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Acronyms

CEC	Commission for Environmental Cooperation
CITES	Convention on International Trade in Endangered Species of Wild Fauna and Flora
EMS	Environmental Management Systems
IABIN	Inter-American Biodiversity Information Network
IFCS	Intergovernmental Forum on Chemical Safety
FTC	Free Trade Commission
JPAC	Joint Public Advisory Committee
NAAEC	North American Agreement on Environmental Cooperation
NABIN	North American Biodiversity Information Network
NAFEC	North American Fund for Environmental Cooperation
NAFTA	North American Free Trade Agreement
NARAP	North American Regional Action Plan
NAWEG	North American Wildlife Enforcement Group
NGO	Nongovernmental organization
OAS	Organization of American States
OECD	Organization of Economic Cooperation and Development
PRTR	Pollutant Release and Transfer Register
UNCTAD	United Nations Conference on Trade and Development
UNEP	United Nations Environment Program
UNITAR	United Nations Institute for Training and Research

1998 Annual Program at a Glance

ENVIRONMENT, ECONOMY AND TRADE

98.01.01

NAFTA Environmental Effects

98.01.02

**Exploring the Linkages between Environment
and Trade**

98.01.03

Emerging Trends in North America

98.01.04

Promoting Trade in Green Goods: Inventory

98.01.05

Technology Clearinghouse

98.01.06

Sustainable Tourism in Natural Areas

98.01.07

Shared Approaches to By-Product Synergy

98.01.08

**Exploring Linkages between Trade and Species'
Conservation in North America**

Specific Obligations:

**Cooperative Work between
the FTC and the CEC**

BIODIVERSITY AND ECOSYSTEMS

98.02.01

Cooperation in the Conservation of Birds of North America

98.02.02

North American Biodiversity Information Network

POLLUTANTS AND HEALTH

98.03.01

Sound Management of Chemicals

98.03.02

Cooperation on North American Air Quality

98.03.03

North American Pollutant Release and Transfer Register (NAPRTR)

CAPACITY BUILDING

98.04.01

Cooperation on the Protection of Marine and Coastal Area Ecosystems

98.04.02

Capacity Building in Pollution Prevention

LAW AND ENFORCEMENT COOPERATION

98.05.01

North American Regional Enforcement Forum

98.05.02

Strengthening Regional Capacity to Enforce CITES

98.05.03

Hazardous Waste Enforcement

98.05.04

Environmental Management Systems and Compliance

98.05.05

Compliance Indicators

SPECIFIC OBLIGATIONS UNDER THE NORTH AMERICAN AGREEMENT ON ENVIRONMENTAL COOPERATION

NORTH AMERICAN FUND FOR ENVIRONMENTAL COOPERATION (NAFEC)

Introducing the 1998 Annual Program

The Secretariat is pleased to present, as per Article 11(6) of the NAAEC, the Annual Program and Budget for 1998 for approval by Council. This program closes the cycle on three years of achievements and seeks to further the understanding of North American regional links. It will concentrate on the following five areas:

- **Environment, Economy and Trade**
- **Biodiversity and Ecosystems**
- **Pollutants and Health**
- **Capacity Building**
- **Law and Enforcement Cooperation**

At its Special Session in October 1997, the CEC Council resolved to expand significantly the Environment, Economy and Trade Program in 1998 and beyond. Consistent with advice from JPAC and the public at large, the Council committed itself to undertake further work to assess the positive and negative impacts of trade liberalization on the environment, to promote trade in “green” goods and services, and to engage the private sector in environmental and trade initiatives. This program reflects this commitment. As well, the growing importance of the regional and continental dimension of air pollution is also reflected in the 1998 program of work. This includes enhanced cooperative efforts to reduce risks from specific pollutants and to improve access to information.

The present year will be one of transitions, closing work done in the past and stimulating other groups and individuals to carry forward work begun by the CEC. One such project is the initiative launched in 1996 to advance the implementation of the Global Programme of Action (GPA) for the Protection of the Marine Environment from Land-Based Activities. Through this initiative, the CEC has worked with local governments, community organizations, and other interested groups in the Gulf of Maine and the Bight of the Californias to stimulate binational cooperation to reduce marine pollution coming from land-based activities. In 1998, the CEC will concentrate on ensuring that the transition to local leadership will be successful and supported by agencies committed to the effective implementation of the GPA.

Other initiatives will see the direct involvement of the CEC come to an end in 1998. One such project is Cooperation for the Conservation of Monarch Butterflies, where the results of the work in 1997 will continue, based on the program of action agreed upon in the Morelia meeting on this subject.



Environment, Economy and Trade

The Commission for Environmental Cooperation (CEC) is the only regional environmental organization that has its roots in expanded economic integration brought about by a trade liberalization agreement. Thus, the CEC is in a natural and privileged position to advance the understanding of the relationship between the environment, the economy and trade and to encourage cooperation between the Parties on establishing an integrative approach to the protection of the environment and economic development.

In order to guide project work in its Environment, Economy and Trade program, the CEC has structured the relationship between environment, economy and trade within the following framework:

UNDERSTANDING THE RELATIONSHIP BETWEEN ENVIRONMENT, ECONOMY AND TRADE

- 98.01.01 **NAFTA Environmental Effects**
- 98.01.02 **Exploring the Linkages between Environment and Trade**
- 98.01.03 **Emerging Trends in North America**

COOPERATING TO ENHANCE TRADE AND ENVIRONMENT LINKAGES

See “Specific Obligations: Cooperative Work between the FTC and the CEC.”

PROMOTING HEALTHY ENVIRONMENT, ECONOMY AND TRADE RELATIONSHIPS

- 98.01.04 **Promoting Trade in Green Goods: Inventory**
- 98.01.05 **Technology Clearinghouse**
- 98.01.06 **Sustainable Tourism in Natural Areas**
- 98.01.07 **Shared Approaches to By-Product Synergy**
- 98.01.08 **Exploring Linkages between Trade and Species’ Conservation in North America**

Specific Obligations: Cooperative Work between the FTC and the CEC

Project Manager: Sarah Richardson

Project Summary

This project was designed to aid the Council in fulfilling its obligations to consider on an ongoing basis the environmental effects of NAFTA (NAAEC Article 10(6)(d)).

Objectives

The objective of the NAFTA Effects Project is to provide the Council with elements for an analytical approach to assess whether NAFTA's trade liberalization has influenced the Canadian, Mexican and US economies in ways which have had environmental effects and, as much as possible, to identify any specific environmental effects related to NAFTA. Any work product must clearly and objectively describe the method of analysis and what has and has not been measured.

Rationale

Linking trade effects with environmental effects is a difficult challenge. Furthermore, the fact that NAFTA has been in force only since 1994 makes this link even more difficult to establish. However, building a better understanding of this environment-trade relationship is of importance to the Parties. Indeed, Article 10(6)(d) of the NAAEC provides that "[t]he Council shall cooperate with the NAFTA Free Trade Commission to achieve the environmental goals and objectives of the NAFTA by...considering on an ongoing basis the environmental effects of the NAFTA." The NAFTA Effects Project is an initial research initiative undertaken by the CEC to help contribute to understanding the environment-trade relationship.

Because identification of the specific trade effects stemming from NAFTA is very difficult after only a few years of experience, this project looks more broadly at the environmental effects of trade and related economic and institutional developments within North America, rather than just at those effects narrowly and directly linked to the provisions of NAFTA. It will also contribute to the fulfillment of the obligations of the Council under Article 10(6)(d) by ensuring that the specialized expertise of both environment and trade officials is fully incorporated into this exercise. A better understanding of the relationship between environment and trade liberalization will assist policy makers in designing strategies to promote the positive aspects of this relationship

Progress to Date

In the summer of 1995, the CEC began the exploratory phase of the NAFTA Effects Project, Phase I. Phase I focused on the main elements of the NAFTA and its more general regime, and their direct and immediate effects on trade and investment flows within North America. It also considered generally dimensions of ecological quality in the project and identified major processes that can be used to link environmental development in Canada, Mexico and the United States to NAFTA-induced economic and policy changes. The preliminary work that resulted from Phase I was presented and discussed at a workshop in La Jolla, California on 29–30 April 1996.

In Phase II of the project, specific issue studies were undertaken that, taken together, addressed key elements of the general framework in order to enrich areas where empirical data are not available or to clarify linkages between environmental issues and trade and economic activity. Expert consultations were held on 17 and 18 October 1997 in Montreal in order to consider progress in the issue studies. As well, meetings were held with government officials on 31 July 1997 and

31 October 1997 in order to report on progress. The NAFTA Effects Advisory Group met to consider the issue studies on 23 November 1997. Following the completion of the issue studies, a second draft of the “Analytic Framework for Assessing Environmental Effects of the North American Free Trade Agreement (NAFTA): Phase II” (“the Framework”) was developed. In 1998, the Framework and the issue studies were submitted to Council.

Activities

Research for this project has been carried out by an interdisciplinary study team of experts with the advice of a 15-person advisory body composed of senior representatives from a variety of relevant sectors in each of the three countries.

In 1998, the CEC will conduct an extensive peer review of the Framework. The review will be balanced among academics, trade economists, policy analysts and experts from other relevant fields of inquiry. Each Party will submit four names to the Secretariat for the review. Reviewers will receive the Framework with the issue studies attached as well as terms of reference drafted by the Secretariat and approved by Council. The terms of reference will include a confidentiality clause as well as requirements for an analysis of the strengths and weaknesses of the Framework considering, where necessary, the issue studies and, as appropriate, alternative approaches for further work. A meeting will be held, if necessary, to consider the comments. A final report will be prepared for the Council.

Expected Results

- Four peer reviewers from each country will prepare individual reports for the CEC on the Framework.
- Conclusions reported on the Framework will be prepared for the CEC Council based on the reviews.

Time Frame

The peer review will be completed by November 1998.

BUDGET	\$100,000
Estimated Breakdown:	
Professional fees and cooperative agreements	\$18,000
Travel, accommodation and meeting expenses	\$50,000
Translation and interpretation, including pre-publication costs	\$27,000
Office expenses (FedEx, etc.)	\$3,000
Equipment purchase (if applicable)	\$0
Other	\$2,000

Project Manager: Sarah Richardson

Project Summary

This project is a scoping exercise to identify further projects or studies to enhance the understanding of the relationship between environment and trade.

Objectives

The Secretariat will prepare a report for the Council outlining options for further work at the CEC to enhance the understanding between environment and trade taking into account work underway in other organizations in order to avoid duplication when the Council decides on the next steps for the Environment, Economy and Trade program at the CEC.

Rationale

A number of organizations at the national, regional and international levels are working on issues of environment and trade. For example, at the international level the OECD, UNEP and UNCTAD are examining issues relating to the environmental effects of trade agreements generally, and the WTO is examining issues relating to the effects of the environment on trade. The CEC should build on, and not duplicate, work being undertaken in these other international organizations, as well as domestic institutions in the three NAFTA countries. In order for the Council to determine how best to allocate CEC resources in order to contribute most fully to understanding the linkages between environment and trade, a list of options should be prepared that take into account work being undertaken elsewhere.

Activities

Activities will include identifying and consulting with experts and government officials to explore further work in this area. They will include the preparation of an inventory on other ongoing projects or studies regarding the linkages between environment and trade. They will also include a description, prepared by the Secretariat, of work underway in other international institutions. Using this background document, the Council will determine priorities for future work in the Environment, Economy and Trade program.

Expected Results

A list of proposed projects will be developed for review by the Council. The Council will determine which are most appropriate and policy relevant for the CEC.

BUDGET	\$30,000
Estimated Breakdown:	
Professional fees and cooperative agreements	\$6,000
Travel, accommodation and meeting expenses	\$12,000
Translation and interpretation, including pre-publication costs	\$10,000
Office expenses (FedEx, etc.)	\$1,000
Equipment purchase (if applicable)	\$0
Other	\$1,000

Project Manager: Sarah Richardson

Project Summary

Government experts from Canada, Mexico and the United States will jointly explore and determine the feasibility of using a forecasting tool that would allow the Parties to link developments in the expansion and growth of the North American economy with emerging environmental trends and indicators in order to anticipate environmental issues. The information supplied by such a tool would help to identify future environment/economy impacts and allow the Parties to make decisions about their policies and priorities, focusing on preventative strategies, in order to achieve positive environment/economy outcomes. The experts will: discuss what modeling tools are available, or could be developed/adapted, that would allow us to link trade and economic factors to environmental trends; discuss the type of data inputs required; discuss whether it is feasible to do this type of analysis using the selected tool; and, if it is feasible, propose a project for the 1999 work program.

Objectives

The objectives of this project are:

- to determine the feasibility of developing/adapting and using a forecasting tool for anticipatory environmental planning in North America; and
- if the Parties agree that it is feasible to shape such a tool, they will propose a project to put it to use.

Rationale

The Parties to the NAFTA share similarities in their resource bases and are often subject to common pressures. Each country possesses important renewable and non-renewable resources, such as forests and minerals, that form the basis for a rich network of ecosystems and sustain the livelihood and well-being of the people of the NAFTA region.

Nationally as well as internationally, greater emphasis is being placed on environment-economy linkages. Significant progress has been made with respect to the manner in which governments seek to create positive environment and economy relationships. The most important change is a move from making decisions based solely on past behavior and outcomes to anticipating potential changes in the economy-environment nexus due to present and future actions and initiatives, focusing on preventive actions rather than being in a reactive mode. This is particularly important when there are several players with varied resource bases, trade policies, labor laws, wage differentials, rates of economic growth, regulations, and environmental protection policies.

Through a reliable anticipatory forecasting tool, the information required for the Parties to make decisions on preventative policies, priorities and feasible activities, resulting in positive environment/economy outcomes, can be developed. To date there are no studies that show the use of such a tool by the NAFTA countries, and particularly identifying what may be technically possible. This tool could then be used on an ongoing basis by the CEC and the Parties, with minor requirements of updating, once it becomes operational.

Activities

The following activities would be carried out in 1998 by the Parties and an intergovernmental team of experts, with support by the Secretariat:

- The Parties will identify experts from government (the experts' team), familiar with forecasting techniques and models, to participate in this project; the experts' team will select a chair.
- The experts' team will take part in conference calls/meetings to share information and discuss available forecasting tools, the types of data requirements, and whether this is technically possible to do. When determining the feasibility of developing/adapting and using a forecasting tool for anticipatory environmental planning in North America, the experts' team will also consider whether it is possible to begin this exercise with the identification of environmental trends, and if so, guided by the Council, it would discuss how to select and prioritize trends and identify causal connections.
- The experts' team will develop an outline of the implementation plan for future work on this project.
- The experts' team will scope out and participate in a workshop that would involve governments, research institutions and ENGOs in a proposed study plan, in order to discuss/confirm the feasibility of what is being proposed and to receive comments on the proposed plan.
- The experts' team will finalize the proposal and submit it to Council, including a project proposal for 1999, if appropriate.
- The Secretariat will provide the technical and administration support requested and required by the experts' team.

Expected Results

The expected results for 1998 include:

- a preliminary decision on the feasibility of this forecasting tool by the experts' team;
- a workshop for stakeholders on a feasibility study; and
- a report by the experts' team on how to proceed, including a proposal for a study using the forecasting tool and recommendations on timing and budget for the 1999 work program, if appropriate.

[Longer-term results are dependent on the results of the experts' feasibility study but could include: i) the development of a forecasting tool that would enable the CEC as well as member countries to anticipate environmental trends, based on scenarios of future trade and economic growth; and ii) a report that describes/examines the anticipatory and preventative environmental planning required in order to address issues of varying resource use, economic growth, and trade policies.]

Time Frame

The feasibility study (Phase 1) would be completed in 1998.

BUDGET	\$25,000
Estimated Breakdown:	
Professional fees and cooperative agreements	\$0
Travel, accommodation and meeting expenses	\$20,000
Translation and interpretation, including pre-publication costs	\$0
Office expenses (FedEx, etc.)	\$5,000
Equipment purchase (if applicable)	\$0
Other	\$0

Project Manager: Sarah Richardson

Project Summary

Recognizing the complexities of any effort to distinguish products on the basis of their environmental attributes (such as the need for good science, and a transparent and credible process), this project would focus on the development and distribution of informational materials designed to facilitate the connection between producers and consumers of “green products.”

This project involves the development of an inventory (or information database) of existing mechanisms within the three countries that seek to identify and/or promote trade in “green products.” These mechanisms might include systems designed to recognize environmental attributes of products, such as ecolabeling programs and provisions for “green procurement.” These would include both governmental and nongovernmental systems, and umbrella systems that are both national and, to the extent feasible, subnational/local. In addition, these mechanisms could include marketing trends and opportunities in the area of “green products,” such as the development of “environmentally-oriented” production/distribution facilities and trends in consumer demand. This inventory would be widely reviewed by relevant government agencies, individuals and institutions in the three countries in order to ensure its accuracy and comprehensiveness.

Objectives

This project will assist governments in determining which products fall inside (or outside) the category of green products and developing avenues for further cooperation in this area.

Activities

A Project Team will undertake an inventory of existing mechanisms in the three countries to identify and/or promote trade in “green products.” This inventory might include, among other things, mechanisms such as ecolabeling and green procurement.

Expected Results

An inventory of existing mechanisms in the three countries to identify and/or promote trade in “green products.”

