

**AGREEMENT**  
**ON ENVIRONMENTAL COOPERATION**  
**BETWEEN**  
**CANADA**  
**AND**  
**THE REPUBLIC OF HONDURAS**

## **PREAMBLE**

**CANADA AND THE REPUBLIC OF HONDURAS** (“Honduras”), hereinafter referred to as “the Parties”,

**NOTING** their resolve to enter into the *Free Trade Agreement between Canada and the Republic of Honduras* (“Canada-Honduras FTA”) in a manner consistent with environmental protection and conservation;

**CONVINCED** of the importance of the conservation, protection, and enhancement of the environment in their territories and of the essential role of cooperation in these areas in achieving sustainable development for the well-being of present and future generations;

**AFFIRMING** the sovereign right of States to exploit their own resources pursuant to their own environmental and development policies and their responsibility to ensure that activities within their jurisdiction or control do not cause damage to the environment of other States or areas beyond the limits of national jurisdiction;

**FURTHER AFFIRMING** the *Rio Declaration on Environment and Development* of 1992, the *Johannesburg Declaration on Sustainable Development* of 2002 and *Johannesburg Plan of Implementation of the World Summit on Sustainable Development* of 2002;

**ACKNOWLEDGING** the growing economic, environmental, and social links between their countries through the creation of a free trade area;

**RECALLING** that Canada and Honduras share a commitment to pursue policies that promote sustainable development, and that sound environmental management is an essential element of sustainable development;

**NOTING** the existence of differences in their respective natural endowments, climatic and geographical conditions, and technological, financial, and infrastructural capabilities;

**FURTHER NOTING** the existence of differences in their respective socio-economic conditions and legal systems;

**ACKNOWLEDGING** the importance of transparency and public participation in the development of environmental law and policies;

**AFFIRMING** that it is inappropriate to relax environmental law in order to encourage trade and investment;

**RECOGNIZING** that enhanced cooperation between the Parties brings benefits which can help strengthen the environmental management systems of the Parties; and

**EXPRESSING** their shared desire to support and build on international environmental agreements through cooperation between the Parties,

**HAVE AGREED** as follows:

## PART ONE

### DEFINITIONS AND OBJECTIVES

#### Article 1: Definitions

1. For the purposes of this Agreement:

**administrative ruling of general application** means an administrative ruling or interpretation that applies to persons and to fact situations that fall within the general scope of that ruling or interpretation and that establishes a norm of conduct but does not include:

- (a) a determination or ruling made in an administrative or quasi-judicial proceeding that applies to a particular person, good, or service of the other Party in a specific case; or
- (b) a ruling that adjudicates with respect to a particular act or practice;

**environmental law** means any statutory or regulatory provisions of a Party, including legally binding instruments made pursuant to those provisions, the primary purpose of which is the protection of the environment, or the prevention of a danger to human life or health, through:

- (a) the prevention, abatement or control of the release, discharge, or emission of pollutants or environmental contaminants;
- (b) the control of environmentally hazardous or toxic chemicals, substances, materials, and wastes, and the dissemination of related information; or
- (c) the conservation and protection of wild flora or wildlife, including endangered species, their habitat, and specially protected natural areas,

in the Party's territory and areas under its jurisdiction, but does not include a statute or regulation, or provision, directly related to worker safety or health, and does not include a statute or regulation, or provision for which the primary purpose is managing the commercial harvest or exploitation, or subsistence or aboriginal harvesting, of natural resources.

