

# Operational Plan

of the Commission for Environmental Cooperation 2006–2008



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## **Operational Plan**

of the Commission for Environmental Cooperation 2006–2008

Page 3

## **Looking to the Future**

Strategic Plan of the Commission for Environmental Cooperation 2005–2010

Page 25





# Operational Plan of the Commission for Environmental Cooperation 2006–2008

## Table of Contents

<b>1</b>	<b>Introduction</b>	<b>5</b>
<b>2</b>	<b>Budget for 2006</b>	<b>6</b>
<b>3</b>	<b>The 2006–2008 Plan</b>	<b>9</b>
3.1	<b>Cooperative Work Program</b>	<b>9</b>
3.1.1	Program Structure	9
3.1.2	Roles	10
3.1.3	Program Priorities	10
3.2	<b>Citizen Submissions on Enforcement Matters (SEM) Process</b>	<b>21</b>
3.3	<b>Secretariat Report under Article 13</b>	<b>22</b>
3.4	<b>Institutional Support</b>	<b>22</b>
3.5	<b>Internal Operations</b>	<b>22</b>
3.5.1	Program and Administrative Support	22
3.5.2	Framework for Quality Management Proposed for the CEC	22
3.5.3	Monitoring, Evaluation and Reporting	23
<b>4</b>	<b>The Joint Public Advisory Committee (JPAC)</b>	<b>23</b>



## 1 Introduction

This Operational Plan presents how the goals and objectives of *Looking to the Future: Strategic Plan of the Commission for Environmental Cooperation 2005–2010* (see page 25) will be accomplished over the next three years by describing the implementation of the key Initiatives. The Operational Plan will be updated annually, with a rolling three-year horizon, to reflect shifts in programming and associated budget reallocations.

On the occasion of the Commission's tenth anniversary, the Council met in Puebla, Mexico to review the CEC's progress, to re-affirm the Parties' commitment to the CEC, and to set the direction for the future (see *Puebla Declaration*, page 36). In June 2005, the Council adopted the CEC's five-year Strategic Plan that describes the Council's new priorities for its cooperative program and the goals and initiatives for accomplishing them. In developing the Strategic Plan, the Council took into account recommendations of the Report from the Ten-year Review and Assessment Committee, the Joint Public Advisory Committee (JPAC), and key stakeholders

Full descriptions of the projects are available online at <[www.cec.org/pubs\\_docs/documents/index.cfm?varlan=english&ID=1967](http://www.cec.org/pubs_docs/documents/index.cfm?varlan=english&ID=1967)>.

## 2 Budget for 2006

The CEC budget is based on Party contributions totaling US\$9 million for 2006. The CEC budget is complemented by staff time and expertise contributed by each of the Parties as well as resources contributed by the CEC's partners in the completion of specific projects. The approved budget for 2006 is itemized in the following table.

## CEC 2006 Budget

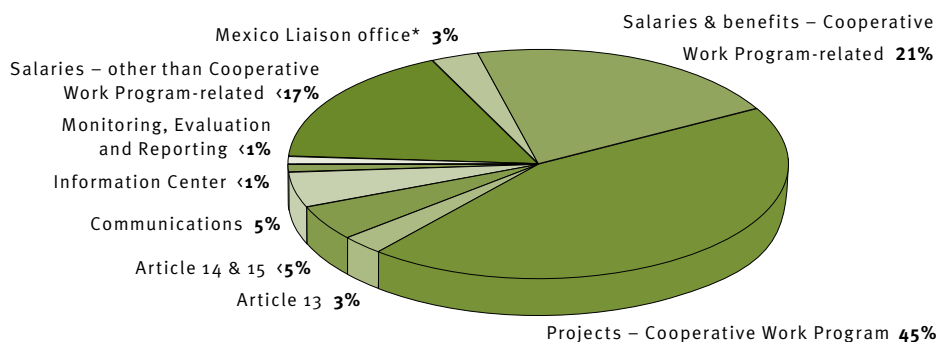
Description	2006 Budget*	% of Budget
<b>REVENUES</b>		
Parties' contributions (US\$9 million at 1.18 exchange rate for 2006, 1.2 for 2005)	10,620.0	
Interest	30.0	
Pre-2005 surpluses	1,031.9	
<b>TOTAL REVENUES</b>	<b>11,681.9</b>	
<b>EXPENSES</b>		
<b>CEC OPERATIONS</b>		
<b>COOPERATIVE WORK PROGRAM</b>		
Projects	3,571.0	
Salaries and benefits – Cooperative Work Program	1,656.9	
	<b>5,227.9</b>	
<b>OTHER SUBSTANTIVE ACTIVITIES</b>		
Article 13	250.0	
Articles 14 & 15	356.0	
Communications	411.0	
Information Center	46.0	
Monitoring, evaluation and reporting	50.0	
Mexico Liaison Office	233.1	
Salaries – other than Cooperative Work Program -related	1,323.1	
	<b>2,669.2</b>	
<b>CEC OPERATIONS TOTAL</b>	<b>7,897.1</b>	<b>67.6%</b>
<b>INSTITUTIONAL SUPPORT</b>		
Support to Council	254.6	
Support to JPAC	345.2	
Corporate office	202.5	
Salaries – Institutional support	583.1	
<b>INSTITUTIONAL SUPPORT TOTAL</b>	<b>1,385.4</b>	<b>11.9%</b>
<b>OPERATIONS SUPPORT</b>		
Administration salaries	657.3	
External administrative support (Insurance, audit, fiscal expertise, banking, legal)	256.0	
Relocation/orientation & recruitment	300.0	
Operating expenses (Telecommunications, rent, operating equipment, office supplies)	1,019.7	
Reserve for unforeseen needs	166.4	
<b>OPERATIONS SUPPORT TOTAL</b>	<b>2,399.4</b>	<b>20.5%</b>
<b>TOTAL EXPENSES</b>	<b>11,681.9</b>	<b>100%</b>

\*in thousands of Canadian dollars



This year's budget is allocated to the CEC's three principal areas of activity as follows: 67.6% for CEC Operations, 11.9% for Institutional support and 20.5% for Operations support. The graph below depicts how the CEC Operations budget is further allocated.

### CEC Operations 2006 Budget (C\$7,897,100)



\*Includes program support through project implementation.

The following table itemizes the individual projects within the three program priorities of the Cooperative Work Program and their overall budgets for 2006.

## Cooperative Work Program for 2006

	2006 Budget *	Page number
<b>INFORMATION FOR DECISION-MAKING</b>		
1	340.0	11
2	530.0	11
3	141.0	12
4	140.0	12
5	50.0	13
6	60.0	13
<b>INFORMATION FOR DECISION-MAKING TOTAL</b>		
	<b>1,261.0</b>	
<b>CAPACITY BUILDING</b>		
1	75.0	14
2	405.0	15
3	313.0	15
4	310.0	16
<b>CAPACITY BUILDING TOTAL</b>		
	<b>1,103.0</b>	
<b>TRADE AND ENVIRONMENT</b>		
1	277.0	18
2	160.0	18
3	100.0	19
4	340.0	19
5	225.0	20
6	105.0	21
<b>TRADE AND ENVIRONMENT TOTAL</b>		
	<b>1,207.0</b>	
<b>TOTAL PROJECTS</b>		
	<b>3,571.0</b>	
<b>SALARIES &amp; BENEFITS – COOPERATIVE WORK PROGRAM</b>		
	<b>1,656.9</b>	
<b>TOTAL COOPERATIVE WORK PROGRAM</b>		
	<b>5,227.9</b>	

\*in thousands of Canadian dollars

- 3.1 COOPERATIVE WORK PROGRAM (INFORMATION FOR DECISION-MAKING, CAPACITY BUILDING, TRADE AND ENVIRONMENT)
- 3.2 CITIZEN SUBMISSIONS ON ENFORCEMENT MATTERS (SEM) PROCESS
- 3.3 SECRETARIAT REPORT UNDER ARTICLE 13
- 3.4 INSTITUTIONAL SUPPORT
- 3.5 INTERNAL OPERATIONS

## 3 The 2006–2008 Plan

This section describes the main components of the CEC’s work and activities, as follows:

- **Section 3.1:** The CEC’s goals and objectives for the cooperative work program, and the projects that will accomplish these over the course of the next three years.
- **Section 3.2:** Ongoing responsibilities for responding to citizen submissions on enforcement matters and in preparing factual records where warranted.
- **Section 3.3:** Initiation of the process for the sixth Article 13 Secretariat report in 2006, with completion anticipated in 2007.
- **Section 3.4:** Support for the operations of the CEC Council and the Joint Public Advisory Committee.
- **Section 3.5:** An overview of the CEC internal operations.