BUDGET	\$57,000
Estimated Breakdown:	
Professional fees and cooperative agreements	\$30,000
Travel, accommodation and meeting expenses	\$12,000
Translation and interpretation, including pre-publication costs	\$10,000
Office expenses (FedEx, etc.)	\$5,000
Equipment purchase (if applicable)	\$0
Other	\$0

Project Manager: Lisa Nichols

Project Summary

The CEC conducted a Needs Assessment and Feasibility Study to determine barriers to the successful adoption of environmental technology by industry and to review the information needs of users and potential users. The study concluded that serious barriers exist in Mexico, but are also common in the United States and Canada, especially in small and medium-size manufacturers, and that inadequate information on available environmental technologies presents a barrier to appropriate application and use.

Three potential partners were identified: the Ontario Centre for Environmental Technology Advancement (OCETA), Envirotech Online, and the Center for Environmental Quality of the Monterrey Institute of Technology and Higher Studies (CCA-ITESM). Each is appropriately qualified to provide environmental technology information to companies and governments in its own country. This is the first time that three organizations of this kind have agreed to cooperate across national boundaries to provide the best possible pollution control and pollution prevention information. In August 1996, the CEC signed a memorandum of understanding that established the intent of the partners and the CEC to collaborate in the development of electronic environmental technology information services to assist North American companies.

The new entity, Services and Information on Ecotechnologies (SIE), will: build on and support efforts of the North American governments; gather information on available environmental technologies and make that information available to potential users in a form that will assist them to make the environmentally and economically preferred choice for their particular situation; encourage the verification and independent testing of technologies; assist suppliers to increase sales in Canada, the United States and Mexico; build environmental-technology linkages between North America and Latin America; and assist in the introduction of North American environmental technologies to Central and South America. The CEC has allocated limited seed money to SIE and is currently assisting with fund-raising to meet start-up costs.

SIE is a non-profit corporation that will provide more reliable, objective information on pollution control and pollution prevention (including technology verification information) targeted mainly to small and medium-size enterprises and municipal governments in Canada, Mexico and the United States.

Objectives

SIE will consolidate a trinational database of environmental technology information (developing database information as necessary), designed in such a way that it meets the information needs of small and medium-size enterprises and municipal governments. It will also have a substantial outreach component, working with local and regional organizations in implementing fax-back systems and information centers, to ensure that its information reaches those organizations that are most in need of environmental assistance. Research and technical assistance services will supplement the technology information.

Rationale

The quality of the environment continues to be a major concern in Canada, Mexico and the United States. A study conducted by the CEC has shown that among small and medium-size businesses and municipalities, a major reason that pollution continues is that there is a lack of knowledge within management of the different effective systems and technologies available to address pollution problems. Several studies have shown that, in total, small and medium-size enterprises now account for more pollution than large corporations.

Although several agencies exist to provide environmental technology information to business, they are primarily designed as sales tools for environmental technologies and not to help solve environmental problems in the most impartial manner. Therefore, the CEC decided to facilitate the development of a North American clearinghouse to complement ongoing environmental technology activities and assist market demand.

Progress to Date

SIE is currently beginning operations: a feasibility study, market study, business development plan and promotional brochures have been completed, and sources for long-term operational funding are being sought. SIE has been incorporated in Canada and maintains offices in all three countries through its partner organizations.

The corporation has formed a user group in Mexico and is in the process of forming advisory groups in each of the three countries to provide input as the system develops. A pilot demonstration has been prepared and is available for viewing at < <http://www.sie.org> > . SIE planned to launch its initial services, using existing sources of environmental technology information, by the end of 1997. The comprehensive SIE database will be developed over a three-year period.

Activities

Periodic meetings of SIE partners and CEC

Periodic meetings are necessary for the SIE partners and the CEC to review progress made and future steps needed.

Coordination of SIE activities with similar technology-database initiatives

The UN has an ongoing project, and there are a number of related regional efforts. A representative of SIE may attend at least one UN meeting to present the SIE initiative. Also, representatives of regional efforts will be invited to participate at each of the partner meetings.

SIE marketing and development

The objective of this activity is to obtain funding for SIE and determine appropriate next steps to ensure its economic viability. This activity is key to the success of the SIE project. A marketing and developing consultant will be essential to the successful completion of this activity. As part of this activity, the CEC will sponsor the employment of a full-time person to function as the SIE Executive Director and the employment of a full-time person at ITESM to work with the Mexican user groups.

Expected Results

In 1998, it is expected that SIE will acquire significant outside funding for its development. CEC support of this project will expire at the end of 1998.

BUDGET	\$60,000
Estimated Breakdown:	
Professional fees and cooperative agreements	\$50,000
Travel, accommodation and meeting expenses	\$8,500
Translation and interpretation, including pre-publication costs	\$800
Office expenses (FedEx, etc.)	\$700
Equipment purchase (if applicable)	\$0
Other	\$0

Project Manager: Sarah Richardson

Project Summary

This project will provide an initial assessment of demand for goods and services related to ecotourism.

Objectives

This project will assist governments to develop avenues for further cooperation in this area, including the development of ecotourism markets in North America.

Activities

This project will prepare a report, with the assistance of experts, on North American approaches to and experience with ecotourism. In the first instance, the experts could document ongoing initiatives; consider definitions of sustainable ecotourism; discuss best practices to encourage it; consider lessons learned from past initiatives; identify human use management in protected areas; and identify needs for future research.

This document would include an initial assessment of the demand for goods and services related to ecotourism and could incorporate the following elements:

- The identification of emerging destinations for ecotourism in natural protected areas and parks as well as regional tourist routes and WMAs.
- An estimate of the actual size of that market and the approximate rate of growth.
- An identification of geographically-potential environmental impacts and a characterization of them.
- An analysis of the compatibility between trends in the development of ecotourism in parks and natural protected areas and the programs for their management.
- Development of criteria for indicators and of sustainability.
- An exploration of the mechanisms of mutual recognition.
- An identification of the obstacles to the development of ecotourism based on the following issues: quality and quantity of the supply; training needs; regulatory framework; marketing strategies; and consistency with policies for conserving biodiversity.
- The design of mechanisms and opportunities for developing a North American ecotourism market.

[This project would continue in 1999 with such further activities as a workshop of experts including government officials and other relevant stakeholders to exchange ideas and approaches for developing and managing sustainable forms of nature-based tourism.]

Expected Results

A background study on key elements for the development of a North American market for sustainable tourism in natural protected areas.

BUDGET	\$48,000
Estimated Breakdown:	
Professional fees and cooperative agreements	\$21,000
Travel, accommodation and meeting expenses	\$12,000
Translation and interpretation, including pre-publication costs	\$10,000
Office expenses (FedEx, etc.)	\$5,000
Equipment purchase (if applicable)	\$0
Other	\$0

Project Manager: Sarah Richardson

Project Summary

The objective of by-product synergy (BPS) is to promote joint commercial development of one economic sector with a related environmental sector so that the waste product of one industry becomes the raw material used by a second industry. This multiyear project involves the identification of by-product waste and resource streams of one sector and the location of binational and national opportunities for by-product synergies.

This concept has proven successful in pilot projects in the United States undertaken by the Business Council for Sustainable Development for the Gulf of Mexico and should be exported to benefit industry in all three North American countries. The World Business Council for Sustainable Development, a global coalition of 125 companies committed to sustainable development, is highly supportive of this initiative, offering the opportunity for the results of the CEC regional initiative to be used as a global model. Industry has agreed to leverage funds for this project.

Objectives

- To determine potential by-product synergies focusing primarily on chemical-, petroleum- and energy-based sectors in Tamaulipas, Mexico, and Alberta, Canada;
- to form an intergovernmental task force to review the possible by-product synergies and consider regulatory and policy initiatives to facilitate implementation of environmentally positive synergies;
- to consider the potential for the use of certain by-product synergies as a means of obtaining carbon credits in climate change efforts with particular focus on new mechanisms contained in the Kyoto protocol; and
- to educate and expand awareness of the opportunities inherent in the by-product synergy approach relating to trade, eco-efficiency, environment and competitiveness.

Rationale

Industrial leaders throughout the world are recognizing that current methods of industrial development are often not economically sustainable. Much of the industrial infrastructure evolved in an era of cheap energy and careless waste disposal practices. Dramatic events of recent years highlight the ramifications of the world as a closed system. World population has tripled in 50 years and huge urban and industrial centers exist today that did not exist 40 years ago. Massive pollution and environmental degradation on an unimaginable scale have been created as a result.

Over the past three years, several companies have used by-product synergy with very positive results, such as significant cost reductions and new “clean” business opportunities. The industrial leaders began asking questions like *“What if we are witnessing business opportunity and not just cost reduction? What if we began to speak in terms of 100 percent product instead of zero waste? What if every gram of raw material became product?”*

The benefits of by-product synergy have proven numerous in the past. Instead of disposing of wastes, using them in other industries as raw materials saves energy, reduces environmental impacts, and offers the potential for new profit centers and trade opportunities. This project also offers potential benefits in reduced greenhouse gas emissions, reduced consumption of raw materials, reduced energy requirements, and reduced landfill requirements. A zero waste/100% product production in existing and planned industrial activities in the petroleum and energy sectors is critical to the region's industrial transition to sustainability.

By-product synergy addresses the important trade and environment issue of process and product methods, a core issue of recent GATT and WTO cases, which looks at the environmental implications of a good throughout its life cycle. However, by-product synergy offers solutions that are beneficial to industry and agreeable to the environmental community. One other aspect of trade and environment addressed in this project is the cross-border technology transfer that often results from the synergies identified.

Activities

- Participating companies will systematically seek out by-product synergies that are profitable as well as environmentally and socially beneficial. More than 20 companies and/or organizations have agreed to participate in the process. The project involves four stages: education, material balance, data analysis, and implementation over an 18-month period.
- Education is required to introduce the concept of by-product synergy to the companies and organizations participating in the project. This will include applying a variety of trilingual materials in presentations for the business community, university students and the public.
- Materials balance surveys are the building blocks for the identification of synergies. Raw materials, products and wastes will be characterized in ways that protect companies' confidentiality concerns yet offer ways to analyze the streams in search of synergies.
- Analysis of the materials balance will involve strategic and technical approaches aimed at identifying existing synergies and potential partners that could be recruited to the region. Various technological advancements in the treatment and handling of products, by-products and wastes will also be applied.
- Implementation will focus on preparing plans for the best synergies identified, based on their economic, environmental and social values. A minimum of three successful synergies per project will be identified per location, starting with Tampico, Mexico, in 1998.
- In September, a meeting will be held in Alberta, Canada, with representatives of oil and gas and other industries to identify the Canadian companies participating in the project and launch the Canadian portion of the work beginning with the materials balance process.
- The CEC will develop an intergovernmental task force. Two meetings of this task force will be held in 1998. An initial meeting will be held to elaborate on the workplan for 1998. A second meeting will be held after the first synergies are identified in Tampico, Mexico and will consider issues for the development of the initiative in Alberta, Canada.

Expected Results

- In 1998, the project will, working with an intergovernmental task force, identify three to five synergies in Tampico, Mexico; disseminate educational materials; and launch activities in Calgary, Alberta, including the completion of a materials balance process in which the inputs and outputs of participating companies are determined and compiled.
- The long-term results of this project will be the identification of three to five synergies each in Tampico, Mexico, and Alberta, Canada, after which a report will be made to Council reviewing the synergies and evaluating their potential for carbon credits under climate change mechanisms.

BUDGET	(with matching funds from industry)	\$175,000
Estimated Breakdown:		
	Professional fees and cooperative agreements	\$140,000
	Travel, accommodation and meeting expenses	\$14,000
	Translation and interpretation, including pre-publication costs	\$16,000
	Office expenses (FedEx, etc.)	\$5,000
	Equipment purchase (if applicable)	\$0
	Other	\$0

98.01.08

EXPLORING LINKAGES BETWEEN TRADE AND SPECIES' CONSERVATION IN NORTH AMERICA

Project Manager: Sarah Richardson

In 1998, the CEC will undertake a thorough scoping exercise to identify opportunities for future work in the area of the trade in and conservation of species in North America. The general purpose of this work will be to explore whether opportunities exist for the sustainable use of resources which would enhance ecosystem management and conservation. The Secretariat will, in consultation with the Parties and other appropriate bodies, identify and assemble existing information related to the current legal and illegal markets for and trade in North American wildlife and wildlife products. This will include the identification of sources of information on such trade, demand and supply valuations, market access information and additional information, as appropriate. Further development of this project could include a survey of ongoing work to develop mutually acceptable sustainability criteria.

BUDGET

(plus an additional \$15,000 if necessary)

\$20,000

Specific Obligations

COOPERATIVE WORK BETWEEN THE FTC AND THE CEC

Project Summary

In addition, the CEC will include environment and trade issues under its special obligations. An Environment and Trade Officials Working Group will be established.

Rationale

As part of the Environment, Economy and Trade program at the Commission for Environmental Cooperation, the Council agreed at the June 1997 Regular Session of Council to form an inter-governmental working group consisting of environment and trade experts from the three Parties (Item 5.2. 1997 Regular Session of Council, 12 June 1997, Summary Record, Doc. C/97-00/SR/01/Rev.2).

Activities

A total of up to \$40,000 will be available to facilitate the creation and operations of the working group.

III

Biodiversity and Ecosystems

Project Manager: Hans Herrmann

Project Summary

This project brings together agencies and organizations that are working on the conservation of birds, particularly non-waterfowl species, and helps them coordinate and enhance ongoing efforts to conserve bird populations and their important habitats on a North American level. The project has concentrated on identifying important bird areas (IBAs) in North America and, in 1997, focused on developing a North American strategy and action plan to conserve non-waterfowl bird species. In 1998, the North American strategy will be finalized, the action plan drafted, and a directory of important bird areas published.

Objectives

The project seeks to facilitate coordination of efforts on a North American basis for the conservation of birds by:

- completing and launching a North American strategy and action plan for the conservation of birds;
- consolidating support for the implementation of this strategy and action plan;
- publishing a directory of important bird areas in North America and
- determining the potential for the production of shade coffee as a sustainable development initiative compatible with bird conservation.

Background

Some 1,400 species of birds inhabit North America, with a large number found in the more diverse tropical habitats of Mexico. The ranges of many species overlap the international borders of Canada, the United States and Mexico. More than 250 species of North American birds are migratory. The effective conservation of birds in North America calls for joint action and coordinated efforts among the three countries. In 1996, the Council of the CEC called for the development of a North American strategy and action plan for cooperative efforts based on goals, objectives for, and approaches to the conservation of the birds of North America. The North American Waterfowl Management Plan (NAWAMP) has been successful in conserving waterfowl. A similar effort for coordinating the conservation of “terrestrial” bird species is necessary.

Progress to Date

Development of IBAs

The project has brought together those agencies in each country working to identify important bird areas. Its purpose was to promote common approaches to identifying important bird areas in North America. To do this, the project group developed criteria compatible with those used by Bird Life International and the Royal Society for the International IBA program. Domestic efforts to apply these criteria resulted in the identification of more than 150 important bird areas in North America. The identification process involved workshops and nominations in each country. Finally, three IBAs were selected by the project team as pilot projects for the development of conservation strategies by local citizen groups.

North American strategy and action plan for the conservation of birds

A working group of government officials and experts from nongovernmental organizations met and agreed on the goals, scope and principles of a pan-North American strategy and plan. The document describing these was used as a basis for consultation with many organizations working on bird conservation in each country. A first draft of the strategy is being developed based on the responses received and went out for consultation in early January.

Activities

In 1998, efforts will concentrate on completing the proposed North American strategy and action plan and publishing the first edition of a *Directory of Important Bird Areas of North America*. As well, a new initiative will be launched regarding the production of shade coffee and its benefits to bird conservation. The project will also link with the development of an information network on birds as part of the North American Biodiversity Information Network (NABIN).

Publish the Directory of Important Bird Areas of North America

The directory will include approximately 150 IBAs in North America that have been identified and validated by domestic processes in each country. As the identification of IBAs by experts and active organizations in each country is an ongoing process, the directory will need to be updated periodically.

Finalize a North American strategy and develop an action plan for the conservation of birds

This activity involves:

- consulting interested parties in workshops and conferences in each country preparatory to drafting the strategy and action plan;
- assembling a working group to develop and draft the strategy and action plan;
- presenting the recommended strategy and draft action plan to interested agencies and organizations at a North American workshop and finalizing them; and
- identifying the costs and potential sources of funding for implementing the plan.

Examine shade coffee production

This activity will initiate cooperation on the production of shade coffee as a sustainable development activity complementary to the goals of conservation of bird habitat. This includes:

- arriving at a mutually acceptable definition of shade coffee production based on the experiences and results of existing initiatives; and
- providing market analysis for exports of shade coffee from Mexico to Canada and the United States.

Expected Results

1998

- Completion and approval of North American strategy and action plan for the conservation of birds;
- initial implementation of strategy and plan;
- increased participation in strategy and plan by interested groups;
- publication of *Directory of Important Bird Areas in North America*;
- definition of shade coffee production; and
- market analysis for shade coffee.

Long term

- Dynamic and efficient implementation of the strategy and plan.

Time Frame

The development and implementation for an action plan on bird conservation in North America is a long-term undertaking. It is expected that the CEC will continue to work with agencies and organizations to facilitate the further development of the plan and monitor its implementation over the next 2–3 years.

