

## **SESSION 04-07 OF ALTERNATE REPRESENTATIVES**

### **SUMMARY RECORD**

The Commission for Environmental Cooperation (CEC) Council, represented by its Alternate Representatives, met in Montreal, Quebec, on 27–28 October 2004. Ms. Norine Smith (Canada) chaired the meeting. Messrs José Manuel Bulás and José Manuel Medina represented Mexico and Mr. Jerry Clifford the United States. Mr. Arturo Duran and Ms. Donna Tingley represented the Joint Public Advisory Committee (JPAC) and Mr. William Kennedy, CEC executive director, represented the Secretariat. Ms. Julie-Anne Bellefleur, Council secretary, acted as secretary for the session. Other officials of the Parties and the Secretariat were also in attendance (Annex A).

#### **Introductions and review of agenda and objectives**

Following introductory remarks by the chair, the agenda was adopted (Annex B). Referring to the presentation they made at the JPAC public workshop earlier in the day on the CEC's new priorities, the Alternate Representatives asked the Secretariat to post a copy of their presentation on the CEC website.

#### **Report by the Executive Director**

The executive director presented some highlights of his report of activities carried out by the CEC in the last six months (Annex C) and he underlined the considerable amount of work accomplished to date in the development of the 2005–2007 Operational Plan. As an illustration of the continuing interest of citizens in all three countries vis-à-vis the Submissions on Enforcement Matters process, he indicated that up to October 15, the Secretariat had received a total of seven submissions in 2004, an amount well above average. He took the opportunity to congratulate the Mexican government on the announcement made at the recent lindane task force meeting about Mexico's intention to develop and implement a program leading to the phase-out of all uses of lindane. He noted that following submission to Council, on 13 September 2004, of the final Article 13 report on maize and biodiversity, the Secretariat's work on this issue had been largely completed. Referring to the third North American Symposium on Assessing the Environmental Effects of Trade, to be held in the fall of 2005, he indicated that a public call for papers examining trade and environment issues related to investment and growth in North America had been issued in August. The final papers will be presented by the authors at the symposium, which could possibly be held in Canada. He expressed satisfaction for the success of the recent event in Ixtapa, Mexico, that led to concrete results for the protection of sea turtles, thanks to support from the CEC, Semarnat, local governments, and Banamex. Finally, he informed the Parties that in an effort to strengthen the CEC's cooperation with the state and local governments as well as with the private sector, Victor Shantora had been identified as the Secretariat's main liaison contact. In closing, he indicated that the Secretariat was currently

exploring the interest of the Canadian Council for International Business, Concamin and the US Council for International Business in revitalizing the long-standing memorandum of understanding to support on-the-ground projects led by the private sector in support of the Puebla priorities.

The chair thanked the executive director for his report. Referring to the potential venue for the third North American Symposium on Assessing the Environmental Effects of Trade, she noted that synergies could be made should the meeting in deed be held in Canada.

### **Report by JPAC**

The JPAC representative indicated that JPAC would report on the results of their public meeting on the three Puebla priorities, during their joint meeting with the Alternate Representatives later in the day. He noted a sense of consensus among JPAC members vis-à-vis the three new priorities and welcomed the Council's interest in utilizing JPAC more effectively in their decision-making process.

### **Outlines of Strategic Plan and 07 Operational Plan and review of current CEC activities**

The director of programs presented the draft outline for the 2005–2010 Strategic Plan and 2005–2007 Operational Plan. He also presented a proposed project template for the Parties' consideration, and indicated that a more detailed template would be forwarded shortly. He advised that the document which "maps" the relationship of current activities to the Puebla priorities is indicative. He also advised that their future must be considered in the context of developing the new initiatives under the Puebla priorities. Thirdly, he drew attention to some current activities that need to be considered, and do not appear to support the current direction of development of the Puebla priorities. These include elements of the Sound Management of Chemicals project, elements of the Biodiversity program, and the Children's Health and the Environment project.

The Alternate Representatives exchanged views on the draft documents prepared by the Secretariat and provided guidance for the Secretariat to further refine these. They also instructed the Secretariat to start fleshing out a first draft of the CEC's long-term strategic plan on the basis of their discussion.

### **Development of an outline for the Strategic Plan on Capacity Building**

The Mexican representative on the Parties' experts group provided an update on the development the strategic plan for capacity building. The Alternate Representatives reconfirmed the mission and goal agreed upon at their last meeting, and exchanged views on the proposed objectives and projects which include: 1) a needs assessment; 2) training of Mexican government officials; 3) enhancing the ability of Mexican educational and training institutions to attract and train new recruits; and 4) replicable model projects. They agreed that, as a first step, the comprehensive needs assessment should be carried out, as outlined in Objective 1. They also agreed that the model projects under Objective 4 (testing of two model projects) needed to be further defined.

They instructed the Secretariat to begin developing draft project proposals relating to objectives 1 and 4, for the Parties' consideration.

### **Other regular business for discussion by the Alternate Representatives**

#### **Mexico's National Implementation Plan for POPs under the Stockholm Convention**

The Alternate Representatives adopted Council Resolution 04-06 (Annex D) authorizing the executive director to receive and manage the funds allocated under the funding agreement for the development of Mexico's National Implementation Plan, and to undertake the activities assigned to it in the agreements, once they are signed.

#### **Joint meeting with JPAC**

The JPAC chair invited Nelly Correa, Carlos Armando Rincón and Patricia Cleary to report on the input received from the public during the JPAC meeting held earlier in the day on the three Puebla priorities. She indicated that comments received from the public would be used as the basis of JPAC's advice to Council.

Nelly Correa reported on the comments received relating to the Information for Decision-Making pillar. She drew attention to the importance of providing information that is accessible and understandable to the non-specialized public and noted that it was unclear to the public who the intended users are under this plan. The public also expressed the importance of acknowledging the role of other stakeholders as providers of information, such academia, indigenous peoples and other communities. The CEC could develop a centralized environmental information center allowing the identification of gaps and methods for generating information.

Carlos Armando Rincón conveyed the comments received by the public on the capacity building pillar. The importance of capturing the needs of civil society and of the private sector in the objectives was underscored. The CEC should also create synergies with other fora and build on efforts carried out by other organizations in that area, as opposed to focusing strictly on trilateral and bi-national efforts. Capacity building efforts should not be limited to Mexico; the needs of indigenous peoples in Canada and the United States should also be considered. The CEC should take advantage of existing exchanges across the borders. In some cases, terminology would warrant clarification (i.e., "gradually strengthening"). In closing, he conveyed a strong support for activities in the area of children's health and the environment, such as training of healthcare professionals.

Patricia Cleary summarized the suggestions received from the public with respect to the Trade and Environment pillar: inclusion of specific actions to promote clean energy/fuel production; integration of labor issues to address environmental as well as social impacts of increased trade, as opposed to focusing only on the benefits of such trade; and development of compatible bio-monitoring systems related to children's environmental health, as a priority.

The Alternate Representatives thanked JPAC and the public for their thoughtful comments.

Considering that the development of the CEC's strategic plan is a work in progress, they acknowledged that adjustments may be required along the way. They also underscored the importance of involving stakeholders at all levels in the design of a comprehensive plan.

Merrill Ann Phare provided the Alternate Representatives with a courtesy copy of the report commissioned by JPAC, *Inherent Conflict of Interest Built Into the North American Agreement on Environmental Cooperation*, noting that the report does not necessarily represent JPAC's views. She invited the Alternate Representatives to examine the recommendations of the report and conveyed JPAC's intention to submit the report for a 30-day public review period, following which the JPAC would determine whether this issue warranted formulating advice to Council.

In response to a question from the JPAC chair concerning the release of the Secretariat's Article 13 report on maize and biodiversity, the Alternate Representatives indicated that the Parties were close to completing their interdepartmental consultations and assured JPAC of the Council's intention to make a decision very soon. The Alternate Representatives also indicated that the Council's response to three JPAC letters of advice was forthcoming (operation of Council Resolution 00-09, tracking of hazardous waste, and future directions for the NAAEC) and that a response to the JPAC advice on the involvement of indigenous peoples would follow shortly thereafter.

In closing, the Alternate Representatives extended their appreciation to the members whose term was expiring for their dedication to the CEC and welcomed the new members on the committee. They expressed hope that there will be an opportunity for another joint meeting in advance of the next Council session.

### **Development of an outline for the Strategic Plan on Information for Decision-Making**

The Canadian representative on the Parties' experts group for information presented the results of the group's work on elaborating potential projects and actions. The following areas of work were proposed as priorities: i) capacity building to enable the implementation of the CEC information agenda; ii) identification of a small set of indicators representing the state of the North American Environment; iii) data harmonization and information systems activities; iv) tracking partner activities to support coordination; v) initial work on the priority topic areas identified in the Puebla Declaration; vi) developing and providing specific CEC information projects and specific CEC information services; and vii) convening.

