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#### **MEMORANDUM**

FOR

The Directors

Biodiversity Management Bureau

Ecosystems Research and Development Bureau

Environmental Management Bureau

Forest Management Bureau Mines and Geoscience Bureau Climate Change Service Legal Affairs Service

**FROM** 

The OIC Director

Policy and Planning Service

SUBJECT

VIRTUAL FOCUS GROUP DISCUSSION (FGD) ON INDO-

PACIFIC ECONOMIC FRAMEWORK (IPEF) PILLAR I (TRADE):

**ENVIRONMENT ON 07 MARCH 2023** 

DATE

0 2 MAR 2023

This refers to the electronic mail dated 01 March 2023 of the Department of Trade and Industry – Bureau of International Trade Relations (DTI-BITR), inviting representatives to the conduct of a Virtual Focus Group Discussion (FGD) for the Indo-Pacific Economic Framework (IPEF) Pillar I (Trade): Environment on **07 March 2023 (10:00 AM)**.

In line with the preparation for the 2nd IPEF Official Negotiating Meeting for Pillars I-IV in Bali, Indonesia to be held on 13-19 March 2023, the said FGD will discuss the zero-draft negotiating text for Environment chapter of IPEF Pillar I (Trade) in order to highlight attributions, redlines, offensive interests and the overall negotiating position of the Philippines.

In this regard, we would like to invite your designated representatives to join the upcoming virtual FGD, which may be accessed through the following link:

Link: https://zoom.us/j/92460413042 Meeting ID: 924 6041 3042

Attached is the zero-draft negotiating text for Environment, as circulated by the United States for your comments or inputs. We would appreciate receiving your feedback on or before **06** March **2023**, send to: psddivision@gmail.com and/or policy@denr.gov.ph.

For your information and appropriate action, please.

CHERYL LOISE T. LEAL

cc: Atty. Jonas R. Leones

Undersecretary for Policy, Planning and International Affairs

For. Marcial C. Amaro, Jr., CESO II
Assistant Secretary for Policy, Planning and Foreign Assisted and
Special Projects

# Indo-Pacific Economic Framework (IPEF) Trade Pillar Negotiations

U.S. Proposal for IPEF Negotiating Text on Environment

#### **Derived From:**

Classification Authorization of April 13, 2022, by Deputy United States Trade Representative Sarah Bianchi, per Executive Order 13526, Section 1.4(b); modified handling authorized under Section 4.1(h).

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#### CHAPTER [X]

#### **ENVIRONMENT**

#### Preamble:

Recognizing that a healthy and sound environment is essential for building inclusive, resilient, and strong national and regional economies among the Parties now and in the future;

Recognizing, in particular, that the sustainable management and continued availability of natural resources are foundational to the global economy and the global trading system, including in sectors such as agriculture (including food security), energy, manufacturing, and the digital economy;

*Recognizing* that many current environment and climate-related challenges are global in nature and require a collective response;

*Noting* that the environment plays an important role in the economic, social, and cultural well-being of indigenous peoples, and *acknowledging* the importance of engaging with indigenous peoples in the long-term conservation of the environment;

Mindful that trade and investment can contribute to environmental sustainability and support climate change objectives, and further recognizing that trade and investment measures should not undermine environmental sustainability and actions to address climate change; and

Desiring to enable a more sustainable and prosperous Indo-Pacific region through a robust set of commitments that will contribute to ensuring that trade and investment in the region supports environmental sustainability and progress on climate-related challenges;

the Parties hereby agree as follows:

#### **Article X.1: Definitions**

For the purposes of this Chapter:

environmental law means a statute or regulation of a Party, or provision thereof, including any that implements the Party's obligations under a multilateral environmental agreement, the primary purpose of which is the protection of the environment, or the prevention of a danger to human life or health, through:

- (a) the prevention, abatement, or control of the release, discharge, or emission of pollutants or environmental contaminants;
- (b) the control of environmentally hazardous or toxic chemicals, substances, materials, or wastes, and the dissemination of information related thereto; or

(c) the protection or conservation of wild flora or fauna, including endangered species, their habitat, and specially protected natural areas,

but does not include a statute or regulation, or provision thereof, directly related to worker safety or health, nor any statute or regulation, or provision thereof, the primary purpose of which is managing the subsistence or aboriginal harvesting of natural resources; and

#### statute or regulation means:

- (a) [Placeholder for other IPEF partners; and]
- (b) for the United States, an Act of Congress or regulation promulgated pursuant to an Act of Congress that is enforceable by action of the central level of government.

clean energy refers to any energy source that generates energy resulting in low or no greenhouse gas emissions and energy saved through efficiency measures consistent with achieving net zero emissions and our shared climate goals. Clean energy may include, for example, wind, solar, hydro, geothermal, or nuclear energy; sustainable bioenergy; fossil energy with carbon capture, utilization, and storage (CCUS); carbon dioxide removal; or hydrogen energy derived from the foregoing sources, or from gas pyrolysis.

#### Article X.2: Levels of Protection

- 1. The Parties recognize the sovereign right of each Party to establish its own levels of domestic environmental protection and its own environmental priorities and to establish, adopt, or modify its environmental laws and policies accordingly.
- 2. Each Party shall strive to ensure that its environmental laws and policies provide for, and encourage, high levels of environmental protection and shall strive to continue to improve its respective levels of environmental protection.

#### Article X.3: Enforcement of Environmental Laws

1. No Party shall fail to effectively enforce its environmental laws in a manner affecting trade or investment between the Parties<sup>3, 4</sup> after the date of entry into force of this Agreement.<sup>5</sup>

The Parties recognize that "protection or conservation" may include the protection or conservation of biological diversity.

<sup>&</sup>lt;sup>2</sup> For the purposes of this Chapter, the term "specially protected natural areas" means those areas as defined by the Party in its law.

<sup>&</sup>lt;sup>3</sup> For greater certainty, a Party's failure to "effectively enforce its environmental laws" is "in a manner affecting trade or investment between the Parties" if the failure involves: (i) a person or industry that produces a good or

- 2. The Parties recognize that each Party retains the right to exercise discretion and to make decisions regarding: (a) investigatory, prosecutorial, regulatory, and compliance matters; and (b) the allocation of environmental enforcement resources with respect to other environmental laws determined to have higher priorities. Accordingly, the Parties understand that, with respect to the enforcement of environmental laws, a Party is in compliance with paragraph 1 if an action or inaction reflects a reasonable exercise of that discretion or results from a *bona fide* decision regarding the allocation of those resources in accordance with priorities for enforcement of its environmental laws.
- 3. Without prejudice to Article X.2 (Levels of Protection), the Parties recognize that it is inappropriate to encourage trade or investment by weakening or reducing the protection afforded in their respective environmental laws. Accordingly, a Party shall not waive or otherwise derogate from, or offer to waive or otherwise derogate from, its environmental laws in a manner that weakens or reduces the protection afforded in those laws in order to encourage trade or investment between the Parties.
- 4. Nothing in this Chapter shall be construed to empower a Party's authorities to undertake environmental law enforcement activities in the territory of another Party.

#### **Article X.4: Procedural Matters**

- 1. Each Party shall ensure that an interested person may request that the Party's competent authorities investigate alleged violations of its environmental laws, and that the competent authorities give those requests due consideration, in accordance with its law.
- 2. Each Party shall ensure that persons with a recognized interest under its law in a particular matter have appropriate access to administrative, quasi-judicial, or judicial proceedings for the enforcement of the Party's environmental laws, and the right to seek appropriate remedies or sanctions for violations of those laws.
- 3. Each Party shall ensure that administrative, quasi-judicial, or judicial proceedings for the enforcement of the Party's environmental laws are available under its law and that those proceedings are fair, equitable, transparent, and comply with due process of law, including the opportunity for parties to the proceedings to support or defend their respective positions. The Parties recognize that these proceedings should not be unnecessarily complicated nor entail unreasonable fees or time limits.

supplies a service traded between the Parties or has an investment in the territory of the Party that has failed to comply with this obligation; or (ii) a person or industry that produces a good or supplies a service that competes in the territory of a Party with a good or a service of another Party.

