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In Response to the Open Invitation to Civil Society in Free Trade Area of the Americas Participating Countries

## Improved Environmental Management to Enhance the Benefits of Free Trade Area of the Americas

## A Brief Prepared by Ekos 707

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## Improved Environmental Management to Enhance the Benefits of FTAA

## Introduction

This brief is practical, pragmatic and realistic. It focuses on three sets of issues:

- 1. the reasons why improved environmental management should be included in FTAA negotiations,
- 2. recommends that member governments encourage and facilitate the use of a set of environmental management tools to control environmental costs and enhance the benefits of freer trade under the FTAA, and
- 3. the need for a tenth working group to include environmental considerations in the FTAA negotiations.

Our brief is not concerned with biophysical or legal issues. This is not because they are unimportant, but because those topics are not our immediate concern and others will probably address them.

We have not tried to settle the argument about the relative costs and benefits to the environment of increased trade. There will be benefits and there will be costs. What we have recommended are ways and means of controlling the costs and enhancing the benefits.

The brief does not advocate anything radical. We point out that the recommendations address what is now common practice in environmental management. The environmental management tools that we recommend are not advanced and sophisticated practice, nor are they the leading edge, untested tools that are emerging.

We also want to emphasize that we do not advocate (we strongly oppose) the extraterritorial application of the environmental laws and legal practices of any of the partners in the FTAA. As is the case with the NAFTA, and is the practice with the ISO 14001 Environmental Management System, the laws which are to be applied are those of the sovereign state in which the activity takes place. Under the proposals made here, sovereignty is clearly retained with respect to the laws and regulations which are applied.

The recommendations made below do not try to force the FTAA into a leadership role in trade and environment issues. The recommendations are market driven, and are a lower common denominator of widely accepted practices. Indeed, through the signing of numerous international and regional trade agreements and declarations, states and governments of the American hemisphere have already recognized the importance of integrating trade liberalization and environmental protection objectives. There are other systems