

CHAPTER 12

DIGITAL ECONOMY

Article 12.1: General Provisions

1. The Parties recognize the pivotal role of the digital economy for the modernization and transformation of the industry, promotion of inclusive economic growth, facilitation of decision-making process and stimulation of the national economies to meet the *UN 2030 Agenda for Sustainable Development Goals*.
2. The objective of this Chapter is to build a forward-looking, inclusive and open digital economy partnership framework, to explore ways to leverage digital opportunities, accelerate digital transformation and create new drivers for sustainable development.
3. The Parties shall, in principle, endeavour to ensure that bilateral trade in electronic commerce shall be no more restricted than comparable non-electronic bilateral trade.

Article 12.2: Domestic Electronic Transactions Framework

1. The Parties shall adopt or maintain measures regulating electronic transactions based on the following principles:
 - (a) a transaction including a contract shall not be denied legal effect, validity or enforceability solely on the grounds that it is in the form of an electronic communication; and
 - (b) Parties should not arbitrarily discriminate between different forms of electronic transactions.
2. Nothing in paragraph 1 prevents a Party from making exceptions in its domestic law to the general principles outlined in paragraph 1.
3. The Parties shall:
 - (a) minimise the regulatory burden on electronic commerce; and
 - (b) ensure that regulatory frameworks support development of electronic commerce.

Article 12.3: Electronic Signatures

1. No Party may adopt or maintain legislation for electronic signature that would deny the legal validity of a signature solely on the basis that the signature is in electronic form.

2. The Parties shall maintain domestic legislation for electronic signature that permits parties to electronic transaction to mutually determine the appropriate electronic signature unless there is a domestic or international legal requirement to the contrary.
3. The Parties shall work towards the mutual recognition of digital certificates and electronic signatures.
4. The Parties shall encourage the use of digital certificates in the business sector.

Article 12.4: Online Consumer Protection

The Parties shall, to the extent possible and in a manner considered appropriate, adopt or maintain measures which provide protection for consumers using electronic commerce that is at least equivalent to measures which provide protection for consumers of other forms of commerce.

Article 12.5: Online Personal Data Protection

Recognizing the importance of protecting personal information in electronic commerce, the Parties shall adopt or maintain domestic laws and other measures which ensure the protection of the personal information of the users of electronic commerce.

Article 12.6: Paperless Trading

1. A Party shall endeavour to accept electronic versions of trade administration documents used by the other Party as the legal equivalent of paper documents, except where:
 - (a) there is a domestic or international legal requirement to the contrary; or
 - (b) doing so would reduce the effectiveness of the trade administration process.
2. The Parties shall work towards developing a single window to government incorporating relevant international standards for the conduct of trade administration, recognizing that the Parties will have their own unique requirements and conditions.
3. Subject to domestic laws and regulations and taking into account capacity constraints, the Parties encourage the use of electronic means to promote trade facilitation, such as paperless customs clearance, use of electronic documents, mutual recognition of electronic signature, and use of electronic payment.
4. The Parties encourage cooperation in the field of Information and Communications Technology (ICT), including exchange of experiences and good practices on managing E-ports, national single windows and port community system, to improve port management, logistics, supply chain and trade facilitation work.

Article 12.7: Medium, Small and Micro Enterprises

1. The Parties encourage cooperation to support the increased participation of Medium, Small and Micro Enterprises (hereinafter referred to as “MSMEs”) in the digital economy by building a conducive policy environment and enhancing MSMEs’ digital capacities.
2. The Parties shall consider exchanging good practices in leveraging digital tools including digital platform for supporting entrepreneurs and technologies to improve MSME’s’ access to capital and credit, and non-financial support measures.
3. The Parties shall consider fostering close cooperation on the digital economy between MSMEs of the Parties by holding relevant events and activities among the government officials, business communities, academia and other stakeholders.

Article 12.8: Cooperation on Digital Economy

1. The Parties shall encourage cooperation in research and training activities that would enhance the development of electronic commerce, including by sharing best practices on electronic commerce development.
2. The Parties shall encourage cooperative activities to promote electronic commerce, including those that would improve the effectiveness and efficiency of electronic commerce.
3. The cooperative activities referred to in paragraphs 1 and 2 may include, but are not limited to:
 - (a) sharing best practices about regulatory frameworks;
 - (b) sharing best practices about on-line consumer protection, including unsolicited commercial electronic messages;
 - (c) working together to assist small and medium enterprises to overcome obstacles to participation in digital economy;
 - (d) cooperating on matters relating to digital inclusion, expanding and promoting digital economy opportunities by removing barriers;
 - (e) cooperating in the implementation or technological improvement related to electronic identity management and electronic signature services, and
 - (f) further areas as agreed between the Parties.
4. The Parties shall endeavour to undertake forms of cooperation that build on and do not duplicate existing cooperation initiatives pursued in international forums.

Article 12.9: Non-Application of Dispute Settlement

No Party shall have recourse to dispute settlement for any issue arising from or relating to this Chapter.

Article 12.10: Definitions

For the purposes of this Chapter:

certificate means a data message or other record confirming the link between a signatory and signature creation data;

data message means information generated, sent, received or stored by electronic, optical, magnetic or similar means;

electronic signature has for each Party the meaning set out in its laws and regulations;

electronic version of a trade administration document means a trade administration document prescribed by a Party made by means of data messages;

personal data means all kinds of information related to identified or identifiable natural persons that are electronically or otherwise recorded, excluding information that has been anonymized; and

trade administration documents means forms issued or controlled by a Party which must be completed by or for an importer or exporter in relation to the import or export of goods.