

CHAPTER 5

ECOLABELLING

Article 5.1 **Objective**

The objective of the Guidelines provided for in Article 5.4 (Guidelines for Voluntary Ecolabelling Programmes) is to inform the development and implementation of high-quality and high-integrity voluntary ecolabelling programmes in order to promote more transparent and sustainable trade.

Article 5.2 **Scope and Definitions**

1. This Chapter applies to voluntary ecolabelling programmes and ecolabels developed under them, for goods or services.¹⁶
2. For the purposes of this Chapter, “ecolabel” means a written or pictorial statement or claim attached to or provided with a good or service including by producers, traders, manufacturers, retailers or service providers relating to its environmental impact or aspects. An ecolabel may be:
 - (a) on a product;
 - (b) on a package label;
 - (c) in product documentation; or
 - (d) in a technical bulletin.

Article 5.3 **General Principles**

The Parties recognise that high-integrity and high-quality voluntary ecolabelling programmes can contribute to, *inter alia*:

- (a) promoting good environmental performance throughout supply chains by facilitating demand for, and supply of, sustainable goods and services;

¹⁶ For greater certainty, this Chapter does not apply to mandatory ecolabelling programmes and ecolabels developed under them.

- (b) enhancing the potential commercial benefits and competitive advantage of using environmental performance in marketing; and
- (c) empowering consumers, businesses and other stakeholders to make more sustainable choices through the provision of reliable information about aspects of the environmental performance of goods and services.

Article 5.4

Guidelines for Voluntary Ecolabelling Programmes

1. The Parties shall promote the following principle-based guidelines for the development and implementation of high-quality and high-integrity voluntary ecolabelling programmes:¹⁷

- (a) an ecolabel should provide truthful, not misleading, reliable, comparable, substantiated and verifiable information on the environmental aspects of goods and services;
- (b) an ecolabel should provide information that assists in differentiating environmentally preferable goods and services in a way that is meaningful to the market;
- (c) where relevant, an ecolabel should strive for a holistic approach and may consider aspects other than environmental impacts in order to support other sustainable development objectives;
- (d) an ecolabel should be based on, and take into account, scientific and technical information based on robust methodology;
- (e) an ecolabel should be developed and implemented using fair and transparent processes. In the development of an ecolabel, relevant and appropriate information should be made available to stakeholders in an accessible manner without prejudice to relevant national legal requirements for protection of confidential information. Systems should be free from undue influence and where appropriate, a diverse and balanced range of interested stakeholders should have opportunities to participate in the process of developing and implementing an ecolabel;
- (f) an ecolabel should follow a least trade restrictive approach and not create unnecessary barriers to trade;
- (g) an ecolabel should not discriminate between goods or services on the basis of their origin;

¹⁷ For greater certainty, the Guidelines provided for in this Article are not legally binding.

- (h) an ecolabel should be aligned with relevant international standards, recommendations or guidelines, support harmonisation of best practices and avoid duplication with international standards and international instruments;
- (i) where relevant, ecolabel criteria and product category rules should take fitness for purpose and levels of performance into account;
- (j) an ecolabel should seek to foster best practice and improvement over time in relation to environmental performance. Where relevant, ecolabel criteria and product category rules should be set with a pre-defined validity period and be reviewed before the end of that period;
- (k) an ecolabel should take the most significant environmental impacts of the product's life cycle into account. Where appropriate, ecolabels should be based on multi-aspect and circular economy considerations;
- (l) methodologies under an ecolabelling programme should aim to minimise compliance costs and complexity for businesses where possible and without negatively impacting environmental performance; and
- (m) if an ecolabel requires third party verification or certification, such verification or certification should be performed by an independent accredited body and according to relevant and recognised international standards, guidelines and recommendations.

Article 5.5 National Contact Points

1. Each Party shall designate a National Contact Point and notify it to the other Parties in writing within 90 days of the date of entry into force of this Agreement for that Party.
2. Each Party shall promptly notify the other Parties of any change to its designated National Contact Point.
3. National Contact Points shall meet on an annual basis, or as otherwise agreed by the Parties, through appropriate means, including electronic mail or videoconferencing.
4. The responsibilities of each National Contact Point shall include:
 - (a) making reasonable efforts to inform all interested stakeholders within the territory of its Party of the existence and availability of the National Contact Points;

- (b) promoting awareness of the Guidelines and making them available by appropriate means, including through online information;
- (c) as appropriate, cooperating with relevant stakeholders concerning their application of the Guidelines;
- (d) responding to enquiries and requests about the Guidelines from other National Contact Points and other interested stakeholders operating within their Party's territory;
- (e) cooperating with other National Contact Points, where appropriate, on matters related to the Guidelines, including sharing best practices and experiences;
- (f) facilitating engagement between interested stakeholders and the relevant ecolabel operators; and
- (g) reporting to the Joint Commission or any subsidiary body that may be established to deal with ecolabelling, on their activities and responses to requests made under this Article.

5. While a National Contact Point is considering a request under paragraph 4, all matters relating to the request shall be kept confidential, in accordance with domestic laws, regulations and procedures of its Party. A National Contact Point shall make its response to any request received under paragraph 4 publicly available, where appropriate.

6. In considering requests made under paragraph 4, a National Contact Point may:

- (a) seek advice from relevant authorities, business communities, non-governmental organisations, and experts;
- (b) consult the National Contact Point of another Party; and
- (c) seek guidance from the Joint Commission.

Article 5.6 Cooperation

1. The Parties recognise the importance of cooperation as a mechanism to implement this Chapter and to enhance its objectives and benefits.

2. Cooperation may be undertaken through any means the Parties consider appropriate, including bilaterally or plurilaterally amongst the Parties. Where possible and appropriate, the Parties shall seek to complement their existing

cooperation, including by voluntary peer evaluations, capacity building and training, and by taking into account relevant work of regional and international organisations.

3. All cooperative activities under this Chapter are subject to the availability of funds and of human and other resources, and to the applicable laws and regulations of the participating Parties.

Article 5.7 Consultations

1. Chapter 7 (Dispute Settlement) shall not apply to any matter arising under this Chapter.

2. Without prejudice to paragraph 1, a Party may request consultations with another Party to foster understanding or address specific matters or general practices under this Chapter. The other Party shall give sympathetic consideration to that request. If consultations are not taking place in the Joint Commission, it should be informed thereof.