

Council Session Sesión de Consejo Session du Conseil





## Message from the Executive Director

I am pleased to present this report on the activities and accomplishments of the Commission for Environmental Cooperation Secretariat for the period from July 2015 to August 2016. The report reflects the strong dedication of Secretariat staff in helping to advance the environmental priorities of Canada, Mexico and the United States and broaden the engagement of civil society in the work of the CEC.

Established in 1994 as one of the three constituent bodies of the CEC, the Secretariat is mandated to provide technical, administrative and operational support to Council, and CEC committees and working groups. The Secretariat is also uniquely positioned as an institution that has the history, relevance and capacity to support the cooperative efforts of the three countries on emerging environmental issues, including climate change and the sustainable development goals.

As executive director, I am tasked with strengthening key aspects of the Secretariat's vital role. I intend to accomplish this by focusing of the following priorities during my term:

- Ensure alignment with the CEC's strategic priorities and objectives.
- Lead continued improvements in delivery on Council's strategic priorities through an efficient use of Secretariat resources.
- Implement a practical system for performance measurement and reporting to Council.
- Assist in the development of an Operational Plan for the next biennium that is effective, efficient, and results-oriented.
- Provide Secretariat support for JPAC in ensuring the successful engagement of our Roster of Experts in Traditional Ecological Knowledge.
- Support the success of NAPECA by assessing options for aligning its grass-roots projects more directly with the CEC's strategic and operational plans and the Parties' national and trilateral environmental initiatives.
- Increase the visibility of the CEC through the implementation of a communications and outreach strategy for 2016–2020.

I am confident that the Secretariat staff will address these priorities with enthusiasm and commitment, in keeping with the spirit of trilateral cooperation that has been fundamental to the institution since its inception.

*César Rafael Chávez* Executive Director

# July 2015 to August 2016 at a Glance

The past fourteen months have been a very active time at the CEC. The adoption by the Council of the five-year Strategic Plan (2015–2020) and two-year Operational Plan at the July 2015 Council Session in Boston reaffirmed the cooperative efforts of the three countries to protect the North American environment and align the CEC's work to complement key domestic and international initiatives.

Central to this is the work on climate change mitigation and adaptation, which ranges from evaluating promising domestic greenhouse gas mitigation options in the forest sector and coastal habitats to strengthening the capacity of communities to monitor health outcomes related to extreme heat events. Notable examples of progress in meeting project outcomes include:

- Mitigation options, such as re-forestation, improved management, more long-lived harvested wood products and biofuels, are being modelled for selected forest uses for the period, 2016–2050.
- The communities of Ottawa, Detroit and Hermosillo are being supported to enhance their capacity to monitor, in real-time, health outcomes related to extreme heat events.

- A market-based methodology for including blue carbon habitats in the voluntary carbon market is under review.
- The three countries are exchanging information on best practices to reduce emissions from maritime transport, and assess and ensure compliance with the International Maritime Organization's fuel sulfur standards.

We have ventured into new areas of work, including promoting the reduction and recovery of waste food and the management of organic waste, along with working with the private sector to accelerate the adoption of energy performance standards. Progress made in meeting project outcomes is reflected in the following examples:

- A foundational report to promote North American food waste reduction and methane emission reduction goals from landfills is being developed.
- Nine commercial companies at 19 industrial facilities are undergoing training to accelerate their adoption of energy performance standards.





New perspectives from our local and indigenous communities have been incorporated into projects that will connect communities to share knowledge and experience on conservation of species and ecosystems. Progress to date includes:

- Key sites for migratory shorebirds have been identified and local communities have been engaged to develop site-specific conservation action plans and engage in cooperative and coordinated monitoring.
- A compendium of monarch butterfly conservation information for landowners has been drafted, along with a communications strategy for monarch educational and awareness programs.
- Networks and tools for climate change adaptation that integrate local and traditional knowledge are being developed, including tools to assess ecosystem function and observations on unusual climatic events.

The Secretariat has also assisted with the integration of the Roster of Experts in Traditional Ecological Knowledge (TEK), by providing introductory presentations on the CEC, and joining JPAC and the Parties in a meeting with the TEK roster members to facilitate their participation in CEC activities.

