

16. Replace Chapter 16 (Institutional Provisions) with:

CHAPTER 16

MICRO, SMALL AND MEDIUM ENTERPRISES

Article 1 Objectives

1. The Parties recognise that MSMEs contribute significantly to economic growth, employment and innovation, and therefore seek to promote information sharing and co-operation to increase the ability of MSMEs to utilise and benefit from the opportunities created by this Agreement.

2. The Parties acknowledge that MSMEs are disproportionately affected by disasters and public emergencies. This Chapter seeks to promote co-operation among the Parties to facilitate the participation of MSMEs in international trade and in addressing trade-related issues.

3. The Parties acknowledge that various Chapters in this Agreement contain provisions that contribute to encouraging and facilitating the participation of MSMEs in this Agreement.

Article 2 Information Sharing

1. Each Party shall promote the sharing of information related to this Agreement that is relevant to MSMEs, including through the establishment and maintenance of a publicly accessible information platform, and through information exchange to share knowledge, experiences and best practices among the Parties.

2. The information to be made publicly accessible referred to in Paragraph 1 will include:

- (a) the full text of this Agreement;

- (b) information on trade and investment-related laws and regulations that each Party considers relevant to MSMEs; and
- (c) additional business-related information that each Party considers useful for MSMEs interested in benefitting from the opportunities provided by this Agreement.

3. Each Party shall make publicly accessible the information referred to in Paragraph 1, either on the AANZFTA website¹ or a website established by the Party.

4. Where, in accordance with Paragraph 3, a Party makes information publicly accessible, including through online means, that information may include links to any equivalent websites of the other Parties or a link to the AANZFTA website.

5. Each Party shall, regularly or on request of another Party, review the information referred to in Paragraph 2 and the links referred to in Paragraph 4 to ensure that the information provided is accurate and up-to-date.

6. Each Party shall work towards ensuring that information made publicly accessible pursuant to this Article is presented in a manner that is easy to use for MSMEs. Where possible, each Party shall endeavour to make the information referred to in Paragraph 2 available in the English language.

Article 3 Co-operation

1. The Parties shall strengthen their co-operation under this Chapter through sharing and exchanging information on best practices in relation to MSMEs. Such co-operation may include:

¹ The AANZFTA website may be accessed at <https://aanzfta.asean.org>.

- (a) encouraging efficient and effective implementation of facilitative and transparent trade rules and regulations;
- (b) improving MSMEs' access to markets and participation in global value chains, including by promoting and facilitating partnerships among businesses;
- (c) promoting the use of electronic commerce by MSMEs;
- (d) exploring opportunities for exchanges of experiences among Parties' entrepreneurial programmes;
- (e) promoting the formalisation of MSMEs;
- (f) encouraging innovation and use of technology including supporting digital transformation and innovative start-ups;
- (g) promoting awareness, understanding and effective use of intellectual property systems among MSMEs;
- (h) promoting good regulatory practices and building capacity in formulating and implementing regulations, policies and programmes that contribute to MSMEs' development;
- (i) helping MSMEs develop capabilities in sustainability;
- (j) encouraging a vibrant and conducive sustainability ecosystem for MSMEs in the region;

- (k) providing information on promoting access to finance throughout MSMEs' various stages of growth;
- (l) supporting MSMEs to capture opportunities in new and emerging areas including in the green economy;
- (m) strengthening human capital and talent development capabilities of MSMEs;
- (n) enhancing the capability and competitiveness of MSMEs; and
- (o) enhancing MSMEs' knowledge of and capacity to utilise free trade agreements.

2. Co-operation activities undertaken under this Chapter are subject to the availability of resources and any terms and conditions agreed between the Parties.

Article 4 Contact Points

Each Party shall, within 30 days of the date of entry into force of the Second Protocol for that Party, notify the other Parties of its contact point for this Chapter. Each Party shall promptly notify the other Parties of any change to its contact point.

Article 5 Committee on MSMEs

1. The Parties hereby establish a Committee on MSMEs (the "MSMEs Committee"), consisting of government officials of the Parties.

2. The functions of the MSMEs Committee shall be to:

- (a) identify ways to assist MSMEs of the Parties to take advantage of the commercial opportunities and benefits under this Agreement. This may include exchanging and sharing information on seminars, workshops or other activities such as export counselling undertaken by the Parties;
- (b) consider any other matters pertaining to MSMEs as appropriate and as agreed by the Parties, including any issues raised by MSMEs regarding their ability to benefit from this Agreement; and
- (c) report to the FTA Joint Committee as required and make recommendations to the FTA Joint Committee as appropriate.

3. The MSMEs Committee shall co-ordinate its work programme with other relevant bodies established under the Agreement and shall submit a report of any activities undertaken to the FTA Joint Committee as appropriate.

4. The MSMEs Committee may seek to collaborate with appropriate experts, international organisations and the private sector in carrying out its work programme and activities, including through consultation and dialogue with MSMEs as agreed by the Parties.

5. The MSMEs Committee shall meet within one year of the date of entry into force of the Second Protocol, and thereafter as determined by the Parties.

Article 6

Non-Application of Dispute Settlement

Dispute settlement mechanisms in this Agreement shall not apply to any matter arising under this Chapter.