BUDGET	\$280,000
Estimated Breakdown:	
Professional fees and cooperative agreements	\$180,000
Travel, accommodation and meeting expenses	\$45,000
Translation and interpretation, including pre-publication costs	\$52,000
Office expenses (FedEx, etc.)	\$3,000
Equipment purchase (if applicable)	\$0
Other	\$0

Project Manager: Marcos Silva

Project Summary

The North American Biodiversity Information Network (NABIN) was initiated in 1996 to enhance collaboration among biodiversity data sources and users in North America. NABIN seeks to provide a neutral venue for all stakeholders to promote availability of and accessibility to data on biodiversity in North America. A pilot effort focusing on data and information related to birds of North America is in progress. This project will be completed in 1998 and a second launched, with a probable focus on information related to invasive species in North America. Efforts are being made to link NABIN to other initiatives, such as the proposed clearinghouse mechanism of the Biodiversity Convention, ITIS, American Biodiversity Information Network, Natural Heritage Programs, Conservation Data Centers, Biodiversity Conservation Information System (BCIS), and the Inter-American Biodiversity Information Network (IABIN). Efforts to link with the Biodiversity Convention clearinghouse and IABIN are crucial to ensuring an eventual integration of NABIN into these regional and global undertakings. NABIN has no physical office space and no permanent staff; as such it represents a virtual network of data owners and users.

Objectives

The objective of NABIN is to enhance the availability and accessibility of biodiversity information in North America among biodiversity data sources and data users. Specifically, in 1998 the project seeks to consolidate and advance NABIN by:

- completing the initial work on bird data, including geo-references, conservation status and equivalencies of authority lists; and
- contributing to other efforts with similar goals, such as the Biodiversity Convention clearinghouse, IABIN and others.

Rationale

Government agencies, private companies, nongovernmental organizations, scientists and researchers, and the public use biological and ecological information in many applications, such as conservation, resource utilization, and monitoring. Substantial resources have been invested for over a century to collect data about biological resources and ecological systems. Yet the utility of this information is diminished, in part because the data are widely dispersed and managed in formats that are difficult to reconcile and interpret in the context of individual applications. The goal of NABIN is to make these data, as well as those collected in the future, more accessible and more useful to decision-makers, researchers and the public.

Progress to Date

A steering committee was formed to guide the development of NABIN. Members of the steering committee include biodiversity data managers and information users from federal, provincial, and state governments, universities, and nongovernmental organizations in Canada, Mexico and the United States (see the NABIN homepage for the current membership of the steering committee < <http://www.cec.org/nabin>> , password “nabin”).

At its first meeting in November 1996, the steering committee agreed on the mission and operating principles of NABIN. The main themes of these are to:

- provide a neutral venue for all stakeholders;
- adopt widely accepted standards;
- vest responsibility and resources in data custodians;
- promote data accessibility and utility;
- focus on ecosystems, natural communities, species and populations;
- equitably distribute responsibility among the partners; and
- equitably share recognition among the partners.

At the second meeting in January 1997, a subgroup of the steering committee decided to begin implementation through a pilot project on avian biodiversity, data and information in order to demonstrate the utility of NABIN. The pilot project will:

- recommend standards and content objectives relative to four focal areas (taxonomic authority file, conservation status, atlas data and meta data);
- demonstrate how meeting standards and content objectives in the focal areas will improve access to and utility of data and information;
- create one or more aggregate data sets for demonstration purposes;
- demonstrate the value added resulting from the aggregation of data and information; and
- recommend overall strategies for expansion of the pilot project in three areas to involve more stakeholders; include additional types of data and information; and expand the model to other taxonomic groups and ecological types.

Activities

Complete pilot project on data and information on birds

In 1998, a continued focus on data and information on birds will continue in order to ensure the utility of the project. Special emphasis will be placed on expanding the circle of data users, increasing the depth of data and information about birds, and broadening the taxonomic and geographical information on birds. As it is developed, the work will be made available to other countries in the hemisphere so that they may adapt it for application, leading to greater integration with IABIN.

Expected Results

1998

- Completion of a prototype for integrating access to and distribution, visualization and analysis of avian biodiversity data;
- meta data standards for biodiversity information, and for software tools to be developed; and
- access to avian data from diverse sources.

Long term

- Integration with IABIN and the Biodiversity Convention.

Time Frame

The bird network should be completely on-line by the end of 1998. It is our expectation that NABIN will be integrated into IABIN in the year 2000.

BUDGET	\$125,000
Estimated Breakdown:	
Professional fees and cooperative agreements	\$75,000
Travel, accommodation and meeting expenses	\$40,000
Translation and interpretation, including pre-publication costs	\$10,000
Office expenses (FedEx, etc.)	\$0
Equipment purchase (if applicable)	\$0
Other	\$0

III

Pollutants
and Health

Project Managers:**Core component:** Andrew L. Hamilton**Capacity building/extension component:** Hernando Guerrero**Project Summary**

The purpose of this project is to reduce risks to human health and the environment through the Sound Management of Chemicals Initiative, including, as appropriate, measures such as pollution prevention, source reduction, and pollution control of chemical substances of mutual concern. The North American Working Group on the Sound Management of Chemicals, its subsidiary bodies and the CEC Secretariat will continue to help implement the decisions and commitments set out in Council Resolution 95–05 on the Sound Management of Chemicals, including the implementation of any instructions subsequently received from the Council of the CEC pursuant to this resolution.

The 1998 project is packaged under two components: 1) a “core” component that builds directly on earlier activities and decisions of the Working Group and its subsidiary bodies, and 2) an associated capacity building/extension component that is specifically intended to assist Mexico in implementing commitments and decisions under Council Resolution 95–05.

The North American Working Group on the Sound Management of Chemicals (hereafter referred to as “the Working Group”) is an intergovernmental body and this project is designed to reflect the guidance and direction from that group. The core component reflects the Working Group’s priorities for implementation of Council Resolution 95–05. These priorities were communicated to the Committee of Alternates by John Buccini, the current chair of the Working Group, in a memorandum dated 4 February 1998. The associated capacity building/extension component is intended to complement the core project and will include provisions for receiving general and specific advice and input from the Working Group.

Objectives***Core component***

With respect to the Sound Management of Chemicals:

- Assist with the implementation of the North American Regional Action Plans (NARAPs) previously developed under this Resolution including the development of key elements for phase two of the mercury NARAP.
- Assist with the evaluation of certain persistent and toxic substances for potential regional action by using the Council-approved “Process for identifying candidate substances for regional action under the Sound Management of Chemicals Initiative.”
- Assist with the initiation of the process for developing NARAPs for substances identified by the Substance Selection Task Force.
- Assist with the development of proactive strategies for the sound management of chemicals.

Capacity building/extension component

With respect to the Sound Management of Chemicals:

- Support Mexico’s implementation of Resolution 95–05 and generate additional funding to assist in its implementation.

Rationale

Council Resolution 95-05 provides an overall framework for the three countries to address the sound management of chemicals and calls for the development of regional action plans for PCBs and other persistent and toxic substances, including certain heavy metals. The resolution established a working group and directed that initial attention be given to persistent and toxic substances contained in the list of twelve persistent organic pollutants (POPs) listed in decision 18/32 of the Governing Council of UNEP of May 1995. The resolution provides a mechanism for the three countries to take coordinated national and regional action to advance decisions made in other international settings, including UNEP and OECD.

The project also provides a means to facilitate collaboration and cooperation amongst the three countries in negotiating future decisions and commitments that will be taken within international settings such as UNEP, OECD, the Organization of American States (OAS), or the Intergovernmental Forum on Chemical Safety (IFCS). It also provides a forum for the CEC to work collaboratively with other binational and national organizations who are working on matters related to the sound management of chemicals.

The new emphasis on capacity building/extension reflects the recognition that the major costs associated with implementing existing NARAPs, especially those for DDT and chlordane, will be carried by Mexico. It also reflects the need to actively support Mexico in implementing these decisions and commitments through capacity building and as well as through the use of CEC funds as seed money to leverage additional funding to assist with the substantial funding that is anticipated to complete implementation of NARAPs.

Progress to Date

North American Regional Action Plans for three substances—PCBs, DDT, and chlordane—on the UNEP list of persistent organic pollutants have been developed and approved by the Council of the CEC. A fourth NARAP on mercury has been completed and approved by Council as phase 1 of a more comprehensive action plan on mercury to be completed by June 1999. The “Process for identifying candidate substances for regional action under the Sound Management of Chemicals Initiative” was also approved. The Secretariat has worked with the Working Group and its task forces to develop these NARAPs as well as the process and criteria for identifying future substances. It is currently involved in a number of activities to assist in the implementation of these NARAPs. The implementation phase for each of the approved NARAPs will be guided by Implementation Task Forces that will replace those that developed the NARAP. A Substance Selection Task Force will oversee the “Process for identifying candidate substances for regional action under the Sound Management of Chemicals Initiative.” In addition, a number of activities in support of the Sound Management of Chemicals Initiative are being funded from a related project on Capacity Building (Project 98-04-01). The Working Group will consider a variety of ways to ensure expert and public input to its work under the Sound Management of Chemicals Initiative. The public will be invited to participate in the second annual meeting of the North American Working Group on the Sound Management of Chemicals. Also, three specialists (one each from Canada, Mexico and the United States) drawn from academia, industry and environmental nongovernmental organizations will be invited to participate as observers in the Implementation Task Forces and the Substance Selection Task Force.

Activities

For each aspect of the Sound Management of Chemicals Initiative, the following deliverables, initiatives or meetings are envisioned.

The Sound Management of Chemicals, core component

- Assemble and print a document on the Sound Management of Chemicals Initiative, containing a short introduction and overview together with copies of Council Resolution 95–05, the four NARAPs that have been approved (on PCBs, DDT, chlordane and mercury), and the process for identifying candidate substances for regional action under the initiative, as well as a brief summary of it.
- Prepare an assessment of progress under Council Resolution 95–05 to be available for the 1998 CEC Council Session to complement the above document.
- Establish Implementation Task Forces for each approved NARAP.
- Establish a Substance Selection Task Force to identify, using the approved process, candidate substances for regional action.
- Establish task forces to develop NARAPs for the substances recommended by the Substance Selection Task Force and approved by the Parties.
- Plan and convene two regular meetings of the Working Group: to guide the progress being made on existing NARAPs, to oversee the selection of additional candidate substances and the preparation of NARAPs for newly selected substances, to consider and recommend future activities and procedures for consideration by the Council, and to receive input from stakeholders (second meeting).
- Plan and host, in conjunction with the capacity-building project, a workshop to explore options for obtaining additional resources where the development and implementation of NARAPs necessitate them.

The Implementation Task Force on PCB:

- Develop an implementation plan for the PCB NARAP. Although the three governments are all in the process of revising/implementing PCB regulations, the development of the PCB NARAP implementation plan will proceed on those elements that are not directly affected by the recent US judicial decision prohibiting the importation of PCBs for disposal and destruction. The implementation plan will include a description of the status of all PCB efforts.

The Implementation Task Force on Mercury:

- Conduct phase 1 of the Zacatecas case study: mercury and/or heavy metal monitoring and assessment in Mexico (NARAP paragraph 6.4.1). This three-day expert workshop was held 25–27 February 1998 in Zacatecas, Mexico. The initial focus was the local setting where mining activity has taken place for at least three hundred years. A primary objective was to consider monitoring and rehabilitation opportunities in the area and to advance national mercury and other heavy-metal monitoring (including laboratory analysis) and assessment capabilities in Mexico.
- Hold the Partnership/Voluntary Initiatives Workshop (NARAP paragraph 6.1) in September 1998 in Mexico to encourage and establish links between private and/or public stakeholders as a means of sharing, transferring and promoting best practices for reducing and preventing anthropogenic releases of mercury and for the sound management of mercury, including waste management strategies. Another objective of this workshop is to encourage the industrial sector to identify specific targets and timetables that could be incorporated under phase 2 of the NARAP (NARAP paragraph 6.5.1).

- Organize a workshop on the state of scientific knowledge related to mercury (NARAP paragraph 6.2.1) to share such knowledge and to seek expert advice to assist with the implementation of the mercury NARAP. This workshop will also provide an opportunity to seek advice in identifying the “specific actions,” “specific targets,” and “specific time frames” to be included in the proposed second phase of the North American Regional Action Plan on Mercury (NARAP paragraph 6.5.1). This workshop will be held in the fall of 1998.
- Prepare, by October 1998, a consultation draft of the second phase of the mercury action plan, focusing on cooperative activities related to source reduction, safe waste management practices, emission reduction, enhanced scientific information, and improved monitoring. The second phase will build upon important initiatives already underway in North America, with particular focus on Canada and the United States. As well, it will support the capacity-building actions in Mexico established in phase 1.

The Substance Selection Task Force:

- Oversee the identification of candidate substances for regional action.

The Task Forces to develop new NARAPs (anticipated but will depend on Council decision):

- Initiate the development of NARAPs on substances approved by the Parties.

The Sound Management of Chemicals, capacity building/extension component:

- Catalyze and facilitate inter-laboratory collaboration and cooperation in environmental monitoring and quality control/quality assurance activities in order to develop the capacity for monitoring and assessing heavy metals in the Mexican environment.
- Assist Mexico in the planning and preparation of an event to launch Mexican initiatives in phasing out all registered uses of chlordane in Mexico. This will include a workshop to describe the initiatives in the chlordane NARAP at the global negotiations on POPs to be held in Montreal.
- Assist Mexico in planning and conducting a study/assessment of the risks associated with two substances being considered under the “Process for identifying candidate substances for regional action under the Sound Management of Chemicals Initiative.”

Expected Results in 1998

The following results are expected to be achieved in 1998 under each phase of the Sound Management of Chemicals Initiative.

The Sound Management of Chemicals, core component:

- Prepare a report containing all negotiated Sound Management of Chemicals agreements.
- Prepare an overview and progress update of the Sound Management of Chemicals Initiative, to be reported to Council.
- Actively engage in implementing approved NARAPs.
- Review three or more substances for potential regional action.
- Establish task forces to oversee the preparation of new NARAPs.
- Plan and hold two regular meetings of the North American Working Group on the Sound Management of Chemicals.
- Convene a workshop in cooperation with the capacity-building project on opportunities for external funding to assist with the implementation of NARAPs.
- Initiate development of one or more NARAPs on substances approved by the Parties.

Implementation Task Force on PCBs:

- Develop an implementation plan for the PCB NARAP.

Implementation Task Force on Mercury:

This task force will be occupied with:

- an expert workshop on mercury/heavy metal monitoring and assessment,
- a partnership/voluntary initiatives workshop,
- an expert workshop on the state of scientific knowledge,
- an initial draft of phase 2 of the NARAP on mercury, and
- a consultation workshop.

Substance Selection Task Force:

- Guide nominated substances through the process for identifying candidate substances for regional action under the Sound Management of Chemicals Initiative and recommend substances for regional action.

The Sound Management of Chemicals, capacity building/extension:

- Support a small collaborative project aimed at capacity building in Mexico as a follow-up to the initial workshop in Zacatecas on monitoring and assessing mercury and other heavy metals in the Mexican environment.
- Make a launch announcement concerning Mexico's actions to implement the NARAP on chlor-dane through a workshop at the global POPs negotiations.
- Conduct a comprehensive assessment of the risks of two nominated or potential substances for consideration under the "Process for identifying candidate substances for regional action under the Sound Management of Chemicals Initiative."

BUDGET	\$535,000
Estimated Breakdown: Sound Management of Chemicals, core component	
Professional fees and cooperative agreements	\$78,000
Travel, accommodation and meeting expenses	\$170,000
Translation and interpretation, including pre-publication costs	\$46,000
Office expenses (FedEx, etc.)	\$24,000
Equipment purchase (if applicable)	\$0
Other	\$0
Total	\$318,000
Estimated Breakdown: Sound Management of Chemicals, capacity building/extension component	
Professional fees and cooperative agreements	\$170,000
Travel, accommodation and meeting expenses	\$37,000
Translation and interpretation, including pre-publication costs	\$5,000
Office expenses (FedEx, etc.)	\$5,000
Equipment purchase (if applicable)	\$0
Other	\$0
Total	\$217,000

Project Manager: Nick Nikkila

Project Summary

This project seeks to expand upon 1997 efforts, particularly the CEC report on *Continental Pollutant Pathways: An Agenda for Cooperation to Address Long-Range Transport of Air Pollution in North America*, produced under the ægis of Article 13 of NAAEC, and the report on *North American Air Quality Data Compatibility*, by focusing on the results, conclusions and opportunities for greater cooperation identified in those initiatives. These efforts expand upon activities begun in 1995 and 1996 to respond to the Council resolution and communiqués targeting the development of cooperative long-term air quality monitoring, modeling and assessment programs in North America, as well as promoting binational and trinational strategies to reduce pollution emissions.

Objectives

The overall goal of the CEC is to facilitate the promotion and coordination of trinational activities to reduce the exposure of humans and the environment to pollutants released to, formed within, and transported by the atmosphere, while specifically approaching air issues from a cross-media approach. To achieve this goal the project aims to:

- identify specific short- and long-term priorities for North American cooperation in reducing the long-range transport of pollutants, particularly air toxics;
- enhance the availability and accessibility of information required for policy planning, decision-making, and management related to airsheds and the long-range transport of airborne pollutants;
- broaden the understanding among health and policy experts in North America of the health impacts of the long-range transport of pollutants; and
- facilitate the development of strategies and cohesive efforts to reduce the long-range transport of pollutants.

The objectives of the project continue to include the development of cooperative air monitoring and modeling systems in North America to provide information required for policy planning, decision-making, and management related to shared airsheds, the long-range transport of airborne pollutants, and the transboundary transport of air pollutants. The project intends to facilitate cooperative long-term air quality monitoring, modeling and assessment programs in North America through the promotion of the collection and exchange of appropriate air quality data, including emissions inventories, and the development and application of appropriate models.

Rationale

Air as a medium generates environmental interaction across the borders of the three North American nations. There is continuing concern that the long-range transport of pollutants within and among Canada, Mexico and the United States is contributing to the deterioration of airsheds and affecting the quality of the environment and public health. Within this project, airsheds will be considered in the context of their relationship to other media, as well as the influence of air quality on natural and man-made resources within the airsheds.

