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PROPOSAL

From: Secretary-General of the European Commission,
signed by Mr Jordi AYET PUIGARNAU, Director

date of receipt: 4 August 2016

To: Mr Jeppe TRANHOLM-MIKKELSEN, Secretary-General of the Council of
the European Union

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Subject: ANNEX to the Joint Proposal for a Council Decision on the conclusion, on
behalf of the European Union, of the Framework Agreement on Partnership
and Cooperation between the European Union and the Government of
Malaysia

Delegations will find attached document JOIN(2016) 38 final - ANNEX 1.

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EUROPEAN
COMMISSION

HIGH REPRESENTATIVE
OF THE UNION FOR
FOREIGN AFFAIRS AND
SECURITY POLICY

Brussels, 4.8.2016
JOIN(2016) 38 final

ANNEX 1

ANNEX

to the

**Joint Proposal for a
Council Decision**

**on the conclusion, on behalf of the European Union, of the Framework Agreement on
Partnership and Cooperation between the European Union and the Government of
Malaysia**

**FRAMEWORK AGREEMENT ON PARTNERSHIP AND COOPERATION
BETWEEN THE EUROPEAN UNION AND THE GOVERNMENT OF MALAYSIA**

THE EUROPEAN UNION¹, hereinafter referred to as “the Union” or “the EU”,

of the one part,

and

THE GOVERNMENT OF MALAYSIA, hereinafter referred to as “Malaysia”,

of the other part,

hereinafter referred to singularly as “the Party” and jointly as “the Parties”,

CONSIDERING the traditional links of friendship between the Parties and the close historical, political and economic ties that unite them;

ATTACHING particular importance to the comprehensive nature of their mutual relationship;

CONSIDERING that this Agreement forms part of a wider and coherent relationship between them through agreements to which they are parties;

RECOGNISING the value of tolerance, acceptance and mutual respect in a diverse and multifaceted international community, and acknowledging the importance of moderation;

REAFFIRMING the attachment of the Parties to the respect for democratic principles and human rights as laid down in the Universal Declaration of Human Rights (“UDHR”) and other relevant international human rights instruments applicable to the Parties;

REAFFIRMING their attachment to the principles of the rule of law and of good governance, and their desire to promote economic and social progress for their peoples, taking into account the principle of sustainable development and environmental protection requirements;

DESIRING to enhance cooperation on international stability, justice and security as a basic precondition to promoting sustainable social and economic development, the eradication of poverty and promoting the 2030 Agenda for Sustainable Development (“2030 Agenda”) adopted by the United Nations (“UN”) General Assembly Resolution 70/1 (2015) “Transforming our world: the 2030 Agenda for Sustainable Development” at the UN Sustainable Development Summit on 25 September 2015;

VIEWING terrorism as a threat to global security and wishing to intensify their dialogue and cooperation in the fight against terrorism, in accordance with relevant United Nations Security Council (“UNSC”) instruments, particularly UNSC Resolution 1373 (2001);

EXPRESSING their commitment to preventing and combating all forms of terrorism and to establishing effective international instruments to ensure its eradication;

¹ The final legal nature of the agreement (mixed or EU only) will be determined before signature.

RECOGNISING that any measures taken to combat terrorism have to comply with the Parties' obligations under international law, in particular, international human rights law and humanitarian law;

REAFFIRMING that the most serious crimes of concern to the international community must not go unpunished and considering the international criminal tribunals, including the International Criminal Court, as important developments for international peace and justice;

SHARING the view that proliferation of weapons of mass destruction ("WMD") and their means of delivery pose a major threat to international peace and security, and wish to strengthen their dialogue and cooperation in this area;

RECOGNISING that uncontrolled movement of conventional arms is a threat to international and regional peace, security and stability, and recognising the need to cooperate to ensure responsible transfer of conventional arms and to deal with the illicit trade in small arms and light weapons including their ammunition;

RECOGNISING the importance of the Cooperation Agreement of 7 March 1980 between the European Economic Community and Indonesia, Malaysia, the Philippines, Singapore and Thailand – member countries of the Association of Southeast Asian Nations ("ASEAN"), and subsequent accession protocols;

RECOGNISING the importance of strengthening the existing relationship between the Parties with a view to enhancing cooperation between them, and their common will to consolidate, deepen and diversify their relations in areas of mutual interest;

EXPRESSING their commitment to promoting all aspects of sustainable development, including environmental protection and effective cooperation to address climate change;

EXPRESSING their commitment to promoting internationally recognised labour and social standards;

UNDERLINING the importance of strengthening cooperation on migration;

NOTING that in case the Parties decide, within the framework of this Agreement, to enter into specific agreements in the area of freedom, security and justice which may be concluded by the Union pursuant to Title V of Part Three of the Treaty on the Functioning of the European Union ("TFEU"), the provisions of such future agreements would not bind the United Kingdom and/or Ireland unless the Union, simultaneously with the United Kingdom and/or Ireland as regards their respective previous bilateral relations, notifies Malaysia that the United Kingdom and/or Ireland has/have become bound by such agreements as part of the Union in accordance with Protocol No 21 on the position of the United Kingdom and Ireland in respect of the area of freedom, security and justice, annexed to the Treaty on European Union ("TEU") and to the TFEU. Likewise, any subsequent internal measures of the Union which may be adopted pursuant to the above-mentioned Title V to implement this Agreement would not bind the United Kingdom and/or Ireland, unless they have notified their wish to take part in such measures or accept them in accordance with Protocol No 21. Also noting that, such future agreements or subsequent internal measures of the Union would fall within Protocol No 22 on the position of Denmark annexed to the said Treaties,

HAVE AGREED AS FOLLOWS:

TITLE I

NATURE AND SCOPE

Article 1

Basis for cooperation

1. Respect for democratic principles and human rights, as laid down in the UDHR and other relevant international human rights instruments applicable to the Parties, and for the principle of the rule of law, underpins the internal and international policies of the Parties, and constitutes an essential element of this Agreement.

