

**Working Draft for Public Input
The CEC SMOC Working Group
Strategy until 2020 under the Puebla
Priority Areas**

Draft: April 18, 2006

(This section draws on information from: Puebla declaration; the Future Directions document; and public discussion during the SMOC WG meeting in March 2005 concerning the needs of Parties)

Acronyms

CEC	Commission for Environmental Cooperation of North America
CEPA	Canadian Environmental Protection Act
HPV	high production volume
JPAC	Joint Public Advisory Committee
LRTAP	Convention on Long-range Transboundary Air Pollution
MDN	Mercury Deposition Network
MEA	Multilateral Environmental Agreement
NAAEC	North American Agreement on Environmental Cooperation
NAFTA	North American Free Trade Agreement
NARAPs	North American Regional Action Plans
NGO	Non-governmental organization
NHANES	National Health and Nutrition Examination Survey
OECD	Organization for Economic Co-operation and Development
PBDEs	polybrominated diphenyl ethers
PFA _s	perfluoro alkoxyalkanes
PRTR	pollutant release and transfer registry
SAICM	Strategic Approach to International Chemicals Management (under the UN)
SMOC	Sound Management of Chemicals
TRAC	Ten-year Review and Assessment Committee
UNEP (GC)	United Nations Environment Programme (Governing Council)
WSSD	World Summit on Sustainable Development

Table of Contents

Table of Contents	3
Introduction	4
Realizing Sound Management of Chemicals.....	4
Role of CEC Secretariat in SMOC work	7
Role of Stakeholders	7
SMOC’s Contribution to the Puebla Pillars.....	8
Pillar 1: Information for Decision Making	8
Pillar 2: Institutional Capacity-Building.....	9
Pillar 3: Trade and Environment.....	11
Strategies for Catalyzing Cooperation	12
Future Operations of SMOC	14
Annex 1. Through the Puebla Lens: NARAPs	16
Annex 2. CEC Council Decision 95-05	18

Introduction

The Sound Management of Chemicals (SMOC) Working Group (WG) is a trilateral initiative to reduce the risks to human health and the environment of chemicals of mutual concern in Canada, Mexico and the United States. Upon its establishment in 1995, the initial focus of the SMOC working group was for the three Parties, working with stakeholders, to develop action plans for substances of mutual concern that are persistent and toxic.

In 2003, as the Commission for Environmental Cooperation (CEC) approached its ten-year anniversary, Council mandated a review of programs and operations. As a result of the Ten-year Review and Assessment Committee (TRAC) report, Council issued the [Puebla Declaration](#) (June 2004), which includes a call for results-oriented strategic plans in three new priority areas—referred to as the “Puebla pillars”. This was a new vision for the work of the CEC, and thus was as well for the SMOC WG. The Puebla priority areas are *Information for Decision-Making*, *Capacity Building*, and *Trade and Environment*. Just as the TRAC review was being conducted, public input was received on a SMOC Future Directions paper. The SMOC working group considered the Future Directions paper, the input received from the public, and the new CEC priorities to develop the present document. The purpose of this document is to request public input on the future work of the SMOC WG.

SMOC contributes directly to the Information for Decision Making and Capacity Building Pillars, and would benefit from information exchange with projects under the Trade and Environment Pillar. Members of the SMOC WG would also like to identify and draw explicit linkages with other work within the CEC where there are opportunities for shared benefits. In addition to this alignment within the CEC, the SMOC WG aims to have its work align with the Strategic Approach to International Chemicals Management (SAICM) (Dubai Declaration), as well as discuss and facilitate regional action on our common global commitments, such as the Stockholm, Basel and Rotterdam Conventions.

The purpose of this document is to describe a proposed strategy for how the SMOC WG could reorient its approach to implementing the Puebla pillars, and to describe the specific activities that the SMOC WG proposes to pursue. This consolidated paper:

- proposes a framework for realizing sound management of chemicals;
- describes the role of the CEC secretariat and stakeholders in SMOC activities;
- identifies SMOC WG results and performance indicators and describes its work under the three Puebla priority areas, including opportunities for horizontal integration with other work within the CEC;
- outlines how planned strategies for catalyzing cooperation might assist SMOC goals; and
- proposes the future operation of the SMOC WG.

Realizing Sound Management of Chemicals

The SMOC WG intends to continue to operate according to the direction provided in 1995 in Council Decision 95-05 (see Annex 2 for full Council decision). While significant elements of

the specific commitments in Decision 95-05 have been fulfilled¹, the general mandate given to the SMOC WG continues to be relevant (i.e., improve capacity, coordinate activities within North America and with other international organizations, facilitate public participation and transparency in dealings with stakeholders, and exchange information, expertise and technology).

