



DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES
KAGAWARAN NG KAPALIGIRAN AT LIKAS YAMAN



MEMORANDUM

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

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

SUBJECT : **INVITATION FOR THE TECHNICAL WORKING GROUP – TRADE AND SUSTAINABLE DEVELOPMENT (TSD) MEETING ON APRIL 8, 2024 AND TWG-TRADE IN SERVICES MEETING ON APRIL 15 AND 16, 2024 VIA ZOOM**

DATE : **03 APR 2024**

This pertains to the letter dated 1 April 2024 from the Department of Trade and Industry – Bureau of International Trade Relations (DTI-BITR), regarding the preparation to the 1st Round of Negotiations for the PH-UAE Comprehensive Economic Partnership Agreement (CEPA), which will be held in Dubai, UAE on May 6 – 8, 2024. All working groups under the CEPA will be convened in parallel during the negotiating round.

In preparation for the said meeting, the DTI will conduct a Technical Working Group (TWG) Meetings to discuss the draft texts of the CEPA Chapters and to finalize the Philippine counter-drafts for submission to the UAE by April 26, 2024. Please be informed that the DENR was included in the TWG on Trade and Sustainable Development (TSD) and TWG on Trade in Services. You may access and download the chapters by clicking the following link: <https://rb.gy/whi3lq>. Kindly refer to the zoom meeting schedule below:

Meeting	Schedule	Chapter	Agencies	Meeting details
TWG – TSD	April 8, 2024	Trade and Sustainable Development (DENR as co-lead)	DENR, DOLE, PTIC-Dubai	
TWG – Trade in Services	April 15 – 16, 2024	- Trade in Services - Financial Services - Telecommunication Services	BOI, CIAP, DENR, DOF, DICT, DOLE, PRC, DMW, NEDA, BSP, SEC, IC, PTIC - Dubai	https://zoom.us/j/99494864277

In this regard, may we respectfully invite your nominated representative/s for the PH - UAE CEPA to join and attend the TWG meeting with the PPS representative/s. Likewise, we would like to remind the remaining Offices who are yet to submit their nomination for the said initiatives. To date, please be informed that this Office has only received nominations from FMB, LAS, BMB, and CCS. We would appreciate receiving your advance confirmation on or before 05 April 2024 through this email addresses: psddivision@gmail.com and policy@denr.gov.ph. Enclosed are the relevant documents for your reference.

For your information and consideration, please.


CHERYL LOISE T. LEAL

TECHNICAL WORKING GROUP MEETING ON CEPA CHAPTERS

TABLE OF CONTENTS	
Memorandum to Bureaus/ concerned offices	
A	Environment Text <i>(this will be combined with the Labor text from DOLE for the Trade and Sustainable Development Chapter)</i>
B	<i>Trade in Services Chapter</i>

(as of March 25, 2024)

**Philippines – UAE CEPA
CHAPTER X**

Environment Text

**Article X.1
Basic Principle**

1. The parties recall its commitment to 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 “*The Future We Want*” of 2012, Transforming our world: the 2030 Agenda for Sustainable Development of 2015¹, Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES), United Nations Framework Convention on Climate Change (UNFCCC) and its Paris Agreement, other related Multilateral Environmental Agreements that both are a party.²
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
3. The Parties recognize that the economic, social and environmental dimension of sustainable development are interdependent and mutually reinforcing.
4. The Parties recognize 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.⁴

¹ Chapter 11 of Philippines-European Free Trade Association Free Trade Agreement (PH-EFTA FTA)

² ASEAN-China Free Trade Agreement

³ EU-Vietnam Free Trade Agreement

⁴ GATT Exception

Article X.2
Right to Regulate and Levels of Protection

1. The Parties recognise the sovereign right of each Party to establish its own levels of domestic environmental protection and its own environmental and priorities, and to establish, adopt or modify its environmental laws, rules, regulations, policies, plans, programs and priorities, accordingly.⁵
2. The parties encourage high levels of environmental protection consistent with standards, principles and agreements referred to in Article XX (Multilateral Environmental Agreements) and to further improve the level of protection provided for in those laws, rules, regulations and policies.

