



**Report of the Executive Director  
Commission for Environmental Cooperation**

**Report as of 2 June 2006, for presentation at the  
Thirteenth Regular Session of the CEC Council**

Washington, DC  
28 June 2006

# 1 Introduction

This report encompasses activities conducted between 1 June 2005 and 31 May 2006.

Throughout the past year considerable progress has been made towards completion of the CEC's planning and operational framework. This helped alleviate the impacts of delays caused by budget uncertainties in late 2005 and early 2006 on the implementation of important projects identified in the Council's 2005–2010 Strategic Plan and the 2005 Operational Plan for the CEC. The status and results of each project is described below in terms of the three main priorities of the Strategic Plan. With the recent completion of the 2006 Operational Plan, a Secretariat priority is to align planning and the operational cycle more effectively by striving towards earlier agreement on the 2007 plan and budget.

## Highlights since June 2005 Council Session

Highlights among this year's many accomplishments are:

**RETC** – the recent publication of the first *Registro de Emisiones y Transferencia de Contaminantes* (RETC) marks a significant accomplishment for Mexico and the CEC and sets the stage for the first truly comprehensive assessment of continent-wide releases and transfers of toxic chemicals. It should be noted that the CEC Secretariat and officials of all three of our countries have invested considerable time, resources and expertise to reach this stage. Specifically, the Secretariat has provided support to the RETC for more than six years, through capacity building among government and industry officials, awareness building with the public and nongovernmental organizations, training, administrative and technical support. As is the case elsewhere in North America, this information will support community *right-to-know* in Mexico by giving citizens information about chemical emissions and transfers at the local level. It encourages pollution prevention activities and assists industry and Semarnat in tracking environmental progress. Implementation of the RETC also helps fulfill the promise of a truly continental assessment of pollutant releases and transfers, in which data from all three North American countries can be analyzed by sector, facility, and environmental medium in the CEC's annual *Taking Stock* report and by means of the North American Environmental Atlas.

**Article 13** – This February, the Secretariat announced the commencement of our latest independent Article 13 study: *Green Building in North America: Opportunities and Challenges*. The study will profile the current status and prospects for green building in North America, highlighting factors behind notable successes and difficulties, and identifying ways to maximize the potential environmental benefits of green building. The Secretariat has assembled an impressive group of international experts to guide this study. The group will hold its first meeting on June 13 in Montreal. The project has entered its information-gathering and study phase, during which we will commission background and research papers. The Secretariat plans to submit the final report and recommendations to Council in 2007.

**Children's Health** – With the publication of the *Children's Health and the Environment in North America: A First Report on Available Indicators and Measures* in January, and *Toxic Chemicals and Children's Health in North America* in May, the CEC has concluded the work associated with the Children's Health Initiative initiated by Council resolution in 2000.

**Private Sector** – Following the Council's determination to increase the contribution of the private sector in the implementation of CEC initiatives, two specific accomplishments are being highlighted. First, under the CEC's *Competitive Supply Chain* project, in collaboration with Global Environmental Management Initiative, Mexico is already reaping environmental benefits and process-savings for four multinational corporations and twenty-eight small and medium-size suppliers in the Mexico City region.

Begun last year, the project has already recorded a reduction in energy and materials consumption and nearly one million dollars (US\$) in annual savings. Second, the Secretariat is consulting with the cement sector in each of our three countries to explore a common framework for monitoring and reporting pollutants. This stems from the discovery of significant inconsistencies in national reporting revealed as a result of our *Taking Stock* analysis. Similarly, we continue to explore linkages with the Cement Sustainability Initiative of the World Business Council for Sustainable Development, building on their experience in developing common monitoring and reporting protocols for greenhouse gases and criteria air contaminants.

**North American Environmental Atlas** – In the past year, officials and scientists from each of our three countries, in collaboration with the Secretariat, succeeded in developing two new data layers for addition to the suite of North American Atlas basemaps: one that depicts the major North American drainage basins or watersheds; and another that depicts an enhanced version of the *terrestrial ecological regions of North America*. For the latter, it should be noted that the depiction of levels I and II of the terrestrial ecological regions was itself a groundbreaking accomplishment for the CEC when first published in 1997. The most recent addition of level III data is significant not only for the greater specificity and utility of such basic environmental information but also for the fact that the entire data set has been adjusted to be fully compatible with the digital North American Atlas Framework. These new maps, together with complementary marine ecological maps (to be available soon), will support a common continental perspective for environmental assessment and ecosystem management.

**Conservation of Biodiversity** – Similar progress in the implementation of the CEC's 2003 Strategic Plan for the Conservation of Biodiversity should be noted. This past year saw the publication and implementation of six North American Conservation Action Plans (NACAPs). These are the first of their kind. They are a model for trinational conservation designed by the governments of Canada, Mexico and the United States in cooperation with scientists, academics and environmental groups. The selection of the species of common conservation concern, terrestrial and marine, was based on a variety of factors, including a common understanding of the threats faced by each species, its geographic location, profile and feasibility of success.

**Sound Management of Chemicals** – The SMOC initiative has been a significant vehicle for international cooperation and progress since the outset of the Commission's activities. This progress has continued this year, as for example the presentation of the lindane action plan for Council's approval at this Regular Session. Officials of each of our countries have been working diligently to define the future of this initiative, as outlined in the SMOC *new directions* paper that will also be presented for Council's consideration.

**Submissions on Enforcement Matters** – Finally, it should be noted that citizens continue to look to the CEC when they perceive failure to effectively enforce environmental law in each of our countries. The Secretariat's eleventh factual record—Tarahumara—was published in January 2006, and our staff is in the process of developing four other factual records, with a total of 11 citizen submissions under review as of the end of May 2006.

## **2 Progress under the 2005–2010 Strategic Plan**

Since June 2005, the Secretariat has completed a number of 2005 activities and has proceeded with the implementation of the projects that support the three broad priorities chosen by the Council for the next five years: information for decision-making; capacity-building; and trade and environment.