The Alternate Representatives exchanged views on the above and tasked the Secretariat to lead the drafting of project proposals, in consultation with the Information experts, for each of the core incremental products which are: production of annual reports on key indicators; bi- (or tri-) annual state of the environment reports; *Taking Stock* reports; the North American Atlas; and law and policy services. They also asked the Secretariat to begin drafting the information section of the strategic plan for their review at their meeting of 6-7 December.

The Alternate Representatives agreed to consider the organization of a symposium on the margins of the next Council Session, to be held in June 2005, in order to launch a consultative

process on indicators. They invited JPAC to consider this theme as part of its public meeting, to be held in parallel to the Council Session. The JPAC chair offered to consult with JPAC members during their regular session the following day. The idea of holding a similar symposium in the spring of 2005 in Mexico to begin early assessments on capacity building needs was also briefly discussed.

Finally, at the suggestion of the Canadian representative, the Alternate Representatives agreed to revisit the format and substance of the Parties' input in the CEC's annual reports.

### **Article 10(6) Environment and Trade Officials Meeting—Development of an outline for the Strategic Plan on Trade and Environment**

This part of the session was devoted to a meeting of the Article 10(6) environment and trade officials. The Canadian and United States representatives on the 10(6) working group reported on the results of the Parties' preliminary discussions on priority areas for the Trade and Environment strategy.

The 10(6) officials exchanged views on the proposed priority areas. They agreed in principle with the proposals for ongoing environmental assessments of NAFTA and other FTAs; renewable energy and enforcement. They instructed the Secretariat to flesh out strategic plan language and project proposals for these areas, in close consultation with the Parties. They agreed that further work by the Parties is required on areas related to green purchasing, invasive species and green goods for sustainable use. On this last, they invited the Secretariat to draft a new proposal, for consideration at their next meeting.

In closing, the 10(6) working group indicated that it would revisit the goals and objectives for the Trade and Environment strategic plan in light of the other two pillars and from the perspective of "SMART" attributes (Specific, Measurable, Actionable, Realistic, Time bound).

### **Next steps**

The Alternate Representatives will hold a conference call in mid-November. In preparation for this call, the Secretariat will provide a preliminary cost analysis for the proposals it has been asked to develop relating to the three priorities, taking into account current activities that are not incorporated in the new proposals and whose status the Alternate Representatives may wish to consider. Additionally, the Secretariat will determine the potential to initiate work in 2004—with surplus funds—on the assessment of Capacity Building needs and any other activities related to the new proposals. The Parties' experts involved in the development of the strategic plans for each of the three pillars will endeavor to hold a conference call prior to that of the Alternate Representatives in order to explore synergies among the three pillars and discuss potential model projects for Objective 4 of the Capacity Building pillar.

The next face-to-face meeting will be held 6–7 December 2004, in Mexico City, for the purpose of reviewing the draft strategic plan and draft project proposals. In preparation for this meeting, the Secretariat will work with the Parties' experts in fleshing out these proposals.

In response to a question from the Secretariat as to the anticipated budget shortfall in Mexico's contribution to the CEC's budget for 2005, the Mexican representative indicated that they were awaiting a response from the Mexican Congress to their recent request for an increase of the amount allocated for international organizations.

**SESSION 04-07 OF ALTERNATE REPRESENTATIVES**

**Montreal, Canada, 27-28 October 2004**

**Delegations List**

(as of 26/10/2004)

**CANADA**

**Alternate Representative**

Norine Smith, Environment Canada  
Jenna MacKay-Alie, Environment Canada  
Julie Pelletier, Environment Canada  
Leo Iannone, Environment Canada  
Bill Jarvis, Environment Canada  
Nancy Harris, Environment Canada  
Kimberly Ferguson, Environment Canada  
Tim Gallagher, Environment Canada  
Steve McCauley, Environment Canada  
Robert McLean, Environment Canada  
Martin Roy, Foreign Affairs  
Dick Ballhorn, Foreign Affairs  
Daryl Hanak, Province of Alberta  
Kim Iakeman, Province of Alberta  
Louise Lapierre, Province of Quebec

**MEXICO**

**Alternate Representative**

José Manuel Bulás, UCAI, Semarnat  
José Manuel Medina Aguilar, UCAI, Semarnat  
Elena Porrás, UCAI, Semarnat  
Alejandro Monteagudo, Secretaría de Economía  
Adrián Vazquez, Coordinador de Asesores de la PROFEPA

**UNITED STATES**

**Alternate Representative**

Jerry Clifford, USEPA  
Mark Linscott, USTR  
Sylvia Correa, USEPA  
Evonne Marzouk, USEPA  
Nadtya Ruiz, USEPA  
Jan Gilbreath, USEPA  
Robert Wing, USEPA  
Darci Vetter, USTR

**JPAC**

**JPAC Chair  
Members**

Donna Tingley  
Ann Bourget  
Dan Christmas  
Merrell-Ann Phare  
Adriana Nelly Correa  
Eduardo Rincón Mejía  
Carlos Armando Rincón Valdés  
Carlos Sandoval  
Héctor Javier Sepúlveda  
Patricia Clarey

Dinkerrai Desai  
Arturo Duran Jane Gardner  
Patricia Mcdonald

**SECRETARIAT**  
**Executive Director**

William Kennedy  
Doug Wright, Director of Programs  
Julie-Anne Bellefleur, Council Secretary  
Hernando Guerrero, Director of Mexico Liaison Office  
Geoffrey Garver, Director, Submissions on Enforcement Matters Unit  
Evan Lloyd, Director of Communications  
Eduardo Delgadillo, Director of Administration  
Chantal Line Carpentier, Head, Environment, Economy and Trade  
Victor Shantora, Head, Pollutants and Health  
Tim Whitehouse, Head, Law and Policy  
Hans Hermann Head, Conservation of Biodiversity  
Carla Sbert, Interim JPAC Liaison  
Yamirka Gómez, Assistant



**SESSION 04-07 OF ALTERNATE REPRESENTATIVES and 10(6) WORKING GROUP MEETING  
AGENDA AND PROGRAM**

CEC Secretariat  
393, St-Jacques Street West, Suite 200  
Tel.: 514-350-4300; Fax: 514-350-4349

Wednesday, 27 October 2004 from 10:30 to 19:00  
and Thursday, 28 October from 9:00 to 16:00

Chair: Canada

**Wednesday, October 27**

- |               |  |
|---------------|--|
| 9:10 – 10:10  | Alt. Reps' presentation at JPAC public meeting (Delta Montreal Hotel, 475 President Kennedy Avenue, Opus II Room)              |
| 10:10 – 10:30 | Head back to CEC Secretariat   |
| 10:30         | Alt. Reps Session 04-07  |
| 10:30 – 11:00 | Introductions and review of agenda and objectives (including reports by the Executive Director and JPAC representative)        |
| 11:00 – 12:00 | Outlines of 2005-2010 Strategic Plan and 2005-07 Operational Plan and review of current CEC activities                         |
| 12:00 – 13:00 | Discussion   |
| 13:00 – 13:30 | Lunch break  |
| 13:30 – 16:00 | Development of the Strategic Plan on "Capacity Building"   |
| 16:00 - 16:30 | Wrap-up and preparation for joint meeting with JPAC  |
| 16:30 – 17:00 | Break (Alt. Reps/E.D private meeting)  |
| 17:00 – 19:00 | Joint meeting with JPAC  |
| 19:30         | Private dinner for the Alternate Representatives and Executive Director (Restaurant Les Filles du Roy, 405, rue du Bonsecours) |

**Thursday, October 28**

- 9:00 – 12:00 Meeting of 10(6) working level group (CEC Secretariat, room D)
- 9:00 – 12:00 Development of the Strategic Plan on “Information for Decision-Making”
- 12:00 – 12:30 Lunch Break
- 12:30 – 15:30 Article 10(6) Environment and Trade Officials Meeting—Development the Strategic Plan on “Trade and Environment”
- 15:30 – 15:45 Consolidation and next steps
- 15:45 – 16:00 Other regular business for Alt. Reps’ discussion

## ANNOTATED AGENDA FOR ALT. REPS SESSION 04-07

### DAY 1

#### **Meeting Goals:**

- Review goals and objectives
- Review current CEC activities
- Review proposed actions for each priority
- Review outline of the 2005-2010 Strategic Plan and the 2005-07 Operational Plan
- Guidance for the development of the 1<sup>st</sup> drafts 2005-2010 Strategic Plan and 2005-07 Operational Plan

#### **10:30 – 11:00 Introductions and review of agenda and objectives (including reports by the Executive Director and by the JPAC representative)**