Given changes brought about through the Puebla Declaration, and through evolving approaches by the three Parties, the SMOC WG is proposing to use the SMOC initiative to support the Puebla Pillars and to align with the objectives of the Strategic Approach to International Chemicals Management (SAICM). SAICM and SMOC activities both share the goal agreed at the 2002 Johannesburg World Summit on Sustainable Development of ensuring that, by the year 2020, chemicals are produced and used in ways that minimize significant adverse impacts on the environment and human health using transparent science-based risk assessment procedures and science-based risk management procedures, taking into account the precautionary approach². SMOC considers the following as key elements of a strategy for sound management of chemicals in the North American Region:

- assess and compare the environmental and human health risks of existing and new substances in commerce throughout their life cycle;
- prioritize and identify chemicals of mutual concern
- manage the environmental and human health risks of substances of mutual concern to acceptable levels through a variety of measures including regulatory instruments, pollution prevention, partnerships and other volunteer initiatives such as corporate social responsibility;
- prevent, prepare for, respond to, and remediate environmental emergencies;
- promote the compliance with, and enforce environmental and human health regulations; and
- monitor the success of risk reduction actions and the presence of selected chemicals in humans and the environment.

Additionally, like SMOC, SAICM also embraces the important contributions to sound chemicals management by industry, non-governmental public health and environmental organizations, trade unions and other civil society organizations.

The SMOC WG recognizes that the CEC is an ideal forum through which the three Parties can collaborate on chemical issues of mutual concern, at the same time being cognizant that it is not

¹ This statement refers more specifically to the call for development of North American regional action plans (NARAPs) for the management and control of substances of mutual concern. NARAPs have been implemented and completed for DDT, Chlordane, and PCBs. NARAPs are underway and will be completed by 2010 for mercury, lindane, and dioxins/furans/HCBs. The SMOC WG is also doing work on lead.

² The World Summit on Sustainable Development goal is to “achieve, by 2020, that chemicals are used and produced in ways that lead to the minimization of significant adverse effects on human health and the environment, using transparent science-based risk assessment procedures and science-based risk management procedures, taking into account the precautionary approach, as set out in principle 15 of the Rio Declaration on Environment and Development, and support developing countries in strengthening their capacity for the sound management of chemicals and hazardous wastes by providing technical and financial assistance” (from paragraph 23 of the WSSD Plan of Implementation)

designed, nor does it have the resources to encompass work on all chemical issues in North America. The elements stated above make up a framework for a system for the sound management of chemicals. In some cases, such as environmental emergencies, there is already substantial work taking place outside of the SMOC WG³. The Parties will ensure close consultation and coordination in their implementation of bilateral agreements to prevent duplication with any CEC-SMOC initiative. The SMOC WG recognizes that chemical management is most often best done directly by the national government in partnership with its own stakeholders, or bilaterally with neighbouring countries. Therefore, the SMOC WG understands that it has to be strategic in the choice of issues on which the Parties work together through the CEC.

To date, SMOC's implementation of Decision 95-05 has been focused on a chemical-by-chemical approach using NARAPs. Now, the SMOC WG is proposing to use the SAICM as a model to align our future approach to the sound management of chemicals.

Therefore the SMOC WG will focus efforts on programs and projects to which they are best suited, with SAICM providing a framework to integrate the Puebla Pillars, in particular Institutional Capacity Building and Information for Decision-Making. In the context of the SMOC WG, Canada, Mexico and the US will, by 2020, achieve the following elements of the sound management of chemicals in North America:

Information for Decision Making Pillar	Institutional Capacity Building Pillar	Trade and Environment Pillar
Identify and prioritize chemicals, groups of chemicals, or sectors of mutual concern		
Unify assessment methods for the purpose of data comparability, in order to monitor the success of risk reduction actions and the state of chemicals in humans and in the environment continent-wide	Assess and manage the environmental and human health risks of existing and new chemicals of mutual concern in commerce throughout their life cycle	
	Assess and manage chemicals of mutual concern using a variety of instruments and voluntary initiatives, such as corporate social responsibility	
	Promote pollution prevention programs and policies in North America.	
	Identify and keep abreast of emerging issues of mutual	

³ For example: Canada-United States Joint Inland Pollution Contingency Plan; United States-Mexico Joint Contingency Plan; Border 2012: US-Mexico Environmental Program.

	concern	
Draw linkages with other work being done within the CEC and elsewhere, where there are opportunities for shared benefits		

Role of CEC Secretariat in SMOC work

The SMOC Working Group has reflected on the Puebla Declaration and the Council’s vision of making the CEC Secretariat an organization that:

- facilitates action by the Parties along with its collaborating stakeholders and others,
- is a forum through which Parties and their stakeholders can discuss and facilitate regional action in line with their common global commitments, and
- is recognized for delivering concrete results and for quality information and analysis.

Specifically, the Secretariat assists the SMOC Working Group to implement Council Resolution 95-05 on the Sound Management of Chemicals through the following actions:

- supports the SMOC work based on guidance provided by the Parties;
- acts as a facilitator for tri-national collaboration on chemical issues of mutual concern;
- acts as a forum through which we can discuss and facilitate regional action on our common global commitments in a way that is aligned with the Parties’ work with international agencies;
- works closely with the SMOC WG to plan and implement ‘government to government’ and public SMOC WG meetings and develop work plans and budgets for Alternate Representative and Council approval; and
- assists the Parties in their efforts to ensure transparency of action and to involve interested stakeholders in the process.

Role of Stakeholders

Stakeholders in the SMOC initiative include industry, environmental, health and labour NGOs, academia, indigenous and local communities and sub-national levels of government.