### 3.1 Cooperative Work Program

#### 3.1.1 Program Structure

The 2006–2008 Operational Plan is focused on the implementation of the three program priorities established by the CEC Council in the Puebla Declaration. These priorities are:

- Information for Decision-making;
- Capacity Building;
- Trade and environment.

To advance these priorities, the CEC Council adopted *Looking to the Future: Strategic Plan of the Commission for Environmental Cooperation 2005–2010* that commits the CEC to specific goals and objectives. This Operational Plan describes the cooperative projects that the CEC will implement to meet these goals and objectives, with a focus on achieving concrete, measurable results. Detailed project descriptions are available online at <[www.cec.org/pubs\\_docs/documents/index.cfm?varlan=english&ID=1967](http://www.cec.org/pubs_docs/documents/index.cfm?varlan=english&ID=1967)>. Changes in the projects and the work program shall be approved by the Council.

This Operational Plan will be updated annually as individual projects change or evolve and we make progress in achieving the goals and objectives that the Council established for the five-year lifespan of the CEC Strategic Plan.

### 3.1.2 Roles

The Council, comprising cabinet-level or equivalent representatives of the Parties or their designees, is the governing body of the CEC, and approves and oversees the implementation of the annual work program. The Secretariat submits the annual work program and budget of the Commission for the approval of the Council, and provides technical, administrative and operational support to the Council and to committees and groups established by the Council in the implementation of the work program. The Council and the Secretariat consult with the JPAC and stakeholders on an ongoing basis throughout implementation of the projects. In addition, the CEC is expanding its efforts to partner and engage with the private sector as well as with other institutions from the public sector to leverage resources and maximize results.

### 3.1.3 Program Priorities

Each of the three program priorities, and its corresponding goals, objectives, and projects, is described below. These priorities are mutually reinforcing and will be pursued as a comprehensive effort. For example, capacity building is a built-in feature in projects under all three priorities. Similarly, information projects will also contribute to the achievement of the capacity building and trade and environment objectives.

## ■ INFORMATION FOR DECISION-MAKING

To resolve environmental problems that are North American in scope, decision-makers at all levels in all three countries need the best information in order to set objectives, implement solutions and monitor the effectiveness of their choices.

To this end, the CEC's work strives to increase the comparability, reliability and compatibility of national and subregional information and has begun to develop and link multinational databases and information networks in such areas as pollutant releases, ecological integrity, and trade-environment relationships. The CEC will continue this work and will also develop common standards and methodologies to integrate various information-related activities and reporting mechanisms being used in North America. The CEC will ensure that its science and information products are of high quality. The CEC will also build on national efforts by focusing on transborder issues that the Council has identified as priority concerns.

The CEC's goal for 2006 through 2010 is to support better decision-making by providing information on the key environmental challenges and opportunities facing North America. Its objectives are to:

- Strengthen the capacity of North American decision-makers to understand continental environmental issues of common concern.
- Establish an environmental information and knowledge framework for North America.
- Develop the information needed to describe the state of the North American environment and to identify emerging trends and issues.
- Make environmental information more widely available to facilitate local, national and regional action.

*To meet these objectives the CEC will implement the following projects:*

## 1 Monitoring and Assessing Pollutants across North America

Duration: 2005–2009

The purpose of this project is to provide Canada, Mexico and the United States with an agreed-upon course of action to increase the comparability, reliability, relevance and availability of data and information on persistent toxic substances in the North American environment. Its goal is to improve the generation and management of the information needed to identify and assess critical trends and issues concerning contaminants and stressors that affect environmental and human health. A major priority of the project is capacity building and international cooperation, with emphasis placed on increasing the capacity of Mexican experts to measure, monitor and assess persistent and toxic substances in Mexico.

This project was initiated in 2005 and will continue until 2009. It originates from the North American Regional Action Plan on Environmental Monitoring and Assessment, known as the EM&A NARAP. The EM&A NARAP was designed to assist the Sound Management of Chemicals (SMOC) Working Group and its Implementation Task Forces in meeting the environmental monitoring and assessment obligations identified by the three Parties.

Principal tasks to be undertaken include:

- Developing a scoping protocol to implement an integrated monitoring program on a trilateral scale.
- Coordinating a workshop to assess the current state of both environmental and health monitoring in Mexico, and to make recommendations for the establishment of a national monitoring and assessment project in Mexico with support from other agencies.
- Building the capacity of stakeholders by taking advantage of training programs and knowledge development through expertise and personnel exchanges.
- Developing maps showing the presence and amounts of toxic chemicals in the environment and human receptors, to provide valuable tools for decision-makers.

## 2 Tracking Pollutant Releases and Transfers in North America

Duration: 2006–2009

The purpose of this project is to track and publish information on the amounts, sources and management of toxic chemicals of common concern across North America. The project aims at:

- Increasing the public's right-to-know about how chemicals are managed within their communities;
- Assisting in leveling the environmental and economic playing field between North American industries;
- Providing a common set of data that can provide a foundation for future geographic-based tools such as the North American Atlas; and
- Stimulate reductions in pollutant releases and transfers from industrial activities.

Since 1995, the CEC has been producing its annual *Taking Stock* report. *Taking Stock* has developed a consistently growing audience for the information it presents. This project provides for producing, publishing and continuing the process for improving *Taking Stock* for the foreseeable future.

Principal tasks to be undertaken include:

- Publishing *Taking Stock* reports;
- Undertaking data collection, interpretation and upgrade for *Taking Stock*, as well as incorporation of this data into *Taking Stock Online* to support electronic access and customized searches of the database;

- Undertaking stakeholder consultations;
- Facilitating increased comparability in PRTRs to ensure consistency of reporting methodologies and chemicals; and
- Providing capacity building support to Mexico to promote the RETC and increase trilateral cooperation and involvement of stakeholders, including industry, NGOs, and indigenous communities.

#### INFORMATION FOR DECISION-MAKING

### 3 Enhancing North American Air Quality Management

Duration: January 2005–December 2008

The purpose of this project is to identify, establish and maintain the information needed to describe the state of the North American environment, to identify emerging trends and issues, and to help inform decisions relevant to the shared environmental interests of the Parties. Two building blocks are fundamental to the provision of information useful for decision-making in the field of air quality management. These are monitoring of ambient air quality, and quantifying air pollutants emitted from air pollution sources (emissions inventories).

While air is the initial theme of the Information for Decision-making priority, future monitoring work will address other environmental themes. As new themes are pursued, the air information activities of this project will be incorporated into other projects within the Information for Decision-making priority to support CEC work on development of the North American Environmental Atlas, environmental indicators, environmental monitoring and assessment, and state of the environment reporting, as appropriate.

Under this project, the CEC will continue to provide support for the sustainable infrastructure plan for emissions inventories and reporting (e.g., future *Taking Stock* reports) and will “populate” the North American Atlas with relevant environmental information to display spatial locations and overlays of measured air pollutant levels and air pollution sources across North America. These map layers will build upon the atlas foundation for displaying large North American datasets in a consistent manner, and exploring cross linkages with mapping information from other CEC initiatives, such as the Baja to Bering project.

Principal tasks to be undertaken include:

- Providing continued support for the sustainable infrastructure plan for emissions inventories and reporting.

#### INFORMATION FOR DECISION-MAKING

### 4 Mapping North American Environmental Issues

Duration: January 2005–December 2009

The purpose of this project is to establish a consistent geographic base for presenting and analyzing CEC information from a continental North American perspective. This will be accomplished through the evolution of the existing North American Atlas Framework into a digital North American Environmental Atlas, correctly and seamlessly integrated across the three countries.

The Atlas framework is a key component of the CEC information management strategy to develop an integrated and cohesive approach to the management and communication of information resources. The project supports cooperative initiatives and decision-making to address North American issues of common concern, and to improve the accessibility of information on North American environmental issues and resources by citizens and the governments of the three Parties. Development of the Atlas is also expected, over time, to make a substantial contribution to the ongoing strengthening of regional information systems and knowledge.

Principal tasks to be undertaken include:

- Strengthening and facilitating North American collaboration on Atlas development and use;
- Making existing key datasets compatible with the NAAF; and
- Developing thematic applications based on the CEC work program in priority areas.

#### INFORMATION FOR DECISION-MAKING

### 5 Reporting on the State of the North American Environment

Duration: January 2006–December 2009

The NAAEC commits the CEC Secretariat to preparing periodic reports on the state of the North American environment. This project meets that commitment by integrating the information products of other projects within the Information for Decision-making priority. It will help to characterize environmental trends and issues at the North American scale to guide decisions relevant to the shared environmental interests of the Parties, and to build associated capacities. The project will result in the completion of CEC reports on continental environmental conditions on a regular basis, and integrated with more frequent release of a small set of critical North American environmental indicators.

