The Office of the U.S. Trade Representative (USTR) has just announced that it reached preliminary agreement with Mexico for a renegotiated NAFTA. The 24-year old trade agreement between Mexico, Canada, and the U.S. was a major topic during the 2016 presidential campaign and has been a centerpiece of USTR activity in the Trump administration. The new agreement will be called the US-Mexico Trade Agreement rather than NAFTA, though it is unclear what the future status of NAFTA will be. Discussions are currently underway with Canada and it remains to be seen whether the final result will be separate bilaterals with each country or a fully revised trilateral treaty.

While most of the media coverage will likely focus on revised provisions for automobile manufacturing and intellectual property, the administration has announced significant changes to the Environment Chapter, as well. The <u>USTR press release</u> states that:

The Environment chapter includes the most comprehensive set of enforceable environmental obligations of any previous United States agreement, including obligations to combat trafficking in wildlife, timber, and fish; to strengthen law enforcement networks to stem such trafficking; and to address pressing environmental issues such as air quality and marine litter.

Environment obligations include:

- Prohibitions on some of the most harmful fisheries subsidies, such as those that benefit vessels or operators involved in illegal, unreported, and unregulated (IUU) fishing.
- New protections for marine species like whales and sea turtles, including a prohibition on shark-finning and commitment to work together to protect marine habitat.
- Obligations to enhance the effectiveness of customs inspections of shipments containing wild fauna and flora at ports of entry, and ensure strong enforcement to combat IUU fishing.
- First-ever articles to improve air quality, prevent and reduce marine litter, support sustainable forest management, and ensure appropriate procedures for environmental impact assessments.
- Robust and modernized mechanisms for public participation and environmental cooperation.

Based on these descriptions (and with the caveat that I have not yet seen the new text), it appears that many of the revised environment provisions were drawn from the negotiated environmental chapter of the Trans-Pacific Partnership (TPP, which I <u>blogged about here</u>

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back in 2015). As readers will recall, one of the Trump administration's first trade actions was to pull out of TPP negotiations. The successor agreement, known as the Comprehensive and Progressive Agreement for Trans-Pacific Partnership, was signed by 11 Pacific Rim countries in March, 2018.

I will post a more complete assessment of the US-Mexico environmental provisions once the full text has been released.