



ENVIRONMENTAL ASSESSMENTS OF TRADE AGREEMENTS

Sustainable Trade Policy and Dispute
Settlement Secretariat

Global Affairs Canada

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Outline



- 1) Impact Assessments**
- 2) Changes with the New SEEA**
- 3) Objectives of EAs**
- 4) Guiding Principles**
- 5) EA Process**
- 6) The Phases of Assessment**
- 7) The Analysis**
- 8) Consultations**



Impact Assessments



The diagram consists of three overlapping circles arranged horizontally. The leftmost circle is green and labeled 'Environmental Assessment (EA)'. The middle circle is blue and labeled 'Economic Impact Assessment'. The rightmost circle is orange and labeled 'Gender Based Analysis Plus (GBA+)'. The circles overlap in pairs and all three overlap in the center.

**Environmental
Assessment (EA)**

**Economic Impact
Assessment**

**Gender Based
Analysis Plus (GBA+)**

Changes with the New SEEA



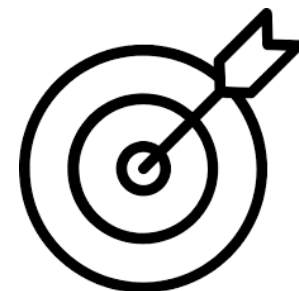
- Integration of the Economic Analysis into the Strategic Environmental **and** Economic Assessment
- Proposals will be analyzed to identify effects on:
 - The environment
 - Biodiversity
 - Greenhouse gas emissions
 - Canada's climate resilience
 - The national economy; and,
 - Climate change impacts



Objectives of EAs



- **Assess** the environmental risks and opportunities that a potential trade agreement may create in Canada and beyond;
- **Assist** Canadian negotiators to take into account environmental considerations during the negotiating process, with a view to mitigate risks and enhance benefits and mainstream relevant environmental provisions across FTA;
- **Support** identification of possible additional domestic measures to further mitigate risk and enhance benefits;
- Build confidence of Canadians by **reporting** on how environmental factors are being considered during trade negotiations in the Initial and Final EAs; and
- Utilize governance structures in the agreement to **assess and monitor** environmental risks identified in the EAs and leverage cooperation activities as well as stakeholder engagement to support mitigation strategies identified during the negotiations.