- a) Draft agenda for Session 04-7 of Alt. Reps, rev.1 (distributed 21/10/2004)
- b) Executive Director's report (distributed 19/10/2004)
- c) Alt. Reps presentation to JPAC public meeting (distributed 18/10/2004)
- d) JPAC Advice to Council 04-02: Future Directions for the North American Agreement on Environmental Cooperation (distributed 12/08/2004)
- e) Letter dated 10 September 2004 from JPAC to the Executive Director re: How to better engage the private sector in CEC activities (distributed 10/09/2004)
- f) Synthesis of advice relating to strategic directions provided over time by JPAC, NACs/GACs (distributed 13/08/2004 and 3/08/2004 respectively)
- g) Advice 04-02 of the Children's Health Advisory Board re: Continuing the work on Children's Health and the Environment within the CEC (distributed 30/09/2004)

#### **11:00 – 12:00 Outlines of 2005-2010 Strategic Plan and 2005-07 Operational Plan and Review of current CEC activities**

- Presentation by the Secretariat on the draft outline for the 2005-2010 Strategic Plan and 2005-07 Operational Plan including "Planning, Reporting and Evaluation" scheme
- Presentation by Secretariat on current program activities and the nature of their relationship to the 3 new priorities
- Preliminary thoughts on program and administrative implications of making the transition to the three 3 priorities for current program
- Guidance to Secretariat and/or concurrence with the proposed approach for planning, reporting and evaluation

#### **Supporting documents**

- a) Draft outline of Strategic and Operational Plans (distributed 21/10/2004)
- b) Criteria for determining the continued relevance and value of current CEC program activities (distributed 21/10/2004)
- c) Consolidation of Proposed Goals, Objectives and Action Statements - developed to date by Parties' experts (distributed 21/10/2004)
- d) Mapping of Current Program Actions against Puebla Declaration Themes (distributed 21/10/2004)
- e) "Planning, Reporting and Evaluation" scheme (to be distributed)

- f) CEC Mission Statement (distributed 16/08/2004)
- g) Puebla Declaration (distributed 25/06/2004)
- h) TRAC report (distributed 14/06/2004)

**12:00 – 13:00 Discussion**

**13:00 – 13:30 Lunch break**

**13:30 – 16:00 Development of the Strategic Plan on “Capacity Building”**

- Status report by Manuel Medina on the work of the Parties’ capacity building experts
- Review goals and objectives
- Review of current CEC activities
- Review proposed actions

Supporting documents

- a) Progress report from the Parties’ experts on Capacity Building (to be distributed)

**16:00 – 16:30 Wrap-up and preparation for joint meeting with JPAC**

**16:30 – 17:00 Break**

**17:00 – 19:00 Joint meeting with JPAC**

JPAC will report on input received from the public in the JPAC public meeting on future directions for the CEC. JPAC will also brief the Alternate Representatives on the results of the analysis commissioned by JPAC relating to the conflict of interest issue.

**DAY 2**

**9:00 – 12:00 Development of the Strategic Plan on “Information for Decision-Making”**

- Status report by Bill Jarvis on the work of the Parties’ information experts
- Review goals and objectives
- Review of current CEC activities
- Review proposed actions

Supporting documents

- a) Progress report from the Parties’ experts on Information for decision making (to be distributed by CA)

**12:00 – 12:30 Lunch Break**

**12:30 – 15:30 Article 10(6) Environment and Trade Officials Meeting—Development of the Strategic Plan on “Trade and Environment”**

- Report on priority areas by the United States and Canada followed by discussion.
- Report from Canada on draft goals, objectives and criteria for the Trade and

Environment Strategic Plan followed by discussion.

- Next steps, including public participation

#### Supporting documents

- a) Progress report from the Article 10(6) drafting committee (to be distributed)
- b) Revised draft of Goals, Objectives and Criteria for the Trade and Environment Strategic Plan (distributed by CA 28/09/2004)
- c) Revised draft descriptions for areas under consideration for the CEC strategy on trade and environment (invasive species, renewable energy and trade and enforcement of environmental law) (to be distributed by US)
- d) Revised draft description of the priority area dealing with environmental reviews of FTAs (to be distributed by CA)

#### **15:30 – 15:45 Next steps**

Discuss and confirm:

- Next steps for consolidating work on the three priorities into the draft Strategic Plan and Operational Plan, including consideration of implications for current work program (budget, resource implications and emphasis, leveraging opportunities)
- Objectives of 4th Alt Reps meeting to be held on 6-7 December 2004 in Mexico City
- Work to be done by the Secretariat and the Parties

#### Supporting documents

- a) Proposed steps forward for the implementation of new priority areas (distributed by CA 15/07/2004)

#### **15:45 – 16:00 Other regular business for Alt. Reps' discussion**

##### **Item 1 Mexico's National Implementation Plan for POPs under the Stockholm Convention**

The Alternate Representatives are invited to adopt a Council Resolution authorizing the CEC to act as Executing Agency for Mexico's NIP for POPs under the Stockholm Convention.

#### Supporting document(s):

- a) Draft Council Resolution (distributed 13/10/2004)
- b) Cooperation Agreement between Semarnat and the CEC (distributed by 13/10/2004)

## **Report of the Executive Director on the Activities of the Commission for Environmental Cooperation**

Montreal, 27–28 October 2004

### **1. Highlights**

The six months beginning with the CEC's most recent Council session have been marked by a significant amount of program planning pursuant to the *Puebla Declaration* priorities, in addition to the execution of the 2004–2006 Operational Plan, as approved previously by Council. Some highlights are:

#### **Program Development**

The past few months have seen a considerable amount of work on the part of the Secretariat to begin the preparation of the 2005–2007 Operational Plan. This combines the secretarial and program support for the continuing development of the three new priority areas of work as well as mapping current program activities and the available budget for the purposes of presenting a 2005–2007 Operational Plan and budget for Council consideration at the earliest opportunity.

#### **Citizen Submissions on Enforcement Matters**

Citizens in all three countries continue to make submissions on enforcement matters pursuant to Article 14. As of October 15 the Secretariat has received seven such submissions this year, well above average. Moreover, these submissions focus on alleged nonenforcement issues in each country.

In October, the Secretariat published its tenth factual record: *Molymex II*.

#### **SMOC**

Secretariat staff and national experts continue to develop the lindane NARAP. At a lindane task force meeting at the Secretariat offices on 28–30 September, representatives of the government of Mexico announced the country's intention to develop and implement a program leading to the phase-out of all uses of lindane.

#### **Article 13**

With the submission on 13 September of the Secretariat's final version of the current Article 13 report, *Maize and Biodiversity: The Effects of Transgenic Maize in Mexico – Key Findings and Recommendations*, the work plan for this initiative, commenced in July 2002, is largely complete.

#### **Environment and Trade**

In August, the Secretariat issued a public call for papers examining trade and environment issues related to investment and growth in North America. The final papers are to be presented by the authors at the third North American Symposium on Assessing the Environmental Effects of Trade in the fall of 2005.

#### **Community-based Conservation**

This year, a record number of sea turtles have been saved in the resort town of Ixtapa and outlying areas under a project supported by the CEC, Semarnat, local governments and Banamex. As executive director, I was pleased to participate in an event on 22 October

with Secretary Cárdenas to acknowledge the successful efforts of communities in the region. This occasion was also marked by the participation of marine conservation partners: the Aquarium of the Pacific, Long Beach California, and the Vancouver Aquarium and Marine Science Center.

## 2 Achieving CEC goals

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

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

*Facilitating data harmonization and information sharing, and promoting integrated monitoring across North America to foster a better understanding of the current status of the North American environment*

*PRTR:* The *Taking Stock 2001* report was favorably received in the media. The Secretariat received a total of 188 media inquiries and 24 interviews with print and electronic media. The CEC's Query Builder, the web tool that permits customized searches and analyses of *Taking Stock* facility data, had over 4,500 searches of the 2001 data between June and the end of September alone. The special feature report, *Taking Stock: Toxic Chemicals and Children's Health in North America*, was put on the CEC web site for public comment. Over 20 organizations provided substantive comments on the report. An expert review panel has been assembled to review the report after which it will be finalized and published next year.

Mexico has passed national regulations for the mandatory reporting of releases. CEC support has been offered to Mexico to refine and expand the list of chemicals that would be reported on.

*Mexico National Air Emissions Inventory.* Work continues on extending the CEC-supported initiative to create a national air emissions inventory in Mexico. The CEC supported two workshops in July and August, organized by Semarnat and INE, bringing together emission inventory developers in each Mexican state. The workshops also collaborated with the PRTR project to include training for state officials on the new RETC reporting requirements at the state level.

*Report on air emissions from electric generating stations.* The CEC circulated a draft report on air emissions from North American power plants to the Parties in August. The CEC received comments from the governments and is currently revising the draft. The CEC plans to release the report publicly by the end of 2004.

