Republic of the Philippines



Department of Environment and Natural Resources Visayas Avenue, Diliman, Quezon City Tel. Nos. (02) 8920-0689 / 8925-8275 / 0917-885-3367 / 0917-868-3367

Website: http://www.denr.gov.ph / E-mail: web@denr.gov.ph

MEMORANDUM

FOR The Directors

> **Biodiversity Management Bureau** Forest Management Bureau

Ecosystems Research and Development Bureau

Environmental Management Bureau

Forest Management Bureau Mines and Geoscience Bureau

Climate Change Service

Foreign Assisted and Special Projects Service

FROM The OIC Director

Policy and Planning Service

SUBJECT: FEEDBACK OF UNITED ARAB EMIRATES (UAE) ON THE

DRAFT PH-UAE CEPA TERMS OF REFERENCE

0 8 AUG 2023 DATE

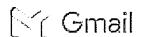
This has reference to the electronic mail of Ms. Vicky C. Quitiquit of the Department of Trade and Industry - Bureau of International Trade Relations, conveying the feedback of the United Arab Emirates (UAE) on the Philippines' comments to the draft Terms of Reference (TOR) for the Negotiations of a Comprehensive Economic Partnership Agreement (CEPA) transmitted last 3 July 2023.

It may be recalled that the Department expressed its support in including the Labor with Environment Chapter and transformed the said chapter into Trade and Sustainability Development, similar to the Philippines-European Free Trade Association Free Trade Agreements (PH-EFTA FTA). Accordingly, please be informed that the UAE is requesting the scope and coverage of this proposal. In this regard, may we kindly request the following: 1) inputs on the specific interest that can form part of the Agreements and 2) information (if any) regarding the ongoing projects, updates on signed agreements, and pending MOUs with the UAE.

Moreover, in preparation for the virtual meeting with UAE (tentatively scheduled at the end-September), please be informed that the DTI will conduct a series of meetings to discuss the specific areas of the TOR.

We would appreciate receiving your responses through our email addresses psddivision@gmail.com or policy@denr.gov.ph, on or before 12 August 2023, so we can facilitate our submission to DTI.

For your information and appropriate action, please.