Historically, stakeholders have been key players in SMOC activities, including participation in Task Forces and at public sessions hosted by the SMOC WG. In future work, the SMOC WG proposes to recognize the working relationship with stakeholders that exists under SAICM, where stakeholders are active partners in realizing the sound management of chemicals, including accepting responsibility for action. Stakeholders are still encouraged to participate in the CEC through the Joint Public Advisory Committee (JPAC)⁴ and other advisory groups, such as the National and Governmental Advisory Committees, and Parties will retain their decision-making responsibilities.

⁴ The Joint Public Advisory Committee (JPAC) is the CEC body created to represent the public voice in government-to-government meetings, and lead public consultations on enforcement matters. The 15 members of the JPAC, appointed by the governments, all have strong environmental experience and come to the table with a range of backgrounds, including industry, NGO’s and academia.

SMOC's Contribution to the Puebla Pillars

The SMOC WG supports the CEC's Strategic Plan by providing informed and authoritative guidance to the CEC work on chemicals management. The following section describes the ways in which the SMOC WG proposes to contribute to the Puebla Pillars. In addition, the SMOC WG proposes to seek links to other CEC work related to chemical management across the Puebla pillars.

Pillar 1: Information for Decision Making

In the Puebla Declaration, the Ministers committed the CEC to become an organization recognized for its credible, balanced and timely information on the North American environment and ensuring the accessibility of this information. The SMOC WG plans to support this pillar by focusing on building on the existing knowledge base related to chemicals management and providing informed and authoritative guidance for work on chemicals management. It is proposing a strategy for catalyzing cooperation to develop a road map that outlines SMOC WG information priorities for the next ten years. The road map will support priority identification, establishment of baselines, coordinated actions and measurement of success.

The goal is to contribute to better decision-making by providing information on persistent, bioaccumulative and inherently toxic substances in the North American environment.

Results	Performance Indicators
<ul style="list-style-type: none">• Improved understanding of the levels and impacts of selected contaminants in North America• Improved bio- and environmental monitoring capacity in Mexico• Increased availability, reliability, comparability and, relevance of data and information on selected contaminants of mutual concern in the North American environment.	<p>Proposed indicators (linked to elements of SMOC – assessment, prioritization and monitoring)</p> <ul style="list-style-type: none">• Development of 'road map' for identification and priority setting of existing and emerging chemical issues of mutual concern• Periodic monitoring of the presence of selected chemicals in humans and the environment to support decision making and policy development by Parties• Assessment of information needs and priorities for Mexico

Development of 'road map' for identification and priority setting of existing and emerging chemical issues of mutual concern

The road map will, consistent with the ideas set forth by the Puebla Declaration, strengthen the CEC's information for decision-making regarding chemicals and contaminants on air, land and water and bioaccumulation in humans and ecosystems in North America. The road map will identify work to be done by the SMOC Working Group and the CEC, as well as relevant existing initiatives (e.g., High Production Volume (HPV) Global Portal⁵ being developed by the United States, the European Commission, Canada and Japan under OECD auspices), and work to be realized with other sources of funding.

This keystone activity would include both human biomonitoring and environmental

⁵ This OECD initiative is aimed at developing a globally accessible data repository for HPV chemicals.

(bio)monitoring⁶. The program would recognize and incorporate ongoing (bio)monitoring efforts in the countries and use these as starting points for developing a core (bio)monitoring program that would be consistently implemented (sampling and analysis procedures) to provide a common “knowledge base related to contaminants” in the North American region,

Periodic monitoring of the presence of selected chemicals in humans and the environment to support decision making and policy development by Parties

SMOC will continue the work of the Environmental Monitoring and Assessment (EM&A) NARAP, and will use its outputs in the decision-making process.

Assessment of information needs and priorities for Mexico

The implementation of an integrated monitoring program in the three countries depends on identifying priorities in Mexico and suggesting mechanisms for funding implementation of a national monitoring program for Mexico (PRONAME). SMOC will support the development of a proposal for meeting Mexican monitoring needs to present to an outside funding source.

Linkages with other CEC work under this pillar

SMOC aims to link its efforts to the information systems strategy, the North American environmental atlas⁷, and pollutant release and transfer registries.

Pillar 2: Institutional Capacity-Building

The Puebla Declaration recognized the realities surrounding the differing capacities of the Parties and the continuing, pressing need to focus on institutional capacity building. SMOC will support the CEC’s Strategic Plan by focusing its capacity building efforts on Mexico.

In the Puebla Declaration, the CEC Ministers noted the importance of identifying and keeping abreast of emerging issues, particularly those which have special relevance to North America. The SMOC WG could identify and address emerging issues related to chemicals, including issues related to specific chemicals, categories of chemicals (e.g. PBDEs, PFAs), waste-streams (e.g. waste-to-energy, chemicals in products), or industry sectors and technologies (e.g. nanotechnology).

⁶ Biomonitoring is measurement of chemicals or their metabolites in human specimens, such as blood and urine.