For greater certainty, the primary purpose of a particular statutory or regulatory provision for purposes of the definition of “environmental law” shall be determined by reference to its primary purpose, rather than to the primary purpose of the statute or regulation of which it is part;

**environmental management system** means the domestic system of legal, administrative, scientific, and technical processes which collectively support the development, implementation, review, and improvement of laws, policies, programs, and procedures for the conservation, protection, and enhancement of the environment, including the prevention of environmental danger to human health, and contribute to the promotion of sustainable development;

**Non-governmental organization** means any scientific, professional, business, non-profit, or public interest organization or association which is not affiliated with, or under the direction of, a government;

**person** means a natural person, or a legal person such as an enterprise or non-governmental organization incorporated pursuant to the laws of a Party;

**persistent pattern** means a sustained or recurring course of action or inaction beginning after the date of entry into force of this Agreement and does not include a single instance or case;

**proceedings** means administrative, quasi-judicial or judicial proceedings, as the case may be, in accordance with the domestic legal system of a Party;

**province** means a province of Canada, and includes the Yukon, the Northwest Territories and Nunavut;

**territory** means:

- (a) with respect to Canada,
  - (i) the land territory, internal waters and territorial sea, including the air space above these areas, of Canada,
  - (ii) the exclusive economic zone of Canada, as determined by its domestic law, consistent with Part V of the *United Nations Convention on the Law of the Sea*, done at Montego Bay on 10 December 1982 (UNCLOS), and

(iii) the continental shelf of Canada, as determined by its domestic law, consistent with Part VI of UNCLOS;

(b) with respect to Honduras, the land, maritime, and air space under its sovereignty and the exclusive economic zone and the continental shelf within which it exercises sovereign rights and jurisdiction in accordance with international law and its domestic law.

2. It is understood that a Party has not failed to “effectively enforce its environmental law” in a particular case if the action or inaction in question by agencies or officials of that Party:

(a) reflects a reasonable exercise of their discretion in respect of investigatory, prosecutorial, regulatory or compliance matters; or

(b) results from a *bona fide* decision to allocate resources to enforcement in respect of other environmental matters determined to have higher priorities.

## **Article 2: Objectives**

The objectives of this Agreement are to:

- (a) foster the protection and improvement of the environment in the territories and areas under the jurisdiction of the Parties for the well-being of present and future generations through domestic actions and cooperation between the Parties;
- (b) foster sustainable development through the promotion of mutually supportive environmental and economic policies, sound environmental management, and conservation measures;
- (c) strengthen cooperation between the Parties to achieve the objectives and obligations of this Agreement, including the development and improvement of environmental management systems;
- (d) promote compliance with environmental law;
- (e) promote transparency and public participation in the conservation, protection, and improvement of the environment, including in the development of environmental law and policies;
- (f) encourage public participation in the implementation of this Agreement; and
- (g) promote economically efficient and effective environmental measures.

**PART TWO**  
**OBLIGATIONS**

**Article 3: Levels of Protection**

Recognizing the right of each Party to establish its own levels of domestic environmental protection and environmental development policies and priorities, and to adopt or modify accordingly its environmental law and policies, each Party shall ensure that its environmental law and policies provide for high levels of environmental protection, and each Party shall strive to continue to develop and improve that law and those policies and the environmental management systems which support them, taking into consideration their respective levels of development, technologies, and financial resources available to them.

**Article 4: Compliance with and Enforcement of Environmental Law**

1. With the aim of achieving high levels of environmental protection and compliance with its environmental law, each Party shall effectively enforce its environmental law through government actions.
2. Each Party shall ensure that enforcement proceedings are available under its law to sanction or remedy violations of its environmental law.

**Article 5: Non-derogation**

A Party shall not waive, or otherwise derogate from, or offer to waive or otherwise derogate from, its environmental law in a manner that weakens or reduces the protections afforded in that law to encourage trade or investment.



## **Article 6: Assessment of Environmental Impacts**

1. Each Party shall ensure that they maintain appropriate procedures for assessing the environmental impacts of proposed projects that may cause significant adverse effects on the environment, with a view to avoiding or minimizing these adverse effects.
2. Each Party shall ensure that its environmental assessment procedures provide for the disclosure of information to the public concerning proposed projects subject to assessment and, in accordance with its law, shall allow for public participation in such procedures.