PSD Document <psddivision@gmail.com>

Re: UAE's comments to the Draft TOR for the PH-UAE CEPA

1 message

Victoria C. Quitiquit <VictoriaQuitiquit@dti.gov.ph> Tue, Aug 1, 2023 at 6:07 PM To: Bianca Pearl Sykimte <BiancaPearlSykimte@dti.gov.ph>, Patrisha Elaine Estrella <PatrishaElaineEstrella@dti.gov.ph>, Rudolph Jay Velasco <RudolphJayVelasco@dti.gov.ph>, "Myrtle Faye L. Solina" <MyrtleFayeSolina@dti.gov.ph>, "Ma. Divine Grace T. Derez" <MaDivineGraceDerez@dti.gov.ph>, "USec Blesila A. Lantayona" <BlesilaLantayona@dti.gov.ph>, "Ma. Isabel M. Caguioa" <MalsabelCaguioa@dti.gov.ph>, ROG <rog@dti.gov.ph>, "ASec Leonila T. Baluyut" <LenyBaluyut@dti.gov.ph>, "Dir. Lydia R. Guevarra" <LydiaGuevarra@dti.gov.ph>, Resource Generation and Management Service <RGMS@dti.gov.ph>, "Ronnel B. Ruanes" <RonnelRuanes@dti.gov.ph>, "Jerome M. Jovellanos" <JeromeJovellanos@dti.gov.ph>, Emma Asusano <EmmaAsusano@dti.gov.ph>, Bureau of Small and Medium Enterprise Development <bsmed@dti.gov.ph>, "Jacquelyn D. Almamento" <JacquelynAlmamento@dti.gov.ph>, Susan Mae Salonga <SusanMaeSalonga@dti.gov.ph>, "Edwin C. Pasahol" <EdwinPasahol@dti.gov.ph>, BSMED-PDD
bsmed-pdd@dti.gov.ph>, "Maria Guiza B. Lim" <MariaGuizaLim@dti.gov.ph>, Bureau of Import Services <bis@dti.gov.ph>, "Armando Q. Mercado, Jr." <ArmandoMercado@dti.gov.ph>, "Daisy R. Villanueva" <DaisyVillanueva@dti.gov.ph>, "Myra A. Echanes" <MyraEchanes@dti.gov.ph>, "Olivia T. Marasigan" <OliviaMarasigan@dti.gov.ph>, "Catherine I. Salvador" <CatherineSalvador@dti.gov.ph>, "Edna T. Adlawan" <EdnaAdlawan@dti.gov.ph>, Neil Catajay <NeilCatajay@dti.gov.ph>, Bureau of Philippine Standards <BPS@dti.gov.ph>, "Charmaine Mignon S. Yalong" <CharmaineMignonYalong@dti.gov.ph>, "Roppe Jenice M. Jubilado" <RoppeJeniceJubilado@dti.gov.ph>, PTIC Dubai <dubai@dti.gov.ph>, BOI_attached <MCHDichosa@boi.gov.ph>, "ids@boi.gov.ph" <ids@boi.gov.ph>, Sandra Marie Recolizado <smsrecolizado@boi.gov.ph>, "JOLLAN MARGARET A. LLANEZA" <jmallaneza@boi.gov.ph>, "Maribel D. De Leon" <mddeleon@boi.gov.ph>, Patricia Dominique Tablizo <pddtablizo@boi.gov.ph>, Elyjean Portoza <EDCPortoza@boi.gov.ph>, "Paola Marie C. Viedor" <PMCViedor@boi.gov.ph>, "dorisgacho@construction.gov.ph" <dorisgacho@construction.gov.ph>, "Rosemarie M. Del Rosario" <RosemarieDelRosario@construction.gov.ph>, "Jessica A. Baje" <JessicaBaje@construction.gov.ph>, "mercedita.sombilla@da.gov.ph" <mercedita.sombilla@da.gov.ph>, Noel Padre <noel.padre@da.gov.ph>, Tisha Delarosa <tisha.delarosa@da.gov.ph>, Katrin Mares <katrin.mares@da.gov.ph>, "janet.garcia@da.gov.ph" <janet.garcia@da.gov.ph>, "oueiea.denr@gmail.com" <oueiea.denr@gmail.com>, ouppia@denr.gov.ph" <ouppia@denr.gov.ph>, "Ismojica@denr.gov.ph" <Ismojica@denr.gov.ph", "zausuello@denr.gov.ph" <zausuello@denr.gov.ph>, "fmb@denr.gov.ph" <fmb@denr.gov.ph>, "DENR-PPFASP_Assistant Secretary Marcial C. Amaro, Jr." <amaromarsjr@yahoo.com>, "psddivision@gmail.com" <psddivision@gmail.com>, "odpps@yahoo.com" <odpps@yahoo.com>, "pps-od@denr.gov.ph" <pps-od@denr.gov.ph>, "albertmgg@emb.gov.ph" <albertmgg@emb.gov.ph>, "mdjoven@dof.gov.ph" <mdjoven@dof.gov.ph>, "ncabiles@dof.gov.ph" <ncabiles@dof.gov.ph>, "ifg_ifpo@dof.gov.ph" <ifg_ifpo@dof.gov.ph>, Jenevive Lontok <jlontok@dof.gov.ph>, "fortilla@dof.gov.ph" <fortilla@dof.gov.ph>, "arillon@dof.gov.ph" <arillon@dof.gov.ph>, "mbarte@dof.gov.ph" <mbarte@dof.gov.ph>, "cmagno@dof.gov.ph" <cmagno@dof.gov.ph>, "ydelossantos@dof.gov.ph" <ydelossantos@dof.gov.ph>, "afang@dof.gov.ph" <afang@dof.gov.ph>, "dminimo@dof.gov.ph" <dminimo@dof.gov.ph>, "sramirez@dof.gov.ph" <sramirez@dof.gov.ph>, "Bienvenido Y. Rubio" <bienvenido.rubio@customs.gov.ph>, boc.ocom@customs.gov.ph" <boc.ocom@customs.gov.ph>, "external.affairs@customs.gov.ph" <external.affairs@customs.gov.ph>, "kyledanielle.ablat@customs.gov.ph" <kyledanielle.ablat@customs.gov.ph>, "pom_odc@customs.gov.ph" <pom_odc@customs.gov.ph>, "edwardjames.dybuco@customs.gov.ph" <edwardjames.dybuco@customs.gov.ph>, "vincentphilip.maronilla@customs.gov.ph" <vincentphilip.maronilla@customs.gov.ph>, "Jinny M. Apostol" <jinny.apostol@customs.gov.ph>, "MaVanessa.Hosana@customs.gov.ph" <MaVanessa.Hosana@customs.gov.ph>, "rizajane.embrado@customs.gov.ph" rizajane.embrado@customs.gov.ph>, "rechilda.oquias@customs.gov.ph" <rechilda.oquias@customs.gov.ph>, Gina German <gina.german@customs.gov.ph>, Office OUMAIER <oier@dfa.gov.ph>, "oumaier@dfa.gov.ph" <oumaier@dfa.gov.ph>, "omeaa@dfa.gov.ph" <omeaa@dfa.gov.ph>, "anthony.aguirre@dfa.gov.ph" <anthony.aguirre@dfa.gov.ph>, "iepn.ouier@dfa.gov.ph" <iepn.ouier@dfa.gov.ph>, "Jocelle.sigue@dict.gov.ph" <Jocelle.sigue@dict.gov.ph>, Office of the Undersecretary for ICT Industry Development <ouiid@dict.gov.ph>, "christineapple.pre@dict.gov.ph" <christineapple.pre@dict.gov.ph>, "christina.abalos@dict.gov.ph" <christina.abalos@dict.gov.ph>, "odnippsb@dict.gov.ph" <odnippsb@dict.gov.ph>, "don.tiansay@dict.gov.ph" <don.tiansay@dict.gov.ph>, "policy.research@dict.gov.ph" <policy.research@dict.gov.ph>, "ab.salvadorjr@dict.gov.ph" ab.salvadorjr@dict.gov.ph>, "josecarlos.reyes" <josecarlos.reyes@dict.gov.ph>, "DOJ Legal Staff (Atty. Pamelyn Omalin)" <DOJLegalStaff@doj.gov.ph>, DOJ - Senior State Counsel Marlyn Angeles <mlangeles@doj.gov.ph>, "abluna@doj.gov.ph" <abluna@doj.gov.ph>, "kanitura@doj.gov.ph" <kanitura@doj.gov.ph>, "mpaomalin@doj.gov.ph" <mpaomalin@doj.gov.ph>, "berbitoniojr@dole.gov.ph"

 / "usec.laborrelations@dole.gov.ph" <usec.laborrelations@dole.gov.ph>, "pppatriwirawan@dole.gov.ph" <ppppatriwirawan@dole.gov.ph>, "itdamo@ils.dole.gov.ph" <itdamo@ils.dole.gov.ph>, "jpyanson@yahoo.com" <jpyanson@yahoo.com>, "blr@dole.gov.ph" <bl><blr@dole.gov.ph>, "od@blr.dole.gov.ph" <od@blr.dole.gov.ph>, "rsaura@blr.dole.gov.ph" <rsaura@blr.dole.gov.ph>, "ilatf@dole.gov.ph" <ilatf@dole.gov.ph>, "bsmbenavidez@dole.gov.ph" <bsmbenavidez@dole.gov.ph>, "usec.workerswelfare@dole.gov.ph" <usec.workerswelfare@dole.gov.ph>, "asec wwspia@yahoo.com.ph" <asec wwspia@yahoo.com.ph>, "bwc@dole.gov.ph" <bwc@dole.gov.ph>, "abcurada@dole.gov.ph" <abcurada@dole.gov.ph>, "bwcppdd@gmail.com" <bwcppdd@gmail.com>, "nickybon@gmail.com"