## **2.1 Information for Decision Making**

### ***2.1.1 Managing CEC Environmental Information***

Following the 2005 Council Session, a comprehensive, draft *Framework for Quality Assurance* was developed with the help of the Information Experts team. Practical implementation of the Framework within the Secretariat is nearing completion. A CEC Quality Management Policy was developed and adopted, Quality Assurance Project Plans and Data Quality Assurance Project Plans, and associated procedures were developed, integrated into the project planning cycle, and incorporated into the presentation of the Operational Plan for 2006. Comprehensive procedures and standards for review and quality assurance of publications and information products have been developed to accompany the Policy and incorporated into a consolidated CEC Quality Assurance Policies and Procedures document. These procedures are being implemented for 2006 program outputs. Practical measures, such as formal document identification numbering and version control, are in development, along with a tracking system to increase transparency and efficiency in the consultation and review process, and management information on Quality Assurance status and progress.

### ***2.1.2 Mapping North American Environmental Issues***

A review of datasets held by the CEC has been completed, with an assessment of their potential to support the North American Environmental Atlas and the requirements for their being made compatible. North American power plant emissions data have been made compatible with the Atlas, and demonstration “mapped outputs” have been prepared. Steps are underway to prepare quality-assured databases linked to the North American Atlas Framework for power plant emissions and air quality measurements in major cities. The CEC continues to encourage and facilitate cooperation among the three national Atlas programs in the continued development and improvement of the North American Atlas basemaps. To this end, in December 2005, the Secretariat facilitated a meeting hosted by the United States Geological Survey of the three agencies to reinforce the importance of this seamless continental map base for the CEC and to discuss priorities for future cooperative development. The agencies reported on progress on a new data layer that delineates the boundaries of river basins, and the CEC has subsequently provided coordination and editorial assistance in the preparation of a hard-copy version of the map. The digital basemap, as the 10th layer in the series, is expected to be ready for release through the Atlas agencies (and the CEC) by mid-summer 2006.

An update of the CEC’s 1997 ecoregion map of North America was completed through trilateral cooperation sponsored by the CEC. This new version (subject to final tripartite review) has now a complete, seamless and consistent third level of detail for ecoregions across all three countries. The information has been entirely adjusted to be integrated with the North American Atlas Framework series. The geo-spatial database is complete and will be ready for final review and release in mid-2006 and the descriptive material accompanying the ecoregions is expected to be completed by the end of the year.

The completion of the watersheds and terrestrial ecoregion mapping means that North American decision makers now have available important new additions to the suite of layers that permit the analysis and presentation of environmental issues on a continental basis in ways that inform and support cooperative trilateral approaches. The geo-spatial files for these maps will be added to the NAAF series and made available for download through the National Atlas facilities as well as from the CEC web site.

Work to expand the ecoregion mapping to the marine environment is also in progress. The marine ecoregions are now mapped and described at three levels, in parallel with the terrestrial mapping. Technical work to adjust the geo-spatial files to the North American Atlas Framework will be completed by the end of June 2006. The marine ecoregions will be released in the Atlas Framework series as soon as the ecological descriptive material is finalized and linked to the ecoregions.

### **2.1.3 Enhancing North American Air Quality Management**

The year 2005 saw the official release of Mexico's six-state northern border air emissions inventory during a public event hosted by Mexico's Semarnat and the *Instituto Nacional de Ecología* (INE) in the border city of Ciudad Juárez, Chihuahua, in June. This was a further step in the CEC's multi-year effort to support development of Mexico's first-ever national air emissions inventory. In November 2005, Mexico released its draft national air emissions inventory for review and comment. The six-state northern border and draft national air emissions inventory reports are available from INE at [http://www.ine.gob.mx/dgicurg/calair/lineas/inventario\\_nacional.html](http://www.ine.gob.mx/dgicurg/calair/lineas/inventario_nacional.html).

Other CEC air activities in 2005 included support for the development of the first-ever North American marine air emissions inventory, a compilation of 10-year air quality trends for several air pollutants in key North American cities, and an overview of air monitoring capacity and needs in "clean areas" of North America outside urban centers.

### **2.1.4 Monitoring and Assessing Pollutants across North America**

With the support of the World Bank, a North American Blood Biomonitoring Program of first-birth mothers in Canada, Mexico and the United States is well underway. Using multiple laboratories and comparable and compatible sampling and analysis protocols to ensure consistency across the three countries, samples are being analyzed for PCBs, pesticides, toxic metals and dioxins and furans. This project will assist Mexico in developing a limited baseline set of data on maternal blood and assessing potential environmental "hotspots" in Mexico where elevated concentrations of these chemicals are likely to be found. It is anticipated that this data will provide practical information for making decisions on risk management priorities and selecting substances for future monitoring efforts. Maternal blood samples, collected in Canada and Mexico, are being analyzed while data from comparable studies in the United States will be submitted for review. Preliminary results will be presented in summer 2006, with a peer – reviewed trinational report expected in early 2007.

Assisted by the CEC, Mexican researchers have developed and submitted an extensive review of the status of the country's monitoring and assessment of many priority substances. In addition, an initial compilation of information from "grey literature" (e.g., unpublished datasets and academic theses) regarding priority substance monitoring in Mexico has been completed. In combination with the expertise of North American scientists, these reports will contribute to the development of a proposal to seek assistance from international funding institutions to enhance Mexico's monitoring and assessment infrastructure and capacity. In April 2006, the CEC convened a select group of monitoring and assessment experts to outline the key elements of a Mexican monitoring framework. A larger workshop to further refine the program and develop the appropriate preliminary drafts of a funding proposal is planned for the fall of 2006. The overall goal is to enhance continental comparability and compatibility of toxics information from which the Parties can make decisions relating to risk reduction and sustainability.

The CEC's work on monitoring and assessing pollutants includes a year of passive air sampling for POPs at eleven sites in Mexico, the development of a dioxins and furans monitoring network in Mexico, and analysis for metals and POPs of fish tissue samples collected at various locations in Mexico for metals and POPs. However, the continued operation of the two certified Mercury Deposition Network monitoring sites in Mexico has been terminated due to lack of available funding.

