

Third North American Symposium on Assessing the Environmental Effects of Trade

Montreal / 30 November - 1 December

# RESEARCH PAPER

# The NAFTA Environmental Agreement: The Intersection of Trade and the Environment

Author:

Jon Plaut (1)

Date:

December 2005

This paper is the basis of presentations in earlier versions by Mr. Plaut on July 29, 2004 at the Governor's School at Ramapo College in Mahwah, New Jersey and on Nov. 5, 2004 at a Science, Technology and Society forum at the Pennsylvania State University in University Park, Pennsylvania.).

#### Third North American Symposium on Assessing the Environmental Effects of Trade

This research paper was prepared for the CEC Secretariat as part of its Third North American Symposium on Assessing the Environmental Effects of Trade (2005). The opinions, views or other information contained herein are those of the author(s) and do not necessarily reflect the views of the CEC or the governments of Canada, Mexico or the United States.

Commission for Environmental Cooperation 393, rue St-Jacques Ouest, Bureau 200 Montréal (Quebec) H2Y 1N9 Tel: (514) 350-4300 ; Fax: (514) 350-4314 E-mail: info@cec.org http://www.cec.org

#### **Executive Summary**

The NAFTA Commission for Environmental Cooperation (the CEC) has acted at the interface of environmental concerns and burgeoning hemispheric trade by undertaking cooperative programs and pursuing its unique features and relationships across North America, including through interactions at the local level. Specific and deliberate actions encouraging and promoting green products, phasing out harmful chemicals, creating a continent-wide accounting system of emissions, supporting grass roots programs, such as the health of trans-boundary workers, and partnering in conservation exemplify. The very existence of citizen rights to challenge the adequacy of government enforcement activity, and for the CEC's secretariat to make independent findings, allows for transparency and public participation at points of environment and trade controversy. A role of the Joint Public Advisory Committee (JPAC) is to act as the public's advocate by providing a mechanism to defend the process of citizen challenge. JPAC's major contribution towards a new environment and trade dialogue is the creation of North American constituency for the CEC. Of equal importance is the continuously spun web of the CEC's public involvements, as can be gleaned, for example, by the regional and local activities of JPAC over the first eight year period. The existence of the NAFTA Environmental Side Agreement itself, too, with its unique features assuring transparency and public input provide the opportunity for trade interface.

## Introduction and Methodology

This paper will project the view that too little attention has been focused on the direct and indirect effects of the NAFTA Commission for Environmental Cooperation (CEC) program and projects put in place by the governments at the intersection of trade (commerce) and the environmental interest, including direct public involvement through the Joint Public Advisory Committee (JPAC). In short, the existence of the CEC, often working at the cutting edge of development issues, with its leadership at a high environmental policy level of the three governments, and with transparency and institutionalized public involvement, has resulted in meaningful environmental programs and projects at intersections of trade and the stewardship of the environment at the local and regional levels.

In industry, the environmental manager or advocate on the inside of the business knows that "good environmental management is good management," but also knows that the opportunity to show environmental saving or lower risk to management is not always present. Risk avoidance from better environmental management is often difficult to document. So, beyond good safety records, or emission reduction or less spills and environmental compliance (which are important indices to track) the evidence of improvement is often anecdotal and used to gain trust that behavior is being changed for the better. It is my intention to suggest and demonstrate with this paper the positive linkage between the environmental activities of the CEC and the concerns and opportunities of increased commerce between the three NAFTA countries.

Between 1994 and 2002 I repeatedly traveled to Mexican, Canadian and U.S. locations, for activities associated with the CEC. I was a charter appointee by President William Jefferson Clinton to the Joint Public Advisory Committee (JPAC) of the Commission. The idea for the North American Free Trade Agreement came to fruition under the leadership of President George H. W. Bush and his trade team, as well as under the administration of Environmental Protection Administrator Bill Reilly (I served on Administrator Reilly's Trade and Environment

#### **Research Paper: Plaut**

#### Third North American Symposium on Assessing the Environmental Effects of Trade

Nacept Committee in the early 1990s). In President William Clinton's autobiography "My Life", he states, "I was a free-trader at heart, and I thought America had to support Mexico's economic growth to ensure long-term stability in our hemisphere." He argues in the book that "I finally endorsed the controversial North American Free Trade Agreement, which the Bush administration had negotiated with Canada and Mexico, with the caveat that I wanted to negotiate side agreements ensuring basic labor and environmental standards that would be binding on Mexico." (2)