*Best available technologies for air pollution control.* The CEC is identifying three new case study approaches for best available technologies for air pollution control in three different industry sectors, with a focus on sources in Mexico. Two case studies will include tire-burning at cement kilns and oil-fired power plants. The purpose is to provide a step-by-step approach for air quality permit authorities to find and evaluate control technology options for these sources, located or proposed in their jurisdictions.

*Overview of air quality management systems in North America.* The CEC completed

revisions to the draft report on air quality management systems in North America based on comments received from the North American Air Working Group. The report will be publicly posted in October 2004.

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

***Children's Health and Environment:*** Work continues toward the completion of the first report on indicators of Children's Health and the Environment in North America, as directed by Council Resolution 03-10. Progress has been slowed by staffing changes of key experts working on this file. It appears that the report will not be published before next year. As a collaborative regional effort, it will be the first of its kind worldwide and represents a contribution to the global children's environmental health (CHE) indicators partnership that was endorsed during the World Summit on Sustainable Development. The indicators report will help establish a baseline for CHE work among the three countries, will identify specific opportunities for improvement in data collection and surveillance systems, and has clear policy applications.

Mexico has withdrawn their representative from the Children's Health Team and, with the exception of the indicators work noted above, has ceased participating in and contributing to CHE projects. As a result, these projects (including the Biennial Review that was called for under Council Resolution 02-06, *The Cooperative Agenda for Children's Health and the Environment in North America*) are on hold.

The Expert Advisory Board has written Council to ask whether their mandate will be extended beyond the current termination date of 30 September 2004. No reply has been received to date.

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

***Developing a strategic plan for the Environment, Economy and Trade Program***

A working-level [Article] 10(6) Environment and Trade Officials Working Group has held conference calls and met several times to develop the goals, objectives, and strategies for the six priorities singled out in the Puebla Declaration. The priorities were: (1) environmental assessments of trade, (2) trade and enforcement, (3) invasive species, (4) renewable energy, (5) green procurement, and (6) market-based approaches to protect ecoregions. The Secretariat provided support when needed.

***Assessing and disseminating findings on the environment/trade relationship in a transparent manner***

Key findings from the second North American Symposium on Assessing the Environmental Effects of Trade and an update of the lessons learned on trade and the environment since the last publication will be available shortly as a short printed document accompanied by CD. A small pamphlet with the executive summary as well as a CD containing the papers presented at the symposium will be made available. This material will increase accessibility to a broader audience in addition to reducing the environment-impacting costs of printing and shipping.



Annotated bibliographies of the Environment, Economy and Trade work done to date in the areas of assessment, environmental goods and services, financing and the environment, coffee, palms, green procurement, and environmental goods and services have been developed. These bibliographies (with hot links to the documents on the web) facilitate outreach and responses to the Parties and the North American public that wants information on these subjects.

An advisory group has been created for the third North American Symposium on Assessing the Environmental Effects of Trade. The group has met and developed a call for proposals on investment and environment, and economic growth and environmental impacts. The group will meet on 26 October on the margins of the renewable energy and the Alternate Representatives meeting to decide which proposals will receive financial support from the CEC and be presented at the third symposium.

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

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

***Improving the understanding of regulatory and technical requirements, experiences and management techniques in selected sectors***

The CEC will sponsor a North American workshop, “Linking Science and Information to Decision Processes in Cities, Communities and Watersheds,” as part of Environment Canada’s North America Ecological Monitoring and Assessment Network National Science Meeting, 30 November–3 December 2004. The CEC is coordinating closely with Mexico’s National Water Commission and the World Water Council to ensure that the CEC’s work supports the goals of the World Water Forum, to be held 16–22 March 2006.

The CEC has also reached tentative agreement with Mexico’s Institute of Water Technology to support its efforts to document successful water quality practices in Mexico by focusing on successful practices in *San Juan Parangaricutiro Experiencia*, and as part of the work of *Alternativas en Tehuacan and Proyecto de Aguaxaca*, INSO.

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

The Secretariat has reached agreement with Monterrey Tech and the National Center for Manufacturing Sciences in the United States for the Monterrey Tech to provide content on Mexican hazardous waste requirements to the National Center for Manufacturing Sciences’ compliance assistance web site found at <[www.bordercenter.org](http://www.bordercenter.org)>. The site is geared toward assisting hazardous waste generators, transporters and brokers comply with hazardous waste laws when they ship wastes across the border.

The CEC also helped sponsor a conference with the Mexican, American and Canadian bar associations on the environmental laws in the three countries on issues related to hazardous waste and water. As a result of this effort, the Mexican and American bar associations are exploring a more permanent relationship on environmental efforts.

***Improving the coordination of environmentally sound management and tracking of transboundary hazardous waste in North America***

The Secretariat is making progress in the execution of Council's directive regarding management of hazardous waste. The CEC met at the annual meeting of the United Center for Trade Facilitation and Electronic Business. The Parties submitted the work of the CEC on hazardous waste tracking. The work was well received and the CEC and the UNCEFACT TBG-13 (dealing with environmental issues) agreed to closely coordinate their efforts in the future.

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

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

The North American Working Group on Environmental Enforcement and Compliance Cooperation (EWG) has finalized plans for the vessel pollution workshop to be held in Los Angeles on November 17-18. This work will be closely coordinated with the environmental and marine protection agencies in the three countries and designed to combat the illegal dumping of wastes and hazardous materials by large vessels. The Secretariat also finalized a publication on the illegal trade on illegal wildlife trade in North America.

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

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

***Implementing the Biodiversity Strategic Plan through collaboration and cooperation***

Based on the priorities of the Puebla Declaration, the Biodiversity Conservation Working Group (BCWG) started the development of the five-year action plan for implementing the Strategic Plan for North American Cooperation in the Conservation of Biodiversity. Accordingly, the BCWG met in Montreal on 9 September 2004, and identified eight objectives to implement the first five-year action plan for consideration in the current planning effort being undertaken by the Parties.

***Promoting cooperation for the conservation and maintenance of North American regions of ecological significance***

*North American Marine Protected Areas Network (NAMPAN):* Based on the Baja to Bering marine conservation region, the marine ecoregions classification system, and the Marine Protected Areas (MPA) management effectiveness project, stakeholders from the three countries agreed on a pilot network of North American marine protected areas (NAMPAN) in the Baja to Bering region and agreed upon near-term priorities, such as: 1) the development of a Baja to Bering Atlas (building upon previous work by NOAA), 2) development of a collaborative Baja to Bering monitoring program and implementation of management effectiveness indicators to three sites within the region, and 3) organization of a workshop on creative financing for MPAs in the Baja to Bering region.

*Grasslands Ecosystem Network (Grassnet):* In collaboration with The Nature Conservancy and supported by the trinational grassland network advisory group, the initial step has been laid towards building the grasslands conservation network, as programmed. This includes the joint identification of Grasslands Priority Conservation Areas at a North American scale. A workshop on this topic will be held in West Virginia, 8–10 November 2004. In collaboration with CEC's Environment, Economy and Trade program, the jointly-developed, grass-fed cattle/bison survey will soon be published on the CEC web site. This survey is part of the ongoing CEC effort to link trade and biodiversity conservation.

*Supporting decision makers:* The subset priority conservation areas within the Baja to Bering marine region and grasslands terrestrial region, together with the information resulting from the North American Conservation Action Plans, will provide decision makers a strategic biological and geographical rationale to identify the audience and activities they would like the CEC to target for furthering capacity building, information sharing and, where possible, trade and environment linkages.

***Promoting the conservation of North American migratory and transboundary species, and other species identified by the Parties***

*Marine and Terrestrial Species of Common Conservation Concern:* The Marine North American Conservation Action Plans for the leatherback sea turtle, the humpback whale, and the pink-footed shearwater have undergone broad peer review and are in the midst of being edited and translated. In late October, the CEC will be involved in a celebration of conservation involving school children from Canada, Mexico and the United States for the release of marine turtle hatchlings. Furthermore, a species book is in its final stages of updating, peer review, and editing, and the distribution maps for all the Species of Common Conservation Concern (SCCC) have been linked to the terrestrial and marine ecoregion maps. Three terrestrial species were identified jointly by the wildlife agencies of Canada, Mexico, and the United States: the black-tailed prairie dog, the ferruginous hawk and the burrowing owl. Each species is related to the central grasslands. In mid-July 2004, trinational experts gathered in Calgary to develop the initial draft North American Conservation Action Plans for these species. The resulting actions plans are currently undergoing peer and interagency review and are expected to be ready for publication by the end of this year.

*Assessment of the conservation status of birds:* In 2004, the four regional workshops for Mexico aimed at assessing on a country level the conservation status of all birds were successfully completed. At the end of 2004, the various partners and the CEC will integrate the resulting information with that of Canada and the United States to assess for the first time the status of birds at a North American scale. This comprehensive, comparative assessment is a necessary and promising step for using bird-related information as indicators, which, in turn, will contribute to our understanding of the state of the environment.