### **2.1.5 Tracking Pollutant Releases and Transfers in North America**

The Secretariat worked closely with Semarnat in organizing the PRTR Consultative Group meeting and combined it with Semarnat's 4<sup>th</sup> workshop with Mexican states, held in Monterrey, Mexico, 17–19 October 2005. The Secretariat, together with the national PRTR officials, updated the *Action Plan to Enhance the Comparability of Pollutant Release and Transfer Registers in North America*. The Action Plan provides a framework for addressing a number of technical issues to promote data comparability and compatibility among all three countries. In addition, the Secretariat prepared a background document to guide discussions at the meeting, especially issues regarding the *Taking Stock* report and the integration of Mexican data.

The Secretariat is preparing *Taking Stock* for the reporting year 2003, and expects publication release in July 2006. This edition will include a special feature chapter on the cement industry in North America. Information for this special feature has been collected from the governments, industry associations, cement facilities, and NGOs. Interviews and consultations have been held with these groups to verify the data and to collect information on pollution prevention activities. Customized searchable access to the data sets will be available through the Secretariat's *Taking Stock Online* web site <<http://www.cec.org/takingstock>>.

After many years of development, Mexico has put in place the mandatory *Registro de Emisiones y Transferencia de Contaminantes (RETC)* and for the first time will publish data in 2006. This long-term effort follows the commitment of Council, in June 1997 (CR 97-04) to *enhance the comparability of North American PRTRs*. The inclusion of Mexican data will greatly enhance the ability to assess, on a continental basis, information on the sources, quantities, and handling of pollutant releases and transfers. In addition, Semarnat is in the process of developing the *Norma Oficial Mexicana (NOM)* to finalize the legal underpinnings of the Mexican PRTR (RETC). The CEC's PRTR program will provide technical support for the development of the NOM.

The Secretariat and Parties have undertaken outreach efforts to engage industry in PRTR discussions. An important challenge is to identify industry needs and support accurate reporting in Mexico. The Secretariat has initiated work with industry to promote common methodologies on a regional level for monitoring and reporting pollutant releases. Discussions are underway with the cement sector and the World Business Council for Sustainable Development to promote the development of a North American reporting protocol for toxic substances. Plans include promoting this work with other sectors and to assist Mexico in preparing guidance documents for accurate industry reporting in Mexico.

The CEC's *Toxic Chemicals and Children's Health* was published on 17 May 2006. The report underwent a comprehensive review process, including review by the former Expert Advisory Board on Children's Environmental Health, a panel of experts designated by the Parties, the Parties themselves, and the public. This report follows the publication of the report on indicators for children's health and the environment (published 26 January 2006).

### **2.1.6 Reporting on the State of the North American Environment**

This project was approved in May 2006 and implementation is just beginning.

## **2.2 Capacity Building**

### ***2.2.1 Strengthening Wildlife Enforcement Capacity***

In February 2006, the Secretariat and the wildlife enforcement agencies in North America delivered a seminar via videoconference on the use of the Internet in combating illegal trafficking in protected flora and fauna. Officers in attendance at seven different locations participated in exercises to assess the scope of illegal trafficking of protected species, and discussed methods and approaches for addressing this growing problem. The seminar supported the wildlife enforcement agencies' efforts to strengthen their intelligence and investigative capacities. In addition, the seminar served as a pilot test to evaluate the cost-effectiveness of facilitating exchange of information and delivering training activities through the use of videoconferencing.

The Secretariat is working with the wildlife enforcement agencies to update the CEC publication, *North American Wildlife Forensic Laboratories*. The goal is to gather and disseminate to the wildlife enforcement community and stakeholders information concerning wildlife forensics centers in North America. The final product is expected by the end of the year and will be disseminated through the CEC website.

The Secretariat also facilitated a forum for interagency information exchange and regional priority setting to enhance wildlife enforcement capacity in North America. Among other outcomes of this forum were a draft protocol to address the manner in which wildlife enforcement agencies in North America alert each other of information of mutual concern and draft guidelines for the return of seized wildlife specimens. Both documents are being reviewed by the wildlife enforcement agencies.

The Secretariat and the wildlife enforcement agencies have initiated the development of a three-year North American training initiative to address their capacity building needs and priorities. Particular emphasis will be placed on working with Mexican wildlife officials to identify a framework to develop and institutionalize their wildlife enforcement training program.

### ***2.2.2 Improving Private and Public Sector Environmental Performance***

The North American Pollution Prevention Partnership (NAP3) met in Vancouver during the JPAC public session to discuss the Clean Electronics Pollution Prevention Partnership (CEP3) project. In that meeting the scoping work and the proposed project approach were presented and discussed with representatives of the US, Canadian and Mexican electronics industry. After incorporating the recommendations received, the final report was delivered. A NAP3 meeting is expected to be held in June 2006, taking advantage of the Canadian Pollution Prevention Roundtable event in Halifax, to discuss further steps.

Regarding the "greening of supply chains" component of this project, the CEC completed the first phase with the participation of 28 small and medium-size suppliers to Colgate-Palmolive, Bristol-Myers Squibb, Janssen-Cilag and Clarion in Mexico. Preliminary results show opportunities for economic savings of around US\$ 1 million/year, 15,300 m<sup>3</sup>/year in water savings, avoided CO<sub>2</sub> emissions of 632.5 ton/year, and the saving of 112 tons of paper and cardboard per year, among other benefits. A progress report has been prepared and will be delivered during the Council Session. The CEC is now approaching its partners and large companies in Mexico to initiate activities with second-tier suppliers, diversifying industry sectors, and taking into consideration lessons learned during the first phase of the project.

Concerning the third component—environmental management capacity development for Querétaro—a study on legal aspects for environmental auditing decentralization was conducted and is being discussed with Profepa and Querétaro’s *Secretaría de Desarrollo Sustentable* (Sedesu).

### **2.2.3 *Building Local Capacity for Integrated Ecosystem Management and to Conserve Critical Species and Spaces***

To support the decentralization process of the Mexican government in the area of wildlife conservation and management, the CEC partnered with the *Dirección General de Vida Silvestre* to train state and local wildlife officials from the following border states: Baja California, Sonora, Chihuahua and Baja California Sur.

