



Commission for Environmental Cooperation
Comisión para la Cooperación Ambiental
Commission de coopération environnementale

2018 Annual Report at a Glance

PURPOSE OF THE ANNUAL REPORT

The Commission for Environmental Cooperation (CEC) was created in 1994 under the North American Agreement on Environmental Cooperation (NAAEC), concluded by Canada, Mexico and the United States as a side agreement to the North American Free Trade Agreement (NAFTA). The CEC's mission is to facilitate collaboration among the three countries and encourage public participation to foster conservation, protection and enhancement of the North American environment.

A Council, a Secretariat, and a Joint Public Advisory Committee (JPAC) are the three bodies that comprise the CEC. The Council, composed of one cabinet-level environmental official from each of the NAAEC Parties, governs the CEC, defines the strategic priorities for collaborative work, oversees the implementation of the NAAEC, and approves the overall program and budget for the organization. The CEC Secretariat is headquartered in Montreal, with a liaison office in Mexico City, and is headed by an Executive Director who oversees the implementation of the cooperative work program on various North American environmental matters, and the processing of public submissions on enforcement matters (SEM). A fifteen-member JPAC acts as an advisory body to the Council on any matter within the scope of the NAAEC. More information can be found at: <www.cec.org>.

This annual report fulfills Article 12(1) of the NAAEC, which directs the Secretariat to prepare an annual report that includes the activities and expenses of the Commission during the previous year and the actions taken by each Party in connection with its obligations under this Agreement, including data on the Party's environmental enforcement activities.



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1. EXECUTIVE SUMMARY

On June 26-27, 2018, the CEC Council convened for its twenty-fifth Regular Session in Oklahoma City, Oklahoma, focusing on “Innovation and Partnerships for Green Growth in North America.” The Council recognized how partnerships among governments, Indigenous communities, academia, youth and the private sector can foster innovation, entrepreneurship, and technological advances to support environmental protection and ecosystems in North America. The Council acknowledged the progress accomplished on CEC projects and reaffirmed its continued support of the work program. Council members also underscored their continuous work with national experts and the CEC Secretariat to accomplish the goals and objectives of the CEC Strategic and Operational Plans.

The Council also announced three new initiatives: the North American Innovation Hub Network; the North American Extreme Events Advisory Group; and Mapping Extreme Events Information on the CEC North American Environmental Atlas. These initiatives are intended to advance trilateral partnerships on innovation in green growth, preparedness and resilience to face extreme events in North America, and enhancing the mapping of atmospheric and climatic events.

The Council Session was also an opportunity to showcase the winners of the second Youth Innovation Challenge (a contest among youth seeking innovative, green growth solutions), who presented their projects to the Council. The winners had benefitted from guidance on sustainability and marketing strategies from experts at the Tom Love Innovation Center of Oklahoma University and Simon Fraser University, to help get their business ideas off the ground.

On November 30, 2018, the governments of Canada, Mexico and the United States signed the new trade agreement to update and modernize the North American Free Trade Agreement (NAFTA) that resulted in the new USMCA/CUSMA/TMEC, and announced the completion of negotiations on a new Environmental Cooperation Agreement (ECA), that is expected to supersede the NAAEC. Neither the USMCA nor ECA was ratified or entered into force in 2018.

2. COUNTRY PROGRESS REPORTS

2.1. Canada

Environment and Climate Change Canada (ECCC) delivered on federal commitments between April 2017 and December 2018 by tackling pollution and waste in our air, water, and soil, protecting Canadians from threats posed by the environment, encouraging the transition to a clean growth economy, and protecting our unique biodiversity and wildlife. These efforts have been undertaken in support of reconciliation with Indigenous Peoples, in partnership with provincial and territorial governments, and expressed through our leadership on the international stage. A number of these achievements are highlighted below:

Climate Change

Climate change is one of the most important issues of our time. On December 9, 2016, building on the momentum from the Paris Agreement, as well as commitments and actions already undertaken by provinces and territories, Canada’s federal, provincial and territorial governments adopted the Pan-Canadian Framework on Clean Growth and Climate Change (PCF), Canada’s plan to take ambitious action to fight climate change. A landmark achievement, the PCF includes more than fifty concrete

actions that cover all sectors of the Canadian economy and positions Canada to meet its Paris Agreement greenhouse gas (GHG) emissions reduction target of 30% below 2005 levels by 2030.

The Government of Canada has made historic investments to support action under the Pan-Canadian Framework, including: \$2.3 billion in funding for clean technology initiatives; \$26.9 billion to support green infrastructure; \$28.7 billion to support public transit; a \$2 billion Disaster Mitigation and Adaptation Fund for large-scale infrastructure projects that support climate resilience; as well as a \$2 billion Low Carbon Economy Fund to support provinces, territories, municipalities, Indigenous communities, private and not-for-profit organizations in undertaking projects that will reduce greenhouse gas pollution, stimulate innovation, and create jobs and cleaner, healthier communities.

Since ratification of the Paris Agreement, Canada has worked constructively to conclude negotiations on the Paris Agreement implementation guidance known as the ‘rulebook’. Successfully adopted at the December 2018 UN climate conference, the rulebook package will enhance the clarity and transparency of individual and global climate efforts, improving the overall effectiveness of the Paris Agreement.

Plastics Pollution and Waste Management

Demonstrating its ongoing commitment to international leadership in protecting the world’s oceans, the Government of Canada made addressing plastic waste a priority of its G7 Presidency. In the context of the G7 Leaders’ Summit in Charlevoix in June 2018, Canada spearheaded the development and adoption of the Ocean Plastics Charter, which takes a comprehensive lifecycle approach to preventing marine plastic pollution and lays the groundwork to ensure that plastics are designed for reuse and recycling, in order to protect the environment and keep a valuable resource in the economy. In support of the objectives of the Charter, Canada has announced investments of C\$100 million to support developing countries manage plastic waste.

At home, federal/provincial and territorial governments came together to endorse a Canada-wide Strategy on Zero Plastic Waste and officials are working together and engaging stakeholders in the development of more detailed action plans to be completed by mid-2019. The federal government is also active in advancing scientific knowledge related to plastics in the environment, implementing measures to encourage the procurement of sustainable products and reduce plastic waste, as well as supporting international dialogue and activities to improve the management of waste.

Biodiversity and Conservation

The Government of Canada has committed to doubling the amount of nature protected across Canada’s lands and oceans. This commitment includes increasing the protection of land and fresh water to at least 17 percent by the end of 2020, through networks of protected and conserved areas. To support this goal, in 2018, the Government made the biggest investment in the country’s history to protect Canada’s nature. The investment includes a Canada Nature Fund of \$500 million, which is to be matched by other partners and provides funding for the creation of new protected and conserved areas. The Department also made significant progress on the latter by reducing the backlog of species eligible for listing under the Species at Risk Act, and is on track to eliminate the backlog by 2019–2020.

Collaboration with Indigenous Peoples

Recognition of Indigenous rights and protection of the environment—two priorities for ECCC—often do go hand-in-hand. As such, collaboration and engagement with Indigenous Peoples is a cross-

cutting initiative for ECCC and the Government of Canada. In support of reconciliation, ECCC has led the establishment of three distinct senior-level bilateral tables with the Assembly of First Nations, the Métis National Council and the Inuit Tapiriit Kanatami. These tables support action on climate change and the continued implementation of the Pan-Canadian Framework on Clean Growth and Climate Change, ensuring that Indigenous Peoples are full and effective partners in this effort.

