

nationality, residency and licensing. Cross-border trade in insurance is limited to insurance companies and banks registered to operate in Panama with economic solvency. Reinsurance or underwriters entities, administrators of reinsurance and reinsurance brokers must designate at least two general proxies who are both natural persons residing in Panama, one of whom is a Panamanian citizen.

104. Under its GATS commitments, Singapore has liberalized services auxiliary to insurance, comprising actuarial, loss adjustors, average adjustors and consultancy services. Other subsectors remain subject to restrictions. Singapore retains a foreign equity limit and a restriction on the issuance of new insurance licences and the establishment of new representative offices on life insurance and non-life insurance services in mode 3; mode 1 in these two subsectors is unbound. Reinsurance and retrocession are subject to establishment as branches or subsidiaries, while insurance intermediation is unbound for modes 1 and 3 (except for admission of reinsurance brokers as locally incorporated subsidiaries). Under the Agreement, Singapore lists the admission criteria which apply to insurers wishing to offer new investment-linked insurance products and manage such sub-funds. Singapore reserves the right to adopt or maintain any measure relating to the cross-border supply of all financial services, securities, direct insurance, insurance and reinsurance intermediation, except reinsurance/retrocession and services auxiliary to insurance comprising actuarial, lost adjustors, average adjustors and consultancy services.

V. PROVISIONS AFFECTING TRADE IN GOODS, SERVICES AND INVESTMENT

A. COMPETITION POLICY

105. Chapter 7 aims at the promotion of fair competition between the Parties and include provisions relating to confidentiality (Article 7.2), cooperation (Article 7.3), transparency and information requests (Article 7.4), and consultations (Article 7.5). No recourse to dispute settlement is permitted for any matter related to this chapter (Article 7.6).

B. GOVERNMENT PROCUREMENT

106. Chapter 8 of the Agreement on Government Procurement consists of 22 articles and an annex. The Chapter's core principles are national treatment, non-discrimination and transparency in the conduct of government procurement. Other general principles include the prohibition of offsets and non-disclosure of information. Parties undertake to treat suppliers, goods and services of the other Party in the same way as their own domestic suppliers, goods and services. Annex 8A sets out the government entities that are covered by the Chapter, the thresholds that are applied, and the specific types of procurements and procurement arrangements that each Party has exempted from the application of the Chapter. A Party may make technical rectifications or minor amendments to the coverage in its schedules subject to notification and acceptance by the other Party. No compensatory adjustments need to be provided in such cases. (Article 8.15).

107. In addition to the general principles, the Chapter contains a number of disciplines with respect to transparency and procurement procedures; these include provisions on publication of procurement information (Article 8.7) and of notices of intended procurement (Article 8.8); time-limits for tendering (Article 8.9); publication of notice of intended procurement (Article 8.8); limited tendering procedures (Article 8.13); and treatment of tenders and awarding of contracts (Article 8.14). The Chapter also sets basic procedures for dealing with supplier challenges to the conduct or outcome of a procurement (Article 8.18).

108. The Chapter applies only to procurements by entities listed in the annexes with a value equal to or above certain thresholds. Panama's schedule in Annex 8A lists 12 central level government entities. Singapore's schedule contains 23 central level government entities. In addition, both Panama

and Singapore have submitted a number of other government entities to the disciplines of Chapter 8. Thresholds vary for different groups of entities and according to the nature of purchases (goods, services, or construction services).²⁸ Annex 8A applies to all goods procured by the central and other government entities listed by the Parties. For services, Annex 8A contains a positive list for each Party of the services covered by the Annex.

C. ELECTRONIC COMMERCE

109. Chapter 13 sets out the provisions regarding electronic commerce. The Parties affirm in Article 13.3 that they do not apply customs or other duties, fees, or charges on or in connection with the import or export of digital products by electronic transmission. It also requires the Parties to afford non-discriminatory treatment to digital products, including computer programs, text, video, images, sound recordings and other products that are digitally encoded, regardless of whether they are fixed on a carrier medium or transmitted electronically. In Article 13.4 the Parties affirm the importance of cooperation on matters relating to electronic commerce.

D. INSTITUTIONAL PROVISIONS

1. General provisions and exceptions

110. General provisions and exceptions are laid down in Chapter 18 of the Agreement. Article 18.1:1 stipulates that for the trade in goods aspects of the Agreement Article XX (general exceptions) of the GATT 1994 is incorporated into and made part of the Agreement *mutatis mutandis*; for services related issues Article 18.1:2 stipulates that Article XIV of the GATS is incorporated into and made part of the Agreement *mutatis mutandis*. Article 18.2 addresses "Essential Security" and partially incorporates into the Agreement Article XXI (security exceptions) of the GATT 1994. The Chapter also includes exceptions for Taxation (Article 18.3) and general provisions for Disclosure of Information (Article 18.5).

2. Accession

111. The Agreement is open to accession by any country or group of countries on terms to be agreed between the Parties and the countries concerned (Article 18.6).

3. Institutional framework

112. Chapter 14 addresses the transparent administration of laws, regulations, procedures and administrative actions of general application to the Agreement. Provisions under this Chapter include the designation of contact points (Article 14.1); the publication of laws, regulations, and administrative rulings relating to matters covered by the Agreement (Article 14.2); notification and provision of information (Article 14.3); administrative proceedings (Article 14.4); and review and appeal (Article 14.5).

113. Chapter 17 of the Agreement establishes an Administrative Commission and stipulates its mandate (Article 17.1.2), which includes, among others, reviewing the general functioning of the Agreement; facilitating the avoidance and settlement of disputes; and the consideration and adoption of amendments to the Agreement. Article 17.1.3 provides for the timing and location of the meetings of the Administrative Commission.

²⁸ The threshold values listed by Singapore in Annex 8A are the same as those it scheduled under the WTO Agreement on Government Procurement (GPA). As of November 2007, Panama is not a member of the GPA, but is negotiating its accession.