

# MINISTRY OF FINANCE

## TRADE BRIEF

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# ENVIRONMENT AND THE EPA

## Introduction

The Economic Partnership Agreement (EPA) includes a chapter on the environment.

## The Environment Chapter

The chapter seeks to reaffirm the commitment made in the Cotonou Agreement<sup>1</sup> to the sustainable management of natural resources and the environment.

It encourages parties to the Agreement to use multilateral and regional environmental agreements to conserve, protect and improve the environment using scientific and technical information, the precautionary principle and relevant international standards, guidelines or recommendations in preparing and implementing measures.

## Specific Commitments

1. facilitate trade in goods and services beneficial to the environment like environmental technologies, renewable

and energy-efficient products and services and eco-labeled goods;

2. ensure that environmental laws and policies encourage high levels of environmental and public health protection;

3. adopt and implement international environmental standards, guidelines or recommendations in the absence of national or regional standards;

4. develop, introduce and implement measures to protect the environment and public health with appropriate consultation and timely communication;

5. cannot encourage trade or foreign investment by lowering environmental or public health legislation or failing to enforce existing legislation; and

1. The Parties to the EPA are from the European Community (EC): Belgium, Czech Republic, Denmark, Germany, Estonia, Greece, Spain, France, Ireland, Italy, Cyprus, Latvia, Lithuania, Luxemburg, Hungary, Malta, Netherlands, Austria, Poland, Portugal, Slovenia, Slovak Republic, Finland, Sweden, United Kingdom, Bulgaria and Romania and on the other CARICOM and the Dominican Republic.

6. monitor the impact of the EPA on sustainable development.

### **Cooperation**

The Parties to the EPA agree to cooperate in the following 6 areas:

- (i) assistance to producers to meet standards in European Community markets;
- (ii) promote and facilitate private and public voluntary and market based schemes;
- (iii) capacity building to enforce and implement multilateral environmental agreements;
- (iv) facilitate trade in natural resources including timber and wood from legal and sustainable sources;
- (v) help producers develop or improve production of goods and services beneficial to the environment; and
- (vi) promote and facilitate public awareness programmes on environmental goods and services.

### **Reporting**

The implementation of the chapter will be monitored by the Joint-CARIFORUM Consultative Committee.

The main issues of the environment chapter; sustainable development and renewable energy are reiterated in other areas of the EPA text.

### **I. Sustainable Development**

This issue of sustainable development is also raised in the chapter on Agriculture and Fisheries. The chapter requires that conservation and management of fisheries resources and related ecosystems should be based on the FAO Code of Conduct<sup>2</sup>.

In the Title on Investment, Trade and Services and E-Commerce, governments are encouraged to ensure that there is legislation to ensure that investors do not circumvent international environmental standards. Where there are investments in extensive natural resource projects, investors are encouraged to establish and maintain community liaison processes where they are appropriate.

Governments are not allowed to lower environmental standards in their efforts to encourage foreign direct investment.

### **2. Renewable Energy**

In the chapter on Intellectual Property and Innovation, the cooperation provisions outlined in Article 8 of Innovation section encourage eco-innovation related to energy efficiency and renewable sources of energy.

2. The Code encourages countries to work together to conserve and manage fish resources and habitats. Under the terms of the Code fishing operations should be managed to ensure that practices are sustainable, that is, that there will be fish in the future. Government policies to manage fish resources should be clear and developed in cooperation with stakeholders and the best scientific information.