Recognizing that Indigenous Peoples have long been stewards of the land, and have established rights related to wildlife and land, Canada is committed to recognizing these rights by advancing co-management arrangements in its various areas of environmental jurisdiction. For example, Canada and Indigenous Peoples are working together on protected areas, as many places administered by Parks Canada are cooperatively managed with Indigenous Peoples and, accordingly, support local communities in maintaining connections with traditionally used lands and waters.

Weather and Environmental Prediction and Monitoring

ECCC continued to provide Canadians with timely and accurate information on air quality and 24/7 weather forecasts and warnings of severe weather, Air Quality Health Index information, flood potential information, and smoke dispersal information related to wildfires. In 2017, ECCC saw the successful installation of its first new weather radar that will give Canadians greater lead time to protect themselves from severe weather events. A total of such 32 radars are planned for installation across the country by 2023. The department also completed onboarding of its high-performance computer in September 2017 that will provide more accurate and timely forecasting for Canadians over the coming years.

Review of Environmental Assessment Processes (CEAA)

ECCC is reviewing the federal environmental assessment process associated with the Canadian Environmental Assessment Act (CEAA 2012). After considering public input, the Government of Canada introduced proposed legislation (Bill C-69) in February 2018 that would put in place better rules to protect the environment, fish and waterways, and broaden the environmental assessment process to include impact assessments with a focus on sustainability. Under this proposed legislation, decisions on projects would be guided by science, evidence, and Indigenous traditional knowledge.

2016–2019 Federal Sustainable Development Strategy

The Federal Sustainable Development Strategy (FSDS) is the Canadian government's primary vehicle for sustainable development planning and reporting. It sets out the Government of Canada's sustainable development priorities, establishes goals and targets, and identifies actions to achieve them. The 2016–2019 FSDS, Canada's third strategy, established 13 aspirational goals that reflect the global Sustainable Development Goals of the 2030 Agenda, with a focus on their environmental dimensions.

Additionally, in June 2017, the Minister of Environment and Climate Change responded to recommendations of the House of Commons Standing Committee on Environment and Sustainable Development by introducing legislation to amend the Federal Sustainable Development Act, which provides the legal framework for developing and implementing the FSDS. The amendments would incorporate a strong focus on results, promote close collaboration and coordinated action across government, set a higher bar for transparency, and promote a constructive dialogue with Indigenous Peoples and all Canadians.

2.2. 2.1 Mexico

In this report, the Ministry of the Environment and Natural Resources (*Secretaría de Medio Ambiente y Recursos Naturales*—Semarnat) outlines the most pertinent actions carried out from 1 September 2017 to 31 August 2018 pursuant to Mexico’s obligations under the NAAEC. Focused on ensuring optimal protection, conservation and use of the country’s natural resources, the actions and achievements described herein are part of a comprehensive and inclusive environmental policy aimed at achieving sustainable development and upholding Mexicans’ constitutional right to a healthy environment. In this, they are representative of the joint efforts of Semarnat’s various autonomous and decentralized agencies.

Climate change

By becoming one of the first countries to implement committed measures on voluntary reduction of greenhouse gas emissions, Mexico has assumed a leadership role in combating climate change. In effect, various policy instruments, incentives and regulations have been developed, promoted and utilized to prevent and mitigate atmospheric emissions, including the National Emissions Registry (*Registro Nacional de Emisiones*—RENE). As of June 2018, RENE had 95% completed its systematization of the reporting of emissions of greenhouse gases and compounds by establishments subject to statutory reporting requirements in 2017.

Seeking to strengthen compliance with emissions reduction goals and encourage investment in low carbon development, the National Ecology and Climate Change Institute (*Instituto Nacional de Ecología y Cambio Climático*—INECC) jointly conducted a study with the Climate and Clean Air Coalition (CCAC). Concluded in 2018, this study had the specific goal of developing a pilot business model for artisan brick kilns that would reduce emissions of short-lived climate pollutants (SLCPs) and greenhouse gases (GHG), thereby improving the quality of life of the general population.

Also in 2018, the Government of Mexico filed its Sixth National Communication with the United Nations Framework Convention on Climate Change (UNFCCC), which provided information on a number of issues, including: the country’s progress in transitioning toward a low carbon economy; an estimate of the implementation costs of nationally determined contributions; a description of the relationship between climate change, pollution and health; the co-benefits of comprehensive mitigation of GHG emissions and short-lived climate forcers; and an assessment of national climate change policy.

The results of the National Climate Change Policy Assessment were presented at the first meeting in 2017 of the members of the National Climate Change System (*Sistema Nacional de Cambio Climático*—SINACC), which made that occasion a notable event. Also discussed were the efforts to create linkages between Agenda 2030 for Sustainable Development and national climate change policy and the importance of the role played by Mexico’s states in combating climate change.

Biodiversity

Taking into consideration the tight relationship biodiversity has to our wellbeing because its ecosystems provide us with indispensable goods and services, the Government of Mexico promoted initiatives during this period via the National Commission for the Knowledge and Use of Biodiversity (*Comisión Nacional para el Conocimiento y Uso de la Biodiversidad*—Conabio), to incorporate biological diversity as an integral part of the functioning of various economic sectors: agriculture,

forestry, fisheries and tourism. The government also sought to reduce, avert and mitigate the negative impacts of these sectors' activities to ensure that ecosystems remain healthy and resilient, thereby ensuring the continued provision of essential services for human wellbeing.

The installation and operation of wildlife conservation management units (UMAs) is a characteristic example of this “integration.” UMAs ensure the protection of approximately 39 million hectares, equivalent to more than 19% of the country's territory.

From September 2017 to June 2018, in compliance with Mexico's commitments under the Convention on Biological Diversity (CBD), Conabio encouraged Mexico's states to conduct studies and develop strategies on biodiversity. The object was to ensure they are equipped with the tools required to improve the conservation and sustainable use of biodiversity at the state level. Furthermore, to safeguard the country's natural capital, Mexico relies on the National Center for Genetic Resources (*Centro Nacional de Recursos Genéticos*), which is endowed with a germplasm inventory of 250,000 documented accessions. And in 2014, the national collection of forest genetic resources was launched. By the end of June 2018, it had recorded 2,475 accessions for medium- and long-term conservation purposes.

Protected natural areas

As part of its nature conservation efforts, between December 2012 and June 2018, the Government of Mexico decreed the creation of six new protected natural areas (ANPs) covering a total area of approximately 65 million hectares. This raised the total number of ANPs to 182 and the total protected area to 90.8 million hectares: i.e., 21.4 million hectares on land and 69.4 million hectares of protected marine areas, representing 10.9% of the country's land area and 22.1% of its marine surface area, respectively.

On 27 November 2017, a decree was published declaring the Revillagigedo region, located in Mexico's territorial waters in the Pacific Ocean, a natural protected area with national park status (the maximum level of protection). With a core area of 14.8 million hectares, equivalent to the entire state of Coahuila or seven times the territory of the state of Mexico and a hundred times that of Mexico City, it is the largest protected marine area in North America.

