

recommend solutions. In particular, the group will look at low-cost, non-technical remedies to congestion problems.

- New construction of border crossing facilities and expansion of existing facilities will be continued. Environmental analysis will be conducted of all new bridges and highway corridors, to identify, inter alia, border area wildlife habitats which may be affected by such projects.
- AID will be continuing to fund a major study of small and mid-sized urban areas outside the Mexico City-Guadalajara-Monterrey areas that would offer the best prospects for economic growth and alternative destination for rural Mexican emigrants.
- EPA will be working with Mexican pesticide regulatory authorities to compare lists of registered pesticides in each country, to identify Mexican pesticide applications that are not authorized in the U.S., and to determine whether alternative U.S.-registered pesticides could be substituted or U.S. registration pursued in such cases.
- The U.S. Food and Drug Administration (FDA) will be working with Mexican authorities to develop a sampling and testing system to determine incidence and levels of pesticide residues in order to target areas for FDA and EPA cooperation toward reduction of the use of pesticide applications that are not authorized in the U.S. and reduction of pesticide levels.

RECOMMENDATIONS FOR NAFTA NEGOTIATIONS

- Flowing from the analysis in this Review are a number of specific negotiating proposals that, if accepted by Mexico and Canada, would tend to reinforce the potential positive environmental effects of the NAFTA or mitigate the potential adverse effects.
- These negotiating proposals would be compatible with the overall NAFTA objectives set forth by the Administration.
- The following represents a list of such recommendations for the negotiating teams:
 - To encourage availability of the best environmental expertise, include U.S. environmental engineering, hazardous and municipal waste management, and treatment services firms and professionals as part of the investment and services negotiations seeking national treatment and liberalized rights of entry.
 - Seek elimination of duty drawback and other duty remission programs after a phase-in period to reduce the incentives to the establishment of export-only maquiladora plants (which tend to be located disproportionately in border areas).
 - Maintain the right to prohibit the entry of goods that do not meet U.S. health, safety, pesticide, food and drug, and environmental regulations, so long as such regulations are based on sound science, do not arbitrarily discriminate against imports or constitute a "disguised" trade barrier.