

Operational Plan of the Commission for Environmental Cooperation 2004–2006



Commission for Environmental Cooperation
of North America
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Executive Summary

In North America, we share a rich environmental heritage that includes air, oceans and rivers, prairies, mountains and forests, all supporting a rich and unique biodiversity. Together, these elements form the basis of a complex network of ecosystems that sustains our livelihoods and well-being. Safeguarding these ecosystems is the collective responsibility of Canada, Mexico and the United States.

The North American Free Trade Agreement (NAFTA), which came into effect in 1994, created the world's largest trading block. At the same time, the NAFTA partners wanted to ensure that environmental safeguards were built alongside the trade liberalization pact. They therefore signed an accord, the North American Agreement on Environmental Cooperation (NAAEC), to address potential trade-related environmental concerns, promote environmental cooperation in the region, and promote the effective enforcement of environmental law.

The organization created by the Agreement to carry out its provisions is the Commission for Environmental Cooperation (CEC) of North America. The CEC's mission is to:

Facilitate cooperation and public participation to foster conservation, protection and enhancement of the North American environment for the benefit of present and future generations, in the context of increasing economic, trade and social links among Canada, Mexico and the United States.

The CEC accomplishes its work through the combined efforts of its three principal components:

- a *Council*, which is the governing body and is composed of cabinet-level environment officials from the three countries;
- a *Council Secretariat*, which leads implementation of the CEC Operational Plan and which provides administrative, technical and operational support to the Council; and
- a *Joint Public Advisory Committee* (JPAC), composed of fifteen citizens (five from each of the three countries), which advises the Council on any matter within the scope of the NAAEC

New Focus for 2004–2006

This Operational Plan represents an effort to strengthen planning at the CEC.

This document departs in several ways from the “program plans” of previous years in an effort to focus the CEC's work and make it more coherent. Foremost among the changes in the 2004–2006 Operational Plan is the emphasis upon principal *Goals and Objectives*, rather than ongoing program work and activities. Instead of the previous organization of *Programs*>*Proj*

ects>Actions (1,2,3)>Activities (1,2,3,) this plan is organized on the basis of Goals>Objectives (a,b,c)>Strategies (a1,a2,a3)>Targets. We believe this will enable all concerned to better understand and assess the effectiveness of the CEC. The Plan better reflects *all* of the work of the CEC. It is also more descriptive of the context within which we operate, and of how the Secretariat is organized. While the Plan will be reviewed annually, it profiles the CEC's work over a three-year planning cycle.

Goals **The 2004–2006 Operational Plan is structured around four mutually-supporting Program Goals:**

1. To foster understanding of the state of our environment and its relation to the economy and trade in North America.
2. To act as a catalyst to improve domestic law and policy and enhance environmental enforcement and compliance across North America.
3. To mobilize international cooperation to resolve critical North American environmental issues.
4. That all CEC activities strive to provide a forum for public dialogue and participation concerning environmental issues in North America.

The 2004–2006 *Goals, Objectives* and *Targets* are further described in Section 2.2.

Several crosscutting **Management Activities** support attainment of our *Program Goals*, including communications, information management, involvement of indigenous peoples, Indian tribes and indigenous communities,¹ and administration. These areas are described in Sections 2.3 and 2.4. Special initiatives of the CEC—NAAEC Article 13 reports, the Ten-year Review of NAFTA/NAAEC, the CEC Strategic Plan development, support to Council and to JPAC, and NAAEC Article 10(6)—are described in section 2.5.

Highlights for 2004–2006

Adopting this approach brings a new focus to the CEC. Among the highlights for 2004–2006 are the following:

- Strengthening Partnerships

In the near term, we will be refining our targets, policies and approaches for ensuring that our partnerships simultaneously advance CEC goals, while supporting the complementary actions of others. The CEC will increase the development and expansion of partnerships with other North American and international organizations. Through partnerships and collaboration, the CEC can boost promising initiatives requiring modest technical or financial support, greater regional profile, or improved coordination. The CEC is attracting attention for its effectiveness in mobilizing cooperation and catalyzing effective environmental ac-

¹ Indian tribes is the federally recognized term in the United States to refer to indigenous peoples and communities.

tion. To date, the CEC has engaged in joint projects with organizations such as the World Bank and the Global Environment Facility and strengthened its collaboration with the International Joint Commission and the International Boundary and Water Commission. Opportunities for collaboration are being explored with the Pan American Health Organization, and other entities. The CEC will also enhance engagement with the private sector.

- Enhancing North American Environmental Information

The CEC will strengthen its value as a center for information and analysis concerning the state of the North American environment by facilitating data comparability and information sharing, investigating environmental threats and issues through forward-looking assessments, and informing the public and decision makers of the impacts of environmental degradation on human and ecosystem health. This work will be complemented by our continuing efforts to understand and communicate the environmental effects of liberalized trade. The CEC's future *State of the Environment* reports will be key vehicles for communicating this information. These efforts will be complemented by such CEC initiatives as our annual *Taking Stock* report on pollutant releases and transfers, and reports from our biennial symposia on the environmental impacts of trade. Because air knows no boundaries, improved quality and accessibility of air pollutant information and the comparability of data are important concerns for governments and the public. Thus, over the near term, we will place special emphasis on enhancing the comparability and accessibility of air quality information.

- Making Progress on Hazardous Waste Management

The CEC will fortify its work on improving the management of hazardous wastes in our three countries. A priority focus will be hazardous recyclable materials and hazardous waste tracking. Our efforts in this area will be linked more closely with the activities under the Pollutants and Health program.

- Conserving Biodiversity

In June 2003, the CEC Council endorsed the *Strategic Plan for North American Cooperation in the Conservation of Biodiversity*. This commits our three countries to cooperative action for conserving and sustaining North America's biodiversity resources and heritage. For its part, the CEC will concentrate in the near term on helping the three countries establish conservation sites in the Baja to Bering marine ecoregion and in the central grasslands of North America, on developing conservation action plans for species of common conservation concern, and on evaluating pathways of invasive species infestation through trilateral trade.

- Addressing the Impacts of Pollution on the Environment and Human Health

The CEC's Sound Management of Chemicals program (SMOC) has long been a flagship initiative. It focuses on improving North American cooperation in managing priority persistent toxic chemicals through regional strategies and action plans. Over the next few years, we will improve SMOC's effectiveness by shifting its focus from individual chemicals to suites of problem substances and on their life cycles. More emphasis will be placed upon forward-looking management initiatives, and to regional monitoring of contaminant levels in the environment. We will also strengthen the links between SMOC and our work on the North American Pollutant Release and Transfer Register (PRTR) project, hazardous waste management, pollution prevention, a Conservation of Biodiversity project on toxics and

birds, and other CEC initiatives described in this Plan. Further, we will place increasing emphasis on promoting pollution prevention and private sector leadership in environmental protection.

Finally, it should be noted the 2004–2006 Operational Plan is *transitional*. It invites discussion on refinement of the *Goals* and *Objectives*, which will allow us further to sharpen, focus and strengthen our strategies and work. As the CEC nears its ten-year anniversary, the 2004–2006 Operational Plan will provide a strong foundation for formulating the CEC’s long-term Strategic Plan in 2004 as Council charts the path forward for the CEC in response to the independent ten-year review now underway.

1 Introduction

1.1 Planning Context

The scale and scope of environmental concerns in North America call for an unprecedented degree of cooperation between and among Canada, Mexico and the United States. Operating with a budget of US\$9 million per year, the CEC continues to play a critical role in building consensus and facilitating action on the environmental challenges facing our three countries.

Many factors shape the CEC's work from year to year. As presented in the North American Agreement on Environmental Cooperation (NAAEC), the CEC has a broad mandate—partly prescriptive, partly enabling. Besides stipulating general obligations on each Party to protect its own environment, NAAEC also establishes three main bodies (Council, the Secretariat, and the Joint Public Advisory Committee [JPAC]) to work together to fulfill the CEC's mandate to encourage environmental protection and effective environmental enforcement, sustainable development, international cooperation, public participation, and the general fulfillment of NAFTA's environmental goals.

Council's Mérida and Guadalajara Communiqués and the CEC's annual program plans have focused this mandate on certain strategic priorities, known as the "programs" (Environment, Economy and Trade; Conservation of Biodiversity; Pollutants and Health; and Law and Policy). These programs, together with the Specific Obligations Under the Agreement, constitute the CEC's ongoing portfolio of work.

Over the first nine years, the CEC's work program has evolved with the benefit of experience, consultations and evaluative exercises. In particular, JPAC has convened public workshops in each of the NAFTA countries to seek and transmit to Council public input and advice on future directions for the organization. The work program has also benefited from recommendations made by other advisory bodies, including the national and governmental advisory committees. Additionally, plans have incorporated suggestions from members of the private and public sectors engaged in the CEC's work, such as the Sound Management of Chemicals program, the North American Pollutant Release and Transfer Register, and the Secretariat's independent studies under Article 13.

Finally, the Council itself meets annually to consider the work of the previous year and to provide direction for the next and subsequent years. In 2002, for example, Council directed work on initiatives encompassing energy and environment, children's health and the environment, sound management of chemicals, finance and environment, and corporate environmental stewardship. Council also asked that working relationships be strengthened with the International Joint Commission and the International Boundary and Water Commission. In 2003 Council endorsed the *Strategic Plan for North American Cooperation in the Conservation of Biodiversity*.

It directed that the Secretariat report on twelve indicators of the interaction between children's health and the environment. And it directed that the Secretariat explore voluntary mechanisms through which environmental information can be made readily available to financial analysts and investors.

1.2 Achievements and Challenges

In the nearly ten years since its establishment, the CEC has achieved a great deal. From a standing start, it has staffed a secretariat, and opened a headquarters office in Montreal and a liaison office in Mexico City, launched several issue-specific networks for trilateral cooperation (e.g., in protecting biodiversity, control of certain persistent organic pollutants), developed procedures to support its activities (e.g., NAFEC, Article 14), undertaken a number of ground-breaking studies on a variety of environmental issues and, more generally, laid the basis for environmental cooperation among Canada, Mexico and the United States.

One of the CEC's greatest contributions has been the fulfillment of the idea that trade and environmental considerations need to, and can, be integrated. The rationale for this integration emerged at the 1992 *Earth Summit* in Rio de Janeiro and the NAAEC can be considered as its first international embodiment. Ten years later, the NAAEC and its corresponding institutions are viewed as a model experience for consideration in the development of other international agreements. Through its work, the CEC has furthered the understanding of the linkages between environment and trade.

The NAAEC also stands out for its several provisions giving effect to the NAFTA Parties' emphasis on public participation. The preamble of the NAAEC emphasizes "the importance of public participation in conserving, protecting and enhancing the environment," and the NAAEC threads public participation into the fabric of the CEC. The NAAEC commits the Parties to providing for public participation in various ways, establishes JPAC to advise the CEC Council, encourages creation of other advisory committees, and allows persons and nongovernmental organizations in North America to bring directly to the CEC their concerns regarding enforcement of environmental laws in the three NAFTA countries. No other international agreement includes similar provisions for transparency and public involvement. In Mexico, these have created unprecedented space for public participation, thereby increasing the legitimacy of public participation in environmental policy.

The CEC has managed several high-profile projects to improve environmental cooperation. One of the most important is the Sound Management of Chemicals (SMOC) program, through which Canada, Mexico and the United States have taken action to control selected persistent organic pollutants and certain heavy metals. The CEC's framework for continental cooperation was crucial to Mexico's phase-out of DDT (ahead of schedule) and its initiation of a pollutant release and transfer register.

In addition, the CEC has coordinated government action on species of common conservation concern; published seven annual reports on pollutant releases (*Taking Stock*), which have achieved high public recognition; and awarded almost 200 grants to community-based projects through the North American Fund for Environmental Cooperation (NAFEC) at a value in excess of US\$6 million.

For its part, the Secretariat has also completed, to date, four *Article 13* reports (not including a large number of working papers and analytical reports). Under Articles 14 and 15, the Secretariat has received over 40 submissions on enforcement and completed eight factual records.

In 2003, among many other important accomplishments of the CEC, the following stand out:

- Adopted the *Strategic Plan for North American Cooperation in the Conservation of Biodiversity*.
- Published five factual records under Article 15.
- Held the second North American Symposium on Assessing the Environmental Effects of Trade.
- Published *Taking Stock 2000*.

While the accomplishments of the CEC are impressive, challenges remain. The constraints imposed by a static budget are becoming increasingly severe. As well, as the development of the approach in this Operational Plan reflects, the CEC can do more to focus its priorities, clarify the impact of its work, and enlarge awareness of its contribution.

The CEC has also been used by the Parties to reflect, at the North American level, commitments undertaken at the global level, including those of the World Summit on Sustainable Development (WSSD). Internalizing these commitments at the regional level and making them a reality has been an important contribution of the organization, but more could be done in that respect to make our global and regional agenda mutually reinforcing. Particular attention should be paid in the future to exploring how the CEC could contribute, for example, to the ongoing work of the UN Commission on Sustainable Development.