As the Article 13 report *Continental Pollutant Pathways* points out, the issues requiring attention on a pan-North American basis are many. They require different actions based on the nature of the pollutants, the technologies available to reduce them, and the progress already achieved. While all issues require urgent attention, it is important to establish short- and long-term priorities in order to ensure that substantial progress is made with the available resources and that the duplication of the efforts of other institutions is avoided.

Credible and accurate information is crucial to addressing pollution problems in transboundary airsheds. In order to facilitate effective cooperative efforts, reliable information is needed on the characteristics and dynamics of transboundary airsheds, interaction between airsheds, and the amounts of pollutants emitted into the environment.

At the third annual meeting of the North American environment ministers 1–2 August 1996, CEC Council Resolution 96–05, entitled “Ensuring Data Compatibility on Air Quality and Emissions,” was signed. This resolution concludes that the CEC Council:

AGREES to promote regional cooperation among the Parties for the development of air quality monitoring, modeling and assessment programs in North America through the promotion, collection, and exchange of appropriate data, and the development and application of appropriate models for the range of chemical substances of mutual concern as defined by the Commission for Environmental Cooperation;

RECOMMENDS that the Parties work toward adopting compatible methodologies for compiling and reporting emissions inventories;

ENCOURAGES the Parties to maintain programs and/or laboratories that provide reference materials and develop reference methods to ensure compatible data; and

RECOMMENDS the joint placement and joint calibration, when each are appropriate, of monitoring equipment at mutually-agreed upon sites, as resources become available, with mutually-agreed upon protocols and schedules, in order to ascertain data compatibility with respect to monitoring and modeling of mutually-agreed upon substances.

The effect of airborne pollution on human health is a relatively new field. The exchange of scientific information at the North American level can help strengthen the understanding of the health aspects of the long-range transport of air pollution in all three countries.

The development of strategies to reduce the long-range transport of pollution has been acknowledged by policy makers and scientists as crucial. The Article 13 report concluded that “enough is already known on most fronts for us to say, unequivocally, that significant emission reductions from present levels are needed now.” The facilitation and promotion of effective strategies to address specific pollutants need to occur within the context of understanding how pollution is transported, how much reduction is necessary, and what the optimum actions in terms of efficacy, equity and cost are.

Progress to Date

Initiatives launched in 1995 included the preparation of background studies of air monitoring and modeling efforts in each of the three North American countries and a summary report that unified the results of the country-specific documents. These documents were used as discussion materials for several meetings of North American experts that were hosted by the CEC (21 September 1995, 11–12 December 1995, and 15–16 April 1997). The CEC invited the experts to form an advisory group to provide guidance and input on this project to the CEC Secretariat.

The advisory group concluded that in order to develop long-term air quality monitoring and modeling programs, concrete steps must be taken to improve both the data compatibility and comparability and the quality of the information from emissions inventories. The advisory group has recommended that CEC efforts focus on a specific set of chemicals that are of trinational interest, referred to as “Key Substances” for this project. For 1996, the advisory group determined that the list of Key Substances includes:

- CO, NO₂, SO₂, lead;
- ozone and its precursors;
- particulate matter (PM10 and PM2.5);
- additional substances that are monitored regarding acidic deposition, specifically SO₄, NO₃, NH₃, and HNO₃; and
- other substances drawn from lists in other CEC resolutions, including PCBs, mercury, DDT and chlordane.

The advisory group recommended that the material from the background studies completed in 1996 be converted into a series of white papers, summary documents that would present the information on a series of current air topics in a concise format for use by government policy officials and scientists. The advisory group also recommended that the CEC prepare an additional report that focuses specifically on the compatibility and comparability of the air quality data sets in North America.

In 1996 and 1997, several activities were launched, including:

- The preparation of a background document on data compatibility; the analysis of the status and data compatibility of air quality networks in North America, completed in fall 1997 and pending publication.
- The development of a series of white papers on current air monitoring and modeling issues; five short papers, four pages each, on specific air topics, completed and under review.
- Participation in an emissions inventory data interchange activity, including evaluation of the existing Canadian emission inventory database management system and determination of its compatibility with the EIIP (Emission Inventory Improvement Protocol) Data Model and EDI (electronic data interchange) implementation. It is expected that this evaluation will show that the Canadian system is compatible. The consultant will begin the specification and design of an interface application from the Canadian system to the EIIP standard, which will be completed by the EPA and Environment Canada. This customized application software would ensure that the Canadian emissions inventory data are formatted in a way that is compatible with the standard EDI format, and this information will be used by Mexico in the development of its emissions inventory.
- The establishment of a pilot project on the US-Mexico border to create a series of management tools, including an airshed-specific Geographic Information System (GIS), working in conjunction with the Transboundary Resource Inventory Program (TRIP), which will allow decision-makers to make more informed decisions regarding the mitigation of locally and regionally based air pollution.

- The establishment of a pilot project on the Canada-US border to link the Northeast States for Coordinated Air Use Management (NESCAUM) with the Eastern Canadian Transboundary Smog Issue Group (ECTSIG) to analyze the transboundary transport of ground-level ozone and its precursors along the eastern portion of the Canada-US border and assist in the preparation of an action plan to address it. The report from this activity, entitled *Long-Range Transport of Ground-Level Ozone and Its Precursors: Assessment of Methods to Quantify Transboundary Transport within the Northeastern United States and Eastern Canada*, was released in November 1997. A follow-up meeting was held to identify continuing efforts to facilitate the development of a comprehensive work program to implement recommendations and develop reduction strategies (partners: NESCAUM and ECTSIG). As well, an action plan for addressing the atmospheric transport of mercury was initiated by the eastern provinces and the New England states. The plan will be released at the meeting of the Conference of New England Governors and Eastern Canadian Premiers.
- The establishment of one more US-Mexico pilot project and one more Canada-US pilot project based upon the preliminary results of the Article 13 *Continental Pollutant Pathways* report, mentioned above. This report had identified a number of actions that could be taken to improve and/or protect public health and the environment and suggested opportunities for cooperation between the three countries, including the development of a joint strategy addressing issues of air pollution in North America from transboundary and regional perspectives. These pilot projects were a step in that direction (see further discussion of them below under “Activities”).

Activities

The project will focus on the design and implementation of new activities to achieve its objective, and it will support key conclusions and recommendations from the Article 13 report on continental pollutant pathways and the report on North American air quality data sets. The pilot projects that were begun in 1996–1997 will be seen through to their completion.

Development of areas for North American cooperation

An overview of North American priorities related to air quality will be prepared based on informal consultations with government agencies and other relevant institutions. In this overview, areas where cooperation on a North American level can make unique contributions to improving air quality will be identified. This will help identify and develop priorities and actions for measuring, monitoring and controlling key toxic pollutants subject to significant long-range transport. This effort will take into account ongoing and planned programs in national, binational or multinational contexts that are intended to address these pollutants, as well as those under the CEC Sound Management of Chemicals Initiative.

Compilation of studies on emission source categories

As recommended in the *Continental Pollutant Pathways* report, the CEC will compile relevant studies of emission-source categories in specific sectors to better understand and identify opportunities for minimizing the magnitude and impact of transboundary pollution and facilitate the increased exchange of information on these matters.

This activity is complemented by certain aspects of the project on North American Pollutant Release and Transfer Registers (PRTR), which seeks to identify and quantify non-point sources (such as mobile sources, small sources, and area sources) that are part of the full picture of chemical substances that enter the environment. In that activity, the CEC and the PRTR national program offices will select discrete types of non-point sources and will determine the existence of available estimation techniques and how these apply within North America, and estimate the non-point sources for North America for a calendar year. The two projects will collaborate in this effort.

US-Mexico/US-Canada pilot study: joint placement and/or calibration of air monitoring equipment

The objective of this activity is to examine the differences that arise in the measurement of certain agreed-upon substances when controlling certain factors (placement, calibration). The CEC will develop an ad hoc Technical Advisory Committee (TAC) consisting of monitoring experts from each of the three countries. Prior to the initial meeting of the ad hoc TAC, the CEC will prepare a briefing paper in order to provide the proper focus for discussion by the committee. Among other things, the ad hoc TAC will address spatial parameters, protocols, target substances and schedules, and resource needs.

The report on *North American Air Quality Data Compatibility* recommended the establishment of collocated stations for the following pollutants: PMs, lead, mercury, aerosol sulfate, nitrate, ammonia and nitric acid. The report also recommended the placement of collocated stations in Mexico for PCBs, DDT, chlordane, sulfate, nitrate, and ammonium in precipitation. There are plans in place to do a collocation study within southern Ontario and British Columbia–Washington in 1998, and this will be taken into account during the planning for this activity.

Trinational workshop on the effects of air pollutants on human health

A workshop on air pollutants will be held to exchange information among health experts from each of the three countries, promote improved public understanding of the key issues, and identify gaps in knowledge and areas for potential trilateral cooperation. It is anticipated that the results of this workshop will be used to help provide a basis for defining future cooperative efforts. The specific topic of the workshop will be determined in consultation with health experts in governmental and research communities in the three governments.

The CEC intends to host a trinational workshop on specific air issues of mutual trinational interest each year. Each workshop will produce formal proceedings.

Completion of pilot projects ongoing from 1997

Pilot projects previously initiated will be overseen through their conclusion. These pilot projects include:

- US-Mexico Pilot Study 2: In 1997, the CEC supported the coordination of a binational air management strategy and program for the San Diego–Tijuana air basin. Participants were identified and two scoping meetings planned (November 1997 and February 1998). In 1998, the CEC intends to continue some support, but also to focus on the identification of partners and/or other funding sources. (Partner: San Diego University Foundation)

- US-Canada Pilot Study 2: This activity, entitled Fine Particle Transboundary Transport, begins to address the need to describe, illustrate and statistically quantify the transboundary transport of fine particles. Spatial maps of both episodic and climatological fine particle levels will be developed and related to meteorological and emission patterns. *(subject to review and approval)*

Air data quality assurance/quality control (QA/QC) program

In order to compare air quality information effectively, several factors must be in place. The accuracy, precision and completeness of data for each pollutant must be consistent. Laboratory reference systems should be consistent. A complete reference list for current network objectives, procedures, operation and QA/QC should be developed. The working group is expected to appoint a task force to initiate a trinational QA/QC program focusing on these areas.

This activity may conclude that the differing national programs need to modify their activities to include a broader North American focus. Therefore, a memorandum of agreement will be developed between the CEC, partners and relevant agencies to solidify the level of commitment to this important area.

Expected Results

1998

- Short- and long-term priorities for North American cooperation identified through consultations with government agencies and relevant institutions, and reviewed and approved by the Parties.
- Compilation of studies on emission source categories in conjunction with the North American PRTR project.
- Collaboration on a joint placement study to determine the variability of air quality measurements when both instruments are exposed to the same concentration levels.
- Coordination of a binational air management strategy and program for the San Diego–Tijuana air basin.
- Completion of report from US-Canada Pilot Study 2 on fine particle transboundary transport.
- Completion of pilot projects already initiated.
- The initial development of a North American air quality QA/QC program.

Long term

- A long-term agenda for cooperation on air quality on a North American level.
- Implementation of the air data QA/QC program.
- Continued determination and estimation of non-point sources.
- Periodic status reports on North American air issues.
- Annual trinational workshop on air issues, including the production of formal proceedings.

Time Frame

This project is seen as a core area for North American cooperation and is anticipated to continue indefinitely.

BUDGET	\$205,000
Estimated Breakdown:	
Professional fees and cooperative agreements	\$120,000
Travel, accommodation and meeting expenses	\$64,000
Translation and interpretation, including pre-publication costs	\$17,000
Office expenses (FedEx, etc.)	\$3,000
Equipment purchase (if applicable)	\$0
Other	\$1,000

Project Manager: Lisa Nichols

Project Summary

The North American Pollutant Release and Transfer Register (NAPRTR) project was initiated in 1995. The CEC recognizes the importance of PRTRs for their potential to enhance the quality of the North American environment and wishes to assist citizens in integrating and understanding the ramifications of data existing in these North American registries. Helpful information can be found in PRTR reports from Canada and the United States, but these systems have important differences between them, so superficial comparisons can be misleading. The CEC is attempting to increase the value of the national inventories by presenting an analysis of the types and amounts of releases and transfers of substances of concern across North America.

At the Fourth Annual Regular Session of the CEC Council in Pittsburgh, Pennsylvania (June 1997), the ministers passed Council Resolution 97-04, "Promoting Comparability of Pollutant Release and Transfer Registers (PRTRs)." This resolution commits the three governments to producing annually a report on North American pollutant releases and transfers, to working toward adopting more comparable PRTRs and developing an implementation plan to do so, to collaborating on the development of an Internet site to present a matched subset of data from the three North American PRTRs, and to working with the CEC on the preparation of the annual CEC North American PRTR report.

Objectives

The objectives of this project include:

- providing an overview of pollutant releases and transfers in North America;
- enhancing and measuring the comparability of North American PRTR systems in order to assist governments, industry and NGOs in setting and measuring the attainment of environmental goals; and
- enhancing access to publicly available PRTR data.

The CEC assists with the dissemination of the publicly available PRTR information so that it can be more widely used and understood by the public.

Rationale

PRTRs, like the US Toxics Release Inventory (TRI), the Canadian National Pollutant Release Inventory (NPRI), and the proposed Mexican *Registro de Emisiones y Transferencia de Contaminantes* (RETC), provide detailed data on the types, locations and amounts of substances of concern released on-site and transferred off-site by industrial facilities. Many corporations also use the data to report to the public on their environmental performance. Tracking environmental substances of concern through PRTRs is essential to enhancing environmental quality; increasing public and industry understanding of the types and quantities of substances of concern released into the environment and transferred off-site as waste; encouraging industry to prevent pollution, reduce waste generation, decrease releases and transfers, and assume responsibility for chemical use; tracking environmental progress; and assisting government in identifying priorities.

Concerns may arise about toxic chemicals in any environmental medium. In addition, releases to one environmental medium may be transported to others. Volatile chemicals in water releases, for example, may vaporize into the air. Therefore, the reporting of toxic chemical releases and transfers to all environmental media is important.

Much of the power of a PRTR stems from the public disclosure of its contents. Active dissemination is important.

Progress to Date

In November 1996, the CEC published a report entitled *Putting the Pieces Together*, which provided an overview of the status and compatibility of the pollutant release and transfer registry programs in Canada, the United States and Mexico, so that appropriate and effective data comparisons can be made.

In July 1997, the CEC produced the first annual report on pollutant releases and transfers, entitled *Taking Stock: North American Pollutant Releases and Transfers—1994*. This report analyzes the 1994 publicly available PRTR data reported to Canada and the United States and profiles the pilot project in Mexico. It will assist in leading the way for other countries to share and compare their data. This report was the first time that subsets of the full national databases were compared and analyzed. It spotlighted the national PRTRs and highlighted some of the important differences between the NPRI and the TRI—differences that were of interest to the national governments.

In developing both reports, the CEC used an extensive consultative review process. The draft reports were sent to some hundred persons for a review period of approximately four weeks. A public meeting was held toward the end of the review period, and a “Response to Comments” document was prepared.

The CEC Secretariat intends to publish annually a report analyzing the publicly available data reported to the North American governments, and this has been mandated by the Council.

The CEC was a co-sponsor (along with the *Instituto Nacional de Ecología*—INE, UNITAR, OECD and UNEP) of the PRTR Workshop of the Americas held in Querétaro, Mexico, at the end of July 1997. Most of the countries of the Americas participated in this workshop. As they contemplate the issues that will be important to them in the development of their own PRTRs, they are eager to learn from the experiences of countries that are further along in the PRTR process.

Activities

Report on NAPTR information—1995 data

This activity entails overseeing the final stages of the translation and/or publication of the *Taking Stock*—1995 data report.

Report on NAPRTR information—1996 data

The objective of this activity is to develop the annual North American pollutant release and transfer report based upon existing public inventory information from 1996. The activity includes updating development of the methodology for making the data comparable. The development of the report includes a consultative review prior to the development of the report and a quality control review by a small group prior to finalization.

Report on NAPRTR information—1997 data

The objective of this activity is to develop the annual NAPRTR report based upon existing publicly available 1997 PRTR data. This will be the first year that Mexican data are included in the analysis, although for 1997 and 1998 those data will be publicly released only on a county-wide level (facility-specific data availability begins in 1999). The activity includes updating the development of the methodology for making the data comparable. The development of the report itself will include extensive public consultation and a public meeting. In 1998, the request for proposal for the activity will be developed (in consultation with the national PRTR program offices), proposals sought, and the consultant selected. Preliminary planning will begin in 1998 and the data analyses will be done in 1999.

Development of an Internet site

The trilingual Internet site will present the matched subset of data from each of the three national PRTRs and provide information on the degree of comparability of the North American PRTRs, and other information as agreed upon.

Development of an implementation plan to enhance the comparability of North American PRTRs

The implementation plan will include short- and long-term goals, a mechanism to assess progress, recommendations for increasing comparability, and recommendation(s) for special focus report(s). All potential issues will be considered in the draft implementation plan, but the national PRTR offices are awaiting the publication of the final Mexican PRTR regulations prior to determining which specific issues to address.

Defining and estimating other sources of North American pollutant releases

PRTRs reveal only part of the picture of chemical substances released to the natural environment as a result of human activity. Contaminant sources that do not report to some or all PRTRs include:

- mobile sources (transportation);
- small sources (such as auto service stations and dry cleaners); and
- area sources (agricultural sources, mining, parking lots).

This activity will provide an opportunity for the CEC to partner with other international organizations who have expressed an interest in this, it such as OECD and UNITAR.

