



OECD Workshop on Regional Trade Agreements (RTAs) and Environment

Implementation of Environmental Provisions in RTAs

by

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Natural Resources in the Americas

- Abundance of natural resources
- Resources are quickly being depleted
- Natural resources support the large share from exports of Latin America

In a region such as the Americas where countries are closely connected geographically, economically, politically, and culturally, it is **necessary to promote environmental cooperation.**

OAS serves as a forum for regional cooperation and political dialogue, exchange of experiences and information, institutional strengthening and capacity building.



Environmental Commitments in Trade Agreements

- Proliferation of FTAs
- Main concerns:
 - Domestic environmental standards weakened
 - Imposition of environmental standards
- Absent or incomprehensive environmental provisions in earliest regional and bilateral trade agreements
- In recent trade agreements:
 - environment and trade policies mutually supportive
 - achieve sustainable development



Successful Implementation of Environmental Initiatives

Necessary elements for the successful implementation of any regional environmental initiative:

- **Institutional arrangements**
- **Public participation**
- **Enforcement + Monitoring**
- **Conflict management**



Implementación de iniciativas ambientales

Experiencia de la OEA con los países en temas de comercio y medio ambiente:

- Foro para la discusión y diálogo de política ambiental (GTDS, Ministerial de Santa Cruz)
- Fortalecimiento de capacidades para la gestión ambiental en el contexto de la liberalización comercial
- Intercambio de experiencias e información en el área de derecho ambiental
- Identificación de áreas con ventajas comparativas en la producción de bienes y prestación de servicios ambientales
- Capacitación para el cumplimiento con estándares ambientales y de salud asociados con el acceso al mercado
- Opciones de políticas integrales (ambientales, sociales, económicas)
- Evaluaciones de sostenibilidad del libre comercio



Examples of Institutional Arrangements in RTAs

1. **The Commission for Environmental Cooperation (CEC) under NAFTA's NAAEC**
2. **The Canada-Chile Commission for Environmental Cooperation (under CCAEC)**
3. **The United States-Chile Joint Commission for Environmental Cooperation**
4. **Regional integration instruments with environment mandates**



Institutional Arrangements

- Institutional arrangements are critical to ensure effective implementation of RTAs.
- Typical functions:
 - Law making
 - Establishing and implementing compliance mechanisms



Stakeholders

- **POINT OF CONTACTS FROM ALL DR-CAFTA COUNTRIES**
- **IMPLEMENTING AGENCIES (PER PROGRAMMATIC AREA)**
- **USAID-CCAD REGIONAL COORDINATING AGENCY**
- **DIVISIONS/DEPARTMENTS WITHIN MINISTRIES**
- **OTHER GOVERNMENT AGENCIES INVOLVED**



DR-CAFTA Environmental Cooperation Agreement

Cooperation is to take the form of bilateral or regional capacity-building activities, including:

- exchanging delegations to strengthen the development, implementation and assessment of environmental policies and standards;
- joint organization of conferences, seminars, workshops, meetings, training sessions and outreach and education programs;
- the collection, publication and exchange of information on environmental policies, laws, standards, regulations, indicators, national environmental programs and compliance and enforcement mechanisms; and
- any other forms of environmental cooperation that may be agreed by the Parties



DR-CAFTA Environmental Cooperation Agreement

Work plan:

The Central American region must achieve a degree of institutional strengthening for the effective implementation and enforcement of:

- A. environmental laws,
- B. biodiversity conservation,
- C. market-based conservation, and
- D. improved private sector performance.



DR-CAFTA Environmental Cooperation Agreement

OAS role:

To support the Environmental Cooperation Commission of the DR-CAFTA in monitoring if and how the activities carried out under ECA are contributing towards the achievement of the countries' long term environmental goals and priorities.



REGIONAL CHALLENGES

Challenges in the following areas:

- **Public participation**
- **Enforcement and Monitoring**
- **Conflict management**



Public Participation

- Public participation is integral in the environmental decision-making process
- Public participation provisions more expansive in Post-Rio RTAs

For example NAAEC:

- Detailed procedures for engaging the public
- Citizen submission process

Others: CAFTA, US-Chile, US-Peru

Region needs to adopt commitment to a regional approach to public participation, access to information, and access to justice (i.e. Aarhus Convention)



Enforcement & Monitoring

- Identify priorities
- Incentives and obligations
- Available resources
- Evaluation of performance
- Accountability

The region is moving towards strengthening its role in effectively enforcing environmental laws:

- DR-CAFTA
- United States-Peru Trade Promotion Agreement
- Canada-Costa Rica Agreement on Environmental Cooperation
- Canada-Chile Free Trade Agreement



Conflict Management

- No dispute resolution provisions.
- Little experience resolving regional environmental disputes in a legal context.
- No permanent regional court or commission exists to resolve environmental disputes.
- Dispute settlement within the region is done through direct negotiations between the governments.
- The OAS has typically been used as the forum to facilitate these negotiations.

Need to establish procedures or norms for guiding negotiations



Other challenges

- Lack of coordination among regional agencies
- Need domestic coordination mechanisms
- Capacity challenges facing the region

Countries of the hemisphere are interested in cooperation for environmental protection.

¡GRACIAS!

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