2023

Report of the Executive Director to the Council

North American Environmental Cooperation and the Planetary Crises







As this report went to press, more than 400 wildfires, brought on by fire-prone forests as a result of an increasingly warm and dry climate, raged through eastern Canada, sending smoke into the atmosphere, blanketing much of North America's highly populated northeastern region, reaching past the U.S. capital and down to South Carolina, and even into parts of Europe. With more than 10,000 individuals evacuated in Canada, the toxic smoke quickly crossed the border, fully engulfing New York City, the United States' most populous city. Air quality levels hit the top of U.S. EPA's air pollution threshold, as fine particles carried into the jet stream darkened skies, grounded flights, canceled outdoor events, closed schools and sent people to hospitals to treat air-borne respiratory illnesses caused by the smoke. It's a growing and more frequent sign that global warming is wreaking havoc across the Earth.

There has never been a more urgent time to advance trilateral North American cooperation to conserve, protect and restore our shared environment. As North America's foremost environmental organization, the work and mission of the Commission for Environmental Cooperation (CEC) are of paramount importance to this challenge. As we represent three countries with a shared environment and common bonds, it is our responsibility and duty to do everything in our power to ensure a sustainable and equitable future for communities across the region and in their impacts around the globe.



CEC Mission Statement

The CEC facilitates effective cooperation and public participation to conserve, protect and enhance the North American environment in support of sustainable development for the benefit of present and future generations.

Three countries, one environment.

Foreword

The latest <u>IPCC AR6 Synthesis Report</u> indicates that global warming trends are on the brink of, or already, surpassing the 1.5°C threshold of warming since the pre-industrial era, as set by the **Paris Agreement** as the level beyond which climate changes will trigger critical tipping points, unleashing devastating and irreversible climate impacts. And every 0.1°C of this warming trend matters, because it is avoidable and translates into increased impact and suffering.

This decade is truly consequential for humanity and planetary history. The multiple, interrelated crises we face—climate change, rampant pollution and catastrophic loss of biodiversity—are increasingly recognized by most of society, not only because climate science is ever clearer on the causes, effects and projected impacts of climate change, but also because these increasingly intense impacts of climate change are visible to everyone and are being felt by communities around the planet.

While global warming used to be a debatable topic for some and, perhaps for others, something that would happen at some time in the distant future, it is now evident that our climate is already rapidly changing right before our eyes. Severely destructive, once-in-a-century climate events are now occurring every few years, yearly, or even multiple times per year. Our North American region, about 1/6th of the Earth's land mass, is already ground zero for many of climate change's worst impacts.





Wildfires are increasing in intensity, reach and severity in terms of costs and casualties, with some of the most devastating fires occurring over the past two decades, which also corresponds to most of the hottest years in recorded history. Extreme heat events are also on the rise, such as the heat domes seen in western North America in June 2021, and emerging science tells us that between 20 and 30 more days of extreme heat per year can be expected by mid-century, a trend that is impacting flora and fauna, infrastructure, agricultural productivity and the health of ecosystems and people. The frequency of extreme weather events is also on the rise, including recurring atmospheric rivers, tornados, and hurricanes, which are causing destruction and human suffering across the region.

Weather instability, heavy flooding and prolonged droughts are not just destroying our environment and affecting our water supply, but they are harming people, bringing on climate-driven diseases and other health impacts, threatening our agricultural productivity, placing food supplies at risk and creating economic shocks that are felt through our societies.





Forest ecosystems, which are critical for storing carbon and producing the oxygen that is necessary for life to thrive, are being destroyed by raging wildfires, which are turning our most effective carbon sinks into carbon emission sources, and destroying vast ecosystems, razing entire communities, and spewing soot (black carbon) and other toxic substances into the atmosphere, which cause respiratory diseases and disproportionately burden our most vulnerable communities, many of which have contributed least to the climate crisis.

Additionally, black carbon emissions from these more frequent wildfires, as well as from fossil fuel emissions, are transported by the airstream to the Arctic and deposited on glaciers and sea ice, darkening their surfaces and thus decreasing the ice's natural heat reflectance and instead becoming heat sinks. This results in intense Arctic warming, which accelerates as glacier and ocean ice melts, uncovering darker earth and ocean surfaces, which in turn leads to even more absorbed heat, creating a vicious feedback loop which further intensifies climate change. As a result, global warming in the Arctic is roughly four times the global average. Accelerated melting of ice and glaciers at the Earth's poles and in mountainous environments also leads to sea-level rise, accelerating coastal erosion and saltwater intrusion into coastline environments, destroying wetland ecosystems and placing coastline communities in peril.

Ocean warming, resulting from the transfer of atmospheric heat to ocean water, destabilizes our marine environments, resulting in coral reef dead zones and fish die-offs and to the destabilization of weather patterns around the world. For example, the UN Intergovernmental Science-Policy Platform on Biodiversity and Ecosystems Services (IPBES) Global Assessment showed that at sustained 1.5°C warming, 70 to 90% of global coral reef cover will be lost, with that figure rising to more than 99% of global coral loss in a 2°C warmer world.



The climate deterioration that we see unfolding before our eyes is our wake-up call, as we are heading down a dangerous path which will irreversibly alter our lands and seas, adversely affect ecosystem functioning, as well as the range, behavior and abundance of species, and the deterioration of the critical ecosystem services and contributions of nature which make our lives and our societies possible.

We must do everything in our power to change course as rapidly as possible to avoid the highly detrimental and potentially irreversible impacts brought on by climate change to our environment and to our communities.

The good news is:

- We have opportunities to deliver concrete results to effectively address the climate emergency, to slow, halt and even reverse climate change.
- We have the capacity to act.
- We still have time to act.
- And we have the means to do it.

Fortunately, there is a lot that the North American region, and the Commission for Environmental Cooperation (CEC) specifically, can do, and is doing, to respond to this emergency.