More than forty instructors from the United States, Canada and Mexico (USGS, US FWS, Texas Fish & Game, New Mexico Fish & Game, Environment Canada, Canadian Wildlife Service, INE, Semarnat, Conanp, Conabio, and from several universities and NGOs), trained thirty-five “students” from the four northern states during a two-week-long course. Topics ranged from economic valuing of biodiversity to wildlife certification and regulations.

An information clearinghouse “Naturamerica” was created to provide access to current information about the CEC biodiversity projects, as well as cross-linked information on ecoregions, organizations, and species.

### **2.2.4 *Sound Management of Chemicals***

The Sound Management of Chemicals (SMOC) Working Group is proposing to renew the CEC’s approach to the sound management of chemicals as defined under Resolution 95-05, by realigning with the countries’ domestic priorities and linking to the global chemicals management context. The new approach would shift the SMOC program’s focus from individual substance action plans to more strategic work on groups of chemicals, industrial sectors, and compatible systems and data. The approach includes increased stakeholder input and participation and the leveraging of CEC resources for implementation. This new approach is set out in the document, “CEC SMOC Working Group Strategy until 2020 under the Puebla Priority Areas.” The Strategy was presented to stakeholders for input at the SMOC Working Group’s annual meeting, held in Windsor, Ontario, in April 2006, and will be presented to Council in June 2006.

In October 2005, the CEC organized a workshop in Mexico City to highlight available alternatives to lindane, one of the many actions outlined in the recently finalized North American Regional Action Plan (NARAP) on lindane and other HCH isomers. A Lindane NARAP Implementation Task Force, to be formed following Council approval, will work to implement trilateral actions, including a project to develop culturally appropriate outreach materials to indigenous populations about the possible risks associated with lindane use and exposure.

Progress continues in the area of mercury risk reduction. Through a partnership program with the United Nations Environment Programme Global Mercury Assessment, the CEC coordinated and contributed to the establishment of a workshop on mercury-containing products and potential exposure reduction options. This capacity building workshop was successfully conducted in Mérida, Mexico, in February 2006. The workshop included participants from many of the Americas’ countries as well as an observer from Minimata, Japan.



In partnership with the US EPA, the CEC is in the final planning stages for a pilot project called “Hospitals for a Healthy Environment in Mexico,” to begin in the fall of 2006. The project, which is modeled on a successful program of the US EPA, will focus on building capacity to reduce mercury use and wastes, including other toxics, in health care facilities in Mexico. One hospital will be selected for the pilot demonstration project and it is anticipated that other hospitals and health care facilities will be encouraged to adopt the beneficial practices.

Efforts under the NARAP on dioxins, furans and hexachlorobenzene are focusing on development of an implementation plan, with the Task Force planning to meet in the fall of 2006 for finalization of a timeline for implementation of actions under the plan. A monitoring network is being incorporated in Mexico with the contribution of six samplers from Canada. Installation, sampling protocol and analytical efforts are currently being coordinated.

Significantly, the SMOC Working Group is recommending that the NARAPs on DDT and PCBs be closed in 2006, since commitments under these NARAPs have been effectively fulfilled. Closure reports for both NARAPs have been completed, and follow up actions on audit and compliance have been transferred to the Environmental Monitoring and Assessment Standing Committee.

## **2.3 Trade and Environment**

On 31 August, the Alternate Representatives approved the CEC *Trade and Environment Strategic Plan* that was presented to Council in Quebec City in June 2005. The Strategic Plan was translated and posted on the CEC web site and was distributed and discussed at the CEC’s Third Trade and Environment symposium, held in Montreal on 30 November and 1 December 2005. The 10(6) working group held three face-to-face meetings and five conference calls to approve the Trade and Environment 2006 program plan, budget and develop deliverables for the Council Session.

### **2.3.1 Promoting the North American Renewable Energy Market**

The Secretariat, in collaboration with the Parties, has invited more than 40 experts from the three countries to serve on the newly created Renewable Energy Experts’ Committee (REEC). The REEC composition was finalized in mid-August 2005 and the first conference call was held on 24 August. The first annual meeting took place in November 2005 in Washington, DC, where the Secretariat received advice to develop the five documents listed below. A second meeting was held in Cuernavaca on 20 February 2006, to review the products that were commissioned following the first annual meeting of the REEC and to agree on recommendations to be made in the White Paper. Documents prepared under the 2005 project activities with advice from the REEC are:

- Fostering Renewable Energy in North America (White Paper);
- Estimating Avoided Emissions Achieved through Renewable Electricity;
- Renewable Energy Financing Case Studies: Lessons to be Learned from Successful Initiatives;
- Report on the Database on Laws and Policies related to Renewable Energy; and
- Reviewing Gaps in Resource Mapping for Renewable Energy in North America.

Minutes of REEC meetings and conference calls, the list of REEC members, as well as documents created under this project, are available in the three languages at [www.cec.org/energy](http://www.cec.org/energy).

The White Paper, to be presented at Council, contains recommendations for the Parties and the CEC on how to foster renewable electricity in North America. In conjunction with the Cuernavaca REEC meeting, a mapping meeting was held to discuss the report reviewing gaps in resource mapping for renewable energy in North America. As a result of that meeting, three subcommittees were created to develop interoperable North American maps of solar, wind, and biomass energy in North America.

The CEC was invited to present its renewable energy work to the Canadian Hydro-Power Association, the Green Industry Network, and the US NAC/GAC during their meeting in Washington, DC, on 6 April 2006.

### **2.3.2 *Encouraging Green Purchasing***

The North American Green Purchasing Initiative (NAGPI) implementation plan details activities to be undertaken to promote green procurement of cleaning products, office supplies (fax and copying machines and paper) and renewable electricity. The plan was approved in mid-September. Activities have focused on facilitating a multi stakeholder process to develop fact sheets for the procurement community on the purchase of renewable electricity and green cleaning products. The cleaning product activities included a pilot project with the provider of janitorial services to Semarnat, as well as with the cleaning product industry in Mexico to develop environmentally preferable cleaning products. As a result, Semarnat is now able to develop a greener procurement policy for its janitorial services. To develop these fact sheets, the NAGPI has continued its monthly conference calls and has met twice face-to-face—once in November in Montreal, and again in February 2006 in Miami in conjunction with the Chlorine-free Paper Association Annual Summit that is usually attended by many NAGPI members. The Green Office Supplies subcommittee hosted a consultation meeting with paper stakeholders on the margins of the NAGPI annual meeting in Montreal.