A key purpose of environmental reporting is to provide the information needed by North American decision makers to understand whether decisions and actions are having the intended effect, closing the decision-making feedback loop. The CEC's environmental reporting seeks to track North American progress in resolving continent-wide environmental issues as identified by the Council. Assessing and reporting on the North American environment is integrated with the CEC's program objectives and projects.

A key element of this integrated approach is the use of the trilaterally developed North American Atlas Framework as the geographic base for analyzing and presenting information seamlessly over the continent and consistent over time.

Indicators to measure progress will be derived from the CEC program of work, and from existing national environmental information and indicators work, where these can be made compatible, so as to present a consolidated North American view. Consultation amongst national and international experts is essential to selecting a suitable core set.

Consistency over time is also essential, so the reporting will integrate long term CEC monitoring and assessment programs, including *Taking Stock*, SMOC, renewable energy potential, and air monitoring studies such as on power plant emissions and air quality in selected cities.

#### INFORMATION FOR DECISION-MAKING

### 6 Managing CEC Environmental Information

Duration: January 2005–December 2009

This is the overarching project for the CEC's Information for Decision-making priority. It seeks to establish a comprehensive quality-assured information management system through policies and practices of the Secretariat and Parties in order to make the best possible use of information for environmental protection and for description of environmental conditions in North America.

While development and implementation of this system will be mainly concentrated in the first three years, this project will establish an ongoing practice or methodology that permeates all CEC information management efforts and will enable the CEC to adapt with changing priorities and evolving North American environmental issues. This project encompasses all information-related activities of the CEC.

The main elements of this project are:

- Defining and establishing an overall strategic framework;
- Conducting an assessment of situation and needs; and
- Developing policy and implementation guidance.

## ■ CAPACITY BUILDING

There is a need to develop stronger institutions and to share environmental knowledge with a wider range of stakeholders in society. In this vein, the CEC aims to develop model approaches that can be adapted to other settings, focus on improving compliance with existing environmental laws, emphasize institutions rather than individuals, address both environmental conservation and protection issues, work with the private sector and communities, as well as with government agencies, and identify practical, short-term, targets but in the context of a long-term perspective.

The CEC's goal is to strengthen the capacities of the three countries to manage environmental issues of common concern. Its objectives over the next five years—focusing on Mexico—are to cooperate to:

- Strengthen capacities, where needed, to improve compliance with wildlife laws;
- Improve private sector environmental performance through model environmental compliance approaches;
- Strengthen capacities to conserve species and habitat of common concern by, among others, creating capacity building for planning, monitoring and management, with the participation of all relevant stakeholders; and
- Strengthen the Parties' abilities to assess and manage chemicals of concern.

*To meet these objectives the CEC will implement the following projects:*

### CAPACITY BUILDING

#### 1 Strengthening Wildlife Enforcement Capacity

Duration: May 2005–December 2009

This project supports the Parties' efforts to strengthen their wildlife law enforcement capacities. It strives to enhance regional capabilities for enforcing national laws and for implementing international wildlife obligations, particularly the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES).

The project will help develop and support a three-year regional training initiative that addresses the capacity building needs and priorities of the wildlife law enforcement agencies in North America. Identification of mechanisms to institutionalize training and development of training materials is a core objective.

The project has three main components, each comprising various tasks as follows:

##### Develop strategies and proposals for a regional capacity building initiative on wildlife law enforcement.

- Facilitate information exchange and cooperation among the North American wildlife law enforcement agencies on such topics as wildlife forensics, exchange of investigative and intelligence information, training exchange, etc.
- Review and update the 2000 CEC-NAWEG publication North American Wildlife Forensic Laboratories.
- Facilitate the development of guidelines for the repatriation of seized shipments of wildlife species.

##### Institutionalize training and compile training materials for the benefit of wildlife enforcement officials.

- Facilitate sharing of information on domestic training courses and materials among the wildlife law enforcement agencies.
- Support implementation of a regional training initiative.
- Disseminate training materials to the wildlife law enforcement community.



#### Strengthen Mexico's institutional capacities for wildlife law enforcement.

- Support Mexico's efforts to institutionalize a capacity building program for wildlife law enforcement officials.

#### CAPACITY BUILDING

## 2 Improving Private and Public Sector Environmental Performance

Duration: July 2005–December 2009

This project will assist Mexico in developing approaches and capacities for improving private sector environmental performance—and thereby competitiveness—through various features of “integrated environmental management.” The project engages Mexican industry, including small and medium-size enterprises, in activities designed to develop approaches and mechanisms that can be applied elsewhere in Mexico. Though the project is focused on Mexico's needs, it shall involve, and its benefits will extend to, all three countries.

The project has four complementary components that operate at different geographic scales with different mixes of participants: the first entails a private/government partnership at a North American level; the second principally involves a company-to-company partnership situated in Mexico; the third is centered on Mexican local government; and the fourth applies a “financial mechanism” to support the first three components. Parallel with increasing the capabilities of environmental authorities to deal with environmental problems, the project also aims to foster private sector partnerships and voluntary mechanisms to help improve performance and reduce environmental compliance pressures.

The four project components and their principal tasks are as follows:

#### Clean Electronics Pollution Prevention Partnership (CEP<sub>3</sub>)

- Design the multi-year project to improve environmental performance in North American electronics industry supply chains.
- Implement project activities according to the design plan and evaluate results.

#### Greening supply chains in Mexico

- Design and implement the multi-year project to improve environmental performance in the supply chains of large companies in a selected sector.
- Evaluate and communicate project results.

#### Capacity building for the Mexican state of Querétaro and a municipality in that state

- Design and implement project to strengthen environmental management capacities.
- Promote the National Environmental Audit Program and pollution prevention in industry agreed by Profepa and the state.

#### Financing mechanism

- Engage key financial institutions in formulating financial mechanisms to support pollution prevention in small and medium-size enterprises.
- Inform small and medium-size enterprises of available financing mechanisms.

#### CAPACITY BUILDING

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

Duration: July 2005–December 2010

This project will continue strengthening the capacities of diverse stakeholders working at the local level to enhance the protection of high priority species of common conservation concern (SCCC) and

their habitats in priority ecoregions of North America. The project provides guidance and technical training in practical methods and processes to conserve marine and terrestrial SCCC and to manage habitat impacts that will serve as model activities for other regions of North America.

The project constitutes real-world application of the 2003 Strategic Plan for North American Cooperation for the Conservation of Biodiversity (Biodiversity Strategic Plan). Attention will be focused on those elements of the Biodiversity Strategic Plan aimed at strengthening local capacity for integrated ecosystem management and species conservation, and to the use of economic incentives and financial instruments in priority ecoregions and conservation sites to promote the goals of the Biodiversity Strategic Plan.

The project has four principal components, each including, various activities, as follows:

#### Scoping and design

Scoping and priority setting has been completed for the Baja to Bering (B2B) region and the three marine North American Conservation Action Plans (NACAPs). Efforts will focus on implementing capacity building activities for the next three years to protect the B2B ecoregion through the North American Marine Protected Area Network (NAMPAN) and on implementing the conservation strategies defined in the three marine NACAPs, through:

- Identification of capacity building needs for effective local and regional community action to conserve humpback whales, Pacific leatherback turtles, and pink-footed shearwaters, and to protect their priority conservation areas;
- Assessment of conservation constraints in the B2B areas that may impact the selected species; and
- Identifying stakeholders and evaluation of their capacity to address key stressors and threats to selected species and priority conservation areas.

#### Project implementation

- Build capacity to manage wildlife in Mexico through workshops, training, and collaboration at a local and regional level.
- Implement the NACAPS for the humpback whale, the eastern pacific leatherback turtle, and the pink-footed shearwater.
- Develop and implement monitoring and information resources under NAMPAN.

#### Information tracking and evaluation

- Develop information, facilitate information sharing, address capacity gaps, and evaluate program effectiveness.

#### Follow-up—Promoting broader application (occurring in 2008)

- Document and communicate results and lessons learned.

CAPACITY BUILDING

## 4 Sound Management of Chemicals

Duration: 1995–2010

The overall purpose of the SMOC initiative is to provide a framework for regional cooperation for the sound management, throughout their life cycles, of the full range of chemical substances of mutual concern. This framework includes pollution prevention, source reduction and pollution control. The focus is on chemical substances that are persistent and toxic, and which may bioaccumulate in living organisms. Those which are long-range atmospheric transport candidates are given priority. Council Resolution 95-05 on the Sound Management of Chemicals includes the development and implemen-

tation of NARAPs for PCBs, mercury, chlordane, and DDT. Based on experience gained from implementing the initial four NARAPs, Council authorized the environmental monitoring and assessment NARAP, and the development of NARAPs for dioxins, furans and hexachlorobenzene, as well as for lindane and other HCH isomers.