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

A searchable, interoperable database was created to support the CEC marine and grassland initiatives in the work with species and priority conservation areas. This

database provides cross-linked information on the following subjects: marine ecoregions, organizations, species information (including range maps), priority conservation areas, important bird areas, countries, states and major cities. The database is expandable and comprises information that will be linked to the North American biodiversity tool, the *Who's Who Directory*, to support NAMPAN implementation.

***Promoting collaborative responses to threats facing North American ecosystems, habitats and species***

*Aquatic invasive species:* The report, *Status, Environmental Threats, and Policy Considerations for Invasive Seaweeds for the Pacific Coast of North America*, has been completed and is currently undergoing peer review. This report surveys the state of knowledge on invasive seaweeds of the North American Pacific coast and analyzes potential threats to the environment posed by them. In addition, it examines policy shortcomings and suggests possible policy options for improving the ability of Canada, Mexico and the United States to address these threats. The Secretariat is putting together a trinational project team to test a risk analysis model on one aquatic invasive species of common concern and address a specific pathway of introduction where the problem has received inadequate attention.

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

***Promoting renewable energy and energy efficiency in North America***

*Displacement work:* Following our 2003 meeting on displacement, a technical group was created to further analyze displacement methodologies, their compatibility and possible uses. This issue of environmental benefits is raised at every meeting on renewable energy, and remains an important issue to foster the development of renewable energy. We have partnered with WRI and EPA to organize a follow-up meeting on developing a common way to evaluate those benefits. The meeting that had been planned for September has been postponed to 4 November 2004. Two papers were prepared for that meeting. The first updates the paper presented last year, documenting the various methodologies being used in the three NAFTA countries by various agencies and organizations to measure the environmental benefits of renewable energy. A second paper documents these methodologies at the global level.

*Renewable Energy Market:* Many meetings have taken place in the past year regarding renewable energy (Western Governors' Association Summit, North American Forum on Integration conferences, Pollution Probe Workshop Series, International Conference for Renewable Energies, Bonn). From these meetings and CEC work, it is clear that the industry is willing to produce renewable energy, consumers (industrial and residential) are interested in buying it, and there are financial institutions willing to invest in the sector. However, some key technical and financial barriers need to be addressed for the North American market to operate efficiently.

We will host a meeting on 28–29 October with the objective of bringing industry, government, international investors and NGOs together, to address the challenges the renewable energy market faces, and ways in which partnerships can be developed amongst the participants. One hundred persons have registered for this joint JPAC/Environment, Economy and Trade public meeting. The agenda has benefited from the input of the three parties' environmental and energy agencies. High-level

participation has been confirmed by Ministers Dion of Canada and Mulcair of Quebec, by Semarnat Undersecretary Juan Rafael Elvira Quesada, and by Conae President Carlos Dominguez from Mexico. This public meeting will inform the strategy being developed by the (Article) 10(6) working group on renewable energy.

Representatives of EPA and the World Resources Institute (WRI) will present a paper commissioned by EPA and completed by WRI documenting the demand-side constraints to further development of renewable energy in North America.

Representatives of Pollution Probe and Summerhill Group who hosted a series of workshops across Canada to discuss the requirements for development and promotion of green power on Canada will present the result of these workshops.

A representative of the Center for Resource Solutions will review the state of affairs on renewable energy certificates in North America.

*Production capacity:* Co-funded by Environment Canada, this project produced a database containing information on existing and planned renewable electricity capacity in North America through to the year 2010. The database and the report can be found on our web site at

<[http://www.cec.org/pubs\\_docs/documents/index.cfm?varlan=english&ID=1482](http://www.cec.org/pubs_docs/documents/index.cfm?varlan=english&ID=1482)>.

These data have been used to produce a "clickable" map of North America with all the capacity installed and projected, grouped by state/province and by energy source. The map will be on our web site soon.

In addition, we are currently completing work on assessing the wind energy of the northern part of Yucatán and eastern Quintana Roo). Results from this analysis will be presented at the 28–29 October meeting.

*Tracking renewable energy certificates:* The work on renewable energy certificates was initiated following a workshop in Mexico in 2003, *Overcoming Obstacles to Renewable Energy Sources in Mexico: Lessons from the NAFTA Partners*, which identified renewable energy certificates as one of the drivers for renewable energy development in Mexico (proceedings available at

<[http://www.cec.org/files/pdf/ECONOMY/proceedings-feb7\\_en.pdf](http://www.cec.org/files/pdf/ECONOMY/proceedings-feb7_en.pdf)>. One of the sessions of the 28–29 October meeting on renewable energy will focus on how to expand the market for renewable energy certificates in North America based on our work on these certificates, including

<[http://www.cec.org/pubs\\_docs/documents/index.cfm?varlan=english&ID=1488](http://www.cec.org/pubs_docs/documents/index.cfm?varlan=english&ID=1488)>.

*The Renewable Energy and International Law Project:* In partnership with Baker & McKenzie, Yale University, and the Renewable Energy and Energy Efficiency Partnership, we are participating in an initiative that aims at: (i) identifying, evaluating and suggesting remedial action where inappropriate barriers to renewable energy exist in international agreements; and (ii) facilitating and promoting policy and legal instruments that will enhance market penetration for renewable energy, resulting in the eventual consolidation of a significant market position. The CEC is contributing to the NAFTA-related chapter of the report.

*Study on biomass:* This study provides guidance as to which types of biomass resources

could be used for low-impact renewable power generation, ethanol or hydrogen production, space heating, use as raw materials for industrial products, or for other uses, such as soil improvement—taking into account energy payback, greenhouse gases and other emissions, as well as cost and energy security issues. It also helps to define the term “sustainable biomass” in the context of green power policies. This project was co-funded by the CEC, National Research Council Canada (NRC) and Natural Resources Canada. The Stage 1 and 2 reports are available at [http://www.cec.org/files/pdf/ECONOMY/Biomass-StageI\\_en.pdf](http://www.cec.org/files/pdf/ECONOMY/Biomass-StageI_en.pdf) and <http://www.cec.org/files/pdf/ECONOMY/Biomass-StageII-Final.pdf>.

### ***Encouraging disclosure of relevant environmental information***

The CEC, in collaboration with Environment Canada, has produced two papers on disclosure of environmental information. One reviews the literature to explore where the business value case has been established and where it was not. It hypothesizes why this may be the case. The second document reviews environmentally catastrophic events that have affected the mining sector in the United States and Canada over the last 10 years, and contrasts these events with the reported events in these companies’ financial statements. These reports aim to help build a foundation on which the CEC and Environment Canada can foster understanding of linkages between environmental and financial performance (the “business value case”) and engage the business and financial service sectors of society in wider use of those links.

The CEC and Environment Canada created a network of organizations, experts and practitioners from the finance, business, academic and nongovernmental sectors to participate in developing the project, reviewing its results and providing recommendations on how to communicate its findings. Instead of publishing these documents, we have initiated an executive summary series (including key findings) that can be widely distributed into the three languages of NAFTA. Interested readers can download the full-length document from the web in its original language. This reduces the environmental impacts of our publications as well as shipping costs. A bibliography of all the documents prepared by or for the CEC on financing and the environment has been compiled.

### ***Fostering green procurement in North America***

The third annual meeting of the North American Green Purchasing Initiative (NAGPI) was hosted in Montreal on 10 September. Proceedings have been translated and posted on the web. A plan of action, including outreach plans for the next 12 to 18 months, was developed to develop further information on the three products identified as a priority for green procurement based upon the philosophy expressed in the Council’s 2003 Communiqué. These products are: (1) paper products and copying machines, (2) renewable energy and (3) cleaning or custodial products.

ECOSAT, a green purchasing self-assessment tool, was piloted at the CEC and Semarnat. The tool was revised based on these trials and replaced on the web site. The NAGPI group has decided to promote its use. To that end, self-training modules are being developed and will be made available on the web site for anyone to use the tool and assess where their procurement policy lies within the best practices in North America, and where improvements could be made.

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

***Facilitating the development and implementation of North American strategies and actions to protect human health and the environment***

*Sound Management of Chemicals:* In fulfilling the mandate of Council Resolution 95-05, the SMOC initiative promotes the development, implementation, and effectiveness monitoring of eight North American Regional Action Plans (NARAPs) or alternative actions to address priority toxic substances.

In keeping with the CEC's Ten-year Review, and in attempting to maximize utilization of limited resources, a document describing possible "future directions" of the SMOC program was posted for public review. Comments have been incorporated and recommendations developed. The "Future Directions" report is currently being reviewed for proposed SMOC program responses to stakeholder comments. The SMOC Working Group will review the proposed responses and incorporate appropriate changes, pending anticipated advice from the Alternate Representatives in their deliberations on the CEC's path forward.