Revisions to make the Eco-SAT web-based green procurement policy self-assessment tool more user-friendly were well received. NAGPI members have started sharing the tool with their stakeholders and the CEC will launch a promotion campaign to let potential users know the tool is available.

### **2.3.3 *Harnessing Market Forces for Sustainability***

This project has been approved for 2006 but activities will only start once the Parties agree on which species, habitats, or other projects such as SMOC or PRTR will be supported through it.

### **2.3.4 *Trade and Enforcement of Environmental Laws***

The Secretariat worked with the US-based National Center for Manufacturing Sciences and the Monterrey Institute of Technology to complete Mexico's portion of the Border Compliance Assistance Center web site <[www.bordercenter.org](http://www.bordercenter.org)>. The site provides useful information for those involved in hazardous waste trade between the United States and Mexico. Currently the Secretariat is designing a plan to promote the site among the *maquiladora* industries in Mexico and get their feedback to improve the site.

In November 2005, the Secretariat organized an International Symposium on the Judiciary and Environmental Law in close collaboration with the governments, and with the participation of Panamericana University and UNEP's Regional Office for Latin America. While the primary focus of the event revolved around environmental-judicial issues in Mexico, participation of judges from the United States and Canada brought an international perspective to the discussions. The symposium offered an opportunity to share experiences on how different court systems in North America handle environmental issues, both substantively and procedurally, and provided a forum to learn about principles of domestic and international environmental law, share experiences and best practices, and develop a clearer

understanding of how environmental cases are dealt with in the judicial systems. Based on the success of the event, the Secretariat is currently exploring opportunities with the Mexican Judicial Institute and the Mexican Institute of Administrative Studies to support courses for judges on environmental law.

### **2.3.5 Guidelines for Risk Assessment of Invasive Alien Species and their Pathways**

In collaboration with the Department of Fisheries and Oceans (DFO) in Canada, Conabio in Mexico, and the USGS in the United States, the CEC developed a trilateral risk analysis guideline to field-test in North American waters. Fish aquarium trade has been chosen as the pathway of common concern, and the suckermouth catfish (*Plecostomus*) and the snakehead were selected as the two pilot species.

The Secretariat is supporting the collection, integration, compatibility and analysis of the environmental, economic and social information required by the *ad hoc* task group during the evaluation phase of this field test.

### **2.3.6 Ongoing Environmental Assessment of NAFTA**

The Secretariat, in collaboration with International Trade Canada and Foreign Affairs Canada, and with support from Hydro-Quebec, hosted the Third North American Symposium on Assessing the Environmental Effects of Trade in Montreal on 30 November–1 December. Over 200 participants from across North America attended this symposium, focused on the impact of investment and economic growth on the environment. Eleven scientific papers, selected by a trilateral advisory committee composed of experts from the public and private sectors, were presented by Canadian, American, and Mexican researchers from academia, government, and nongovernmental organizations. A session was added to the program to present, in collaboration with Environment Canada, Pollution Probe, and Alcan, a practitioners' perspective on drivers of sustainable growth in North America. International Trade Canada held a workshop and public consultation on the environmental assessment of foreign investment promotion and protection agreements in conjunction with the symposium. Proceedings are being released at Council.

The third symposium, like the two previous ones, increased the public's understanding of the effects of liberalized trade on the North American environment. The 10(6) Working Group has agreed that the services sector will be the theme of the fourth symposium. This will be announced during the Council Session. As was the case in the previous symposia, an advisory group will be created to develop the specific terms of references for the call for papers. The advisory group will also help the Secretariat select worthy papers and advise the Secretariat on the organization of the symposium.

## **2.4 Projects completed in 2005**

### **2.4.1 Biodiversity-related Activities**

#### *1. North American Marine Protected Areas Network (NAMPAN)*

A North American System for monitoring Marine Protected Areas in the B2B region is currently being developed at a pilot level, in sister MPAs (Vizcaino and Loreto in Mexico, a cluster of MMAs in United States, and Pacific Rim in Canada). MPA managers from the three countries met 21–23 February 2006, in Ventura, California to agree on the sister sites and on common biophysical, socioeconomic and governance indicators for the pilot.

## *2. Grasslands Ecosystem Network (Grassnet)*

The publication on Priority Conservation Areas (PCAs) of the North American grasslands is currently being developed through a partnership with Nature Conservancy and the University of Regina. The report describes the process followed and the identified grasslands priority conservation areas (GPCAs) within North America's Central Grasslands. This technical report is available at:

[http://www.cec.org/pubs\\_docs/documents/index.cfm?varlan=english&ID=1745](http://www.cec.org/pubs_docs/documents/index.cfm?varlan=english&ID=1745).

## *North American Conservation Action Plans (NACAPs)*

The North American Conservation Action Plans (NACAPs) for the leatherback sea turtle, the humpback whale, the pink-footed shearwater, the black tailed prairie dog, the ferruginous hawk, and the burrowing owl were launched in November 2005. During 2006, NACAP implementation activities that will be pursued under item 2.2.3 are as follows:

- Leatherback sea turtle: an assessment of the impact of artisanal fishing practices along the Mexican Pacific coast on leatherback populations, as well as an evaluation of capacity building needs for fishermen.
- Pinkfooted shearwater: a satellite monitoring initiative began this year to monitor movements and habitat use by pink-footed shearwaters outside the breeding season, as determined by satellite tracking of individual birds.
- Humpback whale: in support of SPLASH, an assessment of the species' population status off the Pacific West Coast, with emphasis on the waters surrounding the Baja California peninsula, is ongoing.

## *Facilitating Data and Information Sharing across North America and Promoting Integrated Monitoring and Assessment to Increase Understanding of the State of North American Biodiversity*

An information clearinghouse "Naturamerica" was created to provide access to current information about the CEC biodiversity projects, as well as cross-linked information on ecoregions, organizations, and species.

