

the agreement by promptly modifying the relevant Annex according to national legislation.

6. If a Party does object within 30 days under paragraphs 1 or 2(a), or does not accept the compensatory adjustment offered under paragraph 2(b), then the change to coverage proposed by the other Party under that paragraph does not take effect.

Article 17.17: Updating Provision

In the interest of promoting the modernization of procurement systems and ensuring consistency with the procedural obligations of the Parties' other trade agreements relating to procurement, if one Party enters into another international agreement that updates procurement procedures and practices, then, at the request of either Party, the Parties shall consider whether they should modify this Chapter.

Chapter Eighteen: Environment

Article 18.1: Affirmations

1. The Parties affirm their respect for their Constitutions and recognize that each Party has sovereign rights and responsibilities to conserve and protect its environment. The Parties affirm their environmental obligations under their domestic law, their right to establish their own levels of domestic environmental protection 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 18.2: Agreement on Environmental Cooperation

Further to Article 18.1, the Parties have set out their mutual obligations in the *Agreement on Environmental Cooperation between Canada and the Republic of Honduras* (the "Agreement on Environmental Cooperation") that addresses, among other things:

- (a) conservation, protection and improvement of the environment in the territory of each Party for the well-being of present and future generations;
- (b) non-derogation from domestic environmental law in order to encourage trade or investment;
- (c) development of, compliance with and enforcement of domestic environmental law;
- (d) transparency and public participation in environmental matters; and
- (e) cooperation between the Parties to advance environmental issues of common interest.

Article 18.3: Relationship between this Agreement and the Agreement on Environmental Cooperation

1. The Parties recognize the importance of balancing trade obligations with environmental obligations, and affirm that the Agreement on Environmental Cooperation complements this Agreement and that the 2 are mutually supportive.
2. The Commission may consider reports and recommendations from the Committee on the Environment established under the Agreement on Environmental Cooperation, in respect of an issue related to trade and the environment.

Chapter Nineteen: Labour

Article 19.1: Affirmations

The Parties affirm their respect for their Constitutions and their rights to establish their own level of domestic labour protection under their respective domestic law, consistent with their obligations as members of the International Labour