Article X.3
Upholding Levels of Protection in the Application and Enforcement of Laws and Regulations

1. Without prejudice to paragraph 1 Article X.2 of this Chapter, the Party shall not diminish or reduce the environmental protections afforded in their respective environmental laws. Accordingly, a Party shall not waive or derogate from, or offer to waive or derogate from, its environmental laws in order to encourage trade or investment between the Parties.⁵
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.⁶

Article X.4
Multilateral Environmental Agreements and Environmental Principles

1. The Parties reaffirm their commitment to effectively implement and enforce 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).¹
2. The Parties endeavor 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.²

⁵ Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP)

⁶ India-UAE Comprehensive Economic Partnership Agreement

Article X.5
Co-operation

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.
2. Economic co-operation may be undertaken through ways and means considered appropriate by the <relevant Sectoral Body> and may cover topics related to the following areas:
 - Biodiversity conservation and protection;
 - Blue and Green Economy;
 - Climate and environment;
 - Circular Economy; and
 - Renewable Energy

Article X.6
Trade and Biodiversity

1. The Parties recognize the importance of the conservation and sustainable use of biological diversity and the role of trade in achieving sustainable development⁵ consistent with the Convention on Biological Diversity (CBD) and its protocols (Nagoya Protocol on Access to Genetic Resources and the Fair and Equitable Sharing of Benefits Arising from their Utilization and the Cartagena Protocol on Biosafety), CITES, Convention on Migratory Species (CMS) and other relevant MEAs to which they are a party.
2. The Parties endeavor to communicate and cooperate, including but is not limited to, exchanging information, experiences, best practices in areas related to: (a) Biodiversity protection, (b) habitat rehabilitation, (c) preserving and enhancing cultural heritage, and (d) prevention of introduction of invasive alien species.
3. The Parties shall cooperate to promote safe, legal and sustainable trade of wildlife through enhancement of regulatory measures and systems, as well as on curbing illegal wildlife trade, by strengthening enforcement capacities, reducing the demand side for illegally traded wildlife, and addressing drivers of illegal wildlife collection at source.

Article X.7
Trade and Climate

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 Paris Agreement and with other MEAs and multilateral instruments in the area of climate change.⁷

⁷ EU-India Free Trade Agreement

2. The Parties recognize the principle of common but differentiated responsibilities and respective capabilities, in consideration of different national circumstances in addressing climate change.⁸
3. The Parties recognize the importance of collaboration and explore partnerships on adaptation, loss and damage, mitigation, and means of implementation.

Article 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.

⁸ Paris Agreement

CHAPTER XX
TRADE IN SERVICES

ARTICLE X.1
Definitions

For the purposes of this Chapter:

(a) a service supplied in the exercise of governmental authority means any service which is supplied neither on a commercial basis, nor in competition with one or more service suppliers;

(b) aircraft repair and maintenance services mean such activities when undertaken on an aircraft or a part thereof while it is withdrawn from service and do not include so-called line maintenance;

(c) airport operation and management services mean the supply of air terminal, airfield and other airport infrastructure operation services on a fee or contract basis. Airport operation services do not include air navigation services;

(d) commercial presence means any type of business or professional establishment, including through:

(i) the constitution, acquisition or maintenance of a juridical person, or

(ii) the creation or maintenance of a branch or representative office,

within the territory of a Party for the purpose of supplying a service;

(e) computer reservation system services mean services provided by computerised systems that contain information about air carriers' schedules, availability, fares and fare rules, through which reservations can be made or tickets may be issued;

(f) ground handling services mean the supply at an airport, on a fee or contract basis, of the following: airline representation, administration and supervision; passenger handling; baggage handling; ramp services; catering (except the preparation of the food); air cargo and mail handling; fueling of an aircraft; aircraft servicing and cleaning; surface transport; and flight operations, crew administration and flight planning. Ground handling services do not include self-handling; security; line maintenance; aircraft repair and maintenance; or management or operation of essential centralised airport infrastructure such as de-icing facilities, fuel distribution systems, baggage handling systems, and fixed intra-airport transport systems;

(g) juridical person means any legal entity duly constituted or otherwise organized under applicable law, whether for profit or otherwise, and whether privately-owned or governmentally-owned, including any corporation, trust, partnership, joint venture, sole proprietorship or association;

(h) juridical person of the other Party means a juridical person which is either:

(i) constituted or otherwise organized under the law of the other Party, and is engaged in substantive business operations in the territory of:

- (a) that Party; or
 - (b) any Member of the WTO and is owned or controlled by natural persons of that other Party or by juridical persons that meet all the conditions of subparagraph (i)(a); or
- (ii) in the case of the supply of a service through commercial presence, owned or controlled by:
 - (a) natural persons of the other Party; or
 - (b) juridical persons of the other Party identified under subparagraph (i).
- (i) a juridical person is:
- (i) "owned" by persons of a Party if more than 50 percent of the equity interest in it is beneficially owned by persons of that Party;
 - (ii) "controlled" by persons of a Party if such persons have the power to name a majority of its directors or otherwise to legally direct its actions; or
 - (iii) "affiliated" with another person when it controls, or is controlled by, that other person; or when it and the other person are both controlled by the same person;
- (j) measure means any measure by a Party, whether in the form of a law, regulation, rule, procedure, decision, administrative action, or any other form;
- (k) measures by Parties mean measures taken by:
- (i) central, regional or local governments and authorities; and
 - (ii) non-governmental bodies in the exercise of powers delegated by central, regional or local governments or authorities;
- In fulfilling its obligations and commitments under the Chapter, each Party shall take such reasonable measures as may be available to it to ensure their observance by regional and local governments and authorities and non-governmental bodies within its territory;
- (l) measures by Parties affecting trade in services include measures in respect of
- (i) the purchase, payment or use of a service;
 - (ii) the access to and use of, in connection with the supply of a service, services which are required by a Party to be offered to the public generally; and
 - (iii) the presence, including commercial presence, of persons of a Party for the supply of a service in the territory of the other Party;

(m) monopoly supplier of a service means any person, public or private, which in the relevant market of the territory of a Party is authorized or established formally or in effect by that Party as the sole supplier of that service;

(n) natural person of the other Party means a natural person who resides in the territory of the other Party and who is a national of the other Party or possess the right of permanent residence¹ in that other Party in accordance with its laws and regulations.

(o) person means either a natural person or a juridical person;

(p) sector of a service means:

(i) with reference to a specific commitment, one or more, or all, subsectors of that service, as specified in a Party's Schedule; or

(ii) otherwise, the whole of that service sector, including all of its subsectors;

(q) selling and marketing of air transport services mean opportunities for the air carrier concerned to sell and market freely its air transport services including all aspects of marketing such as market research, advertising and distribution. These activities do not include the pricing of air transport services nor the applicable conditions.

(r) services include any service in any sector except services supplied in the exercise of governmental authority;

(s) service consumer means any person that receives or uses a service;

(t) service of the other Party means a service which is supplied:

(i) from or in the territory of that other Party, or in the case of maritime transport, by a vessel registered under the laws of that other Party, or by a person of that other Party which supplies the service through the operation of a vessel and/or its use in whole or in part; or

(ii) in the case of the supply of a service through commercial presence or through the presence of natural persons, by a service supplier of that other Party;

(u) service supplier means any person of a Party that supplies a service;²

¹ With respect to the UAE, the term "permanent residence" shall mean any natural person who is in possession of a valid residency permit under the laws and regulations of the UAE. With respect to the Philippines, the term "permanent residence" shall mean any natural person who is granted valid residence permit under the laws and regulations of the Philippines.

² Where the service is not supplied directly by a juridical person but through other forms of commercial presence such as a branch or a representative office, the service supplier (i.e. the juridical person) shall, nonetheless, through such presence be accorded the treatment provided for service suppliers under the Chapter. Such treatment shall be extended to the presence through which the service is supplied and need not be extended to any other parts of the supplier located outside the territory where the service is supplied.

(v) supply of a service includes the production, distribution, marketing, sale and delivery of a service;

(w) trade in services is defined as the supply of a service:

- (i) from the territory of a Party into the territory of the other Party;
- (ii) in the territory of a Party to the service consumer of the other Party;
- (iii) by a service supplier of a Party, through commercial presence in the territory of the other Party;
- (iv) by a service supplier of a Party, through presence of natural persons of a Party in the territory of the other Party;

(x) traffic rights mean the right for scheduled and non-scheduled services to operate and/or to carry passengers, cargo and mail for remuneration or hire from, to, within, or over the territory of a Party, including points to be served, routes to be operated, types of traffic to be carried, capacity to be provided, tariffs to be charged and their conditions, and criteria for designation of airlines, including such criteria as number, ownership, and control.

