



**COUNCIL SESSION 96-2
February 13, 1996**

Summary Record

Designated Alternate Representatives of Council met via teleconference on February 13, 1996 for a special session. The agenda will be found as Annex "A". Mr. A. Clarke (Canada) chaired the meeting while Mr. W. Nitze and Mr. J. L. Samaniego represented the United States and Mexico respectively. Mr. J. Plaut, Chair of JPAC and Mr. V. Lichtinger, Executive Director, also participated in the teleconference. Various other officials were also in attendance.

REMARKS BY THE CHAIR OF JPAC

In his remarks, the Chair of JPAC reported on the January 29-30 meeting of industry representatives of the three countries which he attended and at which occasion a trilateral Memorandum of Understanding with the CEC was signed. He expressed his satisfaction with the current version of the Guidelines for the North American Environment Fund and, in the context of the next regular session of Council, recalled his February 9 memo to Alternate Representatives on the organization of the public preparatory meeting. He concluded his remarks by making reference to the JPAC session of March 7-8 and more particularly to the opportunity for Council representatives and JPAC members to exchange views at that time on the planning of the next regular session of Council.

UPDATE ON PROGRAM IMPLEMENTATION

The discussion centered on the Guidelines and Timetable for the North American Environment Fund. More specifically Council representatives reviewed and approved the documentation prepared by the Secretariat and for which public comments will be sought. Council representatives also requested that the Secretariat explore the possibility of compressing the timetable so as to launch the NAEF more rapidly including the possibility of announcing the first grants at the time of the regular session of Council. Finally, Council representatives agreed to appoint their respective members to the Awards Committee by the end of February and requested that a progress report be made at the time of the next session.

Action: Parties/Secretariat

1996 PROGRAM AND BUDGET

This agenda item first allowed for a review and discussion of those projects for which a decision was left pending or for which redrafting was requested at the January 22, 1996 session. After

consideration, Council representatives authorized the Secretariat to proceed with the implementation of the following projects:

- a) 96.01.04 *Cooperation on the Protection of Marine and Coastal Areas Ecosystems* (\$US 100,000);
- b) 96.01.05 *Non-Governmental Participation in the Conservation of Protected Areas and Adjacent Land Holdings* (\$ US 105,000);

Decision on project 96.05.02 *Promoting Compatibility of Standards to Protect the Environment and Avoid Trade Disputes* (to be renamed) was deferred to the next session to allow further consultations and redrafting.

Action: Secretariat

A preliminary discussion took place on a US/Mexico joint proposal relating to a border aerial photography initiative which they propose to fund, subject to verification of legal implications, through the use of their respective share of the balance of 1995 unused funds. The decision on this matter and the discussion of policy implications of such proposals were deferred to the next session. In the meantime, the Secretariat will redraft the proposal in the CEC project format and Council representatives will review domestic legal implications.

Action: Parties/Secretariat

1996 REGULAR SESSION OF COUNCIL

Council representatives discussed various aspects related to the preparation of the 1996 Regular Session of Council. More specifically, they:

- a) Confirmed the dates for the Regular Session as April 23-25, 1996 while the venue remains to be reconfirmed;
- b) Agreed to the proposed text of the public announcement of the regular session to be released by February 22, subject to minor editing and circulation prior to its release;
- c) Reviewed the tentative list of announcements and requested the Secretariat to continue with their refinement for further review at the next session;
- d) Indicated the need to add to the list of announcements such items as the launching of the NAEF and Council's response to the Silva Reservoir report;
- e) Requested the Chair of JPAC to consider inviting representatives of *Central Alliance for Sustainable Development* to attend the next regular session of Council as observers;
- f) Concurred with a JPAC proposal for the organization of the public preparatory meeting;
- g) Identified the Canadian Environment Network, the US National Advisory Committee (NAC) and the Mexican National Advisory Council on Sustainable Development as their respective national organization tasked with the responsibility to coordinate the granting of financial assistance to NGO representatives.

Action: Parties/JPAC/Secretariat

SILVA RESERVOIR REPORT

The Council representative from Mexico made reference to a proposed text to be circulated via the Secretariat for consideration at the time of the next session. The discussion of this item was deferred to the next session.

Action: Mexico

OTHER MATTERS

1995 Regular Session of Council: Council representatives were advised of the progress made in the signing process of the resolutions. The resolutions having been signed by Administrator C. Browner from the United States, the Secretariat will now be making arrangements with Canada for their signature by Minister S. Copps.

Action: Secretary/Canada

Payment of contributions: Mexico advised of its intention, to be confirmed in a letter shortly, to complete payment of their 1995 contribution in April and to make their 1996 contribution in four payments (April, August, October and November). The United States advised of its intention to make a first payment in April while Canada indicated that it is currently discussing with its Treasury to establish the payment schedule for the balance of its contribution. The Secretariat should initiate timely payment requests to the US and Mexico.

Action: Secretariat

Tax Reimbursement Agreement with the USA: The US representative advised that progress is being made and that a report on the developments could be made at the next session.

Action: USA

1994 External Audit: Members will communicate to the Secretariat, or to the Auditor, any observation they may have on the draft report so as to allow its finalization and approval of the financial statement at the time of the next session.

Action: Parties

Headquarters Agreement: Canada indicated that it expects to complete the revision process for the Headquarters Agreement by late April. A revised text should be provided shortly to the Secretariat and will be the object of formal review by the US and Mexico prior to its signature. In response to a US concern, Canada indicated that the 1995 income taxes for US and Mexican nationals will be treated as was done for 1994.