<nickybon@gmail.com>, BWC PPDD
bwc.ppdd@dole.gov.ph>, PRC International Commitments Negotiation Division1 <icnd1@prc.gov.ph>, Melisa Jane Comafay <melisajane.comafay@prc.gov.ph>, IAO PRC <iao1@prc.gov.ph>, "pycaunan@dmw.gov.ph" <pycaunan@dmw.gov.ph>, DMW-Policy <policy@dmw.gov.ph>, DMW-OU for Policy and International Cooperation <dmw.oupic@gmail.com>, "fqbay@dmw.gov.ph" <fqbay@dmw.gov.ph>, "mealad.ilab@yahoo.com" <mealad.ilab@yahoo.com>, "dmw.mariozinampan@gmail.com" <dmw.mariozinampan@gmail.com>, "secople@dmw.gov.ph" <secople@dmw.gov.ph>, "dmw.dinojulve@gmail.com" <dmw.dinojulve@gmail.com>, GPPB <gppb@gppb.gov.ph>, "rcmruiz@gppb.gov.ph" <rcmruiz@gppb.gov.ph>, oed@gppb.gov.ph" <oed@gppb.gov.ph>, Jaymar Bareng <jlbareng@gppb.gov.ph>, Patricia Anne Garcia" <pegarcia@gppb.gov.ph>, "mbcarandang@gppb.gov.ph" <mbcarandang@gppb.gov.ph>, "rowel.barba@ipophil.gov.ph" <rowel.barba@ipophil.gov.ph>, "Nathaniel S. Arevalo" <nathaniel.arevalo@ipophil.gov.ph>, Antoinette Valerie Yap Duque <antoinette.yapduque@ipophil.gov.ph>, "mkatrina.rivera@ipophil.gov.ph" <mkatrina.rivera@ipophil.gov.ph>, kristinne.viloria@ipophil.gov.ph" <kristinne.viloria@ipophil.gov.ph>, "clara.vizconde@ipophil.gov.ph" <clara.vizconde@ipophil.gov.ph>, "ROSEMARIE G. EDILLON" <RGEdillon@neda.gov.ph>, "&PPG-OASec@neda.gov.ph" <&PPG-OASec@neda.gov.ph>, "Reynaldo R. Cancio" <rrcancio@neda.gov.ph>, "rmarellano@neda.gov.ph" <rmarellano@neda.gov.ph>, "fvavila@neda.gov.ph" <fvavila@neda.gov.ph>, "sdducanes@neda.gov.ph" <sdducanes@neda.gov.ph>, "btbrocal@neda.gov.ph" <btbrocal@neda.gov.ph>, "baganapin@neda.gov.ph" <baganapin@neda.gov.ph>, "mdlabadan@neda.gov.ph" <mdlabadan@neda.gov.ph>, "pstolentino@neda.gov.ph" <pstolentino@neda.gov.ph>, "mpmonteramos@neda.gov.ph" <mpmonteramos@neda.gov.ph>, "mnurgel@neda.gov.ph" <mnurgel@neda.gov.ph>, "rfrome@neda.gov.ph" <rfrome@neda.gov.ph>, "mgaguinaldo@phcc.gov.ph" <mgaguinaldo@phcc.gov.ph>, "Irmedrano@phcc.gov.ph" <lrmedrano@phcc.gov.ph>, "commissioners@phcc.gov.ph" <commissioners@phcc.gov.ph>, "kvtanate@phcc.gov.ph" <kvtanate@phcc.gov.ph>, "dpfiegalan@phcc.gov.ph" <dpfiegalan@phcc.gov.ph>, "rtmarcelo@phcc.gov.ph" <rtmarcelo@phcc.gov.ph>, "jaolivo@phcc.gov.ph" <jaolivo@phcc.gov.ph>, "otc@phcc.gov.ph" <otc@phcc.gov.ph>, davaldez@phcc.gov.ph" <davaldez@phcc.gov.ph>, "international@phcc.gov.ph" <international@phcc.gov.ph>, Tariff" Commission <TC.Assist@mail.tariffcommission.gov.ph>, "Records@tariffcommission.gov.ph" <Records@tariffcommission.gov.ph>, "mpmendoza@mail.tariffcommission.gov.ph" <mpmendoza@mail.tariffcommission.gov.ph>, "klricafrente@mail.tariffcommission.gov.ph" <klricafrente@mail.tariffcommission.gov.ph>, "mapaderon@mail.tariffcommission.gov.ph" <mapaderon@mail.tariffcommission.gov.ph>, "NJMiralles@mail.tariffcommission.gov.ph" <NJMiralles@mail.tariffcommission.gov.ph>, "MacasaquitMR@bsp.gov.ph" <MacasaquitMR@bsp.gov.ph>, "wsamaniego@bsp.gov.ph" <wsamaniego@bsp.gov.ph>, "RamirezFM@bsp.gov.ph" <RamirezFM@bsp.gov.ph>, ongid@bsp.gov.ph" <ongid@bsp.gov.ph>, "FDakila@bsp.gov.ph" <FDakila@bsp.gov.ph>, "isicat@bsp.gov.ph" <isicat@bsp.gov.ph>, "erxpadilla@sec.gov.ph" <erxpadilla@sec.gov.ph>, "iapd@sec.gov.ph" <iapd@sec.gov.ph>, fga.florendo@insurance.gov.ph" <fga.florendo@insurance.gov.ph>, "Allan Paul B. Borres"" apb.borres@insurance.gov.ph>, "tr.batan@dotr.gov.ph" <tr.batan@dotr.gov.ph>, "laiop.odesga@gmail.com" <laiop.odesga@gmail.com> Cc: "Angelo Salvador M. Benedictos" < Angelo Salvador Benedictos@dti.gov.ph>, "Ma. Regina C. Serafico" <MaReginaSerafico@dti.gov.ph>

Sent on behalf of the Bureau of International Trade Relations

Dear Sirs/Mesdames.