⁷ The Atlas framework is a key component of the CEC information management strategy to develop an integrated and cohesive approach to the management and communication of information resources critical to achieving the priority of “Information for Decision-Making” in the area of chemicals of common concern. The Atlas will enhance Parties’ ability to look at issues from a North American perspective, address issues at a continental scale, and connect the policy legislative framework to the environmental reality.

The goal of this work is to strengthen the capacities of the three countries, in particular Mexico, to reduce and manage the risks of chemicals of mutual concern in the North American environment. This work, in conjunction with efforts to strengthen domestic capacity, is intended to provide a regional framework for cooperation among Canada, the US and Mexico that aligns with SAICM.

Results	Performance Indicators
Strengthen the Parties' abilities to manage chemicals, waste streams, industry sectors, or classes of chemicals, of mutual concern	<p>NARAPs: Regional action plans in place and being implemented to reduce exposures to toxic chemicals (currently includes NARAPs on mercury, lindane, and dioxins/furans/HCBs. NARAPs underway will be completed by 2010. NARAPs have been completed for DDT, Chlordane, and PCBs.).</p> <ul style="list-style-type: none"> • Measurable reduction in releases of these chemicals. • Assessment of NARAP Implementation
<p>Improved trilateral and domestic capacity to</p> <ul style="list-style-type: none"> • prioritize, assess, manage and communicate chemical risks • identify and keep abreast of emerging chemical issues of mutual concern 	<p>Proposed indicators</p> <ul style="list-style-type: none"> • Capacity to prioritize and assess chemicals, groups of chemicals or sectors of mutual concern • Capacity to manage, through regulatory or voluntary measures, chemicals, groups of chemicals or sectors of mutual concern • Capacity to communicate risks pertaining to chemicals, groups of chemicals or sectors of mutual concern • Periodic monitoring of the success of trilateral risk reduction actions

NARAPs

The SMOC WG will aim to measure use and release reductions of selected chemicals, and periodically report on current NARAPs activities, as per requirements described in respective NARAPs. The SMOC WG will continue NARAP activities until 2010. In addition to this, for NARAPs and for emerging issues, SMOC will look to the involvement of other fora, where available, to provide the venue and funding needed to address issues of concern. This could include the Stockholm Convention for PCBs, chlordane, dioxins, furans, and HCB; LRTAP for lindane; and UNEP for mercury.

Capacity to prioritize and assess chemicals, groups of chemicals or sectors of mutual concern

In order to better prioritize and assess chemicals or sectors of mutual concern, SMOC proposes to do the following:

- Based on existing practices, develop training programs and tools for chemicals risk assessment. The possibility of this resource being in an electronic format will be explored;
- Based on existing practices and information (eg. HPV data, CEPA categorization, Pollutant Release and Transfer Registry (PRTR) data, etc), support domestic capacity to develop prioritization schemes with a view to prioritizing chemicals of mutual concern in North America.

Capacity to manage, through regulatory or voluntary measures, chemicals, groups of chemicals or sectors of mutual concern⁸

In order to better manage chemicals or sectors of mutual concern, SMOC proposes to do the following:

- Support the development of systems for the coordinated management of chemicals by federal and state/provincial/territorial and aboriginal governments by sharing of information, experiences and best practices
- Seek trilateral opportunities to collaborate with stakeholders, particularly in the private sector, in order to improve chemicals management in North America
- Share information about existing domestic chemicals management programs and regulatory initiatives (eg. Environmental Performance Agreements in Canada)
- Develop a Strategy for Catalyzing Cooperation to create an inventory of industrial chemicals in use (produced or imported) in North America
- Explore possibilities for further development and implementation of pollution prevention programs and policies in North America, for example greening the supply chain, promoting sustainable “green” chemistry design and engineering processes, life cycle management polices and practices, and the adoption of the highest possible environmental standards of operation, while seeking harmonization and cooperation across the continent.

Capacity to communicate risk pertaining to chemicals, groups of chemicals or sectors of mutual concern

The SMOC WG recognizes the importance of effective risk communication for all stakeholders. Strategies for Catalyzing Cooperation (see p. 12) will incorporate risk communication components on an issue by issue basis.

Periodic monitoring of the success of trilateral risk reduction actions

The SMOC WG will provide periodic reports to Council on the progress of projects under way to reduce risks.

Linkages with other CEC work under this pillar

SMOC aims to link its efforts to the Clean Electronics Pollution Prevention Partnership and the Greening Supply Chains in the *Estado de México* activities.

Pillar 3: Trade and Environment

The Puebla Declaration made a commitment to build on the CEC’s recognized expertise on trade and environmental linkages, and to address specific priority trade and environmental issues more effectively. The SMOC WG aims to promote the sound management of chemicals while

⁸ Groupings can be made based on similarities with respect to persistence, bioaccumulative tendencies, propensity for long-range transport, toxicity, naturally occurring versus synthetic organic and inorganic substances or other key properties of chemicals. Approaches include “categorization” efforts in Canada (<http://www.ec.gc.ca/substances/ese/eng/esehome.cfm>) and “High Production Volume Categories” in the U.S. (<http://www.epa.gov/oppt/chemrtk/categuid.htm>).

facilitating the movement of chemicals and their products across borders without compromising human health or the environment. Under this pillar the SMOC WG could identify opportunities for shared benefits and draw explicit linkages with the following initiatives:

- Promotion of green products and services, including renewable energy,
- Promotion and facilitation of compliance assistance and enforcement, including addressing illegal traffic of chemicals.
- Promotion of market-based approaches to support environmental protection.

