



MEMORANDUM

FOR : **The Directors**
Biodiversity Management Bureau
Ecosystems Research and Development Bureau
Environmental Management Bureau
Forest Management Bureau
Mines and Geosciences Bureau
Land Management Bureau
Climate Change Service
Legal Affairs Service

FROM : **The OIC Director**
Policy and Planning Service

SUBJECT : **HIGHLIGHTS OF THE FOCUS GROUP DISCUSSION ON THE PROPOSED TRADE AND SUSTAINABLE DEVELOPMENT CHAPTER UNDER THE PHILIPPINES - UNITED ARAB EMIRATES COMPREHENSIVE ECONOMIC PARTNERSHIP AGREEMENT (PH-UAE CEPA)**

DATE : 14 MAR 2024

This pertains to the Focus Group Discussion (FGD) on the proposed Trade and Sustainable Development (TSD) Chapter under the Philippines - United Arab Emirates Comprehensive Economic Partnership Agreement (PH-UAE CEPA) conducted on 11 March 2024 via zoom video conference.

The meeting seeks to provide guidance and to discuss the drafting of the negotiation text under the TSD Chapter. It was facilitated by the Department of Trade and Industry (DTI), and attended by the representatives from the Department of Labor and Employment (DOLE) and Department of Environment and Natural Resources (DENR).

Below are the key takeaways from the FGD:

1. The first round of negotiation has been rescheduled to the 1st week of May to be hosted by the UAE. DTI will provide further details on the 1st round of negotiation;
2. Considering the tight deadline of text submission, DTI will request extension of the deadline from the UAE on the submission of draft text on TSD Chapter, Competition Chapter and Services Annexes;
3. On the crafting of TSD texts, DENR and DOLE to submit their proposed texts on environment and labor by **25 March 2024**;

4. An in-person FGD with DOLE and DTI will be conducted by April to combine the draft labor and environment text;
5. Both DENR and DOLE needs to establish a technical secretariat for the whole duration of the negotiation;
6. DENR's suggestion is to have a more generic text for flexibility in the future negotiations while also focusing on the specific areas of cooperation namely: biodiversity conservation and environmental protection, climate change, low carbon economy, green jobs; and
7. DTI requested DENR and DOLE to submit the list of international frameworks/ conventions that both the Philippines and UAE are a party.

Please be informed that this Office has drafted the initial text for the environment of the TSD chapter. In this regard, we would like to request the following:

- (1) review and provide comment, and recommendation on the draft text for the environment. You may also provide proposed language and additional areas of cooperation for the TSD Chapter under PH - UAE CEPA, attached as **Annex A**.
- (2) **nominate at least one of your trade focal/s** following this format (*name, designation, office and contact number*) or your may also update the indicated list of technical representatives who attended the FGD with DTI and DOLE held on 11 March 2024, in preparation for the upcoming negotiations, attached as **Annex B**.
- (3) additional inputs (*if any*) for the list of International Frameworks and/or Multilateral Environmental Agreements (MEAs) that the Philippines and UAE are a party to, attached as **Annex C**.

The said documents may also be accessed using this link: <https://tinyurl.com/5xxrwcyd>. We would appreciate receiving your comments and inputs on or before **19 March 2024** through the following email address: psddivision@gmail.com and/or policy@denr.gov.ph.

For your information and consideration, please.



CHERYL LOISE T. LEAL

**Draft environment text for the TSD Chapter of the PH – UAE CEPA
as of 13 March 2024, PSD proposed texts**

Article	Text	Comments
X.1 Basic Principle	<ol style="list-style-type: none"> 1. The parties recall its commitment to: <ul style="list-style-type: none"> - principles set by the Stockholm Declaration on the Human Environment of 1972, - the Rio Declaration on Environment and Development of 1992, - Agenda 21 on Environment and Development of 1992, - the Johannesburg Plan of Implementation on Sustainable Development of 2002, - the Rio+20 Outcome Document "<i>The Future We Want</i>" of 2012, Transforming our world: the 2030 Agenda for Sustainable Development of 2015. - the United Nations Framework Convention on Climate Change (UNFCCC) and its Paris Agreement, and other related Multilateral Environmental Agreements Reference: PH-EFTA, ASEAN - China FTA and ATIGA 2. The Parties reaffirm their commitments to promote the development of international trade and investment in a way that contributes to the objectives of sustainable development for the welfare of present and future generations. 3. The Parties recognise that economic development, social development and environmental protection are interdependent and mutually supportive pillars of sustainable development. Reference: PH - EFTA 4. The Party recognise the benefits of cooperation on addressing trade-related environmental issues as part of a global approach to trade and sustainable development. 5. The Parties agree that the provisions of this Chapter shall not be used in a manner that would constitute a disguised restriction on trade or investment between Parties. 	