This is to endorse for your consideration/review the feedback of UAE on our comments to the draft Terms of Reference (TOR) for the Negotiations of a Comprehensive Economic Partnership Agreement (CEPA) transmitted to last 3 July 2023.

The BITR will be convening a series of meetings to discuss the specific areas of the TOR in preparation for the virtual meeting with UAE tentatively scheduled in the of end-September. We will be sending separate invitations once schedules are finalized.

Thank you very much.

Respectfully,

Vicky C. Quitiquit

Bilateral Relations Division Bureau of International Trade Relations Department of Trade and Industry 375 Gil J. Puyat Ave., Makati City, Philippines T (632) 465 3300 loc. 425 M 0917 882 1186

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2 attachments





Without prejudic

· · · · · · · · · · · · · · · · · · ·		Without prejudice
Zero Draft	PH Counter Draft	Remarks
TERMS OF REFERENCE FOR THE NEGOTIATION OF A COMPREHENSIVE ECONOMIC PARTNERSHIP AGREEMENT BETWEEN THE UNITED ARAB EMIRATES ("UAE") AND THE REPUBLIC OF THE PHILIPPINES	TERMS OF REFERENCE FOR THE NEGOTIATIONS OF A COMPREHENSIVE ECONOMIC PARTNERSHIP AGREEMENT BETWEEN THE UNITED ARAB EMIRATES ("UAE") AND THE REPUBLIC OF THE PHILIPPINES (PH)	UAE: Acceptable.
I. OBJECTIVE	I. OBJECTIVE	
To conclude negotiations on a Comprehensive Economic Partnership Agreement ("CEPA") to establish a Free Trade Area, in accordance with Article XXIV of the General Agreement on Tariffs and Trade 1994 ("GATT 1994") and Article V of General Agreement on Trade in Services ("GATS"), and to promote opportunities for Investment, market access and trade liberalization for goods and services and deepen cooperation on the digital economy.	To conclude negotiations on a Comprehensive Economic Partnership Agreement ("CEPA") to establish a Free Trade Area between the UAE and PH (individually referred to hereinafter as a "Party" or collectively as the "Parties"), in accordance with Article XXIV of the General Agreement on Tariffs and Trade 1994 ("GATT 1994") and Article V of General Agreement on Trade in Services ("GATS"), and to further strengthen bilateral economic relations by improving market access for goods and services, promoting opportunities for investment, and deepening cooperation in areas of mutual interest. and to promote opportunities for Investment, market access and trade liberalization for goods and services and deepen cooperation on the digital economy.	UAE: Acceptable. The proposal is to keep the language general rather than identifying specific areas for cooperation.
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II. PRINCIPLES OF THE NEGOTIATION The CEPA will be consistent with the rights, principles, rules and obligations established by the World Trade Organization (WTO). The negotiation is a single undertaking. Consequently, nothing is agreed until everything is agreed.	II. PRINCIPLES OF THE NEGOTIATIONS The CEPA will be consistent with the rules rights, principles, rights rules and obligations established by the World Trade Organization (WTO) and its relevant Agreements. The negotiation is a single undertaking. Consequently, nothing is agreed until everything is agreed. [UAE: The CEPA will take into account the different levels of trade, development, and financial needs of the Parties with the end view of providing appropriate flexibilities to achieve their policy objectives.] The CEPA will apply between UAE and PH, but not to trade relations among the Gulf Cooperation Council (GCC) and the Association of Southeast Asian Nations (ASEAN).	 UAE: Propose to remove the bracketed language suggested by PH. We ask to retain "Consequently, nothing is agreed until everything is agreed". Additionally, we would like to seek rationale from PH on the following addition: The CEPA will apply between UAE and PH, but not to trade relations among the Gulf Cooperation Council (GCC) and the Association of Southeast Asian Nations (ASEAN).
III. TARIFF AND SERVICES SECTOR LIBERALIZATION	III. TARIFF AND SERVICES SECTOR LIBERALIZATION	
All tariff lines and services sectors are subject to negotiation, without prejudice to the final results.	All tariff lines and services sectors are subject to negotiations, without prejudice to the final results.	
	<u> </u>	

Zero Draft	PH Counter Draft	Remarks
 2. In general, and without prejudice to the results of the negotiation, the following modalities for tariff reduction are adopted: a. Immediate b. Three (3) years c. Five (5) years 	 2. In general, and without prejudice to the results of the negotiations, the following modalities for tariff staging will be considered reduction are adopted: a. Immediate b. Three (3) years c. Five (5) years d. Seven (7) years e. Ten (10) years f. Sensitive list g. Exclusion list h. Other modalities that may be discussed/included 	Rather than just "tariff reduction" propose to use "tariff staging" to account for elimination/reduction/other modalities UAE: Given that we can accept seven years; the UAE would like to omit reference to 10 years. We also request PH to clarify the difference between sensitive list and exclusion list, as well as other modalities it may be referring to in Para 2(h)
 Unless otherwise agreed, the first tariff reductions and the service liberalizations will be made on the day the CEPA enters into force. Successive tariff reductions will be effective on January 1st of each successive year. The Sides agree to negotiate applying the offer/request model. 	 Unless otherwise agreed, the first tariff and service liberalizations will be made on the date day the CEPA enters into force. Successive tariff reductions or eliminations will be effective on the dates reflected in each Party's Schedule of Tariff Commitments January 1st of each successive year. The Parties Sides agree to negotiate applying the offer/request-offer model. 	Propose to (i) delete "first" to keep language general to account for standstill commitments that will be liberalized in Year X and (ii) "January 1st" of each successive year" to avoid prejudging outcome of the negotiations. Details will be specified in the exploratory notes of the Schedule of Commitments (SOCs)
 The starting point for tariff reduction negotiations will be the applied MFN rates as of 1/1/2021. 	4. The starting point base rate for tariff reduction or elimination negotiations will be the applied [UAE: 2022] MFN rates as of in effect on [UAE: 4/1/2021 1/1/2023].	PH understanding is that the offer will be based on the request. UAE: we believe that we should begin exchanging offers before
 Negotiations shall be based on the 2017 Edition of the WCO Harmonized System Nomenclature. 	5. Negotiations will shall be based on the [UAE: 2017 2022] Edition of the World Customs Organization (WCO) Harmonized System Nomenclature [UAE: (HS 2022)].	request.
6. As a general principle, the tariffs will be reduced in a linear manner.	6. As a general principle, the tariffs will be reduced in a linear manner, with due consideration for certain flexibilities on tariff staging for certain products subject to further negotiations.	
7. The negotiation of the trade in services chapter will be based on the GATS.	7. The negotiations of the trade in services chapter will be based on the GATS.	