2. The Parties confirm their shared values as expressed in the Charter of the United Nations.

3. The Parties confirm their commitment to promoting sustainable development, to cooperating to address the challenges of climate change as well as globalisation, and to contributing to the internationally agreed development goals, in particular to strengthening a global partnership for development as renewed in the 2030 Agenda.

4. The Parties reaffirm their attachment to the principles of good governance in all its aspects.

5. The implementation of this Agreement shall be based on the principles of dialogue, mutual respect, equal partnership, consensus and respect for international law.

6. The Parties agree that cooperation under this Agreement shall be implemented by means of their respective laws, rules, regulations and policies.

Article 2

Aims of cooperation

The aim of this Agreement is to establish a strengthened partnership between the Parties and to deepen and enhance cooperation on issues of mutual interest, reflecting shared values and common principles.

TITLE II

BILATERAL, REGIONAL AND INTERNATIONAL COOPERATION

Article 3

Cooperation in regional and international fora and organisations

1. The Parties undertake to exchange views and cooperate in regional and international fora and organisations such as the UN and relevant UN Agencies, the EU-ASEAN dialogue, the ASEAN Regional Forum, the Asia-Europe Meeting (“ASEM”), the UN Conference on Trade and Development and the World Trade Organization (“WTO”).

2. The Parties also agree to promote cooperation between think-tanks, academics, non-governmental organisations and the media in areas covered by this Agreement. Such cooperation may, in particular, include the provision of related trainings, workshops and seminars, exchanges of experts, studies and other actions agreed by the Parties.

Article 4

Regional and bilateral cooperation

For each sector of dialogue and cooperation under this Agreement, and while giving emphasis to matters under the EU-Malaysia cooperation, the Parties may also, by mutual agreement, work together through activities at the regional level or through a combination of both frameworks, taking into account the regional decision-making processes of the regional grouping concerned. In this regard, in choosing the appropriate framework, the Parties will seek to maximise the impact on and reinforce the involvement of all interested parties, while making the most efficient use of available resources and ensuring coherence with other activities.

TITLE III

COOPERATION ON INTERNATIONAL PEACE, SECURITY AND STABILITY

Article 5

Combating terrorism

The Parties reaffirm the importance of preventing and combating terrorism, in full respect of the principles of the Charter of the United Nations, the rule of law and international law, including applicable international human rights law and humanitarian law, taking into account the UN Global Counter-Terrorism Strategy, contained in UN General Assembly Resolution 60/288 (2006) as revised by UN General Assembly Resolutions 62/272 (2008) and 64/297 (2010). Within this framework, they agree to cooperate on preventing and combating terrorist acts, in particular:

- (a) in the framework of the implementation of UNSC Resolutions 1267 (1999), 1373 (2001) and 1822 (2008), as well as other relevant UN resolutions, and ratification and implementation of relevant international conventions and instruments;
- (b) by exchanging information on terrorist groups and their support networks in accordance with international and domestic law;
- (c) by exchanging views on means and methods used to counter terrorism and incitement of terrorist acts, including in technical field and training, and by exchanging experience in terrorism prevention;
- (d) by cooperating so as to deepen the international consensus on the fight against terrorism and terrorism financing and in the appropriate normative framework, and by working towards an agreement on the Comprehensive Convention on International Terrorism as soon as possible, so as to complement the existing UN and other applicable international counter-terrorism instruments;
- (e) by promoting cooperation among UN Member States to effectively implement the UN Global Counter-Terrorism Strategy by all appropriate means;
- (f) by implementing and enhancing their cooperation on counter-terrorism within the EU-ASEAN dialogue and ASEM frameworks;
- (g) by exchanging best practices in the area of prevention and the fight against terrorism.

Article 6

Serious crimes of concern to the international community

1. The Parties reaffirm that the most serious crimes of concern to the international community as a whole must not go unpunished and that measures must be taken to address those crimes, as appropriate, at domestic or international level in accordance with the Parties' respective laws and applicable international obligations. Those measures may include diplomatic, humanitarian and other peaceful means as well as international criminal tribunals and courts.
2. The Parties consider the international criminal tribunals, including the International Criminal Court, as important development for international peace and justice.
3. The Parties reiterate the importance of cooperation with those courts and tribunals in accordance with the Parties' respective laws and applicable international obligations.
4. The Parties agree to cooperate with a view to promoting the universality of the Rome Statute of the International Criminal Court.

Article 7

Weapons of mass destruction

1. The Parties reiterate the objective of strengthening international regimes on WMD. The Parties consider that the proliferation of WMD and their means of delivery, both to State and non-State actors, represents one of the most serious threats to international stability and security. The Parties agree to cooperate and contribute to international stability and security through full compliance with, and national implementation of, their existing obligations under international disarmament and non-proliferation treaties and agreements and other relevant international obligations within the framework of the Charter of the United Nations. This provision constitutes an essential element of this Agreement.
2. The Parties furthermore agree to cooperate and contribute to strengthening the international non-proliferation and disarmament regimes by:
 - (a) taking steps, as appropriate, to sign, ratify or accede to, and fully implement, all other relevant international instruments on WMD, and promoting universal adherence to them;
 - (b) implementing and further developing an effective national export controls, controlling the export and transit of WMD-related goods, including a WMD end-use control on dual use technologies and containing effective sanctions for breaches of export controls;
 - (c) promoting the universal adoption and full implementation of applicable multilateral treaties.
3. The Parties recognise that implementation of export controls should not hamper international cooperation in materials, equipment and technology for peaceful purposes, while goals of peaceful utilisation should not be used as a cover for proliferation.

4. The Parties agree to a regular political dialogue that will accompany and consolidate those commitments. Such dialogue may take place on a regional basis.

Article 8

Conventional arms

1. The Parties recognise the importance of domestic control systems for the transfer of conventional arms in line with existing international standards. The Parties recognise the importance of applying such controls in a responsible manner, as a contribution to international and regional peace, security and stability, and to the reduction of human suffering, as well as to the prevention of the diversion of conventional weapons.

