

**COMMONLY ASKED QUESTIONS**

***Will Mexico be able to attract more industry than Canada or the U.S. because of its environmental practices?***

The NAFTA countries recognize in the Agreement that they should not lower environmental standards to attract investment. The closer relationship fostered by the NAFTA will also bring closer examination of environmental practices by citizens of all three countries.

Mexico has some of the toughest environmental legislation of any developing country (comparable to U.S. and Canadian legislation). It is now taking further steps to enforce those laws.

The reality is that enforcing environmental laws takes money. Greater prosperity will enable the Mexican government to continue to clean up the environment -- and that means no longer tolerating companies that pollute.

***Is Canada doing anything to encourage Mexico to improve its environmental record?***

Through the 1990 Canada-Mexico Agreement on Environmental Co-operation, Canada has provided Mexico with environmental assistance in the areas of compliance and monitoring, hazardous substances and waste management, air pollution control, environmental impact assessment, environmental education and threatened species.

In March 1992, Canada announced a \$1-million program to assist environmental enforcement and monitoring in Mexico. An additional \$1 million was announced in March 1993. To date, Canada has provided over \$1.9 million in funding for a series of environmental projects in Mexico.

***Was there an environmental assessment of the NAFTA?***

The NAFTA underwent a full environmental review -- and is the first trade agreement ever to undergo such a review. It concluded that, "given the economic, trade and environmental considerations described in the review, it is unlikely that the NAFTA will have a significant impact on the environment of Canada." In fact, the review noted a heightened awareness of the continental environment as a result of the NAFTA.