ARTICLE X.2 Scope and Coverage

1. This Chapter applies to measures by Parties affecting trade in services.

2. This Chapter shall not apply to:

- (a) laws, regulations, or requirements governing the procurement by government agencies of services purchased for governmental purposes and not with a view to commercial resale or with a view to use in the supply of services for commercial sale;
- (b) services supplied in the exercise of governmental authority;
- (c) subsidies or grants provided by a Party, including government-supported loans, guarantees, and insurance; and
- (d) measures affecting natural persons of a Party seeking access to the employment market of the other Party, or measures regarding citizenship, residence or employment on a permanent basis.

Nothing in this Chapter shall prevent a Party from applying measures to regulate the entry of natural persons into, or their temporary stay in, its territory, including those measures necessary to protect the integrity of, and to ensure the orderly movement of natural persons across, its borders, provided that such measures are not applied in such a manner as to nullify or impair the benefits accruing to any Party under the terms of a specific commitment.³

(e) measures affecting air traffic rights or measures affecting services directly related to the exercise of air traffic rights, other than measures affecting:

³ The sole fact of requiring a visa for natural persons of certain country and not for those of others shall not be regarded as nullifying or impairing benefits under a specific commitment.

- (i) aircraft repair and maintenance services;
- (ii) the selling and marketing of air transport services;
- (iii) computer reservation system services;
- (iv) airport operation and management services; or
- (v) ground-handling services.

ARTICLE X.3
Schedules of Specific Commitments

1. Each Party shall set out in its Schedule of Specific Commitments, the specific commitments it undertakes under Articles X.5 (Market Access), X.6 (National Treatment), and X.7 (Additional Commitments).

2. With respect to sectors where such commitments are undertaken, each Schedule of Specific Commitments shall specify:

- a) terms, limitations and conditions on market access;
- b) conditions and qualifications on national treatment;
- c) undertakings relating to additional commitments
- d) where appropriate, the time-frame for implementation of such commitments; and
- e) the date of entry into force of such commitments.

3. Measures inconsistent with both Articles X.5 and X.6 shall be inscribed in the column relating to Article X.5. In this case, the inscription will be considered to provide a condition or qualification to Article X.6 as well.

4. The Parties' Schedules of Specific Commitments are set forth in Annex X.

ARTICLE X.4
Most-Favoured Nation Treatment

1. Except as provided for in its List of MFN Exemptions contained in Annex X, a Party shall accord immediately and unconditionally, in respect of all measures affecting the supply of services, to services and service suppliers of the other Party treatment no less favourable than that it accords to like services and service suppliers of any non-party.

2. The obligations of paragraph 1 shall not apply to:

- (a) Treatment granted under other existing or future agreements concluded by one of the Parties under Article V or V bis of the GATS⁴ as well as treatment granted in

⁴For the purposes of this Agreement, this obligation does not cover the notification requirement under GATS Article V, paragraph 7.

accordance with Article VII of the GATS or prudential measures in accordance with the GATS Annex on Financial Services.

(b) Treatment granted by the UAE to services and service suppliers of the GCC Member States under the GCC Economic Agreement and treatment granted by the UAE under the Greater Arab Free Trade Area (GAFTA).

(c) Treatment granted by the Philippines to services and service suppliers of Member States of ASEAN under an agreement on the liberalisation of trade in goods or services or investment as part of a wider process of economic integration between or among Member States of ASEAN.

3. The provisions of this Chapter shall not be so construed as to prevent a Party from conferring or according advantages to adjacent countries in order to facilitate exchanges limited to contiguous frontier zones of services that are both locally produced and consumed.

4. If, after the entry into force of this Agreement, a Party enters into any agreement on trade in services with a non-party, it shall consider, upon request by the other Party the incorporation into this Agreement of a treatment no less favourable than that provided under the agreement with the non-party. The Parties shall take into consideration the circumstances under which a Party enters into any agreement on trade in services with a non-party.