The SMOC program is a forum of significant interest to the public and other stakeholders in North America due to its emphasis on recognized toxic substances, combined with its open and transparent participatory dialogue. Enhanced participation of indigenous peoples and children's health experts has been successfully implemented within the context of development of new North American Regional Action Plans (lindane). Further discussions regarding enhanced participation will take place at the upcoming SMOC Working Group conference of 26 October 2004. Resulting enhanced participation is anticipated for the full three-day SMOC meeting in March 2005.

Further to extending the influence of the SMOC initiative to North Americans, the next SMOC working group meeting will take place in March 2005, in conjunction with the national meeting of the American Chemical Society (ACS), in San Diego. NARAP leaders will present papers describing specific SMOC initiatives to this gathering of North American experts in all disciplines of environmental chemistry. As an added capacity building initiative, SMOC members will be encouraged to attend ACS sessions of particular interest to their program areas.

The status of NARAPs completed, in progress, or under development is as follows:

The chlordane NARAP is completed with the successful elimination of further uses and deregistration of chlordane as a licensed pesticide. The Enforcement Working Group and SMOC will cooperate in validating reports of illegal importation. The Environmental Monitoring and Assessment Standing Committee will consider future environmental monitoring and NARAP compliance auditing requirements.

The actions set out in the PCB NARAP have been addressed. Close-out of the PCB Task Force, however, has encountered some minor setbacks and is currently scheduled for completion in fall 2004, pending a final review of the close out report by PCB Task Force members and the SMOC Working Group, which will meet in October 2004.

The mercury NARAP is currently being implemented through prioritization of the approximately 85 actions approved by Council in 2000. Installation of two mercury deposition sampling sites in Mexico now extends the Mercury Deposition Network to all

three countries. North American atmospheric mercury modeling initiatives are being significantly enhanced with the new data. Based on recent UNEP scientific work, it is now evident that mercury is a global problem. Linkages to the UNEP Global Mercury Initiative continue to be forged: the SMOC program manager was an invited participant at UNEP's fourth Subregional Awareness Raising Workshop in South America. At the workshop, Mexican representatives highlighted the SMOC initiative as a plausible path forward for South America. As a result, a number of South American countries have expressed keen interest in the SMOC program and the mercury NARAP. Reductions in mercury emissions in any part of the world, South or North America alike, are known to have a beneficial impact globally.

The environmental monitoring and assessment (EM&A) NARAP was developed to ensure that appropriate scientific monitoring and assessments are incorporated into the implementation of approved NARAPs. The EM&A Standing Committee performs an auditing and compliance verification role and provides advice to other NARAP initiatives concerning uniform, quality assured, quality controlled data collection and reporting. Currently, the Standing Committee is providing guidance and advice on a human blood biomonitoring study in Mexico, co-funded by the World Bank, which will form part of a North American baseline database of human blood contaminant levels. Under the guidance of the three national co-chairs of the steering committee, six subgroups are focusing attention on: a) air monitoring, b) water and terrestrial issues, c) human health, d) planning and assessment, e) sampling and laboratory practices enhancement, and f) data management.

The draft Phase I of the NARAP on dioxins, furans and hexachlorobenzene has been revised by the Task Force based on comments received from the six-week public comment period. Phase 1 is awaiting approval by Council or the Alternate Representatives following their deliberations on paths forward. Phase 1 emphasizes information gathering and capacity building prior to the development of Phase 2 that seeks to advance specific risk reduction initiatives. Phase 2 work will begin in 2004, in parallel with implementation of Phase 1, and conclude in 2007.

The lindane NARAP is currently under development. The Lindane Task Force has successfully completed three public consultation meetings—in Mexico, Alaska and Montreal. Preliminary discussions suggest that residues from the production of lindane, undertaken outside of North America, may be affecting the North American environment. The task force has also noted the need for improved recordkeeping of the transborder trade in pesticides between Canada, Mexico and the United States. Mexico provided significant impetus to the initiative by providing a schedule for the complete eradication of all uses of lindane within the next ten years. A draft NARAP is anticipated for national review by January and the final draft of the lindane NARAP is scheduled for completion in June 2005.

The Lead Decision Document has been completed and is awaiting consideration by the Council or Alternate Representatives of its recommendations. The Substance Selection Task Force has recommended that the trinational concerns for lead be addressed through incorporation of targeted actions into already existing CEC programs. Development of a full NARAP was not recommended, as many actions would fall under previously established abatement programs of the Parties in domestic legislation or other multilateral programs.



*The Regional Program of Action and Demonstration of Sustainable Alternatives for Malaria Control in Mexico and Central America Without the Use of DDT (PAEDDT):*

Activities under this project are being funded jointly by the Global Environment Facility (GEF), with the Pan American Health Organization (PAHO) as the executing agency, the United Nations Environment Programme as the implementation agency together with the CEC. The total amount for the PAEDDT is US\$13.9 million. The US\$7.5 million GEF contribution comes under PAHO administration. A technical guide for implementation in demonstration areas was reviewed by Mexico and Central American representatives at a meeting with the project's Technical Committee on 24–28 May 2004, in Oaxaca. The program's general coordinator visited Mexico on 13–17 September, touring the southwestern demonstration areas in Oaxaca and meeting with PAHO representatives and officers of the Mexican Ministry of Health.

Some preliminary data show the benefits of stopping the use of DDT to control malaria since 2000. DDT in the blood of children living in malarial zones in Oaxaca and Chiapas is now 55 percent lower than in 2000. Surveys have been done on the impact of DDT in wildlife and the environment. They show that the changes in accumulation and magnification in different coastal trophic levels (including crabs, fish and birds), and soil and sediment impacts are still poorly understood.

*Children's Health and Environment:* As called for in Council Resolution 02-06, a biennial review of the *Cooperative Agenda on Children's Health and the Environment in North America* was launched but was put on hold, as indicated under Goals. Please also refer to Goal 1 for information concerning the indicators project.

*Air Strategy:* The North American Air Working Group (NAAWG) is currently revising its draft strategic framework in response to public comments and commentary from JPAC.

***Fostering private sector actions to adopt sound approaches to environmental protection and conservation***

As of September 2004, the *Fondo para proyectos de prevención de la contaminación* (Fiprev) had granted 83 loans totaling approximately P\$24.86 million since the beginning of the pollution prevention initiative (the first loan was formalized in December 1998). It is estimated that these loans have prevented nearly 3,675 tonnes of chemicals per year from entering the environment, for a total of 11,000 tonnes since the first Fiprev-funded project was implemented. Approximately 173,750 cubic meters of water are being conserved annually, for a total of 523,000 cubic meters since the inception of the program. Savings for the participating companies will henceforth amount to around P\$19 million each year—a total of more than P\$45 million to date. Although CEC no longer contributes financially to Fiprev, the *Fundación Mexicana para la Innovación y Transferencia de Tecnología en la Pequeña y Mediana Empresa* (Funtec) has asked the CEC's Mexico Liaison Office to continue sitting on the fund's management and technical committees.

On September 27th, a meeting was held between members of the North American Pollution Prevention Partnership (NAP3), and representatives of the electronics industry in the region to discuss the Clean Electronics Partnership document that evolved from the Baltimore proposal which attempts to integrate industry and governments concerns. The

project has shifted from its original conception in which a “challenge” was made to large companies to reduce certain toxic substances from electronics components, to a “partnership” with several levels of participation that is mainly focused on small and medium-size suppliers. The new focus includes technical assistance to these suppliers through industry associations to facilitate compliance with RoHS (Restriction of the use of certain Hazardous Substances) standards in electrical and electronic equipment.

The objective of the meeting was to provide a consensus-building approach toward the voluntary adoption of the RoHS standards to further sustain the electronics industry and environment in North America, to review the proposal and criteria; and to identify incentives and benefits for participation in the partnership. Continued work on the scope, deliverables and budget of the project and a conference call /meeting with industry associations by the end of October are planned.

The document, *Moving Forward with Pollution Prevention in North America: A Progress Update*, prepared by the North American Pollution Prevention Partnership, has been published after a consultation process with the Parties. The document consists of an update of the report, *Status of Pollution Prevention in North America*, originally published by the CEC in 1996.

**Goal 4: To provide a forum for public dialogue and participation concerning environmental issues in North America and its activities**

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

Since June 2004, the Secretariat has received five new submissions, issued five determinations under Articles 14(1) and (2), recommended one factual record, initiated one new factual record upon instructions from Council and published one factual record. A more detailed status update is provided below.

Article 14 Submissions Status

The Secretariat released to the public in accordance with Council Resolution #04-07, the **Molymex II/SEM-00-005** factual record, which is the tenth factual record released by the CEC. Pursuant to Council Resolution 04-05, the Secretariat began development of a factual record for the **Montreal Technoparc/SEM-03-005** submission. In addition, the Secretariat is in the process of developing four other factual records, and awaiting Council’s vote on whether a factual record is warranted for the **ALCA-Iztapalapa II/SEM-03-004** submission.