1.3 A New Direction

The Parties, JPAC, CEC Secretariat staff, and outside observers have expressed some specific concerns about the CEC's work and operation; among them:

- The CEC has given insufficient attention to strategic planning.
- The CEC budget has been fixed since its inception at US\$9 million annually, and the resources available to the CEC have thus declined in real terms.
- The CEC policy program is spread thinly among numerous separate projects.
- The Parties seek greater accountability from the Secretariat for the results of CEC programs.
- Certain activities foreseen in NAAEC have not been developed as fully as desired, such as Commission cooperation with the NAFTA Free Trade Commission to achieve environmental goals and objectives, developing recommendations for transboundary environmental impact assessment under Article (10)(7), and developing model rules for Part V on dispute resolution).
- The CEC has published only one State of the Environment (SOE) report (NAAEC calls for the preparation of "periodic" reports).

This Operational Plan represents an effort to strengthen planning at the CEC. As such it responds to the above concerns as well as recent assessments of CEC's information management capacities and needs, a review of the involvement of indigenous peoples, Indian tribes, and indigenous communities² in the work of the CEC, and three pilot program evaluations undertaken last year of the operations of the Mexico City Liaison Office, North American Biodiversity Information Network (NABIN) and SMOC. The findings and recommendations of all of this work are reflected in the Plan, as are steps being taken to follow up.

² Idem.

2 The 2004–2006 Plan

2.1 Overview

This section provides an overview of CEC's operational goals, objectives and targets; how we approach our work; how we are organized; and the allocation of resources to accomplish the Plan.

2.1.1 Planning Framework

The 2004–2006 Operational Plan is structured around four **Program Goals**:

1. *To foster understanding of the state of our environment, and its relation to the economy and trade in North America.*
2. *To act as a catalyst to improve domestic law and policy, and enhance environmental enforcement and compliance across North America.*
3. *To mobilize international cooperation to resolve critical North American environmental issues.*
4. *That all CEC activities strive to provide a forum for public dialogue and participation concerning environmental issues in North America.*

These **Goals** devolve from our mandate as prescribed by the NAAEC, and reflect the evolution of strategic priorities that has taken place over time. Each **Goal** is supported by specific **Objectives**, **Strategies** and **Targets** that further define our priorities and how they will be pursued and measured over the next three years. The 2004–2006 *Goals*, *Objectives* and *Targets* are described in Section 2.2.

Several crosscutting **Management Activities** support attainment of our **Program Goals**. These include communications, information management, fostering partnerships, capacity development and public participation, including the involvement of indigenous peoples, Indian tribes and indigenous communities³ and administration and finance.

These topics are described in Sections 2.3 and 2.4. Special initiatives of the CEC [Article 13 reports, Ten-year Review, the CEC Strategic Plan development, Council support, and Article 10(6)] are described in section 2.5.

³ Idem.

2.1.2 Operational Environment

With a broad and unique mandate, a static budget, and nine years' of operating experience, the CEC has evolved specific directions and operating procedures to maximize effectiveness and efficiency.

Filling a Unique Niche

The CEC has assumed a unique role in North America as a catalyst, convenor and coordinator of action, and as a center for policy research and information. The unique government-public constitution of the CEC often enables the organization to advance initiatives when others cannot.

As a "catalyst," the CEC can spur on worthwhile North American initiatives as well as further regional implementation of global initiatives and accords. Through partnerships and collaboration, the CEC can boost promising initiatives requiring modest technical or financial support, greater regional profile, or improved coordination.

As "convenor," the CEC constitutes a unique regional forum for exploring trends, bringing key players together to develop solutions or simply exchanging views on environmental protection, conservation and sustainability and environment-trade linkages. Because the CEC involves the three North American governments as well as the public through its Council, advisory committees, working groups and JPAC, the institution is ideally positioned to convene stakeholders from the public and private sector, and build bridges of understanding on issues and actions.

As "coordinator," the CEC can facilitate initiatives on a regional scale to enhance the efficient use of scarce human and financial resources. Network building among the scientific, academic and other nongovernmental communities, for example, helps to build capacity in North America and is an important vehicle for public participation in the work of the CEC.

Designing Projects from Beginning to End

The work of the CEC is implemented through a variety of means, tailored to accomplishing the goals and objectives in the most effective and efficient manner. Before a project is implemented, care is taken to design the project so that it is clear what the goals and objectives will be, the timeline, roles of the different participants, and indicators to measure success. Typically, the CEC's approach follows a progression of stages beginning with *problem identification*, followed by *scoping* and leading through *development* and then *dissemination* of recommendations. Some initiatives are designed to end within a specified period, or to be adopted and advanced by other institutions, or integrated into government programs, structures and processes. *Pilot initiatives* are used to test a concept, mechanism or strategy in a particular locale, region or situation. The results may provide a model for others to replicate. Future work occasionally depends on the findings and results achieved in preceding and current years. And still other work is designed to be continuous.

Working in Partnership

Through partnering with a growing number of private and public actors at the local, regional and global levels, the CEC amplifies the reach and impact of its actions, while avoiding duplication of effort.

Providing an Information Hub

In a short period, the CEC has established itself as an important repository of regional data and information on the North American environment. The CEC's reports, factual records, and databases empower citizens and governments by providing important regional information on our shared environment, and on the policies employed to protect it.

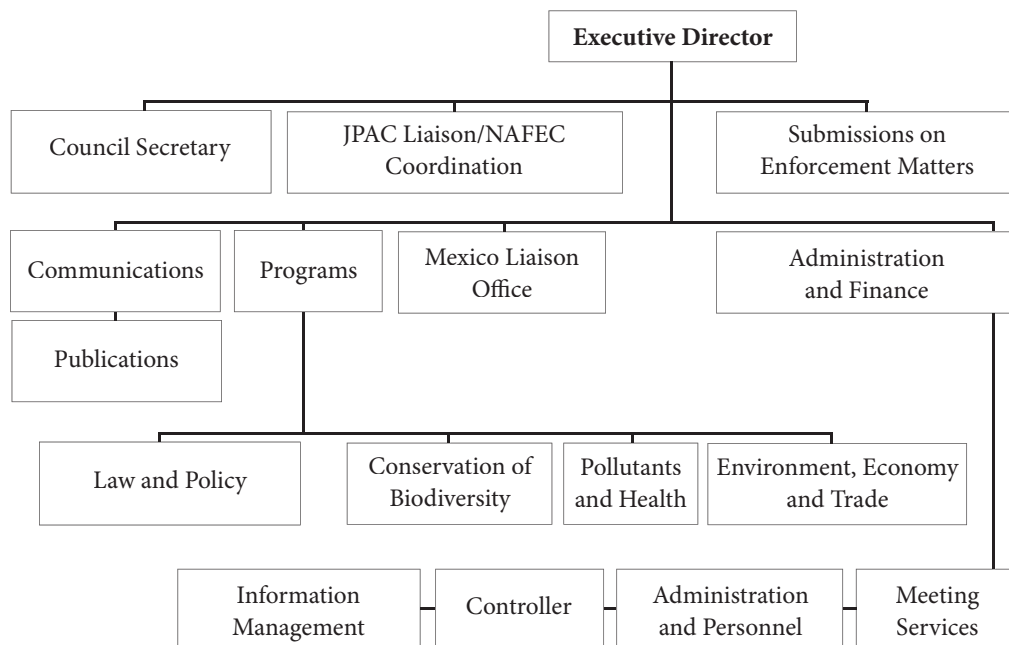
Performing Research and Policy Analysis

With its trilateral professional staff, access to the expertise of governments, and relationships with a growing network of scientific and academic communities involved in the work of the institution, the CEC has established credibility by bringing high-quality research and policy analysis to bear on important environmental matters of regional concern. As a center for research on policy and the scientific aspects of regional environmental issues, the CEC continues to provide objective, trusted, science-based information and guidance to policymakers and the public-at-large.

2.1.3 Organization and Staffing

Implementation of this Operational Plan is accomplished and managed by the CEC Secretariat. Headed by an executive director, the Secretariat is composed of an expert and highly motivated staff of 55 people working within several operational units, as shown below. All operational units are critical to the functioning of the Secretariat. These units work collaboratively to promote the greatest degree of integration of CEC's initiatives possible, and to assure that staff expertise can be applied when and where it is most needed. The Submission for Enforcement Matters (SEM) unit, responsible for receiving and addressing submissions under Articles 14 and 15, maintains a degree of independence, consistent with its unique mandate within the Secretariat.

CEC "Operational Units"



North America is fortunate to have many experts in the three countries who can be called upon to assist in defining issues, providing scientific expertise, offering technological and other solutions and elaborating institutional mechanisms. All of these experts contribute to and benefit from being involved in achieving the CEC's goals. To facilitate such involvement, the CEC's work often engages teams of experts, working groups, multi-stakeholder committees and other mechanisms.

2.1.4 Budget Constraints

The CEC operating budget stands at US\$9 million per year—US\$3 million from each party. This has remained unchanged since 1995. Over time, the spending power has eroded due to inflation. However, most CEC expenditures are in Canadian dollars and until 2003, the CEC benefited from a favorable exchange rate between the US and Canadian dollar. This has offset the impact of inflation somewhat. Since the beginning of 2003, however, the Canadian dollar has steadily risen, causing significant erosion (C\$963,000) in spending power over the course of the 2003 budget year.

Several important factors affect application of the budget. For example:

- The number of employees within the Secretariat has been fairly constant over the past five years at 55. Salaries account for 32 percent and office rent 5.5 percent of the total budget. A new lease has been negotiated, reducing our costs and better reflecting current market values.
- The “carry forward” of unexpended funds from one year to the next has historically represented about eight percent of our total budget. In 2003, the “carry forward” was eliminated through improved project and expenditure management. While a positive development, this has further constrained the effective budget for 2004.
- There are currently 42 expert groups (e.g., working groups, committees, task forces) that provide advice to the Secretariat or guide ongoing CEC work. The number of these continues to rise each year. In 2002, 40 events were hosted by the CEC, comprising over 1400 people at a cost of C\$2,000,000. As an example, a typical meeting involving about 100 people costs over C\$80,000 to organize and conduct.
- The number of CEC items published on our web site was over 2000 in 2002. The number of unique visitors to the web site continues to increase steadily and currently stands at about 80,000 per month.
- Finally, Council continues to be actively engaged in guiding and giving direction to the work of the CEC. In recent years, the number of directions and commitments offered by Council has increased dramatically.

2.2 Program Goals

Four principal goals will be pursued over the planning period. Each Goal, and its corresponding Objectives, Strategies and Targets, is described below:

Goal 1 To foster understanding of the state of our environment, and its relation to the economy and trade in North America

Effective environmental decision-making is built on a foundation of knowledge. The NAAEC defines four broad areas in which the CEC should perform research and disseminate information. Accordingly, the CEC has become a center for information and analysis concerning the state of the North American environment (Objective A, below), and concerning the impact of NAFTA on the environment (Objective B). The CEC's work on trends in and the status of environmental standards, and on compliance and enforcement of environmental laws in each of our three countries, is described under Goal 2.

Objective A: The public and the Parties have a better understanding of the state of and outlook for the North American environment and its relation to human and ecosystem health

As public awareness and understanding of the links among environmental quality, human health, and economic well-being increase, environmental information is being called upon to play a greater role in linking environmental and ecological well-being to economic and social well-being. Integrated reports are now needed that evaluate the linkages among issues, driving forces, and policy responses. A key challenge for environmental reporting is to support better the needs of policy-makers. The CEC will continue to build its credibility and value as a center for information and analysis concerning the state of the North American environment through three strategies:

Strategy 1: Facilitating data harmonization and information sharing and promoting integrated monitoring across North America to foster better understanding of the current status of the North American environment

Timely, accurate and publicly accessible environmental knowledge among all sectors of society is essential for informed decision-making and the development of sound environmental policies on the part of governments, industry and the public. Environmental reporting has evolved dramatically over the past decade and a half, responding to new audiences and new demands, and building on the experience gained by national and international organizations, such as UNEP (United Nations Environment Programme) and the OECD (Organisation for Economic Co-operation and Development). In North America, each country has developed its own experiences and approaches, and works together through the CEC on enhancing comparability and accessibility of environmental information, most notably with pollutant release and transfer registers (PRTRs) and air emission inventories.

The NAAEC commits the CEC Secretariat to preparing periodic reports on the state of the North American environment. Accordingly, the Secretariat is developing an approach for disseminating state of the environment information in a consistent and regular matter. The focus will be on trends in the environment, the stresses that affect the environment, and societal responses to prevent or reduce these stresses, taking into account ongoing environmental information efforts in the countries. The CEC's environmental reporting strives to build on evolving practices and strengths, to provide a North American perspective emphasizing the priority issues and concerns of Council, to utilize information generated through CEC work, in conjunction with other sources, and be designed to complement the work of the three NAFTA countries.

The *Taking Stock* report⁴ is a good example of more specifically focused CEC work that tracks changes and trends over time, and from which State of the Environment (SOE) reporting will draw. With seven years of data, as of the *Taking Stock 2001* report (to be released in early 2004), the CEC will be increasingly able to present analyses of trends in the generation and management of toxic pollutants. Another important element of this work is to support the further development and implementation of the mandatory and publicly accessible *Registro de Emisiones y Transferencia de Contaminantes* (RETC; PRTR in English) system in Mexico.