<sup>&</sup>lt;sup>4</sup> A failure is presumed to be in a manner affecting trade or investment between the Parties, unless demonstrated otherwise.

<sup>&</sup>lt;sup>5</sup> An isolated or unsustained case does not constitute a failure to effectively enforce a Party's environmental laws under this paragraph.

- 4. Each Party shall provide that any hearings in these proceedings are conducted by impartial and independent persons who do not have an interest in the outcome of the matter. Hearings in these proceedings shall be open to the public, except when the administration of justice otherwise requires, and in accordance with its applicable law.
- 5. Each Party shall provide that final decisions on the merits of the case in these proceedings are:
  - (a) in writing and if appropriate state the reasons on which the decisions are based;
  - (b) made available without undue delay to the parties to the proceedings and, in accordance with its law, to the public; and
  - (c) based on information or evidence presented by the parties or other sources, in accordance with its law.
- 6. Each Party shall also provide, as appropriate, that parties to these proceedings have the right, in accordance with its law, to seek review and, if warranted, correction or redetermination, of final decisions in such proceedings.
- 7. Each Party shall provide appropriate sanctions or remedies for violations of its environmental laws and shall ensure that it takes account of relevant factors when establishing sanctions or remedies, which may include the nature and gravity of the violation, damage to the environment, and any economic benefit derived by the violator.

#### Article X.5: Public Information and Participation

- 1. Each Party shall promote public awareness of its environmental laws and policies, including enforcement and compliance procedures, by ensuring that relevant information is available to the public.
- 2. Each Party shall provide for the receipt and consideration of written questions or comments from persons of that Party regarding its implementation of this Chapter. Each Party shall respond in a timely manner to these questions or comments in writing and in accordance with domestic procedures and make the questions or comments and the responses available to the public, for example by posting on an appropriate public website.
- 3. Each Party shall make use of existing, or establish new, consultative mechanisms, for example national advisory committees, to seek views on matters related to the implementation of this Chapter. These mechanisms may include persons with relevant experience, as appropriate, including experience in business, natural resource conservation and management, or other environmental matters.

#### Article X.6: Environmental Impact Assessment

- 1. Each Party shall maintain appropriate procedures for assessing the environmental impacts of proposed projects that are subject to an action by that Party's central level of government that may cause significant effects on the environment with a view to avoiding, minimizing, or mitigating adverse effects.
- 2. Each Party shall ensure that such procedures provide for the timely and accessible disclosure of information to the public and, in accordance with its law, allow for public participation.

#### Article X.7: Multilateral Environmental Agreements<sup>6, 7</sup>

- 1. The Parties recognize the important role that multilateral environmental agreements can play in protecting the environment and as a response of the international community to global or regional environmental problems.
- 2. Each Party affirms its commitment to implement the multilateral environmental agreements to which it is a party.
- 3. The Parties commit to consult and cooperate as appropriate with respect to environmental issues of mutual interest, in particular trade-related issues, pertaining to relevant multilateral environmental agreements. This includes exchanging information on the implementation of multilateral environmental agreements to which a Party is party; ongoing negotiations of new multilateral environmental agreements; and, each Party's respective views on becoming a party to additional multilateral environmental agreements.
- 4. Each Party shall adopt, maintain, and implement laws, regulations, and all other measures necessary to fulfill its respective obligations under the following multilateral environmental agreements ("covered agreements"):8

<sup>&</sup>lt;sup>6</sup> A violation of Article X.X.4 must be in a manner affecting trade or investment between the Parties. For greater certainty, a violation of this provision is "in a manner affecting trade or investment between the Parties" if it involves: (i) a person or industry that produces a good or supplies a service traded between the Parties or has an investment in the territory of the Party that has failed to comply with this obligation; or (ii) a person or industry that produces a good or supplies a service that competes in the territory of a Party with a good or a service of another Party. For greater certainty, a Party's compliance with its respective obligations under a covered agreement shall only be subject to Article X.32 (Environment Consultations) under this Agreement if the complaining Party is a party to the relevant covered agreement.

<sup>&</sup>lt;sup>7</sup> A violation of Article X.X.4 is presumed to be in a manner affecting trade or investment between the Parties, unless demonstrated otherwise.

<sup>&</sup>lt;sup>8</sup> For purposes of this paragraph: (1) "covered agreements" shall encompass the multilateral environmental agreements provided herein and those existing or future protocols, amendments, annexes, and adjustments under the relevant agreement to which the Party is party; and (2) a Party's "obligations" shall be interpreted to reflect, *inter alia*, existing and future reservations, exemptions, and exceptions applicable to it under the relevant agreement.

- (a) the Convention on International Trade in Endangered Species of Wild Fauna and Flora, done at Washington, March 3, 1973, as amended;
- (b) the Montreal Protocol on Substances that Deplete the Ozone Layer, done at Montreal, September 16, 1987, as adjusted and amended; and
- (c) the Protocol of 1978 Relating to the International Convention for the Prevention of Pollution from Ships, 1973, done at London, February 17, 1978, as amended.
- 5. Pursuant to Article X.X [(Amendments)], the Parties may agree in writing to modify paragraph 4 to include any amendment to an agreement referred to therein, and any other environmental or conservation agreement.

#### Article X.8: Climate and Trade

- 1. The Parties recognize that the economic, social, and environmental dimensions of sustainable development are interdependent and mutually reinforcing, and that as such trade is inherently linked to sustainable development. The Parties also recognize that trade can advance sustainable development while supporting environmental and social objectives, and that trade policies should complement climate objectives.
- 2. Recalling the Paris Agreement<sup>9</sup>, the Parties commit to establishing policies and regulatory frameworks that facilitate access to, and the adoption and deployment of, goods and services that advance climate objectives, including those goods and services that improve energy efficiency, reduce or remove greenhouse gas emissions in line with keeping within reach a limit to warming of 1.5 degrees Celsius, have a positive effect on air quality, water, soil and natural resource conservation, or advance climate adaptation and resiliency.
- 3. The Parties commit to cooperate on advancing climate objectives, which may include sharing their experiences and best practices in developing methodologies for assessing carbon intensity of traded goods, developing natural capital accounts, and assessing equivalency of various approaches to decarbonization.

#### Article X.9: Clean Energy and Clean Technologies

1. The Parties recognize the need to establish policies and regulatory frameworks that incentivize and increase the development and use of clean energy, including by facilitating investments in, and expediting adoption and deployment of, clean energy technologies and sources.

<sup>&</sup>lt;sup>9</sup> Paris Agreement Under the United Nations Framework Convention on Climate Change, done at Paris, December 12, 2015.

2. The Parties commit to cooperate on clean energy and clean technologies, which may include sharing their experiences and best practices in the development and deployment of incentives for clean energy, the development of smart grids, and other national measures to accelerate deployment and adoption of clean energy technologies.

#### Article X.10: Environmental Goods and Services

- 1. The Parties recognize the importance of trade and investment in environmental goods and services, including clean technologies, as a means of improving environmental and economic performance, contributing to green growth and jobs, and encouraging sustainable development, while addressing global environmental challenges.
- 2. Accordingly, the Parties shall strive to facilitate and promote trade and investment in environmental goods and services.
- 3. The Environment Committee established under Article X.30 (Environment Committee and Contact Points) shall consider issues identified by a Party related to trade in environmental goods and services, including issues identified as potential non-tariff barriers to that trade. The Parties shall endeavor to address any potential barriers to trade in environmental goods and services that may be identified by a Party, including by working through the Environment Committee and in conjunction with other relevant committees established under this Agreement, as appropriate.
- 4. The Parties shall cooperate in international fora on ways to further facilitate global trade in environmental goods and services and may develop cooperative projects on environmental goods and services to address current and future global environmental challenges. Such projects may include identification of environmental goods through their production, life cycle, and intended use.

#### Article X.11: More Resource Efficient and Circular Economies

- 1. The Parties recognize that more resource efficient and circular economies improve resource security and reduce potential adverse climate and environmental impacts of certain materials, goods, and production processes.
- 2. The Parties further recognize the key role that trade can play in facilitating more circular economies, including trade in remanufactured goods, second-hand goods, end-of-life products, recyclable and secondary materials, and related services.
- 3. The Parties also recognize that policy objectives that promote more resource efficient and circular economies include, but are not limited to: extending product lifetimes, increasing the proportion of materials and products that are reused and recycled, and reducing waste throughout supply chains.
- 4. The Parties acknowledge that a transition to more resource efficient and circular economies has the potential to widen economic gaps and disproportionately impact traditionally

underserved communities within each Party's respective territory, and that it is important to consider such risks when pursuing relevant policy objectives.