Zero Draft	PH Counter Draft	Remarks
		The proposed text will take into account tariff staging that will deviate from linear reduction (i.e., sudden death)
IV. SCOPE AND COVERAGE OF THE CEPA	IV. SCOPE AND COVERAGE OF THE CEPA	
The CEPA will include the following chapters (in no order):	The CEPA will include the following chapters (in no order):	
a. Preamble b. Initial Provisions and General Definitions c. Trade in Goods d. Rules of Origin and Origin Procedures e. Customs Administration and Trade Facilitation f. Sanitary and Phytosanitary Measures g. Technical Barriers to Trade h. Trade Remedies i. Investment j. Trade in Services	 a. Preamble b. Initial Provisions and General Definitions c. Trade in Goods d. Rules of Origin and Origin Procedures e. Customs Procedures Administration and Trade Facilitation f. Sanitary and Phytosanitary Measures g. Technical Barriers to Trade h. Trade Remedies i. Investments j. Trade in Services [UAE: (including annexes)] [UAE: Financial Services 	(d) Propose to have "Origin Procedures" as an Annex to the ROO Chapter UAE: accepted. (j) Propose to include Financial Services and Professional Services in the discussion of Trade in Services
k. Digital Trade l. Government Procurement m. Intellectual Property Rights	Professional Services k. Movement of Natural Persons] l. Digital Trade m. Government Procurement n. Intellectual Property Rights	UAE: For the purposes of the TOR, we would prefer to keep headline chapter names in this section only. We may discuss other annexes such as Financial/Professional Services, but this will be during the negotiation rounds. (k) Propose to have separate chapter on MNP
n. SMEs o. Environment	o. MSMEs p. [UAE: <u>Labor and</u>] Environment (Trade and Sustainable Development)	UAE: See above. The UAE has in practice, maintained a standalone Trade in Services Chapter. The Chief Negotiators may, during the negotiations agree to alter the scope of the CEPA but for the timebeing, we prefer to keep the proposed structure as-is.
p. Economic Cooperation and MSMEs	q. Economic Cooperation and MSMEs	(l) Clarify with UAE on the scope and coverage of digital trade
q. Dispute Settlement r. Exceptions	r. Dispute Settlement s. Exceptions	Chapter UAE: The Digital Trade Chapter includes provisions on definitions, objectives, paperless trading, electronic transactions, authentication,
s. Administration of the Agreement t. Final Provisions	t. [UAE: Institutional Arrangements Administration of the Agreement] u. Final Provisions	digital identities, online consumer protection, unsolicited commercial electronic messages, personal data protection, cross border flow of information, open data, digital government, cooperation on digital

Zero Draft	PH Counter Draft	Remarks
		products, customs duties digital and electronic payments use of internet for digital trade (principles) and cyber security.
		(m) Clarify on the specific market access requirements of the UAE in government procurement.
		UAE: The scope of the Government Procurement Chapter, specifically with respect to market access requirements is usually not set out in the TOR as both Parties need to conduct a study of each side's Government Procurement systems before taking a deeper view on market access.
		(o) Clarify with UAE on the scope and coverage of the SME chapter
		UAE: The MSMEs chapter is cooperative in nature, might include provisions on general principles, information sharing, cooperation and establishing a sub-committee with functions. This chapter is not subject to Dispute settlement.
		(p) Request clarification from UAE on the coverage of the chapter on environment. PH proposes to include Labor and rename the chapter as "Trade and Sustainable Development."
		UAE: Could you please indicate the scope and coverage of the proposed chapter.
		(q) Request clarification from UAE on the coverage of the chapter on Economic Cooperation. Note that there is already a separate chapter on MSMEs.
		UAE: This chapter may include provisions on principles and objectives, scope and areas of cooperation, other provisions both Parties might see feasible and of interest in the area of economic cooperation and the establishment of a sub-committee. Please note that this chapter is not subject to dispute settlement.
		(s) Clarify with UAE why Exceptions is proposed as a separate chapter. Usual practice is to have a provision on Exceptions under the goods and services chapters.

Zero Draft	PH Counter Draft	Remarks
		UAE: The Exceptions Chapter is proposed as a new chapter as it may apply broadly across the agreement (and not just under the Trade in Goods/Trade in Services Chapters). The UAE has followed this route with all its CEPAs to date and propose keeping it in as a standalone chapter.
		(t) The chapter is proposed to be renamed as "Institutional Arrangements"
		UAE: We would prefer to retain the original chapter name, being Administration of the Agreement and have adjusted the language accordingly.
V. METHODOLOGY	V. METHODOLOGY	
1. Basic Principles	1. Basic Principles	
The texts and proposals exchanged during the negotiation shall always be treated as confidential information.	a. The texts and proposals exchanged during the negotiations will shall always be treated as confidential information.	