The Secretariat helped launch the 21 new community-level grants selected under the North American Partnership for Environmental Community Action (NAPECA) program. Initiatives range from protecting pollinators, monitoring water quality, and reducing impacts from urban storm water runoff, to reforestation, river conservation, and reducing solid waste at schools.

Pursuant to a Council decision, the Secretariat published the *Sumidero Canyon II* factual record, which presented information relevant to the alleged health and environmental impacts from quarry operations inside a natural protected area in Chiapas. The Secretariat also received four new submissions (after two years without any new



submission); finalized one factual record (*Wetlands in Manzanillo*, regarding the environmental impact of two gas infrastructure projects in a major wetland in Mexico); and renewed its efforts to disseminate information on the SEM process.

The Secretariat also focused on improving the timeliness and impact of information about all aspects of the CEC's work. Our strategy has included a proactive social media program that helped raise the CEC's profile across these important channels. The Secretariat has also begun the development of a robust Communications Strategy for 2016– 2020 that is focused on the following three objectives:

- 1. Enhance the CEC's visibility, reputation and relevance
- 2. Broaden the CEC's profile regionally and internationally
- 3. Support the working relationship between the three CEC constituent bodies

The following sections provide a more detailed overview of progress made to date in the current two-year Operational Plan and in other initiatives and activities of the CEC.

# 2015–2016 Operational Plan Progress



#### Projects

Summer 2015 to summer 2016 marked the beginning of activities under the CEC's 2015–2016 Operational Plan. The plan's 16 projects are the first tranche of actions to support the strategic priorities and cross-cutting themes set out in the CEC's 2015–2020 Strategic Plan.

The CEC's trinational projects address emerging issues and enhance each of the three countries' domestic actions and international commitments, including support for the United Nation's Sustainable Development Goals. They also provide innovative solutions to pressing issues and support regional commitments and collaborative initiatives, as called for by the leaders of the three countries at their North American Leaders' Summit in June 2016. Progress has been made to accelerate regional implementation of climate change mitigation and adaption initiatives, address food and organic waste issues, and fast-track the adoption of innovative energy efficiency technology in industrial facilities. We have also catalyzed science-based initiatives to improve conservation of ecosystems and species, and have begun a process to integrate traditional ecological knowledge into the work of the CEC, in order to bring stronger community engagement and to support better-informed actions. The coming 11 months will deliver the results of these projects and lay the foundation for the 2017–2018 Operational Plan.



### **Climate Change Mitigation and Adaptation**

The CEC's climate change mitigation work includes methane reduction schemes, options to enhance ecosystem-based carbon sinks, and compliance with standards for loweremission fuel in maritime transportation. Adaptation work ranges from establishing syndromic surveillance systems to developing community-level tools that integrate local and traditional knowledge.

We initiated the first set of North America-wide analyses on food waste. The goal here is to promote the reduction and recovery of wasted food within North American industrial, commercial, and institutional sectors and reduce both the amount of organic waste, including food waste, disposed of in landfills, and the associated methane emissions.

We are refining science-based models to quantify the mitigation potential of forest and coastal ecosystems. We are doing this by examining different forest management approaches, the importance of carbon stored in harvested wood products, the amount of carbon stored in seagrass beds, and market-based mechanisms to encourage ecosystem-based mitigation actions.

We are building on past work to support Mexico's effort to establish an Emission Control Area (ECA), similar to those in Canada and the United States, which included analyses of the health, environmental and economic benefits of establishing an ECA. Additional work is being done to share the results of those analyses; to assess the remaining capacity and information needs, including for ensuring compliance with the International Maritime Organization's sulfur and other fuel standards; and to develop a strategy and timeline for implementation of a Mexican ECA.

Over the past year, we began to establish or enhance realtime systems to monitor health outcomes in extreme heat events in three pilot cities: Ottawa, Detroit and Hermosillo.

For the first time, we are engaging communities in the development of networks and tools for climate change adaptation. These include tools to assess ecosystem function, facilitate the sharing of observations about unusual wildlife, environmental phenomena, and climate events and increase ecological and socio-economic resilience in and around marine protected areas.



Previous Work on Climate Change Includes:

#### North American Black Carbon Emissions: Recommended Methods for Estimating Black Carbon Emissions

North American Portal on Climate Pollutants, which includes national and subnational inventory data for greenhouse gases (GHGs) and short-lived climate pollutants (ongoing).

