

Abstract

of paper proposed for the

Commission for Environmental Cooperation's
**North American Symposium on Understanding
the Linkages between Trade and Environment**

NAFTA Environmental Impacts on North American Fisheries

by Grace Chomo and Michael J. Ferrantino, US International Trade Commission (USA)

In principle, NAFTA liberalization could have either a positive, negative, or negligible environmental impact on a particular sector, depending on the pre- and post-NAFTA level of tariffs and other non-tariff factors influencing the sector. For example, NAFTA-induced imports of fisheries products could relieve environmental pressures if they substitute for production of an overfished species, while NAFTA-induced exports of an already overfished species could increase pressure on the fishery.

In this study, we analyze data on catch fisheries in North America, including production, prices, and tariffs (pre- and post-NAFTA). We analyze the extent to which (1) NAFTA liberalizations were significant for fish products (many important products were already duty-free or nearly so pre-NAFTA), (2) actual or potential changes in trade flows could have taken place in a way reflecting changes in incentives under NAFTA, and (3) significant NAFTA effects coincide with fisheries which show empirical characteristics consistent with non-sustainable use. A set of fisheries with simultaneous evidence of non-sustainable use, links to significant tariff liberalization, and significant actual or potential trade flows relative to production will be identified for closer analysis.

In addition to, and possibly overshadowing, NAFTA tariff liberalization, other factors complicate the link between tariffs, production, and trade flows for catch fisheries in North America. These factors include non-tariff policies of the NAFTA countries affecting fisheries trade, such as species-specific catch-quota agreements. The implied relevance or non-relevance of these non-tariff factors for intra-NAFTA and extra-NAFTA trade flows will be discussed, but not formally quantified, in the paper.

KEYWORDS: trade liberalization, catch fisheries, NAFTA, environment