I was selected to serve on JPAC with my colleagues (five originating from each country) by the President and his advisors, presumably because of my environmental leadership role in industry; my activities with U.S. EPA including on its trade and environment committee; my strong position including in senate hearings in favor of the existence of the environmental side agreement; and as a result of the support of Ambassador Abraham Katz, a leading trade authority who saw early the connection between trade and the environment. Three times in the eight years of my service my colleagues on JPAC selected me as their Chair. (3)

The CEC is an organization established under a parallel agreement, in this case with a focus on environmental stewardship and sustainability in our North American region. The Rio Declaration of the Earth Summit of 1992 focused on the potential of a positive relationship between trade and the environment, recognizing that both responsible development and environmental stewardship are critical. It was not lost on Earth Summit delegates, either, that a path of cooperation would be more productive than continued confrontation. Agenda 21, the ongoing work product of the Earth Summit, encouraged programs of cooperation between rich and poor countries, with calls for direct support by civil society of development and environmental stewardship (4).

The first brief anecdotal case study I will outline is an environmental success story which highlights the specific accomplishment and the potential for other like minded projects, as well as the linking of trade and the environment in a constructive manner, as a result of intense advocacy and involvement. It serves admirably as an introduction to the NAFTA Environment Side Agreement and the CEC as a positive force at the intersection of trade and the environment. As in the case of each of these brief anecdotes, it is not my intention to exhaustively study and report out details. I merely would like to suggest that these cases do exist, and at a nexus of environmental concern with trade in North America. Further detail can be gained from the CEC and other sources.

## I. Shade grown coffee:

Shade grown coffee is one success story in which the CEC played an important role. As background, coffee can be grown on cleared land, which is not good stewardship of the environment, or under the canopy or shade of trees at a slightly lower yield per hectare. If the Mexican farmers were to be encouraged to grow shade grown coffee and satisfy a certification or labeling requirement, there would have to be a market or trade opportunity in the United States and Canada. So the CEC undertook a program to encourage the greening of coffee in the region, encouraging environmentally conscious North Americans to purchase the beans through a number of retail chains. The CEC undertook an active promotion program on "greening trade", of which shade grown coffee was a prominent part. There are, of course, other green products being otherwise encouraged in North America, for example palm fronds or bananas, but shade

grown coffee is a good example of positively linking trade and the environment through a cash crop.

In this paper I will outline using short anecdotes on case studies other examples of the CEC's environmental stewardship programs at the intersection with trade. The purpose is to show how these efforts can positively impact trade or commerce at the local level, which can be instructive and benefit other localities.

#### Involvement and engagement through local participation

They say travel is broadening. In environmental advocacy it is essential to work at the point of application, marshalling your personal resources on those priorities which engage you. In fact, as is usually the experience for the environmental advocate concerned with activity in the field, local hands-on involvement associated with responsibilities of the CEC adds immeasurably to the outcome of environmental stewardship being taken seriously, and in many cases assures it, particularly as a result of the interactions and involvement with local people, their culture and concerns, including economic ones. These trips and focus on the resource at a local level foster improvement at both the continental and local levels; allow advocates in the governments and the public sphere who are in favor of North American environmental stewardship to be in close contact with local concerns; encourage experience with local culture in all its variety and diversity to sharpen and enlarge the environmental application for other regions; and gain reproducible knowledge and skills from the interaction with the local geography and contacts for and outside the region. The discussion which follows of travel and commitment to, as well as involvement in local issues and concerns in North America is not simply discourse on activity, but a sketching of a focus of the CEC, and particularly JPAC, on the region and the locale which creates and harnesses the North American environmental constituency.

A thorough, independent and largely supportive ten year review of the work of the CEC was completed and reported to the three parties. (5) Despite large, continued environmental problems in the region, environmental progress has the potential to emanate from the linking of environment and trade under the programs and projects of the CEC. Here is my rather more idiosyncratic assessment, not in strict chronological order, based on my own involvement.

## MEXICO

In the midst of the North American trade boom, Mexico City is a gigantic megalopolis of sharp contrasts. Mexico is mastering its birth rate (an accomplishment tied at least to education, government programs, women's emergence, economic well being, and environmental and health awareness), while it wrestles with continued urbanization, and immigration from the south and to the north. It is a region with great environmental difficulties and opportunities, growing and in renaissance under the trade and environmental agreements. I have been to Mexico City as the JPAC Chair and as JPAC industry representative to lead and participate in CEC sponsored environmental train-the trainer workshops on capacity building, emission reporting and emergency response, and other programs of good environmental management.