From September 2017 to June 2018, thirty-six community workshops were held to strengthen the capacities of Indigenous communities and villages, and the inhabitants of ANPs, in relation to mitigating and adapting to the effects of climate change, as well as to reduce their vulnerability. In 2018, the National Commission for Protected Natural Areas (*Comisión Nacional de Áreas Naturales Protegidas—Conanp*), via the community monitoring component of Promanp, an ANP management program, spent an authorized budget of 32 million pesos to promote the conservation of ecosystems and biodiversity through the direct and effective participation of local communities in monitoring and surveillance activities to preserve and protect natural resources in priority regions, while simultaneously generating economic opportunities for their inhabitants.

Integrated and sustainable water management

In 2017, just over 22,850 million pesos were invested to expand coverage and improve the quality of potable water, drainage and sanitation services: 69.9% for potable water, drainage and sanitation per se; 21.8% to develop hydro-agricultural infrastructure; and 8.3% for flood prevention and protection infrastructure.

Likewise, the Technical Committee for Groundwater Management (*Comité Técnico de Manejo de Aguas Subterráneas—Cotema*) was formed with the goal of regulating the use and exploitation of water from basins and aquifers affected by water deficits and over-exploitation in a manner that fosters sustainability without limiting development. Cotema, which is composed of experts and representatives from the three levels of government, is charged with facilitating and coordinating actions aimed at sound groundwater management.

As part of the National Water Reserves Program, from January 2013 to June 2018, 13 decrees were published on reserving water for environmental use and human consumption in 295 basins, 56.1% above the goal set in the National Water Program (*Programa Nacional Hídrico*). The objective of these legal instruments is to ensure sufficient water reserves to preserve the environment and guarantee consumption for the 18 million Mexicans who will be born in the next 50 years. From January 2013 to June 2018, the budget allocated for water infrastructure improvements totaled more than 216,000 million pesos. As of December 2017, national potable water coverage attained 94.5% of the total population, or 117 million inhabitants. In effect, potable water services covered an additional two million persons compared with 2016.

Comprehensive waste management and prevention

The 2017–2018 National Comprehensive Waste Management and Prevention Program was publicly released on 28 June 2018. It seeks to contribute to environmental protection and efficient use of natural resources in Mexico through the following actions: prevention of waste generation; improving the functioning of comprehensive waste management systems, upgrading their infrastructure and extending their coverage; reducing environmental liabilities; optimizing waste utilization—comprising both material waste and energy waste; and minimizing final waste disposal. Intent on expanding the coverage of infrastructure for the comprehensive management of urban solid waste, special management waste and hazardous waste, the Government of Mexico stepped up actions to minimize the risks to the public and the environment, notably by authorizing, between September 2017 and June 2018, the operation of 13 industrial installations for hazardous waste management, with a capacity of nearly 2.3 million tonnes.

Enforcement of environmental law

To ensure compliance with environmental law, from September 2017 to June 2018, the Federal Attorney for Environmental Protection (*Procuraduría Federal de Protección al Ambiente—Profepa*) conducted a total of 101,571 verifications of transboundary movements. Specifically, 4,750 (4.7%) of these actions concerned the importation of wildlife specimens, products and byproducts, and 72,788 (71.7%) concerned the importing of forest products and byproducts. These actions resulted in the issuance of 44 expert opinions and the detection of 33 samples containing pests subject to quarantine measures. In addition, 12,440 verifications (12.2%) targeted pallets and packaging. Moreover, as a result of these actions, resources were obtained through the levying of fees and duties in the amount of 64.3 million pesos.

The National Environmental Audit Program (*Programa Nacional de Auditoría Ambiental—PNAA*) remains the chief mechanism for voluntary self-regulation in Mexico. Its endeavors to improve the environmental performance of installations beyond statutory requirements. The PNAA is an instrument for verifying whether businesses comply with federal and local environmental law and whether they adopt self-regulatory measures and good operating and engineering practices. Profepa is continuing its strategy of rapprochement with businesses whose processes may generate a greater environmental impact. It accomplishes this by promoting the PNAA.

Between September 2017 and June 2018, Profepa conducted 5,985 inspections to monitor compliance with the applicable legal provisions on natural resources preservation and protection: 2,577 in the forestry sector; 1,560 in relation to environmental impact issues; 1,198 on wildlife protection; 556 in the federal maritime terrestrial zone (Zofemat); and 94 regarding marine resources.

For more detailed information on the actions carried out in the period covered by this report, please consult Sexto informe de labores 2017–2018 of the Ministry of the Environment and Natural Resources:

<www.semarnat.gob.mx/sites/default/files/documentos/programas/informes/6to_Informe_de_Labores_2017-2018.pdf>.

2.3. United States

In 2018, the US Environmental Protection Agency (EPA) emphasized a “Back-to-Basics” agenda, setting out three overarching goals: (1) refocus the agency back to its core mission, (2) restore power to the states through cooperative federalism, and (3) lead the agency through improved processes and adhere to the rule of law. Tremendous progress was made in reducing unnecessary regulatory burdens in 2018, finalizing 13 major deregulatory actions—a rate of at least one rule a month. The Agency nearly doubled its cost-savings goals for the year and easily met the 2-for-1 Administration’s requirement under Executive Order 13771. Since January 2017, EPA has finalized 33 major deregulatory actions, saving Americans almost \$2 billion in regulatory costs. Additionally, the Fall 2018 Regulatory Agenda included 45 actions that are expected to be deregulatory—34 of those actions appeared for the first time.

Enforcement

The US Department of Justice, under its Environment and Natural Resources Division (ENRD), worked vigorously in 2018 to enforce the pollution abatement and wildlife protection laws of the United States, particularly in cases involving fraud or abuse; promoted energy independence and economic growth by defending the reduction of regulatory burdens and supporting infrastructure development; strengthened national security and border protection; promoted cooperative federalism; and protected the public trust.

In addition, the Division secured 30 CERCLA (Comprehensive Environmental Response, Compensation, and Liability Act) settlements and judgments. The settlements and judgments, brought on behalf of the United States Environmental Protection Agency (EPA), obtained clean-up work estimated to cost more than \$170 million and over \$88 million in costs previously expended by EPA. For example, the consent decree in *United States v. Doe Run Resources Corporation* (E.D. Mo.), a settlement signed by the United States, the State of Missouri, and the Doe Run Resources Corporation, requires the company to excavate lead-contaminated soil on approximately 4,100 affected residential properties.

Biodiversity and Conservation

In 2018, the US Department of Interior worked to conserve, protect, and enhance listed and at-risk fish, wildlife, plants, and their habitats, and to promote the recovery of listed species. The Department also funded ongoing conservation including restoration of the San Francisco Bay Delta and the Gulf Coast. That budget also included \$98.8 million to support environmental reviews, consultation services, and permits that enable economic development and the creation of American jobs.