More specifically, the CEC's SMOC initiative supports capacity building and provides information for risk reduction on toxic substances of common concern by:

- Providing informed and authoritative guidance to the work on chemicals in the CEC context of the Puebla priorities;
- Developing NARAPs and proposing strategies for catalyzing cooperation to establish a long-term vision for the Parties' efforts to address groups of chemicals, emerging issues and other chemicals management issues;
- Securing the support of outside partners and resources;
- Contributing to building a "knowledge base" on chemicals and contaminants in the North American region by building upon ongoing domestic work;
- Supporting the analysis of scientific data for decision making, tracking trends for contaminants of common concern, and monitoring the success of the NARAPs;
- Developing contaminants and other environmental stressors data in a format amenable to incorporation into the North American Environmental Atlas; and
- Improving the Parties' and specifically Mexico's capacity to monitor and assess toxic substances management through NARAPs and strategies for catalyzing cooperation.

## ■ TRADE AND ENVIRONMENT

Promoting a better understanding of trade and environment relationships is one of the main reasons the CEC was established. As the North American economy becomes increasingly integrated, there continues to be a need to anticipate and address environmental concerns associated with increased trade, such as the spread of harmful exotic species, and to decouple economic growth from negative environmental impacts.

The CEC's goal for 2006 through 2010 is to promote policies and actions that provide mutual benefits for the environment, trade, and the economy. Its objectives are to:

- Enhance North American trade in green products and services, with a view to improving environmental protection, promoting sustainable use of biodiversity, removing trade barriers and utilizing market-based approaches.
- Increase the capacity of the three countries to identify and address trade-related environmental concerns to achieve mutual benefits for trade and the environment and improve collaboration among the three countries in these areas.
- Broaden understanding of trade and environment linkages and thereby promote policy coherence, both at the domestic and regional levels in North America.
- Improve regional and national coordination, including coordination between the CEC and NAFTA Free Trade Commission through ongoing collaboration of trade and environment officials.

*To meet these objectives the CEC will implement the following projects:*

## 1 Promoting the North American Renewable Energy Market

Duration: 2005–2007

The purpose of this project is to enhance the development of the North American renewable energy market to attain the environmental, social and energy benefits that renewable energy provides. By supporting the increased production and trade in renewable energy across North America, the project responds to the objectives of the NAAEC to promote sustainable development, and to support the environmental goals and objectives of NAFTA. A functioning market for renewable energy systems can address the key challenges of sustainable development, promote energy diversification and security, and most notably foster economic development whilst reducing the environmental impact of energy consumption and production. The project will also improve regional and national coordination and promote policy coherence on renewable energy issues.

The project's tasks are mutually supporting. They include:

- Supporting the Renewable Energy Experts Committee (REEC) in providing technical expert advice to Council and the Secretariat as they implement the other tasks;
- Supporting information, technology development and transfer and capacity building for estimating and measuring renewable energy resources;
- Documenting best practices for financing small-scale renewable energy projects;
- Supplementing the database of existing and planned renewable energy capacity with existing laws and policies in each state and province related to renewable energy;
- Documenting programs for fostering green power markets;
- Developing capacity to calculate the environmental benefits of renewable energy;
- Facilitating the integration of renewable energy resources into the grid; and
- Evaluating project results and effectiveness.

## 2 Encouraging Green Purchasing

Duration: January 2003–December 2009

The purpose of this project is to help increase the proportion of “green products and services” in the procurement decisions of institutions including governments at all levels, universities, hospitals, and private companies, and thus reduce their impact on the environment and human health. The project aims to promote the improvement of regional and national coordination and greater policy coherence concerning the purchase of green office supplies, energy from renewable resources, and green cleaning supplies. In practical terms, it supports the development of information, tools and practical approaches for use by institutions. The project in its entirety addresses the sustainable development and the environmental conservation and protection objectives of the NAAEC and the NAFTA.

“Green products and services” are defined as those having beneficial environmental and energy attributes that are made from recycled materials, that are derived from energy-efficient production processes, or that contain little or no hazardous or toxic constituents. Applying environmental criteria to procurement decisions for even a fraction of the one trillion dollar annual North American procurement market would stimulate the demand for green products and services and produce significant environmental benefits. The Parties to the NAAEC attach strong importance to the enhancement of North American markets for green products and services. They are committed to increasing their own procurement and use of such products and services, and to encouraging other government agencies and nongovernmental entities to do the same.

Implementation of the project includes at least one pilot project in Mexico on green cleaning

products and perhaps a second one on renewable energy. These were launched in 2005 and will continue through 2006. The pilot projects are expected to lead to the development of a model approach for the CEC to apply in addressing other types of green products and services in the future.

Specific tasks include:

- Initiating and facilitating implementation of the master plan for increasing the procurement of green products and services;
- Developing a method to measure the environmental and economic impacts of the products addressed by the pilot projects; and
- Improving institutional green purchasing self-assessment and information-sharing tools.

TRADE AND ENVIRONMENT

### 3 Harnessing Market Forces for Sustainability

Duration: Ongoing from 2006

The purpose of this project is to explore and expand the potential for using market based mechanisms to promote environmental conservation and protection, while increasing sustainable trade across North America. It aims to strengthen the development of market-based mechanisms through the refinement of methodologies and approaches for their practical application. It will show how the combined value of stewardship mechanisms, private-public partnerships, economic incentives and financial mechanisms, can be made to work together. And it will strive to broaden understanding of advantages and disadvantages, and to communicate lessons learned, to decision-makers so that the NAFTA partners are better positioned to benefit from the expanded use of market-based mechanisms.

The CEC's previous work on shade-grown coffee, eco-palm fronds, grass-fed cattle and bison, tourism and renewable energy provide successful examples of applying market-based approaches to increase environmental protection and conservation while greening trade in North America. They show how the triple goals of sustainable land use, poverty alleviation, and economic and trade development can be mutually supportive.

This project consolidates and streamlines the methodologies developed from the CEC's previous work, and applies those methodologies within related projects of the CEC work program. The methodologies will also be made available to stakeholders for applications more broadly in North America.

Project tasks will be designed with the Trade and Environment Working Group and other working groups and experts of the Parties.

TRADE AND ENVIRONMENT

### 4 Trade and Enforcement of Environmental Laws

Duration: January 2006–December 2009

The purpose of this project is to expedite and facilitate the movement of legal materials across borders; prevent illegal shipments of hazardous waste and materials, ozone depleting substances, protected species and wildlife and other illegal materials that could threaten human health or the environment in the territories of the NAFTA Parties; and improve enforcement capacity to ensure that persons or entities that ship or attempt to ship such illegal materials are appropriately penalized. This will be accomplished largely by ensuring that officials in customs, environment, and law enforcement are informed of environmental laws affecting trade, that exporters and others have easy access to export requirements for environmentally sensitive materials, and by training customs and other law enforcement officials to be better able to expedite legal shipments across borders.

The project will help remove materials harmful to human health and the environment from commerce, and allow for their appropriate management. It will also help create a "level playing field" for business across all three countries by helping to ensure successful prosecution of violations of

environmental laws generally, thereby deterring violations. Finally, the project will eliminate potential unfair advantages from lack of effective enforcement of environmental laws.

The project overall responds to a variety of stakeholders: government agencies, trade associations, transporters and nongovernmental organizations who are interested in strengthening cooperation on the development and improvement of environmental laws, regulations, procedures, policies and practices and who are working to enhance compliance with, and enforcement of, environmental laws and regulations.

The three components of this project and their corresponding tasks are as follows:

#### Improve electronic and other information exchange on North American environmentally related trade data, laws, and policies

- Assess current information tracking methods and practices; and
- Educate and inform industry about North American import and export laws to expedite legal trans-border movement of goods and materials.

#### Provide training to customs and other law enforcement officials

- Develop new training materials.

#### Build capacity in legal and judicial systems to support effective enforcement of environmental laws

- Develop a training plan to support effective enforcement of environmental laws; and
- Develop a specialization program on environmental law and the judiciary.

### TRADE AND ENVIRONMENT

## 5 Guidelines for Risk Assessment of Invasive Alien Species and Their Pathways

Duration: May 2005–December 2008

This project seeks to protect North America's marine, freshwater and terrestrial ecosystems from the harmful effects of invasive alien species (IAS) by developing a trilateral, science-based approach to prevention through the development of risk assessment guidelines applicable to both pathways of introduction and high risk species. The goal is to develop a trilateral approach for selected IAS and related trade pathways that satisfy the North American Free Trade Agreement (NAFTA) requirements for risk assessment. The project will also enable all three countries to develop mutually supportive legal and policy frameworks.

This project will be accomplished by:

- Developing common risk assessment guidelines to be tested using one common pathway and species;
- Sharing existing information and information management systems related to risk assessment and strategies for managing risks from IAS; and
- Building capacity through the mutual exchange of scientific and technical expertise and knowledge.