ARTICLE X.5

Market Access

1. With respect to market access through the modes of supply identified in the definition of "trade in services" contained in Article X.2, each Party shall accord services and service suppliers of the other Party treatment no less favourable than that provided for under the terms, limitations and conditions agreed and specified in its Schedule of Specific Commitments.⁵

2. In sectors where market access commitments are undertaken, the measures which a Party shall not maintain or adopt, either on the basis of a regional subdivision or on the basis of its entire territory, unless otherwise specified in its Schedule of Specific Commitments, are defined as:

(a) limitations on the number of service suppliers whether in the form of numerical quotas, monopolies, exclusive service suppliers or the requirements of an economic needs test;

(b) limitations on the total value of service transactions or assets in the form of numerical quotas or the requirement of an economic needs test;

⁵ If a Party undertakes a market-access commitment in relation to the supply of a service through the mode of supply referred to in the definition of "trade in services" paragraph (i) contained in Article X.2 and if the cross-border movement of capital is an essential part of the service itself, that Party is thereby committed to allow such movement of capital. If a Party undertakes a market-access commitment in relation to the supply of a service through the mode of supply referred to in the definition of "trade in services" paragraph (iii) contained in Article X.2, it is thereby committed to allow related transfers of capital into its territory.

(c) limitations on the total number of service operations or on the total quantity of service output expressed in terms of designated numerical units in the form of quotas or the requirement of an economic needs test;⁶

(d) limitations on the total number of natural persons that may be employed in a particular service sector or that a service supplier may employ and who are necessary for, and directly related to, the supply of a specific service in the form of numerical quotas or the requirement of an economic needs test;

(e) measures which restrict or require specific types of legal entity or joint venture through which a service supplier may supply a service; and

(f) limitations on the participation of foreign capital in terms of maximum percentage limit on foreign shareholding or the total value of individual or aggregate foreign investment.

ARTICLE X.6
National Treatment

1. With respect to the services sectors inscribed in its Schedule of Specific Commitments, and subject to any conditions and qualifications set out therein, each Party shall accord to services and service suppliers of the other Party, in respect of all measures affecting the supply of services, treatment no less favourable than that it accords to its own like services and service suppliers.⁷
2. A Party may meet the requirement in paragraph 1 by according to services and service suppliers of the other Party either formally identical treatment or formally different treatment to that it accords to its own like services and service suppliers.
3. Formally identical or formally different treatment by a Party shall be considered to be less favourable if it modifies the conditions of competition in favour of services or service suppliers of that Party compared to the like service or service suppliers of the other Party.

ARTICLE X.7
Additional Commitments

The Parties may negotiate commitments with respect to measures affecting trade in services not subject to scheduling under Articles X.5 (Market Access) and X.6 (National Treatment), including those regarding qualification, standards or licensing matters. Such commitments shall be inscribed in a Party's Schedule of Specific Commitments.

ARTICLE X.8
Modification of Schedules

⁶ Subparagraph 2(c) does not cover measures of a Party which limit inputs for the supply of services.

⁷ Specific commitments assumed under this Article shall not be construed to require either Party to compensate for any inherent competitive disadvantages which result from the foreign character of the relevant services or service suppliers.

Upon written request by a Party, the Parties shall hold consultations to consider any modification or withdrawal of a specific commitment in the requesting Party's Schedule of Specific Commitments. The consultations shall be held within three months after the requesting Party made its request. In the consultations, the Parties shall aim to ensure that a general level of mutually advantageous commitments no less favourable to trade than that provided for in the Schedule of Specific Commitments prior to such consultations is maintained. Modifications of Schedules are subject to any procedures adopted by the Joint Committee established in Chapter XX (Administration of the Agreement).

ARTICLE X.9
Domestic Regulation

1. In sectors where specific commitments are undertaken, each Party shall ensure that all measures of general application affecting trade in services are administered in a reasonable, objective and impartial manner.
2. (a) Each Party shall maintain or institute as soon as practicable judicial, arbitral or administrative tribunals or procedures which provide, on request of an affected service supplier, for the prompt review of, and where justified, appropriate remedies for, administrative decisions affecting trade in services. Where such procedures are not independent of the agency entrusted with the administrative decision concerned, the Party shall ensure that the procedures in fact provide for an objective and impartial review.

