

In Canada's view, the simplest and most direct way to deal with the problem is for the two countries to negotiate an effective air quality accord which requires each signatory to reduce, by a specific date, the transboundary flow of its airborne pollutants to levels which will not damage its neighbour. Canada is convinced that both countries have already assumed such an obligation in several of the international conventions and agreements to which they are party. Moreover, this approach is fully consistent with that which the two countries have previously adopted to resolve other major environmental problems. For example, the 1972 Great Lakes Water Quality Agreement contained specific targets and schedules for the reduction of phosphorous loadings.

The appointment in March 1985 by Prime Minister Mulroney and President Reagan of high level Special Envoys to examine the acid rain problem gave rise to expectations that the United States, after repeated false starts, would begin to deal seriously with this shared problem. The Envoys concluded that acid rain is a serious problem in both countries and that it is a serious transboundary problem. Expectations were reinforced when the two leaders, at their annual meeting in March 1986, endorsed the findings and recommendations of the Envoys. Several important steps were taken to give effect to the Envoys' conclusions. Among them was the establishment and partial funding of a five-year, \$5 billion innovative clean coal technology program in the United States, broadly similar to that recommended by the Special Envoys. In due course this may expand the range of control measures available to deal with SO<sub>2</sub> emissions from coal-fired power plants, the chief source of SO<sub>2</sub> emissions in the USA. This program, while a useful step in the right direction, is not a solution to the transboundary acid rain problem.

In his April 1987 address before a joint session of the Canadian Parliament, President Reagan agreed to consider Prime Minister Mulroney's proposal for a bilateral accord on acid rain along the lines of bilateral agreements to protect shared international waters. Unfortunately, during the course of detailed discussions over the past 12 months, it has become evident that the United States is not prepared to negotiate an effective agreement with binding emission reduction targets and schedules. It is prepared only to consider an accord limited to further study and problem definition. Canada has, therefore, concluded that at present the basis for serious negotiations to deal with the shared problem of acid rain does not exist.

The American position is reflected in the interim report of the USA National Acid Precipitation Assessment Program (NAPAP). This report, which completely ignored the impact of