Strategies for Catalyzing Cooperation

As domestic and continental priorities evolve, NARAPs under way are scheduled to be completed by 2010. Future SMOC work on chemicals of mutual concern will take the form of Strategies for Catalyzing Cooperation (SCCs). Developing Strategies for Catalyzing Cooperation among the three Parties would mean laying out the actions required to address issues of continental concern. These actions may include, but are not limited to the CEC framework. SCCs are meant to encourage the use of a diversity of activities domestically, bilaterally, continent-wide and internationally, to soundly manage chemicals. They would establish a long-term vision for the Parties' efforts on a specific issue, as well as identifying a shorter-term action plan. The various components of Strategies for Catalyzing Cooperation are explained below:

Issue Identification and Priority Setting

Future selection of chemicals of mutual concern for SCCs will be done through trilateral discussions, including input from monitoring and assessment activities and stakeholder consultations, as applicable.

Developing and Overseeing Regional Approaches

Actions supporting sound chemicals management may include work to be carried out in the CEC context, and/or through bilateral, trilateral, or multilateral initiatives of the three countries outside of the CEC (including through UNEP and OECD), and by domestic actions. The relationships between the various elements of SCCs, including the important role that domestic work represents for each of the three countries, are depicted graphically in Figure 1. The division in the centre of the diagram where all three circles overlap is meant to represent the recognition that while the CEC is an ideal forum through which the three Parties can collaborate on chemical issues of mutual concern, it is not designed, nor does it have the resources to encompass work on all chemical issues in North America. Some work on chemicals of mutual concern is best performed through tri-lateral cooperation outside of CEC.

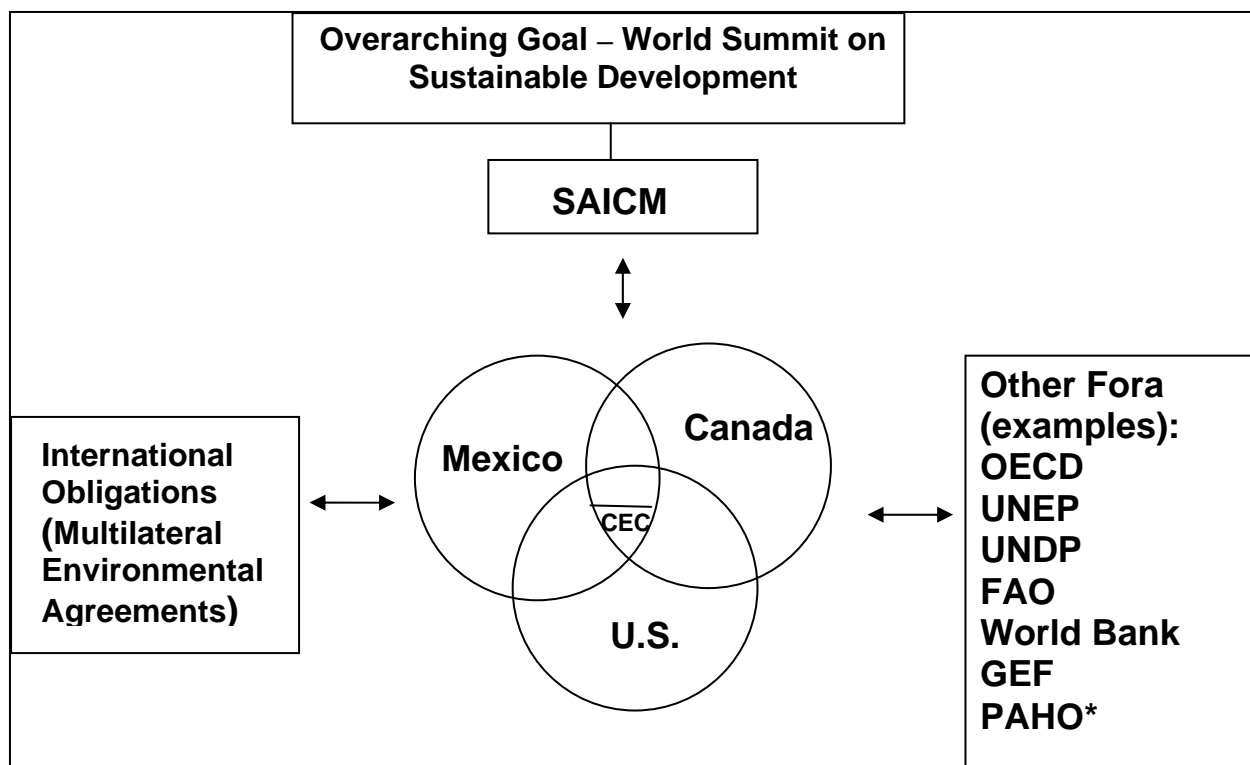


Figure 1 – Graphic depicting components of and relationships within the proposed Strategies for Catalyzing Cooperation (*Acronyms: Organization for Economic Cooperation and Development, United Nations Environment Programme, United Nations Development Programme, Food and Agriculture Organization of the United Nations, Global Environment Facility, Pan-American Health Organization)

Ad hoc technical groups may be formed to advise the Parties in their consultations regarding appropriate trilateral activities to address chemicals of mutual concern.