The US Fish & Wildlife Service continued its work with partners for the conservation of sage steppe habitat—and more than 300 other species that depend on it—in 11 Western states. This not only supported wildlife habitat but also helped to ensure the future of ranching and an improving energy economy that is critical to working communities in the West. The Service also provided funding to operate and maintain 566 wildlife refuges and to provide high-quality opportunities for all Americans to enjoy recreational opportunities that are highly wildlife-dependent, including wildlife photography, hunting, and fishing.

Air Quality

Data released over the past year shows tremendous progress on the improvement of air quality and a decrease in greenhouse gas (GHG) emissions. EPA’s most recent report highlights that between 1970 and 2017, the combined emissions of six key pollutants dropped by 73 percent, while the US economy grew by more than three times.

The US Department of Transportation’s National Highway Traffic Safety Administration (NHTSA) also released the Safer Affordable Fuel-Efficient (SAFE) Vehicles Rule for Model Years 2021–2026 passenger cars and light-duty trucks (SAFE Vehicles Rule) to reduce the current national automobile fuel economy and greenhouse gas emissions standards. The proposal laid out eight options for national fuel economy standards for model years 2021–2026. Compared to keeping the 2012 standards in place, this option would reduce the cost of a new car by more than \$2,300. These savings would help Americans purchase newer, cleaner, and safer vehicles, thereby improving the environment and saving lives.

Providing Clean & Safe Water

In 2018, the US Environmental Protection Agency announced the availability of funding that could provide billions of dollars in loans through the Water Infrastructure Finance and Innovation Action (WIFIA) program. The WIFIA program is a federal loan and guarantee program that aims to accelerate investment in the nation’s water infrastructure by providing long-term, low-cost, supplemental loans for regionally and nationally significant projects. EPA issued its first-ever loan from the WIFIA program to King County, Washington, in April 2018 to help finance its Georgetown Wet Weather Treatment Station.

Collaboration with Indigenous Peoples

US government agencies have a strong track record of providing grants to assist tribes through federal environmental programs and implementing tribal solid and hazardous waste programs. In 2018, the EPA General Assistance Program (GAP) provided more than \$63 million to approximately 525 tribal governments and intertribal consortia. Funding provided under GAP is for the administrative, technical, legal, enforcement, communication, and outreach capacities that tribes need to effectively administer environmental regulatory programs that EPA may delegate to them.

In addition, EPA has completed more than 470 EPA-Tribal Environmental Plans (ETEPs). The purpose of ETEPs is to increase shared governance through joint planning to inform decisions on financial and technical assistance for environmental programs.

The USG also awarded \$22.1 million to tribes in California to fund projects on water quality monitoring, watershed protection and restoration, water and energy efficiency, and wastewater recycling and treatment. An additional \$4.5 million was awarded to fund Indian Health Service

support of tribal drinking water and wastewater infrastructure, plant operator training, and technical assistance.

Reducing Food Loss and Waste

In 2018, the US Environmental Protection Agency (EPA), US Department of Agriculture (USDA), and the Food and Drug Administration (FDA), launched the “Winning on Reducing Food Waste” initiative to improve coordination and communication across federal agencies to better educate Americans about the impacts of food loss and waste and the importance of reducing it. Wasted food is the single largest category of material placed in municipal landfills and represents lost nourishment that could have helped to feed families in need, feed animals, or be used for industrial purposes or composting. Effectively reducing food waste will continue to require cooperation among federal, state, tribal and local governments, faith-based institutions, environmental organizations, communities, and the entire supply chain.

US – Mexico – Canada Agreement (USMCA) Environmental Cooperation Agreement

On 11 December 2018, then Acting EPA Administrator Andrew Wheeler signed the trilateral Environmental Cooperation Agreement (ECA) with Canada and Mexico on behalf of the United States. The environmental chapter of the USMCA contains the most comprehensive set of enforceable environmental obligations of any trade agreement to date, including first-time provisions to address pressing environmental issues such as air quality and marine litter, and obligations to combat trafficking in wildlife, timber, and fish. The environmental provisions of the USMCA, along with the ECA, help domestic producers compete on a level playing field. It is the first-ever trade agreement among the three nations to include environmental commitments in the body of the agreement. The new agreement strengthens and expands trilateral collaborative efforts to protect and conserve the environment and address emerging environmental challenges. Areas of cooperation include efforts to reduce pollution, strengthen environmental governance, conserve biological diversity, and sustainably manage natural resources.

3. REPORT ON SUBMISSIONS ON ENFORCEMENT MATTERS

Articles 14 and 15 of the NAAEC provide a mechanism whereby any resident of North America, or nongovernmental organization established therein, can file a submission asserting that a Party to the Agreement is failing to effectively enforce its environmental law. From the 1994 entry into force of the NAAEC until the end of 2018, 94 submissions have been filed with the Secretariat: 32 concerning Canada, 49 concerning Mexico, 12 concerning the United States, and one concerning both Canada and the United States. The Secretariat has published 23 factual records.

In 2018, the CEC received five new submissions while continuing to process those previously received. For two submissions, the Secretariat requested responses from the concerned government Party, and in the case of the Metrobús Reforma submission (SEM-18-002), it recommended to the CEC Council the development of a factual record. The Secretariat also published a factual record on the Agricultural Waste Burning in Sonora submission (SEM-16-001) and began developing a factual record on the Alberta Tailings Ponds II submission (SEM-17-001).

The five new submissions asserted the following, respectively:

1. Mexico is failing to effectively enforce federal and state environmental laws with respect to residents of a village along the US (Arizona)/Mexican border whose health is being impacted by “unannounced episodes of smoke drift from Mexico (agricultural burns)” (SEM-18-001);
2. Mexico is failing to effectively enforce environmental laws with respect to the construction of Line 7 of the bus rapid transit system in Mexico City (SEM-18-002);
3. Mexico is failing to effectively enforce its environmental law with regards to the hydraulic fracturing in the municipality of Los Ramones in the State of Nuevo Leon, Mexico (SEM-18-003);
4. Mexico is failing to effectively enforce its environmental law with respect to the Chileno Bay Club tourism development in the municipality of Los Cabos, Baja California Sur (SEM-18-004); and,
5. The Province of Quebec, Canada, is failing to effectively enforce its environmental laws with respect to a power supply line project running through the municipality of Saint-Adolphe-d’Howard, Quebec, Canada (SEM-18-005).

In addition, the SEM and Legal Unit of the CEC Secretariat participated in EPA’s meeting with its National Advisory and Government Advisory Committees on CEC matters in Washington, DC (April), the Center for International Sustainable Development Law’s roundtable at McGill University in Montreal (June), the CEC Council Meeting in Oklahoma City (June), the Sustainability Network’s Environmental Toolkit event in Toronto (October), a meeting with the Environmental Commissioner of Ontario (October), and the JPAC meeting in Guadalajara (October). The SEM and Legal Unit also conducted outreach activities with university students at workshops in Mexico City, students from Wilfred Laurier University of Ontario (January), and students from Humboldt State University, California, via webinar (September).

More information can be found at <<http://www.cec.org/submissions>>.

