

the Committee on Procurement shall determine a suitable alternative threshold adjustment formula.

Annex 9 : Transitional Thresholds for Goods and Services Procured by Central Level Entities of Panama

Transitional Thresholds

1. For a transitional period of 3 years from the date of entry into force of this Agreement, Panama shall apply a threshold of SDR 95,000 for goods and services procured by entities listed in Annex 1.

Domestic Currency Adjustment

1. Panama shall adjust the transitional threshold value of this Annex based on an average of the daily conversion rates of the U.S. dollar in terms of SDRs, published by the International Monetary Fund in its monthly "International Financial Statistics", for the two-year period ending September 30 of the year before the adjusted transitional thresholds take effect.

Adoption of Permanent Thresholds

1. At the end of the transitional period, Panama may adopt the thresholds in Annex 1 for goods and services.
2. If Panama is not able to adopt the thresholds in Annex 1 for goods and services procured by entities listed in Annex 1:
 - a. Panama shall notify Canada a minimum of 3 months before the end of the transitional period; and
 - b. the Parties shall adopt the threshold listed in paragraph 1 of this Annex.
3. The new thresholds adopted under paragraphs 3 or 4 will replace the thresholds for goods and services for Canada and Panama procured by entities in Annex 1, and the new adopted threshold values will be adjusted for Canada and Panama in accordance with Annex 8, paragraph 2 or 3 as appropriate.

Text of the Canada–Panama Free trade agreement – Chapter seventeen: Environment

Article 17.01: Affirmations

1. The Parties recognize that each Party has sovereign rights and responsibilities to conserve and protect its environment, and affirm their environmental obligations under their domestic law, as well as their international obligations under multilateral environmental agreements.
2. The Parties recognize the mutual supportiveness between trade and environment policies and the need to implement this Agreement in a manner consistent with environmental protection and conservation and the sustainable use of their resources.

Article 17.02: Agreement on the Environment

In keeping with the spirit of Article 17.01, the Parties have set out their mutual obligations in the Agreement on the Environment to promote the following objectives:

- conservation, protection and improvement of the environment in the territory of each Party for the well-being of present and future generations;
- a commitment not to derogate from domestic environmental laws in order to encourage trade or investment;
- conservation and sustainable use of biological diversity, and protection and preservation of traditional knowledge;
- development of, compliance with and enforcement of environmental laws;

- transparency and public participation in environmental matters; and
- cooperation between the Parties to advance environmental issues of common interest.

Article 17.03: Relationship between this Agreement and the Agreement on the Environment

1. The Parties recognize the importance of balancing trade obligations and environmental obligations, and affirm that the Agreement on the Environment complements this Agreement and that they are mutually supportive.
2. The Commission may consider, as appropriate, reports and recommendations from the Committee on the Environment established under the Agreement on the Environment, in respect of any issues related to trade and the environment.

Text of the Canada–Panama Free trade agreement – Chapter eighteen: Labour

Article 18.01: Affirmations

The Parties affirm their obligations as members of the International Labour Organization (ILO) and their commitments to the ILO Declaration on Fundamental Principles and Rights at Work (1998) and its follow-up as well as their continuing respect for each other's Constitution and laws.

Article 18.02: Objectives