

ENERGY SECTOR : QUESTION #10

Considering the lax environmental regulations in Mexico, will the Canadian petrochemical industry not suffer as a result?

RESPONSE:

- THE ISSUE OF ENVIRONMENTAL STANDARDS AND REGULATIONS, AND HOW THEY AFFECT TRADE AND COMPETITIVENESS WILL BE EXAMINED IN PARALLEL NEGOTIATIONS TO THE NAFTA NEGOTIATIONS, BECAUSE A PARALLEL FORUM IS MOST EFFECTIVE MEANS OF DEALING WITH THE PROBLEMS OF THE ENVIRONMENT.
- WE RECOGNIZE THE INTERESTS OF THE PETROLEUM INDUSTRY. IN THIS REGARD, WE ARE PURSUING NEGOTIATIONS TO ENSURE THAT FAIR AND EQUAL TREATMENT OF COMPANIES IN CANADA, THE UNITED STATES AND MEXICO EXISTS, AND THAT DOMESTIC REGULATIONS DO NOT HINDER INTERNATIONAL COMPETITIVENESS OF CANADIAN COMPANIES.
- PRESIDENT SALINAS HAS RECOGNIZED MEXICO'S ENVIRONMENTAL RECORD AND, IN RESPONSE, HAS SIGNED INTERNATIONAL ENVIRONMENTAL COOPERATION AGREEMENTS WITH BOTH CANADA AND THE UNITED STATES. THE ENVIRONMENTAL PROBLEMS OF MEXICO AND THEIR RESOLUTION WILL PROVIDE OPPORTUNITIES FOR COMPANIES EXPORTING PETROLEUM POLLUTION PREVENTION AND ABATEMENT EQUIPMENT AND SERVICES.