In this activity, the CEC and the PRTR national program offices will select discrete types of non-point sources, determine the existence of available estimation techniques and how these apply within North America, and estimate the non-point sources for North America for a calendar year.

This activity will occur in two phases:

- Scoping existing information, identifying available methodologies, and determining the viability of systems and applicability of GIS. Initially, the primary focus will be on the transportation sector (mobile sources); other sectors, such as agriculture, will be included as resources become available.
- Estimating North American emissions on a sector-by-sector basis and including these data in CEC *Taking Stock* report(s).

The first phase of the activity will be funded from the 1998 CEC project budget. Phase 2, which will be initiated after publication of the final Mexican standard, is expected to be completed in December 1999 (to coincide publication of the Mexican multi-media point source data) and will be included in *Taking Stock* report(s) published after that date.

This activity is complemented by an activity under the project on North American Air Quality, a compilation of studies on emission source categories that seeks to better understand and identify opportunities for minimizing the magnitude and impact of transboundary pollution and facilitate the increased exchange of information on these matters.

Also, the Article 13 report on *Continental Pollutant Pathways* recognized the importance of non-point sources of pollution by concluding: "Major sources of continental pollutants include electric power plants, the transportation sector, industrial combustion of fossil fuels, municipal and medical waste incinerators, and chemical use in agriculture."

The two projects will collaborate in this activity.

Support for the development/implementation of the Mexican RETC

In order to facilitate implementation and enhance outreach of the Mexican RETC system, computer hardware and software to support the first cycle of reporting will be provided, as well as support for outreach meetings to be held in Guadalajara, Monterrey and Mexico City. Specific activities are discussed below:

- Computer hardware/software support—The CEC will upgrade the computers previously purchased by the CEC for the INE-RETC program, in accordance with INE's prior proposal.
- Coordination with the World Bank to seek additional resources to assist with RETC development—Environment Canada, EPA and the CEC will accompany RETC representative to Washington to discuss further international assistance for the implementation of the RETC.
- Training courses for Mexican industry—Training courses will be sponsored by the CEC and coordinated by INE to provide information and outreach on the RETC system.
- Training courses for Mexican NGOs—Training courses will be sponsored by the CEC and coordinated by INE to provide information and outreach on the RETC system.

PRTR Community Access to Information

A trinational pilot project to demonstrate how PRTR information can be accessed and used at the community level would be useful to assist in dissemination of this type of environmental information to the public. As the United States has more experience with this type of data use, US NGOs would be approached to act as consultative groups and “twin” with Canadian and Mexican NGO groups. This activity will provide a basis for the national PRTR programs to initiate other community-based actions. Further granting possibilities for the community groups will be explored.

Coordination with OECD, hemispheric PRTR activities and general outreach

The CEC and the national PRTR programs have been coordinating with the OECD and hemispheric efforts to avoid duplication of effort and assist in information dissemination. Also, the CEC receives numerous requests to participate in PRTR-related conferences throughout the year and considers participation in these outreach activities essential to the program.

Expected Results***1998***

- Publication of the North American PRTR report (*Taking Stock—1995*) in August;
- preparation for 1996 North American PRTR data and report;
- development of an Internet site that provides information on data and degree of comparability;
- preparation of a draft implementation plan to enhance the comparability of North American PRTRs;
- conduct of a scoping study on the availability of applicable non-point source information;
- of support of development and implementation of the Mexican PRTR system; and
- initiation of a trinational community-based project to enhance information dissemination.

Long term

- Continued, annual development of the *Taking Stock* report;
- realization of a voluntary program of reductions in North American pollutant releases;
- coordination of the implementation plan and monitoring progress;
- coordination of the Internet site;
- continuation of efforts to determine and estimate non-point sources; and
- continuing coordination with OECD and hemispheric efforts to avoid duplication of efforts.

Time Frame

This project will continue indefinitely.

BUDGET	\$335,000
Estimated Breakdown:	
Professional fees and cooperative agreements	\$251,500
Travel, accommodation and meeting expenses	\$52,500
Translation and interpretation, including pre-publication costs	\$18,300
Office expenses (FedEx, etc.)	\$4,900
Equipment purchase (if applicable)	\$6,800
Other	\$1,000

IV

Capacity
Building

Project Manager: Martha Rosas

Project Summary

Since 1996, the CEC has been facilitating regional implementation of the Global Programme of Action (henceforth, "GPA") for the Protection of the Marine Environment from Land-Based Activities in North America through pilot projects in binational coastal areas. The CEC has been working with agencies and citizen groups to develop binational strategies to protect marine and coastal ecosystems consistent with the GPA in the Bight of the Californias and the Gulf of Maine. Work will continue in 1998 in the two pilot areas to facilitate the execution of the implementation plans and to consolidate efforts to ensure sustained cooperation in implementing the GPA over the long term. This will be the final year of CEC's involvement in this initiative.

Objectives

The goal of the project is to facilitate regional implementation of the GPA. Specifically, in 1998, the project seeks to:

- strengthen the ad hoc committees in the Bight of the Californias and in the Gulf of Maine as an institutional framework for multisectoral binational cooperation in implementing the GPA in each region, so they may operate independently of the CEC after 1998;
- facilitate the implementation of the regional action plans that were developed in 1997 through the work of each region's task groups;
- facilitate the exchange of information, enhance the understanding of the GPA, and broaden involvement and participation in the pilot project activities;
- initiate funding efforts for regional action plans; and
- consolidate long-term commitment for the implementation of the GPA in pilot areas.

Rationale

There is growing recognition of the need to protect the marine environment from land-based activities. Major threats to the health, productivity and biodiversity of marine and coastal-area ecosystems include increasing pollution and the transformation of coastal and aquatic habitats. Canada, Mexico and the United States participated in the negotiation of the GPA (Washington DC, November 1995). It calls for regional and subregional cooperation in identifying problems, priorities and measures for the protection of marine habitats for sustainable management of marine and coastal environments. The GPA provides a basis for coordinated efforts to protect the marine environment. The GPA states:

Regional and subregional cooperation and arrangements are crucial for successful actions to protect the marine environment from land-based activities. This is particularly so where a number of countries have coasts in the same marine and coastal area, most notably in enclosed or semi-enclosed seas. Such cooperation allows for more accurate identification and assessment of the problems in particular geographic areas and more appropriate establishment of priorities for action in these areas. Such cooperation also strengthens regional and national capacity-building and offers an important avenue for harmonizing and adjusting measures to fit the particular environmental and socio-economic circumstances. Furthermore, it supports a more efficient and cost-effective implementation of the programs of action.

Objectives

To strengthen and, where necessary, create new regional cooperative arrangements and joint actions to support effective action, strategies and programs for:

- a) identification and assessment of problems;
- b) establishment of targets and priorities for action;
- c) development and implementation of pragmatic and comprehensive management approaches and processes;
- d) development and implementation of strategies to mitigate and remediate land-based sources of harm to the coastal and marine environment. (GPA, Chapter III)

Progress to Date

Bight of the Californias Pilot Project

An ad hoc committee was established to provide an institutional framework for binational co-operation in implementing the GPA in this region. This committee includes the participation of indigenous groups; officials and staff from the various levels of government; nongovernmental organizations; as well as the academic and business sectors. The committee membership was also evaluated for balance in representation between the United States and Mexico.

The Bight of the Californias ad hoc committee met three times during 1997:

- At the first meeting (21–22 April, San Diego, California), a communications and outreach strategy was developed and presented to the Bight of the Californias ad hoc committee. In addition, the ad hoc committee agreed to develop a regional action plan for the implementation of the GPA. This goal was accomplished during the second and third meetings (8–9 July, Ensenada, Baja California, and 4–5 December, San Diego, California), in which a draft regional action plan was commented upon.
- During the third meeting, the ad hoc committee had a preliminary discussion of the 1998 work plan which will lead to the final regional action plan.

The ad hoc committee established four task groups—Monitoring, Environmental Education, Information Clearinghouse, and Funding—whose responsibilities and activities were as follows:

- **Monitoring Task Group:** The first steps for a binational marine monitoring survey were taken at the initiative of the Southern California Coastal Water Research Project (SCCWRP). When completed, it will be the first Bight-wide monitoring survey, and it will result in the first binational State of the Bight report. The CEC has been working jointly with the SCCWRP to facilitate Mexican participation in the intercalibration process, the first stage of the survey. In this stage the *Instituto de Investigaciones Oceanológicas* of the *Universidad Autónoma de Baja California* and the *Instituto Nacional de Pesca* (Semarnap) have been actively involved. The CEC is also working on identifying funds to support Mexican participation in the next stages of the monitoring survey: sampling, lab analysis and data processing. The survey will be held in the summer of 1998; results of the monitoring survey will be available to the public in 2000.
- **Environmental Education Task Group:** This task group decided to conduct a survey to gather information on the environmental education initiatives and activities related to marine protection and land-based sources of pollution being conducted in the Bight of the Californias region. With this information, the Environmental Education Task Group will define actions that will be included in the regional action plan.
- **Information Clearinghouse Task Group:** The task group has been working with the CEC to set up a Web site for the Bight of the Californias. The Center for US-Mexican Studies of the University of California, San Diego, has agreed to host this Web site. The objectives of the homepage are to facilitate the exchange of information, enhance understanding of the GPA, and broaden involvement and participation in pilot project activities. It will contain descriptions of

the region, the GPA, the CEC's involvement in the region, the ad hoc committee, and the participating institutions, as well as links to related Web sites, and, most importantly, a search engine for the projects that are being developed in the region and are related to the GPA. The Bight of the Californias homepage is bilingual (English/Spanish) and will be launched at the third ad hoc committee meeting.

- **Funding Task Group:** One of the most important functions of the ad hoc committee will be to secure financial support for carrying out regional implementation of the action plan. Since financial support is crucial for the success of the action plan, this task group has begun identifying agencies and foundations interested in providing funds for this initiative.

A bilingual electronic mailing list was developed to facilitate communication and the exchange of information between the ad hoc committee members. It began functioning in early 1998.

Gulf of Maine Pilot Project

A binational ad hoc committee was established to provide an institutional framework for multi-sectoral cooperation in implementing the GPA. The CEC has been successful in garnering the involvement and commitment of representatives of nongovernmental organizations, the academic and private sectors, and the First Nations. The committee has also been structured to provide a balance between US and Canadian membership.

The Gulf of Maine ad hoc committee met twice in 1997:

- At its first meeting (30–31 July, St. John, New Brunswick), the Gulf of Maine ad hoc committee agreed to work on the development of a regional action plan for the implementation of the GPA. In doing so, it decided to break into two working groups to address habitat and pollution and to identify priority action in these two areas, based on the GPA.
- At its second meeting (29–30 October, Danvers, Massachusetts), the ad hoc committee recommended a five-stage process to establish a “short list” of pollutants and to identify “hot spots” in the Gulf of Maine around which action plans are to be written. This five-stage process includes the development of a scoping paper to synthesize current knowledge; a priority-setting workshop; a second scoping paper to identify all programs and/or actions currently in place to address the priorities identified; a second workshop to assess the adequacy of current actions and to develop action plans for those initiatives that need to be further advanced. It was also decided to form a communications task group and to study the feasibility of creating an endowment fund for the promotion of the protection of coastal habitats at the community level.

The Gulf of Maine ad hoc committee agreed to call itself the GPA Coalition on the Gulf of Maine (GPAC). It also elected Canadian and US co-chairs and organized itself in subcommittees, which will be responsible for the program of activities identified for 1998 (see below).

An electronic mailing list was set up in August 1997 to serve as a communications tool for members of the ad hoc committee. The project manager administers this list. Other electronic tools to facilitate communication and information exchange are currently being explored, such as a homepage with access restricted to GPAC members.

Activities

Proposed 1998 activities will be carried out in the context of 1998 as the International Year of the Oceans (IYO).

Bight of the Californias Pilot Project

As part of the process of strengthening the Bight of the Californias ad hoc committee during 1998:

- a host institution in the region will be identified to serve as secretariat to the committee, and
- an in situ liaison will be hired to facilitate communication between committee members and to assist in the coordination of the 1998 program of activities. The liaison will also be responsible for organizing the ad hoc committee meetings during 1998.

The CEC will sponsor three ad hoc committee meetings during 1998, at which the regional implementation plan will be finalized, action plan priorities established, and implementation steps launched.

The ad hoc committee has recognized the importance of supporting and facilitating the work of the task groups:

- The **Funding Task Group** will develop a funding strategy and continue its search for financial support for priority actions.
- **Monitoring Task Group.** The participation of Mexican scientists in the first Bight-wide marine monitoring survey will produce an invaluable cross-border assessment of the state of the Bight. The CEC is supporting the participation of Mexican scientists in the intercalibration process and in the search for additional funds. Other institutions, such as US National Oceanic and Atmospheric Administration (NOAA) and the US Environmental Protection Agency (EPA), have already offered financial support for the laboratory analysis of Mexican samples.

Intercalibration process. As part of this effort, Mexican scientists will be developing common methods manuals and conducting intercalibration exercises with their American counterparts; they will be getting together with their American counterparts on a monthly basis to discuss results of the intercalibration exercises. This goal-oriented forum for information exchange will enhance cross-border communication among scientists for many years beyond the 1998 survey. The intercalibration process will end in July 1998.

Sampling. This joint effort will mean the participation of 30 organizations around the Bight. The 1998 survey will encompass measurement, among other indicators, of benthic infauna assemblages, fish populations, fish pathology, sediment toxicity, and water quality throughout the Bight of the Californias. It is anticipated that the survey will involve several thousand samples covering the entire area from Point Dume in California to Cabo Colonett in Baja California, Mexico. The sampling exercise will take place on August 1998.

- **Information Clearinghouse Task Group.** This group will maintain and update the homepage and clearinghouse (database of regional projects).

New priority actions will be defined during the third ad hoc committee meeting (4–5 December).

Gulf of Maine Pilot Project activities

As part of the process of strengthening the Global Programme of Action Coalition for the Gulf of Maine (GPAC) during 1998:

- a host institution in the region will be identified to serve as secretariat to GPAC, and
- an in situ liaison will be hired to facilitate communication between the GPAC members and assist in the coordination of its 1998 program of activities. The liaison will also organize two GPAC meetings during 1998.

At its last meeting, the GPAC agreed to follow a five-stage process to develop specific action plans, consistent with the GPA, to protect marine and coastal ecosystems in the Gulf of Maine:

- Stage One: Let contracts for the preparation of two scoping papers, one to deal with pollutants in the Gulf of Maine and the second to deal with habitats. The scoping papers would review, assess and synthesize information on such topics as: environmental/human health and economic impacts resulting from contaminants (impacts on the resources of the Gulf of Maine); impacts on habitat resulting from land-based activities; distribution, severity and concentration within the Gulf of Maine; gaps in present knowledge; and past and current activities and initiatives specific to these issues as the basis for a plan of action. These scoping papers will draw on information from industry, community and indigenous groups, scientific institutions, and the three levels of government. An executive summary addressing priority issues related to pollutants and habitats would be developed and circulated to a select list of some one hundred persons.
- Stage Two: These individuals were invited to participate in the first of two workshops to set priority areas for action on pollutants and habitats (Saint John, New Brunswick, 27–29 April 1998). At this priority-setting workshop, participants met in plenary session to discuss common issues related to point and non-point source pollutants, effect on habitats, habitat alteration, and habitat protection. Smaller discrete working groups addressed specific issues. Products of the workshop include a list of priority pollutants (and sources) and priority habitat issues for action in the Gulf of Maine.
- Stage Three: A second set of scoping papers would consolidate the findings of the workshop and work to synthesize information on current programs and activities in place in the Gulf (as well as other models) that address priority pollutants and habitat issues. The review would include an assessment of the performance of these programs, gaps in coverage and needed new actions. An executive summary of these papers would be circulated to the workshop participants.
- Stage Four: The second workshop on planning for action (fall 1998 in the eastern United States) would assess the adequacy of current activities related to the priority lists of pollutants and habitats. Action plans would be formulated to address gaps, or to improve on existing measures.
- Stage Five: Throughout the planning and implementation stages, a process will be implemented to capture opportunities to solicit “buy-in” to the action plans (as developed in the second workshop).

Overseeing these activities will be the Canadian and US co-chairs and specially formed task groups in which the GPAC members organized themselves according to their field of expertise to carry out the work described above.

The GPAC also deemed it important to create two other task groups: one for communications and another for the development of an endowment fund, as described below.

The Communications Task Group will respond to the following needs:

- the dissemination of information about GPAC activities to a wider audience through appropriate publications, including Web sites;
- the identification and communication of community issues and interests regarding proposed GPAC programs and initiatives; and
- promotion of the GPAC 1998 action plan as a Year of the Oceans initiative.

The Endowment Fund Task Group will examine the potential for the establishment of a charitable trust to assist communities in their efforts to protect and manage critical marine habitats.

Expected Results

1998

- Strengthened existing institutional arrangements for the implementation of the GPA in the Bight of the Californias and the Gulf of Maine, independent of the CEC.
- Finalization of regional implementation plans, establishment of action plan priorities and launch of implementation steps.
- Increased involvement and participation in the pilot project activities through the task group activities.
- The exchange of information and an enhanced understanding of the GPA through homepages, conferences, bulletins and the activities of the communications task groups in each region.
- Securance of financial and institutional support for project activities.

By the end of 1998, in the Gulf of Maine, the GPAC will have specific action plans to address priority pollutants and their impacts on the marine environment, formulated through the participation of a broad stakeholders group. Additionally, in the Bight of the Californias, the first two stages of the Bight-wide monitoring survey, the intercalibration process and the sampling, will have been accomplished.