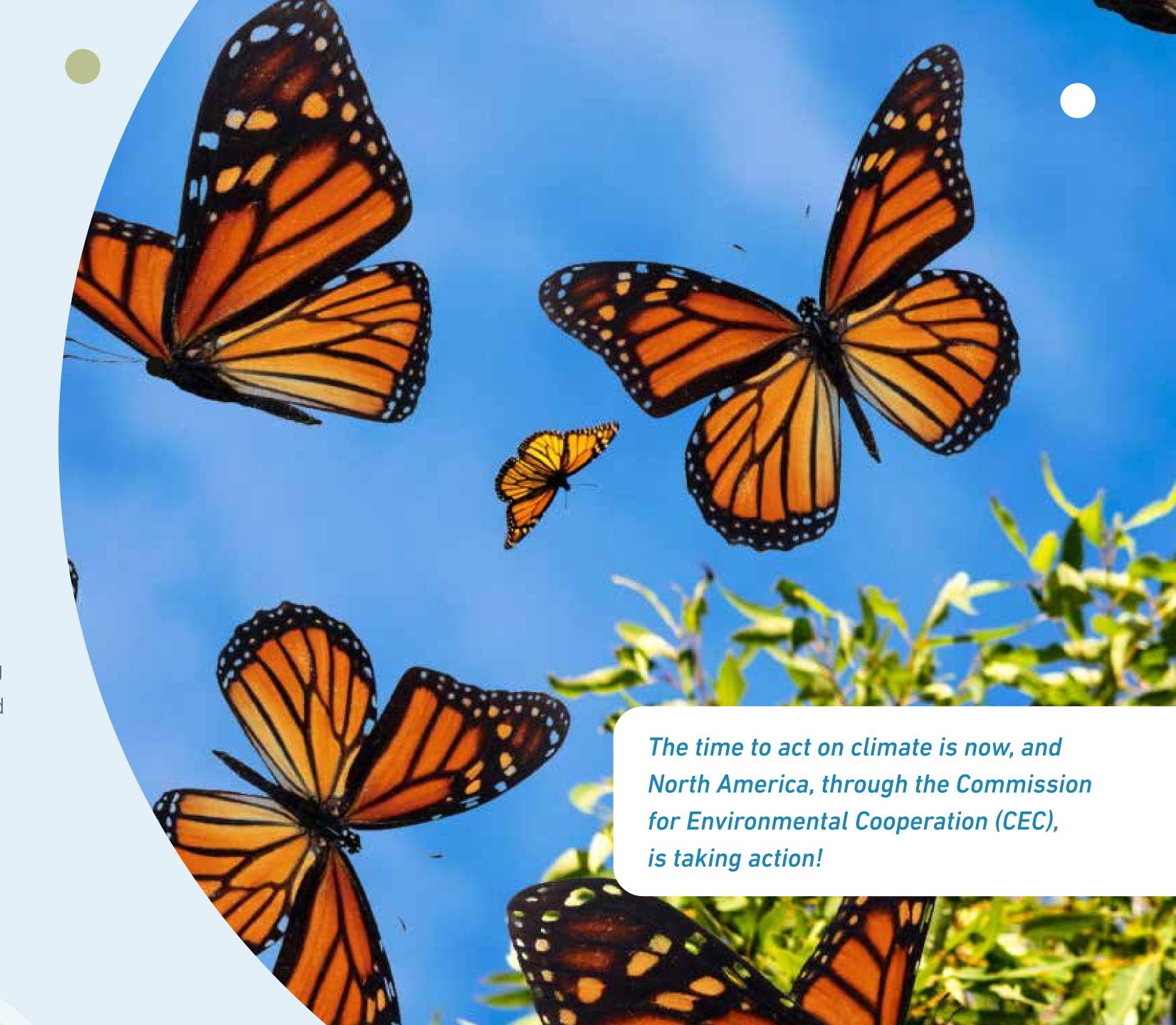
In this dire context of a triple crisis of climate, biodiversity and pollution, North America is uniquely positioned to take up the gauntlet for this urgent challenge, acting collectively and with a sense of shared responsibility and regional identity, for the benefit of present and future generations.

With a diverse, multi-cultural and multifaceted community of 500 million North Americans, it is now up to all of us to do all that we can, and utilizing all the tools within our reach, to embark on a sustainable course that moves us away from further climate and environmental instability.

We have spent three decades at the CEC building a foundation for collaborative action on environmental protection. We have strengthened our trilateral relationships through coordinated North American environmental action and demonstrated our capacity through regional environmental leadership to act in unison for the benefit of our communities. Our three countries have shown the world that collaborative regional environmental action is possible and effective. We can build on this experience to tackle even the most pressing challenges and work collectively to slow global warming, to stabilize our climate as quickly as possible, using the most effective climate actions available to us.

We can avoid the otherwise certain further and deeper disturbances of our delicate ecosystems that would be brought by inaction and a 'business as usual' attitude. Amongst our people, our scientists, our academics, our businesses, and in our communities, we have the knowledge and capacity to help restore nature's vibrancy and resilience. We can and must reduce projected losses and damages from prevailing climate trends, helping communities to build back better, with more equity, with greater climate resilience, and in ways that will help our most climatevulnerable communities: improving air quality, better managing our fresh water supply, improving quality of life, increasing energy efficiency, reducing waste, and promoting sustainable development and economic growth.

In the end, we ourselves are the authors of our North American story on environment and climate change, and the CEC is helping drive the narrative and the actions of that story.



Building on Regional Environmental Action

The CEC is on the cusp of entering into its fourth decade since the entry into force of the North American Agreement on Environmental Cooperation on 1 January 1994. We now continue our mission, with new energy and with increased ambition to tackle our most pressing environmental challenges.

Now operating under the renewed North American trade and environmental agreements, the **USMCA/CUSMA** and the **Environmental Cooperation Agreement**, our **2021–2025 Strategic Plan** helps us align actions to collaborate trilaterally on:

- promoting clean air, water and land
- preventing and reducing pollution in the marine environment
- promoting a more circular economy and the sustainable management of materials
- protecting shared ecosystems and species
- promoting more resilient economies and communities
- effectively enforcing environmental laws





While the specifics of our agreements have changed, the spirit of our environmental collaboration and our resolve to collectively tackle our most pressing environmental challenges have not. And as we advance on our historical pillars of environmental and trade action and strategy, we are incorporating new dimensions in our work to include Indigenous perspectives and traditional ecological knowledge in the design and implementation of our environmental solutions, promoting greater inclusion of key collaborators, and working collectively to promote environmental justice across the region.

With an ever-growing sense of a North American regional environmental identity, built over three decades on the collective stewardship of our shared environment, and as we face our current triple planetary crisis, we are emboldened to do more as a region. And we can. The CEC is helping our three countries race to the top of environmental and climate action at this critical juncture, accelerating our efforts to slow and reverse climate change, to better conserve, protect and enhance our biodiversity and ecosystems, while harnessing and fostering the strength and resilience of our communities, particularly the most vulnerable.

This 2023 Executive Director Report to the Council focuses specifically on:

- Where we've been and what we've learned
- Where we are and what we're doing

and most importantly,

 Where we're going in order to meet the greatest environmental challenges of our time

> I am honored to serve as the CEC's tenth Executive Director, at a time when our region is facing great challenges to address the triple planetary crises of climate change, biodiversity loss and pollution.



With this urgency in mind, I am resolutely focused on leveraging the CEC's capacity and historical experience, to reach our most ambitious climate and environmental targets, and to successfully implement the **Executive Director Mandate I have received from the Council**, centering on the CEC's value and unique ability to help foster trilateral North American environmental action, including a focus on the following key goals:

- Ensuring efficient management of CEC resources
- Advancing regional **priorities**, with projects that are effective, efficient and results-oriented
- Increasing the **visibility** and unique value of the CEC, regionally and globally
- Increasing engagement with vulnerable communities, and
- Expanding key **CEC partnerships**

I have taken concrete steps to share this mandate with the entire Secretariat staff, channeling its objectives into everything that the CEC does, in line with and complementing our **Strategic and Operational Plans**. I have encouraged our team to regularly review and revisit our governing agreements, our strategies, plans, values, and the ED Mandate, so that we all work collaboratively, together, towards a collective goal.