First set of maps of salt marshes, mangroves, and seagrasses to help quantify coastal blue carbon (2014).

Assessment of the Comparability of Greenhouse Gas and Black Carbon Emissions Inventories in North America (2012).

**Destination Sustainability: Reducing Greenhouse Gas Emissions from Freight Transportation in North America,** a 2011 Article 13 report on best policies and investments for reducing freightrelated greenhouse gas emissions.

### **Green Growth**

The CEC is working to promote green growth across North America by fostering harmonized private sector approaches to energy management; strategies for sustainable trade in select CITES Appendix II species; and the sound management of chemicals.

Over the past year, nine North American companies have joined a targeted CEC training to adopt ISO 50001 and Superior Energy Performance<sup>®</sup> certifications in 19 of their industrial facilities. Their efforts will improve business competitiveness, lower energy costs, and protect the environment. CEC work is promoting the legal, sustainable and traceable trade in select CITES Appendix II species of sharks, parrots, tarantulas, turtles and tortoises, and timber by improving regional collaboration and information exchange and by developing and launching action plans.

We are broadening understanding about the migration of chemicals present in manufactured goods to humans and the environment. We are also helping to align mercury trade statistics in North America. This is being done in the context of the Minamata Convention, which aims to reduce mercury pollution by minimizing mercury supply and demand.



Previous Work on Green Growth Includes:

Supply chain information on 16 emerging flame retardants in manufactured goods to better understand their potential impact on health (2014).

Technical Guidelines on the *Environmentally Sound Management of Spent Lead-acid Batteries in North America* (2016) and *Environmentally Sound Management of End-of-Life Batteries from Electric-Drive Vehicles in North America* (2015).

Longstanding work on pollutants and the sound management of chemicals has resulted in significantly reducing use of PCBs, mercury, chlordane, lindane and other hexachlorocyclohexanes, and dioxins and furans, as well as eliminating DDT use in Mexico.

*Taking Stock* report and website, which provide enhanced public access to industrial pollution data reported to the North American Pollutant Release and Transfer Registers (PRTRs) (ongoing).

Several initiatives to address environmentally sustainable building challenges, especially energy conservation and the reduction of greenhouse gas emissions, beginning with the 2008 Article 13 report, *Green Building in North America: Opportunities and Challenges*, through to a 2013–2014 project on broadening understanding about the integrated design and delivery process for green buildings.

# **Sustainable Communities and Ecosystems**

The CEC is actively engaging local communities in actions, pilot projects, and better communication regarding the conservation of ecosystems and species to strengthen their resilience to climate change and other stressors.

This past year, we began work to coordinate trinational conservation actions along the migratory path of shorebird species in decline. This includes building a network across communities to share knowledge and best practices, leverage new funding and increase membership, and augment the visibility of conservation efforts.

Migratory connectivity was also the focus of work begun this year to support the High-level Working Group for the Conservation of the Monarch Butterfly Migratory Phenomenon, created by the North America Leaders' Summit in 2014. The goal is to encourage communities, landowners, farmers, regional and local authorities to engage in monarch conservation along the iconic butterfly's migration corridor and address habitat loss and degradation. Results will include a compendium of monarch conservation information and a trinational communications strate gy. This builds on previous CEC work, including the devel opment of a North American Monarch Conservation Plan.



Previous Work on Sustainable Communities and Ecosystems Includes:

Four years of collaboration in the Big Bend-Río Bravo region to increase knowledge and capacity for conservation practices (2011–2014).

Work with Alaskan Native populations to reduce indoor airborne contaminants, which resulted in improved health outcomes for children (2014).

The establishment of the North American Grasslands Alliance to protect grasslands and sustain ranching communities and support for pilot projects on private ranches to maintain healthy native grasslands (2010–2014).

More than 15 years of cooperative work on marine protected areas.

The expansion of the Alaska-based Local Environmental Observer (LEO) network to Canada and Mexico is enhancing the capacity of communities to share local environmental observations and traditional ecological knowledge (TEK) about unusual wildlife, environmental phenomena, and climate events across North America. It also serves as a model platform for similar international initiatives, such as the Circumpolar Local Environmental Observer Network (CLEO) being developed under the Arctic Council.