The project will provide basic information for decision makers in North America to help them face one of the major causes of biodiversity loss worldwide. The issue of IAS is given priority in the CEC Strategic Plan and in the CEC's Biodiversity Strategic Plan. It is also an issue that cuts across all three CEC priorities: information for decision making, capacity building and trade and environment.

This project includes the following tasks:

- Testing and evaluating the CEC risk analysis guidelines at both the pathway and species level;
- Developing a Distributed Information System;

- Establishing a CEC ad hoc task group on terrestrial invasive alien animals, wildlife disease and trade-related pathways of introduction;
- Conducting risk assessment on one terrestrial invasive alien animal and/or wildlife disease and one pathway of introduction;
- Finalizing the North American risk assessment (voluntary) guidelines for trade-related pathways terrestrial invasive alien animals and/or wildlife disease (based on test case work); and
- Developing a management plan focused on a specific organism within a trade-related pathway.

## 6 Ongoing Environmental Assessment of NAFTA

Duration: 1994–Ongoing

The purpose of this project is expressed in NAAEC Article 10(6)d, which commits the Parties to consider the environmental effects of NAFTA on an ongoing basis, and in the CEC Strategic Plan, which calls for broadening the understanding of trade and environment linkages to promote policy coherence, both at the domestic and regional levels in North America. The project also supports the Strategic Plan objectives of increasing the capacity of the three countries to identify and address trade-related environmental concerns, and to improve regional and national coordination, including coordination between the CEC and the NAFTA Free Trade Commission.

The CEC's efforts to document the environmental effects of trade liberalization in North America result in reviews and assessments that are utilized by trade and environment officials, nongovernmental organizations and the public to inform both trade and environmental policies in the three Parties. Understanding is broadened through informal exchanges among the NAAEC Parties on the environmental assessment of trade. Article 10(6)d commits the Parties to sharing information, methodologies, and experiences in conducting environmental reviews of trade agreements, with a view to assessing the environmental effects of NAFTA and other agreements more effectively.

The project's components and corresponding tasks are as follows:

### Environmental assessment of NAFTA

- Organize and conduct high-level North American symposia on assessing the environmental impacts of trade;
- Examine emerging environmental trends and conduct monitoring and sectoral analyses; and
- Explore mechanisms to assess the environmental effects of NAFTA.

### Support information sharing between Canada and the United States and with Mexico on methodologies for conducting environmental reviews of trade agreements.

- Share experiences between Canada and the United States and with Mexico, as appropriate;
- Assist the Parties in developing a viable approach to sharing information on environmental assessment with and from the Secretariat.

### 3.2 Citizen Submissions on Enforcement Matters (SEM) Process

The SEM 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. The success of the process requires that it be accessible, meaningful and reliable and that it be used appropriately. Achieving these goals entails 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. Factual records should draw upon all relevant factual information from a comprehensive range of sources. As well, the credibility of the Articles 14/15 depends on objective, rigorous, and consistent consideration of submissions, in accordance with the NAAEC and the Guidelines for Submissions on Enforcement Matters.

#### Objectives:

- Furnish submitters, governments and other interested stakeholders with useful and valuable information through the submission process, preparation of factual records and outreach.
- Increase knowledge and awareness of the process among potential users of the process, the general public and others interested in the process.
- Process submissions in a timely manner.
- Ensure that the CEC has in place and follows consistent and effective procedures for processing submissions, conducting rigorous analysis and gathering and developing information for factual records.

#### Results:

- The Articles 14/15 process is accessible, meaningful and reliable.
- The Secretariat's analysis and information gathering are objective and rigorous.
- The North American public and NAAEC Parties view the SEM process as a useful and valuable mechanism for enhancing enforcement of and compliance with environmental law in North America.

### 3.3 Secretariat Report under Article 13

The Secretariat will initiate the process for the sixth Secretariat report under Article 13 in 2006, with a view to completing it in 2007. The Article 13 report will be developed with input from the Parties, the JPAC and interested members of the public, and with the assistance of appropriate independent experts and advisory groups.

### 3.4 Institutional Support

The Secretariat provides support and coordinates the operations of the Council to ensure that its directives and initiatives are carried out in a timely fashion. It also provides logistical and administrative support to the JPAC.

### 3.5 Internal Operations

#### 3.5.1 Program and Administrative Support

The Secretariat is responsible for providing technical, administrative and operational support to the Council and to committees and groups established by the Council. Headed by an executive director, the Secretariat has an expert and highly motivated staff of approximately 55 people. While the Communications staff provides support integral to implementation of the cooperative work program, the Administration staff assists in the achievement of the institution's objectives by providing, in a timely manner, high quality resources including human, financial, material and services as well as information.

#### 3.5.2 Framework for Quality Management Proposed for the CEC

To ensure the integrity of the information disseminated by the CEC, the CEC has adopted a quality management framework. The framework will codify quality assurance procedures, with guiding principles and a general quality management infrastructure, and will support quality assurance plans for all information products and services to ensure that quality assurance issues for the complete lifecycle of projects are identified and addressed.

The CEC Secretariat will prepare a quality management framework implementation plan and submit it to Council for its review and approval at the 2006 Council Session.

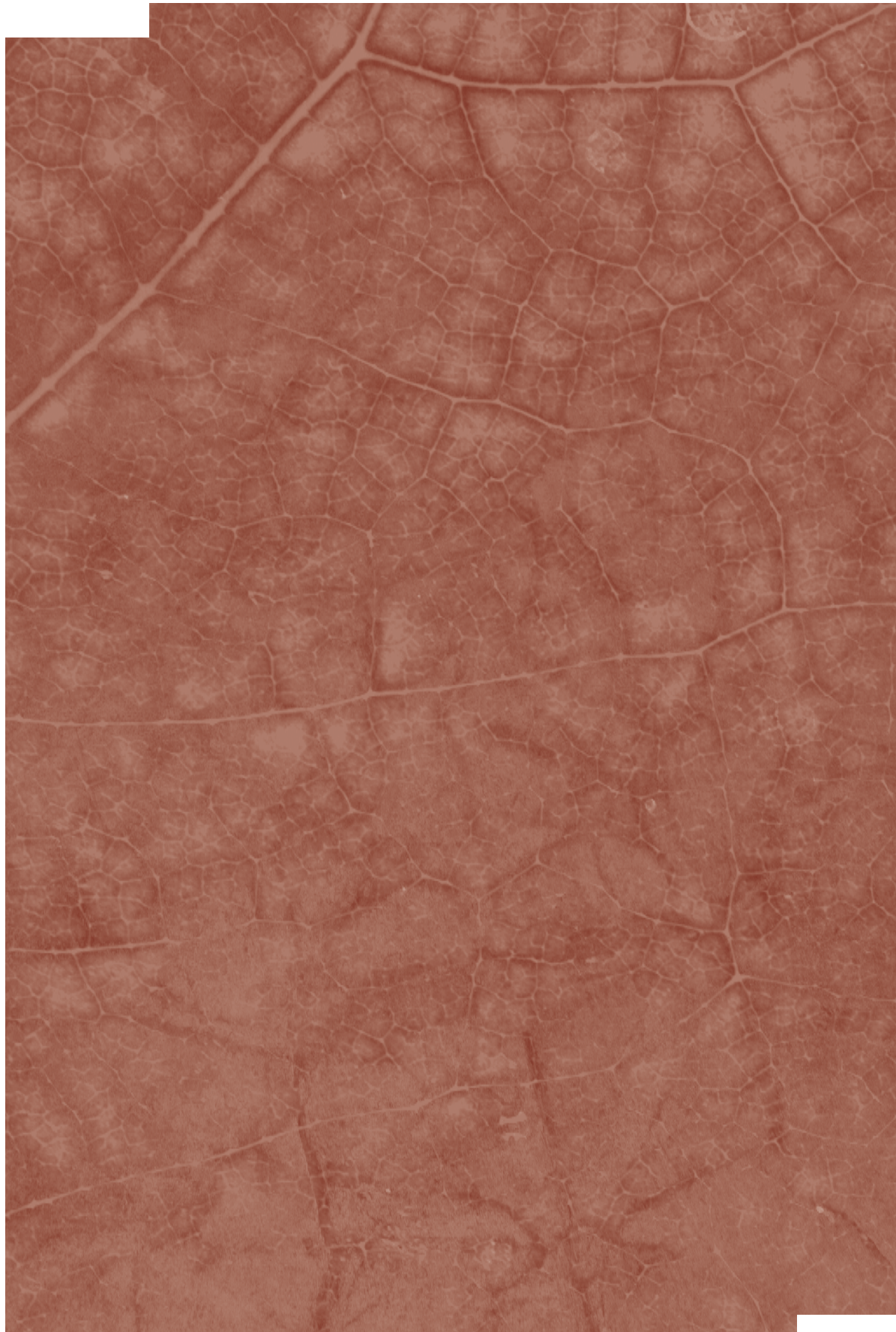


### 3.5.3 Monitoring, Evaluation and Reporting

In the course of this year Council, through its established representatives, will work closely with the Secretariat to develop an evaluation framework for documenting and measuring results under each of the projects identified in the 2006 work program project descriptions (see Appendix). Working together, the Council representatives and the Secretariat will produce detailed and complete draft project result statements for Council approval and will: identify and define criteria for performance evaluation, define performance indicators and identify data needs. It is expected that this work will be finalized by 1 September 2006, with the further expectation that it will be incorporated into the next Operational Plan.

