

- (iii) the continental shelf of Canada, as determined by its domestic law, consistent with Part VI of UNCLOS;
- (b) with respect to the Republic of Colombia, its land territory, both continental and insular, its air space and the maritime areas over which it exercises sovereignty, sovereign rights or jurisdiction in accordance with its domestic law and international law.

Article 2: General Provisions

1. Recognizing the sovereign right of each Party to establish its own levels of national environmental protection and environmental development policies and priorities, and to adopt or modify accordingly its environmental laws and policies, each Party shall ensure that its environmental laws and policies provide for high levels of environmental protection and shall strive to continue to develop and improve those laws and policies.
2. Accordingly, and with the aim of achieving high levels of environmental protection, each Party shall effectively enforce, through government action, its environmental laws.
3. For the purpose of this Agreement, a Party has not failed to effectively enforce its environmental law in a particular case where the action or inaction in question by agencies or officials of that Party:
 - (a) reflects a reasonable exercise of their discretion in respect of investigatory, prosecutorial, regulatory or compliance matters; or
 - (b) is the result of *bona fide* decisions to allocate resources to enforcement in respect of other environmental matters which have been determined to have a higher priority.
4. Neither Party shall encourage trade or investment by weakening or reducing the levels of protection afforded in its environmental laws. Accordingly, neither Party shall waive or otherwise derogate from environmental laws in a manner that weakens or reduces the protections afforded in those laws to encourage trade or investment between the Parties.