Let me share some highlights of how the CEC is moving forward on its mission and how our present work is geared to addressing our most challenging regional environmental issues.

Improving CEC Resources and Building the Secretariat Team

The current ED Mandate prioritizes modernizing the Secretariat's work, increasing transparency and accountability, promoting sound financial management and using technology in innovative ways, while fostering a healthy, respectful, diverse and productive environment.

In the short time since my arrival in late August 2022, shortly after the last Council Session in Mérida, through horizontal and participatory Secretariat team actions and innovation, we're moving to achieve this *and much more*.

We've seen an influx of new, high caliber, seasoned and energetic incoming professionals. With women now comprising nearly three-quarters of the Secretariat staff and a more than one-third of our personnel being youth, we are infusing new energy into our team by advancing diversity, by introducing new management approaches, and by promoting innovation, capacity building and team growth.

We have worked diligently over the past year to develop and roll out several new administrative policies that are helping make the Secretariat's work more efficient, more dynamic, and more engaging, including:

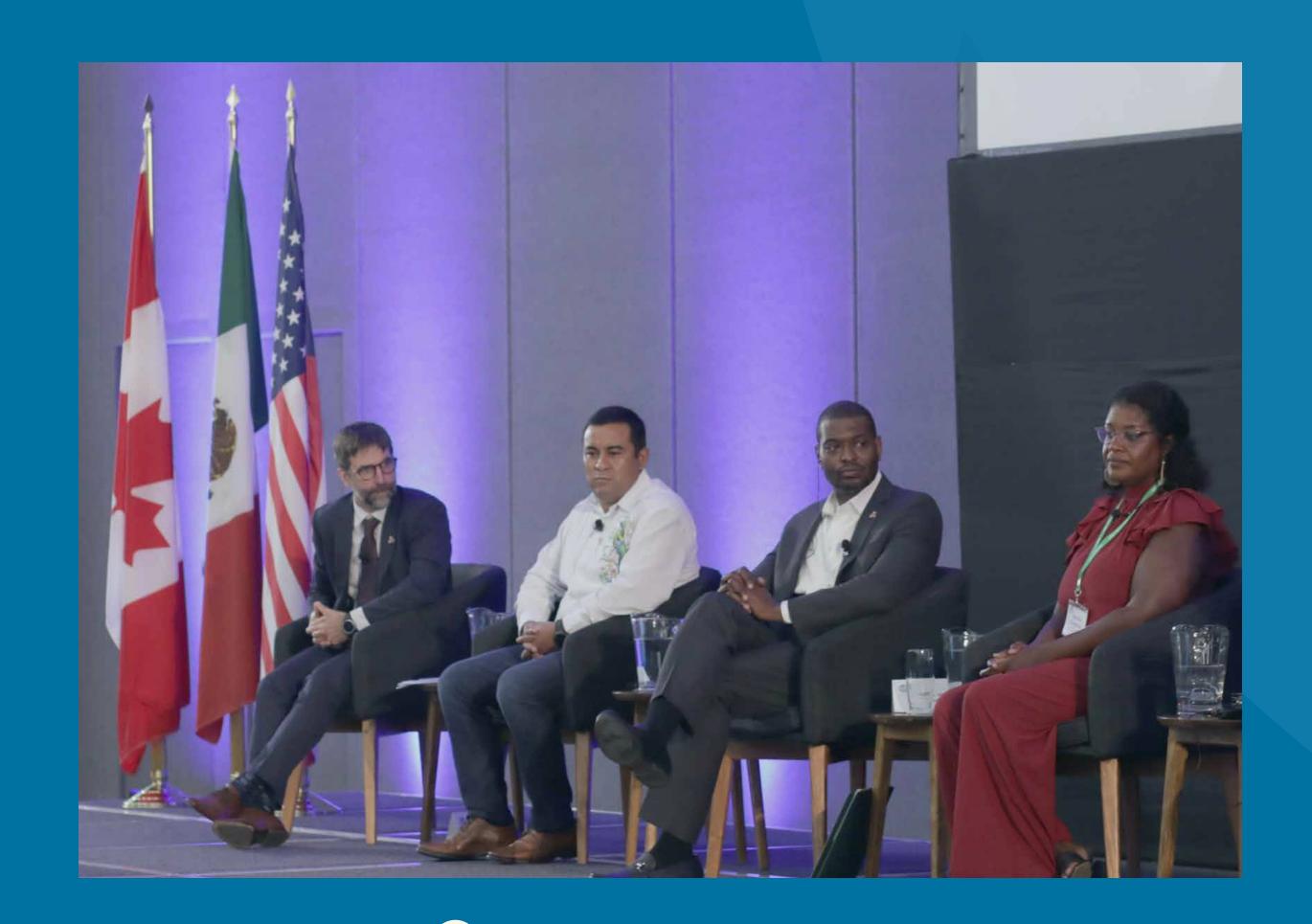
- Taking lessons from our COVID-19 experience, a new *Teleworking Policy* fostering a more efficient, less-polluting, and more sustainable hybrid work environment
- An *External Engagement Policy* ensuring that our expanding activities outside the CEC are carefully and strategically chosen and aligned with our mission and strategies
- A new *Internship Framework* to better attract young environmental stewards from across the region, helping to inform and expand our work program, while developing young CEC ambassadors who will embody and disseminate our mission and work throughout their careers
- And, most recently, we're developing a *Gender and Diversity Strategy* to better integrate gender, equity, diversity and inclusiveness in our team and in all CEC operations
- Also on the horizon is the crafting of a new *Indigenous Protocol* to ensure that the CEC is rightfully and respectfully engaging Indigenous partners.

We are also reviewing administrative and performance practices and exploring new technologies, conducting management and staff training, and introducing processes to better ensure the efficient use of our resources, including:

- Exploring new performance
 management practices to ensure that
 the CEC's work and our recognition
 of the team's performance and
 development is merit-based, and better
 integrated with CEC workplace policies
- Considering new financial
 management practices that will add
 value in all that we do and improve
 predictability in the budget process
- Updating our procurement manual and practices to expedite our contracting
- Introducing new internal
 administrative policies to more
 efficiently carry out our mandate

- Exploring the use of artificial intelligenceassisted technology where it can improve efficiency of our processes, such as with translations
- Buttressing IT resources for today's standards and safety protocols and to ensure business continuity
- Conducting management training to adapt to changes in the work environment and expand the capacity of our professionals
- Developing CEC-wide training, (including the Parties, JPAC and TEKEG), harnessing in-house, as well as external partner, expertise and knowledge, which we are sharing with the Secretariat team as well as with other CEC bodies





Advancing Strategic Priorities

As the region's primary trilateral environmental body, with three decades of experience in North American environmental stewardship, the CEC is building on the region's historical environmental collaboration and coordination amongst our three countries.