Zero Draft	PH Counter Draft	Remarks
 b. The UAE will provide its texts as further set out in part VI of these Terms of Reference. The sharing of such texts shall be without prejudice to the right of each Side to present new proposals during the negotiations. c. The Sides will exchange offers on market access for goods and schedules of specific commitments in services and the thresholds of the included procurements in goods, services and construction services, simultaneously. 	 b. [UAE: Each Party may The UAE will] provide its texts as further set out in pPart VI of this these Terms of Reference. The sharing of such texts will shall be without prejudice to the right of each Party Side to present new proposals during the negotiations. c. The Parties Side will exchange requests and offers on market access for goods and schedules of specific commitments in services and the thresholds of the included procurements in goods, services and construction services, simultaneously. The Parties will agree on the format that will be used for the said undertaking. 	UAE: We have reinstated UAE's earlier language. The UAE prefers to provide its texts in order to ensure that the Parties adhere to proposed time-frames. PH is welcome to suggest changes and include its own text within the UAE text base as part of the negotiations. See last sentence of the same paragraph where the sharing of UAE text shall be without prejudice to the right of PH to present its own proposals during the negotiations.
2. Levels of Negotiation		
The Sides agree that the following negotiation modalities shall apply:	2. Levels of Negotiations	
a. Working Group Leads	The Parties Sides agree that the following negotiation modalities will shall apply:	
Each Side shall designate its delegates to Working Groups	a. Chief Negotiators	
agreed under part VII. The Working Group Leads will be responsible for the chapters allocated to them	The Parties will designate their Chief Negotiators prior to the first round of negotiations.	
b. Coordinators	 For the Philippines: Asst. Secretary Allan Gepty; Department of Trade and Industry; and- 	
 Each Side will designate a coordinator in charge of the technical aspects of the negotiation process (approval of agenda, meeting schedules and joint conclusions). 	• For the United Arab Emirates: His Excellency Assistant Undersecretary Juma Al Kait, Ministry of Economy.	
The Sides will exchange the name and contact information of the coordinators by no later than [DATE].	Committee, which will-be-comprised of the Working Group Leads.	Propose to delete in order to provide flexibility in case of changes in chief negotiators
c. Chief Negotiators	The Chief Negotiators, on behalf of their Ministers, will	
The Sides have designated the following persons as Chief Negotiators:	bear the overall responsibility for the negotiations, and will therefore supervise the negotiations of all Working Groups and provide them with the necessary guidance, as appropriate.	Propose the formation of a Joint Committee led by the Chief Negotiators [UAE: Please note that the Joint Committee is formed after the conclusion of negotiations of the Agreement. The endorsement and

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o For Philippines: Asst. Secretary Allan Gepty, Department of Trade and Industry; and	 [UAE: The Joint Committee will endorse the outcomes of the Working Group negotiations.] 	outcomes of the Joint Committee are to be executed by the Chief Negotiators. In any event, the formation and management of the Joint Committee will be set out in the legal and institutional chapters of the
 For the United Arab Emirates: His Excellency Juma Al Kait, Ministry of Economy. 	b. a. Working Group Leads	Agreement. Propose to include functions of the Chief Negotiators
 The Chief Negotiators may negotiate any matter and resolve matters which may arise from time to time during the negotiations. 	 The Parties will Each Side shall designate their its delegates to the Working Groups [UAE: and Sub-Working Groups] agreed under pPart VII. 	UAE: As the TOR is currently drafted, the functions of the Chief Negotiators are sufficiently set out. If PH wishes to include any further functions, we invite PH to provide their recommendations.
The Chief Negotiators will approve the results of the negotiations.	 The Working Group Leads or their designated alternates will be responsible for the chapters assigned allocated to them. 	
 d. <i>Ministers</i> Ministers will have the overall responsibility for the negotiations, a process which will conclude by their signing of the CEPA. 	 Working Group leads will consolidate and endorse the outcomes of the negotiations of their respective Chapters to the [UAE: Chief Negotiators Joint Committee]. c. b. [UAE: Joint Committee] Coordinators 	Propose to include Sub-Working Groups UAE: The UAE does not propose to include sub-working groups for the negotiation rounds.
	Each Party Side will designate a coordinator in charge of all communications and the technical aspects of the negotiation process (approval of agenda, meeting schedules, summary of discussions, and joint conclusions).	Propose to include functions of Working Group Leads UAE: As the TOR is currently drafted, the functions of the Working Group Leads are sufficiently set out. If PH wishes to include any further functions, we invite PH to provide their recommendations.
	• The Parties Sides will exchange the name and contact information of the coordinators by no later than [DATE].	
	e. Chief Negotiators-	
	 The Parties will designate their-Sides have designated the following persons as Chief Negotiators prior to the first round of negotiations: 	
	 For the Philippines: Asst. Secretary Allan Gepty, Department of Trade and Industry; and- 	

Zero Draft	PH Counter Draft	Remarks
	 For the United Arab Emirates: His Excellency Assistant Undersecretary Juma Al Kait, Ministry of Economy. [UAE: The Chief Negotiators may negotiate any matter and resolve matters which may arise from time to time during the negotiations. The Chief Negotiators will approve the results of the negotiations.] Ministers Ministers will have the overall responsibility for the negotiations, a process which will conclude by their signing of the CEPA. For the UAE: Minister for Foreign Trade of the Ministry of Economy For the PH: Secretary of the Department of Trade and Industry 	UAE: Our preference is to reinstate the proposed deleted language by PH. The Chief Negotiators should have the ability to negotiate any matter that arises during the course of the negotiations and will have the final say on the outcomes of the negotiations. Propose to identify the relevant lead agency for the CEPA negotiations
VI. EXCHANGE OF DATA AND DRAFT CHAPTERS	VI. EXCHANGE OF DATA AND DRAFT CHAPTERS	
The UAE shall, to the extent possible, provide its text proposals to the other no later than [three to four] weeks prior to the set date of the first round of negotiations.	1. The UAE and PH may shall, to the extent possible, provide its text proposals to the other no later than [three to four]	