## **Article 7: Public Information**

1. Each Party shall ensure that its laws, regulations, and administrative rulings of general application respecting a matter covered by this Agreement are made available to the public in a timely manner.
2. To the extent possible, each Party shall publish or otherwise make available in advance a law or regulation that it proposes to adopt, so as to enable the other Party or those interested to provide comments.

## **Article 8: Private Access to Remedies**

1. Each Party shall ensure that interested persons residing in or established in its territory may request its competent authorities to investigate alleged violations of its environmental law and shall give these requests due consideration in accordance with its law.
2. Each Party shall ensure that persons with a legally recognized interest in a particular matter under its environmental law have appropriate access to proceedings:
  - (a) to enforce the Party's environmental law; and
  - (b) to seek redress for violations of that law.

## **Article 9: Procedural Guarantees**

1. Each Party shall ensure that its proceedings referred to in Articles 4(2) (Compliance with and Enforcement of Environmental Law) and 8(2) (Private Access to Remedies) are fair, and equitable, and to this end shall provide that these proceedings:
  - (a) comply with due process of law;
  - (b) are open to the public, except when the administration of justice otherwise requires;
  - (c) entitle the parties to the proceedings to support or defend their respective positions and to present information or evidence; and
  - (d) are not unnecessarily complicated and do not entail unreasonable charges or time limits, or unwarranted delays.
  
2. Each Party shall provide that final decisions on the merits of the case in these proceedings are:
  - (a) in writing and, preferably, state the reasons on which the decisions are based;
  - (b) made available to the parties to the proceedings and to the public, in a timely fashion and in a manner consistent with its domestic law; and
  - (c) based on information or evidence presented by the parties to these proceedings.
  
3. Each Party shall provide, as appropriate, that parties to these proceedings have the right, in accordance with its domestic law, to seek review and, where warranted, correction of final decisions issued in these proceedings.
  
4. Each Party shall ensure that tribunals that conduct or review these proceedings are impartial and independent, and do not have any substantial interest in the outcome of the matter.

## **Article 10: Corporate Social Responsibility**

Recognizing the substantial benefits brought by international trade and investment, each Party shall make its best endeavours to encourage voluntary best practices of corporate social responsibility by enterprises within its territory or jurisdiction, to strengthen coherence between economic and environmental objectives.

## **Article 11: Measures to Enhance Environmental Performance**

1. The Parties recognize that voluntary and incentive-based measures can enhance environmental performance and contribute to the achievement and maintenance of environmental protection, complementing regulatory measures under environmental law. In accordance with its domestic law and policy, each Party shall promote the development and use of such measures.

2. In accordance with its domestic law and policy, each Party shall promote the development, establishment, maintenance, or improvement of performance goals and standards used in measuring environmental performance.

## **PART THREE**

### **NATIONAL POINT OF CONTACT AND COMMITTEE ON THE ENVIRONMENT**

#### **Article 12: National Point of Contact**

Each Party shall designate an official within the appropriate agency or ministry that shall serve as the National Point of Contact. The Parties shall inform each other in writing by official note of this designation within 6 months of the entry into force of this Agreement and shall make this information available to the public.

#### **Article 13: Committee on the Environment**

1. The Parties hereby establish a Committee on the Environment (the “Committee”), composed of high-level officials of each Party or their authorized representatives. The Committee shall be responsible for the implementation of this Agreement.
2. The Committee shall meet, for the first time, within 1 year after the entry into force of this Agreement to review progress on its implementation. Subsequently, the Committee shall meet as mutually decided, to continue to review progress on the implementation of this Agreement.
3. The Committee shall prepare a summary report of the meetings, unless otherwise decided, and shall prepare reports and recommendations on activities related to the implementation of this Agreement, as appropriate. Copies of the reports and any recommendations will be submitted as appropriate to the Free Trade Commission established under Article 21.1 (Institutional Arrangements and Dispute Settlement Procedures – Free Trade Commission) of the Canada-Honduras FTA for its consideration. Reports may address, among other things:
  - (a) actions taken by each Party further to its obligations pursuant to this Agreement;
  - (b) cooperative activities undertaken pursuant to this Agreement; and

- (c) as appropriate and mutually decided, recommend to amend Article 1.4 (Objectives and Initial Provisions – Relation to Multilateral Environmental Agreements) of the Canada-Honduras FTA.