We are working diligently to implement the objective of the **Environmental Cooperation Agreement (ECA)**:

to enhance the effectiveness of environmental cooperation between our nations in order to conserve, protect and enhance the environment and to address the region's environmental challenges and priorities.



Under my tenure as CEC's Executive Director, and building on the mandate priority to enhance the relevance of the CEC within the region and abroad by linking the CEC's projects and initiatives more closely to global and regional frameworks, and emphasizing that the USMCA/CUSMA recognizes the important role other multilateral environmental agreements play in protecting our North American environment, the CEC is helping the three countries identify areas where our regional environmental expertise and our historical engagement on coordinated environmental action can help advance existing and emerging global, regional and national environmental and climate priorities and commitments.

This includes, for example, identifying where the CEC can help advance our respective climate commitments forged through the United Nations Framework Convention on Climate Change (UNFCCC), where the CEC is participating directly in forums such as the global climate summits (COPs), or how the CEC can better serve as a vehicle to help implement our Presidents' and Prime Ministers' commitments that stem from the North American Leaders Summits (NALS), to tackle our most pressing, evolving and prioritized environmental issues and challenges. This includes, for example, our incipient work to develop a Climate Adaptation Workplan and an early warning system for extreme events, as well as to promote climate adaptation solutions in the region.

At this critical juncture, where a rapidly escalating climate emergency necessitates that our three countries move quickly to adopt more ambitious climate action and do more to protect our environment and our vulnerable communities, the CEC is helping our countries meet this moment as a region, while also fostering a North American identity centered around our coordinated work to protect our shared environment, our common bonds and our collaborative spirit.



We at the CEC are drawing from our knowledge and past experiences on advancing trilateral environmental stewardship, we are tapping into our accumulated technical know-how and employing the tools that we have developed over three decades of trilateral coordination and collaboration, utilizing all of the resources at our disposal to address our current regional priorities, including tackling the climate emergency by:



- Harnessing environmental data to better inform our actions and use our accumulated skills to address emerging trends and opportunities
- Tracking key climate and environmental pollutants to more adequately understand current and rapidly changing climate trends and taking action trilaterally to address emerging environmental and climate risks
- Monitoring shared species and ecosystems to identify
 the changing needs and opportunities posed by our
 evolving climate to better protect and conserve our biological
 resources as they are exposed to increased risk,
 while benefitting from the services and contributions
 that they deliver
- Improved understanding of our economies and myriad
 ways of life to identify and accelerate our transition to
 greener, more sustainable economies, exploring policy
 options that take into account potential synergies of working
 together as a region
- Contributing trilateral guidance to policy makers in our three countries on how to increase environmental protection where it is needed most.

Advancing Climate Action Strategies

Decarbonization is a front-and-center global priority in our three countries and around the world to mitigate climate change. Through the programs, activities, and the partnerships we forge, the CEC is invested in helping to bring North America together in more effectively reducing greenhouse gas emissions and advancing decarbonization efforts, particularly by exploring ways and identifying opportunities among the three countries, in order to more effectively facilitate our countries' rapid pathways to zero- and low-carbon economies.

However, emerging climate science is very clear and our three countries have duly recognized that *decarbonization alone is not enough*. The best available science, from the IPCC and others, shows that we must rapidly reduce emissions of other, even more dangerous *climate super pollutants*, as well as introduce specific actions to *cool our climate* and to *protect critical ecosystems* that act as sinks for carbon and other greenhouse gases. And we need to do all of this while *building resilience and alleviating climate impacts* for our most climate-vulnerable communities.

In sum, our climate strategy must meet several concurrent goals, including **mitigating** potent GHGs, **cooling** our environments, capturing emissions and helping our communities become more resilient, as well as **adapting** to climate change.





And so, building on the clarion call of our leaders in global, regional and national commitments to more aggressively tackle climate change, and grounded in our trilateral agreements to protect and preserve our environment, as Executive Director of the CEC, *I am challenging our team and our partners to better employ our resources to do more on climate action*, particularly in helping our Parties identify priority areas where—through the use of CEC resources and the CEC's programmatic regional work—North America can more rapidly attain its climate targets.

Potential areas where our mission and workstreams work to this end include actions that can deepen our trilateral collaboration to reduce such potent short-lived climate pollutants as:

- methane (the primary component of natural gas), a greenhouse gas that is 86 times more powerful than CO_2 on a 20-year timeline;
- ozone-depleting substances, including *hydrofluorocarbons (HFCs)* commonly found in refrigerants—which can be up to tens of thousands of times more potent than CO_2 —and are rightly identified as a priority in the USMCA and the ECA; and
- black carbon (or soot), which contributes significantly to accelerating Arctic warming, melting glaciers, rising sea levels and deteriorating air quality, with devastating impacts for human health in some of our most disadvantaged communities.

Through the North American Leaders Summit, our leaders called to aggressively reduce these short-lived climate pollutant emissions in the region. New science has only confirmed that through actions available to us now and implemented over the next two decades, tackling short-lived climate pollutants can avoid 0.6°C of additional warming by 2050.



Achieving these targets is a critical necessity for keeping to our 1.5°C pathway as closely as possible. It is also an area where North America, and the CEC specifically, has an advantage and an early start over other regions, and where we are emerging as the *global leader and facilitator* of a coalition of the willing to do more on climate. With this in mind, the CEC recently joined the UN's *Climate and Clean Air Coalition (CCAC)*, founded by some of the most committed and engaged countries on tackling climate change, and including our three North American countries. Through this global partnership, the CEC can leverage its experience on tracking key climate pollutants on creating and implementing GIS mapping tools and sharing its experience on efforts aimed at reducing black carbon emissions, as well as helping to advance more effective global action and efforts to reduce short-lived climate pollutants (SLCPs).

Complementing our *climate mitigation* work aimed at fostering GHG emissions reductions in the region, the CEC, has also been actively engaged on actions to strengthen and advance *climate adaptation*. In response to the *2021 NALS joint statement*, the CEC Council met and re-affirmed the urgent need to tackle the devastating effects that climate change poses on the health, safety, socio-economic and environmental well-being of our communities, and in 2022, announced the launch of a *Climate Adaptation Initiative* to advance the response and adaptive capacities of our three countries to deal with extreme weather and climate events, through improved coordination of early warning systems, adaptation planning, and emergency management, and by supporting innovative, *nature-based climate adaptation solutions*.



A key goal of this initiative, which the CEC is currently developing, is to effectively improve modes of communication and collaboration among and within the three countries, to prevent and reduce the impacts of extreme events and protect affected communities.