- 5. Accordingly, the Parties shall cooperate to address matters of mutual interest to promote and facilitate more resource efficient and circular economies. Areas of cooperation may include:
  - (a) addressing trade barriers that inhibit more circular economies;
  - (b) incorporating circular economy approaches into the development and deployment of climate mitigation, resilience, and adaptation technologies;
  - (c) promoting trade facilitative approaches to enable reverse supply chains;
  - (d) supporting innovation that promotes more circular economies, including innovative approaches to recycling and litter reduction, sustainable packaging, and alternative materials;
  - (e) encouraging more resource efficient product design, including the designing of products to be easier to reuse, dismantle, remanufacture, or recycle at end of life; and
  - (f) exchanging information regarding approaches to investing in, and financing of, circular economy-relevant projects.

#### Article X.12: Marine Litter and Plastic Pollution

- 1. The Parties recognize the importance of taking action to prevent and reduce marine litter and plastic pollution, including microplastics, in order to protect human health and the environment.
- 2. Recognizing the global nature of the challenge of marine litter and plastic pollution, each Party shall take measures to prevent and reduce marine litter and plastic pollution addressing the life cycle of plastics, including, as appropriate, by supporting more circular approaches for plastics and relevant alternative materials, incentivizing innovation, and enabling reverse supply chains.
- 3. Recognizing that the Parties are taking action to address marine litter and plastic pollution in other fora, the Parties shall cooperate to address matters of mutual interest with respect to combatting marine litter and plastic pollution, such as addressing land- and sea-based sources of plastic pollution, promoting the development and maintenance of environmentally-sound waste management including recycling infrastructure, and advancing efforts related to addressing abandoned, lost, or otherwise discarded fishing gear.

#### Article X.13: Digital Economy and Environmental Sustainability

1. The Parties recognize that digital technologies and services have the potential to dramatically improve social, economic, and environmental objectives when developed and deployed in a manner that promotes environmental sustainability.

- 2. To incentivize the development, adoption, and deployment of digital technologies and services, and also maximize environmental benefits, while taking into consideration the needs of MSMEs, each Party should:
  - (a) take measures to encourage digital technology and service providers to prioritize the use of clean energy for their operations, particularly from zero- and low-carbon sources, and to encourage others in their supply chains to do the same;
  - (b) promote trade and investment in digital technologies and services that incorporate environmental sustainability and circular economy approaches at scale, including technologies, goods and services that minimize waste from operations by restructuring production processes, resource allocation, and distribution systems, and by facilitating recovery of materials for reuse and recycling; and
  - (c) ensure that national procedures for assessing the environmental impacts of proposed projects that are subject to an action by that Party's central level of government can also take into consideration opportunities to leverage digital technologies and services that can minimize or mitigate adverse environmental effects.
- 3. The Parties commit to cooperate to promote and facilitate trade in digital technologies and services that maximize environmental benefits, taking into account the needs of MSMEs.

#### Article X.14: Responsible Business Conduct

- 1. The Parties recognize the importance of promoting responsible business conduct.
- 2. Each Party shall encourage enterprises organized or constituted under its laws, or operating in its territory, to adopt and implement voluntary best practices of corporate social responsibility that are related to environment, such as those in internationally recognized standards and guidelines that have been endorsed or are supported by that Party, to strengthen coherence between economic and environmental objectives, while seeking to avoid disproportionate burdens on MSMEs.

#### Article X.15: Sustainable Finance

- 1. The Parties recognize that their respective decarbonization objectives are critical to sustainable economic growth and that the effective engagement of the private sector is critical to achieving their climate goals.
- 2. Each Party shall explore measures to support effective sustainable finance practices by enterprises organized or constituted under its laws, or operating in its territory.

#### Article X.16: Voluntary Mechanisms to Enhance Environmental Performance

- 1. The Parties recognize that flexible, voluntary mechanisms, for example, voluntary auditing and reporting, market-based mechanisms, voluntary sharing of information and expertise, and public-private partnerships, can contribute to the achievement and maintenance of high levels of environmental protection and complement domestic regulatory measures. The Parties also recognize that those mechanisms should be designed in a manner that maximizes their environmental benefits and avoids the creation of unnecessary barriers to trade.
- 2. Therefore, in accordance with its laws, regulations, or policies and to the extent it considers appropriate, each Party shall encourage:
  - (a) the use of flexible, voluntary mechanisms to protect the environment and natural resources, such as through the conservation and sustainable use of those resources, in its territory; and
  - (b) its relevant authorities, private sector, non-governmental organizations, and other interested persons involved in the development of criteria used to evaluate environmental performance, with respect to these voluntary mechanisms, to continue to develop and improve such criteria.
- 3. Further, if private sector entities or non-governmental organizations develop voluntary mechanisms for the promotion of products based on their environmental qualities, each Party should encourage those entities and organizations to develop voluntary mechanisms that, among other things:
  - (a) are truthful, are not misleading, and take into account relevant scientific and technical information;
  - (b) are based on relevant international standards, recommendations, guidelines, or best practices, as appropriate;
  - (c) promote competition and innovation, taking into account the needs of MSMEs; and
  - (d) do not treat a product less favorably on the basis of origin.

#### Article X.17: Air Quality

- 1. The Parties recognize that air pollution is a serious threat to public health, ecosystem integrity, and sustainable development and contributes to other environmental problems; and note that reducing certain air pollutants can provide multiple benefits.
- 2. Noting that air pollution can travel long distances and impact each Party's ability to achieve its air quality objectives, the Parties recognize the importance of reducing both domestic

and transboundary air pollution, and that cooperation can be beneficial in achieving these objectives.

- 3. The Parties further recognize the importance of public participation and transparency in the development and implementation of measures to prevent air pollution and in ensuring access to air quality data. Accordingly, each Party shall make air quality data and information about its associated programs and activities publicly available in accordance with Article X.X [(Disclosure of Information)], and shall seek to ensure these data and information are easily accessible and understandable to the public.
- 4. The Parties recognize the value of harmonizing air quality monitoring methodologies.
- 5. The Parties recognize the importance of international agreements and other efforts to improve air quality and control air pollutants, including those that have the potential for long-range transport.
- 6. Recognizing that the Parties have made significant progress to address air pollution in other for the Parties shall cooperate to address matters of mutual interest with respect to air quality. Cooperation may include exchanging information and experiences in areas related to:
  - (a) ambient air quality planning;
  - (b) modeling and monitoring, including spatial distribution of main sources and their emissions;
  - (c) measurement and inventory methodologies for air quality and emissions' measurements; and
  - (d) reduction, control, and prevention technologies and practices.

#### Article X.18: Protection of the Ozone Layer

1. The Parties recognize that emissions of certain substances can significantly deplete and otherwise modify the ozone layer in a manner that is likely to result in adverse effects on human health and the environment. Accordingly, each Party shall take measures to control the production and consumption of, and trade in, substances controlled by the Montreal Protocol, as amended.<sup>10, 11, 12, 13</sup>

<sup>&</sup>lt;sup>10</sup> For greater certainty, this provision pertains to substances controlled by the *Montreal Protocol on Substances that Deplete the Ozone Layer*, done at Montreal, September 16, 1987 (Montreal Protocol), and any existing and future amendments to the Montreal Protocol, including the *Amendment to the Montreal Protocol on Substances that Deplete the Ozone Layer*, done at Kigali on October 15, 2016 (the "Kigali Amendment"), to which the Parties are parties.

<sup>&</sup>lt;sup>11</sup> A Party shall be deemed in compliance with this provision if it maintains the measure or measures listed in Annex XX-A implementing its obligations under the Montreal Protocol or adopts any subsequent measure or measures that provide an equivalent or higher level of environmental protection as the measure or measures listed.