## *2.4.2 Children's Health and the Environment—Indicators Report*

The final report, *Children's Health and the Environment in North America: A First Report on Available Indicators and Measures*, was released to the public on 26 January 2006. The goal of the indicators report is to provide decision-makers and the public with information on the status of key parameters related to children's health and the environment in North America as a means of measuring and promoting change. The report underwent public review in September and October 2005. It stands as the product of intense work over the past two years with a steering group composed of government representatives as well as personnel from the World Health Organization, Pan American Health Organization, and the International Joint Commission. The report presents national data on thirteen indicators in three general areas: asthma and respiratory disease, the effects of lead and other toxics (including pesticides), and waterborne disease. The report is derived from the material contained in country reports that were prepared by the national governments. This CEC-led effort also forms part of the Global Initiative on Children's Environmental Health Indicators that was endorsed at the World Summit on Sustainable Development. The Global Initiative is led by the World Health Organization, with support from the US Environmental Protection Agency. As such, the report represents a significant regional learning opportunity that may inform similar projects in other parts of the world.

### **2.4.3 Regional Program of Action on DDT**

The CEC continues to be a constituent of the Steering and Operative Committees of the Regional Program of Action and Demonstration of Sustainable Alternatives to DDT for Malaria Vector Control in Mexico and Central America. The CEC role on those Committees is to enhance the environmental aspect of the project and to provide advice, through the capacity developed in Mexico. The elimination of DDT stockpiles in the eight countries will be a great achievement. To do this in compliance with the Stockholm, Basel and Rotterdam Conventions, as recommended by UNEP, the Steering Committee is seeking the best and most cost-effective practices available.

### **2.4.4 Disclosure of Environmental Information**

Work was completed on a “Review of the Current State of Integration of Environmental Research in the Mainstream Financial Community in North America” commissioned by Environment Canada and the CEC. The study assesses the extent to which environmental research is used in company and sector valuations carried out in North America. The report was released during Globe by Environment Canada.

### **2.4.5 Successful Water Quality Practices**

The CEC produced two educational videos and DVDs in cooperation with the *Instituto Mexicano de Tecnología del Agua* (IMTA) on successful rural water practices in Tehuacan and Oaxaca. The videos, *Aguaxaca: La Tarea Común para Proteger el Agua* and *Agua para Siempre: Regeneración Ecológica para el Desarrollo Sostenible* will be used as part of IMTA’s training program.

### **2.4.6 Environmental Management Systems**

The CEC completed its report, *North American Perspective on Common Elements of Successful Environmental Management Systems in Small and Medium-size Businesses*, which discusses these systems in the three-country context.

## **3 Strengthening partnerships with the private sector**

On 5 January 2006, the Secretariat and the EPA organized a meeting in Washington, DC, to explore ways to engage the private sector in CEC activities. Representatives from private sector companies and private sector think-tanks participated in this meeting.

Supporting CEC’s Action Plan to Enhance the Comparability of Pollutant Release and Transfer Registers in North America, as of January 2006, the Secretariat engaged into conversations with the Mexican Cement Association, Cemex, the Canadian Cement Association and the Portland Cement Association to facilitate the discussion of potentially developing standardized approaches to emissions reporting in the cement industry in North America. Efforts are being made to include elements of this effort in this year’s *Taking Stock* report by including a specific chapter on the cement industry in North America. The work carried out by the World Business Council for Sustainable Development (WBCSD) through its Cement Sustainability Initiative (CSI) will also be mentioned in the report.

On 22–23 February 2006, the Secretariat participated in a workshop in Ottawa organized by the New Directions Group, a business group dealing with “Negotiated Performance Agreements” in North

America. Representatives from private sector companies and private sector think-tanks participated in this workshop. There was also participation by US state environmental agencies and their equivalents from Canadian provinces. Mr. Raul Tornel, Assistant Attorney General for Environmental Audits at the Mexican Environmental Enforcement Agency (the *Procuraduría Federal de Protección al Ambiente*—Profepa) participated and gave a presentation on their national environmental audit program.

In February 2006, the Secretariat attended the monthly board meeting of the *Instituto de Protección al Ambiente de Nuevo León* (IPA). IPA is an environmental association which is a subsidiary of the Chamber of Manufacturing Industry of Nuevo Leon (CAINTRA). The purpose of this meeting was to promote CEC's work involving the private sector (e.g., greening supply chains, PRTR work). The Secretariat also met with the US-Mexico Chamber of Commerce (USMCOC). The USMCOC recently began the implementation of a program for cleaner production methodology in small and medium-size enterprises (SMEs) in the Bajío Region of Mexico. This program targets five industrial sectors: automotive, chemical, healthcare, tourism and tanning. The USMCOC expressed its interest in finding out more about CEC's greening supply chains project.

#### **4. Submissions on Enforcement Matters**

##### **Article 14 Submissions Status**

Since June 2005, the Secretariat has received three new submissions, issued three determinations under Articles 14(1) and (2), one determination under Article 15(1), recommended one factual record, submitted two draft factual records to Council for its comments, and released one factual record to the public in accordance with Council Resolution 05-09. In addition, the Secretariat is in the process of developing four other factual records and is awaiting Council's vote on whether factual records are warranted for three submissions. A more detailed status update is provided below.

The status of the **eleven** submissions under review as of **24 May 2006**, is as follows:

##### **Draft factual records being finalized for Council's vote:**

The Secretariat is incorporating comments received from Canada and the United States on the following draft factual records:

- 1) **SEM-02-001 (Ontario Logging)** and **SEM-04-006 (Ontario Logging II)** – concerning Canada's enforcement of section 6(a) of the Migratory Bird Regulations against the logging industry in Ontario.
- 2) **SEM-02-003 (Pulp and Paper)** – concerning Canada's enforcement of s. 36(3) of the Fisheries Act and provisions of the Pulp and Paper Effluent Regulations in regard to ten mills in Ontario, Quebec, New Brunswick, Nova Scotia and Newfoundland.