4. REPORT ON THE IMPLEMENTATION OF THE 2017–2018 OPERATIONAL PLAN (JANUARY 1—DECEMBER 31, 2018)

4.1. Cooperative activities

The CEC’s Operational Plan presents trilateral projects and initiatives that serve to address the CEC’s priorities, as outlined in the 2015–2020 Strategic Plan. This annual report summarizes activities under the 2017–2018 Operational Plan between January 1 and December 31, 2018, including mechanisms implemented by the CEC to enable public stakeholder engagement and ongoing CEC initiatives and tools. Examples of the public engagement mechanisms include JPAC sessions, the North American Partnership for Environmental Community Action (NAPECA), the SEM process, and the Youth Innovation Challenge. Examples of CEC initiatives and tools include the North American Pollutant Release and Transfer (NAPRTR) Initiative; the Taking Stock Online database, search tools and report series; the North American Environmental Atlas; and the North American Land Cover Monitoring System.

CEC work involves significant participation of steering committees, composed of representatives from across the three countries. In addition to the environmental agencies of each country, which participate most often in the steering committees, these committees may also involve experts from other government departments (e.g., Energy, Health, Transportation, Customs, Wildlife, National

Parks, Fisheries/Oceans). The steering committees may also benefit from the participation of nongovernmental partners, such from academia or local government representatives.

4.1.1. *Monitoring Health Impacts from Extreme Heat Events*

The second phase of this project is aimed at sharing tools developed and lessons learned through the CEC’s 2015–2016 Pilot Syndromic Surveillance System project, and to partner with public health agencies to expand the capacity of communities to anticipate and prevent negative health outcomes from extreme heat events. As of May, three new partner communities (located in British Columbia, Chihuahua, and Arizona) were integrated into the project. Project findings were presented in Arizona in December 2018.

4.1.2. *Reducing Emissions from Maritime Transportation*

This project supports Mexico’s efforts to create an Emission Control Area (ECA) for ships under Annex VI of the International Maritime Organization’s International Convention for the Prevention of Pollution from Ships (Marpol Convention). The 2017–2018 phase of this project built upon previous work, including the sharing of knowledge and capacity to improve efficiency, environmental performance, and competitiveness of the maritime transportation sector in Mexico, while reducing the sector’s environmental footprint.

Following a high-level meeting on May with key agencies in Mexico, the ECA designation proposal was finalized and submitted to the Ministry of Foreign Affairs of Mexico (*Secretaría de Relaciones Exteriores*). In March 2018, the CEC collaborated with the Port of Los Angeles in hosting the 5th Pacific Ports Clean Air Collaborative Conference.

4.1.3. *Improving Black Carbon Inventory Data for Small-Scale Biomass Combustion*

The burning of biomass (wood and other organic matter) for heating, cooking and other purposes produces emissions that have impacts on air quality, human health, and our climate. This project was composed of separate efforts in each country, the objective being to address distinct national black carbon emissions inventory data gaps and needs. In the United States, survey and data collection efforts targeted residential wood combustion in 21 states in 2018. In Canada, efforts were focused on small-scale commercial and institutional sectors, as well as on agricultural sectors (e.g., maple syrup producers). The project also involved identifying markets for certified and non-certified wood stoves. In Mexico, a pilot project in the State of Veracruz was undertaken to assess residential biomass combustion activities, with the objective of eventually expanding the project’s data collection methodology to the entire country.

4.1.4. *Food Waste Reduction and Recovery*

This project helped enhance the capacity in North America for reducing the quantity of food waste being sent to landfills by exploring opportunities to achieve food waste reduction and recovery. The foundational report and white paper resulting from this project were published in March 2018. Building on this foundational research, the CEC has now turned its efforts to build resources to measure food loss and waste and to develop educational resources that youth and youth organizations across North America can use to help rescue surplus food and prevent, reduce, and recycle food waste.

To assist in the development of tools for food waste measurement, the project established a group of experts, including North American and international practitioners from across the food supply chain. They have provided key input for the development of two documents—a technical report and a practical guide—on how to better measure food loss and waste at each stage of the food supply chain, and calculate its environmental and socio-economic impacts, in a manner consistent with global standards. The technical report and practical guide were published in March 2018.

This project also builds youth awareness of the food waste problem through the development of learning tools and resources for food waste prevention, recovery and recycling. A group of fifteen North American youth organizations joined the CEC in the development of Food Matters Action Kit, with over 70 activities for youth from ages 5 to 15. Over 30 clubs, schools, local communities and other youth organizations have piloted the Food Matters Action Kit, which is slated for publication in 2019.

4.1.5. ISO 50001 and Superior Energy Performance

Since the inception of this project in 2015, the CEC program has successfully delivered ISO 50001 training to 19 facilities in Canada, Mexico, and the United States. The CEC is currently providing training to an additional eleven facilities from the North American automotive manufacturing supply chain. The CEC is also providing Certified Practitioner in Energy Management System training to strengthen the North American workforce in supporting energy management.

This project supports the ISO 50001 standard and the Superior Energy Performance program® (SEP) as a cost-effective mechanism for the industrial and commercial sectors in North America to reduce greenhouse gas emissions and improve energy efficiency. A training program adapted to supply chains was developed and shared to recruit participants and program materials have been finalized in all three languages (including 50001 Ready Navigator and key resource documents).

4.1.6. Conservation of Selected CITES Species

The commercial trade in wild species of animals and plants in North America is a multimillion-dollar business and the illegal harvesting and trade of wildlife threatens the sustainability of many species. The CEC has actively worked since 2015 to support sustainable trade of species listed in CITES Appendix II and has developed and disseminated Action Plans to achieve legal, sustainable and traceable production and trade of four groups of North American species: sharks, turtles/tortoises, tarantulas, and timber. Partners in this innovative conservation project include state, provincial and local authorities as well as Indigenous communities. A selection of accomplishments from this work is given below.

In February and March, the CEC held the Tarantula Trade and Enforcement Workshop, focused on identifying collaborative actions to support community livelihoods through sustainable harvesting and trade (with participation of representatives from the Units for Management and Sustainable Exploitation of Wildlife; UMA Mexico) and on developing collaborative enforcement actions to combat tarantula trafficking. This workshop also provided the basis for completion of an IUCN Red List Assessment of over twenty tarantula species and the development of a first-of-its-kind tarantula identification guide for enforcement officers.

The Trinational Shark Fin Identification Workshop was held in July 2018, aimed at training enforcement officers from Canada, Mexico and the United States to recognize different shark

products in trade and learn the fundamentals of the international shark fin trade. The CEC also developed a compendium of shark-related data and resources for policy development.

The Trilateral Trade and Enforcement Training Workshop on the legal and sustainable trade in turtles/tortoises, held in October 2018, for researchers, managers and enforcement staff, established research and management goals to promote the sustainable and legal trade of turtle and tortoise species and emphasized the importance of addressing knowledge gaps in the conservation status and biology of all priority species. The findings of this workshop will be published in 2019 and should provide a guide for sustainable North American turtle trade for years to come.

In November, the Regional Training Workshop on Capacity Assessment on Wood Identification dealt with the trade of CITES-listed priority timber species and the urgent necessity to provide tools to support enforcement officials from Canada, Mexico and the United States in tracking wood in trade. As a follow-up to this workshop, the CEC is developing resources to aid Mexican CITES authorities conduct Non-Detriment Findings in the timber trade.

