

In view of the high degree of interest in the ISO 14000 series of standards and guidelines, in particular the interest in the ISO 14001 Environmental Management System standard outside North America, it would be prudent to assess the extent to which Canadian industry sectors are taking these tools seriously. The assessment should determine where and why the tools are not being pursued. Further, the assessment should, in particular, examine the nature of existing and potential responses among small and medium size enterprises.

Efficiency

It is important that Canada objectively benchmarks itself against the leaders in the development and optimization of VNRI's. Business associations and provincial and federal departments responsible for industrial competitiveness should be instrumental in supporting policy development research to ensure that Canada has efficient tools for environmental protection and trade competitiveness. In this work it would be appropriate to consider a range of tools, including economic instruments, regulations and VNRI's.

Precise Tools

Canadian companies, and their associations should develop more precise, quantitative tools. Federal and provincial environment departments should assess broader use of negotiated agreements and covenants because of their reported effectiveness in the Netherlands and the US.

Summary

VNRI's have implications for market share, trade competitiveness and new market opportunities. Canada faces both risks and opportunities as environmental and related issues become increasingly linked to trade. **There are a number of opportunities for Canada to gain a competitive edge by strategically fostering the development of VNRI's and working to implement appropriate supporting policies.**

¹The experiences of Merck and Weyerhaeuser are described briefly in the section on VNRI's. Case studies on these companies and on the Dutch chemical industry are not in this report.

² Electrolux of Sweden is an example.