

## UNITED STATES ENVIRONMENTAL PROTECTION AGENCY WASHINGTON, D.C. 20460

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OFFICE OF INTERNATIONAL & TRIBAL AFFAIRS

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Dear members of the Joint Public Advisory Committee:

On behalf of the CEC Council, I would like to thank you for providing your February 23, 2023, advice letter to the CEC Council following the Public Forum that took place in Halifax, Nova Scotia, Canada, on December 1, 2022. We appreciate your advice and input on issues, challenges, and potential solutions to mitigate climate change and reduce GHG emissions and other air pollutants from port-related activities.

We also appreciate your patience for the Council's review of your advice and provide the following responses to your recommendations:

## Recommendation #1: Create a Permanent CEC Initiative on Ports and Climate Change.

Thank you for your recommendation to create a permanent initiative on Ports and Climate Change and to support projects related to the role of ports in responding to climate change and global ecological transition. As you know, the CEC develops specific initiatives and projects aligned with the CEC's five-year Strategic Plan and in support of at least one of the following six strategic pillars:

- Clean Air, Land and Water
- Circular Economy and Sustainable Materials Management
- Shared Ecosystems and Species
- Resilient Economies and Communities
- Effective Enforcement of Environmental Laws
- Preventing and Reducing Pollution in the Marine Environment

The CEC understands that there is a diversity of port-related issues—like air, soil and marine pollution, trade, decarbonization, energy transition, climate change, environmental justice, indigenous perspectives and engagement, among others—affecting North America and relevant to the CEC work. However, some port-related issues are outside the scope of the CEC or the governmental agencies that participate in the Commission (e.g., developing metrics and standards at the continental level), or are being addressed by other existing commitments, such as

under the International Maritime Organization's (IMO) 2023 Strategy on Reduction of Green House Gas (GHG) Emissions from Ships and the North American Leaders Summit (NALS).

The IMO first adopted a resolution to address CO<sub>2</sub> emissions in 1997. Since then, the IMO has developed regulatory and voluntary measures to reduce GHG emissions and adopted GHG reduction strategies.

For the past several years, NALS has made the following commitments to strengthen cooperation on port-related activities:

- Accelerating the transition to sustainable transportation, including more rapid deployment of electric vehicles, efforts toward net-zero greenhouse gas emissions from aviation by 2050, and cleaner fuels in the rail, aviation, and marine transportation sectors (2021).
- Developing a North American clean hydrogen market, including potential cooperation on research and development, safety codes and standards, cross-border hydrogen clusters, green freight corridors, and integrated maritime operations (2023).
- Developing a plan for operating standards and the installation of Electric Vehicles (EV) chargers along international borders to ensure a seamless EV charging transition from country to country (2023).

Recognizing the importance of the impact of port activities on local communities and the environment, the CEC developed in 2013 a port-related project titled *Greening Transportation at North American Land Ports of Entry*, which resulted in the publication of two reports: <u>Reducing Air Pollution at Land Ports of Entry: Recommendations for Canada, Mexico and the United States</u> in 2016, and the 2018 guidance document <u>Reducing Emissions from Goods Movement via Maritime Transportation in North America</u>.

The CEC will continue identifying port-related issues affecting North America that are aligned in the context of the CEC's current strategic pillars, and that could benefit from trilateral cooperation by either sharing knowledge and best practices on processes or facilitating capacity building. As an example, the CEC may explore best practices on the role of ports in mitigating and adapting to climate change and operational and energy efficiency measures.

## Recommendation #2: Create a North American Ocean-Climate Action Plan

The JPAC recommended that the CEC support the creation of a North American Ocean-Climate Action Plan to put North America at advantage and support the development of sustainable ports.

We acknowledge that several initiatives have been developed to increase the sustainability of ports and the maritime transportation sector and recognized the importance in supporting those developed by the governments of Canada, Mexico and the United States to avoid duplication and confirm alignment with the three countries' goals. For example, in 2022, President Biden's Administration announced the development of an <u>Ocean Climate Action Plan</u> (OCAP) to outline the ocean climate actions needed to create a carbon-neutral future without harmful emissions that cause climate change; accelerate nature-based solutions to protect and support natural coastal and

ocean systems that store greenhouse gases, reduce the climate threat, and protect communities and ecosystems against unavoidable changes; and enhance community resilience to ocean change by developing ocean-based solutions that help communities adapt and thrive in our changing climate.

