

Mutual Recognition Agreement

Australian Environmental Labelling Association and Green Label Thailand Programs

Between: **Australian Environmental Labelling Association.**
AELA Suite, South-West Wing, Weston Primary School,
Weston Creek, Canberra, Australia.

And **Thailand Environment Institute**
161151, Muang Thong Thani, Bond Street, Pakkred
District, Nonthaburi 11120 Thailand

The Australian Environmental Labelling Association ("AELA") is a non-profit organization founded and operated under the supervision of the stakeholder council of the organization with the purpose to contribute towards the realization of a sustainable environment through market environmental transparency, environmental research and study of industry environmental stewardship, cleaner production and sustainable consumption activities in Australia as well as abroad, to also disseminate information on environmental impacts of consumption activities , and to also promote sustainable consumption in Australia as well as abroad through certification and information dissemination on products which have less adverse impact on the environment .

AELA is the owner of the ecolabel identified as Good Environmental Choice in Australia and is operating the Good Environmental Choice Program in Australia.

Suppliers of certain products that comply with Good Environmental Choice products specific criteria and requirements (the "Good Environmental Choice Criteria") may be granted a license to use the Good Environmental Choice Certification Mark in connection with such products;

Thailand Environment Institute ("TEI") is a national, non-profit ecolabelling organization in Thailand founded with the purpose to promote sustainable consumption in Thailand as well as abroad through certification and information dissemination on products which have a less adverse impact on the environment.

TEI is the owner of its officially patented ecolabel identified as the Green label and the Green label Program in Thailand and TEI has been authorized to manage and operate the Green Label Program, which includes also the right to use and sublicense use of the Green Label; and

Suppliers of certain products that comply with the Green Label product specific criteria and requirements (the "Green Label Criteria") may be granted a license to use the Green Label in connection with such products;

In consideration of the parties' mutual desire to cooperatively promote and facilitate the production and marketing of products that are better for the environment, both parties agree as follows.

0.0 Definitions:

In this Agreement,

"Agreement" means this agreement, which may be amended or supplemented from time to time upon written mutual agreement of the parties hereto;

"Ecolabel" refers to the graphic emblem or seal of the ecolabelling program, which is used on or in association with a product to acknowledge that product's compliance with relevant criteria;

"Ecolabelling program" refers to the the Good Environmental Choice Program in Australia or the Green Label Program in Thailand;

"License" refers to a license under which the right to bear the Good Environmental Choice Certification Mark or Green Label on a product is granted by AELA or TEI, as the case may be;

"License fee" means the fees paid to the licensing organization, including but not limited to annual fee, marketing fee and certificate issuance fee;

"Verification fee" means the fees paid to the verification organization, including but not limited to document review and on-site audit fees;

"Party" means AELA or TEI;

"Product" means any good or service.

1.0 Scope:

Section 1.1 The scope of this agreement covers all current and proposed aspects of the Good Environmental Choice Program in Australia and Green Label Program in Thailand.

2.0 Recognition and Acceptance:

Section 2.1 Both parties recognize and accept the other party's operational system and procedures as transparent, open and credible.

Section 2.2 AELA recognizes and accepts TEI as a verifier on behalf of Good Environmental Choice Australia in Thailand, and TEI recognizes and accepts AELA as a verifier on behalf of Green Label in Australia

Section 2.3 AELA shall verify the compliance of the applicant product seeking Green Label in Australia in accordance with the Green Label Criteria and submit a verification report and an endorsement letter to TEI, and TEI shall verify the compliance of the applicant product seeking Good Environmental Choice Certification Mark in Thailand in accordance with the Good Environmental Choice Criteria and submit a verification report and an endorsement letter to AELA

3.0 License Application:

Section 3.1 AELA authorizes TEI to accept an application for the license on behalf of AELA in Thailand, and TEI authorizes AELA to accept an application for the license on behalf of TEI in Australia

4.0 Granting License:

Section 4.1 If and when an application for the license is submitted to AELA from TEI accompanied with a verification report and an endorsement letter issued by TEI verifying the products is determined as having passed and satisfied the Good Environmental Choice Criteria, AELA shall, at its sole discretion, grant the license to such products so long as the products does not pose any particular reason for rejection of the license and so far as it satisfies the Good Environmental Choice Criteria.