For the first time, the CEC is using ecosystem function analysis and traditional ecological knowledge to strengthen community engagement and support for better-informed actions through the use of locally adapted tools for community-level climate change adaptation and resilience.

Building upon the CEC's longstanding support of marine protected areas (MPAs), we have begun a new project to work collaboratively across common seascapes to address shared threats to their species and ecosystems. This work is supporting the effective management of MPAs—to increase ecological and socio-economic resilience in a context of climate change—by helping MPA managers prioritize their actions based on rapid and comparable vulnerability assessments.



### North American Partnership for Environmental Community Action

In July 2015, Council approved the third cycle of a twoyear grant program that supports environmental action at the community level, allocating C\$1.32 million of the CEC budget to support the North American Partnership for Environmental Community Action (NAPECA).

In January 2016, 21 projects were awarded NAPECA funding. They span North America's ecoregions and, over the next two years, will address environmental issues ranging from protecting pollinators, monitoring water quality and reducing urban storm water runoff impacts, to reforestation, river conservation and reducing school waste.

The selected projects reflect Council's strategic objectives to support model environmental initiatives that help build long-term partnerships at the community, local and regional levels. They include active community involvement and are focused on achieving measurable results within the two-year time frame of NAPECA support. Support to the Joint Public Advisory Committee (JPAC) and the Roster of Experts on Traditional Ecological Knowledge

The Secretariat continued providing support to the Joint Public Advisory Committee (JPAC) and the Roster of Experts on Traditional Ecological Knowledge (TEK), in their ongoing efforts to further refine TEK experts' participation in CEC activities. This included an initial meeting among JPAC members and TEK Roster experts during the July 2015 Council Session in Boston, a conference call between JPAC members and TEK experts in November 2015, and a face-to-face meeting of TEK experts, JPAC members serving as a liaison group to engage the TEK Roster of Experts, along with representatives of the Council and Secretariat staff in Mexico City in March 2016.

As a result of these conversations, the following outcomes are expected to materialize before the end of this year: proposed principles to guide the relationship with and engagement of the TEK Roster of Experts and a set of Guidelines on Integrating TEK in future CEC activities. Discussions will also continue to take place regarding potential trilateral TEK initiatives to be carried out in 2017.

# Submissions on Enforcement Matters (SEM)

The Submissions on Enforcement Matters (SEM) Unit continues to implement best practices that have made the SEM process more transparent, timely, and effective. The Secretariat has worked diligently to carry out prior Council ministerial statements to not only modernize the process but also produce more accessible determinations and factual records. For example, recent factual records have included more graphics, summaries, charts, pictures, and are written in a less legalistic style.

The Secretariat continues to find that the submissions process plays an important role not only in promoting public participation and transparency but also in leading to improvements in the environment, strengthening enforcement of environmental law and regulation, and increasing public understanding of complex environmental matters. For example:

- Lake Chapala's water quality has improved significantly since the CEC factual record was published in 2013, as enforcement has been strengthened and environmental infrastructure constructed.
- The 2013 Montreal Technoparc factual record continues to assist Canadian officials in the ongoing cleanup of the property near the St. Lawrence River.
- The 2015 Sumidero Canyon factual record frames the continuing dialogue between the community, the limestone quarry operator, and Party officials regarding future quarry operations.
- Even when a submission has been terminated and no factual record produced, a submitter and the public often receive more information and consideration from the SEM process than prior efforts produced. For example, in the recent *Municipal Wastewater Drop Shafts* submission, the United States issued a comprehensive response on the matter and the Secretariat produced two separate determinations.

The SEM Unit also renewed its outreach efforts in Canada, Mexico, and the United States. A vital tool for this outreach is a short animated video that serves as an introduction to the SEM process on the unit's webpage. The video has received favorable reviews from stakeholders and members of the public accessing it via the webpage, YouTube or search engines.