2. The Parties recognise that the illicit manufacture, transfer and circulation of small arms and light weapons, including their ammunition, and their excessive accumulation, poor management, inadequately secured stockpiles and uncontrolled spread continue to pose a serious threat to peace and international security.

3. The Parties agree to observe and fully implement respective obligations to deal with the illicit trade in small arms and light weapons, including their ammunition, under existing international agreements and UNSC resolutions, as well as commitments within the framework of other international instruments applicable in this area, such as the UN Programme of Action to Prevent, Combat and Eradicate the Illicit Trade in Small Arms and Light Weapons in all its Aspects.

4. The Parties agree to cooperate at the bilateral, regional and international levels on their efforts to ensure the responsible transfer of conventional arms and to deal with the illicit trade in small arms and light weapons including their ammunition. The Parties agree to ensure coordination in their efforts to regulate or improve the regulation of international trade in conventional arms and to prevent, combat and eradicate the illicit trade in arms. The Parties also agree to include issues related to conventional arms within the framework of their existing regular political dialogue.

Article 9

Moderation

1. The Parties agree to cooperate with a view to promoting moderation in dialogues when addressing issues of mutual concern.
2. The Parties shall agree, where applicable, to further the value of moderation in regional and international fora.
3. The Parties agree to cooperate on promoting moderation, including by facilitating and supporting relevant activities, as well as exchanging best practices, information and experience.

TITLE IV

COOPERATION ON TRADE AND INVESTMENT

Article 10

General principles

1. The Parties shall engage in dialogue on trade and investment-related matters with a view to strengthening and advancing the multilateral trade system and bilateral trade between them.
2. To that end, the Parties shall cooperate with each other in the trade and investment area, *inter alia*, by striving towards a free trade agreement between the Parties. Such agreement shall constitute a specific agreement within the meaning of Article 52(2).
3. The Parties may wish to develop their trade and investment relations through dialogue, cooperation and mutually agreed initiatives by addressing, among other matters, areas referred to in Articles 11 to 17.

Article 11

Sanitary and phytosanitary

1. The Parties shall cooperate on sanitary and phytosanitary (“SPS”) matters to protect human, animal or plant life or health in the territory of the Parties.
2. The Parties shall discuss and exchange information on the respective measures as defined in the WTO Agreement on the Application of Sanitary and Phytosanitary Measures, the International Plant Protection Convention, the World Organisation for Animal Health and the Codex Alimentarius Commission.

3. The Parties agree to undertake capacity-building cooperation on SPS matters. Such capacity-building shall be specific to the needs of each Party and be conducted with the aim of assisting the Party in complying with the other Party's SPS measures.

Article 12

Technical barriers to trade

The Parties shall promote the use of international standards and cooperate and exchange information on standards, technical regulations and conformity assessment procedures, especially within the framework of the WTO Agreement on Technical Barriers to Trade.

Article 13

Customs

With a view to increasing the security and safety of international trade and ensuring a balanced approach between trade facilitation and the fight against fraud and irregularities, the Parties shall share experience in, and examine possibilities with regard to:

- (a) simplifying import, export and other customs procedures;
- (b) establishing mutual administrative assistance mechanisms;
- (c) ensuring the transparency of customs and trade regulations;
- (d) developing customs cooperation;
- (e) seeking convergence of views and joint action in the context of relevant international initiatives, including trade facilitation.

Article 14

Investment

The Parties shall encourage a greater flow of investment through the development of an attractive and stable environment for reciprocal investment through a consistent dialogue aimed at enhancing understanding and cooperation on investment issues, exploring mechanisms to facilitate investment flows, and promoting stable, transparent, open and non-discriminatory rules for investors.

Article 15

Competition policy

1. The Parties will promote, and may cooperate on, the effective application of competition rules, taking into consideration the notion of transparency and procedural fairness to ensure certainty for enterprises operating in each other's markets.

2. The Parties will engage in technical cooperation activities in the area of competition policy subject to the availability of funding for such activities under the Parties' cooperation instruments and programmes.

Article 16

Services

The Parties shall establish a consistent dialogue notably aimed at exchanging information on their respective regulatory environments, at promoting access to each other's markets, including by e-commerce, at promoting access to sources of capital and technology, and at promoting trade in services between both regions and in third countries' markets.

Article 17

Intellectual property rights

1. The Parties reaffirm the great importance they attach to the protection of intellectual property rights, including geographical indications, and each Party undertakes to establish the appropriate measures with a view to ensuring adequate, balanced and effective protection and enforcement of such rights, in particular as regards the infringement of intellectual property rights, in accordance with the international standards to which they are committed. The protection and enforcement of intellectual property rights should contribute to the promotion of technological innovation and to the transfer and dissemination of technology, to the mutual advantage of producers and users of technological knowledge and in a manner conducive to social and economic welfare, and to a balance of rights and obligations.

2. The Parties may exchange information and share experience on issues such as:

- (a) the practice, promotion, dissemination, streamlining, management, harmonisation and protection of intellectual property rights;
- (b) effective application, utilisation and commercialisation of intellectual property rights;
- (c) the enforcement of intellectual property rights, including border measures.

3. The Parties shall cooperate in the areas of intellectual property protection of mutual interest for effective intellectual property protection, utilisation and commercialisation based upon their experiences, and shall enhance the dissemination of knowledge thereof.

TITLE V

COOPERATION ON JUSTICE AND SECURITY

Article 18

Rule of law and legal cooperation

1. The Parties shall attach particular importance to the strengthening of the rule of law.

2. The Parties shall cooperate on reinforcing all relevant institutions, including the judiciary.

3. Legal cooperation between the Parties will, *inter alia*, include the exchange of information concerning legal systems and legislation.

Article 19

Protection of personal data

The Parties agree to exchange views and share knowledge with a view to promoting a high level of protection of personal data based on the applicable international standards, including the EU, Council of Europe and other international legal instruments.