##### **Draft factual records in development:**

The following draft factual records are being developed as instructed by Council:

- 1) **SEM-03-004 (ALCA-Iztapalapa II)** – concerning Mexico's enforcement of its environmental laws with respect to a citizen complaint filed with the Office of the Federal Attorney for Environmental Protection—Profepa.
- 2) **SEM-03-005 (Montreal Technoparc)** – concerning Canada's enforcement of its federal Fisheries Act against the City of Montreal in regard to the discharge into the St. Lawrence River of toxic pollutants from the city's Technoparc site.

**Council vote pending, following notification that a factual record is warranted:**

- 1) On 5 December 2005, in light of the United States' response, the Secretariat recommended to the Council that a factual record be developed for submission **SEM-04-005 (Coal-fired Power Plants)** – concerning the United States' enforcement of the federal Clean Water Act against coal-fired power plants for mercury emissions that are allegedly degrading thousands of rivers, lakes and other waterbodies across the United States.
- 2) On 18 May 2005, in light of Mexico's response, the Secretariat recommended to the Council that a factual record be developed for submission **SEM-03-003 (Lake Chapala II)** – concerning Mexico's enforcement of its environmental law with respect to the Lerma-Chapala-Santiago-Pacifico basin.
- 3) On 5 May 2005, in light of Canada's response, the Secretariat recommended to the Council that a factual record be developed for submission **SEM-04-007 (Quebec Automobiles)** – concerning Canada's enforcement of Quebec's "Regulation respecting the Quality of the Atmosphere" (Réglement sur la qualité de l'atmosphère—RQA) and the Quebec Environment Quality Act (Loi sur la qualité de l'environnement—LQE) in connection with emissions from post-1985 light vehicle models.

**Determination pending whether a factual record is warranted under Article 15(1):**

- 1) **SEM-05-002 (Coronado Islands)** – concerning Mexico's enforcement of its environmental legislation regarding the construction of a liquid natural gas re-gasification terminal, immediately adjacent to the Coronado Islands, and a breeding colony of endangered species.
- 2) **SEM-05-003 (Environmental Pollution in Hermosillo II)** – concerning Mexico's failure to enforce environmental law, in connection with air pollution in areas under state and municipal jurisdiction.

**Reviewing a new submission under Article 14:**

- 1) **SEM-06-002 (Devils Lake)** – concerning the United States and Canada's failure to enforce the 1909 International Boundary Waters Treaty by allowing biological pollutants from Devils Lake to cross the US-Canada border and flow into Lake Winnipeg and other Canadian waters.

## **5. Administration and Finances**

### **Financial Resources**

We received full contributions from all three Parties for the fiscal year 2005. Furthermore, Mexico issued full payment for 2006 and Canada has made its first installment for 2006.

The quarterly report, as of 31 December 2005, was sent to the Parties on 28 February 2006.

The annual external audit for year 2005 took place from 13 March through 30 March 2006. As soon as the audit firm provides its result, it will be made available to the Parties.

### **Human Resources**

In January 2006, Paolo Solano was contracted as Legal Officer, SEM Unit.

Rolando Ibarra was reassigned as Program Manager, Partnerships Development and Timothy Whitehouse was reassigned as Program Manager, Special Projects.

The recruitment process for the positions of Program Manager, Environment and Trade, and Program Manager, Environmental Law was completed. At the request of the Parties, the hiring for the said positions was postponed until further guidance.

The recruitment process for the position of Program Manager, Environmental Information for Decision Making and Managing Editor, Spanish Publications was completed but also postponed until further notice.

## **Internship Program**

The purpose of the program is to provide graduate-level students in relevant disciplines the opportunity to contribute to the work of the CEC. The Secretariat has selected three interns who will be at the Secretariat from May through the end of August 2006. They will be assisting the areas of Environment and Trade, the SEM Unit, and Environmental Law.

## **6. Communications**

Effective and timely communication with program partners, the public and stakeholders is integral to achieving the CEC's mission. The Secretariat employs multiple techniques to equip audiences with information products and to inform them of the Commission's work.

*The preceding twelve months provide several examples.*

### **Publications and Distribution**

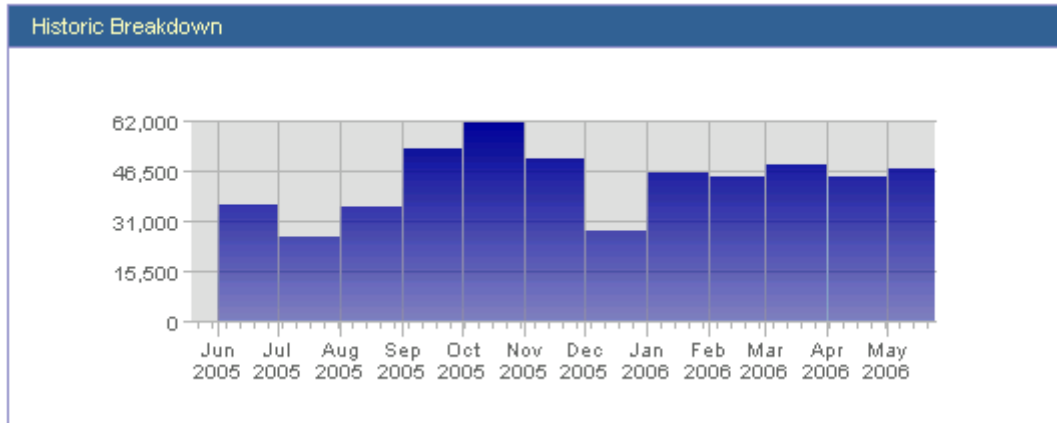
Since June 2005, the Communications unit has edited, translated and published 17 major reports, including: *Marine Priority Conservation Areas: Baja to the Bering Sea*; *Looking to the Future: CEC Strategic Plan*; *Illegal Trade in Wildlife: A North American Perspective*; six North American Conservation Action Plans; *Children's Health and the Environment in North America: A First Report on Available Indicators and Measures* (in partnership with the three governments as well as WHO, PAHO and IJC); *Successful Practices of Environmental Management Systems in Small and Medium-size Enterprises: A North American Perspective*; and *Toxic Chemicals and Children's Health in North America*. Other publications included *Trio 15 -17* and the latest factual record, on *Tarahumara (SEM 00-006)*.