"Air information" will be a focus over the next few years. Because air knows no boundaries, improved quality, comparability, and accessibility of air pollutant information is an important concern for governments and the public. In 2004, the CEC will support the completion of the first-ever, national air emissions inventory in Mexico for a number of important air pollutants, including sulfur oxides, nitrogen oxides, and particle aerosols. This pollutant information, taken together with comparable data from Canada and the United States, will serve as the input to the CEC's periodic summary reports on North American air emission inventories, consistent with Resolution 01-05, as well as provide a starting point for linking national and regional air emissions inventories electronically across North America.

Convenient and dependable access to and dissemination of relevant, reliable, and comparable air monitoring information, along with sound interpretive assessments based, in part, on that information, are crucial to the confirmation and quantification of progress made with respect to air quality programs and international commitments. Some important examples are regional ozone reduction strategies, acidic deposition reduction trends connected to ecological responses, and regional visibility improvement efforts. In addition, baseline surveys, using monitoring information are likely to be very important when attempting to assess the nature, extent and significance of emerging transborder air pollution issues. The results of such surveys, using comparable data obtained across borders, can help identify multi-jurisdictional spatial patterns and correlations among different human health and environmental parameters, and inform and guide future monitoring, research and modeling activities. The CEC is initiating an activity to enhance the comparability and accessibility of air monitoring information in North America to support these environmental and public health objectives.

Targets:

- Publish a report in 2005 synthesizing information on the state of the North American environment.
- Continue publishing annual *Taking Stock* reports on North American pollutant releases and transfers.

⁴ *Taking Stock* is an annual report on industrial pollutant releases and transfers which brings together existing national public information from the three countries—the US Toxics Release Inventory (TRI), the Canadian National Pollutant Release Inventory (NPRI) and, as they become available, data from Mexico's *Registro de Emisiones y Transferencia de Contaminantes* (RETC).

- Continue implementing an action plan to enhance comparability among PRTRs in North America.
- Support exchange of technical and strategic knowledge among air quality managers within North America by implementing a program to facilitate personnel exchanges among government agencies in the three countries.
- Enhance air monitoring capacity in Mexico by assisting the development of the Mexican Air Quality Monitoring Plan.
- Develop a periodic report, beginning in 2004, on ambient air monitoring information in North America and identify opportunities to increase access to this information.
- Complete the 1999 Mexico National Emissions Inventory in 2004.
- Produce annual public reports on criteria air contaminant emissions information in North America. The first report will summarize and compare available emissions data for electric generating stations.

Strategy 2: Investigating potential environmental threats and issues of common concern by performing comparative analyses and assessments using comparable environmental information collected across North America

As the North American economies grow increasingly integrated, new concerns due to environmental degradation can arise as business activities relocate or expand across borders. The CEC will begin investigating threats to the environment that could affect ecosystem integrity, public health, or other environmental attributes. This will be done through comparative analyses and assessments using state-of-the-art modeling techniques coupled with existing databases containing environmental, public health, or other relevant information. These assessments will take advantage of comparable public health and environmental information collected under strategy 1, above, to establish baselines against which future scenarios may be compared.

Target:

- Initiate comparative analyses and assessments of air pollution, public health and ecosystem interactions.

Strategy 3: Assessing the impacts of environmental degradation on human and ecosystem health in North America and disseminating assessment results to decision makers and the public

A major issue shaping the development and use of environmental information will continue to be the recognition of the critical links between environmental integrity and human health. News headlines reflect heightened public concern about the safety of drinking water and the health impacts of urban air pollution and the emergence of new diseases. All of these issues involve complex relationships between environmental change, human activities and human health. Examples include endocrine disrupters in drinking water, traces of persistent organic pollutants in the food web. Children's health and the environment constitute a burgeoning field of interest that has come about with the recognition that children are an especially vulnerable component of the human population. The CEC *Cooperative Agenda for Children's Health and the*

Environment in North America calls for the development of North American indicators of children's health and the environment to provide decision makers and the public with periodic, understandable information. Children are particularly affected by DDT exposure, probably from DDT persisting in the environment or DDT residues in food. After supporting the successful phase-out of DDT in Mexico⁵, the CEC will analyze the cumulative impacts of DDT on children and the ecosystem. The CEC's work in 2004–2006 under the SMOC initiative will also begin providing information on levels of persistent organic pollutants (POPs) in humans and the atmosphere and levels of DDT in children in Mexico and Central America.

Targets:

- Countries gather available data on an initial set of 12 indicators of children's health and the environment in North America as the basis for the first "indicators report" in 2004.
- Launch a project to measure levels in persistent organic pollutants (POPs) in selected human populations in North America and report first results in 2005.
- Report on levels of persistent organic pollutants and metals in the atmosphere in North America over time, starting with mercury wet-deposition levels in 2005.
- Measure DDT levels in children's blood in Mexico and Central America to determine trends over time, beginning in 2004.

Objective B: Trade officials and the public understand the environmental effects of liberalized trade and use that understanding to inform new agreements

North America has the largest trading block in the world that derives its strength, in part, from the vast natural resources that are found here. It is thus important to work to integrate environmental and trade policies so they are mutually supportive and to ensure that protections afforded in domestic environmental laws are not weakened or reduced as an encouragement for trade. The CEC is unique among intergovernmental organizations in its mandate to examine, on an ongoing basis, the environmental effects of a trade agreement. The CEC accomplishes this work in collaboration with the Parties, OECD, UNEP, UNCTAD WTO/CTE and various NGOs. Of notable interest in this time of emerging bilateral and regional trade agreements is NAFTA's unique standing as the first regional trade agreement between countries at differing levels of development, and the first to include investment clauses. Following the CEC's first two symposia on trade and environment, and with ten years of evidence, the lessons learned in North America have stimulated the interest of organizations around the world. Thus, as part of its continuing assessment of the environmental effects of free trade and related market integration, both sector- and region-specific, the CEC makes the lessons learned available to all interested parties.

Strategy 1: Developing a strategic plan for the Environment, Economy and Trade program

Under the NAAEC, the CEC Council supports the environmental goals and objectives of NAFTA and cooperation with the NAFTA Free Trade Commission to achieve those goals and objectives. In this context, there is a need to explore how communication and cooperation with the FTC can be further advanced within the context of the broader CEC Operational Plan. Thus, in 2004 a strategic plan to guide the CEC's environment, economy and trade work will be developed. There is a range of environment-related trade issues, or environmental issues in which trade is a factor, on which

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environment and trade officials could collaborate. Cooperation between environment and trade officials need not be restricted to projects; value is seen in informal trilateral discussions on multilateral issues, and on regional cooperation on the implementation of international commitments. Recommendations from the Ten-year Review might be incorporated into the strategic plan and could form the basis of future work under that plan. Development of a strategic plan will also allow the Parties to use outcomes from previous, diverse CEC projects on trade, environment, and the economy and to link those outcomes as a contribution to an overall cooperation strategy with the FTC.

Targets:

- Develop a long-range strategic plan for the CEC Environment, Economy and Trade program with priorities and issues established by the Article 10(6) Working Group.

Strategy 2: Assessing and disseminating findings on environment/trade relationships in a transparent manner

CEC's second North American Symposium on Assessing the Environmental Impacts of Trade, held in Mexico in 2003, addressed the topics of agriculture and energy. The symposium generated valuable results for the agriculture and energy sectors. Given the complexity and the level of integration of these two sectors at the North American level, and to fully benefit from the symposium, follow-up study (in which the CEC Council-approved framework would be applied) is warranted to enhance understanding of the linkages among environmental protection, trade and deeper economic integration. We will begin by identifying agricultural sub-sectors for further assessment and, following consultation with the Parties, proceed with analysis of those sub-sectors. The Parties, National Advisory Committees, and JPAC recommended that CEC partner in such work with institutions of higher education. The CEC has linked with the "PanAm Partnership," an alliance of four North American business schools (HEC Montreal, Dalhousie University, Pace University, and the *Instituto Tecnológico y de Estudios Superiores de Monterrey*), in which industry participates. This partnership enables us to undertake the work with minimal resources. This work will also benefit from the Parties' input; government officials have served on the advisory groups for past symposia and for the development of the assessment framework. The result will update our work on trade and environment linkages, which has been presented both in CEC publications and in peer-reviewed professional journals. It is anticipated that the Parties will benefit from being able to incorporate, as appropriate, the lessons learned into their environmental assessment of future trade agreements.

We will continue the assessment of agriculture and extend the analysis to the whole marketing chain (from investment to production, including processing, distribution, and consumption). The assessment work will address investment and scaling effects of NAFTA. The CEC's third North American Symposium on Assessing the Environmental Impacts of Trade will focus on how to decouple economic growth from environmental impacts, including the questions of how to reduce pressures on infrastructure that stem from the economic growth that accompanies increased levels of investment. This assessment work, conducted preparatory to the third symposium, will be carried out in an open, transparent and inclusive manner in order to assure confidence in the results. As in past symposia, the CEC will create an advisory group comprising government officials, trade economists and environmental experts having scientific expertise

in trade and environment issues (including scale effects and investment). The group will develop terms of reference for public proposals. Also as in past, selected proposals for papers to be presented at the third symposium will be supported with modest CEC funding. The advisory group is critical to the development of the agenda for the symposium. Trade representatives of the three countries will be invited to become members of the advisory group. Partners, such as the OAS, will be sought to host the symposium so that costs can be shared.

Targets:

- Continue to document the linkages between agricultural trade liberalization and the environment for specific sub-sectors.
- Disseminate information on NAFTA trade and environment relationships by, among other means, hosting the third North American Symposium on Assessing the Environmental Impacts of Trade in 2005, with a focus on growth, investment, and environment.

Goal 2 To act as a catalyst to improve domestic law and policy, and enhance environmental enforcement and compliance across North America

Laws form the basis of the environmental protection regimes in Canada, Mexico and the United States. This goal addresses regional priorities regarding obligations and commitments in NAAEC related to enhancing compliance with, and enforcement of, environmental laws and regulations, environmental standards, environmental performance and the continued development and improvement of environmental law and policy. It seeks to improve environmental quality through improving the understanding of technical requirements and identifying and enhancing collaboration among environmental law enforcement agencies. Two key objectives are being pursued that focus on strengthening cooperation on legal standards and enhancing compliance with laws.

Objective A: Enhance cooperation in the development, improvement and dissemination of information about environmental laws, policies, standards and technical requirements

This objective focuses on the Council's mandate under Article 10(3) to strengthen cooperation on the development and continued improvement of environmental laws and regulations by promoting the exchange of information on criteria and methodologies used in establishing domestic environmental standards, and by establishing a process for developing greater conformity in assessment procedures in a manner consistent with NAFTA. Three strategies support this effort:

Strategy 1: Improving the understanding of regulatory and technical requirements, experiences and management techniques in selected sectors

To accomplish this, CEC's work will identify regulatory gaps and establish a baseline of regulatory practice from which to evaluate trends in the future. Over the next two years, the CEC will produce reports that examine the experiences and best practices regarding water quality.

Targets:

- Facilitate and promote the sharing of case studies that demonstrate national and local experiences and best practices in priority sectors.

Strategy 2: Ensuring that online information about North American environmental laws and policies is up-to-date and easily accessible

The CEC will strive to maintain the online Summary of Environmental Law in North America and the Transboundary Agreements Infobase to help ensure that accurate and comparable information is available to researchers regarding the environmental laws and regulations in the three countries.

Targets:

- Update and improve the Summary of Environmental Law in North America database on a continuing basis.
- Maintain database links to countries' laws and policies.

Strategy 3: Improving the coordination of environmentally sound management and tracking of transboundary hazardous waste in North America

The CEC will work with the Parties to develop a North American approach to the environmentally sound management of selected priority wastestreams and hazardous recyclable materials of mutual concern. It will also help build a compatible approach for the transboundary tracking of hazardous waste within North America. This objective also supports the Parties efforts to enhance compliance with, and enforcement of, laws regarding the transboundary movement of hazardous waste.

Targets:

- Identify priority hazardous wastestreams and recyclables in 2004 and 2005 and, in subsequent years, develop compatible approaches on the environmentally sound management of these priority hazardous waste streams and recyclables.
- By 2005, finalize a study on the inter-operability of the existing technologies and systems for tracking the transboundary movements of hazardous wastes, with a goal of providing recommendations on improving the transboundary tracking of hazardous waste in North America.
- In 2004, update the North American Hazardous Waste Code Dictionary and make it publicly available online, providing updates as needed in subsequent years.

Objective B: The Parties enhance compliance with, and enforcement of, their environmental laws and regulations

This objective focuses on the Parties' NAAEC Article 5 obligation regarding effective enforcement of environmental laws and the Council's NAAEC Article 10(4) obligation to foster technical cooperation to this end. This objective will be accomplished by two principal means:

Strategy 1: Providing a forum for the Parties and stakeholders to come together on issues of common concern

The CEC will address priorities for effective enforcement and compliance cooperation in North America. This work will occur through the North American Working Group on Enforcement and Compliance Cooperation (Enforcement Working Group—EWG), taking into account international developments. The CEC will work on shared enforcement challenges, on training opportunities, and on building awareness of North American enforcement and compliance issues. These actions will focus on issues associated with wildlife enforcement and pollution control.

