

CHAPTER 14

ADMINISTRATION OF THE AGREEMENT

Article 169: Trade and Economic Mixed Commission

1. The Parties hereby incorporate the Trade and Economic Mixed Commission (Mixed Commission) into this Agreement.
2. The Mixed Commission was established according to the *Basic Agreement on Economic and Technical Cooperation between the Government of the People's Republic of China and the Government of the Republic of Peru*, signed in Lima, on November 2nd, 1988.
3. The Mixed Commission is composed of officials as follows:
 - (a) for China, the high ranking official of the Ministry of Commerce; and
 - (b) for Peru, the high ranking officer of the Ministry of Foreign Affairs, or its appointee.
4. The Mixed Commission shall:
 - (a) hear the reports of the Free Trade Commission;
 - (b) provide guidance to the work of the Free Trade Commission;
 - (c) consider any other matter that may affect the operation of this Agreement; and
 - (d) deal with any other issues related to bilateral cooperation in the area of economy, trade and investment.

Article 170: Free Trade Commission

1. The Parties hereby establish the Free Trade Commission, comprised of ministerial level officials of the Parties or their appointees with the same decision ability, as set out in

Annex 11 (Free Trade Commission).

2. The Commission shall:

- (a) oversee the fulfillment and correct application of the provisions of this Agreement;
 - (b) evaluate the achieved results in the application of this Agreement;
 - (c) oversee the further elaboration of this Agreement;
 - (d) seek to resolve disputes that may arise regarding the interpretation or application of this Agreement, in accordance with Chapter 15 (Dispute Settlement);
 - (e) supervise the work of all Committees and Working Groups established under this Agreement and recommend appropriate actions;
 - (f) consider and make decisions on issues referred to it by the Committees and Working Groups established under this Agreement or by either Party;
 - (g) establish the amount of remuneration and expenses that will be paid to Panelists;
- and
- (h) consider and make decisions on any other matter that may affect the operation of this Agreement, or that is entrusted to it by the Parties.

3. The Commission may:

- (a) establish and delegate responsibilities to Committees and Working Groups for each Chapter;
- (b) consider and adopt any amendment or modification of the rights and obligations under this Agreement, subject to the fulfillment of the internal legal procedures of each Party, pursuant to Article 199 (Amendments) of Chapter 17 (Final Provisions);
- (c) convene the Parties to future negotiations to examine deepening the liberalization

reached in the different sectors covered by this Agreement;

(d) issue interpretations of the provisions of this Agreement; and

(e) take any other action agreed by the Parties.

4. The Free Trade Commission shall establish its rules and procedures.

5. All decisions of the Free Trade Commission shall be taken by consensus.

6. The Free Trade Commission shall convene in regular session once a year on a rotating basis and at other times at the request of either Party. Regular sessions of the Free Trade Commission shall be chaired successively by each Party. Other sessions of the Free Trade Commission shall be chaired by the Party hosting the meeting. The sessions may be held by any technological means available to the Parties. Communications of the Free Trade Commission shall be made in a common working language.

Article 171: Committees

1. The Parties agree on establishing Committees in the following matters:

(a) Trade in Goods;

(b) Trade in Services;

(c) Investment;

(d) Sanitary and Phytosanitary Measures;

(e) Technical Barriers to Trade;

(f) Trade Facilitation;

(g) Rules of Origin; and

(h) Cooperation, including Intellectual Property.

2. The Free Trade Commission may create additional Committees, if needed. The Committees on Sanitary and Phytosanitary Measures, Technical Barriers to Trade and Rules of Origin shall coordinate their tasks with those of the Committee on Trade in Goods.

3. Except as otherwise provided in this Agreement, the Committees shall convene in regular session once a year at the same time the Free Trade Commission convenes. When special circumstances arise, the Parties shall meet at any time upon agreement at the request of one Party. Regular sessions of the Committees shall be chaired successively by each Party. Other sessions of the Committee shall be chaired by the Party hosting the meeting. The sessions may be held by any technological means available to the Parties.

4. When necessary, the Committees created hereby shall consult with such other Committees as needed to address the issues they handle.

Article 172: Contact Points

1. Each Party shall designate a contact point to facilitate communications between the Parties on any matter covered by this Agreement.

2. Upon request of the other Party, the contact point shall identify the office or official responsible for the matter and assist, as necessary, in facilitating communication with the requesting Party. Contact points shall work jointly to develop agendas and make other preparations for the Free Trade Commission meetings and follow-up on the Free Trade Commission's decisions as appropriate; provide administrative support to the Panels established under Chapter 15 (Dispute Settlement) and address any other matter entrusted

by the Free Trade Commission.