(b) The provisions of subparagraph (a) shall not be construed to require a Party to institute such tribunals or procedures where this would be inconsistent with its constitutional structure or the nature of its legal system.
3. Where authorisation is required for the supply of a service on which a specific commitment under this Chapter has been made, the competent authorities of each Party shall:
 - (a) within a reasonable period of time after the submission of an application considered complete under domestic laws and regulations, inform the applicant of the decision concerning the application;
 - (b) in the case of an incomplete application, on request of the applicant, identify all the additional information that is required to complete the application and provide the opportunity to remedy deficiencies within a reasonable timeframe;
 - (c) on request of the applicant, provide without undue delay information concerning the status of the application; and
 - (d) if an application is terminated or denied, to the extent possible, inform the applicant in writing and without delay the reasons for such action. The applicant will have the possibility of resubmitting, at its discretion, a new application.
4. With a view to ensuring that measures relating to qualification requirements and procedures, technical standards and licensing requirements do not constitute unnecessary barriers to trade in services, in sectors where specific commitments are undertaken, the Parties shall aim to ensure that such requirements are:

- (a) based on objective and transparent criteria, such as competence and the ability to supply the service;
- (b) not more burdensome than necessary to ensure the quality of the service; and
- (c) in the case of licensing procedures, not in themselves a restriction on the supply of the service.

5. In determining whether a Party is in conformity with the obligation under subparagraph 4, account shall be taken of international standards of relevant international organisations applied by that Party.⁸

6. In sectors where specific commitments regarding professional services are undertaken, each Party shall provide for adequate procedures to verify the competence of professionals of the other Party.

7. The Parties shall jointly review the results of the negotiations on disciplines on domestic regulation, pursuant to Article VI.4 of the GATS, with a view of incorporating them into this Chapter.

ARTICLE X.10 Recognition

1. For the purposes of the fulfilment, in whole or in part, of its standards or criteria for the authorisation, licensing or certification of service suppliers, and subject to paragraph 3, a Party may recognise, or encourage its relevant competent bodies to recognise, the education or experience obtained, requirements met, or licences or certifications granted in the other Party. Such recognition, which may be achieved through harmonisation or otherwise, may be based upon an agreement or arrangement between the Parties or their relevant competent bodies, or may be accorded autonomously.

2. Where a Party recognises, by agreement or arrangement, the education or experience obtained, requirements met, or licenses or certifications granted in the territory of a non-party, that Party shall afford the other Party adequate opportunity to negotiate its accession to such an agreement or arrangement, whether existing or future, or to negotiate a comparable agreement or arrangement with it. Where a Party accords recognition autonomously, it shall afford adequate opportunity for the other Party to demonstrate that the education, experience, licences or certifications obtained or requirements met in that other Party's territory should also be recognised.

3. A Party shall not accord recognition in a manner which would constitute a means of discrimination between the other Party and non-parties in the application of its standards or criteria for the authorisation, licensing or certification of service suppliers, or a disguised restriction on trade in services.

⁸ The term "relevant international organisations" refers to international bodies whose membership is open to the relevant bodies of the Parties to this Agreement.

4. The Parties agree to encourage, where possible, the relevant bodies in their respective territories responsible for issuance and recognition of professional and vocational qualifications to:

(a) strengthen cooperation and to explore possibilities for mutual recognition of respective professional and vocational qualifications; and

(b) pursue mutually acceptable standards and criteria for licensing and certification with respect to service sectors of mutual importance to the Parties.

ARTICLE X.11

Payments and Transfers

1. Except under the circumstances envisaged in Article X.14 (Restrictions to Safeguard the Balance-of-Payments), a Party shall not apply restrictions on international transfers and payments for current transactions relating to its specific commitments.

2. Nothing in this Chapter shall affect the rights and obligations of the Parties as members of the International Monetary Fund under the Articles of Agreement of the Fund, as may be amended, including the use of exchange actions which are in conformity with the Articles of Agreement, provided that a Party shall not impose restrictions on any capital transactions inconsistently with its specific commitments regarding such transactions, except under Article X.14 (Restrictions to Safeguard the Balance-of-Payments) or at the request of the International Monetary Fund.

ARTICLE X.12

Monopolies and Exclusive Service Suppliers

1. Each Party shall ensure that any monopoly supplier of a service in its territory does not, in the supply of the monopoly service in the relevant market, act in a manner inconsistent with that Party's obligations under Article Most-Favoured-Nation Treatment and specific commitments.

2. Where a Party's monopoly supplier competes, either directly or through an affiliated company, in the supply of a service outside the scope of its monopoly rights and which is subject to that Party's specific commitments, the Party shall ensure that such a supplier does not abuse its monopoly position to act in its territory in a manner inconsistent with such commitments.

3. The provisions of this Article shall also apply to cases of exclusive service suppliers, where a Party, formally or in effect, (a) authorizes or establishes a small number of service suppliers and (b) substantially prevents competition among those suppliers in its territory.