Article 20

Migration

1. The Parties reaffirm the importance of cooperation in managing migratory flows between their territories. With a view to strengthening cooperation, the Parties may establish, as and when appropriate, dialogue addressing any migration-related issues of mutual interest, while taking into account the specific needs-assessment referred to in paragraph 2. Each Party may, as it deems appropriate, include migration concerns in its strategies for economic and social development from its perspective as a country of origin, transit and/or destination of migrants. Cooperation on migration may also include, *inter alia*, capacity-building and technical assistance as agreed by the Parties.

2. Cooperation between the Parties will be needs-based and conducted through mutual consultation between the Parties and shall focus on:

- (a) the root causes of migration;
- (b) exchange of views on practices and norms relevant to providing international protection to persons in need;
- (c) the establishment of an effective and preventive policy against irregular migration, smuggling of migrants and trafficking in human beings, including ways to combat networks of smugglers and traffickers and to protect the victims of trafficking;
- (d) the return, under appropriate, humane and dignified conditions, of persons residing illegally, including the promotion of their voluntary return, and the readmission of such persons in accordance with paragraph 3;
- (e) issues identified as being of mutual interest in the field of visas and security of travel documents;
- (f) issues identified as being of mutual interest in the field of border management.

3. Within the framework of the cooperation to prevent and control illegal immigration and without prejudice to the need for protection of victims of human trafficking, the Parties further agree that:

- (a) Malaysia shall, subject to the need to confirm nationality, readmit any of its nationals illegally present on the territory of an EU Member State, upon request by the latter and without further formalities other than those referred to in paragraph 4;
- (b) each EU Member State shall, subject to the need to confirm nationality, readmit any of its nationals illegally present on the territory of Malaysia, upon request by the latter and without further formalities other than those referred to in paragraph 4.

4. For the purpose of paragraph 3, the EU Member States and Malaysia will provide their nationals without delay with appropriate travel document for such purposes. Where the person to be readmitted does not possess any documents or other proof of his or her nationality, the competent diplomatic and consular representations of Malaysia or the EU Member State concerned, will make arrangements to interview the person in order to establish his or her nationality. This Article is without prejudice to the respective laws, rules and regulations of the Parties related to the determination of nationality.

5. If either Party deems it necessary, the Parties shall negotiate an agreement between the EU and Malaysia regulating the specific obligations on readmission, including an obligation on readmission of persons who are not their nationals but who hold a valid residence authorisation issued by one of the Parties or who have entered the territory of one Party coming directly from the territory of the other Party.

Article 21

Consular protection

Malaysia agrees that the diplomatic and consular authorities of any represented EU Member State shall provide protection to any national of an EU Member State which does not have a permanent representation in Malaysia effectively in a position to provide consular protection in a given case, on the same conditions as to nationals of that EU Member State.

Article 22

Illicit drugs

1. The Parties shall cooperate to ensure a balanced approach through effective coordination between the competent authorities including, as appropriate, from the health, justice, interior and customs sectors, with the aim of reducing the supply, trafficking and demand of illicit drugs as well as reducing the adverse consequences of drug abuse for individuals and society as a whole, and to achieve a more effective prevention of diversion of drug precursors.

2. The Parties shall agree on means of cooperation to attain those objectives. Actions shall be based on commonly agreed principles of the Parties taking into consideration the applicable international conventions, the Political Declaration and the Declaration on the Guiding Principles of Drug Demand Reduction, adopted by the UN General Assembly twentieth special session on drugs on 10 June 1998 and the Political Declaration and Plan of Action on International Cooperation Towards an Integrated and Balanced Strategy to Counter

the World Drug Problem adopted at the 52nd session of the UN Commission on Narcotic Drugs in March 2009.

3. The Parties will exchange expertise in areas such as the drafting of legislation and policies on the establishment of domestic institutions and information centres, training of personnel, drug related research, and the prevention of diversion of precursors used for the illicit manufacture of narcotic drugs and psychotropic substances.

Article 23

Organised crime and corruption

The Parties agree to cooperate in combating organised crime, economic and financial crime as well as corruption. Such cooperation aims at implementing the applicable international instruments to which they are parties, in particular the UN Convention against Transnational Organized Crime and its supplementing Protocols, and the UN Convention against Corruption.

Article 24

Money laundering and terrorism financing

1. The Parties agree on the need to work towards, and to cooperate on, preventing and combating the use of their financial systems, which includes financial institutions and designated non-financial businesses and professions, for financing terrorism and laundering the proceeds of serious criminal activities.

2. The Parties agree that cooperation under paragraph 1 shall allow exchanges of relevant information within the framework of their respective laws, rules and regulations and of the applicable international standards to prevent and combat money laundering and terrorism financing, such as those adopted by the Financial Action Task Force.

3. Cooperation shall also be extended in the form of capacity-building aimed at combating money laundering and terrorism financing, including exchange of good practices, expertise and training, as agreed by the Parties.

TITLE VI

COOPERATION IN OTHER SECTORS

Article 25

Human rights

1. The Parties agree to cooperate in areas to be mutually agreed in the promotion and protection of human rights.

2. Such cooperation may, inter alia, include:

- (a) exchanges of best practices regarding the ratification and implementation of international conventions, the development and implementation of action plans at domestic level, the role and functioning of the Parties' relevant national human rights institutions;
- (b) human rights education;
- (c) the establishment of a meaningful, broad-based human rights dialogue;
- (d) cooperation within the relevant UN human rights bodies.

Article 26

Financial services

1. The Parties agree to strengthen cooperation with a view to achieving closer common rules and standards on, and improving accounting, auditing, supervisory and regulatory systems of, banking, insurance and other parts of financial sector, including Islamic financial services.
2. The Parties recognise the importance of capacity-building measures to those ends.

Article 27

Economic policy dialogue

The Parties agree to cooperate on promoting the exchange of information on their respective economic trends and the sharing of experience relating to economic policies in the context of regional economic cooperation and integration.

Article 28

Good governance in the area of taxation

1. The Parties agree to strengthen cooperation in the area of taxation. The Parties recognise the importance of, and commit to implement in line with international standards, the principles of good governance in the area of taxation, that is transparency, exchange of information and avoidance of harmful tax practices, in order to promote and develop economic activities.
2. The Parties also agree to cooperate in enhancing capacity-building in the field of good governance in the area of taxation aimed at building competency and expertise as may be mutually agreed upon.