Our climate adaptation work is exemplified by the CEC's commitment to advancing environmental justice, through our EJ4Climate grant program, a key component of our climate adaptation action. The EJ4Climate grant program helps communities address the impacts of climate change by building replicable examples of resilience and adaptive capacity of local communities to mitigate mounting climate impacts.

These and other CEC initiatives on which we are currently engaged are contributing directly to addressing the urgency of the climate crisis. We can advance these and many other climate strategies by deepening longstanding CEC programs and initiatives, and also by working with the Parties to identify new approaches that are in line with our countries' existing and emerging global climate action commitments, helping to mitigate emissions, helping communities to increase climate resilience, reduce climate impacts and promote climate cooling, including through actions we are already engaged in, or that we are currently exploring, such as:

- Identifying best practices to reduce the most potent climate pollutants
- Identifying **nature-based solutions** that can rapidly **help** cool the planet and build resilience
- Advancing conservation to protect and support ecosystems and species
- Facilitating communities of practice to better manage protected areas
- Incorporating valuable Indigenous perspectives and traditional ecological knowledge for climate solutions
- Strengthening disaster preparedness by developing early warning systems for climate impacts
- Reducing food loss and waste to avoid its climate impact through the promotion of more sustainable resource management
- Promoting the transformation of North American recycling and the overall transition to a more circular economy
- Raising awareness and fostering environmental education to empower North Americans to contribute to the solutions to our common environmental challenges
- Promoting environmental justice, equity and inclusion, particularly in vulnerable and underserved communities

Enhancing Visibility, Community Engagement, Outreach and Partnerships

The CEC's success is built upon on our trilateral networks of engagement, prioritizing and leveraging our relations with our partners across our three countries, fostering Indigenous community engagement, youth participation, and outreach to the private sector. Taking a cue from the Executive Director's Mandate to increase the visibility of the CEC regionally and internationally, we're exploring new partnerships and expanding social media outreach that can better leverage outcomes from our past, present and future actions, both regionally and globally.



Some of these engagements include:

 The UNFCCC Climate Summits (COP27 in Sharm el-Sheikh), where we are taking the CEC's work globally, engaging and sharing the CEC's trilateral work with other regions that are looking to the CEC for best practices



The CEC hosted a panel at the UNFCC COP27 in Sharm el Sheikh on the CEC's role in promoting regional climate action, featuring Alternative Representatives Stephen de Boer, Miguel Ángel Zerón and Jane Nishida, as well as JPAC member Felicia Marcus and CEC collaborator Kerry-Ann Charles.

- The UN Convention on Biological Diversity Summits (COP15 in Montreal), where we are engaging with civil society and other intergovernmental partners to share information about our work to protect ecosystems and promote ecological conservation and other areas of engagement on the 30x30 agenda Biodiversity Framework
- The Economic Commission for Latin America (ECLAC), which has highlighted effective regional approaches to tackle the climate emergency
- The Climate and Clean Air Coalition (CCAC), where global partners have come together to advance more effective global action and efforts to reduce short-lived climate pollutants, such as methane, black carbon and HFCs, and
- A newly forged Memorandum of Understanding with the
 United Nations Environment Programme Regional Office for
 North America, to advance regional collaborative efforts to
 tackle the triple planetary crisis of climate change, biodiversity
 loss, and pollution, while promoting environmental justice and
 incorporating traditional ecological knowledge

Training and Cross-Institution Capacity Collaboration

With the goal of promoting a more efficient and productive working environment, we are conducting staff training on key policy and management topics and fostering more engagement between the CEC family members, as well as with external partners and activities. This includes fostering greater inter-institutional engagement between our Joint Public Advisory Committee and our Traditional Ecological Knowledge Experts Group, which have begun to meet jointly on a regular basis, providing a new, collaborative working environment to further leverage the knowledge and capacity of our diverse set of environmental experts. We are also rolling out a CEC family-wide capacity-building initiative seminar series, with internal and with external stakeholders, to harness our internal CEC-wide knowledge as well as that of our external partners in order to share and expand this knowledge among the CEC family, including JPAC, the TEKEG, and with Council representatives, though our General Standing Committee.



Engaging Vulnerable Communities and Integrating Environmental Justice, Youth and Gender Equity

The ED Mandate also calls for continued and improved engagement with vulnerable communities, and to this end, we're prioritizing CEC's deepened engagement with youth, not only by progressively bringing on young talent from the three countries to join our team (about one-third of CEC's staff is now 35 years old or younger—and growing) but also through initiatives carried out in collaboration with our partners.

We're also engaging communities across the region to advance environmental justice (EJ) by promoting social equity and helping increase climate resilience.



To this end we're reaching further to involve environmental justice communities and other actors across North America to be part of our *Communities for Environmental Justice Network*, by building new EJ partnerships in each of our three countries to enable better understanding of our priorities and our actions promoting environmental justice.

The ED Mandate also calls for ensuring gender equity and diversity within the CEC and, in response, we are currently developing a new gender and diversity (GEDI) policy for our staff. But again, we can do more. And so, we're taking steps to more effectively include *LGBTQ* stakeholders, issues and other considerations into our work. To accomplish this, we are reaching out to new partners with expertise in LGTBQ matters related to environmental and climate issues in our three countries.

Fostering Private Sector Engagement

The CUSMA/USMCA stresses the importance of promoting *corporate social responsibility*, responsible business conduct, and adherence to internationally recognized standards and guidelines to strengthen coherence between economic and environmental objectives. In this context, the importance of private sector engagement and partnerships for the CEC have been made clear in the new Environmental Cooperation Agreement (ECA) and in the CEC's Strategic Plan 2021–2025.

Industry and local businesses are an essential part of the social and economic fabric of society, operating in communities across the continent and providing livelihoods to citizens. These businesses, which are dispersed in small and large communities and located in urban and remote and isolated areas, contribute to the prosperity of the three North American

countries and their citizens, including through the creation of sustainable innovations and green growth. Economic activities, however, may also create negative environmental impacts and social injustices for people who are adversely or disproportionately affected by these impacts or uneven economic conditions.

The role of the private sector, whether working in concert with governmental action or in its own business undertakings and sustainability efforts, has its own crucial contributions to make in advancing action on climate and enabling the structural and cultural conditions for promoting social and environmental equity, which are critical if we are to meet our regional and global environmental and climate targets.

The private sector is already engaging voluntarily in actions that promote environmental, social and corporate

governance (ESG), sustainability reporting, as well as advancing corporate sustainability policies and ESG management systems, as well as emissions and climate risk disclosure, all geared to advance sustainability goals and global climate targets.

In this context, the CEC is fostering engagement with the private sector to explore areas where our goals, targets, programs and initiatives can consider and engage private sector actors in mutually beneficial ways to promote more sustainable business practices. To this end, we are finalizing our CEC Private Sector Engagement Strategy and will be exploring ways this coming year to better engage private sector actors to support and promote their increased participation in addressing trinational environmental priorities under the CEC.