- 2. The Parties also recognize the importance of public participation and consultation, in accordance with their respective law or policy, in the development and implementation of measures concerning the protection of the ozone layer. Each Party shall make publicly available appropriate information about its programs and activities, including cooperative programs that are related to ozone layer protection.
- 3. The Parties shall cooperate to address matters of mutual interest related to such substances. Cooperation may include, exchanging information and experiences in areas related to:
  - (a) environmentally friendly alternatives to such substances;
  - (b) refrigerant management practices, policies and programs;
  - (c) methodologies for stratospheric ozone measurements; and
  - (d) combatting illegal trade in such substances.

#### Article X.19: Conservation and Trade

- 1. The Parties affirm the importance of combatting the illegal take<sup>14</sup> of, and illegal trade in, wild fauna and flora, and acknowledge that this trade undermines efforts to conserve and sustainably manage those natural resources, has social consequences, distorts legal trade in wild fauna and flora, and reduces the economic and environmental value of these natural resources.
- 2. The Parties commit to promote conservation and to combat the illegal take of, and illegal trade in, wild fauna and flora. To that end, the Parties shall:
  - (a) exchange information and experiences on issues of mutual interest related to combatting the illegal take of, and illegal trade in, wild fauna and flora, including combatting illegal logging and associated illegal trade, and promoting the legal trade in associated products;

<sup>&</sup>lt;sup>12</sup> If compliance with this provision is not established pursuant to footnote 11, a violation of this provision must be in a manner affecting trade or investment between the Parties. For greater certainty, a violation of this provision is "in a manner affecting trade or investment between the Parties" if it involves: (i) a person or industry that produces a good or supplies a service traded between the Parties or has an investment in the territory of the Party that has failed to comply with this obligation; or (ii) a person or industry that produces a good or supplies a service that competes in the territory of a Party with a good or a service of another Party.

<sup>&</sup>lt;sup>13</sup> A violation of this provision is presumed to be in a manner affecting trade or investment between the Parties, unless demonstrated otherwise.

<sup>&</sup>lt;sup>14</sup> For the purposes of this Article, the term "take" means captured, killed, or collected and with respect to a plant, also means harvested, cut, logged or removed.

- (b) undertake, as appropriate, joint activities on conservation issues of mutual interest, including through relevant regional and international fora; and
- (c) endeavor to implement, as appropriate, CITES resolutions that aim to protect and conserve species whose survival is threatened by international trade.

#### 3. Each Party further commits to:

- (a) take appropriate measures to protect and conserve wild fauna and flora that it has identified to be at risk within its territory, including measures to conserve the ecological integrity of specially protected natural areas, for example grasslands and wetlands;
- (b) maintain or strengthen government capacity and institutional frameworks to promote the conservation of wild fauna and flora, and endeavor to enhance public participation and transparency in these institutional frameworks; and
- (c) endeavor to develop and strengthen cooperation and consultation with interested non-governmental entities and other stakeholders in order to enhance implementation of measures to combat the illegal take of, and illegal trade in, wild fauna and flora.
- 4. In a further effort to address the illegal take of, and illegal trade in, wild fauna and flora, including parts and products thereof, each Party shall take measures to combat, and cooperate to prevent, the trade of wild fauna and flora that, based on credible evidence, 15 were taken or traded in violation of that Party's law or another applicable law, 16 the primary purpose of which is to conserve, protect, or manage wild fauna or flora. These measures shall include sanctions, penalties, or other effective measures, including administrative measures, that can act as a deterrent to such trade. In addition, each Party shall endeavor to take measures to combat the trade of wild fauna and flora transshipped through its territory that, based on credible evidence, were illegally taken or traded.
- 5. The Parties recognize that each Party retains the right to exercise administrative, investigatory, and enforcement discretion in its implementation of paragraph 4, including by taking into account in relation to each situation the strength of the available evidence and the seriousness of the suspected violation. In addition, the Parties recognize that in implementing paragraph 4, each Party retains the right to make decisions regarding the allocation of administrative, investigatory, and enforcement resources.

<sup>&</sup>lt;sup>15</sup> For greater certainty, for the purposes of this paragraph, each Party retains the right to determine what constitutes "credible evidence".

<sup>&</sup>lt;sup>16</sup> For greater certainty, "another applicable law" means a law of the jurisdiction where the take or trade occurred and is only relevant to the question of whether the wild fauna and flora has been taken or traded in violation of that law.

#### 6. Further, each Party shall:

- (a) take measures to enhance the effectiveness of inspections of shipments containing wild fauna and flora, including parts and products thereof, at ports of entry, such as improving targeting; and
- (b) treat intentional transnational trafficking of wildlife protected under its laws,<sup>17</sup> as a serious crime as defined in the *United Nations Convention on Transnational Organized Crime*.<sup>18</sup>
- 7. In order to promote the widest measure of law enforcement cooperation and information sharing between the Parties to combat the illegal take of, and illegal trade in, wild fauna and flora, the Parties shall endeavor to identify opportunities, consistent with their respective law and in accordance with applicable international agreements, to enhance law enforcement cooperation and information sharing, for example by enhancing participation in law enforcement networks, and, as appropriate, establishing new networks with the objective of developing a strong and effective worldwide network.

#### Article X.20: Sustainable Forest Management and Trade

- 1. The Parties acknowledge their role as major consumers, producers, and traders of forest products and the importance of a healthy forest sector to providing livelihoods and job opportunities, including for indigenous peoples.
- 2. The Parties acknowledge the importance of:
  - (a) the conservation and sustainable management of forests in order to provide environmental, economic, and social benefits for present and future generations;
  - (b) the critical role of forests in providing numerous ecosystem services, including carbon storage, maintaining water quantity and quality, stabilizing soils, and providing habitat for wild fauna and flora; and
  - (c) combatting illegal logging and associated trade.

<sup>&</sup>lt;sup>17</sup> For greater certainty, the term "wildlife" is understood to include all species of wild fauna and flora, including animals, timber, and marine species, and their related parts and products. Further, for purposes of this Article, the term "protected" means a CITES-listed species or a species that is listed under a Party's law as endangered, as threatened, or as being at risk within its territory.

<sup>&</sup>lt;sup>18</sup> The term "serious crime" is to be understood to have the same meaning as paragraph 2(b) of the *United Nations Convention on Transnational Organized Crime*, done at New York, on November 15, 2000.

- 3. The Parties recognize that forest products, when sourced from sustainably managed forests, contribute to fulfilling global environmental objectives, including sustainable development, conservation and sustainable use of resources, and green growth.
- 4. Accordingly, each Party commits to:
  - (a) maintain or strengthen government capacity and institutional frameworks to promote sustainable forest management; and
  - (b) promote trade in legally harvested forest products.
- 5. The Parties shall exchange information and cooperate, as appropriate, on initiatives to promote sustainable forest management, including initiatives designed to combat illegal logging and associated trade.

#### Article X.21: Trade and Biodiversity

- 1. The Parties recognize the importance of conservation and sustainable use of biological diversity, as well as the ecosystem services it provides, and their key role in achieving sustainable development.
- 2. Accordingly, each Party shall promote and encourage the conservation and sustainable use of biological diversity, in accordance with its law or policy.
- 3. The Parties recognize the importance of respecting, preserving, and maintaining knowledge and practices of indigenous peoples and local communities embodying traditional lifestyles that contribute to the conservation and sustainable use of biological diversity.
- 4. The Parties recognize the importance of facilitating access to genetic resources within their respective national jurisdictions, consistent with each Party's international obligations. The Parties further recognize that some Parties may require, through national measures, prior informed consent to access such genetic resources and, if access is granted, the establishment of mutually agreed terms, including with respect to sharing of benefits from the use of such genetic resources, between users and providers.
- 5. The Parties also recognize the importance of public participation and consultation, in accordance with their respective laws or policies, in the development and implementation of measures concerning the conservation and sustainable use of biological diversity. Each Party shall make publicly available information about its programs and activities, including cooperative programs, related to the conservation and sustainable use of biological diversity.
- 6. The Parties shall cooperate to address matters of mutual interest. Cooperation may include exchanging information and experiences in areas related to:
  - (a) the conservation and sustainable use of biological diversity;

- (b) mainstreaming conservation and sustainable use of biological diversity across relevant sectors;
- (c) the protection and maintenance of ecosystems and ecosystem services; and
- (d) access to genetic resources and the sharing of benefits arising from their utilization.