Other CEC sponsored environmental contacts almost continuously took place in other Mexican cities and regions, including for example with local and indigenous populations gathering in Merida, and Puebla, which lie to the south of Mexico City, on subjects including the assessment and development of sustainable tourist facilities, DDT elimination in Mexico, and genetically engineered corn presence in Mexico. Guadalajara and Monterrey are large North American cities south of the border and north of the Federal district. Guadalajara is suffering an internal environmental disaster to its shrinking Lake Chapala. I participated in CEC did train-the trainer sessions there on emission reporting and waste reduction, which promote industry efficiency and benefit the surrounding community, and not incidentally enlarged JPAC's Mexican business and community contacts and their desire to be included. It was at a Guadalajara non-governmental forum, I believe, held in association with the meetings that the CEC promotion of its greening products initiative, including Mexican shade grown coffee, really took hold of the constituency's imagination. Monterrey is industrial and participating in the North American growth in trade, and exhilarating in the existence of Monterrey Tech, one of the world's great universities equipping itself in its environmental laboratories and its professional environmental expertness to aid in the Mexican environmental effort.

Nowhere in Mexico is the trade and environmental challenge clearer than further north in Mexico on the border in Matamoros, Juarez, Mexicali and Tijuana, for example, -- border cities to the richer United States which keenly reflect a paradox. The poor from the south of Mexico and Central America move to these towns for the jobs that exist there in the border industries (the Maquiladora) which supply the U.S. and global markets. From there, these transients both legally and illegally cross the border into El Norte, that is California, Arizona, New Mexico and Texas, and yes, to pick products in seasonal farm states as far north as mine, New Jersey. So these large and polluted towns on the Mexican border represent both promise and special problems of infrastructure for those migrating, and indeed for Mexico and the United States.

The answer, surely, one learns from up close contacts and experience, is not to cut off the opportunity, but to encourage and organize effective national and local action, as with, for example, the National Advisory Committees to each CEC party, put in place in each country to harness and coordinate national and community efforts towards higher standards of environmental stewardship. At the CEC level, the powerful lever of Article 14 and 15 actions by the public focus on government enforcement, and will be discussed further in the Program and Projects section following. (6)

One learns through the CEC involvements that there is a thirst on the part of the people on the border, who make up a part of the CEC and other institutional border constituencies, for environmental improvement. In Matamoros and Brownsville, for example, I worked as a representative of JPAC with NGOs, eager business people and local highly motivated community advocates on train-the-trainer programs for emergency and spill response, emission reduction and pollution prevention, which I later saw as the subject of intense training.

The Mexican border towns are concerned with their relationships with their richer counterparts across the border. Cooperative programs like recognition of common air sheds, as in Juarez-El Paso can result. Independent Article 13 CEC studies, for example of trans-border electricity generation, are useful as well (as is a study project of the Gulf of Maine between the United States and Canada), although as will be discussed later common NEPA type rules for environmental assessments across the border have not been adopted by the three governments.

#### CANADA

Work trips to Canada included Vancouver twice, where British Colombia citizens appeared to easily absorb all we had to say as members of the JPAC. We boosted CEC trinational goals and programs. We discovered early on, of course, that we gained a greater understanding of local people's goals and concerns about trade expansion through mixing than we could attain by just attending the formal meetings, as valuable as that was.

Banff was a beautiful Western Canadian destination as well. We went there one June for our annual meeting. Interaction with First Nation people of that region was prompted by the Canadian government and the CEC through invitations to representatives of indigenous people to attend the meeting, under a program administered by JPAC. The Banff meeting gave impetus to a Children's Health Initiative, responding to a real fear that children's health was being left behind in the economic expansion.

A session at Winnipeg to discuss transportation issues in that northern corridor city afforded us a chance we also had in San Antonio and Austin to understand the immediacy and impact of, and to assess recommendations to alleviate the traffic problem as joined to increased commerce. In Toronto, the CEC ministers assessed with an expert work group from all three countries the progress the two northern countries were making in technically assisting Mexico in banning DDT, while still taking seriously their endemic malaria.