Section 4.2 If and when an application for the license is submitted to TEI from AELA accompanied with a verification report and an endorsement letter issued by AELA verifying the product is determined as having passed and satisfied the Green Label Criteria, TEI shall, at its sole discretion, grant the license to such products so long as the products does not pose any particular reason for rejection of the license and so far as it satisfies the Green Label Criteria.

5.0 Warranty:

Section 5.1 Each party warrants that the verification report and endorsement letter as described above accompanying the applications are true and correct.

Section 5.2 TEI shall, upon request of AELA, monitor and audit the products verified by TEI as having passed and satisfied the Good Environmental Choice Criteria, and AELA shall, upon request of TEI, monitor and audit the products verified by AELA as having passed and satisfied the Green Label Criteria.

Section 5.3 Each party will notify the other when the products certified through this agreement fall out of compliance.

6.0 Consultation Section:

Section 6.1 Both parties should meet or communicate, at least once per year to evaluate the progress of this agreement and share monitoring information.

7.0 Free Trade Barriers:

Section 7.1 Measures are considered to be trade barriers when they unfairly disadvantage or restrict the access of the products into a foreign market, hence both parties agree to:

- (a) Ensure decision-making processes relating to criteria development, certification and authorization of product suppliers to use the appropriate ecolabel on their certified product(s), are transparent;



- (b) Keep ecolabelling programs and relevant non-confidential information open and readily accessible to all applicants and other interested parties including both domestic and foreign companies; and
- (c) Incorporate relevant guiding principles established by the International Organization of Standardization (ISO), the Global Ecolabelling Network (GEN), and the World Trade Organization (WTO).

8.0 Fees:

Section 8.1 License fees are to be paid to, and collected by, the party offering the ecolabel being sought by the applicant.

Section 8.2 License fees must be determined and charged in a consistent and fair manner, which does not unjustly discriminate against a foreign applicant.

Section 8.3 Verification fees are to be determined by and directly paid to the party who performs the relevant work.

9.0 No Authority to License Other Party's Eco Label:

Section 9.1 Neither party has the authority to license the use of the other party's ecolabel.

10.0 Termination:

Section 10.1 Termination upon Agreement Anniversary: This agreement may be terminated upon the annual anniversary date of this agreement by either party providing three (3) months advance written notice of intent to the other party.

Section 10.2 Termination for Bankruptcy: This agreement may be terminated by either party if the other party voluntarily enters into proceedings in bankruptcy or insolvency.

Section 10.3 Termination for Change in Status: This agreement will terminate if either party ceases to have the authority to manage and operate the ecolabelling program.

11.0 Arbitration:

Section 11.1 Any claim, disputes or controversy arising between the parties hereto out of or in connection with this agreement, or breach thereof, which cannot be amicably settled by the parties, shall be finally settled by arbitration in accordance with the Rules of Arbitration of the International Chamber of Commerce. The arbitration shall take place in Canberra, Australia if AELA is the respondent and in Bangkok, Thailand if TEI is the respondent. The award thereof shall be final and binding upon the parties and judgment on such award may be entered in any court or tribunal having jurisdiction thereof.

12.0 Miscellaneous Provisions:

Section 12.1 Notice: Any notice, communications or demand given or made pursuant to this agreement shall be in writing and sent by certified airmail, electronic mail or facsimile telecommunications.

Section 12.2 Term: This agreement comes into effect on the date of execution, and remains effective until terminated under the conditions identified in Sections 10.1, 10.2 or 10.3.

Section 12.3 Survival: The termination of this agreement shall not affect the survival and enforceability of any provision of this agreement, which is expressly or impliedly intended to remain in force after such termination.

Signed on behalf of
Thailand Environment Institute

Signed on behalf of
Australian Environmental Labelling Association



Prof. Dr.Sanit Aksornkoae
President

Mr. Petar Johnson
President

Date: 16th May 2005

Date: 10th May 2005