Targets:

- Targets will be developed upon completion of the EWG strategic plan, as part of an implementation plan.

Strategy 2: Ensuring that the Articles 14/15 process yields information that can enhance environmental enforcement and compliance in North America

The Articles 14/15 process produces factual information regarding asserted failures to effectively enforce environmental law in North America that may assist the NAAEC Parties and the public in taking any action they deem appropriate in regard to the matters addressed.

The intent of the process is to enhance environmental enforcement and compliance in North America.

Target:

- The Parties consider actions, as appropriate, in regard to matters addressed in factual records.

Goal 3 To mobilize international cooperation to resolve critical North American environmental issues

North America comprises an extensive and rich mosaic of ecoregions. Cooperation among our three countries can help to resolve problems within the regional and global contexts more quickly and effectively than can national actions alone. Moreover, advance coordinated planning can anticipate and prevent problems.

The CEC continues to play a leading role in defining, analyzing and resolving critical problems that can benefit from a concerted North American approach and effort. CEC's work in this area includes civil society, nongovernmental organizations, academia, and the private sector in terms of engagement and as a focus for resolution of priority issues. The focus of this goal is cooperation to resolve priority issues—ones which CEC is uniquely positioned to assist. As priorities change, so too will the work to accomplish this goal. The CEC's medium-term objectives, relating to biodiversity conservation, trade-environment impacts, and resolving pollution threats, are described below:

Objective A: Conserve North America's biodiversity and use it sustainably

Migratory species and transboundary ecoregions across the continent are affected by actions in each of the three countries. Canada, Mexico, and the United States not only share many ecosystems and migratory species, but they are also increasingly linked through economic, social, and cultural exchange.

Following extensive discussion and collaboration among governments, nongovernmental organizations, indigenous people, Indian tribes, indigenous communities, and recognizing the contribution of the public and the Biodiversity Conservation Working Group, the Council endorsed the *Strategic Plan for North American Cooperation in the Conservation of Biodiversity* by Resolution. The Strategic Plan's goals pertain to: 1) ecologically significant regions, 2) conservation of species, 3) information sharing, 4) capacity building, 5) responding to threats, and 6) trade issues related to biodiversity. The Strategic Plan is intended to operate within a five-year period, setting a broad and consistent framework for achieving its goals and priorities. Accordingly, against these goals, the Biodiversity Conservation Working Group has identified thirteen priority areas for action that will be further elaborated in 2004 in a five-year Action Plan. The CEC's medium-term Operational Plan guides the evolution of projects that support implementation of the Strategic Plan and the Action Plan. Accordingly, CEC's work, including Strategy 1 below, is aimed specifically at elaborating the priority actions of the Biodiversity Strategic Plan.

The CEC's project work will be designed to be innovative, proactive, cross-sectoral, and achievable with quantifiable results, and will include substantial public involvement. For its outcomes, it will aim to foster an integrated continental perspective for cooperative conservation and use of biological resources; contribute to the maintenance of the ecological integrity of North American ecoregions; promote specific contributions to the management of invasive species; and increase capacity for biodiversity conservation and cooperative cross-sectoral activities in the three countries.

Strategy 1: Implementing the Biodiversity Strategic Plan through collaboration and cooperation

Following endorsement of the Strategy by Council, the Biodiversity Working Group is proceeding to define a five-year Action Plan to guide its implementation. The Secretariat will continue to assist and facilitate the Working Group's efforts in this regard, and to synchronize the CEC Operational Plan and projects accordingly.

Target:

- Develop a five-year Action Plan for the Priority Areas under the Biodiversity Strategic Plan

Strategy 2: Promoting cooperation for the conservation and maintenance of North American regions of ecological significance

The most effective way to conserve habitats at the regional or ecoregional scale is to promote complementary, integrated conservation efforts that span national, state/provincial, and local jurisdictions. Development and management of a network of protected areas and resource harvest areas are key elements of such a strategy. In its ideal form, a North American network of protected areas would systematically link terrestrial, freshwater and marine protected areas, with well-managed resource harvest areas. The three countries recognize that public and private multiple-use and other non-preservation lands can play a variety of roles in conservation of biodiversity. Considerable progress has been made by governmental and nongovernmental organizations in identifying ecoregions of North America. These efforts will be factored into the CEC's coordination activities to address Priority Areas of Action.

Through 2006, the CEC's efforts are targeted at establishing an effective network of priority conservation areas in each of two priority regions. One is marine, stretching from Baja California to the Bering Sea. The other is terrestrial, covering the central grasslands of North America. Establishing networks of priority conservation areas is consistent with several international commitments and interests, including the Convention on Biodiversity, and the agreement of the Environment Ministers of the Americas (Montreal, 2001).

Targets:

- Pilot a network of priority conservation areas within the Baja California to the Bering Sea region.
- Identify priority conservation areas for the central grasslands regions.
- Develop a conservation gap analysis of Baja to Bering priority conservation areas, with emphasis on wetlands.
- Assess existing marine protected areas with emphasis on wetlands in the three countries, integrated management and effectiveness.

Strategy 3: Promoting the conservation of North American migratory and transboundary species, and other species identified by the Parties

Loss of biodiversity is often characterized by a loss of individual species and a reduction in species abundance, leading to reductions in species diversity. At the same time, identifying a species with a specific conservation problem can galvanize conservation activities. In the CEC context, North American species of common conservation concern are migratory or transboundary in nature, particularly those that are threatened with population reduction or complete extinction. The persistence of such species depends on relatively intact ecosystems.

The CEC can facilitate a big-picture view of species conservation in North America by bringing together stakeholders from all three countries to identify marine, freshwater, and terrestrial species of common concern, and to agree upon common or complementary solutions. Development of joint action plans for migratory or transboundary species and other species of common conservation concern will help preserve important habitats.

Starting in 2004, the CEC will support the development of joint conservation action plans for a subset of six marine and terrestrial species of common conservation concern, and will help preserve critical habitats, thus complementing efforts supported by the first strategy above.

Targets:

- Develop North American Conservation Action Plans (NACAPs) for an initial subset of six species (three terrestrial, three marine), including a mechanism to monitor their status at the North American scale by 2005, and prepare the first periodic status report on the six species by 2006.
- Finalize CEC financial support for NABCI's operation in Mexico and draw lessons from NABCI for consideration within broader ecological issues.

Strategy 4: Facilitating data and information sharing across North America and promoting integrated monitoring and assessment to increase understanding of the state of North American biodiversity

Environmental managers and the people of Canada, Mexico and the United States will need accessible and accurate information to efficiently and effectively conserve North American biodiversity. Conservation would be improved by a coordinated effort to remove barriers that prevent access to information, regardless of the political, sectoral, and organizational origins of the information. Providing regular reports on the state of our natural endowment, as well as a biodiversity clearinghouse mechanism on issues of common concern are key components in bringing this challenge to fruition.

A clearinghouse of conservation activities, experts, and best practices is essential for decision making, evaluating progress and providing data and information to assist conservation planning and sustainable development of ecosystems and their resources. With the implementation of other components of the Operational Plan, the CEC will coordinate

closely with ongoing efforts in the three countries, including those of governmental and nongovernmental agencies, to promote exchange of comparable information.

Target:

- Develop a clearinghouse for biodiversity issues of common concern (e.g., trans-boundary ecosystems, migratory and transboundary species, common threats, trends and opportunities, access to web-based digital information, as well as management ideas, best practices and techniques, etc.).

Strategy 5: Facilitating communication, networking, and identification and sharing of best practices, priorities, and opportunities for education and training

Human and institutional capacity for conserving and using biological diversity sustainably must be strengthened. The CEC can contribute to this effort through its regional mandate and its capacity for convening stakeholders from many different disciplines, agencies/organizations, and countries. Only through shared understanding and action can conservation of the continent's biodiversity be achieved. Fostering multidisciplinary, trinational networks and training, as well as effective exchanges of information and experiences, is basic to fulfilling the biodiversity agenda. The existence and operation of these links will also facilitate more timely trinational response to concerted calls for action.

Targets:

- Identify capacity building, training and networking needs through a workshop with indigenous peoples, Indian tribes, indigenous communities and local communities that are engaged in management practices based on traditional knowledge, emphasizing those cases that bring added value to the continental perspective.
- Identify priorities and support joint regional initiatives for capacity building and training.

Strategy 6: Promoting collaborative responses to threats facing North American ecosystems, habitats and species

Some threats to biodiversity are poorly understood, especially those that undermine ecosystem integrity in ways that are not visible. Common threats to the continent's biodiversity should be addressed by compatible approaches. This includes development of complementary policies and regulations, or joint management in cases of shared resources or transboundary habitats. One of the main threats known to impact ecosystems throughout North America is the presence of alien invasive species. Using methodologies that are compatible across the continent to track the pathways of invasive species, with greater transparency and accessibility to data, will aid in planning effective responses. The CEC will prioritize the significance of the trade pathways for aquatic species, taking into account the economic and biological impacts of invasive species that travel via these pathways. It will also focus on fostering cooperative management actions for the prevention and control of invasive alien species for the desig-

nated priority pathways. This initiative will complement existing work accomplished by Canada, Mexico and the United States in the field of invasive species management, risk assessment, pathways identification and best management practices. During this year, the Secretariat will start scoping priorities for cooperation to prevent and control terrestrial invasive species.

Targets:

- Evaluate selected trade-related pathways for aquatic invasive species to enter North America, develop best practices to control aquatic invasive species, and identify priorities for capacity building.
- Develop regional guidelines for assessing the risks posed by aquatic alien invasive species in selected trade-related pathways.
- Establish a cooperation framework by 2005 to analyze and monitor actions to better address the main threats to shared species and spaces.
- Identify priorities for cooperation on terrestrial invasive species.

Strategy 7: Identifying and evaluating potential collaborative opportunities for biodiversity conservation and sustainable use of biological resources that arise from regional trade

Over the years, we have become increasingly aware that the conservation and sustainable use of our natural endowment are essential for future economic and social development. To be effective, however, conservation efforts should address not only the symptoms of ecological stress, but their root causes as well. Through this evaluation process, countries will be prepared to harness emerging opportunities resulting from growing regional economic and social links.

Hence, economic, financial, and legal mechanisms need to be analyzed for their ability to promote conservation and sustainable use. As it is a regional environmental institution arising from a trade agreement, these issues are logical priorities for the CEC. With program areas that address the environment, economy and trade, the conservation of biodiversity, pollutants and health, as well as law and policy, the CEC is well-positioned to advance this goal in an integrated and innovative manner.

Targets:

- Explore stewardship mechanisms, public-private partnerships and the role of incentives in financing conservation, restoration, and sustainable use of biodiversity.

Objective B: Ensure North American environmental, economic and trade policies are mutually supportive

This objective complements the work on assessing the environmental effects of liberalized trade set forth under Goal 1, above. The focus here is to integrate trade and environment policies in such a way that significant environmental impacts stemming from trade are identified and quantified, and that appropriate policy responses are put in place. These policies would have the objective of ensuring that economic growth leads to improved environmental quality and fosters greener trade in North America—in effect, decoupling economic growth from environmental degradation.

More specifically, the CEC aims to encourage North American markets to embrace more environmentally preferable goods and services by connecting the growing numbers of their suppliers and consumers. This will be done by increasing awareness about the benefits of environmentally preferable goods and services, supporting cooperative efforts to increase their presence and application (e.g., in a renewable energy and energy efficiency), and facilitating trade expansion in these goods and services throughout North America. Activities will continue to identify barriers along the product commercialization chain that limit the market expansion, and to develop cooperative means by which such barriers can be removed. Four strategies support this objective:

Strategy 1: Promoting renewable energy and energy efficiency in North America

The CEC will continue analyzing and providing information on renewable energy and energy efficiency. Although a paper on market-based mechanism options was released and approved by the Parties, more information is needed to ascertain the conditions under which measures that favor renewable energy and energy efficiency will work cost-effectively. For instance, we need to assess the level of consumer awareness and their “willingness to pay” more for renewable energy. We need to document better and publicize the economic and environmental benefits of energy efficient projects through life cycle cost and environmental analyses. These are considered essential steps to increase the uptake of renewable energy and energy efficiency projects in North America. The Secretariat will work with the Parties to design a report on “willingness to pay,” and will not proceed until government agreement is reached on this topic.

A well-functioning and efficient market for renewable energy and energy efficiency in North America requires that a common way be found to measure the economic, environmental, health, and social benefits of these goods and services. Thus the CEC will continue to support the North American multi-stakeholder technical group (that was created following the July 2003 meeting in Washington, DC) to develop a comparable way to measure these benefits across North America.

Finally, the CEC will continue playing its convening and coordinating role in North America to investigate means to favor production of energy in an environmentally friendly manner with the various local, regional, national and international groups working on these issues.

Targets:

- Demonstrate model approaches, by 2006, for strengthening North American trade in environmentally preferable energy sources, and promote application of these approaches by others to additional goods and services.
- Foster renewable sources of energy and energy efficient projects in collaboration with national and international organizations.