A key component of SCCs is the implementation of leveraging strategies to secure outside partners and resources. The SMOC Working Group will encourage Mexico (with CEC Secretariat assistance where appropriate) to maintain its efforts on behalf of the SMOC initiatives through meetings with appropriate agencies (GEF, WB, PAHO, UNEP⁹ and others) who might be in a position to support aspects of the programme's work. The SMOC WG notes that the World Bank is currently supporting Mexico's National Implementation Plan under the Stockholm Convention, as well as a pilot blood biomonitoring exercise with Mexican participation. Among strategic considerations discussed by SMOC in the past (and considered still relevant) are those related to the possible sources of POPs from Central America and transported into North America. In such cases, Mexico may consider that it is in a good position to support or assist various actions in its neighbours to the south, with the expectation of benefit

⁹ GEF: The Global Environment Facility, WB: World Bank, PAHO: Pan-American Health Organization, UNEP: United Nations Environment Programme

to its northern neighbours and the Arctic region.

Measuring Progress

Each SCC will have built-in mechanisms for reporting, transparency and accountability, including performance measures. As appropriate, the chemicals or groups of chemicals of mutual concern will be monitored under the Environmental Monitoring and Assessment NARAP as well as the biomonitoring road map. Information acquired through these mechanisms will be used to measure success of the Strategies, as well as to determine when the project should be concluded or its focus realigned.

Communicating outcomes

Further, the SMOC WG recognizes the importance of effective risk communication for all stakeholders. Each SCC, therefore, will incorporate a risk communication approach, including continued sharing between the Parties of best practices on risk communication.

Future Operations of SMOC

The overall purpose of the SMOC Working Group is to provide a framework for “regional cooperation for the sound management, throughout their life cycles, of the full range of chemicals of mutual concern including by pollution prevention, source reduction and pollution control.” We are committed to implementing the vision of the Puebla Declaration through the new Strategies for Catalyzing Cooperation, and to taking action that is coordinated by the Parties with a transparent and effective stakeholder consultation process.

To foster the relationships that are required to achieve success in the goals described in this paper, the SMOC WG is proposing to schedule two annual face-to-face meetings of the Parties, including an annual one-day public meeting, as well as regular conference calls. In addition to these meetings, to continue to be arranged through the CEC secretariat, the WG supports ongoing maintenance of bi- and tri-lateral relationships among the Parties through ad hoc conference calls and meetings. As such, SMOC will continue to be a venue for sharing information on our domestic priorities for chemicals management.

To further facilitate the organization and communication of the SMOC WG activities, the WG will continue to work with the Secretariat to revise the 3-year project descriptions for SMOC, to be incorporated in the CEC Operational Plan.

This regular, open communication is essential for selecting issues of mutual concern to be targeted by SMOC. Given the successes of NARAPs on selected chemicals management issues and the shift from a chemical-by-chemical to groups-of-chemicals or sector approach, NARAPs will be phased out. Therefore, the work previously done by the Substance Selection Task Force will not be required, and it will be proposed to Council that the work of this Task Force be concluded.

Through Strategies for Catalyzing Cooperation, the SMOC WG proposes to continue to work toward the reduction by 2020 of the risks posed by chemicals, industrial sectors (e.g. mining,

forestry, etc.), or groups of chemicals of mutual concern to human health and the environment in North America. Proposed elements of the future operations of SMOC are listed below. CEC Parties may individualize their approaches to each of the SCC elements below, and collaborate where appropriate:

- a) identifying priority chemicals management issues of mutual concern, including rationale for their inclusion
- b) developing regional approaches to address these priority issues, including drawing linkages with other related programs and projects
- c) overseeing the implementation of approved regional and/or domestic approaches
- d) evaluating success of its work programs
- e) communicating outcomes of work programs and evaluations

Finally, as the SMOC WG will seek to create links and improve coordination with other CEC projects, including the NAFTA Technical Working Group on Pesticides (TWG). The SMOC is proposing to conduct periodic joint meetings with other CEC related groups such as the Joint Public Advisory Committee of the CEC, the Pollutant Release and Transfer Registry consultative group, etc., as well as the North American Free Trade Agreement Working Group.

Annex 1. Through the Puebla Lens: NARAPs

NARAPs Under Development and Other Work on Chemicals of Mutual Concern

The sharing and transfer of information and best practices under NARAPs and Strategies for Catalyzing Cooperation are seen as an important means for enhancing national capacity for the sound management of chemicals. The Strategies for Catalyzing Cooperation will be applied to the following chemicals under consideration for action by the Parties:

Dioxins and Furans

Several of the activities listed in the Phase I NARAP are within the scope of the monitoring and assessment NARAP and will be implemented under the Information for Decision Making priority area. The SMOC Working Group will strive to complete the capacity building activities of the Phase I NARAP by 2010. The WG will strive for any pending activity or activity that was planned for the Phase II NARAP to be performed under the individual Stockholm Convention National Implementation Plans of the countries. If in the future there are dioxin exposure issues, those can be re-examined based on the work on the Strategies for Catalyzing Cooperation approach that will be used for all emerging issues.

