

November 3, 2025

Global Affairs Canada
Trade Negotiations – North America
John G. Diefenbaker Building
111 Sussex Drive
Ottawa, Ontario
K1N 1J1
<CUSMA-Consultations-ACEUM@international.gc.ca>

Re: Canada-United States-Mexico Agreement Must Protect the Environment and Public Health

Thank you for the opportunity to comment on the Canada-United States-Mexico Agreement (“CUSMA”).

All trade agreements must maintain Canada’s international and domestic commitments to protect the health, safety and environment of Canadians. Canada must be free to pursue strong and precautionary protections for the environment, free from “race to the bottom” pressures from other jurisdictions.

Chapter 24 - Environment Chapter

The Canadian Centre for Policy Alternatives has raised concerns that the new environment chapter in CUSMA has not had a significantly more expansive impact than its predecessor under the North American Free Trade Agreement.¹ More rapid responses and enforcement mechanisms are needed.²

CUSMA does not mention climate change, despite the serious and growing climate impacts risking the health and safety of Canadians.³ The Environment Chapter should much more explicitly incorporate Canada’s international climate change commitments and prevent any challenges to actions taken at the domestic level to mitigate climate emissions or other environmental harms.⁴

¹ Canadian Centre for Policy Alternatives, “Making the Most of the CUSMA Review: Worker and Climate Focused Options for Strengthening North American Economic, Social and Environmental Co-Operation”, May 2024, p 26. <[Making the most of the CUSMA review: Worker- and climate-focused options for strengthening North American economic, social, and environmental co-operation](#)> (“Making the Most of the CUSMA Review”)

² Making the Most of the CUSMA Review, pp 26-27

³ Making the Most of the CUSMA Review, p 23

⁴ Canada-United States-Mexico (CUSMA) – Chapter 24 – Environment, Article 24.8(4), <[Canada-United States-Mexico Agreement \(CUSMA\) - Chapter 24 - Environment](#)> (“CUSMA”)

The Commission for Environmental Co-operation was maintained in CUSMA, which provides the public with a mechanism to make requests to investigate non-enforcement of environmental protections in any other state party to the agreement.⁵ However, the CEC process would be significantly improved with much stricter timelines and a requirement that a state party must act on its recommendations.

Investor-State Dispute Settlement

It is a welcome improvement from the previous trilateral trade agreement between Canada, the United States and Mexico that investor-state dispute settlement (“ISDS”) between the United States and Canada was removed. However, ISDS remains available against Mexico in some circumstances. ISDS is a threat to the ability of a nation to make its own decisions about environmental priorities and causes regulatory chill.⁶

United Nations Special Rapporteur on human rights and the environment published a report in 2023 which highlighted the negative consequences of ISDS.⁷ The report states that foreign investors have weaponized secretive international arbitration processes to challenge climate and environmental actions.⁸ The removal of most ISDS from CUSMA should be maintained and ISDS mechanisms involving Mexico should be removed.

Conclusion

Environmental protections should be strengthened in the review of CUSMA. Low-income and other people vulnerable to environmental harm benefit little from international trade agreements but are most at risk of harm if Canada’s environmental framework is undermined. The public’s ability to hold state parties to account for their environmental records would be strengthened by including stricter timelines and mandating that state parties must respond to CEC findings.

Sincerely,



Jacqueline Wilson
Counsel
Canadian Environmental Law Association

⁵ CUSMA, Chapter 24 – Environment, Article 24.25(3)

⁶ Making the Most of the CUSMA Review, p 39.

⁷ A/78/168: Paying Polluters: the Catastrophic Consequences of Investor-State Dispute Settlement for Climate and Environment Action and Human Rights, 13 July 2023. < [A/78/168: Paying polluters: the catastrophic consequences of investor-State dispute settlement for climate and environment action and human rights | OHCHR](#)> (“Paying Polluters”)

⁸ *Paying Polluters*, p 3/24.