Bringing Subnational Governments into Regional and Global Climate Action

Much of the CEC's strategic programmatic work takes place through policy engagement and action at the federal and/or trinational levels. However, the implementation of CEC initiatives and programs over the course of the institution's history has and continues to involve local governments, at the state and city levels, for example, on issues related to waste management, extreme heat or environmental justice.

North America's Environmental Cooperation Agreement (ECA), several NALS declarations, as well as other international treaties agreed by our three countries, clearly call for the facilitation of partnerships, linkages, and other new channels and modes of cooperation and engagement with national and subnational governments to promote more effective development and exchange of best practices and environmental information.



CEC's Executive Director moderates a panel at the Cities Summit of the America in Denver, Colorado, on Urban Natural Restoration and Environmental Justice.

The CEC is now building on a rich history of engagement with subnational actors and exploring new opportunities in emerging spaces to develop partnerships with governments at the state, provincial, city and community levels, including participating in subnational forums that address climate and other environmental priorities, engaging subnational actors who are focused on many of the CEC's strategic priorities, communicating through subnational actor networks, and by fostering direct CEC subnational government relations that we have cultivated through the years and that we are building for the first time.

Fostering Engagement with the USMCA/CUSMA's Environment Committee



Fluid and collaborative relations with our various USMCA/CUSMA associated bodies is fundamental for the CEC to successfully carry out its North American mandate and help all of us meet the new trilateral expectations set out in the Agreement. The CEC is working to foster productive and constructive communications with its associated bodies under the Agreement, particularly the **USMCA's Environment Committee**.

This past year, the CEC has already participated in three meetings with associated partners under the USMCA/CUSMA, including:

- The first annual meeting of the USMCA Environment Committee
 held in Mexico City last year
- The meeting of the **Free Trade Commission** held in La Jolla, California in earlier this year
- A working level meeting at the Secretariat with Environment Committee representatives

Working with the Joint Public Advisory Committee (JPAC)



The Joint Public Advisory Committee (JPAC) continues to play a key role in supporting the CEC's mission, by helping the CEC increase public engagement with key environmental actors in the region, and by advising the Council on emerging issues and regional priorities.

Of particular significance this year is our increased effort to engage other CEC bodies in JPAC activities, particularly the CEC's *Traditional Ecological Knowledge Experts Group (TEKEG)*. With Octaviana Trujillo elected chair of the JPAC for this calendar year, herself a highly regarded Indigenous scholar and leader, we are advancing this collaboration more effectively, for example, through joint sessions held between the JPAC and the TEKEG, allowing for more strategic, collaborative and integrated engagement.

Also this year, the JPAC led several key consultative initiatives and is advancing programs which are helping to inform the Council and the Secretariat:

- On the creation of a Network of Communities for Environmental Justice
- On the *Role of Ports in Fighting Climate Change*, particularly with respect to potential solutions for mitigating climate change, reducing GHG emissions and air pollutants impacting local communities
- On Advancing Responsible Purchasing of Wood Products and promoting sustainable forest management



Promoting Traditional Ecological Knowledge and Indigenous Engagement

The incorporation of traditional ecological knowledge is one of the central priorities of the USMCA/

CUSMA, which recognizes the

importance of respecting, preserving and

maintaining the practices of Indigenous Peoples and local communities, embodying traditional lifestyles that contribute to the conservation and sustainable use of nature and our connection to Mother Nature. Indigenous engagement is hence a top priority in all of the CEC's activities. Given the favorable winds in the three countries to advance Indigenous engagement in North America, we are encouraging even more ambitious TEKEG engagements across the CEC family, including with the office of the Executive Director, within the Secretariat, and with our North American partners.

In this spirit, at recent joint TEKEG and JPAC gatherings at the CEC Secretariat, TEKEG members underscored the importance for the CEC to give more visibility to Indigenous resources, activities and strategies at the CEC, including:

- By expanding Indigenous resources offered on the CEC website
- By introducing internal policy and capacity building on Indigenous considerations
- By promoting intergenerational knowledge transfer within CEC projects
- By drafting and adopting a protocol for the CEC to more adequately engage Indigenous communities in the three countries
- By developing an *Indigenous Engagement Strategy* for the CEC

The Executive Director and the Secretariat, through the TEK and Indigenous Affairs Officer, will be working with the TEKEG, in consultation with our Council representatives, to explore ways to advance these calls for action.

Key Highlights from CEC's Work Program since our last Council Session

The CEC's Annual Report details in more fulsome manner the many activities, programs and initiatives in which the CEC has been engaged under our Operational Plan, so I will not go into too much detail here regarding our rich programmatic agenda, but I would like to highlight some of the key past and emerging elements of our programs and initiatives that are not only critical to our mission and to our vision, but that are critical to address emerging North American priorities, such as more effectively tackling climate change.



Advancing Environmental Justice and Community Action

Since 2021 North America has trilaterally prioritized environmental justice action and engagement with local communities, supporting underserved and vulnerable communities, as well as Indigenous Peoples, many of which are on the front lines of climate change, but that also have invaluable contributions to offer as we face the current planetary crises.

The CEC is currently focused on meeting our environmental and climate challenges through expanding collaborative North American efforts to promote community engagement, and particularly by finding more effective ways to address key emerging priorities, such as extreme weather events, on implementing nature-based solutions at the community level, through actions that have climate, social and economic benefits, and that can also advance environmental justice.

To this end, the CEC is promoting hands-on, local learning focused on sharing knowledge, awareness raising, capacity building, and youth engagement for communities that need it most. A few key initiatives aim precisely in this direction, including:

- The EJ4Climate Grant Program, which currently has 29 ongoing projects in North America, to build climate resilience and advance environmental justice
- The Communities for Environmental Justice Network, which will create a network of representatives from Indigenous communities and/or vulnerable, disadvantaged and underserved communities to exchange and disseminate community-based expertise
- The 6th cycle of the North American
 Partnership for Environmental Community
 Action (NAPECA), focusing on projects
 fostering community involvement and
 promoting partnerships





Promoting Youth Engagement

The CEC has committed itself to engage youth and one of its main vehicles to do so is through its annual Youth Innovation Challenge. The seventh iteration of the challenge continues to support action and inclusion of youth to share their emerging, innovative and bold solutions for addressing the region's environmental challenges. The ED Mandate clearly calls for cementing this priority front and center in all of our projects and initiatives and further engagements will re-affirm our commitment to youth. We are also set on incorporating a greater percentage of youth into our staff; now with just shy of 40 percent of our team being under 35.