Lindane

The Task Force has drafted a lindane NARAP that is currently under country review. The proposal would continue to rely upon the NARAP for implementation of trilateral actions regarding this chemical. Implementation entails use of CEC resources while identifying priority areas that need to continue under SMOC or through bilateral or trilateral work, and identify other fora, such as the LRTAP, to provide the venue for longer-term implementation and accountability.

Lead

The Lead initiative was not nominated for NARAP designation. As a result of the May 2004 decision document on lead by the Substance Selection Task Force, the SMOC Working Group has recommended development of a strategy for catalyzing cooperation for lead, in which those activities that support the Puebla priority areas will be identified and proposed for future work under SMOC.

NARAPs Under Implementation

Mercury

Over the short term, the SMOC Working Group will consider and identify its key priorities for mercury and work that should continue with CEC resources. This will be complemented by efforts to obtain progress through other fora, in particular the UNEP Global Mercury Program and the partnerships that are being developed, as well as other bilateral and trilateral work, and LRTAP.

NARAPs being transitioned into EM&A phase

Chlordane

Development and implementation of this NARAP has been completed. The only remaining issues are related to monitoring and assessment, which will be addressed by the monitoring and assessment NARAP under the information for decision making priority area, as well as, separately, efforts under the Stockholm Convention.

DDT

Development and implementation of this NARAP has been completed. The Task Force will finalize a report, which will be presented to Council. Any remaining issues related to monitoring and assessment will be addressed by the monitoring and assessment NARAP under the information for decision making priority area, as well as, separately, efforts under the Stockholm Convention.

PCBs

Development of this NARAP has been completed. The remaining issues related to monitoring and assessment will be addressed by the monitoring and assessment NARAP under the information for decision making priority area. Implementation of work related to management of phase out and disposal will be done domestically and under the Stockholm Convention.

Annex 2. CEC Council Decision 95-05

Sound Management of Chemicals

THE COUNCIL:

RECOGNIZING that the territories of the Parties comprise shared regional ecosystems in which the land, air, water, flora and fauna are linked and interdependent;

RECOGNIZING that transport of toxic substances across national boundaries is a major and shared concern;

NOTING WITH CONCERN that certain persistent toxic substances bioaccumulate in living organisms and have been associated with immune system dysfunction, reproductive deficits, developmental abnormalities, neurobehavioral impairment and cancer, as well as acutely toxic and other harmful effects on human, plant, and animal health and the environment;

NOTING FURTHER that some of these harmful effects are irreversible and that remedial measures to improve degraded environments and treat pollution-associated diseases even when feasible can often place considerable strain on local, regional and national economies;

RECOGNIZING the need to assess and develop strategies for addressing new and existing chemicals in North America, throughout their life cycles, to reduce and prevent adverse effects to human health and the environment;

RECOGNIZING the important contributions that producers and/or users can make to the sound management of chemicals;

REAFFIRMING the Parties' commitment to the sound management of chemicals, as stated in *Agenda 21* and adopted at the *1992 United Nations Conference on Environment and Development*;

REAFFIRMING the Principles of the *1992 Rio Declaration*, noting in particular those Principles that have special importance for the promotion of chemical safety, including:

Principle 14, *States should effectively cooperate to discourage or prevent the relocation and transfer to other States of any activities and substances that cause severe degradation or are found to be harmful to human health*; and

Principle 15, *In order to protect the environment, the precautionary approach shall be widely applied by States according to their capabilities. Where there are threats of serious or irreversible damage, lack of full scientific evidence shall not be used as a reason for postponing cost-effective measures to prevent environmental degradation*;

RECOGNIZING that the Intergovernmental Forum on Chemical Safety has recommended that regional cooperation and information exchange networks should be established in all regions as soon as possible;

FURTHER RECOGNIZING that this resolution should build upon existing bilateral and multilateral commitments related to the sound management of chemicals, to which at least two of the *North American Agreement on Environmental Cooperation* (NAAEC) countries are Party, including, for example, the commitments made in Article II (a) of the *Great Lakes Water Quality Agreement of 1978* (Canada-United States of America) that, "*The discharge of toxic substances in toxic amounts be prohibited and the discharge of any or all persistent toxic substances be virtually eliminated*";

ACKNOWLEDGING the responsibility of the Council, under Article 10(5)(b) of the NAAEC to promote and, as appropriate, develop recommendations regarding appropriate limits for specific

pollutants, taking into account differences in ecosystems and other responsibilities for the sound management of chemicals included under other relevant provisions of the NAAEC;

FURTHER ACKNOWLEDGING Article 10(3) of the NAAEC, which calls upon the Council to strengthen cooperation on the development and continuing improvement of environmental laws and regulations, including by: *“(a) promoting the exchange of information on criteria and methodologies used in establishing domestic environmental standards; and (b) without reducing levels of environmental protection, establishing a process for developing recommendations on greater compatibility of environmental technical regulations, standards and conformity assessment procedures in a manner consistent with the NAFTA”*;

