

**SESSION 98-02 OF THE COUNCIL**  
**26 March 1998**

**SUMMARY RECORD**

The Council, represented by the Alternate Representatives, met in Toronto on 26 March 1998. Mr. José Luis Samaniego (Mexico) chaired the meeting and Mr. Avrim Lazar and Mr. William Nitze represented Canada and the United States, respectively. Ms. Janine Ferretti, Interim Executive Director of the CEC and Mr. Marc Paquin, Council Secretary participated on behalf of the Secretariat. Mr. Jacques Gérin, representing JPAC, as well as other government officials were also in attendance.

**Item 1            Opening of the Session and adoption of the agenda**

The Chair opened the Session. The agenda for the session was adopted (see Annex A).

**Item 2            1998 Program and Budget**

The Alternate Representatives approved many projects with appropriate changes.

The Alternate Representatives instructed the Secretariat to prepare another budget proposal for the Council's review, which reflects the decisions made by the Alternate Representatives on various projects presented by the Secretariat in the proposed 1998 Program and Budget.

**Item 3            Environment, Economy and Trade**

The Alternate Representatives agreed that CEC's initiatives on Environment, Economy and Trade should be grouped in three broad categories: 1) understanding interrelationships between environment, economy and trade; 2) cooperation to enhance environment and trade linkages and; 3) promoting healthy environment and trade relationships.

Furthermore, the Alternate Representatives agreed on some initial projects in this program area to be included in the 1998 Program and Budget.

**Item 4            Articles 14 and 15 of the NAAEC**

The Alternate Representatives instructed the Executive Director to create a discrete unit in the Secretariat, reporting directly to the Executive Director, for the management of the submission process for Articles 14 and 15.

The Alternate Representatives agreed that the Executive Director may seek the advice of the Directors as he or she sees appropriate. The Alternate Representatives further agreed that clear rules of confidentiality regarding the submission process should be prepared by the Executive Director.

**Item 5           Other Business****Item 5.1        Three-year plan**

The Alternate Representatives agreed to develop, with the assistance of the Secretariat, a three-year plan for the CEC to be considered by the Council at its regular session in June 1998 in Mérida, Yucatán, México. Canada agreed to prepare a proposal to facilitate the discussions.

The Alternate Representatives further agreed that the three-year plan should be grounded in the State of the Environment Report and in North American sustainable approaches, and that it should identify special niches that the CEC can fill.

**Item 5.2        Resolutions**

The Alternate Representatives adopted Council Resolutions 98-04, entitled “Resolution Re: Banking” (Annex B), 98-05, entitled “Budget Approval for On-going Activities” (Annex C) and 98-06, entitled “Appointment of Interim Executive Director (Annex D).

**Item 5.3        NAFEC**

The Parties agreed that the next grant cycle should start without any further delay. The Alternate Representatives agreed that considering the urgency to start the next cycle, it will not be formally based on a theme or themes but that the Parties are free to indicate to their grant committee members that focus should be on the Environment and Trade projects in 1998. They further agreed that a theme or themes could be identified for next cycles.

**Item 5.4        Management**

The Alternate Representatives instructed the Executive Director to take the necessary steps to ensure that budgets for future years be presented in a way that facilitates decision-making by the Council.

The Alternate Representatives further instructed the Executive Director to hire a consultant to look at Secretariat overhead expenses to try to find possible opportunities for more cost effectiveness.

**Item 6           Closure of the Session.**

The session was adjourned at 5:00 PM.

Prepared by Marc Paquin  
Council Secretary

**AGENDA**

**SESSION 98-02 OF ALTERNATE REPRESENTATIVES**

Held at the Sheraton Gateway Hotel, Toronto, Canada

Thursday, 26 March 1998 from 8:30 AM to 5:00 PM

CHAIR: J.L. Samaniego (Mexico)

- Item 1 Adoption of the agenda
- Item 2 1998 Annual Program and Budget
- Item 3 Environment, Economy and Trade
- Item 4 Articles 14 and 15 of the NAAEC
- Item 5 Other business
  - 5.1 Three-year plan
  - 5.2 Resolutions
  - 5.3 NAFEC
  - 5.4 Management
- Item 6 Closure of the Session