

**Mutual Recognition Agreement  
between  
China Environmental Labeling Program  
and  
Thai Green Label Scheme**

**Between:**      **China Environment United Certification Center Co.Ltd.**  
No.1 Yuhuinanlu, Chaoyang District, Beijing  
100029 China

**And**            **Thailand Environment Institute**  
16/151, Muang Thong Thani, Bond Street, Pakkred District, Nonthaburi  
11120 Thailand

Whereas, China Environmental United Certification Center Co., Ltd (hereinafter referred to as "CEC") is a non-profit organization founded with the purpose to undertake certification and promotion of environmental labels in China as well as abroad, and also to disseminate information on the environmentally preferable products.

Whereas, the State Environmental Protection Administration is the owner of its officially patented ecolabel identified as the China Environmental Labeling in China, and CEC has been authorized to manage and operate the China Environmental Labeling Program, which includes also the right to use and sublicense use of the China Environmental Labeling; and

Whereas, suppliers of certain products that comply with the China Environmental Labeling products specific criteria and requirements (hereinafter referred to as "China Environmental Labeling Criteria") may be granted a license to use the China Environmental Labeling in connection with such products;

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

Whereas, the Thailand Environment Institute, 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

Whereas, 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 China Environmental Labeling Program in China or the Green Label Program in Thailand;

**"License"** refers to a license under which the right to bear the China Environmental Label or Green Label on a product is granted by CEC 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 CEC or TEI;

**"Product"** means any goods or service.

## **1.0 Scope:**

**Section 1.1** The scope of this agreement covers all current and proposed aspects of the China Environmental Labeling Program in China 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** CEC recognizes and accepts TEI as the sole certification agent on behalf of the China Environmental Labeling in Thailand, and TEI recognizes and accepts CEC as the sole certification agent on behalf of the Green Label in China

**Section 2.3** CEC shall verify the compliance of the applicant product seeking the Green Label in China 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 China Environmental Labeling in Thailand in accordance with the China Environmental Labeling Criteria and submit a verification report and an endorsement letter to CEC

## **3.0 License Application:**

**Section 3.1** CEC authorizes TEI to accept an application for the license on behalf of CEC in Thailand, and TEI authorizes CEC to accept an application for the license on behalf of TEI in China

## **4.0 Granting License:**

**Section 4.1** If and when an application for the license is submitted to CEC 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 China Environmental Labeling Criteria, CEC 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 China Environmental Labeling Criteria.

**Section 4.2** If and when an application for the license is submitted to TEI from CEC accompanied with a verification report and an endorsement letter issued by CEC

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 CEC, monitor and audit the products verified by TEI as having passed and satisfied the China Environmental Labeling Criteria, and CEC shall, upon request of TEI, monitor and audit the products verified by CEC as having passed and satisfied the Green Label Criteria.

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

## **6.0 Consultation:**

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

**Section 6.2** Any claim, disputes or controversy arising between the parties hereto out of or in connection with this agreement, or breach should be settled by both parties' consultation based on goodwill.

## **7.0 Information Publicity:**

**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 Beijing, China if CEC 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 signing 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.

Chairman of the Director Board  
China Environmental United Certification  
Centre

&

Director General  
The Environmental Development Centre  
of SEPA

Mr. Chen Yanping

Date: 2007-11-14

President  
Thailand Environment Institute

Prof. Dr. Sanit Aksornkoae

Date: 21 Nov. 07