4. Summary reports of the Committee meetings shall be made public, unless otherwise decided by the Parties.

## **PART FOUR**

### **ACCOUNTABILITY, INFORMATION EXCHANGE AND PROCEDURES FOR REVIEW OF OBLIGATIONS**

#### **Article 14: Public Accountability**

1. A person residing in or established in the territory of a Party may submit a written question to a Party through the National Point of Contact, indicating that the question is being submitted pursuant to this Article regarding that Party's obligations under Part Two (Obligations) or cooperative activities developed pursuant to this Agreement. For Honduras "Residing" means a person who has permanent resident status under its domestic law.
2. The Party that receives the question shall acknowledge it in writing, forward the question to the appropriate authority, and provide a response to the question in a timely manner.
3. If the question is submitted to the Party that is not the Party of the person's residence or establishment, the responding Party shall provide to the other Party, in a timely manner, a copy of the question and the response to the question.
4. Each Party shall make available to the public, in a timely manner, summaries of the question received and response provided.

#### **Article 15: Party-to-Party Information Exchange**

1. A Party may notify and provide to the other Party credible information regarding possible violations of, or failures to effectively enforce, its environmental law. This information shall be specific and sufficient to allow the notified Party to inquire into the matter. The notified Party shall take appropriate steps, in accordance with its domestic law, to inquire and to respond to the notifying Party.
2. At the request of the other Party, a Party shall promptly provide information of a proposed or actual environmental measure and, as promptly as possible, shall respond to any questions of the other Party pertaining to that environmental measure.

## **Article 16: Procedures for Review of Obligations**

1. The Parties shall at all times endeavour to concur on the interpretation and application of this Agreement.
2. The Parties shall make every attempt, through consultations and the exchange of information, with an emphasis on cooperation, to address and resolve a matter that might affect the interpretation or application of this Agreement.
3. A Party may request consultations with the other Party through the Committee on the Environment regarding a matter arising under this Agreement by delivering a written request to the National Point of Contact of the other Party. On receipt, the National Point of Contact shall forward the request for consultations to the Committee. The consultations shall begin promptly after delivery of the request to the National Point of Contact. The request shall contain information that is specific and sufficient to enable the other Party receiving the request to respond to the matter. That Party will respond within 60 days after confirming the receipt of the request for consultations.
4. The Parties shall make every attempt to arrive at a mutually satisfactory resolution of the matter, taking into account opportunities for cooperation relating to the matter and information exchanged by the Parties. The Parties may seek advice or assistance from any person or body they deem appropriate in order to fully examine the matter at issue.
5. If the Parties fail to resolve the matter through the Committee, a Party may request in writing consultations with the other Party at the Ministerial level regarding an obligation under this Agreement. If the Party receiving the request for Ministerial level consultations deems it necessary, the requesting Party shall explain in writing the reasons why the matter must be addressed at the Ministerial level. The Ministerial level consultations shall be carried out by:
  - (a) for Canada, the Minister of the Environment, or its successor;
  - (b) for Honduras, the Secretary of State for Environment and Natural Resources (*Secretario de Estado en los Despachos de Recursos Naturales y Ambiente*), or its successor.
6. The purpose of the consultations is to seek a mutually acceptable solution to the matter.

7. The Party that has received the request for Ministerial consultations shall respond expeditiously. Ministerial consultations shall be concluded within 120 days after the receipt of the request unless the Parties decide otherwise.