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2. The Sides will exchange the following data by - [DATE].	weeks prior to the set date of each-the first round of negotiations.	
The 2022 versions in English of their Customs Tariff which will include the MFN rate as of 1/1/2021 by tariff line.	The Parties Sides will exchange the following data by - [DATE].	UAE: Please note that the UAE is using 2022 MFN base rates as of
 All trade statistical data by tariff line (bilateral, world, and selected major trading partners, import and export, in MS Excel format including value in USD and volume) for the years 2019-2021 (as and when 2021 becomes 	 The [UAE: 2022 -2017] versions in English of their Customs Tariff which will include the MFN rate in effect on as-of 1/1/2021 by at the national tariff line level. 	1/1/2023.
	All trade statistical data between the Parties, with their selected trading partners, and with the world (imports and with the world (imports and with the world).	Proposal to substantiate the requested statistical data to be exchanged with UAE.
	exports by tariff line, including value in USD and volume, in [UAE: HS 2022 HS 2017], in MS Excel format) for the years [UAE 2017-2021 2018 – 2022]. Selected trading	UAE: Please note that the UAE is using 2022 HS Code nomenclature.
	partners are as follows: by tariff-line (bilateral, world, and selected major trading partners, import and export, in MS Excel format including value in USD and volume) for the	
	years 2019-2021 (as and when 2021-becomes available).	UAE: we do not recommend limiting to the suggested trading partners.
	 [UAE: For the UAE (MS ten-digit level): the GCC (as a whole and individual members), the ASEAN (as a whole and individual members), China, Japan, USA 	
	 For the PH (HS ten-digit level): the GCC (as a whole and individual members), the ASEAN (as a whole and individual members), China, Japan, USA] 	UAE: Please see above comments in relation to UAE's 2022
 If necessary, once 2021 statistics are complete, each Side may exchange them. 	• If necessary, once 2021 statistics are complete, the Parties each Side may exchange 2022 statistics, once available	statistics. We would advise PH to provide the same for 2022.
The Sides may propose to exchange additional information or any of the above information between themselves, if	them. 3. The Parties Sides may propose to exchange additional	
necessary, prior to the first round of negotiations.	information or any of the above information between themselves, if necessary, prior to each round the first round of negotiations.	
 During the entire negotiation process, either Side may request additional necessary information from the other to clarify any of the chapters or their related topics under negotiation. 	4. During the entire negotiation process, either Party Side may request additional necessary information from the other to	

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During the entire negotiation process, either Side may introduce new text proposals on the proposed chapters.	clarify any of the chapters or their related topics under negotiation. 5. During the entire negotiation process, either Party Side may introduce new text proposals based on the discussion of the proposed chapters.	
 VII. ADMINISTRATION OF THE NEGOTIATION The negotiations will be conducted by the Ministry of Economy of the United Arab Emirates and the Department of Trade and Industry of The Philippines. During negotiations, the Sides agree to establish the following Working Groups to negotiate the relevant chapters. Subject to the approval of the Chief Negotiators, certain Working Groups may be merged or restructured from time to time. 	 VII. ADMINISTRATION OF THE NEGOTIATIONS The negotiations will be conducted by the Ministry of Economy of the United Arab Emirates and the Department of Trade and Industry of the Philippines. [UAE: A Joint Committee co-chaired by the Chief Negotiators will be established.] During negotiations, the Sides Parties agree to establish the following Working Groups [UAE: and Sub-Working Groups] to negotiate the relevant chapters. Subject to the approval of the Chief Negotiators, certain Working Groups [UAE: and Sub-Working Groups] may be merged or restructured from time to time. 	Propose text to reflect the changes in Part V UAE: Please see the above comments. The Joint Committee, as a concept, is to be formed following the conclusion of the negotiations. From a timing perspective, the Chief Negotiators cannot establish the Joint Committee during the negotiations. We are happy to explain this further over a virtual call if needed. Accordingly, PH's suggested inclusion has been deleted.
Working Groups 1 Group on Market Access: Trade in Goods (including Technical Barriers to Trade and Sanitary and Phytosanitary Measures) 2 Group on Rules of Origin & Origin Procedures 3 Group on Trade in Services (including Digital Trade) 4 Group on Economic Cooperation (including SMEs) 5 Group in Trade Remedies 6 Group on Trade Facilitation and Customs Cooperation 7 Group on Trade in Investment 8 Group on Legal and Institutional Issues (including Preamble, Initial Provisions and General Definitions, Administration of the Agreement, Exceptions, Final Provisions, and Dispute Settlement) 9 Group on Government Procurement	Working Groups [UAE: and Sub-Working-Groups] Working Group on [UAE: Market Access:] Trade in Goods (including [UAE: Sub-Working Groups on Market Access], Technical Barriers to Trade and Sanitary and Phytosanitary Measures, and Trade Remedies) Working Group on Rules of Origin & Origin Procedures Working Group on Trade in Services (including [UAE: Sub-Working Groups on Financial Services, and Professional Services Digital Trade)] [UAE: Working Group on Movement of Natural Persons] Working Group on Digital Trade Working Group on Economic Cooperation (including Halal Cooperation [UAE: and MSMES])	Changes applied to the chapters identified in Part IV are reflected in the establishment of Working Groups and Sub-Working Groups UAE: Please note that the requirement for sub-working groups will not be required. The Working Groups responsible for Market Access (Goods), TBT, SPS and Trade Remedies are the same for the UAE and will not be necessary to establish sub-groups. We prefer to keep the process as it currently is. UAE: See above comment on sub-working groups. At the moment the Parties have not agreed to an inclusion of Annexes relating to Financial/Professional Services and Movement of Natural Persons and is still subject to negotiation. In any event, the UAE's Working Group on Trade in Services and Digital Trade are the same and will not be necessary to establish any further sub-working groups.