## 4 The Joint Public Advisory Committee (JPAC)

The Joint Public Advisory Committee (JPAC), composed of fifteen citizens (five from each country), advises the Council on any matter within the scope of the NAAEC, and serves as a source of information for the Secretariat. JPAC's vision is to promote continental cooperation in ecosystem protection and sustainable economic development, and to ensure active public participation and transparency in the actions of the Commission.



# Looking to the Future

## Strategic Plan of the Commission for Environmental Cooperation 2005–2010

### Table of Contents

<b>1</b>	<b>NAAEC/context</b>	<b>27</b>
<b>2</b>	<b>Who we are</b>	<b>28</b>
<b>3</b>	<b>Our first decade</b>	<b>29</b>
<b>4</b>	<b>A vision for the future</b>	<b>29</b>
<b>5</b>	<b>Priorities for the cooperative program</b>	<b>30</b>
5.1	Information for decision making	30
5.2	Capacity building	31
5.3	Trade and the environment	32
5.4	Other projects	33
<b>6</b>	<b>Evaluating progress</b>	<b>34</b>
<b>7</b>	<b>Citizen submission process</b>	<b>34</b>
<b>8</b>	<b>Public participation</b>	<b>34</b>
	<b>Appendices</b>	<b>35</b>
	NAAEC objectives (article 1)	35
	Puebla declaration	36



## 1 The North American Agreement on Environmental Cooperation

In North America, more than 425 million people share a rich environmental heritage, ranging from tropical rain forests to arctic tundra and including deserts and wetlands, oceans and rivers, prairies and mountains. Together, these natural resources form a complex network of ecosystems that support a unique biodiversity as well as sustain our well-being and livelihoods. Since 1994, Canada, Mexico and the United States have collaborated in protecting North America's environment through the North American Agreement on Environmental Cooperation (NAAEC).

The NAAEC came into force at the same time as the North American Free Trade Agreement (NAFTA). In the same manner that NAFTA sought to dismantle barriers to trade and investment, the NAAEC seeks to build bridges among the three countries to promote environmental collaboration. Together, the environmental provisions of both agreements mark the determination of our three countries that economic growth and liberalization of trade would be accompanied by cooperation and continuous improvement in the environmental performance of each country.

More specifically, the NAAEC is intended to address potential trade-related environmental concerns, promote environmental cooperation in the region and support the effective enforcement of environmental law. The NAAEC was the first international agreement to link environmental cooperation with trade relations and the first to embed public engagement at the heart of its operations.

In addition to reinforcing the national obligations of each country to protect its own environment, the NAAEC establishes the Commission for Environmental Cooperation (CEC) to facilitate effective cooperation on the conservation, protection, and enhancement of the North American environment. The CEC partnership is unique. Through the CEC, the governments of Canada, Mexico and the United States and North American civil society work together to pursue what none of the three countries could achieve on its own.

The NAAEC describes in broad terms a number of areas of work for the CEC, including:

- a program of cooperative activities on a wide range of environmental issues (Article 10);
- the processing of submissions on enforcement of environmental laws, including factual records when warranted (Articles 14 and 15);
- reports on environmental issues of regional importance (Article 13), and periodic assessment of the state of the North American environment (Article 2); and
- the analysis of NAFTA's environmental effects and the resolution of environmental trade disputes (Article 10(6)).

## 2 Who we are

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

- The Council, composed of cabinet-level environment officials from the three countries, is the CEC's governing body. The Council meets once a year and is responsible for setting the CEC's overall direction, including its budget, and monitoring the progress of its projects against their objectives;
- The executive director of the Secretariat, in accordance with direction from the Council, submits for approval of the Council the annual program and budget of the Commission, including provision for proposed cooperative activities and for the Secretariat to respond to contingencies. The Secretariat provides administrative, technical and operational support to the Council, and other support as the Council may direct. It also has special responsibilities in the Submissions on Enforcement Matters (SEM) Process and the preparation of reports under Article 13; and
- The Joint Public Advisory Committee (JPAC), composed of fifteen citizens (five from each country), advises the Council on any matter within the NAAEC's scope and serves as a source of information for the Secretariat. JPAC's vision is to promote continental cooperation in ecosystem protection and sustainable economic development, and to ensure active public participation and transparency in the actions of the Commission.

In addition, both Canada and the United States have created National Advisory Committees and the United States has also established a Governmental Advisory Committee. These committees provide general and specific advice to their governments on NAAEC's implementation and the CEC's operations. In Canada, decisions regarding CEC matters are coordinated through a Governmental Committee headed by the federal environment minister and the environment ministers of those provinces who have signed the Canadian Intergovernmental Agreement (CIA), an agreement that was negotiated with the provinces and territories to create a mechanism to provide for their participation in the NAAEC. Signatory provinces include Alberta, Manitoba and Quebec. These provinces assume the obligations set out in the NAAEC, in accordance with their respective jurisdictions, and have a key role in Canada's ongoing management and implementation of the Agreement.

The Council will continue to rely on advice and guidance of government officials, any Council-established groups or committees, and others to advance the priorities described in this Strategic Plan.

The Council recognizes that the existing working groups<sup>1</sup> continue to contribute significantly to the CEC work and it is clear their assistance will be needed in this transition period in which the Council should define the future of these working groups in order to have compliance with the Strategic Plan.

The CEC Council operates on the basis of consensus, with the exception of specific instances where majority votes are called for, such as in connection with citizen submissions or Article 13 reports.

The CEC's institutions rely on the following principles in guiding their partnership:

- Flexibility and mutual support
- Openness and transparency
- Accountability

The CEC budget is US\$9 million a year, contributed equally by the three Parties. This sum is complemented with staff time and expertise contributed by each of the Parties as well as resources contributed by the CEC's partners in the completion of specific projects.

1. As of June 2005, the Council-established working groups which have been created prior to this Strategic Plan are: the North American Working Group on the Sound Management of Chemicals; the Biodiversity Conservation Working Group; the North American Working Group on Environmental Enforcement and Compliance Cooperation; the North American Air Working Group; and the Environment and Trade Officials Working Group.

### 3 Our first decade

The CEC celebrated its tenth anniversary in 2004. An independent ten-year review emphasized the valuable contribution that the CEC had made and pointed to several notable achievements. It found that, over its first decade, the CEC has:

- helped create a North American environmental community that provides the moral and scientific authority for the three governments to address issues of continental importance.
- achieved substantial results on key North American issues such as chemicals management and set the basis for progress on the conservation of continental biodiversity.
- built substantial environmental capacities, largely in Mexico but also in the United States and Canada.
- advanced our understanding of trade-environment linkages and has provided useful information on the North American environment to a range of audiences.
- successfully promoted citizen engagement on environmental issues and increased government accountability regarding the enforcement of environmental laws.

We have learned a great deal from our work over the course of our first decade. The CEC's efforts in assembling and analyzing environmental information on a North American scale continues to bring new attention and understanding to critical issues facing all three countries. Our successful collaboration on protecting biodiversity and managing toxic chemicals demonstrates that common approaches are effective in addressing shared problems. We also know that the CEC, working with partners, needs to invest more systematically in strengthening North American environmental management capacities. We have determined that freer trade and a healthy environment can be mutually supporting, provided countries establish and enforce appropriate environmental laws and policy. Civil society's contribution to our work reaffirms the imperative of public participation in environmental management.

We have also learned that stronger results will come from more focused and concerted action. The CEC has thus narrowed its priorities and streamlined its work program to address those critical matters on which the CEC can make a real difference. This strategic plan presents what the CEC wants to achieve over the course of the next five years and how it plans to do so. It also clarifies the roles of the CEC's bodies regarding that program.

### 4 A vision for the future

In June 2004, Canada, the United States and Mexico signed the *Puebla Declaration*, which sets out the Parties' vision for the CEC for the next decade, a vision of:

*...an organization that is a catalyst for action by the Parties and others to ensure our air is cleaner, our water purer, and our plant and animal species better conserved and protected, as our countries' economic relationship grows. We also see the organization as a forum through which we can discuss and facilitate regional action on our common global commitments. Over the next ten years, we want the CEC to be known for concrete results and for quality information and analysis, which have policy-relevance to the three countries*

The Puebla Declaration emphasizes several important attributes that the CEC will pursue over the course of the next decade:

- *The CEC as a catalyst:* as a small organization with a broad mandate, the CEC needs to work in partnership with various levels of government and stakeholders. Its role is to encourage and facilitate action by the Parties and by stakeholders through its work.