Strategy 2: Fostering the understanding of environmental labeling

This work builds on the previous work on environmental goods and services and greening trade in North America, and is conducted in collaboration with the OECD, UNCTAD, IISD, and others. The initiative was originally prompted by the 2000 Council Communiqué, in which the Council recognized the value of further work on voluntary eco-labeling and certification.

Consumers may be unaware of various environmental goods on the market or of what various labeling or certification claims mean. Under this strategy, we will finalize research on two product initiatives (palm and shade-grown coffee), and communicate lessons learned from these projects, as well as their implications for promoting sustainable products to consumers and the general public. This work will contribute to enhanced awareness of such products and labels in an effort to better inform interested consumer purchasing decisions.

In support of past work on sustainable palm and shade-grown coffee, and in the interest of continuing to develop North American markets for them, better understanding is needed of the types of labels, standards, or certification requirements that may be applied in trading them. The information acquired and analytical results produced will be presented on the CEC web site so that governments, industries and environmental groups working on these issues can have easy access. This has the further benefit of avoiding duplication of effort among the various agencies and groups working in this area in North America. This work also contributes to CEC's investigation of corporate environmental stewardship opportunities, which is being undertaken in response to the 2003 Council Resolution on this topic.

The CEC is publicly committed to completing the sustainable palm pilot project with church groups, producer groups and the industry. The project's intent is to propose a system by which just one transaction channel exists between producer groups and a specific church group through an importer. Projects funds will serve to prepare information material for the industry and churches to publicize the event to the general public. Churches and congregations will use the material generated in their outreach to their members. This, in turn, will increase the awareness of the link between palm in floral arrangements and the sustainable livelihood of communities that protect forests and wintering habitats. These arrangements are mainly made for Palm Sunday and other services in Christian denominations.

Finally, the CEC (in collaboration with UNCTAD, IISD, and industry groups) will bring the coffee fund pilot project to closure with the use of minimal funds. Further activities in this area may be considered through the process of developing a strategic plan on Environment, Economy and Trade.

Targets:

- Gather, describe, and disseminate data on environmental labeling and certification.
- Bring the palm pilot project and coffee fund project to completion and draw lessons learned (building on the Greening Trade in North America) and determine whether and how to explore further products from other sectors.
- Increase consumer understanding of how their purchasing decisions affect the environment by communicating experience on selected products (energy, palm, coffee) to North American consumers and awareness groups by 2006.
- Instruct the Secretariat to pursue further understanding of products from other sectors.

Strategy 3: Encouraging disclosure of relevant environmental information

The CEC will continue its research, analysis and engagement work on the link between environmental and financial performance, specifically as it relates to disclosure of environmental information. This work will build on previous CEC reports in this area and include more in-depth research on how to provide environmental information in a form readily useable by the financial sector. This work will lead to the development of a plan for the provision of environmental information by the environment ministries (as per the 2003 Council Communiqué) including opportunities and strategies for Council to consider.

There is also a role for government to play in supporting green financing, most notably when it's directed toward small and medium-size enterprises, including underwriting or partially securing external financing, or supporting capacity building in market development. Other important roles include supporting adherence to applicable reporting requirements. This would encourage companies to internalize the environmental costs of their activities and allow consumers and the financial sector to reward them accordingly.

Targets:

- Identify the environmental disclosure practices of industrial sectors to examine how they can better incorporate environmental information into financial statements.
- Develop understanding of best practices in voluntary disclosure of environmental information in collaboration with companies and financial institutions.
- Support the shift to greener production and consumption by engaging with business, financial community and other stakeholders through Networks, partnerships and dissemination of research.

Following consultation with the Parties, develop at least one strategy the Parties may adopt to enhance the availability of financially relevant environmental information to financial analysts and investors (as per the 2003 Council Communiqué).

Strategy 4: Fostering green procurement in North America

For some time, the critical role of governments in supporting green markets has been recognized. Through this strategy, the CEC aims to encourage the expansion of the use of market-based approaches to support environmental protection. A direct role for government is in developing green procurement policies for their own purchases. We are attempting to facilitate these policies in North America through a multi-stakeholder group working in this area: the North American Green Purchasing Initiative (NAGPI). Other roles may include developing explicit market-based mechanisms or putting in place the structures, rules, accounting practices or property rights that improve the functioning of these mechanisms. These market-based mechanisms may include the use of fiscal and other comparable measures to correct environmental externalities and market failures, along with more aggressive green procurement policies.

Targets:

- Facilitate the improvement, promotion, and development of green purchasing tools and activities across North America through support of the NAGPI.
- Reach out to increase the involvement of procurement agencies in the three countries.
- Following consultation with the Parties, develop and implement a North American Green Purchasing Plan consistent with the international obligations of the Parties under NAFTA Chapter 10—especially for products that have the greatest environmental impacts (as per 2003 Council Communiqué).

Objective C: Prevent or reduce pollution impacts on human and ecosystem health

The links between economic activity and human and ecosystem impacts are increasingly better understood. Greater focus is being placed on putting policies and programs in place that decouple economic growth from environmental degradation. It is also more evident that regional and global cooperation is needed to resolve problems of mutual concern among countries. The CEC thus plays a critical role in shaping and catalyzing such cooperation. This objective complements the efforts described for biodiversity conservation and trade-environment policy by focusing on the environmental and human-health impacts of pollution and industrial activity. Fostering an approach of anticipating and preventing pollution problems is a prominent trust of the initiatives supporting this objective. CEC work in this area follows two strategies:

Strategy 1: Facilitating the development and implementation of North American strategies and actions to protect human health and the environment

Canada, Mexico and the United States share several issues related to environmental degradation and its impacts on human health. CEC priorities currently address the management of persistent toxic chemicals, air quality, and children’s health and the environment. In the main, the CEC is concentrating on facilitating the development and adoption of trinational strategies and action plans that seek to enhance cooperation among the three countries to address specific issues within these problem areas.

Status of the chemical substances being addressed under the Sound Management of Chemicals program

Substance	Nomination	Evaluation	Decision	Develop Action Plan	Implementation of Action Plans
DDT	*	*	b	b	b
Chlordane	*	*	b	b	b
PCBs	*	*	b	b	b
Mercury (Phase I and II)	*	*	b	b	Under way
Lead	b	b	Under way		
Lindane	b	b	b	Under way	
Dioxins, furans, and hexachlorobenzene	b	b	b	Under way (two phases)	
Environmental monitoring and assessment	b		b	b	Under way

b Indicates that this part of the process has been completed * These substances were chosen directly, as instructed in Resolution 95-05

The Sound Management of Chemicals program (SMOC) has long been a flagship initiative of the CEC. Through SMOC, five NARAPs have been put in place, as well as a scientifically based process for determining what chemicals may be of mutual concern to the three countries. This has led to an unprecedented level of ongoing cooperation and the establishment of supporting infrastructure for advancing regional action on specific chemicals of concern. Over the next few years, and while three new NARAPs are completed, the focus of the SMOC program will shift toward suites of problem substances and their life cycles and to proactive management initiatives, while building a regional capacity to monitor levels of selected persistent toxic substances in the environment. (The following table shows the status of chemical substances being assessed by SMOC.)

The links between SMOC and our work on environmental information (especially the North American PRTR project), hazardous waste management, pollution prevention, toxics in birds, and other CEC initiatives described in this Plan, are being strengthened to enhance the CEC's contribution to North American progress in controlling the impacts of substances on the environment and human health. Over the next year, we will be exploring ways to promote pollution prevention and private sector leadership in environmental protection (see Strategy 2, below).

Work under way in this area cannot be sustained by the CEC budget alone. Therefore, efforts have been made to find other partners and funding sources to support the CEC's ongoing activities. For example, the implementation of a regional action program for reducing DDT use in Mexico and Central America is being conducted with joint funding from the Global Environment Facility (GEF). The World Bank is providing financial support to the CEC as its executing agency to develop Mexico's National Implementation Plan under the Stockholm Convention. Funds from the Canada POPs Fund will help to implement a human blood-monitoring project for selected persistent toxic substances. Other partners and funds will continue to be sought to support CEC's work.

In 2002, Council adopted Resolution 02-06 approving the *Cooperative Agenda for Children's Health and the Environment in North America*. This document is a blueprint outlining a series of priority initiatives, timelines, partnerships and resources and will be reviewed every two years to offer the opportunity to adjust priorities over time. A trilateral team comprising government officials from health and environment ministries in the three countries works with the Secretariat to implement the Cooperative Agenda. In addition, Council established an Expert Advisory Board on Children's Health and the Environment in North America to advise it on such matters as priority areas for the CEC work program, and to contribute to and participate in CEC events related to children's environmental health. Council Resolution 02-06 also commits the Parties to biennially review progress achieved, assess the relevance of planned activities in light of new knowledge, and advance implementation of the *Cooperative Agenda* with input and involvement of interested parties and the public.

Clean air is a clear and important priority for the North American governments. Improved communications and understanding among air quality planners in North America is key to developing coordinated and effective solutions to transboundary air pollution problems. Under its Resolution 02-04, the CEC Council established the North American Air Working Group (NAAWG) as a forum for senior air quality officials in each country to share experiences and information through regular exchanges. NAAWEG serves as a forum for the Parties to discuss their mutual interests in addressing cross-border transport of air pollution, and to advise on CEC activities related to

clean air. This will be done through supporting annual meetings of the NAAWG and related activities.

Targets:

- The SMOC Working Group will implement a “new direction” for chemicals management, commencing in 2005.
- The Parties are cooperating to reduce or eliminate the use of persistent toxic substances of mutual concern, through the development and implementation of several North American Regional Action Plans (NARAPs), including two new NARAPs that will be launched in 2004.
- The CEC will assist Mexico in developing and implementing a National Implementation Plan (NIP) for POPs in 2004.
- The CEC is working in partnership with Pan American Health Organization and the governments of Mexico and several Latin American countries to implement a GEF-supported Regional Program of Action and Demonstration of Sustainable Alternatives to DDT for Malaria Vector Control (DDTRP) (2004–2006).
- Implement the Cooperative Agenda on Children’s Health and the Environment in North America to address priority health endpoints with results-oriented projects.
- The Parties and stakeholders will come together on air quality issues of mutual concern through the North American Air Working Group and through CEC support of exchanges among national air quality staff (continuing).

Strategy 2: Fostering private sector actions to adopt sound approaches to environmental protection and conservation

The private sector has a key role to play in delivering environmental quality improvements in North America. Some of those improvements are best met through regulated requirements, others through voluntary approaches. Examples of private sector leadership can be found in many areas, including pollution prevention planning, corporate environmental stewardship, environmental management systems, lending practices (on the part of the financial sector), and corporate environmental reporting, to name a few. These and others will be examined to determine best practices and offer advice to Council on the role of the CEC in helping advance environmental leadership in this area.

Targets:

- Foster the introduction and support of pollution prevention initiatives through CEC’s “greening trade in North America” and “financing the environment” work (see Goal 3, Objective B).
- Publish a review of best practices in environmental management systems, in 2005.
- By 2006, establish the North American Pollution Prevention project as a mechanism for sharing pollution prevention information and experiences; initiating projects in specific sectors; advancing methods, technologies and policies in the private sector; and influencing decision making in the public sector.
- Implement a project to improve environmental performance of the North American electronics industry (2004–2006).
- Recommend to Council how corporate environmental stewardship can be best advanced within the CEC program.

Goal 4 That all CEC activities strive to provide a forum for public dialogue and participation concerning environmental issues in North America

Objective A: The North American public and NAAEC Parties view the citizen submission process as a useful and valuable mechanism for enhancing enforcement of and compliance with environmental law in North America

The citizen submission process under Articles 14 and 15 of the NAAEC is a bold innovation by the three NAFTA countries. It gives the North American public an international tool for holding the governments accountable for their environmental enforcement practices. In addition to being an accountability mechanism, the process has the potential to approach environmental issues that have been difficult to resolve domestically and to invigorate responsive action by the public, government, and other stakeholders. Ideally, through the processing of submissions and the publication of factual records, the citizen submission process should produce information with value to all stakeholders.

This objective will be accomplished through three strategies:

Strategy 1: Helping the North American public to view the Articles 14/15 process as accessible, meaningful and reliable, and to use the process appropriately

The success of the Articles 14/15 process requires that it be accessible, meaningful and reliable and that it be used appropriately. Major elements for this strategy are timely processing of submissions and outreach that increases knowledge and awareness of the process among potential users and interested members of the North American public.

Targets:

- Increase knowledge and awareness of the process among potential users of the process and the general public.
- Process submissions in a timely manner, with factual records generally no later than two years following filing of a submission.

Strategy 2: Ensuring that the Secretariat's analysis and information gathering is seen as being objective and rigorous by the NAAEC Parties and the public

The credibility of the Articles 14/15 depends on objective and rigorous consideration of submissions, in accordance with the NAAEC and the Guidelines for Submissions on Enforcement Matters, and consistency in the processing of submissions. Factual records should draw upon all relevant factual information, from a comprehensive range of sources.

Targets:

- Ensure that the Secretariat has in place and follows consistent procedures in processing submissions and conducts rigorous analysis.

- Develop and implement effective approaches for obtaining all relevant information during factual record development.