ARTICLE X.13

Business Practices

1. Parties recognize that certain business practices of service suppliers, other than those falling under Article [Monopolies and Exclusive Service Suppliers], may restrain competition and thereby restrict trade in services
2. Each Party shall, at the request of the other Party, enter into consultations with a view to eliminating practices referred to in paragraph 1. The Party addressed shall accord full and sympathetic consideration to such a request and shall cooperate through the supply of publicly available non-confidential information of relevance to the matter in question. The Party addressed shall also provide other information available to the requesting Party, subject to its domestic law and to the conclusion of satisfactory agreement concerning the safeguarding of its confidentiality by the requesting Party.

ARTICLE X.14

Restrictions to Safeguard the Balance-of-Payments

1. In the event of serious balance-of-payments and external financial difficulties or threat thereof, a Party may adopt or maintain restrictions on trade in services on which it has undertaken specific commitments, including on payments or transfers for transactions related to such commitments. It is recognized that particular pressures on the balance of payments of a Party in the process of economic development or economic transition may necessitate the use of restrictions to ensure, inter alia, the maintenance of a level of financial reserves adequate for the implementation of its programme of economic development or economic transition.
2. The restrictions referred to in paragraph 1:
 - (a) shall not discriminate among WTO members;
 - (b) shall be consistent with the Articles of Agreement of the International Monetary Fund;
 - (c) shall avoid unnecessary damage to the commercial, economic and financial interests of the other Party;
 - (d) shall not exceed those necessary to deal with the circumstances described in paragraph 1;
 - (e) shall be temporary and be phased out progressively as the situation specified in paragraph 1 improves.
3. In determining the incidence of such restrictions, a Party may give priority to the supply of services which are more essential to their economic or development programmes. However, such restrictions shall not be adopted or maintained for the purpose of protecting a particular service sector.
4. A Party adopting or maintaining such restrictions, or changing existing restrictions, shall promptly notify the Joint Committee thereof.

ARTICLE X.15

Denial of Benefits

A Party may deny the benefits of this Chapter to a service supplier that is a juridical person, if persons of a non-Party own or control that juridical person and the denying Party:

- (a) does not maintain diplomatic relations with the non-Party; or
- (b) adopts or maintains measures with respect to the non-Party or a person of the non-Party that prohibit transactions with the juridical person or that would be violated or circumvented if the benefits of this Agreement were accorded to the juridical person.

In the case of the supply of a maritime transport service, if it establishes that the service is supplied:

- (a) by a vessel registered under the laws of a non-Party, and
- (b) by a person which operates and/or uses the vessel in whole or in part but which is of a non-Party;

ARTICLE X.16

Review

1. With the objective of further liberalising trade in services between them, the Parties agree to jointly review their Schedules of Specific Commitments and their Lists of MFN Exemptions, taking into account any services liberalization developments as a result of on-going work under the auspices of the WTO.
2. The first such review shall take place no later than two years after the entry into force of this Agreement.

ARTICLE X.17

Annexes

The following Annexes form an integral part of this Chapter:

- Annex XX (Schedules of Specific Commitments)
- Annex XX (MFN Exemptions)
- Annex XX (Financial Services)
- Annex XX (Telecommunications Services)

01 April 2024

(Please refer to the Distribution List)

Dear Sirs/Mesdames:

The Bureau is pleased to invite you or your designated representative/s to participate in the 1st Round of Negotiations for the Comprehensive Economic Partnership Agreement (CEPA) between the Philippines and the United Arab Emirates (UAE), which will be held in Dubai, UAE on 6-8 May 2024 (exclusive of travel time). All working groups¹ under the CEPA will be convened in parallel during the negotiating round. Attached herewith is the official invitation of the Ministry of Economy for your reference.

The CEPA with the UAE will be the Philippines' first trade agreement within the Middle East and with a Gulf Cooperation Council (GCC) member state. It is envisioned to expand the flow of goods and services exports between the Philippines and the UAE and the greater Gulf region, generate more investments, and create more opportunities for professionals and other service providers. As a comprehensive agreement, it will also expand the Philippines' engagement with the UAE in other areas such as digital trade, government procurement, intellectual property, competition, trade and sustainable development, MSMEs, and economic and technical cooperation.