- *The CEC as a forum to facilitate regional action:* the CEC focuses on issues that are regional in scope and a high priority for each Party. Canada, Mexico and the United States face many common environmental issues and, in some cases, have made the same international commitments. The CEC can help the three countries coordinate their national approaches to these issues, leading to more effective action.
- *The CEC as a producer of concrete results:* the CEC will provide timely and policy-relevant recommendations to achieve concrete results in the areas that the Council defines.
- *The CEC as a provider of scientifically rigorous information:* the CEC will foster the greater comparability, compatibility and accessibility of high-quality information at a North American scale to support environmentally suitable decisions based on sound science.

## 5 Priorities for the cooperative program

The CEC's cooperative program directly engages the three countries in a united effort to contribute to protecting the North American environment. This program promotes and facilitates cooperation among the Parties and provides the tools and information to allow citizens, governments and industry alike to protect our common environment better as our continental economy grows. The Parties have chosen three broad priorities for the CEC's cooperative program over the next five years. These are:

1. *Information for decision-making*
2. *Capacity building*
3. *Trade and the environment*

To advance our three priorities, Canada, Mexico and the United States have embraced specific five-year goals and objectives, and formulated long-term cooperative initiatives to meet them. Building on the CEC's experience to date, these initiatives comprise a focused, integrated and coherent effort to produce visible and concrete results. While individual projects in the CEC's cooperative program may change from year to year, the objectives will remain the same for the life of this strategic plan. Underpinning our agenda is a quality assurance framework that supports the credibility of CEC information products and services and the integrity of its processes.

We intend to pursue these mutually supporting priorities as a comprehensive effort. Capacity building is a built-in feature in projects under all three priorities; information projects will also contribute to the achievement of the trade and the environment objectives. We will design and manage the various projects under the priorities so as to strengthen these relationships.

*“We want the CEC to be an organization recognized for its credible, balanced and timely information on the North American environment, and want to ensure that this information is available and accessible to all interested parties.” Puebla Declaration*

### 5.1 Information for decision-making

To resolve environmental problems that are North American in scope, decision-makers at all levels in all three countries need the best information in order to set objectives, implement solutions and monitor the effectiveness of their choices.

To help manage cross-boundary issues, the CEC will work to increase the comparability, reliability and compatibility of national and subregional information. The CEC has already begun to develop and link multinational databases and information networks in such areas as pollutant releases, ecological integrity, and trade-environment relationships. The CEC will continue this work and will also develop common standards and methodologies to integrate various information-related activities and reporting mechanisms being used in North America. The CEC will continue to ensure that its science



and information products are of high quality. As well, the CEC will build on national efforts by focusing on trans-border issues that the Council has identified as priority concerns.

The CEC's long-term goal for this priority is to support better decision-making by providing information on the key environmental challenges and opportunities facing North America.

Specifically, over the next five years, the CEC's information objectives are to:

1. Strengthen the capacity of North American decision-makers to understand continental environmental issues of common concern.
2. Establish an environmental information and knowledge framework for North America.
3. Develop the information needed to describe the state of the North American environment and to identify emerging trends and issues.
4. Make environmental information more widely available to facilitate local, national and regional action.

The CEC will pursue these objectives through several mutually-reinforcing **initiatives**:

- the development of an information systems strategy including the development and application of a quality assurance framework;
- the development over time of an online North American environmental atlas depicting environmental protection, conservation, biodiversity and other information on a continental scale;
- the continued synthesis of North American air emissions and monitoring information;
- the annual publication of *Taking Stock*, the CEC's well-known report on North American pollutant releases and transfers, including more thorough integration and comparison of Mexican information;
- the improvement of monitoring information on persistent toxic substances in the North American environment; and
- the periodic publication of state of the environment reports and indicators, based in large part on the preceding work.

The CEC will focus initially on the theme of air quality, building from the momentum of recent and current work. Over time, these initiatives, taken together, will enable the Parties and others to make increasingly better-informed decisions on a variety of other North American environmental concerns, including invasive species, toxic substances and wildlife conservation.

*"We recognize the different capacities of the Parties and the continuing, urgent need to focus on institutional capacity building in order to ... gradually strengthen the capacity for sound environmental management across North America." Puebla Declaration*

## 5.2 Capacity building

Since its early days, the CEC has played an important role in strengthening the capacity of government, industry and civil society for sound environmental decision-making across North America. It has done this through initiatives whose primary purpose has been to foster progress in shared concerns such as the sound management of chemicals, pollution prevention, conservation of biodiversity, and the coordination of pollutant release and transfer registries.

Still, there is need to develop stronger institutions and to share environmental knowledge with a wider range of stakeholders in society. In this vein, the Parties aim to:

- develop model approaches that can be adapted to other settings;
- focus on improving compliance with existing environmental laws;
- emphasize institutions rather than individuals;

- address both environmental conservation and protection issues;
- work with the private sector and communities, as well as with government; and
- identify practical, short-term, targets but in the context of a long-term perspective.

Specifically, the CEC’s goal is to strengthen the capacities of the three countries to manage environmental issues of common concern. Its objectives over the next five years—focusing on Mexico—are to cooperate to:

1. Strengthen capacities, where needed, to improve compliance with wildlife laws.
2. Improve private sector environmental performance through model environmental compliance approaches.
3. Strengthen capacities to conserve species and habitat of common concern by, among others, creating capacity building for planning, monitoring and management, with the participation of all relevant stakeholders.
4. Strengthen the Parties’ abilities to assess and manage chemicals of concern.

As a first step, Mexico will formulate an assessment of its environmental management capacity needs, priorities, and opportunities for cooperation in North America.

For its part, the CEC will pursue the objectives through three multi-year initiatives in Mexico:

- training for wildlife enforcement officers and other stakeholders, as appropriate;
- the promotion of better environmental management in selected industries and regions; and
- the development of processes to secure ecological integrity and promote ecosystem and species management.

While these initiatives focus mostly on Mexico, they will benefit all three countries: more effective Mexican enforcement of its wildlife laws, for example, will help protect migratory species that the three countries share; for their part, Mexican pollution prevention projects will reduce the risk that toxic substances pose to all three countries. The CEC’s Clean Electronics Pollution Prevention Partnership will involve and benefit all three countries.

*“We want to build on the CEC’s recognized expertise on trade and the environmental linkages, and to address specific trade and environmental issues more effectively.” Puebla Declaration*

### 5.3 Trade and the environment

Promoting a better understanding of trade and environment relationships is one of the main reasons the CEC was established. Since its creation, the CEC has developed methodologies to analyze these relationships and has acquired expertise in this area. The CEC has also helped to build positive links between environmental goals and trade. For example, the CEC’s assistance to coffee growers in establishing a North American market for shade-grown coffee—a practice that conserves critical species habitat—is an example of harnessing the power of markets to facilitate sustainable development and trade.

As the North American economy becomes increasingly integrated, there continues to be a need to anticipate and address environmental concerns associated with increased trade, such as the spread of harmful exotic species, and to decouple economic growth from negative environmental impacts.

The CEC’s goal is to promote policies and actions that provide mutual benefits for the environment, trade, and the economy. Its objectives are to:

- Enhance North American trade in green products and services, with a view to improving environmental protection, promoting sustainable use of biodiversity, removing trade barriers and utilizing market-based approaches.
- Increase the capacity of the three countries to identify and address trade-related environmental concerns to achieve mutual benefits for trade and the environment and improve collaboration among the three countries in these areas.
- Broaden understanding of trade and environment linkages and thereby promote policy coherence, both at the domestic and regional levels in North America.
- Improve regional and national coordination, including coordination between the CEC and NAFTA Free Trade Commission through ongoing collaboration of trade and environment officials.

To meet these objectives, the CEC will undertake the following initiatives over the next five years. It will:

- Continue documenting the environmental effects of trade liberalization in North America; improve the capacity of the CEC and the Parties to analyze and understand NAFTA's environmental effects; and support informal exchanges between Canada and the United States and with Mexico as appropriate, on methodologies for conducting environmental reviews of trade agreements, with a view to using such methodologies to better assess the environmental effects of NAFTA.
- Promote the North American renewable energy market.
- Promote North American markets for green products and services.
- Promote and facilitate training, compliance assistance and enforcement to expedite and facilitate the movement of legal materials while stopping shipments of illegal materials that could present threats to human health or the environment.
- Reduce the environmental and economic harm caused by Invasive Alien Species (IAS) through the development of guidelines for the three countries to use when conducting risk assessments of both pathways for IAS and high-risk species and through other cooperation aimed at the prevention, detection, and eradication of IAS.
- Promote better use of market-based approaches to support environmental protection, conservation, and the sustainable use of biodiversity.