Strategy 3: Furnishing submitters, governments and other interested stakeholders with useful and valuable information through the submission process and preparation of factual records

Through the Articles 14/15 process and factual records, the CEC produces factual information regarding asserted failures to effectively enforce environmental law in North America that may assist the NAAEC Parties and the public in taking any action they deem appropriate in regard to the matters addressed. The information produced should be useful and valuable.

Targets:

- Communicate results of the submissions process and factual records to key stakeholders.
- Provide opportunities for all stakeholders and interested members of the public to provide relevant information for the development of factual records.

Objective B: The CEC will engage and inform the North American public in its programming and operations

The NAAEC reflects the commitment and belief that environmental protection and conservation efforts are enhanced and multiplied through strong mechanisms for public participation. Similarly, the Parties recognize that lasting environmental protection and conservation strategies can only be sustained by building national capacities to design, implement and maintain the policies and measures that are adopted in the region.

The Operational Plan makes promotion of public dialogue and participation concerning North American environmental issues an explicit long-term goal of CEC work. The purpose is to highlight that public participation and capacity building are integral to the realization of all the CEC's goals and objectives outlined in this Operational Plan. As much as possible, the CEC incorporates effective and timely means for doing both in all of its activities.

This objective is met through several means, including:

- The CEC opens its meetings and activities to the public.
- Specific initiatives are designed to involve stakeholders in program work.
- Support is provided to key individuals to participate in certain CEC activities.
- The work and accomplishments of the CEC are communicated to general and specific audiences.
- To the greatest extent possible, the outputs of the CEC—including research, data sets, publications and other information products—are provided to the public at no cost via the CEC web site.
- Publications and information are provided to the North American public in the three official languages.

2.3 Cross-cutting Management Activities and Objectives

2.3.1 Communications

Informing the North American public on the vital issues concerning our environment and its relation to our economy is fundamental to achieving the CEC's mission. Moreover, our ability to influence change and to be seen as a worthwhile organization depends on the extent to which good communication practices generate visibility and support for our work with important audiences throughout North America. As such, effective communication is integral to the operations and success of the CEC.

Operationally, communications is a widespread and constant obligation. At a minimum, every program and activity carries responsibility to communicate its purpose and progress to partners. The Communications Unit has responsibility for helping each program and activity complete the bigger picture.

Specifically, the Communications Unit is responsible for the development and maintenance of the CEC's communications strategy. This strategy is revised annually to accord with the *Operational Plan* and Commission priorities. A communications planning calendar is updated monthly, while program-specific communication plans are reviewed quarterly with program managers.

As part of planning and supporting a corporate communications strategy, the Communication Unit has responsibility for:

- Communications planning
- Message management
- Communications counsel
- Publications management
- Public outreach
- Media relations
- Translation services
- Editorial services
- Communications and event calendars
- Web site publishing and content
- Visual identity
- Presentation and display material

Objective A: Raise general awareness of the CEC as an important agent in protecting the North American environment and supporting sustainable development

Strategy: Demonstrating our core message

A limited number of program activities and outputs are selected to support this objective. Selection is based upon utility in demonstrating our core message. Focus areas should be significant, interesting, new or unique. The result is a balanced set of examples how the CEC is providing a unique benefit in support of protecting the North

American environment, and helping the Parties transcend borders in pursuit of cooperative solutions to shared environmental challenges. These focus areas will change as programs develop. Examples for 2004 include:

- Article 13 report – Maize and Biodiversity: the Effects of Transgenic Maize in Mexico
- Alien invasive species
- *Taking Stock 2001*
- Air pollution information
- Greening trade (shade coffee, sustainable palm, NAGPI)
- Lindane NARAP
- Conservation of biodiversity
- Ten-year Review of NAAEC/NAFTA
- Article 14/15
- Hazardous waste management

Typically, focus areas are supported by a concise communications plan, which selects from a menu of tools and tactics including: critical path; identification of key audiences, messages, and media relations; news releases; backgrounders; publications; event(s); partner relations/support; web site features; and evaluation.

Communication of these focus areas should:

- Improve/consolidate the corporate image/reputation of the CEC (the “CEC brand”)
- Bundle initiatives (thematically/geographically)
- Communicate tangible and compelling benefits with measurable outputs and outcomes
- Deploy a range of tools and tactics to communicate to a broad audience.

Objective B: Maximize program success through effective communications with target audiences

Strategy: Having a concise communications calendar

A concise communications plan for each program is completed as part of the development of the *Operational Plan*. Primarily these plans align program and communication outputs with priority audiences. These plans are reviewed on a quarterly basis as program work progresses.

As the Communications planning calendar is revised each month, program outputs and products will be selected for distribution, outreach, and events as opportunities arise. Tactical options include:

- Speeches and presentations
- Media relations, interviews
- Media briefings
- Media monitor
- News release
- Backgrounders
- Op-Ed/feature articles
- *TRIO*

- E-bulletins/Newsletter(s)
- Partnership projects
- Fact sheets
- Presentation materials
- Mail–Contact database
- Web site
- Publications, reports, proceedings
- Events
- Advertising

2.3.2 Information Management

This Operational Plan profiles, for the first time, CEC’s information-management functions and requirements. Enhancing access to environmental information in North America is a principal goal of the CEC, as is acquiring, synthesizing, analyzing, communicating and maintaining high quality information. CEC initiatives dependent on information management include the North American Biodiversity Information Network (NABIN) project, the expansion of the CEC web site, GIS analysis services, and improved mapping for CEC communications products.

In late 2003, the Secretariat commissioned various studies “to provide a strategic framework for the information management functions of the CEC.”⁶ The principal recommendation is that CEC should establish a general policy for environmental information management focusing on database development and the implementation of CEC-wide database standards and guidelines. The CEC’s capacity to manipulate and integrate spatial information (i.e., maps) must also be developed. The Secretariat is examining the recommendations of all these studies and will begin taking action in due course.

The CEC has three strategies for information management. Each is described below:

Strategy 1: Strengthening CEC’s capacity and practices for managing information

Information management incorporates means to identify and inventory information assets, provide effective means to protect them, share them, and harvest their use to maximum benefit. An “Information System” that provides for good information management requires the integrated and effective use of databases, information technology (IT) (hardware, software and telecommunications), procedures and policies, and people. The CEC’s principal information management related targets are to:

1. Establish and maintain core data sets and information management tools to support CEC spatial data management and data visualization, to form an integrated and accessible information resource for the organization.
2. Integrate and harmonize data sets from key institutions and information initiatives to provide alternative data and information sources to support CEC initiatives.
3. Develop pilot projects to support the implementation of information management tools in different program areas.

⁶ *A Strategic Framework for Information Management at the CEC*. Two separate issues—the future of NABIN and GIS support to CEC programs—are expanded in two additional reports.

Strategy 2: Supporting CEC managers in delivering their research and collaborative projects

The Environmental Informatics Program will work with other operational units to enhance current projects and to integrate existing information sources into current and future program work. Targets are to:

1. Assess program requirements and ensure that appropriate tools are available to meet functional requirements of projects.
2. Provide information management expertise in the planning and execution of projects to ensure efficiency and effectiveness.
3. Ensure that CEC information assets are properly archived and documented.

Strategy 3: Fostering North American initiatives to improve access to, and exchange of, environmental information

Though of lesser priority, the CEC will explore opportunities for supporting the development of standards and protocols that would facilitate the harmonization of North American data sets generally. This would be accomplished by strengthening partnerships with regional and international environmental information initiatives.

2.3.3 Involvement of Indigenous Peoples, Indian Tribes, and Indigenous communities

Indigenous peoples, Indian tribes, and indigenous communities⁷ comprise a significant portion of the population of North America and have participated in many of the CEC's activities over the years. For example:

- Indigenous peoples, Indian tribes, and indigenous communities were invited to the Roundtable on Invasive Species in December in Miami: "An Unwelcome Dimension of Trade: The Impact of Alien Invasive Species in North America."
- Indigenous peoples, Indian tribes, and indigenous communities are solidly represented on the newly formed Task Force to develop a NARAP for lindane. As part of this work, a public meeting will be held jointly with the Alaska Forum in February 2004. The Alaska Forum is an annual meeting of over 1000 indigenous peoples, Indian tribes, and indigenous communities where environmental issues are discussed.
- The environmental monitoring and assessment NARAP has indigenous representation and consideration is being given to how to reflect monitoring requirements that will meet the needs of indigenous peoples, Indian tribes, and indigenous communities if they are determined to be different than those of the general population.
- The dioxins, furans and hexachlorobenzene draft NARAP has a component that will address waste disposal options for remote communities at the request of the indigenous representative.

The CEC will continue to seek a greater and more appropriate level of representation and participation of indigenous peoples, Indian tribes, and indigenous communities in its work. To this level, the Secretariat has recently undertaken a study to examine how indigenous peoples, Indian tribes, and indigenous communities are currently involved in CEC activities, to solicit input from the parties and a range of stakeholders, and to identify new opportunities and approaches. Based on this study and follow-up discussions, the CEC is striving to take concrete

⁷ Indian tribes is the federally recognized term in the United States to refer to indigenous peoples and communities.

steps forward. In 2004, for example, the CEC is planning several workshops within our biodiversity conservation work to identify capacity building, training and networking needs, with emphasis on indigenous peoples, Indian tribes, indigenous communities and local communities engaged in management practices based on traditional knowledge.

2.4 Administration and Finance

The Administration and Finance unit supports the achievement of CEC goals and objectives by providing vital and high quality services in human resources, financial and material management. The unit ensures that all of the CEC's activities are carried out within the approved budget and in conformance with established policies and rules. While the unit's overall roles resemble those of other institutions, several of its responsibilities are unique to the needs of the trinational character, make-up, and activities of the CEC. Since the CEC's inception and during its maturation, Administration and Finance has also managed the challenges of establishing and refining the operations, policies, procedures and practices of the organization.

Objective: Ensure the efficient and effective operation of the Commission

This objective is accomplished through the following strategies:

Strategy 1: Helping staff and the CEC to reach their organizational, functional, operational and professional objectives through sound and efficient management of human resources

Administration and Finance oversees and coordinates all human resource management policies and procedures to ensure that the CEC Secretariat attracts and engages high quality staff through a transparent recruitment process, and that the staff is managed within the framework of CEC policies, rules and regulations. This entails, as well, management of payroll operations; ensuring that work conditions of all employees comply with CEC rules and policies without discrimination; providing employees with annual assessments; ensuring the smooth integration of new employees and facilitating their return home; advising all staff on human resources practices and laws; and providing professional development training.

Strategy 2: Assisting in the decision-making process by providing sufficient, accurate and timely financial information, and by helping to preserve the assets of the Commission

Administration and Finance is charged with ensuring the consistent and thorough application of all internal financial controls, and for reporting on all financial aspects of CEC operations. The Unit also leads the development of new policies and procedures for such matters as contracting and establishing financial partnerships. In terms of reporting, the unit prepares quarterly reports within 60 days after the end of each period; supports the issuance of audited financial statements by performing general accounting of all financial transactions of the Commission; and ensures all information in the

Online Manager management information system is accurate and up to date. Administration and Finance also controls cash flow, ensures the accuracy of financial clauses in contracts, and issues payments to suppliers.

Strategy 3: Providing logistical support for all CEC meetings to ensure they are planned in a timely manner, are of high quality and are cost-effective

The CEC Secretariat convenes up to 55–60 major meetings, symposia and workshops in any given year throughout the three NAFTA countries, involving 50 to 100 people in each meeting and roughly twice as many in symposia. These meetings constitute much of the “face of the CEC” seen by the public. The Secretariat both plans the meetings and makes all logistical arrangements, including travel arrangements for a large proportion of the participants. This work involves substantial forward planning to ensure efficiency and cost-effectiveness, as well as on-site management. CEC meetings are consistently regarded as being of high quality and professionally run.

Strategy 4: Supporting CEC staff in their use of information technology, overseeing the IT infrastructure, and providing training and counsel to CEC users on IT subjects

The production and dissemination of timely and high quality information—whether done through projects, the CEC’s web site, or publications—is a core activity of CEC’s work. CEC’s *technical* information management objectives and needs that support this function are described in section 2.3.2. The Administration and Finance unit ensures the integrity and smooth operation of the CEC’s underlying information technology hardware, software and data resources. This includes procurement and maintenance of information technology assets and systems, ensuring they function effectively and reliably and that the staff uses the IT infrastructure efficiently.

Strategy 5: Ensuring that CEC operations are supported by efficient services and secure infrastructure

The Secretariat offices serve not only its resident staff, but also many needs of the three Parties to the NAAEC, thus amplifying the normal requirements for office management. As the center of operations for all CEC activities, quality office services—including the handling of correspondence, maintenance of equipment, and archiving of documents—are maintained at the highest standards governing safety and confidentiality. The Secretariat also hosts numerous meetings throughout the year whose participants almost always include officials and/or experts of the three NAFTA countries. For this reason, the security, the safety and comfort of the premises are prime concerns of the Administration and Finance staff.