COGNIZANT of the need to consider the unique circumstances of NAFTA Partner economies and ecosystems and to develop regional approaches for the sound management of chemicals, particularly to reduce the risks posed by persistent, toxic substances of mutual concern;

CONCLUDING that prevention of pollution and reduction of risk through cooperative actions for the sound management of chemicals, particularly of persistent, toxic substances, is both desirable and imperative in order to protect and improve the environment of North America;

COMMITTS to regional cooperation for the sound management, throughout their life cycles, of the full range of chemical substances of mutual concern including by pollution prevention, source reduction and pollution control;

DECIDES to give priority to the management and control of substances of mutual concern that are persistent and toxic beginning with the development of a regional action plan for the management and control of polychlorinated biphenyls (PCBs). Regional action plans will also be developed for a short list of three additional substances selected from among a group of substances, including the 12 persistent bioaccumulative organic chemicals identified in the recent United Nations Environment Programme Governing Council Decision 18/32 of May 1995 (see Annex I to this resolution) and certain heavy metals;

FURTHER DECIDES that regional action plans for such substances of mutual concern be developed as specified below, taking into consideration different national approaches and timetables for the sound management of chemicals in a manner that respects the different economic, political and regulatory circumstances of the Parties.

HEREBY ESTABLISHES a Working Group comprised of two senior officials selected by each Party whose duties pertain to the regulation or management of toxic substances, and who shall work with the Commission for Environmental Cooperation (CEC) to implement the decisions and commitments set out in this Resolution, including development of:

1. a regional action plan for the management and control of PCBs;
2. criteria for identifying additional persistent and toxic substances for regional action by 15 November 1995;
3. a regional seminar to be held in December 1995 in Mexico for discussion of ongoing actions and experiences on the matter;
4. a short list of three priority persistent and toxic substances in addition to PCBs to be developed by 15 January 1996 for which regional action plans will be prepared;
5. regional action plans covering each of the persistent and toxic substances on this short list to be submitted to the Council for approval by 15 December 1996; and
6. refined criteria for identifying persistent and toxic substances for regional action, an updated short list, and recommendations on other persistent and toxic substances to be the subject of action plans on an annual basis, beginning in 1996.

DIRECTS the Working Group, in addressing the above-mentioned decisions and commitments,

to:

- a) develop recommendations for improving the capacity for monitoring, research and information sharing with respect to the sound management of chemicals;
- b) identify and recommend measures for improving capacity and capabilities for the sound management of chemicals, including measures relating to technical cooperation, information sharing and joint approaches;
- c) consider ways and, if practicable, develop recommendations for promoting the exchange of information on criteria and methodologies used in establishing domestic standards for the sound management of chemicals;
- d) incorporate, as appropriate, pollution prevention principles and precautionary approaches in making recommendations to reduce risk associated with toxic substances;
- e) recommend, as set out in Chapter 19 of *Agenda 21*:

1) concerted activities to reduce risks presented by toxic chemicals, taking into account the entire life cycle of the chemicals. These activities could encompass both regulatory and non-regulatory measures, such as promotion of the use of cleaner products and technologies; emission inventories; product labeling; use limitations; economic incentives; and phasing out or banning of toxic chemicals that pose an unreasonable and otherwise unmanageable risk to the environment or human health and those that are toxic, persistent and bio-accumulative and whose use cannot be adequately controlled; and

2) policies and regulatory and non-regulatory measures to identify, and minimize exposure to, toxic chemicals by replacing them with less toxic substitutes and ultimately phasing out the chemicals that pose unreasonable and otherwise unmanageable risks to human health and the environment and those that are toxic, persistent and bio-accumulative and whose use cannot be adequately controlled;

f) coordinate activities with, avoid duplicating the efforts of, and where possible utilize the expertise of existing workgroups and other organizations whose efforts are pertinent, e. g., the *Technical Working Group on Pesticides* established under the *U.S.-Canada Free Trade Agreement*, the *Ad Hoc Working Group on Persistent Organic Pollutants (POPs)* of the *Inter Organizational Program for the Sound Management of Chemicals (IOMC)*, the *Intergovernmental Forum on Chemical Safety*, the *United Nations Economic Commission for Europe/Long Range Transport of Air Pollutants (UNECE/LRTAP) Ad Hoc Workgroups on POPs and Heavy Metals* and the *Organization for Economic Cooperation and Development (OECD) Chemicals Programme*;

g) build upon existing bilateral and multilateral commitments related to the sound management of chemicals;

h) encourage and provide for meaningful participation of the public, including non-governmental organizations; business and industry; provincial, state, and municipal governments; academia; and technical and policy experts in developing its recommendations;

i) recommend measures for assessing progress with respect to action programs undertaken through this resolution;

j) encourage complementary national approaches and timetables for the sound management of chemicals in a manner that respects the different economic, political and regulatory circumstances of the Parties.

APPROVED BY THE COUNCIL:

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