## II. DDT:

The CEC's successful negotiation of an agreement of cooperation and assistance with Mexico to suspend all use of DDT there, with the technical help of the other two countries to continue to stem Mexico's endemic malaria, is a landmark outcome. Difficult to negotiate because people's lives and their children's lives are at stake in the poor regions of Mexico's south ("and how much malaria do you have in the New York City area where you live?" I was sardonically asked by a Mexican public health official at a working conference where I represented JPAC), the NAFTA Environmental Side Agreement through the CEC provided the vehicle and the engagement to get this disuse of DDT accomplished within the context of meeting Mexican public health needs.

In Montreal we pondered afresh the tri-national relationship of countries with common aims but different economic realities and distinct approaches and cultures, after one of our many meetings on the rules for citizen involvement held at the CEC headquarters in that city. In other winter meetings in Montreal, JPAC flagged Chapter 11 of the trade agreement's implication (still not entirely clear) and assessed the sound management of chemicals (SMOC) program, as well as local grants the CEC had made to grass roots organizations. The first Executive Director of the CEC, Victor Lichtinger of Mexico, established the competency and importance of the Secretariat, by recruiting an able, professional staff in Montreal. (7) Mr. Lichtinger later became Mexico's environmental minister in the Fox administration. Montreal was the site of many a JPAC public meeting, attended heavily by the NGO community and individual citizens, under the able Canadian Chair, Jacques Gerin, who as JPAC's first Chair established the principle of JPAC involvement in virtually all aspects of CEC activities to assure public input. JPAC was anxious to spread the word to the North American constituency about the possibility of environmental stewardship coupled with expanding trade. It also became increasingly clear that the CEC was a portal for information collection valuable to the research community, and this was a message JPAC heard continuously with approval and suggestions from the public.

# **III. Emissions Register:**

JPAC spent a memorable annual meeting in Ottawa in which the commitment by the three governments to environmental safeguards was refreshed, including review of an annual emissions inventory published by the CEC. (8) Mexico committed to seeking change to its law after repeated assessments and calls on them by the public to do so, to require an emissions register compatible to those in the United States and Canada. At the annual meeting in June 2004 in Puebla, Mexico, the Mexican environmental minister announced that the register and the reporting to it by industry would be put in place. This emissions and spills reporting and control measure will be recognized by all who manage the environment as a most important step in Mexico's ratcheting up of environmental standards and tri-national cooperation in managing the continental environment, which is particularly important in this era of continuous market growth, industrialization and urbanization.

A few days after the annual meeting in Ottawa, our good friend and JPAC colleague, Dr. John Wirth of Stanford University suddenly and tragically died while speaking at a Canadian university about the work of the CEC and the tri-national idea, informing and promoting an enlarging North American constituency for the CEC.

## UNITED STATES

We focused at the first JPAC meeting in 1994 in Washington, D.C. on a JPAC vision statement on sustainability, which I believe still stands the test of creditability, emphasizing as it does JPAC's recognition that independence and cooperation were at the heart of its mission of representing and involving the public (9). Later, in San Diego the CEC explored the positive and negative aspects of the relationship of trade and environment, as required by the agreement, leading to an analysis and a series of case studies and workshops. In San Antonio, while assessing transportation issues and a draft analysis submitted to the three countries, we celebrated the North American idea at the treaty marker. It stands as an optimistic and powerful reminder of the opportunity afforded by this unique treaty for cooperation on environmental stewardship, along with the growing interdependent economies.

At Anchorage, Alaska, Dr. Mary Simon, our first Canadian first nation colleague on JPAC, and later our Chair, plugged JPAC into an Arctic conference on Arctic development and environmental issues. It was there under prodding from first nation representatives who spoke eloquently of their plight in the developing Arctic that JPAC recommended for the first time to the three countries a formalized program to assure first nation input on local and tri-national environmental issues affecting them. In Pittsburgh at dinner with the Mexican environmental minister, Dr. Julia Carrabias, she solicited our support for workshops and local infrastructure to promote both greater Mexican indigenous and industrial involvement. Dr. Carrabias and Carol Browner, the U.S. EPA Administrator throughout the Clinton years, as well as Bill Nitze who was Ms. Browner's deputy, and the Canadian Janine Ferretti of the Secretariat were inspiring environmental leaders for the CEC.