Strategy 6: Providing CEC members and the public with a central location for accessing laws and regulations, books, journals, news articles, and other publications related to international trade and the environment

The CEC supplements its extensive public involvement and communications outreach efforts by ensuring that all of its published reports and documents and a wide variety of other publications concerning environment and international trade issues are readily accessible to the public through the CEC Information Center.

2.5 Special Initiatives

Each year, the CEC conducts substantial initiatives that complement and augment its core program work and management responsibilities. Periodically, the CEC engages in specialized research as provided for by Article 13 of the NAAEC. In 2004 we will produce a report on Maize and Biodiversity—the Effects of Transgenic Maize in Mexico. The CEC is also supporting the work of the Ten-year Review and Assessment Committee (TRAC) as it reflects on the accomplishments of the NAAEC and the CEC in its first ten years of operation. The Secretariat will continue to refine its planning process, and will support the Parties in the development of a long-term strategic plan for the CEC as it provides support to the Council, carrying out its directives and initiatives. The NAAEC calls for Council to cooperate with the NAFTA Free Trade Commission to achieve the environmental goals and objectives of NAFTA. The CEC Council continues to ponder how this might be accomplished and what issues should be discussed at such a meeting. These initiatives are described in the following subsections.

2.5.1 Article 13: “Maize and Biodiversity—The Effects of Transgenic Maize in Mexico”

Over the past year, and continuing into 2004, the CEC has been developing an independent analysis of the effects of transgenic maize on traditional varieties of this plant in Mexico.

The purpose of this study is to examine, from different perspectives, issues related to gene flow from transgenic varieties of maize to Mexican land races of maize and their wild relatives, and the conservation of biodiversity in this center of origin. At the conclusion of this examination, the Secretariat will prepare a report, including findings, background papers on key issues, and recommendations from our advisory group. The final report, with the advisory group recommendations, will be presented to the Council at the June 2004 Regular Session.

2.5.2 Ten-year Review of NAFTA/NAAEC

Pursuant to Council Resolution 03-02, a Ten-year Review and Assessment Committee (TRAC) has been structured to undertake a retrospective of the implementation of the NAAEC over the past ten years and will provide the Council with a report of its findings. The report will also include an examination of the environmental effects of NAFTA and recommendations to Council for charting a path for the CEC over the next decade. The report will be prepared with the input of the Council, the Secretariat, JPAC and a wide selection of organizations and institutions to be determined by the TRAC. The draft report is expected to be delivered to Council in mid-April 2004 followed by the final report in May 2004.

2.5.3 Development of the CEC Strategic Plan and Other Elements of the Planning System

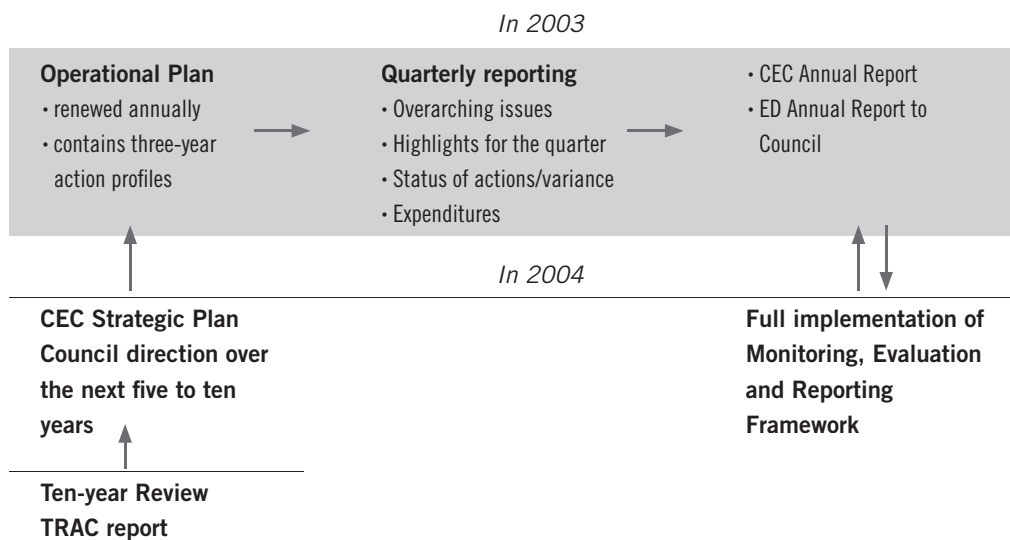
This Operational Plan represents one of many steps being taken to improve the CEC’s planning system. When complete, the planning system will have the following elements:

- A Strategic Plan, portraying the long-term vision of Council for the CEC, and stating the CEC’s mission, and its goals and objectives.
- A description of CEC’s Management Approach, outlining the key management strategies the CEC applies to deliver its programs and projects. These include matters such as internal organization, resource allocation—the principles guiding the CEC’s work, and administration and management policies.
- An Operational Plan (this 2004–2006 Plan being the first), laying out priorities and budgets for work to be conducted over a three-year time span.
- A Monitoring, Evaluation and Reporting Framework, setting out the overall scope, and accountability for this work, as well as the approach (what, when and how) for evaluation and self-monitoring of project and program performance.

The Council recognizes the need to articulate its longer-term vision for the CEC through a *Strategic Plan* developed through a consultative process, and that responds to the Ten-year Review of NAFTA/NAAEC. For this reason, the goals and objectives presented in this Operational Plan are to be considered interim. It is intended that the Strategic Plan will be developed in 2004. It will refresh the goals and objectives presented in this 2004–2006 Operational Plan for incorporation into next year’s Plan.

Progress in monitoring and evaluation is described in section three below.

CEC Planning Approach



2.5.4 Support to Council

The Council, the governing body of the CEC, is composed of the environment ministers of each country or their designees.

The Council convenes at least once a year in a regular session for the purpose of overseeing the Secretariat, making decisions and developing recommendations on matters within the scope of the NAAEC.

The next regular session of the Council will be held in June 2004 in Mexico. During their session, Council members will likely consider the results of the ten-year retrospective of the CEC's achievements with a view to charting the path for the next decade. Other potential issues which could be considered by the Council at its next session include a new direction for the Sound Management of Chemicals program, the first report on indicators of children's health and the environment in North America, the North American air quality strategy, the Secretariat's Article 13 report on the effects of transgenic corn in Mexico and the review of the operation of Council Resolution 00-09 related to Articles 14 and 15.

In the course of its annual regular session, the Council also holds a joint meeting with the Joint Public Advisory Committee (JPAC) for the purpose of reviewing JPAC's Advice, which the Council greatly values as an important component of public participation. The Council's regular session also comprises a public meeting, which provides an opportunity to exchange with the North American public on environmental issues of importance. The summary records of all regular sessions of the Council are made publicly available on the CEC homepage.

It is the Secretariat's responsibility to support the Council, making sure that its directives and initiatives are carried out in a timely way. The operations of the Council are thus coordinated by a Council Secretary, who is a staff member of the Secretariat. This entails liaison throughout the year with the General Standing Committee and Alternate Representatives, and administrative and logistical arrangements relating to the planning and conduct of regular sessions of the Council, including the public portion of the Council Session.

2.5.5 Support to the Joint Public Advisory Committee

The CEC set a precedent among international environmental governmental institutions by integrating public involvement at the highest decision-making level. The Joint Public Advisory Committee (JPAC) is one of the constituent bodies of the CEC, along with the Council and the Secretariat, composed of 15 private citizens (five from each of the three countries, appointed by their respective governments) who contribute diverse institutional experience and cultural perspectives. As an independent, volunteer body, JPAC's mandate under the NAAEC Article 16(4) is to "provide advice to the Council on any matter within the scope of this Agreement" [...] and "perform such other functions as the Council may direct." In addition, JPAC under the NAAEC Article 16(5) may "provide relevant technical, scientific or other information to the Secretariat, including for purposes of developing a factual record under Article 15."

JPAC seeks to engage the North American public in the work of the CEC and, in turn, encourage understanding and support of the CEC's work.

This is accomplished by hosting regular public meetings relevant to CEC's program and in cooperation with CEC working groups, soliciting public comment, conveying formal advice and reports to Council and the Secretariat, providing a public review of the CEC

Operational Plan, working in cooperation with the National and Governmental Advisory Committees, facilitating NGO networking, and contributing to various publications.

The annual joint meeting between the Council and JPAC, in conjunction with the June Regular Session of Council, and joint meetings with the Alternate Representatives, provide further opportunities to advise Council on strategic directions for the CEC, the NAAEC Specific Obligations, and budgetary allocations. JPAC also encourages exchanges with the National and Governmental Advisory Committees on issues related to the CEC.

The JPAC is supported by the Secretariat through a JPAC coordinator who is a staff member of the Secretariat. Responsibilities of that position entail liaison with the Council and the Secretariat, and coordination of logistical arrangements and administrative support for JPAC activities. The JPAC chairperson and the Committee as a whole are also supported by a consultant who provides technical assistance.

Key activities for JPAC in 2004 are as follows:

- Contribute to the development of the North American Air Working Group (NAAWG) strategic plan to address air-related issues relevant to North America;
- Participate in March 2004 to the development of the Article 13 report on the effects of transgenic maize in Mexico;
- Provide advice to Council concerning the Article 13 report on the effects of transgenic maize in Mexico;
- Provide advice to Council on the issue of renewable energy development in North America;
- Support and participate on the Ten-year Review of NAFTA/NAAEC;
- Perform a self-evaluation in the context of the Ten-year Review of NAFTA/NAAEC;
- Provide advice to Council on various matters in the context of the Council Regular Session in Mexico, in June 2004;
- Provide support to the Secretariat's initiative to improve involvement of indigenous peoples, Indian tribes, and indigenous communities⁸ in CEC activities;
- Continue to be involved with the North American Working Group on Environmental Enforcement and Compliance Cooperation;
- Continue efforts to improve public participation in NAAEC Article 10(6) on the NAFTA Free Trade Commission, including planning for a trade and environment ministerial meeting, and including the NAFTA's Chapter 11 as proposed in the JPAC Advice to Council;
- Pursue an agreement on transboundary environmental impact assessment, as called for in NAAEC Article 10(7);
- Continue monitoring events related to NAAEC Articles 14 and 15 on Submissions on Enforcement Matters, engage the public and provide advice to Council, as appropriate; and
- Encourage the Parties to implement the Rules of Procedure as provided for in NAAEC Article 28.

⁸ Idem.

2.5.6 Article 10(6) Cooperation with the NAFTA Free Trade Commission

The NAAEC calls for Council to cooperate with the NAFTA Free Trade Commission to achieve the environmental goals and objectives of the NAFTA. An Article 10(6) Working Group has been established to facilitate an exchange of views on issues of mutual concern. The last meeting of the Article 10(6) Environment and Trade Officials Group was held on 27 March 2003. During the June 2003 Regular Session, Council noted the following: “In our 2001 Regular Session, we decided to explore with our trade counterparts the possibility of convening a joint meeting between the CEC and the North American Free Trade Commission. We believe there are trade and environment matters that merit discussion. We thank our officials for their continuing efforts in developing a detailed agenda for a possible trade and environment ministerial meeting. We have requested the NAAEC Article 10(6) Working Group, at a senior level, to report back to us on a proposed agenda and their work on crosscutting trade and environment issues of concern before the next Council Session.” In 2004, the focus of the working group will be to develop priority areas and issues for development into a long-range strategy on trade, economy and the environment. The priority areas and issues that gain trilateral consensus will be submitted to the CEC Council in their June 2004 session for approval. This strategic review will also provide a good opportunity for the 10(6) Working Group to generate potential agenda items for a possible trade and environment ministerial meeting.

3 Monitoring, Evaluation and Reporting

3.1 Scope of Monitoring, Evaluation and Reporting Activities for 2004

A Monitoring, Evaluation, and Reporting (MER) Framework is being developed to define the targets, indicators and other information by which CEC's performance in implementing the Strategic and subsequent Operational Plans can be monitored and evaluated over time. This framework will define what will be monitored and evaluated, as well as how (general approach), by whom (roles and responsibilities) and how often (frequency). The CEC will begin applying this framework in 2005.

Proposed MER Framework

Level	User	Information Needs	Frequency	Lead	Reporting
I. Actions	a. Program heads and managers	a. Regular monitoring of progress towards results, risks and ways to improve performance	a. At least once per year (before planning next year's work), more if needed	Program managers	Internal
	b. CEC executive direction, program heads and managers	b. Verification of reported progress, evaluation of Action results	b. Minimum at completion of Action, if needed could be mid-project	Project managers/ consultant	
II. Operational goals and objectives	Council, CEC executive direction, program heads and managers	Achievement of results, continued relevance and effectiveness of stated goals and objectives	Every three to five years following a regular cycle	CEC executive direction, program heads/consultant	Annually in the Operational Plan for a given year's topic
III. CEC	Council, public, CEC executive direction and program heads	Review of CEC organizational effectiveness, efficiency and results	Every five to ten years as part of higher-level review (such as Ten-year Review). Should be done year before strategic plan is revised	External panel, supported by CEC staff (and consultant)	Dedicated report
IV. North America: Environmental Institutions and Conditions	Council, public, CEC executive direction	Impacts of CEC on North American environmental institutions and environmental conditions	Every five to ten years as part of higher-level review	Same as above	Dedicated report

The work done this year to clarify CEC's goals, objectives, targets and actions makes it possible to begin to develop the simple approaches and information collection methods for tracking and reporting on results. Over the next year, we will:

- Refine the "Targets": as for the 2004–2006 Operational Plan generally, the resulting statements it contains will be reviewed and refined to correspond with the Strategic Plan, yet to be developed.
- Develop indicators: specific and readily applicable indicators will be defined to assist in determining when a Target has been reached.
- Develop data collection, analysis and reporting procedures and formats for reporting progress: this will center primarily on the indicators, though it will also cover risks and ways to improve performance.
- Develop the approaches and frequency for verifying progress reports and for evaluating projects and programs.