Long term

- A model for cooperation that could be adapted for use in other areas.
- North American leadership in implementing the GPA on a regional basis.

BUDGET	\$260,000
Estimated Breakdown:	
Professional fees and cooperative agreements	\$175,000
Travel, accommodation and meeting expenses	\$63,000
Translation and interpretation, including pre-publication costs	\$14,500
Office expenses (FedEx, etc.)	\$7,500
Equipment purchase (if applicable)	\$0
Other	\$0

Project Manager: Hernando Guerrero

Project Summary

The project is composed of two initiatives:

- ***Capacity Building for the Sound Management of Chemicals.***

This initiative will continue activities related to the implementation of the DDT regional action plan developed under the CEC Sound Management of Chemicals Initiative by identifying opportunities for funding the necessary capacity-building initiatives. It also promotes technical cooperation.

- ***Capacity Building for Pollution Prevention in Small and Medium-Size Enterprises (PME).***

This initiative is intended to meet the technical support needs of small and medium-size enterprises in Mexico, to initiate pollution prevention activities in industrial parks, and to promote the Pollution Prevention Fund established by the CEC/Funtec/Concamin. It seeks to wrap up implementation of Council Resolution 96-12, which established a pollution prevention fund for small and medium-size enterprises.

Objectives

- To develop the capacity for implementing the North American Regional Action Plan (NARAP) for DDT in Mexico, including identifying financial mechanisms and obtaining the necessary financial investments for elimination of DDT use in Mexico.
- To develop strategic plans for consolidating the Mexican Pollution Prevention Fund for small and medium-size industry (Fiprev).
- To promote pollution prevention activities in small and medium-size industries in industrial parks.

Rationale

Capacity Building for the Sound Management of Chemicals

The North American Working Group for the Sound Management of Chemicals has developed regional action plans for PCBs, DDT, mercury and chlordane. It is crucial for the success of the NARAPs to help meet the capacity-building needs required for their implementation. The NARAPs call on the Parties and the CEC to facilitate developing proposals for obtaining additional resources and approaching agencies for funding.

Capacity Building for Pollution Prevention in Small and Medium-Size Enterprises

In Article 10.2 of the North American Agreement for Environmental Cooperation (NAAEC), the Council is empowered to consider and develop recommendations regarding pollution prevention techniques and strategies. Pollution prevention is an excellent strategy for environmental protection. Nonetheless, the percentage of North American companies with established pollution prevention programs is low. Technical assistance is needed in order to identify pollution prevention investment.

Progress to Date

Capacity Building for the Sound Management of Chemicals

Since December 1996, Mexico has developed its capacity substantially to carry out commitments established in the regional action plans. Studies and other activities have been carried out; some of them include information systems for decision-making on chemicals, biological and chemical substitutes; risk analysis; and the environmental and biological monitoring of toxic substances.

Capacity Building for Pollution Prevention in Small and Medium-Size Enterprises

Through Council Resolution 96–12, the CEC, in September 1996, created a pilot fund for pollution prevention projects for small and medium-size enterprises in Mexico. The fund was established with the Foundation for the Innovation and the Transfer of Technology in Small and Medium-size Business (Fundación Mexicana para la Innovación y Transferencia de Tecnología en la Pequeña y Mediana Empresa—Funtec), a non-profit association. The CEC provides technical support for the fund, which will be administrated by Funtec. Funtec and the CEC each contributed US\$100,000 as initial capital for the fund in 1996. In 1997, CEC and Funtec made a second contribution of US\$100,000. Additional capital will come from other organizations through donations approved by the fund's Technical Committee.

The CEC initiated five pilot projects to demonstrate the economic and environmental benefits of pollution prevention techniques and technologies: two tannery projects, and glass, tint, and metal finishing projects. Initial steps have been taken, in coordination with the Environmental Defense Fund, to link this project to industrial parks.

Activities

Implementation of the North American Regional Action Plan (NARAP) on DDT

The objective is to develop the capacity for implementing the DDT NARAP in Mexico. This will require developing strategies to carry out the actions recommended in the NARAP and must include securing technical and financial support for this project from other interested agencies. This activity will involve designing a comprehensive project to accomplish these two tasks.

Consolidating the Pollution Prevention Fund

The objective is to consolidate the Mexican Pollution Prevention Fund. The activity will promote the use of techniques and technologies in two specific sectors in small and medium-size enterprises. This will be done using as a model the pollution prevention initiatives that the CEC previously implemented in the tanning sector. The activity will facilitate the participation of the US Business Council and the Canadian Council for International Business in the Mexican Pollution Prevention Technical Committee.

Promoting pollution prevention in industrial parks

The objective of this activity is to promote pollution prevention in the small and medium-size enterprises situated in industrial parks. The CEC will partner with the Environmental Defense Fund to work with these small and medium-size enterprises and undertake appropriate pollution prevention actions.

Expected Results

1998

- Identification of technical, voluntary and other mechanisms to reduce/phase out the use of DDT in Mexico and limit emission to the atmosphere of toxic and persistent substances.
- Design of a project aimed at securing financial assistance for the phase-out of DDT use in Mexico and a strategy for obtaining the necessary investment to implement the DDT regional action plan.
- Support by large industries of small and medium-size supplier industries for pollution prevention actions.
- Enhance pollution prevention in small and medium-size enterprises in industrial parks.

Long term

- Increase use of pollution prevention strategies and approaches in the small and medium-size enterprise sector.

- Enhance ability in Mexico to reduce use and exposure to chemicals of concern.

Time Frame

The pollution prevention fund is expected to continue, but CEC involvement in this fund will not continue beyond 1998.

The Sound Management of Chemicals Initiative will continue in 1999, supporting the capacity-building needs identified by the NARAPs. In 1999, capacity-building activities related to the Sound Management of Chemicals Initiative will be integrated into it.

BUDGET	\$290,000
Estimated Breakdown:	
Professional fees and cooperative agreements	\$251,000
Travel, accommodation and meeting expenses	\$35,000
Translation and interpretation, including pre-publication costs	\$2,000
Office expenses (FedEx, etc.)	\$400
Equipment purchase (if applicable)	\$0
Other	\$1,600



Law and Enforcement Cooperation

The Law and Enforcement Cooperation Program, established by the CEC in 1995, is directed at facilitating enhanced North American cooperation in environmental enforcement and compliance. The overriding objectives of the Law and Enforcement Cooperation Program are to:

- provide a forum for North American cooperation in environmental enforcement and compliance;
- support initiatives for sharing enforcement-related strategies, expertise and technical knowledge;
- support capacity building in effective enforcement and enhanced compliance;
- facilitate the development and implementation of trilateral enforcement cooperation programs and initiatives;
- examine alternative approaches to enforcement and compliance; and
- support the Parties in the preparation of annual enforcement reports and the examination of improved indicators or measures of effective enforcement and compliance.

The Law and Enforcement Cooperation Program responds directly to obligations and opportunities arising under the NAAEC, including Articles 5, 6, 7, 10(4), 12(2)(c), which collectively impose obligations on the Parties: to enforce their respective environmental laws effectively, in accordance with an agreed-upon framework; to pursue avenues of cooperation to this end; to effect specified private enforcement rights and opportunities; and to provide an annual public report on the enforcement of environmental laws.

The Law and Enforcement Cooperation Program is developed and delivered in consultation with the North American Working Group on Environmental Enforcement and Compliance Cooperation, which was officially constituted by the Council in August 1996 and mandated to support cooperation and joint initiatives for environmental enforcement and compliance, the exchange of information and expertise and joint training and to prepare the annual report on environmental enforcement. In October 1996, the Enforcement Working Group established a subgroup to facilitate cooperation in wildlife enforcement, the North American Wildlife Enforcement Group (NAWEG).

The Law and Enforcement Cooperation Program attempts to address issues of and concerns about environmental enforcement and compliance brought to the attention of the CEC by government agencies, industry, NGOs, academics and experts in the area. Efforts are made to monitor current issues or innovations in the field of enforcement and compliance and to facilitate the exchange of information on, discussion about, and review of these common matters.

With the assistance of the Enforcement Working Group, the CEC has endeavored to focus the Law and Enforcement Cooperation Program on areas of long-term concern to all three countries. The following projects reflect these agreed-upon priorities and are designed to facilitate the NAAEC objective of greater transparency and participation in the design and delivery of the program.

Project Manager: Linda F. Duncan

Project Summary

This project provides support to the North American Working Group on Environmental Enforcement and Compliance Cooperation (Enforcement Working Group) formally constituted by the Council to provide advice to the Council and Secretariat on enforcement and compliance matters. The Enforcement Working Group includes senior environmental enforcement officials nominated by the Parties.

Objectives

This project involves support to the Enforcement Working Group mandated by the Council to:

- take action to strengthen cooperation among the Parties in environmental enforcement and compliance;
- enhance cooperation among the environmental enforcement agencies in recognition of shared enforcement and compliance strategies;
- facilitate and support cooperative enforcement and compliance;
- exchange information on and experiences with alternative approaches to enforcement and compliance;
- facilitate training opportunities among the three Parties;
- prepare on behalf of the Parties the report on environmental enforcement obligations and activities for the CEC annual report;
- recommend to the CEC program priorities relating to environmental enforcement and compliance; and
- establish or recognize any subgroups, task forces or expert groups necessary to implement this mandate, consistent with the annual program and budget as approved by Council.

Rationale

Consistent with the 1996 Council resolution creating the Enforcement Working Group, this project will, in 1998, provide support for its contribution to the design and delivery of the CEC Law and Enforcement Cooperation Program and foster a regional perspective and cooperative initiatives toward the effective enforcement of environmental laws. This includes support for communication among the enforcement agencies and outreach to relevant agencies, industries and the public. It also involves coordination of the preparation of the Parties' annual report on enforcement obligations, as directed by Council.

Progress to Date

The Enforcement Working Group, meeting since 1995, is now formally constituted with representatives from the national environmental and wildlife enforcement agencies of the three countries, as well as state and provincial representatives from the United States and Canada, advising the CEC in the development and delivery of the Law and Enforcement Cooperation Program. In furtherance of its mandate, the Enforcement Working Group in 1996 established the North American Wildlife Enforcement Group (NAWEG) to foster cooperation in that target area. In addition, a number of task groups have been established to oversee the delivery of projects such as the preparation of the Parties' annual reports on enforcement obligations. To date, the Enforcement Working Group has assisted with coordinating more than a dozen projects including:

- two annual reports on enforcement obligations;
- the *Catalogue of North American Environmental Enforcement Training Courses*;
- the intergovernmental review of ISO 14000 and enforcement;

- intergovernmental meetings on the illegal trade in hazardous wastes and CFCs;
- a series of Trilateral Enforcement Training Seminars on International Trade in Endangered Species;
- a series of compliance seminars for industrial parks in Mexico;
- participation in the Sound Management of Chemicals Initiative; and
- assistance with certain of the projects and deliverables for other projects in the CEC Law and Enforcement Cooperation Program.

Activities

Activities in 1998 include the following:

- Holding biannual meetings of the Enforcement Working Group, scheduled for February and September 1998, to advise the CEC on the design and delivery of the Law and Enforcement Cooperation Program. These include adjunct meetings of the task groups responsible for overseeing delivery of the approved projects.
- Preparing the report on environmental enforcement obligations for inclusion in the 1997 annual report, including the negotiation of priorities for reporting, consultation in drafting the reports, and final editing.
- Providing outreach to relevant government agencies, industry associations and the public.
- Giving support for the participation of enforcement officials in the Sound Management of Chemicals Initiative.

Expected Results

1998

Deliverables for 1998 include: hosting two meetings of the Enforcement Working Group, including the coordination of the 1997 report on enforcement obligations; preparing the report on enforcement obligations for the 1997 CEC Annual Report; and publishing Law and Enforcement Cooperation Program bulletins.

Long term

The long-term deliverables will remain consistent with the mandate prescribed by the Council, including the maintenance of a North American forum for fostering the effective enforcement of environmental laws in North America. Challenges for the future include expansion of the forum to reflect the priorities and perspectives of other related environmental and resource agencies, as well as of the regulated industry and the interested and concerned public.

Time Frame

January 1998	Submission of draft country reports on enforcement obligations
February 1998	Meeting of Enforcement Working Group and Task Group on Annual Report
February 1998	Publication of Law and Enforcement Cooperation Program bulletin
April 1998	Submission of final reports on enforcement obligations
May 1998	Participation in Sound Management of Chemicals meeting
September 1998	Meetings of Enforcement Working Group and Task Group on Annual Report
October 1998	Publication of Law and Enforcement Cooperation Program bulletin

BUDGET	\$49,000
Estimated Breakdown:	
Trilateral Forum	
Professional fees and cooperative agreements	\$2,500
Travel, accommodation and meeting expenses	\$32,000
Translation and interpretation, including pre-publication	\$3,000
Office expenses (courier, etc.)	\$1,500
Equipment purchase	\$0
Other	\$0
Total	\$39,000
Annual Report	
Professional fees and cooperative agreements	\$2,000
Travel, accommodation and meeting expenses	\$0
Translation and interpretation, including pre-publication costs	\$2,000
Office expenses (courier, etc.)	\$1,000
Equipment purchase	\$0
Other	\$0
Total	\$5,000
Sound Management of Chemicals	
Professional fees and cooperative agreements	\$0
Travel, accommodation and meeting expenses	\$5,000
Translation and interpretation, including pre-publication costs	\$0
Office expenses (courier, etc.)	\$0
Equipment purchase	\$0
Other	\$0
Total	\$5,000

Project Manager: Linda F. Duncan

Project Summary

Under the leadership of the North American Wildlife Enforcement Group (NAWEG), the wildlife enforcement project continues to focus on building regional capacity and expertise for enforcing North American laws implementing the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) and fostering a regional approach to common enforcement obligations and priorities.

Objectives

The project supports the ongoing objectives of enhancing the capacity of wildlife enforcement agencies in North America to track and enforce wildlife laws, in particular, laws regulating the trade in endangered species. Priorities targeted for cooperative action in 1998 include:

- enhancing the capacity to counter illegal trade in coral and marine invertebrates;
- enhancing regional and international linkages with related enforcement agencies and organizations, including natural resource and customs agencies, state and provincial wildlife enforcement agencies, and international agencies such as Interpol and the World Customs Organization;
- building a North American regional network on wildlife forensics;
- exploring alternatives for enhancing regional cooperation and cost-sharing in wildlife inspector training; and
- instituting necessary protocols for the inter-agency exchange of wildlife enforcement data and intelligence.

Rationale

Under the leadership of NAWEG, the Parties have been able to develop a long-term strategy and agenda for ensuring the effective enforcement of their respective laws regulating the protection of wildlife, currently targeting protection of endangered species consistent with the obligations prevailing under CITES. The project is designed to support two objectives: building enforcement capacity and building a regional enforcement network. The projects are designed to build on previous work and achievements and to lead into the next phases of a regional strategy for effective enforcement. For example, the 1998 project to build a regional network for wildlife forensics flows from the 1997 training seminar directed at building Mexico's forensics capacity.

Progress to Date

Achievements to date in the area of wildlife enforcement fall into two categories:

Building enforcement capacity

Three regional training programs have been delivered on critical areas of trade in endangered fur-bearing, bird and reptile species. As joint training has been identified as a priority, a task group has been established to coordinate ongoing opportunities for training exchanges, preparation of training packages and organization of joint training programs.

Building a regional network

Through the support of the CEC, NAWEG has been officially established as a regional forum for advice and assistance to the CEC and the Trilateral Forum on Wildlife Management. NAWEG is providing a forum for the development of regional priorities and strategies for international organizations and agencies, including CITES, Interpol and the World Customs Organization. This regional forum has enabled the agencies to identify critical actions needed to improve North American capacity to detect and enforce wildlife laws, including the need for a regional wildlife forensics network.

Activities

The following have been identified as priority areas in which activities have been planned to deliver the regional wildlife enforcement strategy for 1998:

Building enforcement capacity

Activities include: the organization of a regional conference on the trade in coral and marine invertebrates, focused on the exchange of information on trade patterns, the nature of the illegal activities, and strategies to detect and deter illegal activity; exploration of opportunities for joint or cost-shared inspector training; and review of necessary bilateral and multilateral protocols to facilitate the exchange of enforcement data and intelligence.

Building a regional network

Activities include: the development of a regional network of wildlife forensic experts; enhancing communications between regions and international agencies (Interpol, CITES, World Customs Organization); and the publication of a bulletin on the North American Wildlife Enforcement Cooperation Program.

Expected Results

1998

- Organization and staging of a North American Conference on Trade in Coral and Marine Invertebrates.
- Formulation of a long-term strategy for training wildlife inspectors and support for wildlife inspector training exchanges.
- Agreement on necessary bilateral and multilateral protocols for the mutual exchange of enforcement data.
- Communication of NAWEG regional strategies to a broader base of North American agencies and organizations and related international organizations.

Long term

The activities in 1998 are directed toward building the foundation for increased long-term regional cooperation in enforcing the Parties' respective wildlife laws, including enhanced wildlife forensic capacity. A priority identified for 1999 is the organization of a conference of experts in wildlife and environmental enforcement to examine alternative strategies for responding to the illegal exploitation of wildlife and their habitats.