Article 29

Industrial policy and small and medium-sized enterprises

The Parties, taking into account their respective economic policies and objectives, agree to promote industrial policy cooperation in all fields deemed suitable, with a view to improving the competitiveness of small and medium-sized enterprises ("SME"), *inter alia*, through:

- (a) exchanging information and experience on creating framework conditions for SME to improve their competitiveness;
- (b) promoting contacts between economic operators, encouraging joint investments and establishing joint ventures and information networks notably through existing Union horizontal programmes, stimulating in particular transfers of soft and hard technology between partners;
- (c) providing information and stimulating innovation and exchanging good practices on access to finance, including for micro and small enterprises;
- (d) facilitating and supporting the relevant activities established by the private sectors of the Parties;
- (e) promoting corporate social responsibility and accountability as well as sustainable consumption and production, including through exchange of best practices on responsible business;
- (f) joint research and innovation projects in selected industrial areas as mutually agreed.

Article 30

Tourism

1. The Parties shall aim to improve the exchange of information and to establish best practices in order to ensure the balanced and sustainable development of tourism.
2. The Parties agree to develop cooperation on safeguarding and harmonising the potential of natural and cultural heritage, mitigating the negative impacts of tourism, and enhancing the positive contribution of the tourism business to the sustainable development of local communities, *inter alia* by developing eco-tourism, while respecting the integrity and interests of local and indigenous communities, and improving training in the tourism industry.

Article 31

Information society

1. Recognising that information and communications technologies (“ICT”) are key elements of modern life and of vital importance to economic and social development, the Parties endeavour to exchange views on their respective policies in this field with a view to promoting economic development.
2. Cooperation in this area may, *inter alia*, focus on:
 - (a) the participation in dialogue on the different aspects of the information society, in particular electronic communications policies and regulations including universal service, licensing and general authorisations, protection of personal data, and the independence and efficiency of the regulatory authorities;
 - (b) the sharing of information on interconnection and interoperability of the Parties’ networks and services;

- (c) the sharing of information on standardisation, conformity assessment and dissemination of information on ICT;
- (d) the promotion of research cooperation between the Parties in the area of information and communication technologies;
- (e) cooperation on digital television, including the exchange of experiences on deployment, regulatory aspects and the sharing of best practices in spectrum management;
- (f) security aspects of ICT, as well as the fight against cyber-crime.

Article 32

Cybersecurity

1. The Parties shall cooperate on cybersecurity through the exchange of information on strategies, policies and best practices in compliance with their legislation and international human rights obligations.
2. The Parties shall promote the exchange of information on cybersecurity in the fields of education and training, awareness raising initiatives, use of standards and research and development.

Article 33

Audiovisual and media

The Parties will consider means of encouraging exchanges, cooperation and dialogue between relevant institutions in the areas of audiovisual and media. The Parties agree to regular dialogue in those areas.

TITLE VI

COOPERATION ON SCIENCE, TECHNOLOGY AND INNOVATION

Article 34

Science, technology and innovation

1. The Parties shall encourage, develop and facilitate cooperation in the field of science, technology and innovation in areas of mutual interest and benefit in accordance with the respective laws, rules, regulations and policies of the Parties.
2. The areas of cooperation may include biotechnology, ICT, cybersecurity, industrial and material technologies, nanotechnology, space technology, marine science and renewable energy.
3. The forms of cooperation may include:

- (a) exchanging of information on science, technology and innovation policies and programmes;
 - (b) promoting strategic research partnerships between the Parties' scientific communities, research centres, universities and industry;
 - (c) promoting training and exchange of researchers.
4. Those cooperation activities should be based on the principles of reciprocity, fair treatment and mutual benefits, and ensure an adequate protection of intellectual property.
5. As regards those cooperation activities, the Parties shall promote the participation of their respective higher education institutions, research centres and productive sectors.
6. The Parties agree to promote public awareness of their respective programmes and cooperation for science, technology and innovation and of the possibilities offered by such programmes.

Article 35

Green technologies

1. The Parties agree to cooperate in the green technology sector with a view to:
- (a) facilitating the incorporation of green technologies in sectors such as energy, buildings, water and waste management and transportation;
 - (b) promoting capacity-building in the green technology sector which may include cooperation on regulatory and market-based instruments, such as green technology financing, green procurement and eco-labelling, as mutually agreed;
 - (c) promoting public education and awareness on green technologies and encourage their widespread use;
 - (d) promoting and deploying environmental technologies, products and services.
2. Cooperation may take the form of dialogue between the relevant institutions and agencies, exchange of information, staff exchange programmes, study visits, seminars and workshops.

Article 36

Energy

1. The Parties shall endeavour to enhance cooperation in the energy sector with a view to:
- (a) diversifying energy supply, channels and energy sources in order to strengthen energy security, developing new, sustainable, innovative and renewable forms of energy, including biofuels, biomass and biogas, wind and solar energy as well as hydro-power generation, while supporting the development of appropriate policy frameworks and transportation and transmission routes;

- (b) promoting energy efficiency in energy production, distribution and end-use;
- (c) fostering the transfer of technology aimed at sustainable energy production and use;
- (d) enhancing cooperation to address energy-related climate change mitigation and adaptation issues under the United Nations Framework Convention on Climate Change (“UNFCCC”);
- (e) enhancing capacity-building and facilitating investments in the field.

2. To those ends, the Parties agree to promote contacts and, where appropriate, joint research to the mutual benefit of the Parties, including through relevant regional and international frameworks. With reference to Article 39 and the conclusions of the World Summit on Sustainable Development (“WSSD”) which took place in Johannesburg in 2002, the Parties note the need to address the links between affordable access to energy services and sustainable development. Those activities can be promoted in cooperation with the European Union Energy Initiative, launched at the WSSD.

Article 37

Transport

1. The Parties agree to cooperate actively in areas of mutual interest. That cooperation will cover all modes of transport and its connectivity and shall include facilitation of the movement of goods and passengers, ensuring safety, security and environmental protection, human resources development and increase in trade and investment opportunities.