8. Following the conclusion of the Ministerial consultations, the requesting Party may request in writing that a Review Panel be convened if it considers the consultations have not satisfactorily addressed the matter and that:

- (a) there is a persistent pattern of failure by the other Party to effectively enforce its environmental law in accordance with Article 4 (Compliance with and Enforcement of Environmental Law); or
- (b) there is a breach of Article 5 (Non-derogation).

9. The Review Panel shall be established with specific terms of reference provided by the Parties, and function in accordance with Annex I (Review Panel Process) and the Model Rules of Procedure.

10. If the Review Panel determines that there has been a persistent pattern of failure by the Party that was the object of the request to effectively enforce its environmental law in accordance with Article 4 (Compliance with and Enforcement of Environmental Law) or that there has been a breach of the obligation under Article 5 (Non-derogation), the Parties may decide on a mutually satisfactory action plan to implement the Review Panel's recommendations taking into account opportunities for cooperation under this Agreement. Any action plan decided on by the Parties shall be made public without delay.



## **PART FIVE**

### **COOPERATION**

#### **Article 17: Cooperative Activities**

1. The Parties may develop programs of cooperative activities to promote the achievement of the objectives and fulfillment of the obligations under this Agreement based on their national priorities. The Parties shall strive to strengthen their cooperation on environmental issues in other bilateral, regional and multilateral forums in which they participate.
2. The funding of cooperative activities shall be arranged on a case-by-case basis subject to the availability of appropriate financial resources as mutually decided by the Parties.
3. Programs of cooperative activities may be developed with due consideration of:
  - (a) the economic, environmental, geographic, social, cultural and legal differences between the Parties;
  - (b) existing environmental cooperative activities;
  - (c) the involvement of the public, experts, and international organizations, as appropriate.
4. The Parties shall identify priority areas for cooperative activities and establish a work program which shall be prepared without delay after the entry into force of this Agreement. The priority areas of cooperation identified by Honduras, listed in Annex II (Environmental Cooperation), may be considered for the initial work program of cooperative activities.

5. The Parties shall make best efforts to effectively implement a work program through activities such as: exchange of experts; facilitation of partnerships for the transfer of knowledge and technologies; training, conferences, and workshops; joint research projects on topics of mutual interest for the purposes of promoting the development or exchange of environmental best practices, information and indicators of interest to the Parties; and, any other form of environmental cooperation that may be decided by the Parties.

6. The Parties shall meet within 1 year after the entry into force of this Agreement and subsequently as mutually decided in order to review progress on environmental cooperation activities.

## **PART SIX**

### **GENERAL PROVISIONS**

#### **Article 18: Review of the Agreement**

1. Within the year following the fifth year after the date of its entry into force, the Committee shall consider undertaking a review of the implementation of this Agreement, taking into account experience in its implementation with a view to improving its operation and effectiveness.
2. As part of this review, the Committee may consider further developments in respect of this Agreement and may present recommendations to the Parties for their consideration and action, as appropriate.
3. The Committee shall provide, as it considers appropriate, for the participation of the public and independent experts in the review process.
4. The Parties shall make the results of the review public.

#### **Article 19: Public Engagement**

1. The Parties shall develop mechanisms, such as Internet web sites, to inform the public of activities undertaken to implement this Agreement, including meetings of the Parties and cooperative activities.
2. The Parties shall make efforts to engage the public, as appropriate, in activities undertaken to implement this Agreement.

#### **Article 20: Enforcement Principle**

This Agreement shall not be construed to empower a Party's authorities to undertake environmental law enforcement activities in the territory of the other Party.

**Article 21: Private Rights**

A Party shall not provide for a right of action under its domestic law against the other Party on the ground that the other Party has acted in a manner inconsistent with this Agreement.

**Article 22: Protection of Information**

This Agreement shall not be construed to require a Party to release information that would be otherwise prohibited or exempt from disclosure under its domestic laws and regulations, including those concerning access to information and the protection of privacy.

**Article 23: Relation to Other Environmental Agreements**

This Agreement shall not be construed to affect the existing rights and obligations of the Parties under other multilateral environmental agreements to which they are party.