The status of the thirteen submissions under review as of 15 October 2004, is as follows:

**Draft factual records in development :**

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

- 1) **Tarahumara/SEM-00-006** (concerning Mexico’s enforcement in relation to access to environmental justice by indigenous communities).
- 2) **Pulp and Paper/SEM-02-003** (concerning Canada’s enforcement of s. 36(3) of the Fisheries Act and provisions of the Pulp and Paper Effluent Regulations)

in regard to ten mills in Ontario, Quebec, New Brunswick, Nova Scotia and Newfoundland).

- 3) **Ontario Logging/SEM-02-001** (concerning Canada's enforcement of section 6(a) of the Migratory Bird Regulations against the logging industry in Ontario).
- 4) **Montreal Technoparc/SEM-03-005** (concerning Canada's enforcement of its federal Fisheries Act against the City of Montreal in regard to the discharge into the St. Lawrence River of toxic pollutants from the city's Technoparc site).

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

- 1) **ALCA-Iztapalapa II/SEM-03-004** (concerning Mexico's enforcement of its environmental laws with respect to a citizen complaint filed with the Office of the Federal Attorney for Environmental Protection—Profepa).

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

- 1) **Cytrar III/SEM-03-006** (concerning Mexico's enforcement of its environmental laws with respect to a hazardous waste landfill owned by Cytrar, S.A. de C.V. in Sonora, Mexico).
- 2) **Lake Chapala II/SEM-03-003** (concerning Mexico's enforcement of its environmental law with respect to the Lerma-Chapala-Santiago-Pacifico basin).
- 3) **Hazardous Waste in Arteaga/SEM-04-001** (concerning Mexico's enforcement of the LGEEPA and hazardous waste regulations in connection with three companies in Arteaga).

**Awaiting receipt of a response from the concerned Party under Article 14(3):**

- h) **Ontario Logging II/ SEM-04-006** (concerning Canada's enforcement of Section 6(a) of the Migratory Bird Regulations (MBR) adopted under the Migratory Birds Convention Act, 1994, in regard to logging in four forest management units (FMUs) in Ontario). On 14 October 2004, the Secretariat requested a response to the submission from Canada under Article 14(2).

**Awaiting receipt of a revised submission that meets the criteria of Article 14(1)**

- 1) **Oldman River III/ SEM-04-004** (concerning Canada's enforcement of Canadian Environmental Assessment Act and Fisheries Act). On 14 October 2004, the Secretariat notified the submitter(s) that the submission did not meet all of the Article 14(1) criteria and that the submitter(s) had 30 days to provide the Secretariat with a revised submission that conforms with Article 14(1).
- 2) **Gasoline Spill in Tehuantepec/SEM-04-003** (concerning Mexico's enforcement of its environmental laws by not duly processing or responding to a citizen complaint filed on 16 February 2004 dealing with the death of fish in the Laguna Superior of the Gulf of Tehuantepec in Oaxaca, Mexico, due to the alleged spillage of 68,000 liters of gasoline). On 7 October 2004, the Secretariat notified the submitter(s) that the submission did not meet all of the Article 14(1) criteria and that the submitter(s) had 30 days to provide the Secretariat with a revised submission that conforms with Article 14(1)

**Determination pending whether a submission meets or not the criteria of Article 14(1):**

- 1) **Environmental Pollution in Hermosillo/SEM-04-002** (concerning Mexico's enforcement of various provisions of Mexican environmental law regarding the prevention, monitoring, oversight and control of air pollution in Hermosillo, Sonora). On 28 September 2004, the Secretariat received a submission revised from the one that was dismissed on 30 August 2004; the original submission was filed on 15 July. The Secretariat had granted the Submitters a 30-day period to file a Submission meeting the criteria of Article 14(1).
- 2) **Coal-Fired Power Plants/ SEM-04-005** (concerning the United States' enforcement of the federal Clean Water Act against coal-fired power plants for mercury emissions that are allegedly degrading thousands of rivers, lakes and other waterbodies across the United States). The Secretariat is reviewing the submission, received on 20 September 2004, to determine whether it meets the criteria of Article 14(1) and, if so, whether it merits requesting a response from the concerned Party under Article 14(2).

### **3. Capacity Building Initiative**

The CEC allocated C\$98,800 in 2004 to enhance the capacity development potential of select elements of the CEC work program. The focus is on the more direct involvement of indigenous peoples in CEC's work and aims to promote a better collaboration in addressing environmental issues.

Three activities were identified in which the involvement of indigenous peoples could be enhanced with additional funds: implementation of the strategic plan on biodiversity conservation, PRTR, best practices for promoting and safeguarding water quality, and conservation of maize diversity.

As these initiatives represent a renewed emphasis on indigenous people's involvement in CEC's work, close consultations were held with JPAC and the Parties on how best to proceed. Consequently, implementation is just now beginning.

### **4. Strengthening CEC's Monitoring, Evaluation and Reporting**

A presentation was made to the Alternate Representatives by the Secretariat at their meeting on 23–24 September in Washington, DC. Work is proceeding on schedule to improve the CEC's system of planning, evaluation and reporting. The overall approach was described and the Alternate Representatives expressed concurrence. It is anticipated that planning templates will be filled at the next meeting of the Alternate Representatives for discussion and approval.

### **5. Administration and Financial Resources**

We have received the third contribution from Canada and the final contribution from the United States regarding budget for Year 2004. To date, Mexico has contributed US\$1,209,000.00

towards its 2004 contribution.

The 2003 financial statements have been finalized and will be sent to the Parties in October.

### **Human Resources**

The recruitment for the position of Information Manager is still in process and will be oriented to select the best candidate, taking into consideration the new priorities established by the Parties.

The recruitment for the position of PRTR program manager is completed; a shortlist has been established and the candidate will be selected shortly.

The recruitment process for the JPAC liaison officer has been initiated. Ms Carla Sbert will act as interim from 11 October until 23 December.

The recruitment process for the position of program manager for Environment, Economy and Trade is in process.

### **Internship Program**

In light of ongoing interest, the Secretariat re-established an internship program during the summer of 2004. The purpose of the program is to provide graduate-level students in relevant disciplines the opportunity to contribute to the work of the CEC. This year, three interns participated in the program: Deborah Scott, third-year student from Lewis & Clark Law School in Portland, assisted the SEM Unit; Nathaniel Blake, a master's in Law student at Oxford University (originally from Vancouver), assisted the Law and Policy program area; and Adrian Ruiz Carvajal, who had recently completed an MBA in International Management of Natural Resources and Environment at Freiberg University, Germany, was providing assistance to the Mexico Office. We hope to learn from this summer's experience and refine the program for next summer and beyond.

## **6. Strengthening Partnerships with States/Provinces and the Private Sector**

The executive director is working to strengthen relationships with states and provinces. He has had meetings with senior officials of Alberta Environment and the Secretariat has hosted an Alberta Environment staff member for two weeks to review CEC work and identify potential projects where Alberta could work with a Mexican State related to capacity building.

The Quebec minister of environment is also interested in strengthening cooperation with the CEC, particularly since he has offered to host the next Council meeting in Quebec City. Follow up is taking place with his staff to identify areas of mutual interest.

While the CEC has had a longstanding memorandum of understanding with the Canadian Council for International Business, Concamin and the US Council for International Business, it has been moribund for a number of years. The executive director is holding meetings with these organizations to assess their interest in revitalizing the memorandum of understanding and seek their support for closer work with their Mexican colleagues to support specific 'on-the-ground' private-sector-led projects that would support the priorities identified in the Puebla Declaration.

## 7. Communications

The information and analysis produced by the Secretariat equips citizens, industry and government with tools to tackle environmental challenges—whether managing hazardous chemicals, conserving biodiversity or supporting the cooperative development of environmental policy.

To that end, effective communication with target audiences is integral to achieving the CEC's mission.

The Secretariat's communication strategy employs multiple techniques to equip audiences with information products and to inform them of the Commission's work, in general.

*The preceding six months provide several examples.*

### Publications and Distribution

Since the beginning of May 2004, the Secretariat has published 105 documents on the CEC web site. Of those, eight were major publications or outreach pieces, including *Taking Stock 2001, Ten Years of North American Environmental Cooperation* (the TRAC report) and a related outreach brochure. Major publications accounted for 16,750 printed copies, the majority of which have been distributed through individual mailings, at conferences and workshops.

In every instance publications are also available for download from <[www.cec.org](http://www.cec.org)>. This helps contain costs and extend the reach of Secretariat publications.

In addition to growing web site utilization, a large number of persons subscribe to one or more of the CEC's general e-mail distribution lists.

Continuing efforts have been made to enhance the CEC's web presence and the utility of its web site. CEC events have been promoted on the web sites of other organizations, driving record numbers of Internet users directly to the relevant page(s) on the CEC web site. Users can also navigate the web site with greater ease now, with the addition of a powerful search engine capable of delivering fast results despite the large number of documents.