# **IV. Migrant workers:**

In El Paso JPAC audited a CEC grass roots grant to educate migrant workers about health concerns. Mexican pickers were legally crossing the border at Juarez-El Paso to work in the

#### Third North American Symposium on Assessing the Environmental Effects of Trade

pepper fields of Southern New Mexico. Mexican farm labor in the U.S., of course, pre-dates NAFTA. Border employment continues, as does migration north in Mexico and across the border for jobs. Whether these agricultural workers travelling daily to the pepper fields of southeastern New Mexico were trained in the proper hygiene practices or all the workers were adults was problematic. The project was funded by the CEC under a grass roots program, now suspended, called the North American Fund for Environmental Cooperation (NAFEC). It encouraged real accomplishment while providing the seed for other like projects across the continent, and was the recipient of JPAC's attention.

CEC involvements in the issues of trade and the environment are too numerous to mention, but a few more examples from my own experience on JPAC might further exemplify. At the annual meeting in Dallas, Carol Browner called on us to create a "lessons learned" on citizen environmental challenges to the governments under the Agreement. The issue of citizen challenges on enforcement issues which are often directly related to trade is thorny. Peter Berle, former head of the Audubon Society and a fellow JPAC member, advised that we ask a new lawyer with the American contingent on JPAC, Steve Owens, now the head of Arizona EPA, to take on the task, which he did brilliantly. In Seattle I participated in a tribal meeting on sustainability and NAFTA to encourage first nation support. In Miami, I attended an expert's meeting organized by the CEC on invasive species. In New York City I attended a United Nations state of the art environmental review on behalf of the CEC, which gave me the chance to educate them on the successes and challenges of the CEC, and do some provocative comparisons to the U.N. Agenda 21 goals and actions

In Denver, soon before he died John Wirth arranged at a historical society meeting for me to present a paper to a roomful of activist and doubting environmentalists on my industrial environmental and NAFTA experience, "where the rubber hits the road and has made a difference", he told them in introducing me. Proactive environmentalism in association with commerce can not effectively be practiced for long at your desk or classroom, he cautioned them, but must be done in direct project management and intense involvement at the location in association with and with input from the affected public, if you are to understand the local priorities and mentor and support your colleagues in the field. In short, that is what we were doing in that exciting and rewarding time on the CEC: stewardship of the local environment of our region and the continent, in the face of the challenge of commerce and trade expansion. (10)

#### V. San Pedro:

The San Pedro River flows north from Mexico into Arizona toward Tucson. The water shed is mostly underground but the river can be traced by the beautiful cottonwood trees which line it. Barbara Kingsolver has written magically for The National Geographic about the project as supported by the CEC and others to save the trees, the river, the water shed and the region from water depletion by the growing population in southern Arizona. (11) As JPAC members we walked this tiny river valley during a Tucson meeting focused on the project, when CEC support was vital. A good start has been made where population and land development impact this fragile environment, but the cottonwood trees along the river ultimately will tell the story.

#### **Program and Projects: Results**

I will present a list and provide also an original take on some major accomplishments of and challenges to the CEC over the span of the eight years of my involvement on JPAC. The basic issue is, without politically unacceptable compromising of national integrity, how to raise and assure environmental stewardship and capacity across the continent as trade and economic processes continue to develop. Public access and involvement in the process to build confidence and a North American constituency seems more and more critical.

Here is a review of some of the solid CEC accomplishments in our still developing economic region and market:

- 1. Banning of production and use of DDT in Mexico, to match the U.S. and Canada;
- 2. Acceptance by Mexico of establishment of mandatory reporting to a Mexican emissions inventory to allow continental comparison with the U.S. and Canada;
- 3. With a great deal of continued assessment of the process, the functioning of an Article 14 and 15 program under the NAFTA Environmental Side Agreement to allow citizen and NGO challenges to and a detailed exploration by the CEC of alleged government non-enforcement of environmental laws, with JPAC advocacy of the public and secretariat viability in the process;
- 4. Direct citizen input and involvement in agenda-setting and advising, as well as a general watch dog function through a unique JPAC Committee, with a North American membership including independent representatives of the environmental community, industry and academia;
- 5. A continental children's health initiative supported by doctors and other health experts in all three countries;
- 6. Promotion of greening products, including Mexican shade grown coffee;
- 7. With local partners and participation, involvement in the establishment and promotion of the San Pedro River conservation project in Mexico and a growing sun belt region of Arizona;
- 8. Capacity-building train-the trainer workshops on the Mexican-U.S. border and in interior Mexico;
- 9. A number of independently produced Article 13 reports to identify critical continental environmental issues at the intersection of the region's economy, such as on electricity generation;
- 10. In a now suspended program, funding of 196 grants to grass-roots projects across the continent for sustainability, utilizing small seed projects (like migrant worker training) to explore viability for the locale and application elsewhere; and
- 11. National Advisory Committees working in each country on NAFTA environmental issues at the trade interface and in a network with JPAC.

