

CHAPTER 13

ENVIRONMENT AND TRADE

Article 1

Levels of Protection

The Parties reaffirm each Party's right to establish its own levels of environmental protection and its own environmental development priorities, and to adopt or modify its environmental laws and policies.

Article 2

Environmental Laws and Regulations

The Parties recognise that it is inappropriate to encourage trade or investment by weakening or reducing the protections afforded in its environmental laws, regulations, policies and practices. Accordingly, neither Party shall waive or otherwise derogate from such laws, regulations, policies and practices in a manner that weakens or reduces the protections afforded in those laws, regulations, policies and practices in order to encourage trade or investment.

Article 3

Enforcement

Nothing in this Chapter shall be construed to empower a Party's authorities to undertake environmental law enforcement activities in the Area of the other Party.

Article 4

Multilateral Environmental Agreements

The Parties recognise that multilateral environmental agreements (hereinafter referred to as “MEAs”) play an important role globally and domestically in protecting the environment, and reaffirm their commitments to the effective implementation in their laws and practices of the MEAs which apply to both Parties.

Article 5

Review of Environmental Impact

The Parties shall endeavour to review the impact of the implementation of this Agreement on the environment as appropriate, at any time after the entry into force of this Agreement, through their respective participative processes and institutions.

Article 6

Cooperation

Recognising the importance of cooperation in the field of environment in achieving the goals of sustainable development, the Parties commit to conducting cooperative activities in areas of common interest as appropriate.

Article 7

Non-Application of Dispute Settlement

The Parties shall not have recourse to arbitration under Chapter 16 (Dispute Settlement) for matters arising under this Chapter.