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10 Group on Intellectual Property Rights	[UAE: Working Group on MSMEs]	UAE: Please note that the Working Groups for Economic
	Group in Trade Remedies	Cooperation and MSMEs are the same for the UAE and have included them together. Accordingly, for scheduling purposes, we will not
	Working Group on Customs Procedures and Trade Facilitation and Customs Cooperation	require a separate Working Group for MSMEs.
	Working Group on Trade-in on Investments	
	Working Group on Legal and Institutional Issues (including Preamble, Initial Provisions and General Definitions, [UAE: Institutional-Arrangements	
	Administration of the Agreement], Exceptions, Final Provisions, and Dispute Settlement)	
	[UAE: Working] Group on Government Procurement	
	Working Group on Intellectual Property Rights	
 Timeline and Logistics The rounds will be hosted by each Side. The hosting 	[UAE: Working Group on Labor and Environment [Trade and Sustainable Development]]	
country will assume the expenses regarding the organization and the logistics of the round. Inter-sessional meetings of	3. Timeline and Logistics	UAE: Please note that this particular scope (Labor & Environment) of the Agreement has not been agreed.
working groups or subgroups will be encouraged. The rounds of negotiations may be organized virtually.	The rounds will be hosted by each Side Party alternately in the UAE and PH. The hosting country will assume the expenses regarding the organization and the logistics of the round. Inter-sessional meetings of working groups or sub working groups will be are encouraged. The rounds of negotiations and inter-sessional meetings may be also be organized online virtually.	
 Video or phone-conferences may be organized by the Sides and in between negotiation rounds. 	• [UAE: On the inter-sessional meetings, the Parties-will agree on who will underwrite the cost/expenses.]	UAE: UAE requests PH to provide clarification on what it means by underwriting costs/expenses for intersessional meetings. Given that these sessions will be held virtually, we do not anticipate any material
The negotiations will pursue the following indicative schedule:	 Video or phone-conferences may be organized by the Parties Sides and in between negotiation rounds. 	costs or expenses and expect both parties to each, bear their own costs for arranging and conducting their intersessional meetings.
o Approval of the Terms of References: On [DATE]	 The negotiations will pursue the following indicative schedule: 	
	<u>,</u>	UAE: we request amending this to read:

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o First Negotiation Round: On [DATE], in [TBD]	o Approval of the Terms of References: On [DATE]	The First Negotiation Round, and dates for subsequent rounds, will be agreed upon by the Chief Negotiators.
o Second Negotiation Round: On [DATE], in [TBD]	o First Negotiation Round: On [DATE], in [TBD]	
 The dates for subsequent rounds of negotiations will be agreed by the Chief Negotiators. 	o [UAE: Second Negotiation Round: On [DATE], in [TBD]]	
 Exchanges of data and texts will take place both during negotiations and between rounds electronically. 	 The dates for subsequent rounds of negotiations will be agreed by the Chief Negotiators. 	
 Each Working Group will prepare Agree Minutes, at the end of each round, that will compile the text and commitments. The Agree Minutes will be initialed and approved by the Working Group Leads. 	 Exchanges of data and texts will take place both during negotiations and between rounds electronically. For the exchange of data, Parties will agree on a schedule for the simultaneous exchange. Each Working Group will prepare the Summary of Discussions Agree Minutes, at the end of each round, that will compile the text and commitments. The Summary of Discussions will include the next steps to be caried out before 	
 Management of texts and proposals during negotiations: The Sides agree that the host country would be responsible for producing consolidated or revised texts reflecting the results of the negotiations at the end of each round. The Chief Negotiators will initial the Agreed Minutes at the conclusion of the round. MS Word and MS Excel Formats will be used for all texts and proposals. Working Groups will be responsible for drafting a list of tasks and commitments to be carried out before the following round. Negotiation coordinators will compile the same and shall be annexed to the Agreed Minutes. The meetings will be held in English. If a Side decides to use interpretation for its own delegation, such cost of 	the following round. The Summary of Discussions Agree Minutes will be initialed and approved by the [UAE: Working Group Leads Joint-Committee.] • Management of texts and proposals during negotiations: The Parties Sides agree that the host country would be responsible for producing consolidated or revised texts reflecting the results of the negotiations at the end of each round. The Chief Negotiators will initial the [UAE: Summary of Discussions Agreed Minutes] at the conclusion of each the round. MS Word and MS Excel Formats will be used for all texts and proposals. • [UAE: Working Groups will be responsible for drafting a list of tasks and commitments to be carried out before the following round. Negotiation coordinators will compile the	[UAE: Recommend retaining the language of Working Group processes as this is standard practice].
interpretation will be covered by that Side.	same and shall be annexed to the Agreed Minutes.]	

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 Materials exchanged between the Sides during the negotiations will, in principle, be provided in the English language. 	 The meetings will be held in English. If a Party Side decides to use interpretation for its own delegation, such cost of interpretation will be covered by that Party Side. 	
	 Materials exchanged between the Parties Sides during the negotiations will, in principle, be provided in the English language. 	Propose to delete as this section is already discussed in bullet 7
The Sides have assigned the following country negotiators to channel all communications:	The Sides have assigned the following country negotiators to channel-all-communications:	UAE: We seek clarification from PH as to why this provision has been deleted. We believe it is important to at the very least, include
Ms. Shaima Alaydarous Phone: +971 4 314 1632	For the United Arab Emirates Ms. Shaima Alaydarous Phone: +971 4 314 1632-	communication contact details under the TOR.
Director of Trade Negotiations & International Organizations, Ministry of Economy Email: salaydarous@economy.ae	Director of Trade Negotiations & International Organizations, Ministry of Economy Email: salaydarous@economy.ae-	:
For the Philippines	For the Philippines	
Ms. Charmaine Mignon Yalong Commercial Attaché Ministry of Economy and Industry Email: charmainemignon-yalong@dti.gov.ph	Ms. Charmaine Mignon Yalong Commercial-Attaché Ministry-of-Economy and Industry- Ms. Charmaine Phone: #971 44504252 Email: charmainemignon yalong@dti.gov.ph	
Executed on the XX of XXXX, 2022.	Executed on the XX-of XXXX, 20223.	Propose to adopt the TOR without signing. The TOR serves as a guide in the negotiations. Parties will be flexible to accommodate any
FOR THE UNITED ARAB FOR THE PHILIPPINES EMIRATES	FOR THE UNITED ARAB FOR THE PHILIPPINES EMIRATES	changes in the TOR in the course of the negotiations. UAE: The UAE takes the view that the TOR <i>must</i> be executed in
Ministry of Economy Department of Trade and Industry	Ministry of Economy Department of Trade and Industry	order to crystallize the objectives of the Parties and provide the necessary framework for the negotiations. This will make for a smoother process during the negotiation rounds. Importantly, the UAE will not be keen to amend the TOR during the negotiations as this may be counter-productive towards the overall process.