## **PART SEVEN**

### **FINAL PROVISIONS**

#### **Article 24: Application to the Provinces**

The application of this Agreement to the provinces of Canada is subject to Annex III (Application to the Provinces of Canada).

#### **Article 25: The Annexes**

The Annexes to this Agreement constitute an integral part of this Agreement.

#### **Article 26: Entry into Force**

Each Party shall notify the other Party, in writing, once it has completed the internal procedures required for the entry into force of this Agreement. This Agreement enters into force on the date of the second of these notifications or the date the Canada-Honduras FTA enters into force, whichever is later.

#### **Article 27: Amendments**

1. The Parties may agree, in writing, to amend this Agreement.
2. Unless otherwise agreed by the Parties, an amendment enters into force following an exchange of written notifications by the Parties certifying the completion of their respective internal procedures, and on a date agreed on by the Parties.
3. An amendment shall constitute an integral part of this Agreement.

#### **Article 28: Termination**

1. The Parties may terminate this Agreement by mutual consent in writing, subject to the conditions and within the timeframe as may be mutually agreed.

2. In the event of the termination of the Canada-Honduras FTA, a Party may terminate this Agreement by giving written notice to the other Party. This Agreement shall terminate 180 days following the date of receipt of the notice in writing, or a later date specified in the notice.

**Article 29: Authentic Texts**

The English, French, and Spanish texts of this Agreement are equally authentic.

**IN WITNESS WHEREOF**, the undersigned, being duly authorized by their respective Governments, have signed this Agreement.

**DONE** in duplicate at \_\_\_\_\_, this \_\_\_\_\_ day of \_\_\_\_\_ 2013,  
in the English, French and Spanish languages.

\_\_\_\_\_  
**FOR CANADA**

\_\_\_\_\_  
**FOR THE REPUBLIC  
OF HONDURAS**

## ANNEX I

### REVIEW PANEL PROCESS

#### Initial Report

1. The Review Panel shall prepare and present to the Parties an initial report within 120 days after the date the last panellist is selected or as otherwise decided.
2. The initial report shall contain:
  - (a) findings of fact;
  - (b) a determination as to whether there has been a persistent pattern of failure by the Party to effectively enforce its environmental law, whether there has been a breach of Article 5 (Non-derogation), or any other determination requested in the terms of reference; and
  - (c) in the event of a positive determination under sub-paragraph (b), recommendations for the resolution of the matter, which shall normally consist of an action plan.

#### Final Report

3. The Parties may provide comments on the report within 60 days of the presentation of the initial report.
4. The Review Panel shall present the final report to the Ministers within 30 days of receiving comments from the Parties.
5. Each Party shall publish the final report within 60 days after it is presented to the Ministers.

#### Criteria for Selecting Panel Review

6. A Review Panel shall consist of 3 panellists to be appointed by the Parties.
7. Each panellist shall:
  - (a) be chosen on the basis of expertise in environmental matters or other appropriate disciplines, objectivity, reliability and sound judgment;

- (b) be independent of, and not be affiliated with or take instructions from, a Party; and
- (c) comply with a code of conduct to be established by the Parties.

8. If a Party believes that a panellist is in violation of the code of conduct, the Parties shall consult and, if they so decide, remove the panellist and select a new panellist in accordance with the criteria set out above. The time limit listed in paragraph 1 shall run from the date of their decision to remove the panellist.

9. Individuals may not serve as panellists with respect to a review in which they have, or a person or organization with which they are affiliated, has an interest.

