ANNEX 1

CANADIAN ENVIRONMENTAL REVIEW OF THE NAFTA: TERMS OF REFERENCE⁵¹

- 1. An environmental review of the NAFTA will be conducted under the aegis of the environmental policy announced by the government in June 1990. This policy requires that policy or program proposals presented to Cabinet be accompanied by an assessment of their potential environmental effects. It also requires that a public statement be issued on the anticipated environmental effects of the policy or program, when the potential effects are either significant or of particular concern to Canadians.
- 2. The environmental review of the NAFTA will be conducted by an interdepartmental committee chaired by External Affairs and International Trade Canada and including, inter alia, the departments of Agriculture; Energy, Mines and Resources; Environment; Finance; Fisheries and Oceans; Forestry; Industry, Science and Technology; and Transport.
- 3. The NAFTA Environmental Review Committee will have two fundamental objectives. One will be to ensure that the potential environmental effects of the various negotiating options are taken into account throughout the negotiations. The other will be to document the review of the potential environmental effects of the Agreement.
- 4. In carrying out its functions the Committee will:
 - assemble and review relevant literature from Canadian and foreign governmental and non-governmental sources;
 - meet with representatives of the Canadian negotiating groups for the purpose of discussing the scope and content of the negotiations in each group and to ensure that the negotiators are aware of the potential environmental effects of the various issues and options that are being considered;
 - consult with environmental and other members of the International Trade Advisory Committee (ITAC) and Sectoral Advisory Groups on International Trade (SAGITs);
 - consult with the provinces through the Federal-Provincial Committee on the NAFTA;
 - establish contact and exchange information with the U.S. and Mexican officials responsible for the environmental reviews being conducted by those countries; and
 - review and comment on draft Memoranda to Cabinet on the progress and content
 of the NAFTA negotiations and advise Cabinet of any recommendations or
 concerns that the Committee may have with respect to the negotiations.

^{51.} Consistent with <u>Canada's Green Plan</u>, the Terms of Reference were given to the NAFTA Environmental Review Committee by the Honourable Michael Wilson, Minister of Industry, Science and Technology and Minister for International Trade.