## VI Articles 14 and 15:

As mentioned earlier, the NAFTA Environmental Side Agreement provides the basis for citizen and NGO challenges to alleged non enforcement of environmental regulations by governments within the region. The rights conferred to the public in the NAFTA Environmental Side Agreement under Articles 14 and 15 are a leading example of the type of action of the CEC under public impetus at the interface with commerce. This unique provision in an international agreement allows and empowers the public (and particularly NGOs) to enter into and prod the process. Many advocacy groups avail themselves of this process which puts up to scrutiny government enforcement. JPAC has become the representative of the public in the way these articles are administered, speaking strongly for an independent Secretariat and no amendment to the rules to diminish the impact of the articles. Substantively, the process has resulted in a number of interventions, including relative to a newly constructed cruise ship pier in Cozemel, Mexico, at an army base in New Mexico, and involving hydroelectric power dams in British Columbia. JPAC should assume a stronger role, perhaps, as a portal to monitor and report on government follow-up of these Article 14 and 15 controversies, as suggested in a lessons learned Advice JPAC prepared for Council at Council's request in 1998.

Here are some of the challenges not completed in the first ten years, which seem to me to be of particular significance to the trade issue and need further attention:

1. Action on climate change through Kyoto Treaty cooperation, or if not on the treaty itself then on climate change challenges, like carbon reduction and trading (with regional caps, perhaps, negotiated to stimulate the trading);

Note: Given the almost certain occurrence of climate change due to human activity, (12) it is hard to explain the continued lack of enthusiasm by the governments to utilize the cooperative mechanism of the side agreement to aggressively put in place cooperative programs on climate change.

- 2. Continued and stronger encouragement of renewable and non- carbon based non-renewable energy through development projects and cooperation between governments (the CEC has strategically indicated this is a direction it intends to pursue);
- 3. A trans-border impact assessment agreement in the mode of U.S. domestic NEPA requirements, fashioned by more receptive and statesmen-like trade officials and state departments of the governments;
- 4. Demonstrable progress under the initiative started under Article 10 (6) of the NAFTA Environmental Side Agreement on liaison between trade and environment ministers on common issues, as well as under the new CEC Strategic Plan on Trade and the Environment (to not make progress with the trade ministers with the provisions allowing for such progress trivializes the public expectations under these agreements and endangers them); and

The failure of the North American governments to extend the NAFTA Environment Side Agreement process to Latin and South American countries, for example Chile and Costa Rica, which did express interest in the past to join in.

#### VII. Maize:

At the June, 2004 annual meeting of the CEC held in Puebla a spirited demonstration by indigenous farmers of Mexico took place against the introduction into Mexico of genetically engineered corn seed, which they believe would be very harmful to their interests. The Mexican government in partial response in the dialogue that ensued stated there was not enough maize production locally to feed the peasants of Mexico. The issue of genetic modification is a thorny one for the CEC. The Secretariat undertook an Article 13 report and recommendations concerning the controversy were recently made public.

## **Concluding thoughts**

My associates on JPAC and I, all appointed by our governments and unpaid volunteers at the CEC, traveled about the continent (only on fixed expense stipends) to work alongside the governments and the Secretariat to promote and shepherd the CEC's sustainability programs as trade expands, with a sensitivity engendered from local contacts and input, building on local needs and culture. Thinking global (or regionally) and acting locally was not only our ideal, but our roadmap. And all this on a small overall CEC budget of nine million dollars a year, an amount shared equally by the three governments. Not only is it imperative that the financial commitments by the three counties be honored in a timely fashion, but that the overall commitment to these tri-lateral agreements continue, however the policies of the member states may vary from administration to administration on multi-lateral agreements.