#### Article X.22: Marine Wild Capture Fisheries<sup>19</sup>

- 1. The Parties acknowledge their role as major consumers, producers, and traders of fisheries products and the importance of the marine fisheries sectors to their development and to the livelihoods of fishing communities, including those engaged in artisanal, small scale, and indigenous fisheries. The Parties also recognize the need for individual and collective action within international fora to address the urgent resource problems resulting from overfishing and unsustainable utilization of fisheries resources.
- 2. Accordingly, the Parties recognize the importance of taking measures aimed at the conservation and the sustainable management of fisheries and the contribution of those measures to providing environmental, economic, and social opportunities for present and future generations.
- 3. The Parties shall cooperate with, and in, Regional Fisheries Management Organizations (RFMOs) and Regional Fisheries Management Arrangements (RFMAs) in which the Parties are members, observers, or cooperating non-contracting parties, with the aim of achieving good governance, including by advocating for science-based decisions and compliance with those decisions in these organizations and arrangements.

#### Article X.23: Sustainable Fisheries Management

- 1. In furtherance of the objectives of conservation and sustainable management, each Party shall seek to operate a fisheries management system that regulates marine wild capture fishing and that is designed to:
  - (a) prevent overfishing and overcapacity through appropriate measures, such as limited entry, time, area, and other restrictions and the setting and enforcement of catch or effort limits;

<sup>&</sup>lt;sup>19</sup> For greater certainty, Article X.22 (Marine Wild Capture Fisheries), Article X.23 (Sustainable Fisheries Management), Article X.24 (Illegal, Unreported, and Unregulated (IUU) Fishing), Article X.25 (Conservation of Marine Species), and Article X.26 (Fisheries Subsidies) do not apply with respect to aquaculture.

- (b) reduce bycatch of non-target species and juveniles, including through the regulation of, and implementation of measures associated with, fishing gear and methods that result in bycatch and the regulation of fishing in areas where bycatch is likely to occur;
- (c) promote the recovery of overfished stocks for all marine fisheries in which that Party's persons conduct fishing activities; and
- (d) protect marine habitat by cooperating, as appropriate, to prevent or mitigate significant adverse impacts from fishing.
- 2. Further, each Party shall adopt or maintain measures:
  - (a) to prevent the use of poisons and explosives for the purpose of commercial fish harvesting; and
  - (b) designed to prohibit the practice of shark finning.
- 3. Each Party shall base its fisheries management system on the best scientific evidence available and on internationally recognized best practices for fisheries management and conservation, as reflected in the relevant provisions of international instruments aimed at ensuring the sustainable use and conservation of marine species.<sup>20</sup>

#### Article X.24: Illegal, Unreported, and Unregulated (IUU) Fishing

1. The Parties recognize the importance, as reflected in regional and international instruments, of concerted international action to address IUU fishing<sup>21</sup> and shall endeavor to improve cooperation internationally in this regard, including with and through competent international organizations.

These instruments include, as they may apply, the United Nations Convention on Law of the Sea (UNCLOS), done at Montego Bay, December 10, 1982; the United Nations Agreement for the Implementation of the Provisions of the United Nations Convention on the Law of the Sea of December 1982 relating to the Conservation and Management of Straddling Fish Stocks and Highly Migratory Fish Stocks, done at New York, December 4, 1995 (UN Fish Stocks Agreement); the FAO Code of Conduct for Responsible Fisheries; the 1993 FAO Agreement to Promote Compliance with International Conservation and Management Measures by Fishing Vessels on the High Seas (Compliance Agreement), done at Rome, November 24, 1993; the 2001 FAO International Plan of Action to Prevent, Deter, and Eliminate Illegal, Unreported, and Unregulated Fishing (IUU IPOA), adopted at Rome, February 23, 2001; and the 2009 Agreement on Port State Measures to Prevent, Deter, and Eliminate IUU Fishing (Port State Measures Agreement), done at Rome, November 22, 2009.

<sup>&</sup>lt;sup>21</sup> Regional and international instruments include, among others, and as they may apply, the IUU IPOA, the 2005 Rome Declaration on IUU Fishing, adopted at Rome, March 12, 2005, the Port State Measures Agreement, as well as instruments established and adopted by RFMOs and RFMAs, as appropriate, that have the competence to establish conservation and management measures.

- 2. In support of international efforts to combat IUU fishing and to help deter trade in products from IUU fishing, each Party shall:
  - (a) implement port state measures, including through actions consistent with the Port State Measures Agreement;<sup>22</sup>
  - (b) support monitoring, control, surveillance, compliance, and enforcement schemes, including by adopting, maintaining, reviewing, or revising, as appropriate, measures to:
    - (i) deter vessels flying its flag and, to the extent provided for in each Party's law, its nationals from engaging in IUU fishing, and
    - (ii) address the transshipment of fish caught through IUU fishing or fish products derived from IUU fishing;
  - (c) maintain a vessel documentation scheme and promote the use of International Maritime Organization numbers, or comparable unique vessel identifiers, as appropriate, for vessels operating outside of its national jurisdiction, in order to enhance transparency of fleets and traceability of fishing vessels;
  - (d) strive to act consistently with relevant conservation and management measures adopted by RFMOs or RFMAs of which it is not a party so as not to undermine those measures;
  - (e) endeavor not to undermine catch or trade documentation schemes operated by RFMOs or RFMAs;
  - (f) develop and maintain publicly available and easily accessible registry data of fishing vessels flying its flag; promote efforts by non-Parties to develop and maintain publicly available and easily accessible registry data of such vessels flying its flag; and support the Global Record of Fishing Vessels, Refrigerated Transport Vessels, and Supply Vessels; and
  - (g) cooperate with the other Party through the exchange of information and best practices to combat trade in products derived from IUU fishing.
- 3. Consistent with Article X.X (Transparent Development of Regulations), a Party shall, to the extent possible, provide the other Parties the opportunity to comment on proposed measures that are designed to prevent trade in fisheries products derived from IUU fishing.

#### Article X.25: Conservation of Marine Species

<sup>&</sup>lt;sup>22</sup> For greater certainty, this paragraph is without prejudice to a Party's status under the 2009 Port State Measures Agreement.

- 1. Each Party shall promote the long-term conservation of sharks, sea turtles, seabirds, and marine mammals through the implementation and effective enforcement of conservation and management measures. Such measures shall include:
  - (a) studies and assessments of the impact of fisheries operations on non-target species and their marine habitats, including through collection of species-specific data for non-target species and estimates of their bycatch, as appropriate;
  - (b) gear-specific studies and data collection on impacts on non-target species and on the efficacy of management measures to reduce those adverse impacts, as appropriate;
  - (c) measures to avoid, mitigate, or reduce bycatch of non-target species in fisheries, including appropriate measures pertaining to the use of bycatch mitigation devices, modified gear, or other techniques to reduce the impact of fishing operations on these species; and
  - (d) cooperation on national and regional bycatch reduction measures, such as measures applicable to commercial fisheries pertaining to transboundary stocks of non-target species.
- 2. Each Party shall prohibit the killing of great whales<sup>23</sup> for commercial purposes unless authorized in a multilateral treaty to which the Party is a party.<sup>24</sup>

#### Article X.26: Fisheries Subsidies

1. This Article applies to subsidies, within the meaning of Article 1.1 of the WTO Agreement on Subsidies and Countervailing Measures (SCM Agreement) that are specific within the meaning of Article 2 of that Agreement, to marine wild capture fishing and fishing related activities at sea. 25, 26, 27

<sup>&</sup>lt;sup>23</sup> Great whales are the following 16 species: Balaena mysticetus, Eubalaena glacialis, Eubalaena japonica, Eubalaena australis, Eschrichtius robustus, Balaenoptera musculus, Balaenoptera physalus, Balaenoptera borealis, Balaenoptera edeni, Balaenoptera acutorostrata, Balaenoptera bonaerensis, Balaenoptera omurai, Megaptera novaeangliae, Caperea marginata, Physeter macrocephalus, and Hyperoodon ampullatus.

