

## **Abstract**

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### **NAFTA Environmental Impacts on North American Fisheries**

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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 relevant to fishery catches in North America, including production, prices, and tariffs (pre- and post-NAFTA). We analyze the extent to which: (1) NAFTA liberalization was 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 that 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.

Catch levels in many North American fisheries exceed the level consistent with long-run sustainability, and falling fish stocks have been a cause of concern. However, NAFTA-related changes in trade policies are unlikely to have significantly influenced the sustainability of North American fisheries. Most tariffs were already at or near zero prior to NAFTA. For products with significant pre-NAFTA tariffs (mainly in Mexico), the associated trade flows are typically not large relative to catch levels. Trade flows with the world as a whole are significant relative to catch levels in Canada and the United States, though not in Mexico. Conclusions about the relationship of trade to region- and species-specific fish stocks are complicated by data issues.