#### 5.4 Other projects

In addition to the initiatives described above, the CEC will continue its highly successful collaboration on the sound management of chemicals, focusing on the control of specific toxic chemicals and the strengthening of North American capacity for environmental monitoring.

The CEC will complete a number of existing projects in 2005. These include various biodiversity-related activities, work on disclosure of environmental information, and work on children's health and the environment.

Efforts to forge partnerships with other institutions are producing results. For example, the CEC is collaborating with the World Bank to assist Mexico in implementing the Stockholm Convention on Persistent Organic Pollutants (POPs). As well, the World Bank and the Parties are providing financial support to the CEC's monitoring of POPs and heavy metals in maternal cord blood.

## **6 Evaluating progress**

The CEC's monitoring, evaluation and reporting framework provides specific and timely information to measure progress in each of the priorities outlined above. The CEC Council will continue to meet annually to review progress and take corrective action, if required. The results of the work accomplished will be tracked on the basis of project indicators and regular project evaluations. Such tracking will be facilitated by CEC initiatives meeting the test of being SMART: Specific, Measurable, Achievable, Realistic and Time-bound. These characteristics not only make measuring progress easier, but also support better-informed decisions regarding priorities, program management and budget allocation.

## **7 Citizen submission process**

Under Articles 14 and 15 of the NAAEC, the Submissions on Enforcement Matters (SEM) process allows any person or nongovernmental organization (NGO) residing in North America to make a submission to the CEC asserting that a partner country is failing to effectively enforce its environmental laws. A submission can trigger an investigation by the CEC Secretariat, with Council's approval, and the publication of a factual record. This process contributes in important ways to greater transparency, accountability and environmental protection. The CEC will continue to process citizen submissions in an objective, rigorous and transparent manner and will prepare factual records where warranted. As stated in the Puebla Declaration, the CEC Council commits "to exploring ways for each Party to communicate how matters raised in factual records may be addressed over time."

## **8 Public participation**

Public participation is one of the keys to the CEC's success. More so than any other trade-related international organization, the CEC encourages the public to be involved in its activities. Over the next five years, the CEC will seek to increase the involvement of the constituencies engaged in its work by engaging a broad and balanced spectrum of other levels of government, environmental groups, academics, the private sector, indigenous and local communities, civil society and others.

The Joint Public Advisory Committee will continue to play a key role in promoting active public participation and greater transparency in the actions of the Commission.

# Appendix 1

## NAAEC Objectives

### Article 1: Objectives\*

The objectives of this Agreement are to:

- (a) foster the protection and improvement of the environment in the territories of the Parties for the well-being of present and future generations;
- (b) promote sustainable development based on cooperation and mutually supportive environmental and economic policies;
- (c) increase cooperation between the Parties to better conserve, protect, and enhance the environment, including wild flora and fauna;
- (d) support the environmental goals and objectives of the NAFTA;
- (e) avoid creating trade distortions or new trade barriers;
- (f) strengthen cooperation on the development and improvement of environmental laws, regulations, procedures, policies and practices;
- (g) enhance compliance with, and enforcement of, environmental laws and regulations;
- (h) promote transparency and public participation in the development of environmental laws, regulations and policies;
- (i) promote economically efficient and effective environmental measures; and
- (j) promote pollution prevention policies and practices.

\* The full text of the North American Agreement on Environmental Cooperation is available online at [http://www.cec.org/pubs\\_info\\_resources/law\\_treat\\_agree/naaec/index.cfm?varlan=english](http://www.cec.org/pubs_info_resources/law_treat_agree/naaec/index.cfm?varlan=english).

## Appendix 2

### Puebla Declaration: Eleventh Regular Session of the CEC Council

**Puebla, Mexico, 23 June 2004**—We, the environment ministers of Canada, Mexico and the United States, members of the Council of the Commission for Environmental Cooperation (CEC or “the Commission”), met for our annual regular session on 22 and 23 June 2004.

The year 2004 marks the tenth anniversary of the North American Agreement on Environmental Cooperation (NAAEC) and the North American Free Trade Agreement and is an occasion to assess our work. We see this as an opportunity to review our progress, re-affirm our commitment to the CEC, and set directions for the future. The report of the independent Ten-year Review and Assessment Committee has provided an important basis for our deliberations.

Looking forward, our vision of the CEC is of an organization that is a catalyst for action by the Parties and others to ensure our air is cleaner, our water purer, and our plant and animal species better conserved and protected, as our countries’ economic relationship grows. We also see the organization as a forum through which we can discuss and facilitate regional action on our common global commitments. Over the next ten years we want the CEC to be known for concrete results and for quality information and analysis, which have policy relevance to the three countries.

We recognize the value of the CEC’s work on environment, economy and trade; biodiversity conservation; pollutants and health; and law and policy. Looking forward, we commit to grounding the CEC’s work program, starting in 2005, in results-oriented strategic plans for three priorities: information for decision-making, capacity building, and trade and environment. These are priorities that the CEC is uniquely positioned to help the three countries address together—and separately—for the benefit of North America.

We want the CEC to be an organization recognized for its credible, balanced and timely information on the North American environment, and want to ensure that this information is available and accessible to all interested parties in order to provide governments, the private sector, and citizens alike with information to address the key environmental challenges and opportunities facing the region. We support strengthening the CEC’s information-gathering activities, databases, and communications, and making linkages with other information systems, such as the Global Earth Observation System of Systems.

In developing the strategic plan for information, we will build a knowledge base related to contaminants, the integrity of our ecosystems, and our ability to ensure environmental security at our borders. We will focus on information that is key to providing answers regarding the state of our North American environment, and will develop and use information technologies that will help us access and share this information.

We recognize the different capacities of the Parties and the continuing, urgent need to focus on institutional capacity building in order to sustain targeted results. We acknowledge that this is especially important for Mexico, and want the CEC to assist those concerned in the three countries—governments, the private sector, environmental organizations, academia, indigenous and local communities, and others—in gradually strengthening the capacity for sound environmental management across North America.

In developing a capacity-building strategic plan, we will focus on priorities such as our abilities to assess and manage chemicals of concern, undertake pollution prevention, participate in biodiversity conservation, and improve our enforcement efforts.

We want to build on the CEC's recognized expertise on trade and environmental linkages, and to address specific trade and environmental issues more effectively. We will enhance the positive working relationship that has been developed with our trade counterparts to ensure trade and environment policies are mutually supportive. We will continue our work with the NAFTA Free Trade Commission, under the Article 10(6) Working Group, to develop a strategic plan on trade and environment.

As we work to develop the plan, we will consider, among other priorities, areas which could include: establishing key elements to enhance markets for renewable energy; addressing issues related to trade pathways for invasive species; trade and enforcement of environmental laws, including enforcement of domestic laws that address transboundary trade in environmentally sensitive goods and materials; environmental procurement practices; market-based approaches to connect North American ecoregions; and sharing, as appropriate, information on methodologies for conducting environmental reviews of trade agreements with a view to better assessing the environmental effects of NAFTA.

The NAAEC and the CEC have been a bold ten-year initiative in building a continental framework for trilateral environmental cooperation within the context of increasing trade and economic ties amongst our three countries. We recognize the significant progress accomplished and the invaluable contribution of the Secretariat and the Joint Public Advisory Committee (JPAC), as well as the efforts of the CEC's working groups. We know it is critical to streamline the work of the CEC and to focus our work on generating concrete, measurable results that will make a difference to the environment in North America. We recognize that there will be a transition period as we adjust the work program and apply new approaches to achieve our goals.

While we are focusing on the CEC's work around three main themes, it is also important to identify and keep abreast of emerging issues, particularly those which have special relevance for North America. We continue to support the CEC's Article 13 work to identify emerging issues, and to provide recommendations to the Parties for addressing these issues.

We continue to be supportive of the process for submissions on enforcement matters, and commit to exploring ways for each Party to communicate how matters raised in factual records may be addressed over time.

As we move to the next ten years in the life of the CEC, we look to a skilled Secretariat to help us achieve our vision for the organization. We are committed to strengthening the relationship amongst all parts of the CEC—the Council, the Secretariat and JPAC. We seek to grow the constituencies engaged in the work of the CEC by including a broad and balanced spectrum of other levels of government, including local governments, environmental groups, academics, the private sector, indigenous and local communities, civil society, and others. We envision a strong role for the CEC in promoting partnerships across this spectrum. We will continue to place great value on advice from JPAC, which reflects the diversity and innovative views of its members.

We have important work ahead, and we are confident that our strong commitment to the CEC will contribute to a cleaner, healthier, and more sustainable North American environment for future generations.



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