<sup>&</sup>lt;sup>24</sup> For greater certainty, the Parties understand that paragraph 2 does not apply to whaling by indigenous peoples in accordance with a Party's law.

<sup>&</sup>lt;sup>25</sup> For the purposes of this Article, a subsidy shall be attributable to the Party granting or maintaining it, regardless of the flag or registry of any vessel involved, the nationality of the recipient, or the application of rules of origin to the fish involved.

<sup>&</sup>lt;sup>26</sup> For greater certainty, inland fisheries are excluded from the scope of this Article.

<sup>&</sup>lt;sup>27</sup> For greater certainty, government-to-government payments under fisheries access agreements shall not be deemed to be subsidies within the meaning of this Agreement.

- 2. (a) Subject to subparagraph (b), the following provisions of the WTO Agreement on Fisheries Subsidies, set out in the Annex to the Protocol amending the Marrakesh Agreement Establishing the WTO attached to Ministerial Decision of 17 June 2022, WT/MIN(22)/W/22 (Fisheries Subsidies Agreement), are incorporated into and made part of this Agreement:
  - (i) Article 2;
  - (ii) Articles 3.1,  $3.2^{28}$ , 3.3(b)(i-iii), 3.4, 3.6, and 3.7;
  - (iii) Articles 4.1, 4.2, and 4.3;
  - (iv) Articles 5.1 and 5.3;
  - (v) Articles 8.1<sup>29</sup>, 8.5, and 8.8; and
  - (vi) Articles 11.1, 11.2(a), and 11.5.
  - (b) For purposes of the incorporation made in subparagraph (a), terms used in the Fisheries Subsidies Agreement shall be read as follows:
    - (i) Except as otherwise provided in this subparagraph, "Member" shall be read as "Party",
    - (ii) "coastal Member" and "coastal non-Member" shall be read as "coastal State",
    - (iii) "flag State Member" shall be "flag State", and
    - (iv) "port State Member" shall be "port State".
  - (c) For greater certainty, the incorporation made in subparagraph (a) is without regard to whether the Fisheries Subsidies Agreement is in effect.
  - (d) In the event that the Fisheries Subsidies Agreement is amended, the Parties shall consult on whether to incorporate those amendments into this Agreement.

<sup>&</sup>lt;sup>28</sup> For purposes of this Article, an affirmative determination under Article 3.2 of the Fisheries Subsidies Agreement refers to the final finding by a coastal State or flag State, the final listing by an RFMO/A that a vessel or operator has engaged in IUU fishing, or both.

<sup>&</sup>lt;sup>29</sup> For purposes of this Article, when notifying information about shared stocks under Fisheries Subsidies Agreement Article 8.1(b)(i), Parties shall, to the extent possible, provide information on whether stocks are shared with any other coastal State.

- 3. With a view to achieving the objective of eliminating subsidies that contribute to overfishing and overcapacity, the Parties shall review the disciplines in paragraph 2 at regular meetings of the Environment Committee.
- 4. In addition to paragraph 2(a)(v), 30 Parties shall:
  - (a) transmit the notifications and information specified in Article 8 of the Fisheries Subsidies Agreement electronically to the other Parties, and, if the Fisheries Subsidies Agreement is in force, contemporaneously with the submission of the notifications and information to the Committee on Fisheries Subsidies; and
  - (b) notify the other Parties in writing on an annual basis of any vessels and operators for which the Party has information that reasonably indicates the use of forced labor, along with relevant information to the extent possible.
- 5. The Parties shall work in the WTO towards strengthening international rules on the provision of harmful fisheries subsidies to the fisheries sector and enhancing transparency of fisheries subsidies.

#### Article X.27: Protection of the Marine Environment from Ship Pollution

1. The Parties recognize the importance of protecting and preserving the marine environment. To that end, each Party shall take measures to prevent the pollution of the marine environment from ships.<sup>31, 32, 33, 34</sup>

<sup>&</sup>lt;sup>30</sup> Sharing information and data on existing fisheries subsidy programs is intended to complement WTO data reporting requirements. Notification of a measure does not prejudge: (a) its legal status under GATT 1994, the SCM Agreement, the Fisheries Subsidies Agreement, or this Agreement; (b) the effects of the measure under the SCM Agreement; or (c) the nature of the measure itself.

<sup>&</sup>lt;sup>31</sup> For greater certainty, this provision pertains to pollution regulated by the *International Convention for the Prevention of Pollution from Ships*, done at London, November 2, 1973, as modified by the *Protocol of 1978 relating to the International Convention for the Prevention of Pollution from Ships*, done at London, February 17, 1978, and the *Protocol of 1997 to Amend the International Convention for the Prevention of Pollution from Ships*, 1973 as Modified by the *Protocol of 1978 relating thereto*, done at London, September 26, 1997 (MARPOL Convention), and any existing and future amendments to the MARPOL Convention, to which the Parties are parties.

<sup>&</sup>lt;sup>32</sup> A Party shall be deemed in compliance with this provision if it maintains the measure or measures listed in Annex XX-B implementing its obligations under MARPOL Convention, or adopts any subsequent measure or measures that provide an equivalent or higher level of environmental protection as the measure or measures listed.

<sup>&</sup>lt;sup>33</sup> If compliance with this provision is not established pursuant to footnote 32, a violation of this provision must be in a manner affecting trade or investment between the Parties. For greater certainty, a violation of this provision is "in a manner affecting trade or investment between the Parties" if it involves: (i) a person or industry that produces a good or supplies a service traded between the Parties or has an investment in the territory of the Party that has failed to comply with this obligation; or (ii) a person or industry that produces a good or supplies a service that competes in the territory of a Party with a good or a service of another Party.

- 2. The Parties also recognize the importance of public participation and consultation, in accordance with their respective law or policy, in the development and implementation of measures to prevent the pollution of the marine environment from ships. Each Party shall make publicly available appropriate information about its programs and activities, including cooperative programs, that are related to the prevention of pollution of the marine environment from ships.
- 3. The Parties shall cooperate to address matters of mutual interest with respect to pollution of the marine environment from ships. Areas of cooperation may include:
  - (a) accidental pollution from ships;
  - (b) pollution from routine operations of ships;
  - (c) deliberate pollution from ships;
  - (d) development of technologies to minimize ship-generated waste;
  - (e) emissions from ships;
  - (f) adequacy of port waste reception facilities;
  - (g) increased protection in special geographic areas; and
  - (h) enforcement measures including notifications to flag States and, as appropriate, by port States.

#### Article X.28: Invasive Alien Species

- 1. The Parties recognize that the movement of terrestrial and aquatic invasive alien species across borders through trade-related pathways can adversely affect the environment, economic activities and development, and human health. The Parties also recognize that the prevention, detection, control and, when possible, eradication, of invasive alien species are critical strategies for managing those adverse impacts.
- 2. Accordingly, the Environment Committee established under Article X.30 (Environment Committee and Contact Points) shall coordinate with relevant committees established under this Agreement to identify cooperative opportunities to share information and management experiences on the movement, prevention, detection, control, and eradication of invasive alien species, with a view to enhancing efforts to assess and address the risks and adverse impacts of invasive alien species.

<sup>&</sup>lt;sup>34</sup> A violation of this provision is presumed to be in a manner affecting trade or investment between the Parties, unless demonstrated otherwise.

