This Agreement shall enter into force on the first day of the month following the date on which the Parties have notified each other of the completion of the procedures necessary for this purpose, and shall remain in force for an initial period of five years and thereafter for periods of two years subject to the right of either Party to terminate it by written notice glen six months before the date of expiry of any period.
- 2. This Agreement does not supersede existing bilateral agreements, arrangements or memoranda of understanding.

At the termination of this Agreement, its provisions and the provisions of any separate arrangements
or contracts made in that respect, shall continue to govern any unexpired and existing obligations
or projects, assumed or commenced thereunder. Such obligations or projects shall be carried on to
completion.

### ARTICLE XX AMENDMENT

This Agreement may be amended by mutual consent of the Contracting Parties.

IN WITNESS WHEREOF the undersigned, being duly authorized thereto, have signed the present Agreement.

DONE at New York, this twenty-fifth day of September, 1981, in six original copies, in the English and French languages, the two texts being equally authentic.