

The FTA includes a unique dispute settlement system providing for binational panel review of final anti-dumping and countervailing duty determinations (Chapter 19), instead of judicial review by domestic courts. In the NAFTA, this system has been strengthened. The binational panel system will continue to function as it has for the past four years under the FTA. Under the NAFTA, Canadian exporters will have access to binational panel review of Mexican anti-dumping and countervailing duty determination instead of judicial review by Mexican courts. In addition, a new provision has been added to safeguard the dispute-settlement panel system, to ensure that panels are established and their decisions are implemented. If one country denies another these benefits, the affected country will now have recourse. Obligations ensuring the establishment of panels and the implementation of their decisions were enshrined in the Canadian law implementing the FTA. The new provision will ensure that the application of Mexican and U.S. law does not frustrate the binational dispute settlement panel process.

WHAT'S NOT IN THE NAFTA

- ◆ The NAFTA preserves the FTA exemption for cultural industries. Canada's ability to maintain existing cultural support measures -- as well as to introduce new ones -- is undiminished. It has not been watered down or changed. Government health and social services are fully protected, as in the FTA. They are specifically excluded from NAFTA provisions. Canadian government policy prohibiting the large-scale export of water is unaffected.

WHAT IF OTHER COUNTRIES WANT TO JOIN THE NAFTA?

- ◆ The NAFTA includes an "accession" clause permitting other countries to join provided they meet all the necessary requirements and submit to NAFTA disciplines. Each original NAFTA partner will have the right to approve admission of another country.

CANADIAN ENVIRONMENTAL REVIEW OF THE NAFTA

- ◆ On November 3, 1992, the government released the Canadian Environmental Review of the NAFTA. The NAFTA is the first major government policy initiative and the first trade agreement to undergo such an environmental review. The review was conducted by an inter-departmental committee whose mandate specified wide-ranging consultation with provincial governments, environmental and industry groups and other interested Canadians.
- ◆ The committee's report concluded that given the economic, trade and environmental considerations described in the review, the NAFTA would not significantly increase environmental pressures on Canada's air, land, water or natural resources.