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# Strategic Environmental Assessment in the context of Trade Negotiations



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Prague, Czech Republic



Visit: [www.dfait-maeci.gc.ca/tna-nac/social-e.asp](http://www.dfait-maeci.gc.ca/tna-nac/social-e.asp) for more information.

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## Overview of presentation

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- Context for SEA of trade in Canada
- Key elements of Canada's approach to SEA of trade negotiations
- Experience
  - Key challenges
  - Outputs and outcomes
- Looking forward





## Context for SEA of Trade in Canada

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- 1999 Cabinet Directive on the Environmental Assessment of Policy, Plan and Program Proposals
- 2001 Framework for Conducting Environmental Assessments of Trade Negotiations
  - Supported by Handbook
- Previous Canadian and international efforts





## EA Framework: Key Elements

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- **Objectives:** inform negotiators and address public concerns
- **Scope:** domestic environmental effects
- **Process:** three phases of increasingly detailed analysis based on progress in negotiations
- **Methodology:** environmental analysis flows from economic analysis
- **Application:** interdepartmental governance structure, assessments led by trade negotiators
- **Consultations:** throughout





## EA Methodology

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- Identify economic impacts
- Identify likely environmental impacts
- Determine significance of environmental impacts
- Identify enhancement/mitigation options

*Applied three times as negotiations proceed*





## Experience

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- Initial EA completed for WTO, FTAA, CA4, and Singapore trade negotiations
- Initial EA completed for Canada-Peru Foreign Investment Promotion Agreement
- Draft EA underway for WTO
- Preparing to conduct assessments for bilateral negotiations with the EU, Korea, India, and China





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## Findings from experience

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- Steep learning curve
- Incremental improvements
- Continuously evolving process
- Flexibility of Framework has been important



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## Implementation Challenges

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- Data limitations
- Consultation outcomes
  - Interested? See: [www.dfait-maeci.gc.ca/tna-nac/social-e.asp](http://www.dfait-maeci.gc.ca/tna-nac/social-e.asp)
- Identifying impacts attributable to specific negotiations
- Managing expectations
- Timing
- Impacting decision making







## Institutional Issues

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- Becoming less of a challenge:
  - Roles & responsibilities, institutional culture
  - Key activities: education, relationship building, emphasis on the positive
- Always a challenge:
  - Resource constraints





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## Responding

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- Identify underlying problems
- Identify priorities
- Do stocktaking
- Develop strategy to improve capacity



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## Successes

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- Completion of assessments at the bilateral, regional, and multilateral level; as well as for investment negotiations
  - Improved understanding of trade and environment linkages
- Continue to improve capacity for analysis
  - Introduction of some quantitative analysis
- Improvements to consultations and communications
- Strong and positive relationships
- Enhanced awareness and comfort of policy makers





## Looking forward ...

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- Steep learning curve
- Modest beginning, incremental steps
- Future areas of work
  - Continue to improve application of analytical methodology
  - Improve understanding of SEA of non-market access impacts of trade
  - Continue to gain from feedback received from consultations





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