

CHAPTER 10

Environment

Article 10-1: Affirmations

1. The Parties recognize that each Party has sovereign rights and responsibilities to conserve and protect its environment, and affirm their environmental obligations under their domestic law, as well as their international obligations under multilateral environmental agreements.
2. The Parties recognize the mutual supportiveness between trade and environment policies and the need to implement this agreement in a manner consistent with high levels of environmental protection and conservation.

Article 10-2: Agreement on the Environment

The Parties have set out in the Agreement on the Environment mutual obligations, which address, *inter alia*:

- (a) the establishment of high levels of domestic environmental protection through their environmental laws and policies;
- (b) the commitment not to derogate from domestic environmental laws to encourage trade or investment;
- (c) compliance with and the enforcement of environmental laws;
- (d) accountability, transparency and public participation on environmental matters; and
- (e) the assessment of the environmental impacts of proposed projects.

Article 10-3: The Relationship between this Agreement and the Agreement on the Environment

1. The Parties recognize the importance of balancing trade obligations and environmental obligations.
2. The Parties affirm that the Agreement on the Environment complements this Agreement and that the two are mutually supportive.
3. The Joint Commission shall consider the reports and recommendations of the Committee on Environment, established under the Agreement on the Environment, in respect of any issues related to trade and the environment.