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Environmental Protection and Economic Competitiveness

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Horacio Carmona is an independent environmental quality consultant whose practice is concerned with helping private companies develop quality control systems and improve environmental practices.

[Señor Carmona addresses both environmental protection and economic competitiveness.]

I. Protecting the Environment

In order to properly protect the environment, Carmona recommends creating a system that relies on individual company quality audits which focus on cost-efficiency and the elimination of waste of all types. These audits are objective and independent reviews of the efficiency of company operations. They encourage companies to develop environmental management systems in which all divisions adopt and oversee efficiency standards. Both the audits and management systems tend to ensure that companies are in compliance with nationally adopted environmental standards. To the extent that these audit and management systems are adopted on an industry-wide basis, the need for government enforcement is reduced. In this way, government standards are seen as one of many efficiency objectives that companies commit themselves to and thus build into their routine management systems. This is self-regulation in the best sense of the term.

II. Competing in International Markets

Private companies in Argentina are just beginning to learn about the importance of adopting sound environmental management procedures if they wish to be competitive in in-
ternational markets. There are many countries and businesses in the international market which require companies that sell goods and services to have certificates of environmental compliance or be registered by an independent standard compliance entity.

Part of the Argentine government's export policy includes the issuance of an annual environmental certificate to industrial and manufacturing companies. With this certificate, companies may compete more freely internationally. The standards currently used in this certification process are the ISO 9000 standards.\(^1\) If a company is in compliance with these product and service standards, it has adopted the current requirement for best management practices including environmental management practices. These standards cannot be met by a company that has inadequate product quality and environmental controls.

Señor Carmona indicated that by encouraging environmental audits and management systems as part of its environmental protection system, the national government will help Argentine companies comply with international standards, increasing their competitiveness in international markets. This is a unique opportunity for the government to improve both environmental quality and economic competitiveness in the export market.

\(^1\) ISO 9000 establishes quality management standards set by the International Organization for Standardization (ISO), which was founded in 1946. Christopher L. Bell & James L. Connaughton, International Environmental Standards 1 (unpublished manuscript, on file with the Pace Environmental Law Review).