In all the public meetings and in the implementation of CEC programs there was public input as a matter of routine, and an unprecedented transparency built into the process. The CEC never had a disruption that halted its work. The CEC certainly had individual and group protests at times, but the CEC was always permitted and encouraged to carry on. Why? I think the reason is simple and clear! The unique tools of cooperation and accountability were there within the structure of this tri-national organization for the public to see, to believe in, to criticize, and to invest in. The involvement of the civil society is a basic part of the structure through the inclusion of public input to the program and the aggressive representation of public interests by the JPAC. Reinforcing the perception in those early days of the vision statement and tri-national organization, the JPAC promotes a North American constituency for the Commission, as well as transparency. The CEC, with its high level of leadership and government involvement through programs of cooperation, a dedicated professional staff with some independence of function, and transparency and public input by design has markedly impacted the trade and environmental interface. The uniqueness of the CEC in its relationship to the public has in itself resulted in a demonstrable interface between environmental stewardship and trade useful in pursuing sustainability.

Perhaps that is why the CEC continues to be a model for regional interaction between trade and the environment. It is also why the financial commitment, leadership and program involvement of the three countries which make up the CEC, as well as the unique provisions of the treaty as to public involvement, remain so critical. If this parallel environmental agreement to a regional trade agreement is to endure and prosper, as the accomplishments and brief anecdotal case studies tell us it should, the lessons learned from the first ten years must include a continued focus, with public involvement, on the interface between trade and environmental stewardship. Continuing projects on renewable energy or JPAC's salutary effect on follow-up of Article 14

#### **Research Paper: Plaut**

controversies would be examples of such focus, and the measure of them will be a continuing measure of the CEC.

I would add that among some it remains fashionable, in a pre-Rio mode of conduct, to be against trade if you are for the environment. Indeed, the silence, and I might say even disdain, some exhibit toward the CEC's good works and challenges is witness to that supposedly fashionable rejection of the CEC's stewardship of the North American environment as trade expands, despite the many plusses and the as yet unrealized opportunities for many more such gains.

There is an absolute necessity for multi-national action and cooperation between trade and environmental activities, with transparency and public involvement, as proposed at the Earth Summit over thirteen years ago. The formative history of the CEC is a record of struggle, learning, success and challenge. Promoting stability in our region was President Clinton's initial economic and political purpose in advocating the environmental side agreement. The interface with trade should continue to be our focus. The NAFTA Environment Side Agreement functions to examine and interplay with regional economic development and provides a useful model for wider cooperation and sustainability within our hemisphere and elsewhere.

# Endnotes

- (1) Jon Plaut is President of Global Learning, an educational, environmental NGO in New Jersey. He was Corporate Director of the Environment at AlliedSignal until he retired in 1996. He was appointed to the NAFTA Environmental Commission by President Clinton in 1994, and served on its Joint Public Advisory Committee for eight year (three times as its Chair). He was vice-Chair of the U.S.EPA Nacept trade and environment committee in the early 1990s and was Chair of the U.S. Council for International Business Environment Committee in New York in the late 1990s. Mr. Plaut is widely published, and has taught environmental studies and management at Ramapo College, Rutgers, Penn State (where he was a visiting professor for twelve years), and Tufts University. He has a BS in Engineering (Penn State), a JD and an MA in Law (Georgetown and N.Y.U.), and an MA in Film Studies (from N.Y.U.)
- (2) My Life, Bill Clinton, 2004, p. 432
- (3) I was appointed by the President on November 21, 1994 and served until December 31, 2002.
- (4) See the Rio Declaration and Agenda 21 of the United Nations Conference on Environment and Development held in Rio de Janeiro, June 1-12, 1992.
- (5) The Ten Year Assessment of the TRAC Committee reported in Puebla, Mexico at the June 2004 annual meeting of the CEC is available through CEC.org.
- (6) Unique to an international agreement, Articles 14 and 15 of the Nafta Environmental Agreement provide for allegation and contest by the public of government non-enforcement of environmental laws.

- (7) The initial very hard working and competent staff also included the personable and politically adroit American lawyer, Greg Block and the institution's future Executive Director, the highly respected Canadian environmentalist, Janine Ferretti.
- (8) Taking Stock, published annually by the CEC.
- (9) A printed version of the Vision Statement of the Joint Public Advisory Committee as written in 1994 is available from JPAC in Montreal, at 512-350-4300.
- (10) "What a work of art is man," Shakespeare writes in Hamlet, either in admiration or irony. John Wirth's intellect and energy, and dedication, continue to inform and inspire.
- (11) See the April 2000, National Geographic. An advisory committee called this project "Ribbon of Life" in 1997 and suggested ways to rationalize water use with habitat conservation.
- (12) References are too numerous to list, but see for example the detailed and unprecedented exploration of this virtual scientific certainty and its effects over seventy-four pages of the September, 2004 National Geographic.