3.2 Pilot Evaluations

In 2003, pilot evaluations were conducted on the effectiveness of the CEC's Mexico Office and on two project areas: the Sound Management of Chemicals (SMOC) and the North American Biodiversity Information Network (NABIN). Assessments of CEC's information management are described in section 2.3.2 above. The purpose of the pilot evaluations was two-fold: (1) to assess the impact and performance of each subject so that appropriate follow-up action could be incorporated into the 2004–2006 Operational Plan; and (2) to learn from the experience and thus inform the development of the ongoing MER system. The pilot evaluations are not comprehensive and focus instead on identifying key management issues.

In brief, the findings are as follows:

Mexico City Liaison Office

Findings: The CEC Mexico City Liaison Office plays an important, and sometimes crucial, role in the implementation of selected CEC programs in Mexico. Over the last few years, it has achieved both a high profile and a high level of trust among the major stakeholders. The CEC has been instrumental in strengthening Mexico's environmental policy capacity in a number of areas, including the control of POPs, pollution prevention and public access to information about industrial releases. The Mexico City office has played an active, if sometimes discrete, role in each of these files. Having successfully contributed to strengthening Mexico's capacity to promote and implement pollution prevention programs, the Mexico Office is appropriately re-allocating its efforts to address other barriers to pollution prevention in Mexico and promote closer North American cooperation through the North American Pollution Prevention project. As long as its mandate does not change, the office can continue to operate successfully at current resource levels. The office's terms of reference should be updated (and translated) both to reflect current activities and also to communicate its activities better and increase understanding and acceptance of its role at CEC headquarters in Montreal. Overall, the CEC needs to devote greater effort to improving communications between its two offices. Such improvement will help to increase the effectiveness of the organization as a whole.

Response:

- a) New terms of reference for the Mexico City Liaison Office will be developed and instituted in 2004 in consultation with the CEC executive and program heads.
- b) Planning of activities for the Secretariat headquarters and Mexico City office in the development of this Operational Plan has been done in a more collaborative and integrated fashion than previously.

SMOC

Findings: SMOC has been an effective program that has benefited all three countries, even though the environmental results in Canada and the United States are comparatively more modest than they are in Mexico. The CEC Secretariat plays an essential role in coordinating trinational action. Without the focal point and leadership the Secretariat provides, SMOC would eventually wither away. SMOC's success depends also on factors outside the CEC's control. While SMOC involves relatively few officials and has been described as a "very efficient" process, it imposes significant demands on both participating governmental organizations and the CEC. These organizations are reaching their absorptive limits and may be unable to take on additional action plans without new resources. The CEC may have to finish some of the existing NARAPs before it can take on new ones.

Response:

- a) At the request of Council in June 2003, SMOC is considering new directions related to its program. A report will be presented to Council at their 2004 Regular Session.
- b) The DDT, chlordane and PCB NARAPs are now completed. Follow-up work on DDT is continuing under a GEF grant, in cooperation with Mexico and Central America.
- c) Recognizing that CEC funding is limited and that resources are stretched, SMOC has implemented a leveraging strategy to seek outside partners and funds to aid in implementing the NARAPs. Successes to date include World Bank support for the preparation of Mexico's National Implementation Plan for POPs and Canada POPs fund money to support a bio-monitoring project.

NABIN

Findings: The evaluation concludes that NABIN clearly has achieved important results, including having successfully offered a trinational forum for information sharing and developed innovative information tools. NABIN has also suffered limitations related to the scarcity of funding, and the need to ensure greater relevance to the priorities of the CEC. At the end of 2002, NABIN appeared to have reached a crossroads. From the CEC's perspective, biodiversity information needs strengthening in the future on marine and terrestrial species and on species of common conservation concern.

Response:

One of six goals of the *Strategic Plan for North American Cooperation in the Conservation of Biodiversity* is to facilitate data and information sharing across North America, and to promote integrated monitoring and assessment to increase understanding of the state of North American biodiversity. As the CEC endeavors to align its programming in support of the Strategy's priorities, the role performed by NABIN has been integrated into our work on the establishment of networks of conservation areas in the Baja to Bering and Central Grasslands priority regions; as well as into the work on conservation of marine and terrestrial species of common conservation concern and on invasive species. Thus, NABIN will build on its strength for promoting partnerships to facilitate access to information relevant to the conservation of North America biodiversity.

4 Resource Mobilization

4.1 Budget Breakdown

		Budget 2004 C\$
GOAL 1:	To foster understanding of the state of our environment, and its relation to the economy and trade in North America	1,050,000
Objective A: The public and the Parties have a better understanding of the state of and outlook for the North American environment, and its relation to human and ecosystem health		885,000
Strategy 1:	Facilitating data harmonization and information sharing and promoting integrated monitoring across North America to foster better understanding of the current status of the North American environment	795,000
	<i>State of the Environment Information</i>	75,000
	<i>North American Pollutant Release and Transfer Register: Taking Stock report</i>	375,000
	<i>North American ambient air monitoring networks (Air)</i>	60,000
	<i>North American air emissions and greenhouse gas inventories (Air)</i>	245,000
	<i>Information exchange on best available technologies for air pollution control (Air)</i>	40,000
Strategy 2:	Investigating potential environmental threats and issues of common concern by performing comparative analyses and assessments using comparable environmental information collected across North America	50,000
	<i>Forward-looking assessments of air pollution/public health/ecosystem interactions (Air)</i>	50,000
Strategy 3:	Assessing the impacts of environmental degradation on human and ecosystem health in North America and disseminating assessment results to decision makers and the public	40,000
	<i>Children's Health and the Environment Indicators Report</i>	40,000
Objective B: Trade officials and the public understand the environmental effects of liberalized trade and use that understanding to inform new agreements		165,000
Strategy 1:	Developing a strategic plan for the Environment, Economy and Trade program	15,000
	<i>Develop a strategic plan for the Environment, Economy and Trade program</i>	15,000
Strategy 2:	Assessing and disseminating findings on environment/trade relationships in a transparent manner	150,000
	<i>Assess linkages between trade and environment, focusing on agriculture and energy</i>	50,000
	<i>Conduct third North American Symposium on Assessing the Environmental Impacts of Trade</i>	100,000

GOAL 2: To act as a catalyst to improve domestic law and policy, and enhance environmental enforcement and compliance across North America	405,000
Objective A: Enhance cooperation in the development, improvement and dissemination of information about environmental laws, policies, standards and technical requirements	265,000
Strategy 1: Improving the understanding of regulatory and technical requirements, experiences and management techniques in selected sectors	50,000
<i>"Best practices" for promoting and safeguarding water quality</i>	50,000
Strategy 2: Ensuring that online information about North American environmental laws and policies is up-to-date and easily accessible	-
<i>Law Data Base Development</i>	-
Strategy 3: Improving the coordination of environmentally sound management and tracking of transboundary hazardous waste in North America	215,000
<i>Environmentally Sound Management of Hazardous Waste (ESM)</i>	100,000
<i>Transboundary movement of hazardous waste</i>	80,000
<i>Hazardous Waste Code Dictionary</i>	35,000
Objective B: The Parties enhance compliance with, and enforcement of, their environmental laws and regulations	140,000
Strategy 1: Providing a forum for the Parties and stakeholders to come together on issues of common concern	140,000
<i>Enforcement Working Group meetings</i>	30,000
<i>Enforcement Working Group publications</i>	60,000
<i>Enforcement Working Group conferences and workshops</i>	50,000
Strategy 2: Ensuring that the Articles 14/15 process yields information that can enhance environmental enforcement and compliance in North America	
<i>Please refer to Actions described under Goal 4, Objective A</i>	
GOAL 3: To mobilize international cooperation to resolve critical North American environmental issues	2,196,000
Objective A: Conserve North America's biodiversity and use it sustainably	755,000
Strategy 1: Implementing the Biodiversity Strategic Plan through collaboration and cooperation	20,000
Strategy 2: Promoting cooperation for the conservation and maintenance of North American regions of ecological significance	178,000
<i>Grassland Ecosystem Network</i>	70,000
<i>North American Marine Protected Areas Network (NA MPA)</i>	108,000
Strategy 3: Promoting the conservation of North American migratory and transboundary species, and other species identified by the Parties	297,000
<i>Terrestrial Species of Common Conservation Concern</i>	100,000
<i>Marine Species of Common Conservation Concern</i>	117,000
<i>North American Bird Conservation Initiative</i>	80,000

	Budget 2004 C\$
Strategy 4: Facilitating data and information sharing across North America and promoting integrated monitoring and assessment to increase understanding of the state of North American biodiversity	25,000
Strategy 5: Facilitating communication, networking, and identification and sharing of best practices, priorities, and opportunities for education and training	110,000
Strategy 6: Promoting collaborative responses to threats facing North American ecosystems, habitats and species	100,000
Strategy 7: Identifying and evaluating potential collaborative opportunities for biodiversity conservation and sustainable use of biological resources that arise from regional trade	25,000
Objective B: Ensure North American environmental, economic and trade policies are mutually supportive	340,000
Strategy 1: Promoting renewable energy and energy efficiency in North America	115,000
Strategy 2: Fostering understanding of environmental labeling	37,000
Strategy 3: Encouraging the disclosure of relevant environmental information	94,000
Strategy 4: Fostering green procurement in North America	75,000
<i>Lead the North American Green Purchasing Initiative (NAGPI)</i>	75,000
Other Items	19,000
<i>Complete the sustainable palm project</i>	19,000
Objective C: Prevent or reduce pollution impacts on human and ecosystem health	1,101,000
Strategy 1: Facilitating the development and implementation of North American strategies and actions to protect human health and the environment	921,000
<i>Sound Management of Chemicals Initiative (SMOC)</i>	545,000
<i>Regional Program of Action and Demonstration of Sustainable Alternatives to DDT for Malaria Vector Control in Mexico and Central America (DDTRP)</i>	126,000
<i>Cooperative Agenda on Children's Health and the Environment in North America</i>	195,000
<i>North American Air Working Group</i>	10,000
<i>Exchange opportunities for air quality professionals in North America</i>	45,000
Strategy 2: Fostering private sector actions to adopt sound approaches to environmental protection and conservation	180,000
<i>Capacity building for pollution prevention</i>	105,000
<i>Environmental management systems (EMS)</i>	65,000
<i>Environmental auditing</i>	10,000
GOAL 4: That all CEC activities strive to provide a forum for public dialogue and participation concerning environmental issues in North America	351,500
Objective A: The North American public and NAAEC Parties view the citizen submission process as a useful and valuable mechanism for enhancing enforcement of and compliance with environmental law in North America	351,500
Objective B: The CEC will engage and inform the North American public in its programming and operations	

		Budget 2004 C\$
Cross-Cutting Management Activities and Objectives:		351,900
Communications		351,900
Administration and Finance		5,934,200
<i>Telecommunications</i>		<i>112,000</i>
<i>Operating equipment</i>		<i>124,000</i>
<i>Relocation orientation</i>		<i>50,000</i>
<i>Recruitment</i>		<i>15,000</i>
<i>External administrative support</i>		<i>244,800</i>
<i>Information Center</i>		<i>114,000</i>
<i>Corporate Office</i>		<i>202,500</i>
<i>Mexico Liaison office</i>		<i>226,300</i>
<i>Office supplies</i>		<i>140,000</i>
<i>Rent</i>		<i>722,600</i>
<i>Salaries</i>		<i>3,983,000</i>
Special Initiatives		1,362,900
<i>Article 13</i>		<i>281,600</i>
<i>Ten-year Review of NAFTA/NAAEC</i>		<i>100,000</i>
<i>2004–2006 Operational Plan</i>		<i>30,000</i>
<i>Support to Council</i>		<i>265,500</i>
<i>Support to JPAC</i>		<i>360,000</i>
<i>Monitoring, Evaluation and Reporting</i>		<i>50,000</i>
<i>Annual report</i>		<i>27,000</i>
<i>Reserve for unforeseen needs</i>		<i>150,000</i>
<i>Capacity development support</i>		<i>98,800</i>
Total Budget		11,651,500
Other Items		
NAFEC		-
Article 10(6) Cooperation with NAFTA Free Trade Commission		-
Article 10(7) Transboundary Environmental Impact Assessment		-
Pollutants and Health	SMOC position	100,000
Pollutants and Health	PRTR/CEH position	100,000
Postponed from 2003		
<i>Delay in SOE contracts</i>		<i>(60,000)</i>
<i>Reduction in Air meeting costs</i>		<i>(40,000)</i>
TOTAL		11,751,500