

Article XX of the GATT provides for exceptions to the basic provisions, should a situation arise for which an environmental goal could only be realized by violating these or other fundamental principles of the General Agreement. These exceptions cover trade measures taken to protect the environment within a country's jurisdiction. When they are used, these exceptions must not constitute an "arbitrary or unjustifiable" form of discrimination, and they must be the "least trade-distorting" of the various measures available for achieving a given environmental goal. Trade measures taken for conservation purposes must be taken "in conjunction with" domestic conservation measures.

The analyses being undertaken by the GATT Working Group on Environmental Measures and International Trade will not be completed before the end of 1993. Once the Uruguay Round is complete, there will be GATT negotiations in the future to address, inter alia, issues arising from the interface between trade and environmental policies. While such negotiations would be likely to have several "focal points," including trade in services, rules for investment, and perhaps competition policy, they could also focus on certain aspects of the trade and environment interface. The specific trade and environment issues, which would be covered in the negotiating mandate of these negotiations, would flow from the results of the GATT Working Group. Possible areas could include (a.) packaging and labelling regulations and (b.) clarification or elaboration of the current Article XX disciplines.

In a June 1, 1992 speech, the Prime Minister expressed support for such negotiations and called upon rich countries to help poor countries make progress on the related issues of aid, trade and debt. The Prime Minister further noted, "And once the current Uruguay Round of global trade negotiations is complete, Canada will support a further round of negotiations in which [the] environment will be a focal point."

D. ORGANIZATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT

The OECD differs from the UN and the GATT in that its membership is currently restricted to 24 industrial democracies. The broad focus of its work and its narrow constituency of similarly situated nations means that it is particularly well suited to pursuing an analytical approach to the trade and environment issue. The efforts of the OECD are focused on better defining the nature of the relationship so that closer co-operation may be established between the two areas. The goal of this exercise is to ensure that environmental policies fully take into account trade considerations and that trade policies fully take into account environmental considerations.

It is against this backdrop that the OECD Trade and Environment Policy Committees, through a Joint Trade and Environment Experts Group, have together been studying the linkages between trade and the environment. The goal of the Group is to develop guidelines on "ways to protect the environment and to preserve the open multilateral [trading] system." The intent of any such guidelines would be "to avoid situations where conflicting environmental and trade objectives become apparent at a stage which is too advanced to allow for the choice of mutually accommodating solutions."

The Joint Trade and Environment Experts Group is working from a set of four guidelines entitled Guiding Principles Concerning the International Economic Aspects of Environmental