Time Frame

January 1998	Meeting of justice and enforcement officials on enforcement protocols
July 1998	Publication of Wildlife Enforcement Program bulletin
October 1998	Conference on Trade in Coral and Marine Invertebrates
By December 1998	Training exchanges
By December 1998	Formation of Wildlife Forensics Network
By December 1998	Outreach to specified agencies and organizations

BUDGET	\$105 000
Estimated Breakdown:	
Professional fees and cooperative agreements:	\$12,000
Travel, accommodation and meeting expenses:	\$79,000
Translation and interpretation, including pre-publication costs:	\$8,000
Office expenses (courier, etc.):	\$6,000
Equipment purchase:	\$0
Other:	\$0

Project Manager: Linda F. Duncan

Project Summary

Under the leadership of the CEC Hazardous Waste Task Group, the three countries are jointly exploring ways to enhance cooperation for monitoring compliance of businesses involved in transboundary shipments of hazardous wastes or in the provision of hazardous waste management services in two or more of the countries.

Objectives

This project supports the long-term goal identified by the Enforcement Working Group of an enhanced capacity to enforce laws regulating the transboundary movement of hazardous wastes and provision of hazardous waste management services in North America. The objectives of the project reflect the critical actions necessary to cooperate efficiently at the regional level, including:

- exploring mechanisms for facilitating exchange of enforcement-related information between agencies;
- developing a joint strategy for improving detection and enforcement capabilities; and
- improving the knowledge and interpretation of related definitions and notification and tracking forms.

Rationale

In 1995, the Enforcement Working Group determined that a priority for North America was the improvement of the tracking and enforcement of laws regulating the trade and transportation of hazardous wastes and CFCs. A survey of enforcement officials and follow-up communications among six task groups identified the critical activities necessary for improving effective enforcement. The activities for 1998 represent an action plan for cooperative efforts.

The priority activities for the next phase of this ongoing regional initiative were identified following intensive consultation with the agencies responsible for tracking and enforcing the transboundary movement of hazardous wastes and related laws. Support has been requested for: developing pilot projects for the sharing of compliance monitoring and enforcement data, exploring of options for an enforcement training program, and addressing tracking and enforcement difficulties arising from different definitions and tracking forms.

Progress to Date

Achievements to date in this area of enforcement cooperation include :

- Publication of the *North American Directory of Hazardous Waste Enforcement Officials*.
- Preparation of the *Report on Tracking and Enforcement of Transborder Shipments of Hazardous Wastes in North America*. This report reviews law, policy and practice for tracking and enforcing laws regulating the transboundary movement of hazardous wastes in North America and provides suggestions for improvement.
- Formation of the North American Task Group on Hazardous Wastes and CFCs. This CEC-supported task group of senior hazardous waste enforcement officials assisted with the preparation of the report and consultation with national, state and provincial officials.

- Sponsorship of the North American Conference of Hazardous Waste Enforcement officials in Calgary, Alberta, May 1997, during which an action plan was developed for addressing barriers to the effective enforcement of related laws. Follow-up conference calls were held with six task groups with specialized expertise in training, compliance data, intelligence, tracking databases, PCBs and definitions, respectively. The outcome was a determination of the priority activities to be pursued jointly to implement effective enforcement.
- An adjunct activity involves the examination of legal issues related to sharing of information to support cooperation in tracking and enforcement for transboundary shipments. The Task Group has prepared a list of legal issues to be taken up by the Legal Experts Group.

Activities

Priority activities identified for 1998 to implement the North American strategy for enhanced enforcement of hazardous waste laws include:

- Piloting actual sharing of enforcement and compliance monitoring data on businesses involved in transboundary shipments of hazardous waste or in providing hazardous waste management services in two or more of the countries. Task Group will consult with legal experts to address issues relating to the legality of sharing such information. As part of this activity, the Task Group will work to identify tracking/enforcement difficulties arising from differing definitions, tracking forms and databases, and options for resolving these difficulties.
- Regional Training Strategy: In 1998, the Task Group will develop a strategy for regional training in this area which: 1) takes into account current proposals, and 2) complements, rather than duplicates, binational efforts. The Task Group has identified several proposals for training to build capacity. These include training in hazardous waste laws and definitions; training in legal parameters of international enforcement and compliance information-sharing; train-the-trainer efforts to enhance binational (US/Mexico and US/Canada) customs training efforts for compliance monitoring for transboundary shipments of hazardous wastes. The regional training strategy will include training activities that might be feasible with 1998 resources, as well as longer-term priorities.

Expected Results

1998

Deliverables will include:

- Progress in resolving legal issues related to information-sharing to support enforcement cooperation.
- Development of pilot projects for sharing of enforcement-related information regarding businesses involved in transboundary shipments of hazardous wastes or in providing hazardous waste service in two or more of the countries, in accordance with the domestic laws of the Parties.
- Scoping of options for resolving tracking/enforcement difficulties arising from differing definitions, tracking forms and databases.
- Development of regional training strategy for transboundary shipment tracking and enforcement, considering range of options. Implementation of initial training priorities in light of 1998 resources and identification of longer-term priorities.

Long term

The long-term agenda is to increase the cooperation between the Parties for the exchange of information related to enforcement of laws which apply to businesses involved in transboundary shipments of hazardous waste or in provision of hazardous waste services in two or more of the countries. In the long term, the task group will monitor progress and continue to identify constraints and barriers to effective enforcement, and to identify opportunities for cost-sharing or exchanging information or expertise. The long-term objective also includes updating the *North American Directory of Hazardous Waste Enforcement Officials* and the *Catalogue of North American Environmental Enforcement Training Courses*. Possible development of a trinational tracking system remains a long-term option requiring further exploration.

Time Frame

February 1998	Meeting of Task Group and Legal Experts Group: initial scoping of information-sharing pilot; progress toward resolving legal issues.
April–May 1998	Exchange initial non-confidential information. Meeting to evaluate next steps.
July 1998	Meeting of training officers to prepare regional strategy
December 1998	Interim results of information-sharing pilots; analysis of options for addressing difficulties arising from different definitions, tracking forms and databases

BUDGET	\$44,000
Estimated Breakdown:	
Professional fees and cooperative agreements:	\$5,000
Travel, accommodation and meeting expenses:	\$34,000
Translation and interpretation, including pre-publication costs:	\$1,500
Office expenses (courier, etc.):	\$3,500
Equipment purchase:	\$0
Other:	\$0

Project Manager: Linda F. Duncan

Project Summary

This project responds to the CEC Council direction to the Enforcement Working Group to explore and report back by June 1998 on: the relationship between the ISO 14001 initiative and other voluntary environmental management system (EMS) programs and government programs to enforce, verify and promote compliance with environmental laws and regulations; and opportunities to exchange information and develop cooperative positions regarding the role and effect of EMSs on compliance and other environmental performance.

Objectives

The objectives of this project are dictated by Council Resolution 97–05 as follows:

- explore the relationship between the ISO 14001 initiative and other voluntary EMSs and government programs to enforce, verify and promote compliance with environmental laws and regulations; and
- explore opportunities to exchange information and to develop cooperative positions regarding the role and effect of EMSs on compliance and other environmental performance.

Rationale

This project was initiated in response to the expanding interest in implementation of various environmental management systems (EMSs), including their potential role in government enforcement and compliance programs and their effect in improving environmental compliance and performance. Private voluntary standards or initiatives, such as ISO 14000 and Responsible Care, promote the implementation of EMSs. At the same time, governments are experimenting with the use of EMSs in voluntary compliance and enforcement programs, such as various voluntary pilot programs in the United States, and the inclusion of requirements to implement EMSs in court orders resolving enforcement matters in Canada. However, substantial work is needed to evaluate the effectiveness of different EMS models to achieve the goals of improved environmental compliance and performance, and in sharing information and ideas about the potential role of EMSs in government policies and programs designed to enforce environmental requirements or promote improved compliance and performance.

The governments will cooperate in examining existing literature to compare various EMS models and their relationship to the issue of compliance—including private voluntary EMSs such as ISO 14000 and Responsible Care, and EMS models used in government programs and policies. The project will also examine approaches being employed or considered for evaluating the effectiveness of EMSs in achieving improved environmental compliance and performance. The Parties will prepare a report of their activities for the 1998 Council Session, reporting on progress to date and recommendations for future cooperation.

Progress to Date

This project was initiated in 1996 and is the culmination of over two years of intensive discussions among enforcement officials from the three countries. The work of the CEC Task Group has triggered intensive reviews of EMSs by the respective enforcement agencies and an exchange of issues and perspectives. For the most part, concern has focused on the efficacy of the various EMS initiatives to support the compliance efforts of regulated industry. The work by the CEC Task Group in 1996 and 1997 resulted in the presentation of the recommended North American strategy at the June 1997 Council meeting. Consistent with the common obligation to ensure effective enforcement of environmental laws, and the common objective of encouraging environmental performance beyond compliance with the law, the agencies have agreed to exchange information on different EMS models and approaches for evaluating their effectiveness, and to continue exchanging information on government programs and policies that involve EMSs.

Activities

The activities agreed for 1998 include:

- Exploring the relationship between ISO and other private, voluntary EMSs (such as Responsible Care, and others to be identified), with respect to environmental compliance and performance.
- Exploring the relationship between ISO and other private EMSs with governmental voluntary environmental protection programs vis-à-vis environmental compliance and performance.
- Exploring possible actions for the revision of ISO 14001.
- Exchanging information between CEC Task Group efforts and the European Union, and other countries in the Americas, taking into account information on EMS in the analysis (Parties to lead this effort without expenditure of CEC resources).
- Exchanging information on approaches to evaluating the success of EMSs in improving environmental compliance and enforcement.
- Exchanging information on individual government positions or statements regarding ISO 14001 and other private, voluntary EMSs and their relationship to improved compliance and performance.
- Evaluating legal issues and exploring possibilities for enhanced information exchange on the implementation of government voluntary compliance programs involving EMSs (e.g., exchange of information on participants or applicants to government voluntary programs; results). Related to this, begin exploring issues connected with the possible recognition of government voluntary programs.
- Exploring needs, opportunities for influencing improved compliance and environmental performance by small and medium-size enterprises.
- Preparing a progress report of activities and recommended areas for continued cooperation for the June 1998 Council Session.

Expected Results

1998

It is expected that substantial progress will be made in most of the above-identified areas of cooperation, recognizing that the pace of this work will depend upon domestic progress of each of the Parties in these areas, the availability of personnel of each of the Parties to contribute to the analysis and information-sharing efforts, and the resolution of legal issues. A key focus will be the exchange of information on approaches to evaluating the effectiveness of EMSs. The key deliverable for 1998 will be a report to Council in June 1998 on progress in the above cooperative areas to date and recommendations for continued cooperation.

Long term

Long-term objectives include exploration of common approaches or criteria for evaluating the effectiveness of EMSs in improving environmental compliance and performance, development of enhanced information-sharing about implementation of government programs and policies involving EMSs, and exploration of options for mutual recognition of participation in government programs.

Time Frame

By early March	Draft country contributions to Progress Report to Council
Mid-March	Begin integration and synthesis of drafts: conference call to discuss
End of March	Distribute integrated draft
Early April	Meeting to finalize Progress Report and develop communication strategy and continue technical exchange (in Washington, DC)
June 1998	Progress Report and recommendations to Council
July to December 1998	Follow-up on report to Council and continued exchange of information, matrices, experiences

BUDGET	\$27,000
Estimated Breakdown:	
Professional fees and cooperative agreements:	\$16,000
Travel, accommodation and meeting expenses:	\$6,000
Translation and interpretation, including pre-publication costs:	\$4,000
Office expenses (courier, etc.):	\$1,000
Equipment purchase:	\$0
Other:	\$0

Project Manager: Linda F. Duncan

Project Summary

This project involves a cooperative, multistakeholder effort to analyze indicators for measuring and evaluating the effectiveness of the enforcement and compliance strategies of each Party.

Rationale

This project is directly related to the Parties' obligations under NAAEC to enforce their respective environmental laws effectively. The Council is mandated to encourage the technical cooperation of the Parties toward effective enforcement and compliance with their respective environmental laws. In support of this obligation, the CEC, under the guidance of the Enforcement Working Group, has therefore initiated a project to examine approaches to measuring the performance of enforcement and compliance programs. Consistent with NAAEC principles of transparency and participation, the intention is to engage the North American public and regulated industry. Therefore, the project involves the compilation of information on existing compliance and enforcement regimes, with a key step being a North American "Dialogue" among government, industry and the public. The goal is to explore the development of criteria for use in improving national enforcement and compliance policies, strategies and responses.

Progress to Date

The first phase of the Compliance Indicator Project initiated in 1997 involved commissioning the following background reports:

- country reports on current systems and proposed new programs for measuring, reporting and evaluating enforcement and compliance;
- a report on the use of public response indicators in Canada in implementing effective enforcement strategies; and
- a survey of European experiences with measuring and reporting on environmental enforcement and compliance.

A task group of senior enforcement officials was established to assist with the preparation of the background reports and the planning of the North American Dialogue, scheduled for May 1998. This effort is supplemented by an advisory group of experts from industry, academia and NGOs.

Activities

The activities in the Compliance Indicator Project in 1998 include:

- completing the background papers for the Dialogue on Indicators of Effective Environmental Enforcement and Compliance;
- sponsoring the multistakeholder Dialogue to examine current policies and practices for reporting on, responding to, and evaluating enforcement and compliance with environmental laws, alternative indicators of effective enforcement, and compliance strategies and responses. The Dialogue will also consider the relationship between enforcement and compliance indicators and ambient environmental monitoring information, including monitoring data produced by and capacity issues identified in other CEC cooperative work program projects and activities;
- publication of proceedings of the Dialogue; and
- follow-up consultation among environmental enforcement officials to build a list of potential indicators of effective environmental enforcement and compliance, based on each Party's preferred indicators.

Expected Results

1998

The deliverables for 1998 will include:

- A *North American Report on Indicators of Effective Environmental Enforcement and Compliance*. This report will document current and proposed approaches to measuring, reporting and evaluating enforcement and compliance.
- The North American Dialogue on Indicators of Effective Environmental Enforcement and Compliance among enforcement officials, industry and the public. If possible, the results may be shared at the Fifth International Conference on Environmental Compliance and Enforcement, to be held in November 1998.
- Commitment by each Party to begin evaluating a list of potential indicators of effective environmental enforcement and compliance, drawn from each Party's preferences.

Long term

The ultimate goal is to explore the development of effective North American enforcement and compliance indicators.

Time Frame

April 1998	Completion of background papers
May 1998	Dialogue on Indicators of Effective Environmental Enforcement and Compliance (in Mexico)
July 1998	Publication of proceedings of the Dialogue
July–December 1998	Continue work on compliance and enforcement indicators
December 1998	Progress Report on project implementation

BUDGET	\$75,000
Estimated Breakdown:	
Professional fees and cooperative agreements:	\$10,000
Travel, accommodation and meeting expenses:	\$57,000
Translation and interpretation, including pre-publication costs:	\$6,000
Office expenses (courier, etc.):	\$2,000
Equipment purchase:	\$0
Other:	\$0

Specific Obligations under NAAEC

Specific obligations under NAAEC constitute one of the most important and visible components of the Secretariat's operations.

In 1998, work will continue on:

- cooperation with the NAFTA Free Trade Commission (FTC)—Article 10(6);
- Transboundary Environmental Impact Assessment—Article 10(7);
- Reciprocal Access to Courts—Article 10(9);
- the preparation of the CEC Annual Program and Budget—Article 11(6);
- the Annual Report—Article 12(1);
- the development of the State of the North American Environment Report for 2000—Article 12(3);
- the preparation of Secretariat Reports under Article 13; and
- responses to citizen submissions on enforcement matters under Articles 14 and 15.

All of these are integral tasks of the CEC's 1998 activities and will be key to consolidating the role of the CEC.

BUDGET	
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	\$511,000
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The North American Fund for Environmental Cooperation (NAFEC)

NAFEC was created by Council in 1995 (the annual Council Session in Oaxaca) as a means of funding community-based projects in Canada, Mexico and the United States that promote the goals and objectives of the CEC.

US\$1 million has been allocated to the Fund for 1998. This amount will cover the disbursement of grants not exceeding C\$100,000, a discretionary fund for projects not exceeding C\$10,000, and the management of the fund. Since its inception, NAFEC has made 69 grants ranging from C\$7,000 to 100,000 and totaling just under C\$4 million. All projects were chosen by a Selection Committee composed of two members from each of the three countries.

NAFEC provides an avenue for communities to propose ways of dealing with environmental concerns, based on their own experience, and seek support (leveraged considerably by volunteer efforts) to carry out concrete actions. It is interesting to note that proposals, and therefore NAFEC projects, are beginning to cluster around certain themes, such as water (particularly citizen monitoring of water quality and restoration of waterways), migratory species and their habitats, forest management and sustainable agriculture (with an emphasis on certification and marketing of forest and agricultural products), and energy (efficiency and renewable sources). These emerging foci seem to reflect a combination of current public concerns and the funding niche which applicants see NAFEC as naturally filling, i.e., community-based work integrating trade issues with regional perspective.

In 1998, NAFEC will continue in this direction with a further emphasis on trade and environment issues. It will strengthen its role as a forum for information exchange and continue to develop close links with other funding institutions throughout the region. Results will be documented and shared to serve as models of success for other communities around the continent.

BUDGET	\$1,000,000
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Budget

In 1997, we presented our budget under a format that reflected a straightforward and transparent allocation of our resources. The objective was to account clearly for the real project implementation costs. It was specified at that time, however, that a substantial proportion of the amounts listed under the category of Common Operations could be considered indirect program costs. In 1998, the same approach has been followed, but in the cases of rent and telecommunications, we have taken the further step of allocating the respective proportion of these two items to Program and Administration and Support. The ratio of program-related salaries to Administration and support salaries (85/15) was used to calculate the exact amounts.