During this time we also published, via the web site, some 236 documents related to the work program (including background papers, meeting documents (agendas, presentations, etc.), news releases and other documents), as well as documents produced by the SEM unit, JPAC and Council.

Making most print editions available for download and print-on-demand from [www.cec.org](http://www.cec.org), extends the reach of CEC publications while allowing us to control costs by reducing the number of printed copies.

### **Monthly visits to the CEC web site**





(June 2005 to June 2006: 524,526 total unique visitors, a monthly average of 43,710).

Web site visitors from the US and Canada each account for 35 to 45 percent of total monthly visits; Mexico averages between 10 and 20 percent of total monthly visits.

### PDF Downloads

From June 2005 to June 2006, visitors to the CEC web site downloaded nearly 28,000 documents from various download pages, for a monthly average of 2,300.

### Public Outreach

Electronic – In addition to web site utilization, some 4,100 persons subscribe to one or more of the CEC’s general e-mail distribution lists.

Events – The CEC continues to meet directly with the public at events, conferences and environmental fora. A CEC publications and information booth was present at the International Air Quality Forecasting & Applications Workshop in Banff, Alberta, and the 2006 Globe Conference in Vancouver, British Columbia, in February and March, respectively. Also in March, the CEC assisted partners from the atlas programs of Canada, Mexico and the United States in presenting the North American Environmental Atlas project and most recent (watersheds) data layer to visitors to the World Water Forum Expo in Mexico City.

### Quarterly Reports

Since the first quarter of 2005, CEC Communications has compiled and published quarterly reports on the extent and impact of its media relations and Internet-based outreach activities. For copies of these reports, see <<http://www.cec.org/qcomreports/>>.

### Media Relations

The CEC has earned media coverage in several leading media outlets over the past twelve months. In January, the release of *Children’s Health and the Environment in North America: A First Report on Available Indicators and Measures* generated 63 media hits alone. Media attention was focused in Canada, where the Globe and Mail, National Post, CBC, CTV and Global all ran stories. In the United States, Voice of America reported on the children’s health report, along with El Sol de México and El

Universal in Mexico. Previously in December, the announcement of the publication of six North American Conservation Action Plans generated several media hits in Mexico, including stories La Jornada and Reforma.

#### **News Releases and Listserv Announcements**

From June 2005 to June 2006, 26 news releases (including 19 SEM notices) were issued by the CEC. Media monitoring, limited mostly to print media, collected 191 news clippings during this period. Daily newspaper stories (143) reached a potential audience of more than 11,286,535 readers.

Selected items include:

17 May 2006

#### **Report profiles data on industrial releases and children's health**

The Commission for Environmental Cooperation (CEC) released today a "call for efforts to determine the sources, levels of exposure, and risks that industrial chemicals pose to children's health."

18 April 2006

#### **CEC invites public comment on draft SMOC strategy document**

The Sound Management of Chemicals (SMOC) program of the Commission for Environmental Cooperation (CEC), is seeking input to a new strategy for realizing the sound management of chemicals in North America. A draft of the proposed [\*CEC SMOC Working Group Strategy until 2020 under the Puebla Priority Areas\*](#) is now available for public review and comment.

6 April 2006

#### **Churches help southern neighbors, environment with support of 'eco-Palm' Sunday**

Churches in 34 states helped protect rainforests, stimulate jobs and create education scholarships with the purchase of over 80,000 'eco-palm fronds' for Palm Sunday services this week.

4 April 2006

#### **CEC receives submission on Canadian and US actions regarding Devils Lake Diversion Project**

On 30 March 2006, Sierra Legal Defence Fund, on behalf of Friends of the Earth Canada; Friends of the Earth US; People to Save-the-Sheyenne River, Inc.; Thelma Paulson and Gary Pearson D.V.M. of North Dakota; and Claire Sevenhuysen and Lawrence Price of Manitoba (Submitters), filed with the Secretariat of the Commission for Environmental Cooperation (CEC) a citizen [submission](#) asserting that Canada and the United States are failing to effectively enforce anti-pollution provisions in the 1909 International Boundary Waters Treaty (Treaty) with respect to the construction and operation by the state of North Dakota of an outlet to drain water from Devils Lake into the Sheyenne River, the Red River Basin, Lake Winnipeg, and ultimately into the broader Hudson Bay drainage system.

23 March 2006

#### **Green building focus of new independent report**

The Secretariat of the Commission for Environmental Cooperation (CEC) announced today that it has initiated an independent study on the challenges and opportunities for green building in North America.

30 January 2006

#### **CEC receives submission on Ex Hacienda El Hospital**

On 26 January 2006, Mr. Carlos Alvarez Flores ("Submitter") filed with the Secretariat of the Commission for Environmental Cooperation (CEC) of North America a citizen [submission](#) asserting that Mexico is failing to effectively enforce its environmental laws with respect to a site contaminated with heavy metals, located at the Ex Hacienda El Hospital in the municipality of Cuautla, Morelos.

26 January 2006

**North American report on children's health and environment indicators a global first**

The Commission for Environmental Cooperation (CEC), in partnership with public health organizations and the governments of Canada, Mexico and the United States, today released the first-ever [report on children's health and environment indicators in North America](#).

9 January 2006

**CEC releases Tarahumara Factual Record**

The Commission for Environmental Cooperation (CEC) today released a [factual record](#) on Mexico's alleged failure to effectively enforce its environmental law by denying access to environmental justice to indigenous peoples of the Sierra Tarahumara, in the state of Chihuahua.

13 December 2005

**CEC Secretariat recommends factual record for Coal-fired Power Plants submission**

On 5 December 2005, the Secretariat of the Commission for Environmental Cooperation (CEC) of North America issued a [notification](#) recommending to the CEC Council that a factual record be developed for the [SEM-04-005 \(Coal-fired Power Plants\)](#) submission.

30 November 2005

**Conservation plans unveiled for six wildlife species**

The Commission for Environmental Cooperation (CEC), in cooperation with federal agencies, scientists, academics and nongovernmental organizations, today published the first trilateral conservation plans ever to be formulated for North American wildlife species.