2. In the aviation sector, cooperation between the Parties shall aim to promote, *inter alia*:

- (a) the development of economic relations based on a coherent regulatory framework with the objective of facilitating doing business;
- (b) technical and regulatory convergence as regards safety, security, air traffic management, economic regulation and environmental protection;
- (c) the reduction of greenhouse gas emissions;
- (d) projects of mutual interest;
- (e) cooperation in international fora.

3. In the maritime transport sector, cooperation between the Parties shall aim to promote, *inter alia*:

- (a) dialogue on relevant issues, such as access to international maritime transport markets and trade on a commercial and non-discriminatory basis, national treatment and a most-favoured-nation clause for vessels flying the flag of one of the EU Member States or Malaysia, or which are operated by nationals or companies thereof, as well as matters related to door-to-door transport services, excluding cabotage trades;

- (b) exchange of views and best practices, where applicable, on safety, security, including measures to combat piracy and armed robbery at sea, and environmental protection procedures, standards and regulations, in line with relevant international conventions;
- (c) cooperation in international fora, in particular in the areas of reduction of greenhouse gas emissions, and of working conditions, education, training and certification of seafarers.

4. The Parties may explore any possible scope for enhanced cooperation in fields of mutual interest.

Article 38

Education and culture

1. The Parties agree to promote education and cultural cooperation that duly respects their diversity, in order to increase mutual understanding and the knowledge of their respective cultures. To that end, the Parties will support and promote the activities of their cultural institutions.

2. The Parties shall endeavour to take appropriate measures to promote cultural exchanges, including people-to-people exchanges, and carry out joint initiatives in various cultural spheres, including cooperation in heritage conservation with respect to cultural diversity. In that regard, the Parties also agree to continue supporting the activities of the Asia-Europe Foundation.

3. The Parties agree to consult and cooperate in relevant international fora, in particular the United Nations Educational, Scientific and Cultural Organization (“UNESCO”), in order to pursue common objectives and promote cultural diversity as well as the protection of cultural heritage. The Parties will promote and adhere to the principles of the UNESCO Universal Declaration on Cultural Diversity.

4. The Parties shall furthermore promote actions and the implementation of programmes in higher education and for the mobility and training of researchers, including the EU Erasmus+ programme and Marie Skłodowska-Curie actions. Those shall, *inter alia*, support inter-institutional cooperation and the development of links between higher education institutions, encourage mobility of students, researchers, academic staff and experts, promote exchange of information and know-how, help capacity-building and the development of quality in teaching and learning. Actions could also cover institutional cooperation through bodies such as the Asia-Europe Institute.

Article 39

Environment and natural resources

1. Recalling the outcome of the UN Conference on Environment and Development held in Rio de Janeiro in 1992, the WSSD and the UN Conference on Sustainable Development held in Rio de Janeiro in 2012 (Rio + 20), as well as 2030 Agenda, the Parties agree to cooperate in promoting the conservation and improvement of the environment in pursuit of sustainable development. The implementation of the applicable multilateral environmental agreements shall be taken into account in all activities undertaken by the Parties under this Agreement.

2. The Parties recognise the need to conserve and manage in a sustainable manner natural resources and biological diversity as a basis for the development of current and future generations, in particular in accordance with the Convention on Biological Diversity and the Convention on International Trade in Endangered Species of Wild Fauna and Flora. They commit themselves to implementing the decisions adopted under those Conventions, including through strategies and action plans.

3. The Parties shall endeavour to continue strengthening their cooperation on the protection of the environment, including in regional programmes, exchange of best practices, political and regulatory dialogues, conferences and workshops, specifically as regards:

- (a) promoting environmental awareness and enhanced participation of all local communities, in environmental protection and sustainable development efforts;
- (b) addressing the challenges of climate change in particular as regards impacts on eco-systems and natural resources;
- (c) promoting capacity-building relating to the participation in, and implementation of, applicable multilateral environmental agreements that are binding on them;
- (d) enhancing cooperation to protect, conserve and manage in a sustainable manner forest resources and on combating illegal logging and its associated trade;
- (e) conserving and sustainably using biological diversity, including endangered species, their habitat and genetic diversity, enhancing cooperation on invasive alien species of concern for the Parties, and restoring degraded ecosystems;
- (f) combating illegal wildlife trade and implementing effective measures against it;
- (g) preventing illegal transboundary movement of hazardous waste and other waste and ozone depleting substances;
- (h) improving the protection and conservation of the coastal and marine environment and promoting the sustainable use of marine resources;

- (i) improving ambient air quality, environmentally sound management of waste, of water resource and of chemicals, and promoting sustainable consumption and production;
- (j) promoting the protection and conservation of soils and sustainable land management;
- (k) promoting the designation of protected areas and the protection of ecosystems and natural areas, as well as the effective management of national parks, with due regard for local and indigenous communities living in or near those areas;
- (l) promoting an effective cooperation in the context of the Nagoya Protocol on Access to Genetic Resources and the Fair and Equitable Sharing of Benefits Arising from their Utilization to the Convention on Biological Diversity;
- (m) encouraging the development and use of voluntary sustainability assurance schemes such as fair and ethical trade schemes, eco-labels and certification schemes.

4. The Parties shall encourage mutual access to their programmes in those fields, in accordance with the specific terms of such programmes.

5. The Parties shall endeavour to enhance cooperation to address climate change mitigation and adaptation issues under the UNFCCC.

