III. ENVIRONMENTAL PROVISIONS

This chapter has three main functions. First, it addresses the question of extraterritoriality, an issue that is of fundamental importance in determining the choice of environmental policies. Second, the chapter identifies how environmental concerns have been incorporated into the text of the NAFTA. Finally, the chapter analyses certain environmental proposals that are not reflected in the Agreement.

A. CONTEXT OF THE CHAPTER

Although the NAFTA is a trade agreement, all three countries recognize that trade can affect the environment, both positively and negatively. At the beginning of the negotiating process, it was agreed that trade-related environmental issues would be treated as an integral component of the negotiations, while environmental issues that were not trade-related would be considered in parallel discussions. An overview of the latter is presented in Annex 7.

Many of the 22 chapters of the draft NAFTA contain provisions that could affect the environment. However, certain of these provisions would be of significantly greater relevance to the environment than would others. Oral and written comments received from the provinces, environmental organizations¹⁰ and individual Canadians assisted the NAFTA Environmental Review Committee in identifying the most prevalent environmental concerns associated with the Agreement.

Concerns of North American Environmental Organizations Regarding the Trade Agreement.

Ferretti, The Environmental Dimensions of Free Trade.

Ferretti, Proposed Amendments to the Draft North American Free Trade Agreement.

Ferretti, Statement of Janine H. Ferretti on Behalf of Pollution Probe.

Pollution Probe, Canadian Trade Negotiators Should Finish the Job.

Pollution Probe, Will North American Free Trade Pass the Green Test?

Rolfe, Environmental Considerations.

Swenarchuk, Notes for a paper presented at the Seventh Annual Conference on Canada and International Trade.

^{10.} Action Canada Network, North American Free Trade Agreement.

Binational Statement on Environmental Safeguards that Should be Included in the North American Free Trade Agreement.

<u>Common Declaration by Environmental Groups in Mexico, the United States and Canada Regarding the North</u> <u>American Free Trade Agreement</u>.