Remarks from the Executive Director, Commission for Environmental Cooperation Opening of the Ninth Regular Session of the CEC Council

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(* Check against delivery *)

It is a pleasure to report to you on key areas where the CEC has made significant progress and important contributions.

Under the guidance of the Council, and with the active involvement of all of you, the CEC has become a proven and valuable institution for bringing people together with the common purpose of protecting the North American environment. It has also demonstrated the potential that cooperation has for effectively addressing the environmental dimensions of liberalized trade and stronger economic ties.

The Commission has made notable progress; first I would like to discuss goals beyond the work plan-defined priorities, in citizen participation, the quality of environmental information, institutional collaboration and linkages, within the three countries, with the economic integration agenda.

Citizen participation processes have been intensified in the Commission's work, and we welcome JPAC's major advances in its advisory processes. The level of pro-environment participation by nongovernmental organizations has increased considerably, especially in Mexico. I offer my highest recognition of civil society's efforts. I am pleased that the Commission has been able to help strengthen citizen participation in the region.

At the core of public participation is transparency. And here the three countries must be congratulated for their pioneering vision in establishing the citizen submission process that enables citizens to have the spotlight placed on alleged failures to effectively enforce environmental laws. This innovation in transparency for the public may offer a model of how civil society can help improve environmental governance. Three factual records have been completed since the Commission opened its doors. Currently there are seven under development. The Secretariat has worked hard at shortening the time frame for processing citizen submissions and in a way that is consistent with the countries' intention of making this a useful sunshine tool for the public.

The quality of environmental information distributed by the Commission is seen not only in the State of the Environment Report and the sixth edition of *Taking Stock*, but also in the various Environment and Trade reports, where the methodologies used have allowed for a concrete analysis of existing linkages in that area. We await the new analyses and data that will come forth in the second North American Symposium on Assessing the Environmental Effects of Trade, being organized by the CEC for next March.

We also have worked closely with the business sector, promoting competitiveness and environmental performance while furthering the importance given to environmental information in financial decision making.

To make the Commission more efficient, we have linked our projects to the capacities of other international agencies, creating synergies that let us move ahead with the priorities defined by our Council. Our associations with the Pan-American Health Organization, the United Nations Environmental Programme and the Global Environment Facility (GEF) have allowed us to share Mexico's experience in malaria control, while eliminating DDT usage in Mexico and the seven Central American countries. This reinforces and consolidates the major achievements in reducing the presence of DDT in the North American environment. The Commission also has undertaken major efforts to collaborate with other international organizations, as shown by our proven experience in capacity building. These actions involve additional resources of US\$11 million. In addition, the World Bank has asked us to collaborate in a sustainable transportation program for Mexico City, with US\$7 million in GEF resources.

The CEC has also achieved important milestones in addressing environmental issues that are central to the economic integration among our three countries that was initiated under NAFTA. For example:

- The Secretariat has submitted to Council the report it prepared with the help of a panel of distinguished experts from outside the Commission, on the environmental challenges and opportunities of the evolving North American electricity market. Released by Council yesterday, the report provides the first ever look at the environmental and economic interface of the electricity sector in North America. It makes the case for cooperation on the environmental side of the North American electricity equation, to ensure that the environmental objectives, such as clean air, can be achieved while at the same time securing affordable and reliable electricity.
- As well, the CEC is completing a comparative analysis of hazardous waste management standards in North America and examining the potential for a North American electronic tracking system of hazardous waste movements across our borders.

The CEC is also exploring how market-based instruments can best accomplish environmental protection in the context of an increasingly integrated North American economy. Following Council's direction last year, the CEC has begun to explore key issues related to market mechanisms for promoting energy efficiency, renewable energy and carbon sequestration.

As well, we are exploring the potential of developing microfinancing mechanisms to encourage sustainable agricultural practices in forest ecosystems that at the same time encourage the conservation of biodiversity. Our approach is based on the success of the pollution prevention fund for Mexican small and medium-size enterprises.

We are examining how North American cooperation can contribute to the conservation of water resources, including pricing, technology, and watershed management.

These are some examples of how the CEC is working with the three countries to secure the environmental pillar that is necessary for the success of the vision—shared by our three leaders—of a deeper, more integrated North American partnership. They also provide useful examples, as the hemisphere and the global community come to terms with pursuing liberalized trade while at the same time advancing environmental quality.

But most importantly, all of this has been possible because of the unprecedented level of cooperation I'm seeing at every level. In my travels in North America, in meeting with citizen groups, local governments, business groups, universities and research organizations, and government agencies, I have been impressed by the growth in understanding of our shared North American environmental heritage, and our shared responsibilities to that heritage. And it is truly inspiring to see the willingness and commitment to reach out over barriers in language, in culture and politics, and in geography, to work together as North Americans to protect this environment and conserve our natural resources. Environmental protection and sustainable development are shared North American values. And in addition to exchanging goods and services, the environment and the active care of it, is one of the things that bind us together as a North American community. We are linked by the common understanding that prosperity, through liberalized trade does not have to come at the cost of the environment, but that environmental protection makes prosperity possible and sustainable.

I would like to give my heartfelt thanks to all of you who have worked with the Commission and helped it to begin to realize its promise and its goals. I thank the members of Council for their leadership and vision, their representatives, the members of the Joint Public Advisory Committee, the National Advisory Committees, GAC, members of civil society, and my collegues at the Secretariat who have done such wonderful things through their dedication and enthusiasm.

It has truly been a privilege for me to have worked with all of you in this great institution.