## **Dispute Settlement Mechanism**

- The NAFTA provides three mechanisms for placing environmental concerns before dispute settlement panels when and if disputes arise.
  - -- Environmental considerations could be included in submissions.
  - -- A panel could seek technical advice from any person or body.
  - -- A panel could request a written report of a scientific review board on any factual issues concerning environmental matters.
- In the event of a trade dispute involving an environmental regulation or standard, the NAFTA gives the burden of proof to the NAFTA country challenging the consistency of an environmental measure with the provisions of the Agreement. If there is a doubt remaining, the environmental considerations win out.

A NAFTA dispute settlement panel could seek information, technical advice or a scientific review on environmental matters from any person or body it deemed appropriate. This recognizes the importance of taking environmental considerations into account in the settlement of trade disputes.

## Publication and Public Comment

- The Agreement contains extensive provisions requiring that the citizens and government of a NAFTA country be notified of the laws, regulations, procedures and administrative rulings of any NAFTA country.
- Canadians would have an opportunity to comment on all proposed environmental regulations related to standards-related measures in any NAFTA country. The country would be obliged to take those comments into account when drafting a new or modified standard.
- A trilateral Committee on Standards-Related Measures would be responsible for enhancing co-operation on the development, application and enforcement of standards-related measures. The Committee could include or consult with representatives of non-governmental organizations.

Extensive provisions for notification and clear and open regulations would allow Canadians to influence the environmental standards of all NAFTA members.

## **Tariff Reduction**

 The NAFTA will require that all tariffs on imports of pollution abatement and monitoring equipment be removed within 10 years.

Canadian environmental equipment and service capabilities are recognized internationally. Canada's export interests in Mexico would include solid waste disposal technology, sewage and waste-water treatment and environmental rehabilitation.