Program

This item includes:

- project costs, salaries, specific obligations under the NAAEC;
- costs of Council Sessions, JPAC meetings and public meetings;
- salaries of staff whose activity relates directly to Council and JPAC and Executive Management;
- publications and editorial support;
- NAFEC—funds for grants of up to C\$100,000, funds for projects not exceeding C\$10,000 and fund-management costs; and
- a portion of rent and telecommunications (85 percent of the total amount of each of these two).

A final component of this item is a strengthened CEC Resource Centre which, in addition to its initial responsibilities, will now be in charge of the maintenance and updating of our homepage, as well as that of the databases developed in our first years of operation.

Administration and Support

These items support the Commission as a whole and include Administration and Accounting, Public Outreach, the remaining part of rent and telecommunications costs (15 percent), external and temporary support, relocation expenses for staff, professional development costs, office equipment and supplies, and assets that include the payments for ongoing equipment leases.

Contingency Fund

Set aside for unforeseen costs.

1998 PROJECT BUDGET SUMMARY

I - ENVIRONMENT, ECONOMY AND TRADE

Projects		Budget
98.01.01	NAFTA Environmental Effects	\$100,000
98.01.02	Exploring the Linkages between Environment and Trade	\$30,000
98.01.03	Emerging Trends in North America	\$25,000
98.01.04	Promoting Trade in Green Goods: Inventory	\$57,000
98.01.05	Technology Clearinghouse	\$60,000
98.01.06	Sustainable Tourism in Natural Areas	\$48,000
98.01.07	Shared Approaches to By-Product Synergy	\$175,000
98.01.08	Exploring Linkages between Trade and Species' Conservation in North America	\$20,000
	Specific Obligations: Cooperative Work between the FTC and the CEC	\$40,000

II - BIODIVERSITY AND ECOSYSTEMS

98.02.01	Cooperation in the Conservation of Birds of North America	\$280,000
98.02.02	North American Biodiversity Information Network	\$125,000

III - POLLUTANTS AND HEALTH

98.03.01	Sound Management of Chemicals	\$535,000
98.03.02	Cooperation on North American Air Quality	\$205,000
98.03.03	North American Pollutant Release and Transfer Register (NAPRTR)	\$335,000

IV - CAPACITY BUILDING

98.04.01	Cooperation on the Protection of Marine and Coastal Area Ecosystems	\$260,000
98.04.02	Capacity Building in Pollution Prevention	\$290,000

V - LAW AND ENFORCEMENT COOPERATION

98.05.01	North American Regional Enforcement Forum	\$49,000
98.05.02	Strengthening Regional Capacity to Enforce CITES	\$105,000
98.05.03	Hazardous Waste Enforcement	\$44,000
98.05.04	Environmental Management Systems and Compliance	\$27,000
98.05.05	Compliance Indicators	\$75,000

TOTAL

US \$2,885,000

GENERAL

Description	Amount (US \$)
1 - Program	\$8,694,000
1.1) Projects	2,885,000
1.2) Salaries	2,645,000
1.3) NAFEC	1,000,000
1.4) Specific obligations	511,000
1.5) Publications and reports	535,000
1.6) Rent (Program)	390,000
1.7) CEC Resource Center	195,000
1.8) Council Sessions	180,000
1.9) Public meetings	90,000
1.10) JPAC operations	140,000
1.11) Telecommunications (Program)	83,000
1.12) Common program-related expenditures	40,000
2 - Administration and support	\$1,553,000
2.1) Salaries	527,000
2.2) Public outreach	239,000
2.3) Assets	190,000
2.4) External and temporary support	200,000
2.5) Executive management	90,000
2.6) Office equipment and supplies	100,000
2.7) Rent (Non-program)	70,000
2.8) Relocation and orientation	100,000
2.9) Professional development	20,000
2.10) Telecommunications (Non-program)	17,000
3 - Contingency fund	\$225,000
Total	\$10,472,000

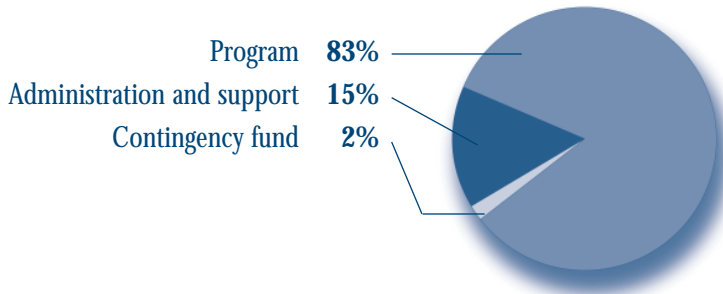
SUMMARY

Description	Amount (US \$)
1 - Program	\$8,694,000
2 - Administration and support	\$1,553,000
3 - Contingency fund	\$225,000
TOTAL :	\$10,472,000

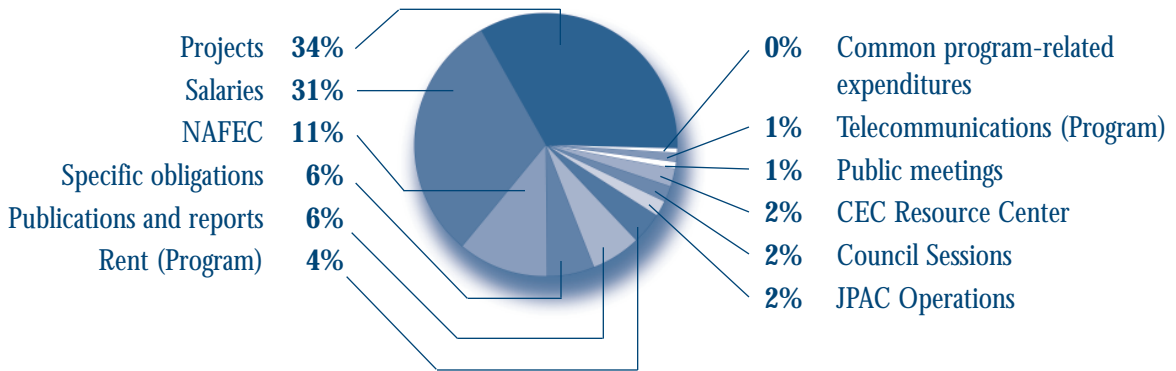
REVENUES

Description	Amount (US \$)
Party contributions	\$9,000,000
Carryover	\$436,000
Tax levy	\$936,000
Interest	\$100,000
TOTAL :	\$10,472,000

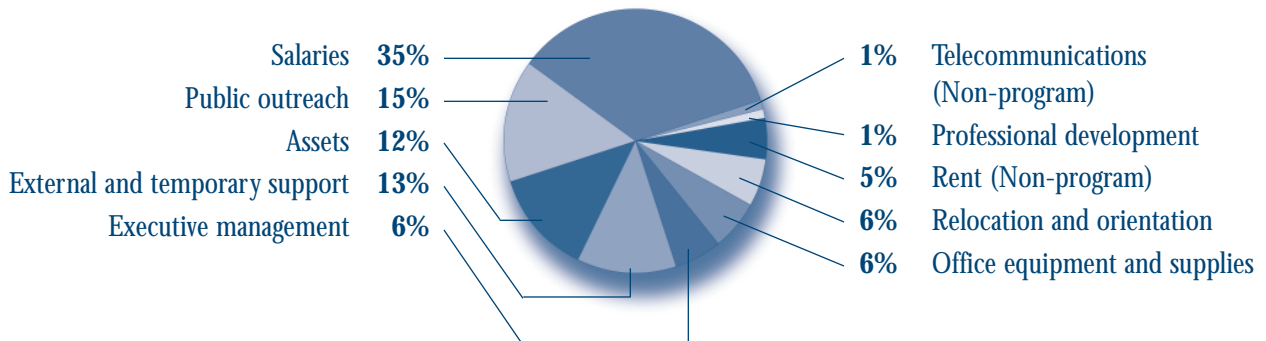
Overall CEC Budget for 1998



Program



Administration and Support



1997 Projects to be Completed in 1998

This chapter contains a brief description of 1997 projects that are to be completed in 1998. The Secretariat is including this information here to provide a more complete picture of the work that the CEC is carrying out this calendar year.

1. Cooperation for the Conservation of Monarch Butterflies (97.01.04)

Two remaining initiatives of this project will be undertaken in 1998. They are:

- Finalization of a North American Monarch Butterfly Conservation Program.
The Secretariat will work with the group of experts formed in 1997 to finalize the conservation program in early 1998. The program will reflect the conclusions of the conference held in Morelia, Michoacán, Mexico, in November 1997, and will be submitted at the Council Session in June 1998 for review and approval.
- Production and distribution of the proceedings of the North American Conference on the Monarch Butterfly. Proceedings will be completed and distributed by September 1998. The material is currently being compiled and will be ready for editing and translation by May 1998.

2. North American Cooperation on GHG Emissions Trading (97.03.01)

This represents phase II of the pilot study on GHG emissions trading in the region. One significant outcome of the third Conference of the Parties (COP3) in Kyoto refers to provisions for Parties to pursue emissions trading and/or the transfer of emission reduction units. Efforts in 1998 to pursue phase II of the project will focus on examining the information needs related to cross-border trading of GHG emission permits. Two initiatives will be undertaken to complete this 1997 project:

- A report on information needs and capacities:
The report is aimed at assisting the three countries in their preparations for upcoming international discussions to define an international framework for greenhouse gas emissions trading and implementing the Clean Development Mechanism.

The report will identify the information needs and existing capacity that would allow the North American countries to participate effectively in international emissions trading and in the Clean Development Mechanism.

While the report has a North American focus, it will be developed in the broader context of the steps being taken internationally to ensure a productive discussion of emission reduction credits through international cooperation at COP4. The report will take into account developments resulting from the OECD Forum on Climate Change in March and the Earth Council/UNCTAD Policy Forum on GHG Emissions Trading in May. The report will be completed for June 1998.

- Information for Emissions Trading Workshop
A workshop for key decision-makers in government, the private sector and NGOs will be held to review the report in draft. Comments provided by workshop participants will be included in the final version of the report. The workshop is being held in Mexico City in early May 1998.

3. North American Integrated System for Environmental Management (97.08.01)

In order to meet the objective of providing public access to existing environmental databases in North America, the project needs to complete the development of a World Wide Web (WWW) access subsystem. This involves the completion of the following activities:

- Design and development of an interactive, textual/graphical user interface for accessing the information through the WWW.
- Design and development of the four information services that the system will provide: a map library, a digital archive, an environmental gateway and a GIS laboratory.
- Testing internal and external access to the system to foresee and correct potential operational problems previously to the deployment of the system within the WWW.
- Development of the user's and administrator's manuals to document the design and operation of the components of the system.

These activities will be completed by the end of August 1998, although it is expected that the system will be on-line by late June 1998

COMMUNIQUÉ, PITTSBURGH COUNCIL SESSION

CEC'S 4TH ANNUAL SESSION

Pittsburgh, 13 June 1997

The Council of the Commission for Environmental Cooperation (CEC)—made up of Mexican Secretary of Environment, Natural Resources and Fisheries Julia Carabias, US Environmental Protection Agency Administrator Carol Browner, represented by Deputy Administrator Fred Hansen, and Canadian Environment Minister Christine Stewart, represented by Environment Ambassador John Fraser—today reported to the public on joint actions taken to meet the goals set under the North American Agreement on Environmental Cooperation (NAAEC), the environmental side accord to NAFTA. The Minister for Environmental Protection of Alberta, Ty Lund, also attended the meeting.

During an open dialogue with members of the public from Canada, Mexico and the United States, the environment leaders reaffirmed their commitment to the CEC as a dynamic and open forum for helping the NAFTA partners meet global goals to ensure a cleaner, healthier environment for future generations.

Reducing the Threat of Toxic Chemicals to Human Health and the Environment

The Council announced today that it has completed regional action plans for the reduction and eventual elimination of two dangerous pesticides, chlordane and DDT, from the North American environment. A regional action plan for the reduction of PCBs was completed in April, and is already being implemented. These action plans are a regional response to growing local and international concern over the detrimental impact of these toxic substances on human health and the environment. Implementing these actions plans will also contribute to the reduction of long-range transport of air pollutants to the Arctic. The Council expects a draft regional action plan on human-caused releases of mercury to be made public for comment and review by July 15. A final plan will be ready in September. Criteria to select additional toxic substances for priority action will be presented to Council this fall.

Strengthening Efforts to Improve Environmental Compliance

The Council affirmed the primary role of governments in establishing environmental standards, and for verifying and enforcing compliance with laws and regulations. Strong and effective governmental programs to enforce environmental laws and regulations are essential to ensure protection of public health and the environment. The Council also recognized the potential contribution of voluntary programs, such as ISO 14000, to complement environmental laws and regulations. The Council called upon industry to become partners in efforts to protect the North American environment and to pursue innovative private sector approaches for improving environmental compliance.

Transboundary Environmental Impact Assessment

Building upon the work of the North American Intergovernmental Group on Transboundary Environmental Impact Assessment, the signatories to the NAFTA side accord today agreed to complete a legally binding agreement consistent with their obligations under Article 10(7) of the NAAEC by April 15, 1998. This agreement will include, among other things, provisions on assessment of transboundary environmental impacts, notice to the country potentially affected by those impacts, consideration of mitigation measures, and public participation in decision making. The Council also agreed that a working document on a transboundary environmental impact assessment agreement will be distributed publicly in the fall.

Review of Enforcement Submission Guidelines and Development of Model Rules for Dispute Settlement

The Council today agreed to initiate the review process of the Guidelines for Submissions on Enforcement Matters under Articles 14 and 15 of the NAAEC. The Council will exchange proposed modifications no later than September 1. The Joint Public Advisory Committee, the advisory group of the CEC, will have an opportunity to comment on the mutually agreed-upon modifications during a 60-day period. Final modifications reflecting this public input will be ready by December 15. The Council also agreed to develop model rules for dispute settlement between the signatories to the NAAEC by the end of the year.

Environment and Trade

A group of trade and environmental officials from Canada, Mexico and the United States will develop recommendations on how the CEC and the NAFTA Free Trade Commission can best fulfill the mandate of the environmental side accord by working together on a number of trade-related activities. The three-year NAFTA Environmental Effects project will report results by the end of 1997. The general objective of the 1997 project was to provide the Council with elements for an analytical approach to assess whether NAFTA's trade liberalization has influenced the Canadian, Mexican and the United States economies in ways which have had environmental effects and, to the extent possible, identify any specific environmental effects related to NAFTA. In order to carry on with the side accord's ongoing obligation in this area, the trade and environment officials group will develop the terms of reference for the 1998 work program on NAFTA Environmental Effects.

Transboundary Air Monitoring and Modeling

The Council today recognized progress on increasing the number of transboundary air monitoring and modeling initiatives in North America. Two pilot projects are currently underway along the US-Mexican and Canadian-US borders. One initiative is aimed at reducing pollution along a primary NAFTA transportation corridor, US Interstate 35 in Texas, and connecting highways in northern Mexico. The other initiative is investigating the transboundary flow of ground-level ozone in the northeastern United States and eastern Canada.

Evaluate Success of the NAFTA Environmental Side Accord

The Council today agreed to a process for reviewing the NAAEC. This review, which is called for by the Agreement within its first four years of operation, will include consultation with the public. The final report on the operations and effectiveness of the NAAEC implementation will be made public by the Council at the end of the year.

Council Meeting in the Fall

The Council today agreed that it will explore the possibility of holding a meeting this fall at the CEC Secretariat in Montreal to accelerate progress on important priorities of the CEC.

COMMUNIQUÉ, MONTREAL COUNCIL SESSION

SPECIAL SESSION OF COUNCIL

Montreal, 24 October 1997

The Council of the Commission for Environmental Cooperation (CEC)—composed of Canadian Environment Minister Christine Stewart, Mexican Secretary of Environment, Natural Resources and Fisheries Julia Carabias and US Environmental Protection Agency Administrator Carol M. Browner—today met in a special session to discuss future cooperation on environmental issues of common concern, and identify progress on actions taken to implement the goals set under the North American Agreement on Environmental Cooperation (NAAEC), the environmental side accord to NAFTA.

Reviewing Progress and Charting the Future

The Council examined the approaches and results of the NAAEC implementation over the past three years as part of its overall analysis on the future direction of the CEC. In the NAAEC, the NAFTA partners agreed to review the operations and implementation of the agreement within four years of its entry into force. In their discussions, the three environment leaders emphasized the importance of being responsive to the evolving environmental circumstances in North America. In anticipation of this final review, the Council today heard from a group of independent experts who had been led by Maurice Strong and the CEC's Joint Public Advisory Committee (JPAC). The final Council report on the review will be available to the public in early 1998.

Expanding the Environment and Trade Agenda

The environmental leaders recognized the unique nature of the CEC as a trilateral institution and as the only regional environmental organization that has its roots in a trade agreement. The CEC is in a natural and privileged position to advance the understanding of the relationship between the environment and trade. The Council directed the Secretariat to develop a conceptual framework for an expanded trade and environment program in 1998. This framework will take into consideration the following objectives: encourage a strong environment and trade program that looks at both positive and negative impacts of trade; consult experts to develop the means of measuring those impacts; ensure public participation in environment and trade issues; evaluate the role the CEC could play in enhancing trade in "green" goods; expand public access to environmental information; engage the private sector in environment-trade initiatives; and direct the North American Fund for Environmental Cooperation (NAFEC) to consider funding projects related to environment and trade issues.

Selection of Additional Toxic Substances

The Council has announced it will evaluate an initial group of toxic substances against criteria it has agreed will be used to identify new toxic substances for regional action. Such regional action plans are aimed at reducing the harmful health and environmental risks posed by the presence of toxic substances in the North American environment.