



Canada/Mexico/U.S. Cross-Border Environmental Issues

Comprehensive Trade Agreements and the Modernized NAFTA
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Cross-Border Environmental Issues

- North American Free Trade Agreement (NAFTA)
- North American Agreement on Environmental Cooperation (NAAEC)
- Commission on Environmental Cooperation (CEC)
- CEC Strategic Plan 2015-2020
- Cross-Border Environmental Issues

NAFTA Overview

- Effective January 1, 1994, NAFTA eliminated trade barriers and most tariffs to promote more commerce between the U.S., Canada, and Mexico
- NAFTA opened new business opportunities by providing non-discriminatory foreign investment, protecting IP rights, establishing dispute resolution procedures to the NAFTA Trade Commission, and opening up government procurement
- Two formal side agreements were negotiated in conjunction with NAFTA:
 1. North American Agreement on Labor (NAAL)
 2. North American Agreement on Environmental Cooperation (NAAEC)

NAFTA Trade Trends

- U.S. trade with Canada and Mexico has greatly increased since 1994 – up 522% with Mexico and up 200% with Canada
- Canada is the leading market for U.S. exports and Mexico is second
- Canada and Mexico are the 2nd and 3rd largest suppliers of U.S. imports
- Petroleum is a primary component of U.S. trade with Canada and Mexico

NAFTA Top Five Imports to U.S.

- Crude oil petroleum
- Motor vehicles
- Motor vehicle parts
- Non-crude petroleum oil products
- Motor vehicles for transport of goods
- Canada, Saudi Arabia, and Mexico are leading U.S. crude oil suppliers

NAAEC

- Effective January 1, 1994, promoted cooperation among partners on environmental matters and addressed a partner's failure to enforce its own environmental laws
- Authorizes imposition of monetary assessments and sanctions to address partner's failure to enforce its environmental laws
- Created the CEC
- NAAEC was the first time environmental issues were addressed by the U.S. in any free trade agreement

CEC

- Established in 1994 in the NAAEC and is an intergovernmental organization addressing environmental concerns posed by continent-wide free trade
- CEC includes a Council (cabinet level rep from each country), Secretariat (technical, administrative and operational support for CEC) and Joint Public Advisory Committee (5 citizens from each country advising on NAAEC matters)
- Jointly funded by U.S. , Canada and Mexico

CEC Mission Statement

“To facilitate cooperation and public participation, to foster conservation, protection, and enhancement of the North American environment for the benefit of present and future generations, in the context of increasing economic, trade, and social links among Canada, Mexico, and the U.S.”

CEC Strategic Plan 2015-2020

- Environmental Priorities:
 1. Climate Change Mitigation and Adaptation
 2. Green Growth
 3. Sustainable Communities and Ecosystems

CEC Environmental Focus Areas

- Ecosystems
- Green Economy
- Pollutants
- Climate Change
- Enforcement
- Independent Reports (lead battery, sustainability, green building, maize/biodiversity, electricity, migratory birds and air pollution pathways)

CEC Enforcement Overview

- Over the last 5 years, there have been 11 substantive environmental cases filed with the CEC including 3 from U.S., 7 from Mexico and 1 from Canada
- These cases address a variety of environmental concerns including air emissions from refineries, mining concerns, wetlands, water quality, waste management and preservation of nature areas
- Each allege that the federal government has failed to comply with existing environmental laws

CEC Environmental Resources

- North American Environmental Atlas
- North American Release and Transfer Register
- Hazardous Waste Training for Environment, Customs and Border Inspectors
- Grasslands Beneficial Management Practices Tool

Cross-Border Considerations Beyond NAFTA

- Many other federal, state, and local authorities and organizations addressing environmental matters, particularly as to water quality and quantity
 1. International Joint Commission (IJC) – Canada and U.S.
 2. International Boundary and Water Commission (IBWC) – Mexico and U.S.
 3. Canada – U.S. Regulatory Cooperation Council (RCC)
 4. Border 2020 – Mexico and U.S.

Cross-Border Environmental Matters

Questions?

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