

Similarly, provinces/territories and other major groups played a major role in the development of the North American Agreement on Environmental Co-operation (NAAEC), which was concluded in 1993 and will enter into force in early 1994. The NAAEC, sometimes called the environmental side agreement, will complement the NAFTA by establishing a sound environmental foundation on which to build more liberal trading relations. Among other things, its provisions provide for increased co-operation on environmental issues.

Canada has also been actively pursuing the objective of linking trade and environment issues more effectively through international organizations. For example, the federal government has worked closely with interested domestic parties in making its contributions to the development of Guidelines for Improving the Mutual Supportiveness of Trade and Environmental Policies and Agreements by the Organization for Economic Co-operation and Development (OECD). Within the GATT, Canada has been an active participant in the Working Group on Environmental Measures and International Trade. Canada has also supported the work that has begun on packaging and labelling programs in the United Nations Conference on Trade and Development (UNCTAD).

Another Canadian initiative is the establishment of the Task Force on Trade and Sustainability, under the auspices of the National Round Table on the Environment and the Economy (NRTEE). This task force has advised the prime minister from time to time on the environmental dimension of trade agreements. It is currently examining issues like the trade and environment linkages in the context of the Asia-Pacific Economic Co-operation Forum.

The IDRC has initiated projects such as examining eco-labelling and trade with developing countries, and the IISD has brought together experts to develop Principles on Trade and Sustainable Development in order to help bring these policy fields together.

### **Providing Adequate Financial Resources to Developing Countries and Encouraging Macro-Economic Policies Conducive to Environment and Development**

A fundamental aspect of Canadian international co-operation is involvement in bilateral and multilateral dialogue with developing countries and international financial institutions to promote the integration of development and the environment into policy. Canada has also encouraged multilateral agencies to incorporate poverty alleviation into mainstream programming and to put a greater focus on gender-related issues.

Canada's policies regarding development assistance and debt relief are discussed in Part II, Section III.