4.1.7. Conserving Shorebirds through Community Engagement

This project builds capacity in communities along migration routes to conserve habitat and develop ecotourism opportunities, such as bird watching and celebratory events, linked to bird migration cycles. Incorporating the efforts of local partners, this project harnesses local action in support of habitat conservation and sustainable economic benefits for local communities.

Expanded community-based initiatives were supported by the CEC, including bird festivals held in Willapa Bay, Washington, United States, and Bahía de Todos Santos, Baja California, Mexico, and the expansion of the Bay of Fundy Western Hemisphere Shorebird Reserve Network (WHSRN) designation in New Brunswick, Canada.

In May, a workshop organized by the CEC on St. Simons Island, Georgia, brought together representatives from two flyways to develop ecotourism capacity. As a result, a series of how-to ecotourism brochures is under development. In collaboration with the Cornell Lab of Ornithology, the CEC supported the production of a short-form video on the values of shorebirds to communities along the Pacific flyway.

4.1.8. Science for Monarch Butterfly and Pollinator Conservation

Building on past and recent initiatives and addressing the need for trilateral science efforts, this project advanced science and monitoring actions by supporting research related to four priority areas: nectar resources and migratory paths, natal origins, climate change, and overwintering density, to inform conservation of the monarch butterfly and other pollinators through strengthened trilateral cooperation and disseminating knowledge. Work on the Trilateral Monarch Knowledge Network (TMKN), a trilateral, open-access database that assembles observations of monarch butterflies and milkweeds throughout the range of monarchs in North America, was started.

In February 2018, the CEC held the Monarch Butterfly Research and Monitoring Workshop that served as a forum to discuss monarch butterfly research and priority monitoring issues.

4.1.9. *Strengthening Capacity of Marine Protected Areas*

Building on recent work that produced a tool to help MPA practitioners identify vulnerabilities of coastal ecosystems—the Rapid Vulnerability Assessment Tool (RVAT)—this project is developing a coastal impact mitigation and adaptation toolkit to provide MPA managers and communities with easily accessible knowledge and information they can use in mitigation and adaptation efforts in their changing coastal and marine environments. The toolkit and collaborative seascape-level work plans are being co-developed with practitioners from two Pacific Coast MPAs, with workshops held in La Paz, Baja California Sur, Mexico, in January and in Victoria, British Columbia, Canada, in October.

A meeting for national points of contact for the North American Marine Protected Areas Network (NAMPAN) was held in July in Wakefield, Quebec, Canada, to develop a work plan to establish NAMPAN as an independent network.

4.1.10. *Finding Solutions to Marine Litter*

This project is intended to reduce land-based marine litter by piloting community-based processes in two transboundary watersheds, the Tijuana River and Salish Sea. In May, the CEC held events with key local actors for the Tijuana River watershed in San Diego, California, United States, and for the Salish Sea watershed in Burnaby, British Columbia, Canada, to identify low-cost, low-tech actions to help prevent land-based litter from entering the marine environment. This formed the basis for the development and pilot implementation of economically sustainable actions at the two sites. The project increased knowledge and awareness on marine litter through the collection of information and new data, engagement, education and outreach, while strengthening community-level binational collaboration at each shared border watershed.

4.2. **Tools and Resources**

4.2.1. *Tracking Pollutant Releases and Transfers in North America*

The North American Pollutant Release and Transfer Register (PRTR) Initiative, a core activity of the CEC for over 20 years, involves the compilation, presentation, and analysis of data and information through the CEC’s *Taking Stock* report and online, searchable database. This ongoing initiative provides enhanced access to and comparability of North American PRTR data and information for policy-makers and experts. Through this initiative, the CEC collaborates with the North American PRTR programs to enhance the quality and completeness of PRTR data and information.

This year, the CEC participated in two international fora to present on the North America PRTR Initiative: the OECD’s 3rd Global Round Table on PRTRs Promoting Informed Decisions for a Sustainable Future (November), and in the Regional Workshop on Pollutant Release and Transfer Registers (PRTR) in Lima, Peru (December). In May, a new edition (vol. 15) of the *Taking Stock* report was published, featuring an analysis of reporting by the North American mining industry. Currently, integrated, trilateral data for the years 2006 through 2015 are available through Taking Stock Online, with a searchable database and various tools for visualizing the data; and data for 2016 and 2017 will be published in spring 2019. Enhancements to the website and query tools are also underway.

4.2.2. *North American Land Change Monitoring System*

The North American Land Change Monitoring System (NALCMS) is an ongoing collaborative initiative between Canada, Mexico and the United States to monitor land cover and its changes over time, which is available online at the CEC website.

In 2018, there were a total of 2,819 unique downloads of all NALCMS products from the CEC website. In January, a total of 5,000 paper maps of the new continental land cover 2010 product at 30m resolution were printed and disseminated to stakeholders throughout North America. The NALCMS was featured at the 2018 Council Session in Oklahoma City and, since then, the CEC has been developing the 30m-land cover product for 2015, for expected release in 2019.

4.2.3. North American Environmental Atlas

The CEC's North American Environmental Atlas is an interactive mapping tool to research, analyze, and manage environmental issues in Canada, Mexico and the United States. It assembles seamless, accurate cartographic data, including maps, documentation, and interactive map layers that are used by decision makers, land managers, nongovernmental conservation organizations, scientific researchers and international organizations.

As one of the most popular tools in the CEC website, the Atlas had over 2,100 visits and 15,000 unique downloads in 2018. New additions to the Atlas included a map layer and dataset on terrestrial and marine protected areas in North America as well as an updated blue carbon map layer and dataset.

4.2.4. North American Portal on Climate Pollutants

This tool comprises a web platform designed to produce reports on greenhouse gases and short-lived climate pollutants emissions inventory data from Canada, Mexico and the US. The tool provides comparable and easily accessible data for researchers and policy-makers. Data were subject to update during 2018.

4.3. Public Participation, Stakeholder Engagement and Community Action

4.3.1. Joint Public Advisory Committee

As one of the three main bodies that comprise the CEC, JPAC is composed of fifteen citizens—five from each country—and its main role is to advise the Council on any matter within the scope of the NAAEC. In accordance with their mandate, JPAC members provided Advice to the Council throughout 2018.

Following CEC practice, the 2018 Council Session in Oklahoma City was preceded by a one-day public forum hosted by JPAC. Building on the successful JPAC session that took place in November 2017 in Chicago on NAFTA's environmental side agreement, the JPAC forum (Session 18-01) centered on two key issues: future areas of trilateral environmental cooperation and expanding private sector engagement in future CEC projects and initiatives. As a result of the dialogue with participants and invited experts, JPAC issued Advice 18-01, recommending that the future role of the CEC under the new agreement focus on promoting and enhancing the implementation of the UN's 2030 Agenda Sustainable Development Goals, seek more active collaboration with national industry and commerce associations, and explore potential partnerships with international organizations that have existing business engagement strategies, among others.