#### Article X.29: Environmental Justice35

- 1. The Parties recognize that, for the purposes of this Agreement, principal aspects of environmental justice<sup>36</sup> include, but are not limited to: providing appropriate access to information that is held by public authorities, the ability and opportunity for early and effective public participation in decision-making, and effective access to justice, including for, but not limited to, marginalized, underrepresented, and Indigenous groups and communities, with respect to the development, implementation, and enforcement of the Parties' respective environmental laws, regulations, and policies, as relevant, including those intended to protect human health.
- 2. The Parties recognize that, for the purposes of this Agreement, environmental justice also entails facilitating equity in terms of the public's access to government environmental programs and services, and in terms of the public's protection from environmental pollution and hazards and their effects on human health, within their respective national jurisdictions.
- 3. Each Party recognizes that, in principle, no group of people within its national jurisdiction should bear a disproportionately high share of adverse environmental consequences that may result from measures or actions the Party may undertake within its national jurisdiction, including measures or actions to encourage trade or investment.
- 4. Accordingly, each Party shall strive, in accordance with its law, to:
  - improve marginalized, underrepresented, and Indigenous groups and communities' access to government environmental programs and services within its national jurisdiction; and
  - (b) strengthen, as appropriate, its capacity to assess the distributional effects of its environmental laws, regulations, and policies, taking into consideration marginalized, underrepresented, and Indigenous groups and communities.
- 5. Where feasible, and as appropriate, the Parties intend to exchange information and best practices for providing early and effective public participation, facilitating equity in access to government environmental programs and services, and identifying and addressing disproportionate adverse environmental impacts on, and concerns of, marginalized, underrepresented, and Indigenous groups and communities in the development, implementation, and enforcement of the Parties' respective environmental laws, regulations, and policies, as relevant, including those intended to protect human health.

<sup>35</sup> For greater certainty, this Article only addresses environmental justice within a Party's national jurisdiction.

<sup>&</sup>lt;sup>36</sup> The Parties recognize that the concept of environmental justice within a Party's national jurisdiction is adaptable to each Party's national circumstances.

#### Article X.30: Environment Committee and Contact Points

- 1. Each Party shall designate and notify a contact point from its relevant authorities within 90 days of the date of entry into force of this Agreement, in order to facilitate communication between the Parties in the implementation of this Chapter. Each Party shall promptly notify, in writing, the other Parties in the event of any change of its contact point.
- 2 The Parties establish an Environment Committee composed of senior government representatives, or their designees, of the relevant trade and environment central level of government authorities of each Party responsible for the implementation of this Chapter.
- 3. The purpose of the Environment Committee is to oversee the implementation of this Chapter, and its functions are to:
  - (a) provide a forum to discuss and review the implementation of this Chapter;
  - (b) coordinate with other committees under this Agreement as appropriate; and
  - (c) perform any other functions as the Parties may decide.
- 4. The Environment Committee shall meet within one year of the date of entry into force of this Agreement. Thereafter, the Environment Committee shall meet every two years unless the Environment Committee agrees otherwise. The Chair of the Environment Committee and the venue of its meetings shall rotate among each of the Parties in English alphabetical order, unless the Environment Committee decides otherwise.
- 5. All decisions and reports of the Environment Committee shall be made by consensus, unless the Committee decides otherwise or unless otherwise provided in this Chapter.
- 6. All decisions and reports of the Environment Committee shall be made available to the public, unless the Environment Committee decides otherwise.
- 7. During the fifth year after the date of entry into force of this Agreement, the Environment Committee shall:
  - (a) review the implementation and operation of this Chapter;
  - (b) report its findings, which may include recommendations, to the [appropriate body]; and
  - (c) undertake subsequent reviews at intervals to be decided by the Committee.
- 8. The Environment Committee shall provide for public input on matters relevant to the Committee's work, as appropriate, and shall hold a public session at each meeting.
- 9. The Parties recognize the importance of resource efficiency in the implementation of this Chapter and the desirability of using new technologies to facilitate communication and

interaction between the Parties and with the public.

#### Article X.31: Public Submissions

1. Each Party, through its contact point designated under Article X.30 (Environment Committee and Contact Points), shall provide for the receipt and consideration of written submissions from persons of a Party on matters related to this Chapter in accordance with its domestic procedures. Each Party shall make readily accessible and publicly available its procedures, including timelines, for the receipt and consideration of written submissions.

#### 2. Each Party shall:

- (a) consider matters raised by the submission and provide a timely response to the submitter, including in writing, as appropriate; and
- (b) make the submission and the results of its consideration available to the other Parties and the public, as appropriate, in a timely manner.
- 3. A Party may request from the person or organization that made the submission additional information that is necessary to consider the substance of the submission.

#### Article X.32: Environment Consultations

- 1. The Parties shall at all times endeavor to agree on the interpretation and application of this Chapter, and shall make every effort through dialogue, consultation, exchange of information, and, if appropriate, cooperation to address any matter that might affect the operation of this Chapter.
- 2. A Party (the requesting Party) may request consultations with any other Party (the responding Party) regarding any matter arising under this Chapter by notifying the responding Party's contact point in writing. The requesting Party shall include information that is specific and sufficient to enable the responding Party to respond, including identification of the matter at issue and an indication of the legal basis for the request. The requesting Party shall deliver its request for consultations to the other Parties through their respective contact points.
- 3. A Party that considers it has a substantial interest in the matter may participate in the consultations by notifying the contact points of the requesting and responding Parties in writing no later than seven days after the date of delivery of the request for consultations. The notifying Party shall include in its notice an explanation of its substantial interest in the matter.
- 4. Unless the requesting and the responding Parties (the consulting Parties) agree otherwise, the consulting Parties shall enter into consultations promptly, and no later than 30 days after the date of receipt by the responding Party of the request.

- 5. The consulting Parties shall make every effort to arrive at a mutually satisfactory resolution to the matter which may include appropriate cooperative activities. The consulting Parties may seek advice or assistance from any person or body they deem appropriate in order to examine the matter. If the matter arises under Article X.7 (Multilateral Environmental Agreements), or under both that Article and another provision of this Chapter, and involves an issue related to a Party's obligations under a covered agreement, the Parties shall endeavor, in the first instance, to address the matter through a mutually agreeable consultative or other procedure, if any, under the relevant agreement, unless the procedure could result in an unreasonable delay.<sup>37</sup>
- 6. If the consulting Parties fail to resolve the matter, a consulting Party may request that the relevant Ministers, or their designees, of the consulting Parties convene to consider the matter at issue by delivering a written request to the other consulting Party through its contact point. The Ministers of the consulting Parties, or their designees, shall convene promptly after the date of receipt of the request, and shall seek to resolve the matter, including, if appropriate, by consulting independent experts chosen by the consulting Parties to assist them, and having recourse to procedures such as good offices, conciliation, or mediation.
- 7. The consulting Parties shall document the outcome of the matter, including, if appropriate, specific steps and timelines decided upon. The consulting Parties shall make the outcome available to the other Parties and to the public, unless they decide otherwise.

<sup>&</sup>lt;sup>37</sup> The Parties understand that for purposes of paragraph 5, where a covered agreement requires a decision to be taken by consensus, such a requirement could create an unreasonable delay.

#### **ANNEX XX-A**

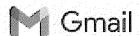
[Placeholder for IPEF Partners]

For the United States, 42 U.S.C. §§ 7671-7671q (Stratospheric Ozone Protection).

#### ANNEX XX-B

[Placeholder for IPEF Partners]

For the United States, the Act to Prevent Pollution from Ships, 33 U.S.C. §§ 1901-1915.



## Fwd: [INVITATION] Virtual FGD on IPEF Pillar I: Environment (07 March 2023, 1000H)

1 message

Undersecretary for Policy, Planning and International Affairs <ouppia@denr.gov.ph>

Wed, Mar 1, 2023 at 5:03

PN enr.gov.ph>

To: "psddivision@gmail.com" <psddivision@gmail.com>, "Ismojica@denr.gov.ph" <Ismojica@denr.gov.ph>, "zausuello@denr.gov.ph" <zausuello@denr.gov.ph>, "odpps@yahoo.com" <odpps@yahoo.com>, Llarina Mojica <Ilarinamojica@gmail.com>, PPS - Llarina Mojica <mojicallarina@gmail.com>

Dear Ma'am/Sir.

Good day!

Respectfully referring to your office the herein email from DTI pertaining to the invitation to a Virtual FGD on IPEF Pillar I: Environment on **Tuesday**, **07 March 2023**, **10:00 AM (Manila Time)** via Zoom Videoconference. For your appropriate a ction, please.

Thank you po.