<p>X.2 Right to Regulate and Levels of Protection</p>	<ol style="list-style-type: none"> 1. The Parties recognise 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, rules, regulations and policies accordingly. Reference: <i>Article 20.3: General Commitments para 2 CTPPP Environment Chapter</i> 2. The Parties shall seek to ensure that its laws, rules, regulations and policies and practices provide for and encourage high levels of environmental protection consistent with standards, principles and agreements referred to in Article XX (Multilateral Environmental Agreements) and shall strive to further improve the level of protection provided for in those laws, rules, regulations and policies. Reference: PH - EFTA FTA and ASEAN - China FTA <p><i>During the DENR Intra-Departmental meeting on ASEAN-China FTA, CCS suggested to request DFA's comment on the entire paragraph on Right to Regulate and Levels of Protection.</i></p>	
<p>X.3 Upholding Levels of Protection in the Application and Enforcement of Laws and Regulations</p>	<ol style="list-style-type: none"> 1. Without prejudice to paragraph 1 Article X.2 of this Chapter, the Party shall not weaken or reduce the environmental protections 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. Reference: General Commitment paragraph 6 CTPPP 2. Nothing in this Chapter shall be construed to empower a Party's authorities to undertake environmental law enforcement activities in the territory of the other Party. Reference: India - UAE CEPA, article 7 	
<p>X. 4</p>	<ol style="list-style-type: none"> 1. The Parties reaffirm their commitment to the effective implementation 	

<p>Multilateral Environmental Agreements and Environmental Principles</p>	<p>in their laws, rules, regulations and practices of the multilateral environmental agreements (hereinafter referred to as "MEAs) to which they are a party, as well as their adherence to environmental principles reflected in the international instruments referred to in Basic Principle (Article X.1) Reference: Texts from PH - EU FTA, The same with the proposed ASEAN - China FTA Text</p> <p>2. The Parties reaffirm their commitment to effectively implement in their laws, rules, regulation, policies and practices the MEAs to which they are a party, and further recognize that this Chapter can contribute to realizing the goals of such agreements.</p> <p>3. The Parties strive to consult and cooperate through Dialogue as appropriate with respect to MEAs to which both Parties are party, on trade-related environmental issues of mutual interest. (Reference: ASEAN - China)</p>	
<p>X. 5 Co-Operation</p>	<p>1. Parties may engage in economic activities consistent with Article X.1 Basic Principle of this Chapter, subject to availability of funds and human resources.</p> <p>2. Economic cooperation may may be undertaken through ways and means considered appropriate by the <relevant Sectoral Body> and may cover topics related to the following areas:</p> <ul style="list-style-type: none"> - Biodiversity conservation and protection; - Low carbon economy; - Circular Economy; and - Renewable Energy 	
<p>X.6 Trade and Biodiversity</p>	<p>1.</p>	
<p>X. 7 Trade and Climate</p>	<p>1. The Parties recognise the importance of taking urgent action to combat climate change and its impacts, and the role of trade in pursuing this objective, consistent with the UN Framework Convention on Climate</p>	

X.6 Trade and Biodiversity	1.	
X. 7 Trade and Climate	<p>1. The Parties recognise the importance of taking urgent action to combat climate change and its impacts, and the role of trade in pursuing this objective, consistent with the UN Framework Convention on Climate Change (UNFCCC), the purpose and goals of the Paris Agreement adopted by the Conference of the Parties to the UNFCCC at its 21st session, and with other MEAs and multilateral instruments in the area of climate change. Reference: (EU - India Text).</p> <p>2. The Parties recognize the principle of common but differentiated responsibilities and respective capabilities, in consideration of different national circumstances in addressing climate change. Reference: Article 2, para 2, Paris Agreement</p>	
X.8 Just transition	<p>1. The Parties acknowledge that transition to a low emissions economy requires collective action Reference: CPTPP</p> <p>2. The parties reaffirm its commitments during the 28th Conference of Party COP 28 of UNFCCC:</p> <ul style="list-style-type: none"> - Retains “just transition of the workforce and the creation of decent work and quality jobs in accordance with nationally defined development priorities” - Inclusion of the workforce, decent work and quality jobs as important elements in just transition 	
X.8 Non-Application of Chapter XX (Consultations and Dispute Settlement)	Chapter XX (Consultations and Dispute Settlement) shall not apply to any matter arising under this Chapter.	

ANNEX B

**DENR Delegation for PH – UAE CEPA
Trade and Sustainable Chapter**

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ANNEX C

International Frameworks/ Conventions/ MEAs PH and UAE are a Party	
International Conventions	Remarks
Climate Change	
UNFCCC and its Kyoto Protocol	
Paris Agreement	
Chemical and Waste	
Minamata Convention on Mercury	
Convention on Persistent Organic Pollutants (POP)	
Rotterdam Convention On The Prior Informed Consent Procedure For Certain Hazardous Chemicals And Pesticides In International Trade (PIC)	
Protocol on the Control of Marine Transboundary Movements and Disposal of Hazardous Wastes and Other Wastes	
Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal	
Montreal Protocol on Substances that Deplete the Ozone Layer and its Amendments	
Vienna Convention for the Protection of the Ozone Layer	
Biodiversity	
Cartagena Protocol on Biosafety to the Convention on Biological Diversity	
Nagoya-Kuala Lumpur Supplementary Protocol on Liability and Redress to the Cartagena Protocol on Biosafety to the Convention on Biological Diversity	
International Treaty on Plant Genetic Resources for Food and Agriculture	
Convention on the Preservation of Wildlife and its Natural Habitat in the Countries of GCC	