JPAC Session 18-02 in Guadalajara, Mexico, focused on the CEC’s communications and outreach efforts in North America and beyond. The purpose of the meeting was to better understand the position of the CEC in the contemporary North American and international environmental contexts. This meeting explored new communication and outreach strategies that can support, enhance and increase the visibility of the CEC. As a result of this session, JPAC issued Advice 18-02, recommending that the Council take immediate steps to establish a strategic communications workgroup composed of representatives of the CEC’s three bodies (Council, Secretariat and JPAC), as well as other relevant experts. In its recommendation, JPAC considered it relevant to develop a new strategic plan addressing, among other issues, improving the effectiveness of the CEC communications and messaging to the public, improving the scope and effectiveness of public participation, investing in partnerships and tracking the CEC communications performance. JPAC also recommended that the CEC ensure the TEK expert group involvement in the development of the strategic communications planning process.

More information can be found at <<http://www.cec.org/jpac>>.

4.3.2. Traditional Ecological Knowledge (TEK)

The TEK Roster of Experts was established by the Council in 2015 to provide advice and recommendations on opportunities to integrate that knowledge into CEC’s work. A high-level working session was organized by the CEC Secretariat to facilitate collaboration between government officials, TEK Expert Group members, and consultants to plan for and commence the first phase of TEK Expert Group activity. In 2018, this first phase included consulting work related to: 1) an inventory of relevant frameworks and mechanisms in North America related to the engagement of Indigenous and local communities at the federal, state, provincial and international levels, especially when TEK is highlighted; 2) an inventory of examples of projects in universities or other research/public institutions, private sector partners across North America which included Indigenous engagement; and lastly 3) a list of Indigenous and local communities engaged in these projects.

4.3.3. Supporting Youth Engagement and Leadership

Youth are significantly affected by North America’s performance on sustainable development and job creation, and they are frequently drivers of social and environmental innovation, as well as the decision makers of the future. In May, the CEC announced the winners of the second Youth Innovation Challenge, which provided outstanding projects to combat plastics pollution and management of wastewater. Over 200 ideas were evaluated by the CEC Idea Evaluation Panel and CEC experts, who selected nine semifinalists, from among whom the three winners were chosen by the CEC Council.

4.3.4. North American Partnership for Environmental Community Action

In order to promote shared responsibility and stewardship for the environment, the Council established the North American Partnership for Environmental Community Action (NAPECA).

A project by the Geomatics and Cartographic Research Centre, et al., to a wide range of practitioners, including Indigenous community members on the use of Nunaliit [Atlas Framework for cybercartography] for applied environmental research in Mexico, served to advance research, innovation, replicability, sustainability, and active engagement of Indigenous Peoples in the application of cybercartography achieved excellent results. The project established a core network of

over 80 researchers, students, technical professionals and Indigenous community members in applying geomatics and cartographic research to two locations in Mexico.

NAPECA also funded a project to build capacity in Mayan forest communities in Mexico, with the purpose of addressing forest management as a means for living in Indigenous communities. This project established the foundation for developing a community dedicated to craftwork, using tropical wood as a resource material, and establishing partnerships with the tourism industry in the region.

Other projects funded by the CEC included a mobile unit to utilize post-harvest corn; an organization and partnership in the communities surrounding Lake Patzcuaro in Mexico; the development of an application to track green purchasing; and the development of partnerships in Indigenous-led land use planning with the Cree Nation in Canada.

4.4. 2018 Budget

Commission for Environmental Cooperation

2018 Budget (all figures in Canadian dollars)

| REVENUES | 2018 | % |
|---|-------------------|-------------|
| Parties' Contributions (Canada, Mexico- US\$2,550,000, US - US\$2,500,000) | 9,500,000 | |
| Carry Over of Unspent Contributions from Previous Years | 1,836,627 | |
| Unspent funds from 2018 | 1,161,400 | |
| Additional resources (TEK 2017) | 300,000 | |
| TOTAL REVENUES | 12,798,027 | |
| EXPENSES | 2018 Budget | |
| <u>DELIVERABLES</u> | | |
| Cooperative Projects | 2,435,000 | |
| Traditional Ecological Knowledge (TEK) Initiatives | 76,500 | |
| North American Partnership for Environmental Community Action (NAPECA) | 0 | |
| Submissions on Enforcement Matters (Articles 14 & 15) | 150,000 | |
| Communications and Outreach | 145,000 | |
| Independent Reports (Article 13) | 0 | |
| Tracking Pollutant Releases and Transfers in North America (PRTR) | 65,000 | |
| Organizational Reporting | 50,000 | |
| CEC Interactive Platforms | 50,000 | |
| Council Supported Initiatives | 1,000,000 | |
| | 3,971,500 | 31% |
| <u>INSTITUTIONAL SUPPORT AND MAINTENANCE</u> | | |
| Council Support | 280,000 | |
| JPAC Support | 270,000 | |
| TEK Roster Support | 30,000 | |
| Mexico Liaison Office | 60,000 | |
| Youth Fellowship and Short Term Educational Program | 0 | |
| Managing CEC Environmental Information | 50,000 | |
| Strategic and Transition Planning | 1,000,000 | |
| | 1,690,000 | 13% |
| <u>ADMINISTRATIVE AND MANAGEMENT</u> | | |
| Salaries, Benefits and Professional Development | 3,046,027 | |
| Operating Expenses | 800,000 | |
| External Administrative Support | 200,000 | |
| Relocation/Orientation, Recruitment | 20,000 | |
| Executive Director's Office | 50,000 | |
| | 4,116,027 | 32% |
| Contingency Fund | 3,020,500 | 24% |
| TOTAL EXPENSES | 12,798,027 | 100% |

4.5. Future Work Program and 2019 Budget

The Operational Plan 2017–2018 will be completed on 30 June 2019. It is expected that the Operational Plan 2019–2020 will be announced by the Council during the June 2019 Regular Session.

The 2019 budget approved by the Council for the 2019 calendar year is as follows:

| Commission for Environmental Cooperation | | | | | |
|--|--|--|--|-------------------------------|-----------------|
| 2019 Budget | | | | | |
| (all figures in Canadian dollars) | | | | | |
| REVENUES | | | | 2019 | % |
| Parties' Contributions (Contributions 2019 US\$7,650,000, exchange rate at US\$1.34/CDN\$,) | | | | 10,234,935 | |
| Surplus Funds from Previous Years | | | | 1,806,165 | |
| TOTAL REVENUES | | | | 12,041,100 | (note 1) |
| EXPENSES | | | | 2019 preliminary budget | % |
| <u>DELIVERABLES</u> | | | | | |
| Cooperative Projects | | | | 1,919,000 | |
| North American Partnership for Environmental Community Action (NAPECA) | | | | 1,500,000 | |
| Submissions on Enforcement Matters (Articles 14 & 15) | | | | 150,000 | |
| Communications and Outreach | | | | 160,000 | |
| Independent Reports (Article 13) | | | | 0 | |
| Tracking Pollutant Releases and Transfers in North America (PRTR) | | | | 65,000 | |
| Organizational Reporting | | | | 50,000 | |
| CEC Interactive Platforms | | | | 75,000 | |
| | | | | 3,919,000 | 33% |
| <u>INSTITUTIONAL SUPPORT AND MAINTENANCE</u> | | | | | |
| Council Support | | | | 270,000 | |
| JPAC Support | | | | 270,000 | |
| TEK Roster Support | | | | 30,000 | |
| Managing CEC Environmental Information | | | | 50,000 | |
| Strategic and Transition Planning | | | | 100,000 | |
| Institutional Transition | | | | 1,806,165 | |
| | | | | 2,526,165 | 21% |
| <u>ADMINISTRATIVE AND MANAGEMENT</u> | | | | | |
| Salaries, Benefits and Professional Development | | | | 2,760,000 | |
| Operating Expenses | | | | 610,000 | |
| External Administrative Support | | | | 280,000 | |
| Relocation/Orientation, Recruitment | | | | 150,000 | |
| Executive Director's Office | | | | 50,000 | |
| | | | | 3,850,000 | 32% |
| Contingency Fund | | | | 1,745,935 | 14% |
| TOTAL EXPENSES | | | | 12,041,100 | 100% |
| Note 1: Revenues budget based on resolution 19-01. US\$9,000,000 at the bank of Canada rate in effect on 15 December 2018. | | | | | |