In addition, there are other initiatives on climate change and oceans that the CEC could leverage from such as the 2021 Roadmap for a Renewed U.S.-Canada Partnership, the 2023 President Biden and Prime Minister Trudeau Joint Statement, and the 2017 Ocean Pathway Partnership initiative, to which Mexico is signatory; that recognize the important role of ocean in climate regulation and to coordinate coalitions and alliances to work on the interaction between the oceans and climate change.

In 2021, the United States Department of Transportation and Transport Canada released the <u>Joint Statement on the Nexus between Transportation and Climate Change</u> to accelerate policy actions that help the transportation sector in Canada and the United States effectively address climate challenges. Since its release, both agencies collaborated to launch a climate-focused workplan driven by a broad range of bilateral projects and collaborations. The Joint Statement also includes partnering in key international forums, including IMO, to engage in processes to reduce emissions from ships, as reflected in the updated 2023 IMO Strategy. The Joint Statement highlights the work to effectively implement the ban on the use and carriage of heavy fuel oil as fuel in the Arctic and the development of green transport infrastructure along the border, especially in the Great Lakes and St. Lawrence Seaway for maritime navigation.

In the 2023 President Biden and Prime Minister Trudeau Joint Statement, the U.S. and Canada committed to protecting shared waters, including in the Arctic Ocean. This entails recognizing the need to reduce localized emissions of carbon dioxide, methane, and black carbon in the Arctic, notably from shipping, to complement global mitigation efforts. The Statement also indicates both countries' intention to collaborate to prepare for, prevent, and respond to oil spills and other environmental disasters in the Arctic.

The aforementioned initiatives offer opportunities for North American partners to build upon and coordinate on actions that will effectively address climate-related challenges of ports and the maritime transportation sector in North America, without duplicating efforts.

## Recommendation #3: North American Agreement on the Use of Low and Zero-Emission Fuels

We are thankful for the JPAC's recommendation for the governments of Canada, Mexico and the United States to sign a North American Agreement on the Use of Low and Zero-Emission Fuels, to support the ecological transition and the Parties' global climate commitments.

As previously mentioned, on July 2023, the IMO adopted a revised strategy, <u>2023 IMO Strategy</u> on <u>Reduction of GHG Emissions from Ships</u>, which outlines an enhanced ambition for member states, including Canada, Mexico and the United States, to tackle harmful emissions from ships by increasing uptake of zero or near-zero GHG emission technologies, fuels and/or energy sources to represent at least 5%, striving for 10%, of the energy used by international shipping by

2030; and to peak GHG emissions from international shipping as soon as possible and reach net-zero GHG emissions by or around 2050. As member states, the three governments welcome IMO climate goals.

Thank you also for sharing in the Annex additional recommendations shared by the invited expert, recommendations to Mexico's government by the World Wildlife Fund (WWF)-Mexico, and the 2021 Moving Forward Network (MFN) recommendation letter to the United States Environmental Protection Agency (EPA) Administrator Michael Regan. Mexico implements actions to achieve a low-emissions economy, but also to make its strategic infrastructure, such as ports, resilient to the impacts of climate change. Mexico will also consider possible actions to be implemented in coordination with other agencies and institutions on emissions' inventory, partnerships for building capacities, awareness and information dissemination campaigns, among others, acknowledging that some specific recommendations are not led by the environmental agencies or depend on state and local governments.

With regards to the Moving Forward Network (MFN) letter to EPA's Administrator Regan, it is an EPA priority to reduce pollution from the freight sector and to reduce emissions in disadvantaged areas overburdened with pollution, consistent with the Administration's environmental justice goals. Since the 2021 letter, EPA has had several opportunities to engage with MFN on the topic of mobile source emissions, most recently on March 2023 at the EPA headquarters in Washington. EPA looks forward to holding quarterly meetings with MFN to continue collaboration on these important air issues.

Thank you again for your thoughtful advice. We appreciate the JPAC's recommendations on these topics and look forward to continued cooperation for the benefit of the North American environment.

Sincerely,

Jane Nishida

Jane Yishida

Alternate Representative for the United States