A redesign of the CEC's corporate web site began in earnest this summer. As the primary vehicle for disseminating information about the CEC, the web site is being redesigned with the public user in mind. A new interface will allow easier access to information about the CEC's work and a clearer understanding of the organization's role in protecting the North American environment.

### Media Relations

The CEC has earned media coverage in several influential media outlets in the last six months. The Chicago Tribune, for example, has published three stories on the CEC's work, including a feature on our efforts to support the sustainable harvest of *chamaedorea* palm in Mexico. The San Diego Union-Tribune reported on the Secretariat's analysis of truck transport-related air pollution in Ciudad Juárez, and the Toronto Star wrote about conserving biodiversity on a continental scale. The largest news announcement, however, was the annual *Taking Stock* report on industrial pollutants, which resulted in 188 media *hits*, including the Washington Post and news wire stories by Reuters and Associated Press. And the CEC Council session in Puebla, Mexico, outpaced previous years by garnering over 80 media stories over a two-day period in June.

The organization also remains an active supporter of environmental journalism by participating in the Canadian Science Writers Association annual meeting in June, the World Conference of Science Journalists and the Society for Environmental Journalists annual conference in October. These events offer the opportunity to meet with environmental journalists and develop relationships as Communications staff position the CEC as the source for environmental information on North America.

### **Public Outreach**

The CEC continues to meet directly with the public at trade shows, events and conferences. The CEC met with industry and environmental leaders at Globe 2004 in Vancouver, and publications were distributed to participants at the CEC Council meeting in Puebla, the Monitoring Science and Technology Symposium in Denver, and the Building a Renewable Energy Market in North America conference in Montreal. These efforts help identify the CEC and its work and several thousand copies of CEC publications were circulated at these events.

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

Throughout the past six months, the Communications Department has coordinated a series of announcements about the Secretariat's publications, programs and meetings, while continuing to disseminate general information about the Commission and JPAC activities. Selected items include:

#### Mexico to eliminate toxic chemical lindane

Montreal, 8/10/2004 – Representatives of the government of Mexico announced the country's intention to develop and implement a program leading to the phase out of all uses of lindane, a toxic chemical used mainly as a pesticide and treatment for head lice and scabies, at an international meeting of the Commission for Environmental Cooperation (CEC) in Montreal last week.

#### CEC Releases Molymex II factual record

Montreal, 8/10/2004 – The Commission for Environmental Cooperation (CEC) released today a factual record on allegations Mexico is failing to effectively enforce various provisions of environmental law relating to a molybdenum production plant in Cumpas, Sonora, operated by Molymex, S.A. de C.V. ("Molymex")

#### CEC receives submission on mercury emissions from US power plants

21 September 2004—On 20 September 2004, the Commission for Environmental Cooperation of North America (CEC) received a citizen submission asserting that the United States is failing to effectively enforce the federal Clean Water Act against coal-fired power plants for mercury emissions that are allegedly degrading thousands of rivers, lakes and other waterbodies across the United States.

#### Update #2: Maize and biodiversity report

Montreal, 17/09/2004—The Secretariat of the Commission for Environmental Cooperation (CEC) today updated the work plan for the completion of its independent report on *Maize and Biodiversity: The Effects of Transgenic Maize in Mexico*.

#### CEC Council orders factual record for Montreal Technoparc submission

Montreal, 26/08/2004—On 20 August 2004, the Council of the Commission for Environmental Cooperation of North America (CEC) instructed the CEC Secretariat to prepare a factual record

on allegations that Canada is failing to effectively enforce section 36(3) of the *Fisheries Act* in connection with the Montreal Technoparc site.

Trade and Environment in North America: Public call for papers on investment, growth and the environment

Montreal, 26/08/2004—The Commission for Environmental Cooperation (CEC) today issued a public call for papers examining trade and environment issues related to investment and growth in North America. The final papers are to be presented by the authors at the third North American Symposium on Assessing the Environmental Effects of Trade in the fall of 2005.

CEC Council sets vision to guide the North American environmental agenda

Puebla, Mexico, 23/06/2004—The Commission for Environmental Cooperation (CEC) today marked its tenth anniversary with the adoption of a *Puebla Declaration*, charting the next decade of environmental cooperation among Canada, Mexico and the United States.

Future directions of North American environmental issues will be in the foreground of public meetings on 21–23 June in Puebla, Mexico

Montreal, 16/06/2004—In the context of the ten-year anniversary of the North American Agreement on Environmental Cooperation (NAAEC)—a side accord to the North American Free Trade Agreement (NAFTA), the Joint Public Advisory Committee (JPAC) of the Commission for Environmental Cooperation (CEC) is organizing a public workshop on future directions of the NAAEC on 21 June 2004, in Puebla, Mexico.

CEC dismisses revised Ontario Power Generation submission

Montreal, 31/05/2004—On 28 May 2004, the Secretariat of the Commission for Environmental Cooperation dismissed the SEM-03-001/Ontario Power Generation (OPG) revised submission, filed with the Secretariat on 14 August 2003, by 49 Canadian and United States nongovernmental organizations under Article 14 of the North American Agreement for Environmental Cooperation (NAAEC). After reviewing the submission in light of Canada's response, the Secretariat concluded that the submission does not warrant the development of a factual record.

## 8. Council Session

At their meeting held on 21 June 2004, the Alternate Representatives agreed to hold a series of meetings in the course of the summer and fall in order to develop strategic plans for each of the three priorities established by Council in the Puebla Declaration (i.e., Trade and Environment, Capacity Building and Information for Decision-Making). The Alternate Representatives have since held a conference call on 19 July 2004 and met on 19–20 August in Montreal and on 23–24 September in Washington, DC, where they reviewed progress made by the Parties' experts in the development of the strategic plans. The next meeting of Alternate Representatives—to be held on 27–28 October in Montreal in parallel with the JPAC public meeting on CEC's strategic and operational plans—will include a joint meeting with JPAC. The Alternate Representatives will also be making a presentation at the JPAC public meeting on 27 October on setting new directions for the CEC. During that meeting, members of the public will be invited to provide their input. The Parties are striving to finalize the CEC's strategic and operational plans at their meeting scheduled for 30 November–1 December in Mexico.



Montreal, 27 October 2004

COUNCIL RESOLUTION 04-06

**Funding and Cooperation Agreements for the Development of a National Implementation Plan of the Stockholm Convention on Persistent Organic Pollutants (POPs) for Mexico.**

THE COUNCIL:

ACKNOWLEDGING that, on 10 February 2003, the Government of Mexico ratified the Stockholm Convention on Persistent Organic Pollutants (the Stockholm Convention) which entered into force on 17 May 2004;

NOTING that as a party to the Stockholm Convention, the Government of Mexico is required, under Article 7 of that Convention, to prepare and transmit to the Conference of the Parties of the Convention a National Implementation Plan (NIP);

FURTHER NOTING that under the “Donation Agreement for the Allocation of GEF Resources to Mexico for the Development of the National Implementation Plan on the Stockholm Convention on Persistent Organic Pollutants,” the International Bank for Reconstruction and Development (IBRD), through the Global Environment Facility (GEF), is making a donation to the Commission for Environmental Cooperation (CEC), for the benefit of the Mexican government, to develop a NIP on POPs addressing Mexico’s commitments under the Stockholm Convention;

ACKNOWLEDGING that the CEC Secretariat’s role as executing agency for the development of a National Implementation Plan for POPs on behalf of Mexico is consistent with the objectives of the North American Agreement on Environmental Cooperation (NAAEC) and will benefit all countries that are parties to the NAAEC; and

FURTHER ACKNOWLEDGING that, as requested by Mexico, activities conducted to provide Mexico with assistance in developing its NIP will be discussed, as those activities progress, with the Working Group on the Sound Management of Chemicals, for the purpose of providing technical comments for consideration by Mexico.

HEREBY UNANIMOUSLY DECIDES TO:

AUTHORIZE the Executive Director of the Secretariat of the Commission for Environmental Cooperation (CEC) to sign, on behalf of the CEC, the Funding and Cooperation Agreements for the Development of Mexico's National Implementation Plan (NIP) under the Stockholm Convention on Persistent Organic Pollutants (the Agreements) with the World Bank and Mexico's Secretariat of the Environment and Natural Resources (*Secretaria de Medio Ambiente y Recursos Naturales*), respectively;

AUTHORIZE the Executive Director of the Secretariat of the CEC to receive and manage the funds allocated under the funding Agreement for the development of the NIP for Mexico; and

DIRECT the CEC Secretariat to undertake the activities assigned to it in the Agreements once those Agreements are signed.

APPROVED BY THE COUNCIL:

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Judith E. Ayres  
Government of the United States of America

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José Manuel Bulás Montoro  
Government of the United Mexican States

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Norine Smith  
Government of Canada