

ANNEX 2-E

CHEMICALS

1. Recalling the obligations of the Parties under the WTO Agreement, in particular the TBT Agreement, and recognising the importance of sustainable development and trade for each Party, the Parties confirm their shared objectives and principles of:

- (a) establishing competitive market conditions based on principles of openness, non-discrimination and transparency;
- (b) enhancing cooperation to foster continued mutually beneficial development in trade;
- (c) ensuring a high level of protection of public health and the environment;
- (d) promoting alternative methods for assessment of hazards of substances and reducing animal testing;
- (e) implementing appropriate regulatory mechanisms and protecting confidential information;
- (f) contributing to the fulfilment of the Strategic Approach to International Chemicals Management; and
- (g) developing and promoting best practices on chemicals assessment and management internationally.

2. Based on the objectives and principles in paragraph 1 and with a view to facilitating and promoting trade, the Parties recognise the importance of:

- (a) ensuring transparency regarding the content of their laws, regulations and other measures of general application in the area of chemicals;
- (b) providing transparency and due process when regulating and operating their chemical management regimes;
- (c) applying, whenever possible, best practices with respect to the adoption and implementation of legislation, risk assessments and registration, authorisation, notification and treatment of confidential business information; and
- (d) cooperating in the area of Good Laboratory Practices and Test Guidelines, in order to seek a more harmonised approach to chemical assessment and management for the purpose of seeking international harmonisation of approaches thereto.

3. The Parties agree to discuss in good faith any problems arising from the

application of a Party's regulations on chemicals that have a substantial effect on trade of the other Party.

4. With a view to promoting cooperation in the areas covered by this Annex and providing a forum for the discussions envisaged in paragraph 3, a Working Group on Chemicals is established pursuant to Article 15.3.1 (Working Groups). It shall meet at least once every two years, unless agreed otherwise or the problems referred to in paragraph 3 arise.