10. The chairperson may not be a national of a Party.

#### **Panel Selection Procedures**

11. For the purposes of selecting a Review Panel, the following procedures apply:

- (a) each Party shall, within 20 days of the receipt of the request for the establishment of a Review Panel, select one panellist;
- (b) if a Party fails to select its panellist within that period, the other Party shall select the panellist from among qualified individuals who are nationals of the Party that has failed to select its panellist;
- (c) with respect to the selection of the chairperson:
  - (i) the Party that is the object of the request shall provide the requesting Party with the names of 3 qualified candidates within 20 days after the receipt of the request for the establishment of the Review Panel,



- (ii) the requesting Party may choose one of those candidates to be the chairperson or, if the names were not provided or none of the candidates are acceptable, provide the Party that is the object of the request with the names of 3 candidates who are qualified to be the chairperson within 5 days after receiving the names under subparagraph (i) or 25 days after the receipt of the request for the establishment of the Review Panel,
- (iii) the Party that is the object of the request may choose one of the 3 candidates to be the chairperson, within 5 days after receiving the names under subparagraph (ii), failing which the Parties shall immediately request the President of the International Court of Justice to appoint a chairperson within 25 days.

### **Model Rules of Procedure**

12. The Parties shall, within 1 year after the entry into force of this Agreement, establish Model Rules of Procedure, to be used for the establishment and conduct of proceedings under Article 16 (Procedures for Review of Obligations). Unless the Parties otherwise decide, the Review Panel shall perform its functions according to the Model Rules of Procedure and shall ensure that:

- (a) each Party has the opportunity to provide written and oral submissions to the Review Panel;
- (b) non-governmental organizations, institutions, and persons with relevant information or expertise in the Parties' territories have the opportunity to provide written submissions to the Review Panel; and

- (c) at least 1 hearing is held before the panel, for each set of panel proceedings, which, subject to Article 22 (Protection of Information), shall be open to the public.

13. The Parties shall decide on a separate budget for each set of panel proceedings pursuant to Article 16 (Procedures for Review of Obligations). The Parties shall contribute equally to the budget, unless they decide otherwise.

## ANNEX II

### ENVIRONMENTAL COOPERATION

The following is an indicative list of areas of possible cooperation identified by Honduras for consideration in cooperative work programs:

- (a) strengthening environmental management systems, including:
  - (i) environmental risk management,
  - (ii) integrated waste management,
  - (iii) comprehensive management of chemical substances, toxic and hazardous wastes;
- (b) strengthening institutional capacity for the enforcement of domestic environmental laws, including:
  - (i) information system on the environment, including environmental monitoring,
  - (ii) surveillance programs to monitor and track the genetic resources,
  - (iii) monitoring and alert system of genetically modified organisms;
- (c) promoting compliance with domestic environmental law, including providing support to small and medium-sized enterprises to comply with this legislation, including exporting sectors;
- (d) promoting best practices leading to sustainable development, including through:
  - (i) use and development of cleaner production technologies,
  - (ii) promotion of production and trade of environmentally-friendly goods and services;

- (e) promoting best practices of Corporate Social Responsibility by enterprises within the territories of the Parties;
- (f) strengthening mechanisms for public participation in accordance with domestic law of each Party, including environmental citizenship and participation;
- (g) capacity building for the mitigation of climate change, the reduction of risk and vulnerability, and adaptation to the consequences of climate change;
- (h) promotion of innovation and efficiency in the protection and conservation of biodiversity and the sustainable use of natural resources;
- (i) the Parties may cooperate on any other areas for environmental cooperation on which they may concur.

### **ANNEX III**

#### **APPLICATION TO THE PROVINCES OF CANADA**

1. Following the entry into force of this Agreement, Canada shall provide to Honduras through diplomatic channels a written declaration indicating any Provinces for which Canada is to be bound in respect of matters within their jurisdiction. The declaration shall become effective on the date of receipt by Honduras.
2. Canada shall endeavour to make this Agreement applicable to as many provinces as possible.
3. Canada shall notify Honduras 6 months in advance of any modification to its declaration.
4. Canada may not request information or send a notification under Article 15 (Party-to-Party Information Exchange), or request consultations under Article 16 (Procedures for Review of Obligations), at the instance of the government of a province not included in the declaration made under paragraph 1.