----- Forwarded message ------

From: Marionne Jay Shimada < Marionne Jay Shimada @dti.gov.ph>

Date: Wed, Mar 1, 2023 at 4:40 PM

Subject: [INVITATION] Virtual FGD on IPEF Pillar I: Environment (07 March 2023, 1000H)

To: psddivision@gmail.com <psddivision@gmail.com>, Dir. Norlito Eneran <enerannor@gmail.com>,
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Ismojica@denr.gov.ph <lsmojica@denr.gov.ph>, zausuello@denr.gov.ph <zausuello@denr.gov.ph>,
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msinocruz@doe.gov.ph <msinocruz@doe.gov.ph>, EPPB International Cooperation <eccd.intl@doe.gov.ph>, DOE
EPPB <doe.eppb@gmail.com>, eppb.od@doe.gov.ph <eppb.od@doe.gov.ph>, jtan@doe.gov.ph
<jtan@doe.gov.ph>, lngrid Marche Perpetua C. Calapit <icalapit@doe.gov.ph>, tisha.delarosa@da.gov.ph
<tisha.delarosa@da.gov.ph>, noel.padre@da.gov.ph <noel.padre@da.gov.ph>
Cc: Ma. Regina C. Serafico <MaReginaSerafico@dti.gov.ph>, Lattice Angelique Andriano
<LatticeAngeliqueAndriano@dti.gov.ph>

Department of Environment and Natural Resources (DENR)
Department of Agriculture (DA)
Department of Energy (DOE)

Dear Sirs and Mesdames:

In preparation for the 2nd IPEF Official Negotiating Meeting for Pillars I-IV in Bali, Indonesia on 13-19 March 2023, we respectfully invite you and/or your designated representative/s to a Virtual FGD on IPEF Pillar I: Environment on Tuesday, 07 March 2023, 10:00 AM (Manila Time) via Zoom Videoconference:

Topic: IPEF Pillar I FGD - Environment Time: Mar 07, 2023 10:00 AM Manila Link: https://zoom.us/j/92460413042

Meeting ID: 924 6041 3042

We are also pleased to provide the zero-draft negotiating text for Environment, as circulated by the United States. The FGD will be a text-based discussion of the draft text, highlighting attributions, redlines, offensive interests and the overall negotiating position of the Philippines on the same.

Thank you po and we look forward to receiving confirmation of your participation.

Sincerely, Marionne Marionne Jay Shimada (Ms.) Bilateral Relations Division Bureau of International Trade Relations Department of Trade and Industry

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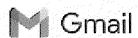
#### Office of the Undersecretary

Policy, Planning and International Affairs
Department of Environment & Natural Resources
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#### 2 attachments

noname

IPEF Environment Chapter Negotiating Text (AS TABLED).docx 93K



# Fwd: IPEF Pillar III In-Person Inter-Agency Meeting on 02 February 2023 (Thursday), 1:00 PM-3:00 PM

1 message

PSD-PPS <psddivision@gmail.com>

Thu, Jan 26, 2023 at 3:28 PM

To: Climate Change Service <ccs@denr.gov.ph>, ccs.denr@gmail.com, AAM <aamagalang@denr.gov.ph>, aamagalang2 <aamagalang.denr@gmail.com>, "Rolando O. Abad Jr." <roabadjr@denr.gov.ph>, OD LAS <las.denr@gmail.com>, "Dir. Norlito Eneran" <enerannor@gmail.com>, Rosette Ferrer <rosette.ferrer.denr@gmail.com>, Ecosystems Research and Development Bureau <erdb@denr.gov.ph>, Erdb Records <erdbrecords@gmail.com>, Lynlei Pintor <lynlei14@gmail.com>, fe ociones <iratenella\_2000@yahoo.com>, EMB - Office of the Director <od@emb.gov.ph>, DENR-EMB <ppppdd@emb.gov.ph>, catherine\_olavides@emb.gov.ph, EMB - Wyona Rativo <wyona\_rativo@emb.gov.ph>, swmdco <swmdco@emb.gov.ph>, recordsco <recordsco@emb.gov.ph>, DENR FMB <fmb@denr.gov.ph>, FMB FPPKMD Policy <fppkmd.fps@fmb.denr.gov.ph>, MGB <central@mgb.gov.ph>, MGB Panning <planning@mgb.gov.ph>, BMB - Planning <br/>
bmb@denr.gov.ph>, BMB Cmd <cmd@bmb.gov.ph>, "Zayrelle Ann U. Suello" <zausuello@denr.gov.ph>

Dear Ma'am/Sir,

In line with the development of the Indo-Pacific Economic Framework for Prosperity (IPEF) Pillar III (Clean Economy) Text, the Department of Energy, the co-lead for IPEF Pillar 3 Philippines, is requesting for the Department's comment/inputs on the zero draft text of Pillar III. This in preparation for the Special Negotiating Meeting for Pillars II-IV on 08-11 February 2023 in New Delhi, India.

In this regard, we would like to request your comments/inputs on the attached zero draft text, particularly on matters or sections regarding climate change, carbon capture/ carbon sequestration, Greenhouse Gas emissions and Greenhouse Gas Removal, Sustainable Management of Forests and Other Critical Ecosystems, Water and Ocean-Based Solutions, green finance and technology.

On another note, we would like to extend the invitation of the DOE regarding the In-Person Inter-Agency Coordination Meeting on 02 February 2023 (Thursday), 1:00 PM to 3:00 PM, at the Small Conference Room, 5th Floor, Philippine National Oil Company (PNOC) Building 5, Department of Energy, Bonifacio Global City, Taguig City. Kindly inform this office should there be representative/s from your respective offices to the Feb. 2 meeting.

We would appreciate receiving your feedback on the attached zero draft text by 27 January 2023. Thank you very much.

**Policy Studies Division** 

3rd Floor, Policy and Planning Service Department of Environment and Natural Resources Visayas Avenue, Diliman, Quezon City Telefax No. 8925-1183 VOIP No. 1086

----- Forwarded message -----

From: EPPB International Cooperation <eccd.intl@doe.gov.ph>

Date: Thu, Jan 26, 2023 at 12:08 PM

Subject: IPEF Pillar III In-Person Inter-Agency Meeting on 02 February 2023 (Thursday), 1:00 PM-3:00 PM To: Jerome Ilagan <ilaganj@climate.gov.ph>, ilaganjerome.ccc@gmail.com <ilaganjerome.ccc@gmail.com>, belverag@climate.gov.ph <be/>belverag@climate.gov.ph <be/>belverag@climate.gov.ph <be/>belverag@climate.gov.ph>, eoi\_itad@bir.gov.ph <eoi\_itad@bir.gov.ph>, lyka.leigh.tolentino@bir.gov.ph>, giselle.marie.galvez@bir.gov.ph><br/>
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#### SENT ON BEHALF OF DIRECCTOR MICHAEL O. SINOCRUZ

Greetings from the Department of Energy!

The Department of Energy as the Philippine co-lead for the Indo-Pacific Economic Framework for Prosperity (IPEF) Pillar III (Clean Economy), would like to invite a representative from your office to an In-Person Inter-Agency Coordination Meeting on **02 February 2023 (Thursday), 1:00 PM to 3:00 PM, at the Small Conference Room, 5<sup>th</sup> Floor, Philippine National Oil Company (PNOC) Building 5, Department of Energy, Bonifacio Global City, Taguig City.** 

The meeting will discuss the zero-draft text of Pillar III in preparation for the Special Negotiating Meeting for Pillars II-IV on 08-11 February 2023 in New Delhi, India.

To recall, we have circulated the zero-draft text on 17 January 2023 via email to solicit the inter-agency's inputs/comments. We would appreciate receiving your respective responses on the zero-draft text by 27 January 2023 (Friday), to help us facilitate the discussions effectively.

Kindly confirm your participation through the following email/s: Ms. Ingrid Marche Perpetua C. Calapit (icalapit@doe.gov.ph) or EPPB International Cooperation (eccd.intl@doe.gov.ph).

Looking forward to your usual cooperation in this undertaking.

Thank you.

#### **ENERGY COOPERATION AND COORDINATION DIVISION**

Energy Policy and Planning Bureau

Department of Energy

Energy Center, 34th St., Rizal Drive,

Bonifacio Global City, Taguig City,

Philippines 1632

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#### 3 attachments

SIGNED\_DOE Invitation to IPEF Pillar III Inter-Agency to an In-Person Meeting.pdf 577K

PEF Confidential Cover Sheet\_.pdf 79K

IPEF Pillar III Zero Draft Text 1.13.2022.docx 54K