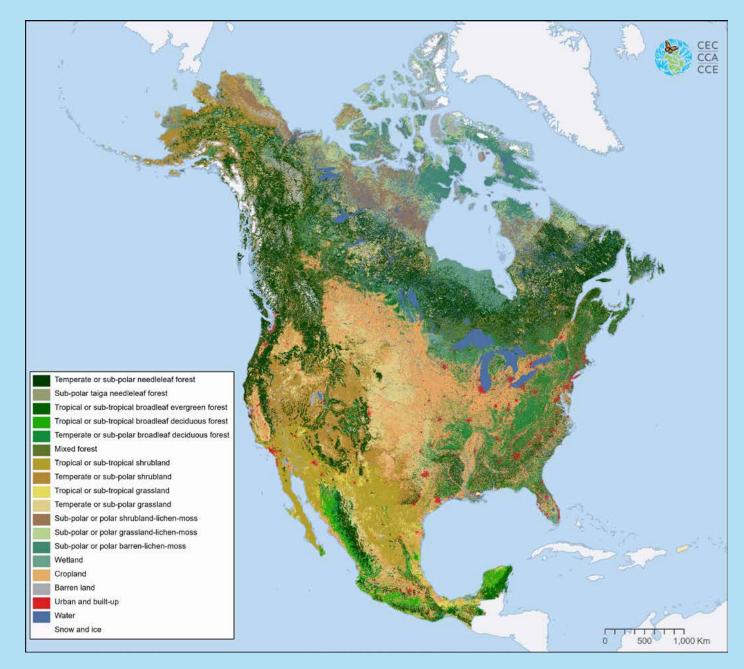
Whether through competitions, public engagement, grant programs, internships, or by providing expert advice, we invite interested individuals and organizations focused on youth empowerment to engage with our work and we always welcome and seek youth participation in each of our initiatives.



Monitoring and Managing the North American Environment through GIS Data and Technology

A key role for the CEC in the implementation of the USMCA/ CUSMA is assisting our three countries to better coordinate and understand trends, impacts and best practices in the development of strategies to manage our shared environment. Since the earliest years of the CEC's work, and continuing through our collaborative partnerships across our three countries, the CEC has developed extensive expertise and relationships with partners and networks for mapping our shared environment by using cuttingedge geographic information system (GIS) and geospatial technology. A great example of this is the CEC's flagship North American Environmental Atlas and the North American Land Change Monitoring System (NALCMS), which provide invaluable land use and land cover change information to allow for a better understanding of the dynamics of land use and land use change over time, and greatly supporting and informing decision-making at every level with regard to issues such as protected areas, ecosystem management and conservation, climate change mitigation and adaptation, and urban sprawl.

North American Environmental Atlas – Land Cover 2020, 30m



But we can do more!

The CEC is working with partners in our three countries to help us take our accumulated GIS and mapping capacity to new levels, considering how our collective and coordinated geospatial data collection and home-grown analytical tools might be utilized to more effectively tackle our current climate emergency, and focusing, for example, on emerging priority pollutants such as methane and other short-lived climate pollutants.

Tracking and Reporting Industrial Pollutants Released and Transferred in North America



Under the CEC's long-standing North American Pollutant Release and Transfer Register (PRTR) Initiative, dating back to 1995, we continue to provide a key service to policymakers and stakeholders throughout the region by compiling and analyzing national PRTR data and by facilitating public access to data on potentially hazardous industrial pollutants, as well as related information and analyses about those pollutants and their movements, their

health hazards and their emissions trends. The PRTR also helps us identify trinational gaps, where reporting, tracking and monitoring could be improved. It also helps us advance environmental justice by using pollution data to draw attention to community exposure to dangerous contaminants.

Making the invisible visible, by identifying source emissions and other pollutants (particularly emerging priority pollutants such as methane), utilizing data from across North America to accelerate our regional efforts to reduce the most intense climate pollutants and better manage hazardous waste and emissions, and reaching out to share and exchange information with other data gathering and monitoring frameworks, are all ways the CEC can contribute even more decisively to tackling our highest environmental and climate priorities. More outreach, sharing and partnerships to collect and monitor pollution can be expected through CEC leadership in the years to come.



Air Quality Improvements through Environmental Justice and Community Engagement



Linking actions that focus on promoting air quality to other efforts to fight climate change by reducing GHG emissions is critical to help balance mitigation and adaptation efforts, and we can do this successfully while increasing climate resilience and also promoting social equity and environmental justice. Through a recently launched Council Initiative, the CEC is reaching out to new partners focused on promoting climate and environmental equity and establishing collaborative community-based partnerships to measure and mitigate emissions and exposure to fine particulate matter ($PM_{2.5}$) and black carbon.

An important emerging dimension of the CEC's work includes our newly-minted relationship with the *UN's Climate and Clean Air Coalition (the CCAC)*, a coalition convened by UNEP in 2012, to promote actions that will reduce emissions of *short-lived climate pollutants* such as methane, HFCs and black carbon. This new CEC partnership dovetails seamlessly with many of the CEC's projects and areas of experience, including efforts aimed at improving air quality monitoring of PM_{2.5} and black carbon exposure in targeted communities. Through the CEC-CCAC partnership we will be able to leverage and disseminate the CEC's expertise of three decades on key pollutants, and contribute more meaningfully to global actions on climate, such as our three countries' commitment to the targets under the **Global Methane Pledge** to reduce methane emissions 30% by 2030 in the energy, agriculture and waste sectors.

Promoting Green Growth, Circular Economy and the Reduction of Food Loss and Waste

Building on the success of past CEC work on reducing Food Loss and Waste (FLW), the CEC continues to raise awareness and foster the use of resources, stakeholder engagement, public participation, engagement with the private sector and with local government, and expanded media outreach, to promote actions that will significantly reduce the major contribution of FLW to global warming and also promote the more sustainable use of our resources. To further this work, we have also developed several complementary products for both the education and measurement components of our FLW work, as we are also focusing emerging efforts on recycling and sustainable materials management practices; on plastics, bioplastics and cardboard waste, with a view to developing tools and resources; piloting tools and building connections between all the relevant stakeholders; evaluating the current state of recycling infrastructure; and identifying opportunities and barriers in enhancing secondary material markets and trade.

Reducing Food Loss and Waste and better managing waste are also essential pillars to meet our three countries' commitments under the January 2023 NALS Declaration of North America, to address methane emissions in the waste sector.





Addressing the Illegal Timber Trade and Managing Cross-border Transfers of Hazardous Waste



The CEC has been and continues to be a key player in **Strengthening** the Implementation and Effective Enforcement of CITES for Timber in North America, working with government officials from the three countries to improve their capacities to enforce international commitments and national laws to stop illegal timber trade. We have been working with dozens of public officials across our countries to assess regulations and identify gaps in our enforcement systems, and to identify opportunities to improve that enforcement, harmonize databases, share reference samples, and facilitate accurate, rapid, and expedient species' identification of timber evidence.

On the issue of transboundary movement of hazardous waste, the CEC is also providing the region with guidance and leadership, such as through the modernization of a trilateral electronic data exchange system and by continuing trinational discussions aiming to optimize and update commonly used data catalogs, incorporating regulatory changes on cross-border movements between the three countries.