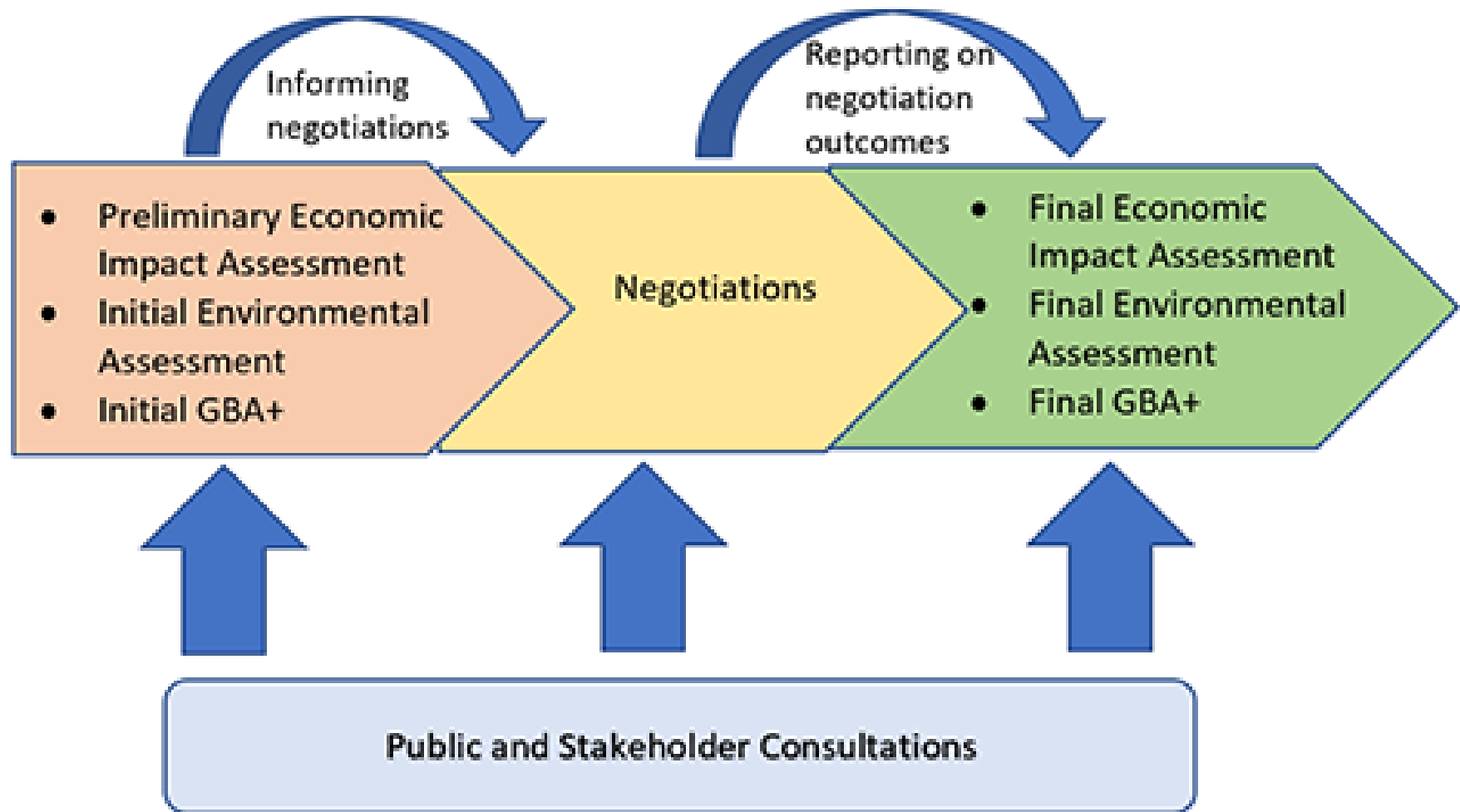


Guiding Principles



- **Flexibility** in the application of the EA framework given the wide range of different types of trade agreements that GAC advances globally, at the bilateral, plurilateral, and multilateral levels, as well as whether the prospective trade agreement is new or a modernization.
- **Timeliness** - conducting the EA in a timely manner so that it can influence decision-making and the negotiations.
- **Transparency and Accountability** - aligning practices with Open Government Principles, consulting with a diverse range of stakeholders and all other interested parties before, during and after negotiations, and publishing and sharing reports on feedback received from consultations
- **Evidence-based** analysis and decision-making based on data and science, and other quantitative and qualitative evidence sourced from Canadian and other reputable international sources.
- **Continuous improvement** - aim to continuously learn from implementing the framework and update and renew it as necessary to integrate learnings and good practices.

EA Process



The Phases of Assessment



The Analysis



The analysis assesses the environmental risks and opportunities in Canada and beyond.

- **Quantitative**

- Economic models and statistical analysis, including a Computable General Equilibrium (CGE) model of global trade
- Projects changes in output and other key economic variables as a result of an FTA
- **Climate changes (GHG emissions), energy, and water usage**
- Results distinguish between **scale, composition, and technical effects**

- **Qualitative**

- Used to study potential effects in cases where:
- Impacts are believed to be significant but data are limited
- Issues at stake are complex
- Regional or sectoral impacts may not be well captured by aggregate indicators
- Case studies
- Effects beyond Canada

Recognizing that the environmental risks identified may have implications that go beyond the agreement under review, the final component of the analysis reviews existing environmental legislation, policies, and actions in Canada for their potential to mitigate environmental effects.

Consultations



- EAs are conducted with the active contribution and support of 5 key players:

1. Departmental and Other Government Department (OGD) leads;
2. Provincial and Territorial governments;
3. Indigenous Working Group (IWG);
4. Environmental Assessment Advisory Group (EAAG); and

5. The general public





Thank you

Questions?