Article 40

Agriculture, livestock, fisheries and rural development

The Parties agree to encourage dialogue and promote cooperation in agriculture, livestock, fisheries, including aquaculture, and rural development. The Parties will exchange information on:

- (a) agricultural policy, international agricultural outlook and geographical indications in general;
- (b) the possibilities for facilitating trade in plants, animals, aquatic animals and their products;
- (c) policies related to animal welfare;
- (d) development policy in rural areas including capacity-building programmes and best practices in relation to rural cooperatives and the promotion of products from rural areas;
- (e) quality policy for plants, animals and aquatic products;
- (f) the development of sustainable and environmentally-friendly agriculture, agro-industry and the transfer of bio-technologies;
- (g) plant variety protection, seed technology, improving crop productivity, alternative crop technologies including agricultural biotechnology;

- (h) the development of databases on agriculture and livestock;
- (i) training in the area of agriculture, veterinary fields and fisheries, including aquaculture;
- (j) supporting sustainable and responsible long-term marine and fisheries policy including conservation and management of coastal and high-seas marine resources;
- (k) promoting efforts to prevent and combat illegal, unreported and unregulated fishing practices and associated trade.

Article 41

Health

1. The Parties agree to cooperate in the health sector with a view to improving health conditions covering, *inter alia*, preventive medicine, major communicable diseases and other health threats such as non-communicable diseases, as well as international health agreements.
2. Cooperation shall take place mainly through:
 - (a) exchange of information and collaboration in the early prevention of health threats such as avian and pandemic influenza and other major communicable diseases with pandemic potential;
 - (b) exchanges, fellowships and training programmes;
 - (c) promoting full and timely implementation of international health agreements such as the World Health Organization (“WHO”) International Health Regulations and the WHO Framework Convention on Tobacco Control.

Article 42

Employment and social affairs

1. The Parties agree to enhance cooperation in the field of employment and social affairs, including cooperation on regional and social cohesion, health and safety in the workplace, gender equality and decent work, with a view to strengthening the social dimension of globalisation.
2. The Parties reaffirm the need to support a process of globalisation that is beneficial to all, and to promote full and productive employment and decent work as a key element of sustainable development and poverty reduction, as endorsed by UN General Assembly Resolution 60/1 (2005) and the Ministerial Declaration of the high-level segment of the UN Economic and Social Council of 5 July 2006, and taking into account the 2008 International Labour Organization (“ILO”) Declaration on Social Justice for a Fair Globalization. The Parties shall take into account the respective characteristics and diverse nature of their economic and social situations.
3. The Parties reaffirm the commitment to respect, promote and realise the principles of the internationally recognised core labour and social standards, as referred to, in particular, in the 1998 ILO Declaration on Fundamental Rights and Principles at Work and to implement

applicable ILO Conventions that are binding on them. The Parties will cooperate and exchange information on relevant employment and labour matters as agreed by the Parties.

4. The forms of cooperation may include, *inter alia*, specific programmes and projects, as mutually agreed, as well as dialogue, cooperation and initiatives on topics of common interest at bilateral or multilateral level, such as ASEM, EU-ASEAN dialogue and the ILO.

Article 43

Statistics

The Parties agree to promote, in addition to existing activities of statistical cooperation between the Union and ASEAN, and subject to their respective laws, rules, regulations and policies, statistical capacity-building and harmonisation of statistical methods and practice, including the gathering and dissemination of statistics, thus enabling them to use, on a mutually acceptable basis, statistics on national accounts, foreign direct investment, trade in goods and services and, more generally, in mutually agreed areas covered by this Agreement which lend themselves to collection, processing, analysis and dissemination of statistical data.

Article 44

Civil society

The Parties recognise the role and potential contribution of civil society organisations and academic institutions in support of the cooperation under this Agreement, and agree to promote, to the extent possible, dialogue with them and their meaningful participation in relevant fields of cooperation, in accordance with their respective laws, rules, regulations and policies.

Article 45

Public administration

The Parties agree to cooperate with a view to enhancing capacity-building in the field of public administration. Cooperation in that area may include exchange of views on best practices on management methods, service delivery, reinforcing institutional capacity and transparency issues.

Article 46

Disaster management

1. The Parties recognise the need to minimise the impact of natural and man-made disasters. The Parties affirm their common commitment to promoting prevention, mitigation, preparedness, response and recovery measures in order to increase the resilience of their societies and infrastructures, and to cooperate, as appropriate, at bilateral and multilateral level to progress towards such objectives.

2. Cooperation may take the form of, *inter alia*, the following:

- (a) sharing of best practises in disaster management;
- (b) capacity-building;
- (c) information sharing;
- (d) promoting public awareness and general education.

3. Cooperation referred to in paragraph 2 may include the sharing of disaster-relief and emergency-assistance information, taking into account the work of both the EU Emergency Response Coordination Centre and the ASEAN Coordinating Centre for Humanitarian Assistance on Disaster Management.

TITLE VII

MEANS OF COOPERATION

Article 47

Resources for cooperation

In order to fulfil the cooperation objectives set out in this Agreement, the Parties agree to make available the appropriate resources for cooperation activities in the areas covered by this Agreement, including financial means, insofar as their respective resources and regulations allow. Those cooperation activities may include, as appropriate, capacity-building and technical cooperation initiatives, exchange of experts, conduct of studies and other activities agreed by the Parties.

Article 48

Financial assistance and interests

1. Any EU financial assistance under this Agreement shall be implemented by the Parties in accordance with the principles of sound financial management and the Parties will cooperate in the protection of their financial interests.

2. The Parties shall take appropriate measures to prevent and fight fraud, corruption and any other illegal activities affecting their financial interests, in accordance with their respective laws, rules and regulations. Those measures will include the exchange of information and mutual administrative assistance. The European Anti-Fraud Office and the competent Malaysian authorities may agree on further cooperation in the anti-fraud field.

Article 49

Intellectual property rights resulting from cooperation arrangements

Intellectual property rights resulting from cooperation arrangements under this Agreement shall be protected and enforced in conformity with the respective laws, rules and regulations of either Party and with any respective international agreements to which both Parties are party. That is without prejudice to any specific provision under existing and future individual cooperation arrangements.