Reducing Marine Litter, Advancing Nature-based Solutions and Promoting Marine Protected Areas

Reducing pollution in the marine environment

is a key priority of the Environmental

conservation are fundamental elements of

Cooperation Agreement and of the USMCA/CUSMA. Coastal wetlands and vibrant underwater ecosystems are key to providing healthy marine habitats for fish, as well as being extremely important stores of blue carbon. Their protection and

global commitments to tackle climate change, recognizing the role of the ocean in climate regulation and resilience.

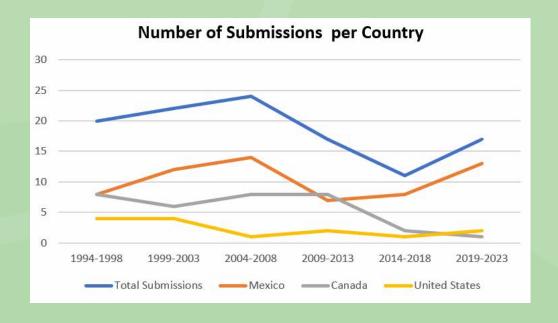
In addition to developing educational materials and collecting data on the journey of marine litter from inland sources and waterways to the ocean, we are also promoting local partner engagement to install litter capture devices along waterways that connect to the ocean.

Indigenous perspectives and approaches to marine conservation are also high priorities for the CEC and the three countries and are critical for promoting the incorporation of traditional ecological knowledge into action on climate. The CEC is working across North America

and extending our reach into Latin America, providing support for Indigenous and local leaders from North America to share their approaches to marine and coastal conservation with peers from other countries in Latin America. We are also working to strengthen Marine Protected Area (MPA) capacity to adapt to climate change and build ecological connectivity through seascape-level conservation and collaboration amongst MPA practitioners through the North American Marine Protected Areas Network (NAMPAN). This allows us to exchange with other MPA networks working across the world to support and implement collaborative conservation.

Recognizing that nature-based solutions (NBS) can play an important role in the adaptation toolkit of coastal cities faced with climate change-related flood risk, the CEC is working to help remove barriers to the uptake of NBS. We have facilitated initial dialogues for practitioners across North America to exchange knowledge across disciplines and have developed foundational studies to address questions related to retrofitting existing infrastructure, monitoring the effectiveness of NBS and identifying their co-benefits. The final products will provide knowledge for coastal urban communities that wish to implement NBS.

Effectively Enforcing Environmental Law in the Region



Chapter 24 of the USMCA/CUSMA
begins with a call to ensure the
effective enforcement of our
countries' environmental laws. Since
the Council Session in Mérida last
year, the CEC has received eight new
SEM submissions and continues to

process active submissions. Sustained, active public participation over the past three decades with the CEC's *Submissions on Enforcement Matters* (SEM) process shows that it remains a vital, independent, transparent, and non-biased trilateral tool for North Americans to bring environmental enforcement concerns to the attention of the Parties. As the Secretariat advances on SEM cases brought before the signing of the new agreement, for the first time, the preparation of a factual record will proceed under the new USMCA/CUSMA agreement.

The transparency and credibility of the SEM process in the public eye requires that the procedure to review SEM cases be conducted thoroughly, independently, and in a timely manner and that the Parties have the opportunity to respond to findings in a fair, open, transparent process.

To this end, the **SEM compliance tracker** is a key tool that the Secretariat has developed to share SEM case information with the public.

We have been working diligently on two key issues relating to SEM: ensuring a transparent and effective process and working with the Council representatives to make SEM cases more agile. We are seeing significant improvements in procedural rigor, as well as with accelerating procedural timelines since the adoption of the new agreement, though challenges remain in addressing the backlog of active submissions.

With a view to obtaining objective third-party analysis and evaluation of the effectiveness of the SEM process, the CEC commissioned an external, long-term impact assessment of the SEM process, which, through numerous surveys and available literature, provided analysis of existing procedures as well as recommendations on ways that the CEC can continue to improve its implementation of the independent SEM process. Of notable mention, the report recommended: improving communication with the submitters during the SEM process, finding flexibility for meeting certain timeframes in the SEM process, and developing a standardized approach to follow-up on factual records.



Measuring Success

In line with the ED Mandate to continue evaluating and reporting on the CEC's success in fulfilling its goals and objectives, the Secretariat has improved the CEC's Performance Measurement Framework by strengthening the definition of operational and strategic performance indicators for all projects and cross-cutting activities, in line with the Strategic Plan priorities. The CEC has also improved its data collection methods, including through user-based evaluations, which allow the integration of a wide diversity of voices and help bring about improvements and positive change to existing practices.







Conclusion

In closing, I would like to reiterate my central message from the beginning of this report: the time to act on climate is now.

Our three countries are three of the most influential economies and societies, tackling our environmental challenges head on, devising ambitious and aggressive policies and actions to thwart the climate emergency, leading by example, and serving as a model for other regions to follow. Building on our North American environmental identity and the work of the Commission for Environmental Cooperation, we have a multilateral vehicle which is fit for purpose to foment an environmental leap forward in North America and beyond.





The CEC has a unique opportunity and is the best poised international forum available to us to help steward our air, water and lands and can help facilitate coordinated action by our three countries in a collaborative manner at this critical moment, to accelerate and deepen our actions to thwart global warming, build a regional environmental identity, and foster a more sustainable path for North America that could be emulated and replicated in other regions.

We must embrace and engage on this challenge collectively and by taking quick, decisive actions to tackle climate change, strengthening our drive toward decarbonization by addressing even more potent short-lived climate pollutants, by implementing nature-based solutions that can help mitigation and adaptation efforts, by increasing our carbon drawdown capacity by supporting critical ecosystems, all the while strengthening the knowledge, resilience, and capacity of communities to adapt to worsening climate impacts. We must be courageous enough to take the ambitious steps needed to save ourselves and maintain a livable planet for future generations.

We must embark on this pathway with solutions that also address and resolve systemic and long-standing inequities in our societies, promoting inclusion, as well as social and environmental justice. Incorporating the views and fostering the engagement of Indigenous leaders, of the holders of traditional ecological knowledge, and of the most vulnerable groups affected by environmental degradation and climate impacts, will greatly improve our efforts and actions to foster environmental protection and conservation.

The challenges of the climate crisis set before us are great, daunting and overwhelming for many. What is most apparent is that steering our societies out of the current predicament that we are in requires the full collaborative engagement of all actors of society in every country and in every region. This is a reality I have discussed many times with my own children who are young adults just embarking on their own pathway towards the sustainable world that they dream of, and which previous modern generations have been unable to provide, as they wasted precious time in not realizing the consequences of their actions and inactions. I am hopeful, however, that we have finally found our bearings and that we know the destination toward which we must navigate. I am also hopeful that we have learned an important lesson during the recent COVID crisis: that if we act rapidly, in unison, for the good of humanity, and for the health of our planet, we can make great and rapid leaps forward.