Since the 2015 Council session, the Secretariat has received five new submissions and finalized two factual records:

- *La Primavera Forest* (SEM-15-001), filed by two individuals in Mexico, asserting that the Santa Anita Hills housing development project is causing the destruction of a netleaf oak forest, and questioning the legality of the change in land use from forest to urban area and the construction of houses in the buffer zone of La Primavera Forest. The Secretariat's determination on whether to request a response from Mexico is due by 13 October 2016.
- *Management of Analog TV Waste* (SEM-15-002), filed by several individuals and NGOs in Mexico, asserting that while millions of TV sets are being discarded as a result of the so-called "analog blackout" (the conversion from analog to digital TV broadcasting), a management plan required by Mexican law is not being implemented. The Secretariat received a response from Mexico on 30 May 2016 and will determine by 18 November 2016 whether to recommend the preparation of a factual record.

- *Agricultural Burning in Sonora* (SEM-16-001), filed by an individual in Mexico, asserts that every year an estimated 100 metric tons of agricultural waste is being burned on nearly 13,000 hectares of agricultural land in the vicinity of Caborca, Sonora. The Submitter maintains that this activity generates pollution following the harvesting of asparagus and that these actions violate Mexican environmental standards, including air quality and climate change laws. Mexico's response to the submission is due 5 September 2016.
- *Monterrey VI Aqueduct* (SEM-16-002) asserts that Mexico is failing to effectively enforce its environmental laws with respect to the Monterrey VI Aqueduct project. The Submitter, a group in Mexico which has requested confidentiality, asserts that the transfer of water by pipeline from the Panuco River, in the Mexican state of Veracruz, to the City of Monterrey, in the Mexican state of Nuevo León, will have adverse environmental impacts in Nuevo León, Veracruz, and the two other states between them, Tamaulipas and San Luis Potosí.
- *Municipal Wastewater Drop Shafts* (SEM-15-003), in which the Submitter asserts that the United States is failing to effectively enforce the Safe Drinking Water Act regarding the failure of regulatory agencies to issue underground injection well permits for sewer drop shafts used to convey municipal wastewater. The Secretariat determined on 15 June 2016, after a response from the United States, not to recommend the preparation of a factual record because there were no central open questions and the

issue presented was one of legal interpretation, which is not an appropriate subject of a factual record. The process was therefore terminated.

In December 2015, the Secretariat, per the Council's decision, published the factual record in *Sumidero Canyon II* (SEM 10-001). The Secretariat also finalized the preparation of the factual record in the *Wetlands in Manzanillo* (SEM 09-002, Mexico) submission and, in early June, forwarded it to Council for publication consideration.

# Communications, Outreach and Publications (COP)

The Secretariat is focused on enhancing the CEC's visibility, reputation and relevance as leader on environmental cooperation and related issues in North America. A key strategy in meeting this goal is to integrate a practical and coherent strategic direction into all of the commission's communications, outreach and publications plans, tactics and tools, as well as its activities and deliverables.

Over the past year, the COP unit has streamlined CEC processes and policies for publications and public information to deliver timely, accurate and relevant information about the ongoing work of the CEC. This included the implementation of refocused communications and social media plans for Council, JPAC, Programs and NAPECA to engage a wider audience.

Collaboration on communications was improved across CEC Secretariat units to support timeliness, relevancy and impact. Vision, values and leadership training outputs were incorporated into institutional framework messaging and a media spokesperson and outreach policy.

Our proactive approach to communications and outreach is reflected in an upswing in a number of key measurements, including Facebook followers, up 31 percent to 6,166; and Twitter followers, up 25 percent to 2,373 by the end of June from a year earlier. The 90 percent increase in

Sumidero Canyon

website downloads in the three months to March 30, 2016 over the year-earlier period coincided with the publication of new reports stemming from the completion of projects under the 2013-2014 Operational Plan.

The coming weeks will comprise the development of a 2016–2020 CEC Communications strategy. Key communications goals include: broadening the CEC's profile regionally and internationally in support of Council's 2015–2020 strategic priorities and the CEC's contributions to the global development agenda, such as the UN sustainable development goals (SDGs) and efforts to meet the climate change challenge; and supporting the working relationship between the three constituent bodies of the CEC—Council, JPAC and the Secretariat.



### Administration and Finances

All too often, the preoccupation for the administration and finances unit is largely focused on producing financial reports and analyses, managing the changing values of the Canadian, US and Mexican currencies, and determining the annual level of surplus funds.