TITLE VIII
INSTITUTIONAL FRAMEWORK

Article 50

Joint Committee

1. The Parties agree to establish under this Agreement a Joint Committee, composed of representatives of the Parties at an appropriate high level, whose tasks shall be to:
 - (a) ensure the proper functioning and implementation of this Agreement;
 - (b) set priorities in relation to the aims of this Agreement;
 - (c) make recommendations for promoting the aims of this Agreement;
 - (d) settle, where applicable, any difference or divergence arising in the interpretation, implementation or application of this Agreement in accordance with Article 53;
 - (e) examine all information presented by either Party regarding non-fulfilment of the obligations, and hold consultations with the other Party to seek an amicable and mutually acceptable solution to the Parties in accordance with Article 53;
 - (f) oversee the implementation of any specific agreement as referred to in Article 52(2).
2. The Joint Committee shall normally meet not less than every two years, in Malaysia and Brussels alternately, on a date to be determined by mutual agreement. Extraordinary meetings of the Joint Committee may also be convened by agreement between the Parties. The Joint Committee shall be chaired alternately by each of the Parties. The agenda for meetings of the Joint Committee shall be determined by agreement between the Parties.
3. The Joint Committee may set up specialised working groups in order to assist it in the performance of its tasks. Those working groups shall submit detailed reports on their activities to the Joint Committee at each of its meetings.
4. The Joint Committee shall adopt its own rules of procedure.

TITLE IX
FINAL PROVISIONS

Article 51

Disclosure of information

1. Nothing in this Agreement shall be construed to require either Party to provide any information the disclosure of which it considers contrary to its essential security interests.
2. The Parties shall give appropriate protection to information shared under this Agreement, consistent with the public interest on access to information and in accordance with their respective laws, rules and regulations.

Article 52

Other agreements

1. This Agreement shall not affect the application or implementation of commitments undertaken by the Parties in relation with third countries and international organisations.
2. The Parties may complement this Agreement by concluding specific agreements in any area of cooperation falling within the scope of this Agreement. Such specific agreements shall be an integral part of the overall bilateral relations as governed by this Agreement and shall form part of a common institutional framework.

Article 53

Fulfilment of obligations

1. Any difference or divergence between the Parties concerning the interpretation, implementation or application of this Agreement shall be settled amicably, through consultation or negotiations within the Joint Committee, without reference to a third party or international tribunal.
2. If either Party considers that the other Party has failed to fulfil any of the obligations under this Agreement it shall notify the other Party. The Parties shall hold consultations with a view to reaching a mutually acceptable solution to the matter. Such consultations shall take place under the auspices of the Joint Committee. Where the Joint Committee is unable to reach a mutually acceptable solution, the notifying Party may take appropriate measures. For the purpose of this paragraph, 'appropriate measures' means any measure recommended by the Joint Committee or the suspension, in part or in full, of this Agreement.
3. If either Party considers that the other Party has failed to fulfil any of the obligations that are described as essential elements in Article 1(1) and Article 7(1), it shall immediately notify the other Party of this fact and the appropriate measures it intends to take. The notifying Party shall advise the Joint Committee of the need to hold urgent consultations on the matter. Where the Joint Committee is unable to reach a mutually acceptable solution within 15 days from the commencement of consultations, and no later than 30 days from the date of the notification, the notifying Party may take the appropriate measures. For the purpose of this paragraph 'appropriate measures' means any measure recommended by the

Joint Committee or the suspension, in part or in full, of this Agreement or of any specific agreement within the meaning of Article 52(2).

4. Any appropriate measure taken shall be proportionate to the failure to implement obligations under this Agreement and shall not affect the continuation of other obligations under this Agreement not affected by the situation. In the selection of the appropriate measure, priority must be given to those which least disturb the functioning of this Agreement or of any specific agreement within the meaning of Article 52(2).

Article 54

Facilitation

To facilitate cooperation within the framework of this Agreement, the Parties agree to grant facilities to officials and experts involved in the implementing cooperation in the performance of their functions, in accordance with the respective laws, rules and regulations of the Parties.

Article 55

Territorial application

This Agreement shall apply, on the one hand, to the territories in which the TEU and the TFEU are applied under the conditions laid down in those Treaties and, on the other hand, to the territory of Malaysia.

Article 56

Definition of the Parties

For the purpose of this Agreement, “the Parties” shall mean the European Union, on the one hand, and the Government of Malaysia, on the other hand.

Article 57

Future development and amendments

1. Either Party may, in writing, put forward any proposals for the expansion of the scope of cooperation or amendment to any provision of this Agreement.
2. Any suggestions for the expansion of the scope of cooperation shall take into account the experience gained in the application and implementation of this Agreement or of any specific agreement referred to in Article 52(2).
3. Any expansion of the scope of cooperation or amendments of this Agreement shall be made by mutual written agreement, through supplementary agreements or protocols or such appropriate instruments as may be agreed by the Parties.
4. Such supplementary agreements, protocols or appropriate instruments shall enter into force on a date to be agreed by the Parties and shall constitute an integral part of this Agreement.

Article 58

Entry into force and duration

1. This Agreement shall enter into force on the first day of the second month following the date on which the last Party has notified the other of the completion of the legal procedures necessary for this purpose.
2. This Agreement shall be valid for a period of five years. It shall be automatically extended for further successive periods of one year, unless either Party notifies the other Party in writing of its intention not to extend this Agreement six months prior to the end of any subsequent one-year period.
3. This Agreement may be terminated by either Party by written notice given to the other Party. The termination shall take effect six months after receipt of notification by the other Party.

Article 59

Notifications

Notifications made in accordance with Article 58 shall be made to the General Secretariat of the Council of the European Union and to the Ministry of Foreign Affairs of Malaysia, respectively.

Article 60

Authentic text

This Agreement shall be drawn up in duplicate in the Bulgarian, Croatian, Czech, Danish, Dutch, English, Estonian, Finnish, French, German, Greek, Hungarian, Italian, Latvian, Lithuanian, Maltese, Polish, Portuguese, Romanian, Slovak, Slovenian, Spanish, Swedish and Malay languages, each of these texts being equally authentic. In the event of any divergence in the interpretation of this Agreement, the Parties shall refer the matter to the Joint Committee.

Done at [place], this day of [month]
in the year Two Thousand and ...

FOR THE EUROPEAN UNION

FOR THE GOVERNMENT OF MALAYSIA