5. ANNEX I – 2018 COUNCIL STATEMENT, OKLAHOMA CITY

Oklahoma City, Oklahoma, United States, 27 June 2018—For the past twenty-four years, the governments of Canada, Mexico and the United States, in collaboration with civil society across North America, have worked together through the Commission for Environmental Cooperation (CEC) to address key environmental issues linked to trade among our three countries. We met for our 25th annual Regular Session, focusing on “Innovation and Partnerships for Green Growth.” The session showcased partnerships among federal, state and local, indigenous, academic, youth and private sectors that foster innovation, entrepreneurship, and technological advances to support environmental protection and ecosystems in North America.

[Sustainable Communities, Green Growth, and Resilient Economies through Innovation and Partnerships](#)

At the US National Weather Center in Norman, Oklahoma, our countries’ academic, government, and private sector partners demonstrated how science, innovation, radar, modeling and technology help us to monitor the atmosphere and climate to inform our research, policies, and preparedness to address extreme events and their impacts on human health, the environment, economic growth and productivity. These technologies can help advance CEC efforts to track North American species migrations and protect species and their habitats critical to environmental sustainability and ecotourism, and ultimately promote sustainable communities and ecosystems. We also held a public session with experts from state governments, academia and the private sector to discuss ways to promote innovation and partnerships that support green growth in North America.

[CEC Operational Plan 2017–2018](#)

Last year, in Prince Edward Island, Canada, we approved our second Operational Plan implementing our 2015–2020 Strategic Plan, with a focus on fewer and more impactful projects. We are pleased with the progress to date in implementing the ten cooperative projects that address our shared priorities. These include: monitoring health effects from extreme weather; mitigating food loss and waste and its associated social, environmental and economic costs; greening marine transport to reduce pollution from the transport of our growing international trade; partnering with the private sector to increase industrial energy efficiency and reduce pollutant and greenhouse gas emissions; supporting species conservation through sustainable trade of species; and building capacity to reduce sources of marine litter and their impacts to habitats, fisheries and the economy. We continue to work with our experts and the Secretariat to accomplish the goals and objectives of our Strategic and Operational Plans and showcase CEC accomplishments.

Youth Innovation, Entrepreneurship and Partnerships for Green Growth

Continuing our efforts initiated in 2016 in Mérida, Mexico, to produce tangible initiatives for youth engagement, and building upon the first Youth Innovation Challenge (YIC) completed at our 2017 Session in Prince Edward Island, Canada, we have just completed a second YIC to engage and harness the creativity of North American youth in the work of the CEC and promote young entrepreneurship, innovation and partnerships for sustainable growth. We received over 200 creative and inspiring science and business ideas for green growth that address complex sustainability challenges facing North America. To evaluate these ideas, we established a trilateral expert panel with diverse experience in startup venture, corporate sustainability, academic collaboration, and technical know-how. To enhance the winning concepts and showcase the value of academic, government and private sector collaboration, we partnered with the Tom Love Innovation Hub and the Ronnie K. Irani Center at the University of Oklahoma, Simon Fraser University, in Burnaby, British Columbia, Canada, and the Autonomous University of Querétaro and Anáhuac University in Mexico to assist with the design, software and marketing strategies of the winning projects. We are proud to support the winning projects focused on preventing microplastics pollution from synthetic garments, producing natural and biodegradable alternatives to plastics, and processing waste water and organic waste into reusable resources.

Joint Public Advisory Committee (JPAC) and Secretariat

We acknowledge and appreciate the valuable contributions to North American environmental stewardship made by the members of the JPAC and their continued efforts to reach out to civil society on issues of global and regional importance, including emerging trade and environment challenges in North America. In this session, JPAC reported to the Council on ways to further engage the private sector in CEC initiatives, including exploring potential partnerships to leverage resources and active participation. JPAC also highlighted opportunities for sustainable economic development through enhanced collaboration with the private sector, local communities and indigenous entrepreneurs.

We also acknowledge and thank the Secretariat for its expert and timely support to the Council and managing and implementing projects, initiatives, and other CEC efforts.

Submissions on Enforcement Matters

The Submissions on Enforcement Matters (SEM) process continues to provide a valuable public participation mechanism, promoting the effective enforcement of environmental law in our three countries. The Secretariat has received three new submissions in 2017-18 and is finalizing its 23rd factual record. The Secretariat continues to implement the Council's direction to expand outreach and awareness of the SEM process as a mechanism for public engagement and we encourage the North American public to capitalize on this resource.

Traditional Ecological Knowledge (TEK) and North American Partnership for Environmental Community Action (NAPECA)

We are grateful to the members of the Traditional Ecological Knowledge Expert Group (TEKEG) for their contributions to the integration of TEK in the operation and activities of the CEC. We also appreciate the participation of indigenous representatives in several projects of the CEC

Operational Plan, including NAPECA, where six NAPECA grants awarded in the 2017-2018 cycle are led by, or serve, indigenous and local communities to advance preservation and teaching of TEK, sustainability and growth.

New Initiatives

We are pleased to announce three new initiatives that will advance trilateral partnerships on innovation in green growth and preparedness, resilience to extreme events in North America, and monitoring the atmosphere and climate. These initiatives are:

- North American Innovation Hub Network – bringing universities in the US, Canada, and Mexico together to develop and enhance Innovation Hubs that provide a resource for innovation and entrepreneurship for green growth.
- North American Extreme Events Advisory Group – bringing experts together to identify and share capacities in interdisciplinary research, prediction and response to extreme events, such as drought, wildfires and extreme temperatures.
- Mapping Extreme Events information on the CEC North American Environmental Atlas – enhance the mapping of extreme events in North America by bringing experts together to share data and information in the CEC North American Environmental Atlas.

Conclusion

We are proud that the CEC was the first trilateral forum for promoting a regional collaborative approach to environmental protection in North America, including the effective enforcement of our laws. The CEC has served as a longstanding platform for environmental cooperation among Canada, Mexico and the United States to tackle current and emerging challenges on sustainability, growth, and environmental and ecosystem protection in the context of North American trade. We share a vision for innovation and partnerships to advance green growth and environmental protection and are committed to a continued dialogue on environmental cooperation and engagement with the public, youth, indigenous and local communities, academia and the private sector to advance environmental protection in North America.

We look forward to meeting next year in Mexico.