Over the past year, however, we also centered our efforts on the recruitment, relocation and integration of Secretariat personnel. From that perspective, it has been a year of renewal marked by the arrival and integration of nine new employees.

Importantly, the period included the transition from one executive director and her return to the United States and the arrival of a new executive director from Mexico. In addition, the Secretariat recruited two professionals from the United States: a program manager and the director of the Submissions on Enforcement Matters unit. This entailed the relocation of personnel and their families and personal effects at the international level.

We also added six new employees locally: program manager, project coordinator, human resources coordinator, payroll clerk, web application developer and JPAC coordinator.

# Web Development and Information Services

Over the past year, our information services unit upgraded a range of technologies used in the daily activities of the Secretariat, and introduced a major reconfiguration of the CEC website.

The new website was the culmination of a two-year project to integrate information from the previous 20 years of the CEC activities into a new mobile-compliant platform, relying on open-source technologies such as the Drupal content management system, and Solr, an enterprise search platform. External, internal and stakeholder response to the new structure has been positive, and based on this feedback, further refinements will be made in the coming months.

A custom-made, time-saving online registration system has also been developed for CEC meetings and is ready for utilization. Integrated directly into our internal systems, it simplifies the registration process and supports efforts for greater efficiency in our Meeting Services department.

The Secretariat's internal servers were upgraded over the past year with new hardware and software to ensure greater efficacy and support stronger security and back-up performance. Our accounting software was also updated with added functionality and improved reporting capabilities.

All of the Secretariat desktop and laptop computers have been updated to Windows 10 and equipped with new solid-state hard drives to enhance performance, compatibility and durability.

#### Performance Measurement

The Secretariat has been working steadfastly at strengthening its ability to measure performance both at the project and the organizational levels. During fall 2015, project-level measures, targets, and reporting periods were reviewed and finalized in collaboration with project steering committees. Performance against these will be reported upon project completion (June 2017).

In November 2015, the Secretariat also finalized the list of organizational-level objectives and their corresponding measures across the organization (including JPAC, NAPE-CA, SEM, Communications and Outreach, and Administration). A system is now in place to track performance both at the project and organizational levels on a quarterly basis. This allows for closer monitoring and adjustments to ensure performance targets are met within the two-year timeframe.

An Operational Plan-level matrix is also in development to help measure at the end of the cycle the contribution of each initiative/project to the attainment of the strategic objectives expressed in the 2015–2020 Strategic Plan.

Performance measurement over the last year (as of 30 June 2016) has yielded the following noteworthy information:

- 99.7% active participation by officials from all three Parties in CEC projects
- 82.8 % of total projects' budget spent for year 1 (against 73.6% for year 1 of OP 2013–2014)
- 95.3% satisfaction rate expressed by CEC meeting participants regarding meeting content and facilitation (based on 67.70% response rate)
- 100% activities were accomplished as planned and concrete results achieved by the 7 completed NAPECA grants
- The number of public participants in CEC meetings (in-person and via webcast) has increased by 1,281 (a 67% increase since June 2015)
- The CEC website has seen consistent use with 115,560 new visitors to the website and 585 new subscribers to Mailchimp (48% increase of new subscribers). The Council photo contest alone attracted 9,855 views in spring 2016.
- Public engagement through social media has increased, with 1,463 new Facebook followers (a 31% increase), 472 new Twitter followers (a 25% increase), and 143 new LinkedIn followers (a 49% increase).
- Information-sharing of the objectives and limitations of the SEM process has increased, through presentations at 17 meetings, workshops, conferences, and webinars.

# Developing the next Operational Plan 2017–2018

Among the numerous activities that the CEC Secretariat has planned for the second part of 2016 is to assist the Parties in the development of the 2017–2018 Operational Plan, and participate in its design and drafting. The Secretariat is looking to ensure stronger coordination between the Secretariat and the Parties, a stronger involvement of the JPAC at the onset, as well as input from the TEK members throughout the planning and drafting process.

The Secretariat is proposing that a consultative and collaborative process be initiated as early as fall 2016 to ensure sufficient time for reflection, discussion and consultation. For the next Operational Plan, the Secretariat has suggested that more attention be given to ways of strengthening project time management and ensuring the delivery of outputs on schedule.

For more information:



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