Program Working Groups: At the request of Mexico, the Secretariat will report on the various working and other ad hoc groups put in place.

Action: Secretariat

1995 Program Report: The Secretariat advised of its plan to complete and circulate the 1995 Program report by mid March.

Action: Secretariat

Environment-Trade Issues: At the suggestion of Mexico, it was agreed to have an informal exchange of views on the manner to address outstanding issues and more particularly the development of potential dispute avoidance mechanisms in conformity with Article 10:6 (c) of the NAAEC.

Action: Parties/Secretariat

NEXT SESSION

Members agreed to hold their next session in Montreal on March 6-7, 1996.

Prepared by Gilles Lamoureux
February 28, 1996

COUNCIL SESSION 96-02

**Held via Teleconference on Tuesday, February 13, 1996
from 3:30 PM until 5:30 PM**

FINAL ANNOTATED AGENDA

CHAIR: A. Clarke (Can)

1. Identification of Participants
2. Approval of Agenda
3. Remarks by the Chair of JPAC
4. 1996 Program and Budget
5. Update on the Program Implementation
 - 5.1. North American Environment Fund
6. 1996 Regular Session of Council
7. Silva Reservoir Report
8. Other Matters
 - 8.1. 1995 Regular Session of Council (outstanding matters)
 - 8.2. Payment of Contributions
 - 8.3. Tax Reimbursement Agreement - USA
 - 8.4. 1994 External Audit
 - 8.5. Headquarters Agreement
9. Next Session

COUNCIL SESSION 96-02

ANNOTATIONS

Item 1. Identification of Participants

Item 2. Approval of Agenda

ACTION: : Approval of the agenda and of the duration of the conference call

DOCUMENTS:

- a) Provisional Annotated Agenda

Item 3. Remarks by the Chair of JPAC

A regular agenda item to allow the Chair of JPAC to update Council Representatives on JPAC activities

ACTION: For information

DOCUMENTS: None

Item 4. 1996 Program and Budget

This agenda item is to consider outstanding matters related to the finalization and approval of the Program and Budget Proposal

ACTION: Review of outstanding projects and agreement on follow-up actions for finalization and formal approval via a resolution of Council:

DOCUMENTS:

- a) Project and Budget Summary
- b) 96.13.13 Project Summary - Avoiding Trade Dispute
- c) U.S./Mexico joint proposal: an invitation to participate in the U.S./Mexico Border Aerial Photography Initiative

Item 5. Update on Program Implementation

A regular agenda item. Secretariat will advise of key developments in NAEF implementation and other program initiatives

ACTION: For information and discussion of those issues in need of clarification or decisions

DOCUMENTS:

- a) NAEF: Proposed Guidelines for a New Initiative
- b) NAEF Timetable

Item 6. 1996 Regular Session of Council

This agenda item is to continue discussion on the preparation of the next regular session of Council. Canada will provide Host Country update.

ACTION:

- a) Confirmation of dates and venue
- b) Discussion of substantive agenda / possible announcements
- c) Review of Public Notice
- d) Review of the planning calendar

DOCUMENTS:

- a) Draft Public Notice
- b) Document on possible announcements and planning calendar and Corrigendum on Climate Change and Energy Efficiency

Item 7. Silva Reservoir Report

This agenda item is to continue the discussion initiated on January 23 on Council's response to the *CEC Secretariat Report on the Death of Migratory Birds at Silva Reservoir (1994-95)*

ACTION: Discussion of actions and timetable to develop Council's response to the report

DOCUMENTS:

- a) Silva Reservoir Report
- b) JPAC Advice #95-7

Item 8. Other Matters

This item allows for a review and decisions of more pressing non-program related matters that were not considered at the previous session. Other items in this category such as: *Headquarters Agreement with Canada; Agreement with Quebec; Privileges and Immunities; Annual Report; Revenue Generation and Linguistic Accuracy amongst the three languages of NAAEC* will be considered at future sessions.

Item 8.1 1995 Regular Session - Outstanding Matters

ACTION:

- a) Update on the signing of the seven resolutions by Administrator Browner
- b) Drafting of a resolution on NAFTA expansion

DOCUMENTS:

- a) Summary Record of Session 95-05, page 2

Item 8.2 Payment of Contributions

Canada and USA have completed the payment of their 1995 contribution. Canada has made the initial payment for the 1996 contribution.

ACTION: Parties to advise of their respective schedule of payments

DOCUMENTS:

- a) Table of the contribution payments made by each Party
- b) Council Resolution #94-2

Item 8.3 Tax Reimbursement Agreement with the USA

ACTION: Progress report and discussion of timeframe for follow-up actions

DOCUMENTS: None

Item 8.4 1994 External Audit

ACTION: Review of auditor's discussion draft report and discussion of follow-up actions

DOCUMENTS:

- a) Auditor's draft report is expected February 9 or 12

Item 8.5 Headquarters Agreement

ACTION: Amendment of Headquarters Agreement at the request of the United States of America

DOCUMENTS: None

Item 9. Next Session

This agenda item is to allow for a discussion on the merit of establishing a calendar of sessions for 1996. Considerations could also be given to the modification of the chairing formula of the Alternate Representatives sessions whereby the sessions would be chaired by the host country of the next annual Regular Session of Council.

ACTION: Discussion on:

- 1996 Session calendar proposed dates

⇒March 6-7 (meeting in Montreal)

⇒April 15 (conference call)

⇒April 23-25 (regular session of Council)

⇒June 17-18 (meeting in Montreal)

⇒September 19-20 (meeting in Montreal)

⇒December 12-13 (meeting in Montreal)

DOCUMENTS: None