In preparation for the negotiations, the Bureau will conduct a series of technical working group (TWG) meetings to discuss the draft texts of the CEPA chapters and annexes. The goal of the TWG meetings is to finalize the Philippine counter-drafts for submission to the UAE on or before 26 April. You may access and download the chapters by clicking the following link: <https://rb.gov.ph/whi3lq>. For the Chapter on Competition, we thank the Philippine Competition Commission for providing the draft text and the same will be endorsed to the UAE.

Kindly refer to the TWG meeting details below:

Meeting	Schedule	Chapter/Annex	Agencies	Meeting details
TWG-Trade and Sustainable Development (TSD)	8 April 10:00am - 12:00pm	- Trade & Sustainable Development	DENR, DOLE PTIC-Dubai	https://zoom.us/j/99494864277
TWG-Trade in Goods (TIG)	11-12 April, 10:00am - 4:00pm	- Trade in Goods - Rules of Origin - Customs Procedure & Trade Facilitation - Technical Barriers to Trade - Sanitary and Phytosanitary	EMB, BIS, BPS, PTIC-Dubai, BOI, DA, BOC, TC, NEDA, DOJ	Training Room, 5F, DTI International Building, 375 Gil J. Puyat Ave., Makati City

¹ Trade in Goods, Rules of Origin, Trade in Services, Digital Trade, Economic and Technical Cooperation and MSMEs, Customs Procedure and Trade Facilitation, Investments, Legal and Institutional Issues, Government Procurement, Intellectual Property Rights, Trade & Sustainable Development, and Competition

BUREAU OF INTERNATIONAL TRADE RELATIONS

Meeting	Schedule	Chapter/Annex	Agencies	Meeting details
		- Trade Remedies		
TWG-Trade in Services	15-16 April 10:00am - 4:00pm	- Trade in Services - Financial Services - Telecommunication Services	BOI, CIAP, DENR, DOF, DICT, DOLE, PRC, DMW, NEDA, BSP, SEC, IC, PTIC-Dubai	https://zoom.us/j/99494864277
TWG-Digital Trade	17 April 10:00am - 4:00pm	- Digital Trade	ROG, CPAB, E-Commerce Office, DICT, NPC, NTC, DOF, BSP, PTIC-Dubai	
TWG-EcoTech and MSME	18 April 10:00am - 4:00pm	- Economic & Technical Cooperation - MSMEs	RGMS, BSMED, PTIC-Dubai	
TWG-Intellectual Property (IP)	19 April 10:00am-12:00pm	- Intellectual Property Rights	IPOPIL, PTIC-Dubai	
TWG-Investments	19 April 2:00-4:00pm	- Investment Facilitation	BOI-Legal, PTIC-Dubai	
TWG-Government Procurement (GP)	22 April 10:00am - 12:00pm	- Government Procurement	GPPB, PTIC-Dubai	
TWG-Legal Institutional Issues (LII)	22 April 2:00-4:00pm	- Initial Provisions & General Definitions - Dispute Settlement - Exceptions - Institutional Arrangements - Final Provisions	DOJ, PTIC-Dubai	

The DTI will also convene the virtual Philippine Delegation Meeting on 30 April, 9:00 am-12:00 pm. The meeting will be chaired by the Philippine Chief Negotiator, DTI Undersecretary Allan B. Gepty. The working group leads are requested to provide a report/overview of the chapters/annexes under their purview highlighting issues and concerns and proposed PH positions or ways forward. Final administrative arrangements for the negotiating round will also be discussed. Please refer to the meeting details below:

Meeting link: <https://zoom.us/j/95465746069>
Meeting ID: 953 4026 9834

Participating agencies in the CEPA negotiations in Dubai will be responsible for their representatives' visa application and issuance, airfare and inland transportation, accommodation, and other travel requirements as needed. To facilitate the agencies' visa

application, the Bureau will endorse the delegation list through a Note Verbale to the Embassy of UAE in Manila. Please fill in the requested information in the google form: <https://rb.gov/el8hp6> by close of business on 12 April as the Embassy requires at least three (3) weeks to process the visa applications.

For questions and other concerns, kindly reach out to the PH-UAE CEPA Secretariat (bitr_uae@dti.gov.ph) or through Ms. Vicky Quitiquit (VictoriaQuitiquit@dti.gov.ph or 09178821186).

Thank you for your continued support and cooperation.

Very truly yours,


Marie Sherylyn D. Aquia
OIC-Director

vcq/rcs
DTS. No. IN00328422