

# **Mutual Recognition Agreement**

## **Good Environmental Choice and Korea Eco-Label**

**Between:**      **Australia Environmental Labelling Association Inc.**  
South Wing, Weston Creek Primary School,  
Hilder, Weston, Canberra, Australia

**And**            **Korea Environmental Labelling Association**  
613-2, Bulgwang-dong, Eunpyung-gu, Seoul, Korea

Whereas, Australia Environmental Labelling Association (hereinafter referred to as “AELA”) is a non-profit organization founded for the purpose of encouraging the consumption and production of environmentally-preferable products and services by means of the Good Environmental Choice Program in Australia;

Whereas, AELA is the owner of the Good Environmental Choice Program and has the right to issue its officially patented ecolabel, Good Environmental Choice, to the products that comply with Good Environmental Choice’s products specific criteria and requirements;

Whereas, Korea Environmental Labelling Association (hereinafter referred to as “KELA”) is a non-profit organization founded for purpose of encouraging the consumption and production of environmentally preferable products and services by means of the Korea Eco-Label Program in Korea;

Whereas, KELA has been authorized by the Ministry of Environment in Korea to operate the Korea Eco-Label Program and to issue its officially patented ecolabel, Korea Eco-Label, to the products that comply with the Korea Eco-Label product specific criteria and requirements;

In consideration of the both 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 Good Environmental Choice Program in Australia or the Korea Eco-Label Program in Korea;

**“License”** refers to a license under which the right to bear the Good Environmental Choice or the Korea Eco-Label on a product is granted by AELA or KELA, as the case may be;

**“License fee”** means the fees paid to the licensing organization, including but not limited to annual fee, marketing fee, etc;

**“Verification fee”** means the fees paid to the verification organization, including but not limited to site auditing fee, document auditing fee, etc;

**“Party”** means AELA or KELA;

**“Product”** means any goods or services.

## **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 the Korea Eco-Label Program in Korea.

## **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 KELA as a verifier on behalf of the Good Environmental Choice Program in Korea, and KELA recognizes and accepts AELA as a verifier on behalf of the Korea Eco-Label Program in Australia.

**Section 2.3** AELA shall verify the compliance of the applicant product seeking the Korea Eco-Label in Australia in accordance with the Korea Eco-Label Criteria and submit a verification report and an endorsement letter to KELA, and KELA shall verify the compliance of the applicant product seeking the Good Environmental Choice in Korea in accordance with the Good Environmental Choice Criteria and submit a verification report and an endorsement letter to AELA.

**Section 2.4** AELA may recognize the applicant products which have a valid license of the use of the Korea Eco-Label as eligible to the Good Environmental Choice register or recognized products without further verification of compliance at its sole discretion and following its own unilateral recognition procedures.

### **3.0 License Application**

**Section 3.1** AELA authorizes KELA to accept an application for the license on behalf of AELA in Korea, and KELA authorizes AELA to accept an application for the license on behalf of KELA in Australia.

### **4.0 Granting License:**

**Section 4.1** If and when an application for the license is submitted to AELA from KELA accompanied with a verification report and an endorsement letter issued by KELA verifying the product 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 AELA from KELA accompanied with a certificate of the Korea Eco-Label and an endorsement letter issued by KELA, AELA may, at its sole discretion, grant the license to such products so long as the application is recognized as eligible for the license following the unilateral recognition procedures of AELA.

**Section 4.3** If and when an application for the license is submitted to KELA 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 Korea Eco-Label Criteria, KELA 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 Korea Eco-Label Criteria.

## **5.0 Warranty:**

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

**Section 5.2** KELA shall, upon request of AELA, monitor and audit the products verified by KELA as having passed and satisfied the Good Environmental Choice Criteria, and AELA shall, upon request of KELA, monitor and audit the products verified by AELA as having passed and satisfied the Korea Eco-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 correspond, 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 Seoul Korea, if KELA 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  
Korea Environmental Labelling Association

Dr. Sang-Eun Lee  
Chairman

Date:

Signed on behalf of  
Australia Environmental Labelling Association

Mr. Petar Johnson  
President

Date: