

Commission for Environmental Cooperation of North America

Regular Session of the Joint Public Advisory Committee 10-03 "Public Forum on Greening the Economy in North America"

16–17 November 2010 New Orleans, Louisiana, USA

Summary Record¹

The Joint Public Advisory Committee (JPAC) of the Commission for Environmental Cooperation (CEC) of North America held a public meeting on 16–17 November 2010, in New Orleans, Louisiana, United States. The purpose of the meeting was to examine the issue of "Greening the Economy in North America," as well as to examine trans-boundary environmental impact assessments as a tool for green development. This session would feature expert presentations on Greening Supply Chains, Green Building, and Urban Agriculture, to showcase examples of where progress has been made.

This Summary Record reports on each item on the agenda, entering all decisions made by the Committee and identifying actions and responsibilities. (Appendices A and B present the meeting agenda and list of participants, respectively.)

Prior summary records, JPAC's recommendations to Council, and other documents relating to JPAC may be requested from the JPAC liaison officer or at the CEC website, <www.cec.org>.

Welcome and Opening Remarks, by the JPAC Chair, Glen Wright

The JPAC Chair introduced himself and welcomed the participants to the public meeting. Mr. Wright provided an overview of the Commission for Environmental Cooperation (CEC), noting that the CEC was established as an adjunct to the North American Free Trade Agreement (NAFTA), and outlined the role of the Joint Public Advisory Committee (JPAC) in seeking public input on key environmental issues and in preparing Advice for Council (senior Ministers of the Environment from Canada and Mexico and the Administrator of the Environmental Protection Agency of the United States). Mr. Wright briefly reviewed the agenda for the public meeting, noting that there would be opportunities for questions and answers and discussions involving both the audience present and the home audience via the Internet. He outlined the past two JPAC meetings and thanked everyone for organizing this public meeting, and then asked that each member of JPAC and the Chairs of the US National Advisory Committee (NAC) and Government Advisory Committee (GAC) introduce themselves to the audience in turn. The full resumes of all of the participants may be found on the CEC website. He then called upon Irasema Coronado to introduce the keynote speaker.

¹ Disclaimer: Although this summary was prepared with care, readers should be advised that it has not been reviewed nor approved by the interveners and therefore may not accurately reflect their statements.

Keynote Address, by Stewart Elgie, Founder and Chair of Sustainable Prosperity Moderator: Irasema Coronado, JPAC Member for the United States

Irasema Coronado began by outlining Council's three priorities and then gave a bigraphical intoduction of Stewart Elgie, a professor of law and economics at the University of Ottawa, and director of the university's Environment Research Institute. Mr. Elgie was awarded the Law Society of Upper Canada medal for exceptional lifetime contributions to law—the youngest man ever to receive the profession's highest honor.

Mr. Elgie began his presentation by underscoring the importance of the CEC and its work in pursuing a North American solution to environmental concerns. His presentation would focus on why we need a green economy, what is a green economy, how to get there, and what the CEC can do to make it happen.

In describing why we need a green economy, Mr. Elgie outlined both the environmental and the economic reasons. Environmentally, we are using up the earth's resources, and more than 60% of the earth's ecosystem services are being degraded or used unsustainably. Water scarcity is an especially serious problem, with almost one billion people suffering from it. This number is expected to increase to 3 billion by 2025, with water use expected to double in the next 20 years.

According to Mr. Elgie the good news is that solving these types of problems presents growing economic opportunity. Renewable energy investment is expanding and Mr. Elgie mentioned several examples, such as the growth in the hybrid vehicle market and in organic food sales. He concluded that building a green(er) economy is both ecologically essential and economically smart.

Having provided some examples of green growth, he then went on to the definition of a green economy. After some discussion, he concluded that a green economy can be defined as an economy that results in improved human well-being while not exposing future generations to significant environmental risks and ecological scarcities.

Based on 28 environmental performance indicators, North America is not doing very well and Canada and the United States rank very close to the bottom of the list of performers. One of the major problems is that we don't have the terminology to simply describe this kind of economy, or the metrics to measure it.

Mr. Elgie discussed some suggestions on how to get to a green economy. It is very necessary to pull private investment into greener products, processes and services. The key is putting a price on environmental costs and benefits, and the most important factor in the effective pursuit of sustainable development is "getting the price right." Unless prices are assigned to air, water, and land resources that presently serve as cost-free receptacles for waste products in society, resources will tend to be used inefficiently and environmental pollution will increase.

After some discussion on the various options available, Mr. Elgie stated that policy stability is key for investment. He judged that environmental pricing can work and referred to the European

Union (EU) experience with tax shifting. The use of market-based regulatory tools to minimize or avoid the costs of environmental improvements can lead to improve economic performance.

Mr. Elgie then discussed some of the options that are available to the CEC. In addition to benchmarking the successes enjoyed by the EU, the CEC could pick certain sectors and develop case studies to identify key factors and variables for greening the economy. He concluded his presentation by emphasizing that North America could build a stronger, greener economy if the right incentives are put in place.

Irasema Coronado thanked Mr. Elgie for his very profound and educating presentation. She then opened the floor and the webcast facility for questions and comments.

<u>Question/Comment</u>: Taking a careful look at the European Union experience, we find that there was a focus on renewable energy development largely sponsored and promoted by European Union government policy and effective incentives. How can we in North America learn from this experience and is it possible to develop similar policies and incentives within the NAFTA context?

<u>Response</u>: Mr. Elgie replied that the faster we have investor protection rules here so that we don't give exclusivity to local regions, the sooner we will be able to make progress. The key to achieving what the European Union has achieved is to not give preferential treatment to local regions.

<u>Question/Comment</u>: Is there a way to find the right metrics to use for a resource productivity approach to greening the economy? Is there a way to get around the perception that proceeding toward green results is an added cost? Is there a way to better portray the return on green investment?

<u>Response</u>: Environmental regulation does not have to hurt you economically if it is developed properly. In fact it can help you economically. There are instances, and more of them than you might think, where government policies and even corporate policies that are beneficial to the environment result in no net cost increases. The return on the investment results in efficiency gains that offset the costs. When the regulations are done right, the associated costs are actually very small. Over time you see the costs disappearing and the innovation and efficiency returns taking over. If you design both your business metrics and your environmental policies correctly, you definitely will see gains.

<u>Question/Comment</u>: Our three governments have reacted to these issues in a very conservative manner over the past three decades. They do not want to raise taxes. It is more common to provide incentives for business and industry to behave positively. How can we accelerate all of the instruments of policy and incentives that you mentioned in your talk? How can we put pressure on the governments of our three countries to accelerate to the point where we can achieve the climate change slowdown that is required?

<u>Response</u>: Mr. Elgie agreed that we have taken a somewhat cautious approach to environmental regulation in all three countries. This is the challenge of short-term thinking versus long-term

thinking within government. We need to achieve our goals by pushing investment in the right direction. We do that by encouraging both government and industry to look at this as an investment rather than a cost. We need to ensure that they understand that the investment will be rewarded in the future. We really have two options to get there. What will work is where governments step in and create market conditions that encourage the correct behavior in the beginning. Once the surrogate economy begins to take hold, the government can pull back and the market economy can take over. The best way to get started is with a combination of moderate pricing coupled with government subsidies. This is probably the best way to buffer the transition.

<u>Question/Comment</u>: Greening the economy is a very in-depth concept. It is far more than just the environment and the economics of our country. It is also about a return on investment that benefits our cultures and our social side. Social benefits and health benefits and quality-of-life benefits must also be part of the equation. Could you share with us your opinion on this?

<u>Response</u>: Mr. Elgie agreed, stating that the case for making these changes must be within a system that rewards behavior properly. Most of the people and businesses who do not perform according to a standard are not bad guys. Unfortunately the current economic market does not price environmental costs and so the system needs to be adjusted. This actually hurts our economic efficiency. We have to find a way to make this revenue neutral and this is why the European Union example of tax shifting is so powerful.

<u>Question/Comment</u>: What role should governments such as provinces or states play?

<u>Response</u>: The short answer may be the same answer that has been given for national governments. We can take carbon pricing as a tangible example. The ideal solution would be to have a strong and rising carbon price. There seems to be a policy vacuum at the federal level. We have no choice but for states and provinces to step in and show leadership. The federal governments can come in at a later date and pull the low bar up. Once some of the more localized government agencies have policies in place, the tipping point is reached and the federal initiatives can more easily be put in place.

The JPAC Chair, Mr. Wright, thanked Irasema Coronado for hosting the session and thanked Mr. Elgie for his presentation.

Presentation by Dinah Bear, Attorney at Law, Washington, DC: Transboundary Environmental Impact Assessment: A Tool for Green Development Moderator: Geoffrey Garver, JPAC Member for the United States

Geoffrey Garver put the forthcoming presentation in context with the theme of the forum on Greening the North American Economy. He then introduced the next speaker as well versed to discuss the subject matter. Dinah Bear is an attorney based in Washington, DC, and Tucson, Arizona. She served for 25 years as General Counsel to the Council on Environmental Quality (CEQ), the environmental agency in the Executive Office of the President, where she had responsibility for interpreting and overseeing the regulations governing environmental impact assessment (EIA) in the United States. She participated in two multilateral negotiations regarding transboundary environmental impact assessment.

Dinah Bear began her presentation by stating how pleased she was that the CEC remains interested in the subject of transboundary environmental impact assessment and emphasized its importance to the environment. She described how her presentation would discuss the overall subject of transboundary environmental impact assessment analysis first and then the CEC's role, concluding with some recommendations.

She defined the process of conducting a transboundary environmental impact assessment and its contribution to the environment. An assessment is conducted before a decision is made and therefore is preventive in nature. An assessment goes well beyond a pure economic analysis and includes cultural, social, health and localized community effects. One of the strengths of the system is that it takes a look at cumulative impacts. Environmental impact assessments are not only site-specific, they investigate well beyond the effects on the site itself: they cover regulations, legislation, and collateral effects to both the environment and the cultures involved and include post-decision monitoring. Public involvement is key to effectiveness.

Ms Bear described the history of the process in the United States. Between 80 and 100 nations around the world now have an environmental impact assessment process in place. There are significant differences between the various assessment tools and she described some of these. But there is also much common ground between all these different processes. It is to that common ground that we can look when we envision the transboundary environmental impact assessment initiative that could exist between the three North American countries.

Ms Bear stated that she understands the criticisms that exist concerning environmental impact analysis, such as the cost of delays, but she has seen many good things that have resulted from doing the analysis. Going through the process results in making better decisions for the environment and saves the taxpayer money in the long run.

The emphasis on the transboundary aspect is very meaningful because environmental effects do not stop at borders. The Europeans have experience with this, with 44 countries having participated in the program for a significant length of time. In 2009, they produced a report outlining the lessons learned and proposing recommendations.

The rationale for implementing transboundary environmental impact assessments applies to North America at least as much as it applies to many of the other regions of the world. With some of the longest borders in the world, the highways and bridges, rail lines and pipelines have a significant effect on the environment that exists on all sides of the borders. The actions on one side of a border will obviously affect the citizens on the other side of it.

The purpose of the program is not only to anticipate and prevent the damaging impacts upon our shared environment but also to react on behalf of the environment when damage does occur. The real point of environmental impact assessment is not just to document the impact of a decision but to actually help the decision-maker to make better decisions.

Ms Bear went into the history surrounding the transboundary environmental impact assessment initiative, which dates back to 1995. The principles that were developed back then are still valid

today. Unfortunately, the work remains stalled to this day, in spite of the fact that it had been developed to a very sophisticated level. It is regrettable that enough common ground could not be found to move forward with such an agreement.

Ms Bear urged JPAC to recommend a resumption of the negotiations necessary to effectively implement a transboundary environmental impact assessment (TEIA) agreement between the three countries. She recommended consideration be given to having the CEC develop case studies that would showcase the benefits of such a proposal. She also suggested that consideration be given to a pilot project that would provide insight into how such an agreement could be made to work effectively, and that the CEC explore the lessons learned from the European experience.

She concluded her presentation by stating that the reasons for including transboundary environmental impact assessments as part of the original agreement remain valid to this day and that attempts to establish effective TEIA working arrangements should continue.

Geoffrey Garver thanked Dinah Bear for reminding us of the importance of this very significant initiative. He then opened the floor to questions and comment.

<u>Question/Comment</u>: The CEC has enough information to monitor the health of and the effect on the various eco-systems, including social and cultural impacts. The role of the CEC could be data collection, monitoring and information distribution so that the decision-makers and policymakers could be more effective.

<u>Response</u>: I think that is an excellent recommendation because sometimes the lack of data is used as an excuse to shy away from this process.

<u>Question/Comment</u>: My question is whether or not TEIA could be adopted as a tool to assess the effect of fisheries on the various environmental areas. Perhaps it could be used as a tool to regulate things like the catch rate. What about those species that are mobile? If we do not have a TEIA program, there is risk that we will put various species in danger.

<u>Response</u>: In the United States, the regulation of fisheries in federal waters is covered under environmental impact assessments, and through this process fishing regulations are established. I'm not aware if there has been bilateral or trilateral analysis of any kind but there is a federal focus on this in the United States. Of course it's not just fishing that affects the fish; there are a lot of other environmental considerations that affect the resources in our water environments.

<u>Question/Comment</u>: Since we have very different border issues in the US and Mexico, what are the features that TEIA must have to address the social and economic aspects?

<u>Response</u>: Our speaker this morning outlined some ideas about how we might address these issues. I would suggest that we need to analyze health impacts. There have been some efforts and certainly some of the progress being made with environmental justice serves as examples. There are many improvements to come and TEIA can be a tool to help achieve some of those goals.

<u>Question/Comment</u>: I suggest that one of the pilot studies might be based on carbon. Also can you provide us with some more information regarding the report from Europe that addressed many of the issues that we have not yet addressed?

<u>Response</u>: I don't have the 2009 European report with me but I will e-mail the website to JPAC. I want to make it clear that I'm not recommending that the CEC adopt the same system as the European system in its entirety. There are some very good reasons why a system here would be different. But what might be of value is how the Europeans achieved this and some of the learning may be applicable to the North American situation.

<u>Question/Comment</u>: Why did the negotiations break down? How do you think the three governments might be able to complete the negotiations? I would also like to hear from the Mexican team, to better understand why the negotiations broke down. I would also like to know if there were thoughts in the negotiations as to how it would be implemented at the CEC.

<u>Response</u>: I don't recall any discussion suggesting that the CEC should implement this agreement. There was never any thought given to creating a new law for environmental impact assessments. It was considered that the initiative was such a positive undertaking that transboundary environmental assessments would be added to each country's current undertakings. It was considered that whoever did EIA in each country would just add the transboundary perspective to their undertakings. The reason that the Mexican government voiced concern was there is far less government involvement in the environmental impact assessment process than there is in the United States and Canada. While the existing government offices were present in the United States and Canada, they were not in Mexico.

<u>Response</u>: I understand that the problem was not with Mexico but was with the United States, which had problems with implementation procedures in the border states. In Mexico, they hire consultants to do environmental impact assessments and then they go before the minister to seek approval. There is a responsibility in the private sector to conduct environmental impact assessments and the ultimate authority is with the federal or state government officials.

The JPAC Chair, Mr. Wright, thanked Geoffrey Garver for moderating the session and thanked Dinah Bear for her very enlightening and informative address. He stated that at the lunch we would have a presentation by John Francis, founder of Planet Walk. John Francis would be introduced by Jonathan Waterhouse, JPAC member for the United States.

Presentation by John Francis, Founder of Planet Walk

Jonathan Waterhouse, JPAC member for the United States, introduced his friend John Francis, who is known the world over as the Planetwalker. Mr. Francis began his environmental work in 1971, when he witnessed a tanker collision and oil spill in San Francisco Bay. He gave up the use of motorized vehicles and began to walk, because he felt partly responsible for the mess that washed up on the shore. Several months later, on his 27th birthday, because of the arguments his decision to walk seemed to create, John took a vow of silence that lasted 17 years. During that time, he founded Planetwalk, a nonprofit environmental awareness organization that has achieved great renown.

The author of *Planetwalker: 17-Years of Silence, 22-Years of Walking*, published by the National Geographic Society, Mr. Francis told the audience of his journey, declaring that it was no different from the journey all of the people in the room were on. When the struggle to save oilsoaked birds and restore blackened beaches left him feeling frustrated and helpless, Mr. Francis decided to take a more fundamental and personal stand. He stopped using all forms of motorized transportation. Soon after embarking on this quest that would span two decades and two continents, the young man took a vow of silence that endured for 17 years. It began as a silent environmental protest, but as a young African-American man, walking across the country in the early 1970s, his idea of "the environment" expanded beyond concern about pollution and loss of habitat to include how we humans treat each other and how we can better communicate and work together to benefit the earth. Through his silence and walking, he learned to listen, and along the way earned college and graduate degrees in science and environmental studies. The United Nations appointed him goodwill ambassador to the world's grassroots communities and the US government recruited him to help address the Exxon Valdez disaster. Mr. Francis's presentation was very entertaining, moving and enlightening. He concluded by saying that no matter what the challenges, no matter what the opposition and no matter what the issues that confront us, with determination they can all be overcome. With determination, anything is possible.

The Chair thanked Mr. Francis for his very unique and inspirational talk about what one person can do, remarking that his dedication and determination were most admirable.

On reconvening after lunch, the Chair introduced the afternoon session. As part of the agenda, the audience would be exposed to specific initiatives that were related to greening of the North American economy. He introduced the moderator Diane Takvorian and turned the podium over to her for this part of session.

Innovations in Greening the North American Economy Moderator: Diane Takvorian, JPAC Member for the United States

Diane Takvorian welcomed everyone and remarked that, as heard in the morning's activities, there certainly were many innovative solutions spanning the economy that were being considered. The panel now before the audience had very specific solutions that were most worthy of consideration and, what was most exciting, could lead our three countries to policy solutions. She introduced the first speaker, Alejandro Romay, Environmental Manager, Grupo Jumex, from Mexico, who has an extensive background in industrial safety and in the environment.

Presentation by Alejandro Romay, Environmental Manager, Grupo Jumex: Green Supply Chains

Alejandro Romay began his presentation by stating that at Grupo Jumex the preservation of the environment has been a fundamental subject in the agenda. Mr. Romay described his business, whose principal raw material is fruit that is used to produce juices, nectars and beverages. Because of the nature of such a business, it follows that it is very important for it to maintain balance with the soil, water and climate.

In order for a large company, whose supply chain consisted of several small operations which did not have access to sophisticated information, to be part of the solution, it was necessary to help teach some of the smaller operations the principles of green supply. One of the biggest challenges was to break through many of the ideological barriers that existed throughout the supply chain. Once the proper knowledge and tools were put in the hands of the supply chain companies, the supply chain began to act in a more environmentally sound way. As the initiative matured, the program became one of the most important programs supported by the Ministry.

Mr. Romay stated that, in his opinion, one of the areas that the CEC could help with is the provision of education and information to specific projects that could be focused on environmental economic efficiency. The CEC could act as a facilitator in the exchange of valuable information that exists within large companies but does not exist within smaller supply chain operations. He then proceeded to go into specific detail on the results of this innovative project.

Through this project, they have been able to verify that eco-efficiency is an administrative culture that serves as a guide to assuming social responsibility. It motivates companies to adapt and to modify the existing production systems according to the needs of the market and the environment while at the same time consolidating high levels of economic, social and environmental development. By doing a comparison with traditional practices, it can be seen that the results of the project have been significant: the participants have reduced the use of materials and energy consumption during production.

In the execution of this project, the companies did not need to abandon their present processes in order to be eco-efficient; it was only necessary to re-adapt the existing productive systems to the needs of the market and the environment. Mr. Romay outlined the results of the initiatives as follows.

- Money Saved: US\$4,926,460 annually
- Investment: US\$1,071,858
- Return of the investment: 2.6 months

He added that while there were economic benefits, there were also environmental benefits which were as significant:

- Yearly saving of water: 417,109 cubic meters (m³)
- Yearly saving of energy:
 - o 1,740,573 kilowatt-hours (kWh)
 - \circ 23.48 m³ of diesel
 - \circ 4.41 m³ of gasoline
 - \circ 216 m³ of gas
 - \circ 3,251,805 m³ of natural gas

Mr. Romay concluded his presentation by showcasing the various companies that participated in the project. Grupo Jumex has participated in this program of "Environmental Leadership for Competitiveness" for four years, and it is now including it as an extra tool in its system of environmental management.

The moderator thanked Alejandro Romay for his presentation and introduced the next speaker, Linda Stone, outlining her significant accomplishments.

Presentation by Linda Stone, Policy Associate, Global Green USA: Green Building in New Orleans

Linda Stone began her presentation on green building in post-Katrina New Orleans by providing some background about Global Green USA. The mission of this nonprofit organization is to foster a global value shift toward a sustainable and secure future by reconnecting humanity with the environment. In the United States, Global Green combats climate change by greening buildings and communities. In New Orleans, these efforts are creating a model for coastal communities worldwide.

One of its main areas of focus was on green schools for New Orleans. Some of the initiatives incorporated in the schools were solar shades, new fluorescent lights, new light fixtures, electronic ballasts, caulking and weather-stripping, thermostats, occupancy sensors, daylight sensors, rainwater cisterns, and thermal water heater blankets. In addition to contributing to the environment, there were evident economic savings. Each school saved approximately (it varied from school to school) 200,000 kWh, 90,000 gallons of water, and carbon dioxide (CO₂) reductions of 200,000 pounds, with dollar value savings of approximately \$24,000, annually.

In addition to helping to build green schools, they added a focus on green development to the curriculum, resulting in 24 different career streams involving the environment that are now available to students.

Ms Stone concluded her presentation by saying that it is estimated that if the 50,000 homes destroyed by Hurricane Katrina were rebuilt according to the green standards used in Global Green's design, New Orleans residents would save 38-56 million in energy every year and eliminate over 1/2 million tons of CO₂ in total—the equivalent of taking 100,000 cars off the road.

Diane Takvorian thanked Ms Stone for her very enlightening presentation and introduced the next speaker, Mr. David Abazs, an expert in the creation and development of renewable energy systems.

Presentation by David Abazs, Senior Fellow, Agriculture and Natural Resource Sciences for the University of Minnesota: Urban Agriculture

David Abazs began his presentation by stating that he has spent the last twenty-three years as a farmer developing an experiment exploring sustainability in the context of urban agriculture. He has tried to do his entire farming enterprise without fossil fuels. He is off the electricity grid and uses mostly solar and wind power. He grows his own food, both for himself and for many other people. The area in which his Minnesota farm is located has very shallow soil and has only 33 days between frosts. It is therefore a very difficult area in which to make a totally sustainable food initiative work.

Mr. Abaazs applied his learning from his farming enterprise to the region as a whole through his project on urban agriculture. This led to a wider strategy concerning what the capacity of the entire region is to produce food and to meet consumers' needs. In this region there are 479,856 people on 18 million acres, who spend \$1.2 billion a year on food. The region has 1,620,000 acres of arable land, yet only 500,000 acres are needed to feed and sustain the entire population.

He then began to describe a project in which the technology of sustainable development is applied to the region. Silver Bay, an exclusively iron ore-mining town, undertook an initiative to to become self-supporting, while also carbon-neutral and producing zero waste. Everything that the town incorporated to support itself had to mimic the natural world. A greenhouse fish production system was the ecological engine. Power is generated by wind. Solar power is used for heat. Water usage is a closed system in which water is replenished through wastewater treatment and rainwater collection. The carbon-oxygen balance is a closed system in which the two gases offset each other. Production results in revenue, an abundance of food and several jobs.

David Abazs summed up his presentation by stating that, with a planet of 6.8 billion people and growing, it is vital that we create integrated systems that mimic the natural environment and are in perfect balance. The results of the projects that he's been involved with are examples of how it can be done.

Diane Takvorian thanked the speaker and opened the floor and the Internet to questions from the audience.

<u>Question/Comment</u>: It is obvious that what the previous three presenters have been doing is extremely relevant. I would ask the panelists if you believe it is feasible that the ministries might acknowledge those industries. If this could be done, then other industries might be encouraged to participate in similar programs. Some kind of reward or recognition coming from the governments could serve as a motivator.

<u>Response</u>: One part of the incentive might be the recognition and acknowledgment on the part of the authorities. Other incentives need to be put in place that are related to the market. We also need to raise the awareness of the consumer so that the consumer knows what is behind the brand. Our task is to focus on green education.

<u>Question/Comment</u>: When you're conducting your analysis of homes, are you carrying out a lead-paint inventory? With respect to the fish that serve as the ecological engine, does the high tolerance of ammonia by the fish affect the quality of the fish?

<u>Response</u>: With respect to the green building program, I'm fairly sure that they are not addressing the issue of lead paint. However, the next phase of our project is to work with the public health departments, where we will be addressing the issues of health and safety, which will encompass the issue of lead paint.

In terms of the high levels of ammonia, the idea is to not have high levels of ammonia. When the system is first started, there are several issues requiring balance. The key issue is to build an ecological system that is in perfect balance and does not impart high levels of ammonia in fish.

<u>Question/Comment</u>: I would like to know how the green building initiative would be carried out as part of city planning and other community initiatives. With respect to the species of fish, we used the same fish [tilapia] as you used in your project in the waters of Mexico and found that they became invasive. As part of your project, are you seeing the same phenomenon?

<u>Response</u>: Where we are carrying out this project is in a northern climate where fish have difficulty surviving. Therefore, fish that multiply rapidly are actually ideal for the type of climate in which we are conducting the project. Every area has different issues and considerations. There may be another species that would work better or maybe it needs to be done in a contained way. It's important to localize the initiative so that it makes sense for Mexico.

With respect to where we are conducting the green building initiatives, the choice of where to build and focus our efforts becomes complicated. Under the principles of city planning, where we build is a safe area. However, it is the desire of the people that is important and in the case of New Orleans, many of the people wanted to rebuild in areas that were prone to future flooding. Because of the demand, we find ourselves focusing on areas that may not be the wisest areas to build in when one takes into consideration future flooding. However, I might point out that, given the rate of global warming, even the areas that we have built in that are now six feet above water will be underwater in the next hundred years.

<u>Question/Comment</u>: With all of the initiatives that the three speakers have described, there are great benefits. How can we have a multiplier effect for these initiatives throughout the North American environment? From your experience and your lessons learned, I would like to ask you what we can do for the sectors that are not behaving well environmentally.

<u>Response</u>: I agree with you that there is a lot of work to do and I share your concerns. The companies that are not behaving well environmentally need to be in closer touch with the people. We have to look for ways to make them aware that how they manufacture affects their customers. However, it is difficult to reach all of them and also difficult to reach some of the other sectors. We need to link with academia and universities.

<u>Question/Comment</u>: Can you give us some idea of the capital costs for the fish-related project? Are there any public monies available for these kinds of initiatives?

<u>Response</u>: We received state funds to help us fund the project. The taxes that were taken by the state from the iron ore industry were made available to fund the ecologically sustainable initiative. At the scale the project is at now, it is just barely making money. At the scale that it will be developed to totally sustain the region, it will be a profit-making initiative. Our initial capital costs were approximately \$550,000. For the full facility, including capital investment in wind generation and solar generation, we're looking at something slightly less than \$2 million.

<u>Question/Comment</u>: What is required to move these very innovative projects from the small scale that they are at now to a massive scale? How would you deal with the supply chain? How can you make this into a business that is profitable on a large scale? Is there an effort to make the products that are the result of these initiatives competitive in price? Can we provide incentives for the consumer to participate in these projects in a cost-effective way? Can you give us any recommendations? Can the CEC facilitate in this regard?

<u>Response</u>: In actuality, for these initiatives to get underway, there is a large dependency on grant monies. We are largely nonprofit organizations and so presently there is not that drive to make a profit. Currently, with some of the energy rebates, the consumer can participate in these initiatives in a very cost-effective way. We are focused on affordable green building, not just green housing. Because of these incentives, there are businesses that have been formed to supply the technology that is necessary to embrace green building. This is providing career opportunities for students who are graduating with the education necessary to drive the undertakings. Better learning is key to sustaining these types of initiatives in the future.

With respect to the land issues for ecologically sustainable systems, the land issue is not really an issue because the increase in output per square unit of land increases significantly. This is just one example of how we can maximize productivity. In agricultural initiatives, the way the CEC could assist is to focus on the justice issues. There are also a lot of policy issues that, if done correctly, can create the introduction of eco-sustainable initiatives. There are huge ethical and moral issues that need to be addressed between the three countries. No one should be starving because someone else is driving a vehicle. Farming will be rich if we have the patience to wait long enough.

Six months ago, in Mexico, we tried to create a code in relation to environmental advertising such that no one could declare themselves a green producer if they were not truly a green producer. Unfortunately the project did not survive because it was self-regulated. The CEC could participate in determining the guidelines that need to be in place in order for a green economy to become a reality. Also, the government needs to be less passive. The CEC could take a position of leadership without being the actual authority. It should lead in the development of and the provision of the guidelines that are necessary for governments at all levels to provide incentives and participate in enforcement. It could also provide the information so necessary for educators to transfer knowledge to both business owners and consumers.

<u>Question/Comment</u>: Is there a problem in all of this that one might call the rebound effect? Essentially this means that, as you become more efficient, do you just use the economic gains to do more of what you were doing? For example, as buildings have become 25% more efficient over the last several years, they have also become 35% larger. In the auto industry, improving efficiency has resulted in faster and more powerful cars instead of a net gain to the environment. Do you have any comments about what to do with the rebound effect?

<u>Response</u>: In my particular case, I had to restructure my life so that I would not be tempted to use up the advantage that the initiative had created. We truly need incentives to reprioritize so that the gains made by the initiatives are truly of benefit to the environment. For example, if you are in the business of growing trees and selling them, you can only sell so many. In the pursuit of profit, if you sell more than is sustainable for your land, you will harm the environment instead of helping it. At the point where you meet your sustainable criteria, you will have to stop your company from growing. This is a very foreign concept in the corporate world. There needs to be some external initiatives to help us do that. It's not only the policy but maybe some empathy and a good hard look at ourselves.

I think that the CEC may have a role to play here. Greening the economy will result in a different kind of profit. It will be a profit that needs to be described in environmental terms not just economic terms. We will have to change the tools and the strategy and the CEC will have to help us determine how to do that.

<u>Question/Comment</u>: The first point that was raised this morning was that North America is not a very good example of a green economy. It was strongly suggested that as a region we need to develop new procedures and behaviors. We have to harmonize our environmental behaviors with Europe and Japan and with other countries. Each one of the three examples that were presented here today contains information that can be used to preserve the future of our society. Perhaps Mexico and Canada should harmonize their environmental rules with those of the United States, which seems to be leading in this area. Could this be a recommendation that should be given to our environmental ministers?

Response: Well said.

<u>Question/Comment</u>: With respect to incentives and motivations, what is your proposal to facilitate the continuance of productive change?

<u>Response</u>: I think we have to think locally to make progress globally. We have to explore the means that we have in each of our areas and use them effectively. We need to take each of the local initiatives and add to them so that it becomes a multiplying effect. We need to have a detailed analysis of the needs of each of the regions.

Diane Takvorian thanked the three panelists, noting that there had to be a combination of education, incentives and regulation in order for initiatives such as these to expand and take hold. For example, in the United States, money from lawsuits was plowed back into the environmental system to help companies overcome the challenges that they face to making greener products and sustaining a greener economy. The money was used to educate those that required change.

The Chair thanked everyone for their very thoughtful and professional presentations. He added that when we get to specific examples, it sparks enthusiasm and makes us all realize that you can actually do something about the challenges that face us. The next segment of the day would be devoted to determining what advice should be given to Council.

JPAC Discussion on Potential Advice to Council Moderator: Glen Wright, JPAC Chair

The Chair began the session by explaining that at the end of our public sessions JPAC often tables a formal written Advice to Council that is public. He stated that our challenge was to

provide advice that was useful to the Council members. He opened the floor for discussion on whether or not an Advice to Council based on the day's presentations should be generated.

One of the recurring challenges is the distribution of the ideas and information presented and discussed at JPAC Regular Sessions such as this one. Mr. Wright used the example of the supply chain presentation, noting that there were some very useful ideas tabled in the presentation that should have wider distribution. He felt that industry and indeed the public in general could benefit from the information contained in many of the other presentations as well. The same theme applies to the outcomes of many of the valuable projects engaged in by the CEC. There is a need to better distribute the valuable ideas presented in the JPAC Regular Sessions and/or that were contained in the outcomes of CEC project work. The opportunity for governments to leverage such valuable information, in the context of greening the economy, might be a useful subject for an Advice to Council.

Tim Hern said that one of themes he would propose as an Advice to Council is to try to get industry to appreciate the beneficial effects, in terms of efficiency and effectiveness, that would result from greening the economy. An additional benefit to early industry participants would be the competitive advantage gained. Energy efficiency is not a foreign concept to industry, especially the manufacturing sector; it is mutually beneficial for businesses to reduce their energy costs, which also reduces the carbon footprint. It would be advantageous to catalog practices that bring industry financial savings while saving the environment. There are many examples, and cataloging these and disseminating them to industry would be a win-win knowledge exchange proposition.

Geoffrey Garver suggested that a possible Advice to Council should be on what it means to green the economy and should provide ideas on how to do it. The Advice could contain an outline of the economic and environmental goals of greening the economy and the articles of the NAFTA agreement that are getting in the way. He suggested that we look at alternative metrics that the Council might find useful in measuring a green economy. Dinah Bear's presentation has specifics that could be used for practical advice on the benefits of environmental impact assessments. Referring to Stewart Elgie's presentation, the Advice could emphasize the heavy ecological footprint of human activity and specifically as it relates to carbon. We should be relating our outcomes to those of Europe and looking at means of harmonization that get rid of economic disincentives to businesses while benefiting the North American continent environmentally.

Rodolfo Lacy suggested that an Advice should encourage profiling specific sectors that are in need of attention and those that have made progress. He referred to the construction sector, the automotive sector and the transportation sector, adding that the agricultural sector may be an area for focus. Providing good examples of progress to members that are struggling within these sectors would help them become more efficient and therefore more profitable, while benefiting the environment at the same time.

Gustavo Alanis-Ortega suggested that we should point out how advantageous becoming environmentally sound is, specifying certain business sectors. The results include not only a healthy economy and environment but as well an enhanced reputation and positive profile for the company. We should explore what could be done financially at the country level to help this happen and apply the strategy to other sectors of industry. The transboundary environmental impact assessment could be emphasized as a tool that is helpful to green the economy and to encourage compliance to environmental laws. We should request that Council revisit this issue.

Linda Angove suggested that the CEC could play a role in identifying key factors for greening the economy, beginning by defining what is meant by the term. As a result of our public sessions, there exist several case studies and successful stories with outcomes and lessons learned that could be of use to others. But many of the business and industry sectors haven't heard of the CEC and therefore cannot benefit from its wisdom and knowledge in this area. An Advice to Council could include that CEC needs to reach more people, businesses and industries. Beyond access to the CEC's various initiatives through these public forums and publications, the logical next step should be to make this information available on a wider scale, which would lead to greater benefit to industry and thus to the environment.

The Chair suggested that the CEC could map cross-sections of the economy to determine and portray where greening is progressing and where more effort and knowledge are required to make progress.

Martin Gutierrez suggested that the Advice to Council should focus on the environmental impact assessment process and on improving outcomes. Currently there is no measurement of this process and more work is needed on this to achieve the desired ends. We should request the creation of a diagnostic tool and indicators that plot goals and objectives and when they are achieved.

One of the NAC members suggested that we are still not addressing the issue of waste reduction properly. She suggested that we need to make zero waste a part of the CEC's Strategic Plan.

Adriana Nelly Correa recommended that we begin by defining what greening the economy of North America really means. There is a need to link the economy with the environment and society and to do this in each of the sectors and regions. She suggested that we recommend green pricing as a way to capture the costs of the economy and the environment together, and link effective incentives to the North American Atlas that the CEC has developed. We need to evaluate and assess the ecosystems and the economies that are sustainable and focus on those that are not.

Diane Takvorian referenced the NAC suggestion that we need to have principles first. For example, before we can make any headway we must set the principle of zero waste. Only then will we know how to make smart decisions and effective strategic choices. With respect to crossborder trade, we need to look locally first. The CEC needs to develop a framework for trilateral projects that begin at the local level, and then expand from those principles to the international trade level. There are multiple levels of strategy for addressing the challenges and the solution is multipronged, consisting of education incentives, regulation and policy. She used the example of transport inspection stations at border crossings and the amount of time spent idling and thus polluting the environment. Electrifying the border crossings so that trucks can plug in and be green while they are waiting would be a possible solution. It is only these kinds of issues dealt with in this way that can lead to solutions internationally. JPAC and the CEC should advise on what type of trade projects could be advanced in what sectors of the economy in order to result in greener economies.

Irasema Coronado suggested that we need to advise Council that a priority should be to engage the agricultural sector and determine how we can help the growers contribute to a green economy. We need to use CEC data to promote tri-national research projects. Once the results of these research projects are known, we need to take the results to the public and engage at the community level. The CEC needs to deliver knowledge and expertise where it is needed. It is also important to keep e-waste on the agenda, as it is a critical issue.

Jeffrey Wennberg of the GAC stated that, in some instances, the business leadership was having trouble getting its rank and file to culturally accept a new, green-way culture. It might be good advice to Council to suggest redefining environmental excellence. The CEC could be a clearinghouse for this new work. Perhaps we could table an Advice to Council asking for each national government to coordinate a ministerial conference to focus on recognizing examples from the private sector that made a difference by generating microeconomic benefits and how they contribute to greening the macro-economy.

Jonathan Waterhouse used a story to make his point: a garbage picker collecting aluminum cans, aluminum being somewhat rare, is probably more of an environmental benefactor than most folks. He then focused on electronic recycling, suggesting that most electronic items can be totally recycled as they are full of rare-earth metals. We are throwing things away that are completely recoverable. Recycling should be made the law of the land throughout the whole North American continent. But, he pointed out, using the Gulf of Mexico oil spill as an example, it is incredibly hard to solve problems at the local level without knowing the truth. Simply telling people the truth about their local situation can help them to start fixing the problems. He also suggested that that we put together an international oil and gas response team to get a quicker response and better solutions for the environment in the wake of disasters.

One of the new members of the GAC suggested that the interworking of the NAC, GAC and JPAC was very beneficial and that we need to do this more often. He further stated that as a new member and an outsider, he had not even known that the CEC existed. He suggested that there is a huge gap between what we talk about at the sessions and what our countries actually do. The CEC, with many years of experience, is the one organization that exists that can interact in a trilateral way. But the CEC is very fragile, in that it doesn't advertise itself anywhere. There are very valuable documents that exist in this forum and they are not even known outside of it. There is a need to reach out to the people of North America and not be tied down by the three governments. We need to start with transboundary environmental impact assessments and get those solutions out to the people of North America so that they can use them, and we need to link to this with enforcement.

Martin Gutierrez suggested that in addition to the benefits of having the NAC and GAC at our meetings, we need other people who can influence both the government and the industrial sectors, such as trade, commerce and agriculture.

One of the NAC members who is a tribal representative suggested that there is an extreme lack of communication and education on the topics like those presented here today. There is an urgent and important need to get the information out to the people of North America, especially indigenous people. There is an important need to take the show on the road.

Another NAC member stated that it was important to create trilateral definitions and indicators, especially social, cultural and cost analysis indicators, as tools for use. It would be useful to put a price on environmental costs. We need to be careful in how we look at market-based rules that we don't look at their consequences without including the cost to the environment.

A NAC member from Alaska suggested that it was very important to come up with Atlas indexes to track the environment over time and to know how and where decisions get made. We need to use the data better, to build a case for action and as a model to predict what will happen over the next 30 years and what actions can make a difference.

Irasema Coronado suggested that an Advice to Council should strongly advocate for the need for environmental economics and emphasize that only through the tying of the environment to economics could a sound case for action be made and progress be measured.

Closing Remarks, by Glen Wright, JPAC Chair

Mr. Wright provided closing remarks, noting the excellent and thought-provoking presentations and the good input from the public in attendance and on the Web. There was significant synergy with the NAC and the GAC, and more meetings between the three organizations would be beneficial. The input received throughout the day will be considered as JPAC develops a Letter of Advice to Council. All presentations and bios will be available on the CEC website and further questions can be posted on the website for follow-up.

JPAC Regular Session 10-03 (with the public as observers)

17 November 2010

Overview, by Glen Wright, JPAC Chair, and Approval of the Provisional Agenda

The Chair welcomed everyone and explained the agenda for the JPAC Regular Session 10-03. He then called upon Evan Lloyd to lead off the Session and provide an update on the CEC's activities since the last JPAC meeting, in Guanajuato, Mexico.

Report, by Evan Lloyd, CEC Executive Director, on CEC Developments Since the Last JPAC Meeting

Evan Lloyd welcomed everyone and made particular mention of the NAC and the GAC, stating that their participation would be very helpful. He briefly outlined the background to his presentation, which would largely focus on activities that took place in the last three months. There have been nine major workshops that have been conducted in pursuit of the goals outlined in the Strategic Plan.

He described the work under Article 13 that has been focused on the subject of the report "Sustainable Freight Transportation in North America," and which involves providing advice to Council. Having had the dialogue with Council, the CEC is now awaiting its authorization to publish the report. He emphasized that he is extremely confident about the report and that there was an unprecedented level of cooperation between the three countries. The reason for the current Article 13 Advice was because, next to construction, the greatest contributor to greenhouse gases is transportation. The news in that area is, for the most part, good news, except that freight transport's contribution to greenhouse gases is predicted to increase over the next several years due to volume increases. Forecasts indicate that the US interstate highway travel demand measured in vehicle miles travelled will increase from 690 billion in 2002 to 1.3 trillion by 2026. Truck-borne freight is expected to double by 2035 and rail-borne freight is also projected to increase significantly.

Mr. Lloyd proceeded to the next area of activity, the North American Partnership for Environmental Community Action (NAPECA). In August 2010, the CEC Council directed the establishment of this new community grants program. The multi-year grant program will fund innovative community projects that directly support the objectives established under the new priorities and lead to improved environmental outcomes throughout North America.

At the meeting in Mexico in August, Council agreed to a series of kickoff programs in support of its new strategic initiatives. One of these programs was the involvement of all three countries in improving the comparability of GHG emissions data, methodologies and inventories in North America. This program is important because it serves as a precursor to future work, including a cooperative effort between the three countries in their focus on greenhouse gas emissions.

Another area where Council has directed work be done is e-waste (electronic waste—discarded electric and electronic products). The focus is on recycling by small and medium enterprises throughout North America, and on enforcement of the laws addressing the issue of e-waste.

Mr. Lloyd then went on to the project on green building, which focuses on the establishment of regional standards for energy efficiency in commercial buildings. The project includes trilateral cooperation throughout our three countries and is a pathway leading to the harmonization of the standards of the rating systems. Technical workshops will develop regional standards for energy efficiency in commercial and residential buildings.

Then Mr. Lloyd discussed the topic of the North American Pollutant Release and Transfer Register (PRTR), which he described as a flagship initiative of the CEC. He outlined the background surrounding the Taking Stock Online website and the *Taking Stock* report and briefly described the initiatives as they exist within each of the three countries. The *Taking Stock* report for the 2006 data year is planned for release in the next few weeks. Since the Council meeting in August, the Secretariat staff managing the North American PRTR have participated in extensive consultation with stakeholders and officials in both the US and Canada. The online North American Environmental Atlas now incorporates new protected areas across Canada and the United States that are included in an updated release of the Terrestrial Protected Areas 2010 map and database. Of particular interest is the use of the program in detecting land cover changes

and the monitoring of carbon. This is an exciting development that should prove to be very useful in fostering cooperation between our three countries. This initiative may very well have both national and global significance.

Mr. Lloyd concluded his presentation by noting that the areas that he described were only a partial list of the work that has gone on at the CEC since the last meeting in August. He said that he was more than willing to answer any questions and with that he turned the podium over to the Chair.

The Chair thanked Evan Lloyd for his presentation. He asked him if he could elaborate on the development of the operational plan and describe the progress that has been made.

Mr. Lloyd replied that the Parties had directed that the operational plan become a multi-year plan in the future. It is therefore expected that over the period of 2011 and 2012 a set of plans encompassing a much larger time frame than previously covered would need to be developed. Given the imminent adoption of a new strategic plan, Mr. Lloyd anticipates that the Parties would want to take a little bit more time in working with the officials to ensure that the CEC has a robust set of two-year plans under which to move forward. There are discussions underway on how best to accomplish this but he does not expect to see an operational plan that is specific to 2011 in the near future.

<u>Question/Comment</u>: Mr. Lloyd was asked if he could describe the degree of progress of the projects that had been approved under NAPECA. He was also asked about the update of the Atlas with respect to protected areas and was queried whether there were updates that were specific to Mexico. A member of the audience asked if he could provide an update on the issue of the citizen submission process and factual records. Another question asked if the transportation study took into consideration waterborne transportation.

<u>Response</u>: Mr. Lloyd replied that the projects that were underway under NAPECA were not handled in the traditional way. They came up through expression of need, through the Parties. He expects that the process for submission and selection will be defined in the next set of operational plans.

He then went on to state that he could assure everyone that the Mexican participants were solid partners in the protected areas initiative, but the Atlas update doesn't include protected areas from Mexico.

With respect to the status of the citizen submissions, there are 13 submissions currently under review. Three submissions are in the process of having a determination made and there are four files that the CEC has recommended for development of factual records.

Finally, with respect to the report on freight and transportation, there is some reference to waterborne transportation but its main focus is on modal shifts and land transportation.

<u>Question/Comment</u>: Could you provide us with a little history on why the previous grants program was phased out and how the new program is different? My other question has to do with

the Atlas and to what extent it will serve as establishing baseline data. My final question is, with respect to the citizen submissions, whether or not the submission on the tar sands is one of the 13 submissions that are being handled by the CEC.

<u>Question/Comment</u>: At some future date could you walk us through the Atlas and some of the other work that you have done. With regard to freight transportation, will you incorporate the harmonization of the border procedures between the three countries into the transportation initiative? Finally, can you report on how well the three countries have done on climate change since the three leaders made their strong declaration to address this issue at the meeting in Guadalajara?

<u>Response</u>: With respect to the question about the former grant program, basically it was the victim of a financial squeeze. In light of other priorities it was not feasible to continue the program at the level that it was operating. The current proposal is designed to support community-based activity, with an eye to supporting Council's three priorities in the Strategic Plan. The specific criteria by which the grants are to be approved are yet to be defined.

In terms of the baseline question, your observation is correct. This is an area of consistent information that is core to a number of areas that will assist the CEC in bringing together people who will be able to agree on what the benchmark is and what measures should be put in place.

In terms of the question on the oil sands, we received a submission earlier this year and it remains an active file.

The transportation report has not been released yet. We'll have to wait and see. Clearly the issue of the borders is extremely important and it is recognized to be a significant chokepoint, from an environmental perspective. Security is a paramount concern that affects the transportation sector.

In terms of the North American leaders' commitment, I am told they will report out in February. Time will tell but I am confident that there are at least two or three areas that have progressed at the direction of Council in response to the declaration that you referenced.

The Chair pointed out that for the second part of the morning we had planned a roundtable discussion and that the discussion currently underway is accomplishing just that. He stated that he would continue with the questioning with the understanding that we are moving in to the second part of the morning session.

<u>Question/Comment</u>: It is a pleasure to have a meeting such as this with the NAC and the GAC from the United States. I would hope that the next meeting will include the NAC and the GAC from Canada and Mexico also. What can we do within the three countries to stress the effective enforcement of environmental laws? Specifically with respect to Mexico, we have significant problems with the effective enforcement of the laws and the deterioration of our environment.

<u>Question/Comment</u>: What we have been hearing with respect to the citizen submissions process are excuses as to why the process is taking so long. There is very little acknowledgment of the

harm that those delays are causing. I think we have a very serious problem and we are setting a very bad precedent. I wonder if you could provide us with your perspectives on this.

<u>Response</u>: There has been over the last five years a very significant amount of activity in the general area of enforcement. This is true for judicial training, the training for wildlife enforcement officers, hazardous-waste enforcement, and ozone-depleting substances.

With respect to the points that were raised regarding the citizen submission process, it is true that there are measurable delays and outstanding decisions. I do appreciate the fact that the Secretariat plays a role in these delays. However, there may be points that I am not aware of and because of that I am not in a position to say that the delays were not necessary or not in the full interest of determining the facts. We are all focused on doing a better and faster job. The Parties have asked us to look at this in the course of the governance proposal that JPAC is currently delivering. I look forward to working with you and the Parties in modernizing that procedure.

<u>Question/Comment</u>: North America has been asked to be clearer on strategies regarding climate change. Is the CEC involved in the COP 16 meeting [the 16th session of the Conference of the Parties to the United Nations Framework Convention on Climate Change]? What the CEC is doing in this regard is relevant and I would like to know whether this CEC's activities are being taken into account.

<u>Question/Comment</u>: I would be interested in knowing some of the details that you might have been considering to modernize the SEM [Citizen Submissions on Enforcement Matters] process. My second question is, how much money is being allocated to the community grants program? Where is that money coming from? What is your sense of the adequacy of the budget?

<u>Response</u>: With respect to the climate change initiatives, one of the strategic priorities that the Council has articulated is precisely in the area of climate change and low carbon economies. The work on greening the economies of North America is highly relevant in this regard. In terms of COP 16, which is coming up next month, the short answer is no, we are not attending. We of course will be ready to support our Ministers and will be responsive to the outcomes.

In terms of the SEM process, one such initiative is an online submission form that will take much of the ambiguity currently experienced by submitters out of the process. This will expedite the completion of the submission itself and eliminate many of the errors that cause so many of the delays. That is one example that I'm confident that we can implement in very short order.

With respect to the budgets and the grants program, I cannot tell you that. The budget for 2011 and 2012 will be determined by the Parties. I do not know what the portion applicable to the grants program will be. On the issue of the budget in general, the allocation is 3 million dollars per country per year. We are looking at everything we can do to reduce our operating and overhead expenses and to be as efficient as possible.

<u>Question/Comment</u>: With respect to the Atlas, are there overlays that focus on specific areas of the border? Many of our tribes are subsistence tribes and are dependent upon the migration of animals and birds. Do the maps show the migratory patterns of the animals that are so important

to our tribes? Does the Atlas deal with species at risk? Couldn't some of the budget surplus be used to commission a tar sands investigation into migratory patterns and species at risk?

<u>Response</u>: With respect to the Atlas focusing on specific areas of the border, our maps are totally without borders. While borders are important from a jurisdictional perspective, the whole purpose of Atlas is to look at the environment as a North America environmental region. There are data within eco-regions that will provide you with information that you can use to determine variances. With respect to migration, I don't believe there is a layer in the Atlas that provides a focus on this. There is a list of species of concern that has been agreed to within three countries but I do not know what is contained in it. In terms of allocating additional money to the project that you have defined, the allocation of work is the determination of the Council. You are certainly free to address your concerns to the US government in your case and they in turn may seek to pursue that at the level of the Council.

The Chair thanked all for their participation and stated that we would now turn to opening comments from each of the Chairs of the NAC and the GAC.

Joint Meeting with Representatives of the US National and Governmental Advisory Committees

Karen Chapman from the National Advisory Committee stated that she was privileged to be part of this JPAC meeting and that the synergies from the meeting had enriched the members of the NAC and the GAC. She hopes that we would be able to do this again and she would encourage everyone to try to make that happen. It would be helpful to hear from the Mexican and the Canadian equivalents. Several of the questions and the responses were very reflective of the issues that had been put forth by the NAC to the EPA over the recent past.

To contribute to this session, she suggested that she go over a few of the points contained in the NAC's Advice letter dated October 2009. She began by reviewing the draft governance proposal drawn up to reflect the Ministers' commitment to renew, revitalize and refocus the CEC. From the NAC's perspective, the Parties will need to define and agree on the scope of the technical, administrative and operational support they want provided by the Secretariat. The NAC agrees with the objectives and the rationale presented in the draft governance proposal, which are to examine and adjust the functional model of the Secretariat.

The Advice also commented on streamlining the cooperative work program through an assessment of CEC projects. The reason for recommending this was so that projects would not go on for an indefinite period of time but would be subjected to certain criteria. The NAC had recommended that the grants program be reinstated and was excited to see that the program is back in place.

Ms Chapman went on to say that the NAC has had a number of comments over the years on the modernization of the citizen submission process, or SEM. The NAC believes that the current proposal to overhaul the system fails to capture the concerns adequately and, additionally, mischaracterizes the purpose of this process. The process is not intended to facilitate an understanding of environmental law and enforcement policies, but to motivate the Parties to

better enforce their environmental laws. While staffing levels have sometimes led to delays in the processing of submissions by the Secretariat, the main problem concerning the lack of timeliness of the process lies with the Council. The NAC has repeatedly expressed concerns related to the failure of the Council to respond promptly to recommendations of the Secretariat to prepare factual records.

Moving on to the next point, she pointed out that the NAC was very supportive of the efforts to complete negotiations for a transboundary environmental impact assessment agreement. The NAC understands that the Parties have some disagreements over the scope of a trilateral agreement but it continues to urge creative ways to overcome the differences that still exist. In closing, Ms Chapman offered her hope that this advice will be of use and thanked everyone for the opportunity to speak.

The Chair thanked Karen Chapman for her presentation, adding that the governance document was reviewed in Mexico and was referred back to JPAC by Council to assist in some rewriting. Many of the points that were being addressed by JPAC in the rewrite are similar to the points that Ms Chapman raised her presentation. He then turned the floor over to Jeffrey Wennberg for comments on behalf of the GAC.

Mr. Wennberg began his presentation by stating that the central focus of the GAC's most recent Advice letter was the issue of improving the accountability and transparency of the CEC and the issue of improving the CEC's ability to manage projects. These are important to the allocating of resources to changing and evolving priorities. One of the GAC's recommendations was to explicitly relinquish the Puebla declaration, due to the new priorities.

Another recommendation of the GAC was to limit the number of projects undertaken by the Secretariat. It is necessary to have some discipline in deciding which projects would need to be concluded or set aside to make room for ones that embrace new and emerging priorities. The GAC has given consideration to limiting the nature of the projects. Mr. Wennberg asserted that those projects that the Parties are undertaking unilaterally should not be undertaken by the CEC and that the GAC had carried out an analysis of the various projects and submitted it in its Letter.

The GAC has decided not to comment on the governance proposal, maintaining that governance is an internal matter. However, it did take the opportunity to recommend some items considered important from its perspective, such as the setting of measurable goals and addressing the lack of continuity of the term of the executive director. The GAC did review the draft operational plan for 2010 and shared the concerns that Council voiced regarding its approach. Mr. Wennberg was pleased that many of the items that were voiced as concerns appear to be being addressed. The GAC recommends that the surplus funds be applied to community grants and fully understands that the issue of community grants is being developed as we speak.

Mr. Wennberg ended his presentation by asking whether the CEC accepts third-party funding from foundations and other organizations, and whether the CEC could be the recipient of supplemental projects in lieu of financial funding.

<u>Response</u>: Mr. Lloyd replied to the first question by stating that yes, the CEC can receive and has received support from foundations and third parties. With respect to the second question, the CEC is the recipient of generous in-kind support from both federal and state-level governments. The contribution of expertise, time and facilities is significant at both the provincial and state level.

The Chair observed that a number of issues that have been raised by previous Advices have actually come into being. For example, the number of projects has been narrowed, the outcomes of the projects have been focused to reflect the strategic priorities, and the community projects have been reinstated.

Dialogue and general discussion followed, regarding the utility of having future meetings with the NAC and the GAC in attendance, the issue of public engagement, and the generation of Advice. It was considered important to get closer to the North American public in a way to leverage collective outcomes and efforts. Partnering with North American universities was considered an example worthy of further consideration.

Other discussion took place regarding the repetitive nature of many of the issues that have been under consideration for several years. It was considered important that some of the issues being looked at in terms of their effectiveness had languished significantly. It was suggested that if we collectively could not increase their effectiveness, they should be considered for abandonment. Some discussion took place as to why there is a surplus, given the magnitude of the environmental challenges faced by our three governments. It was also considered important to take whatever measures are necessary to revitalize the transboundary environmental impact assessment process. The question arose as to whether or not the budget surplus could be applied to interveners who could analyze large projects that have transboundary environmental impacts.

Significant discussion took place around the ability of the CEC to influence and provide support to the public. Frustration was voiced over the fact that the CEC is not very well known though the work is very important. The CEC has a great deal of knowledge that could be passed on if the public only knew of its existence. Dialogue took place on external sources of funding and how to stretch the CEC's current budget. It was suggested that perhaps the CEC should come up with a very ambitious plan and see what Council and the Parties do with it when they see the potential for phenomenal outcomes. Indigenous communities were discussed. It was suggested that indigenous communities in many respects are the most vulnerable communities and that perhaps meetings such as this could take place in aboriginal locations, in order to encourage local participation. This would also contribute to the public's knowledge and expand the CEC's outreach. It was suggested that the issues such as these be considered when measuring success.

Closing Remarks, by Glen Wright, JPAC Chair

Prior to adjournment, the Chair summed up the efforts of the last two days, remarking that everyone considered the outcomes significant. He said that before adjournment he had one last pleasant task and that was to announce the new 2011 Chair for JPAC, who is Dr. Irasema Coronado. Mr. Wright gave a brief description of her distinguished background and expressed his delight at her agreeing to serve. He then thanked his colleagues on JPAC and the staff of the

CEC for their considerable efforts in pulling all of this together, noting that JPAC members had committed many hours of work toward the task. He wished everyone a safe journey back home and adjourned the public session.



Commission for Environmental Cooperation (CEC) of North America

Joint Public Advisory Committee (JPAC) Regular Session 10-03

16-17 November 2010

Astor Crowne Plaza 739 Canal Street New Orleans, Louisiana, US Tel. 504.962.0500 • Fax: 504.962.0503

Draft Provisional Agenda

Tuesday 16 November 2010

8:00-9:00	Registration of Participants – Foyer Grand C Room		
9:00-12:00	Greening the Economy in North America – <i>Grand C & D Room</i>		
	9:00–9:05	Welcoming remarks by Glen Wright, JPAC Chair	
	9:05–9:25	What Do We Mean by Greening the Economy? by Stewart Elgie, Founder and Chair of Sustainable Prosperity	
		Introductory remarks by Irasema Coronado, JPAC Member for the United States	
	9:25-10:20	Question and Answer Period	
	10:20-10:35	Break	
	10:35-11:00	Transboundary Environmental Impact Assessment: A Tool for Green Development , by Dinah Bear, Attorney at law, Washington, D.C.	
		Introductory remarks by Geoff Garver, JPAC Member for the United States	
	11:00 - 12:00	Question and Answer Period	
12:00-13:30	Lunch Presentation by John Francis, Founder of Planetwalk – <i>Grand A & B Room</i> Introductory remarks by Jonathan Waterhouse, JPAC Member for the United States		

13:30 - 14:30	Innovations in	Greening the	North A	American Economy

Moderator: Diane Takvorian, JPAC Member for the United States

Green Supply Chains by Alejandro Romay, Environmental
Manager, Grupo JUMEX
Green Buildings by Linda Stone, Policy Associate, Global
Green USA
Urban Agriculture by David Abazs, Senior Fellow,
Agricultural and Natural Resource Sciences for the University of
Minnesota14:30-16:00Question and Answer Period16:00 – 16:45JPAC discussion on a potential advice to Council16:45 – 17:00Wrap-up by the JPAC Chair Glen Wright

17:00 End of session

Wednesday	17	November	2010
,, cancoudy	. .,	1 (O / Childer	

9:00-13:00	JPAC Regular Session 10-03 (with the public as observers) – <i>Grand C & I</i> <i>Room</i>		
	9:00–9:05	Overview by Glen Wright, JPAC Chair, and approval of the provisional agenda	
	9:05 - 9:20	Report by Evan Lloyd, CEC Executive Director, on CEC developments since the last JPAC Meeting	
	9:20-11:20	Joint meeting with the National and Governmental Advisory Committee representatives	
	11:20-11:30	Break	
	11:30-12:30	JPAC Follow-up and administrative matters a) JPAC priorities for 2011 and next meetings	
	12:30- 13:00	Observer' comments	
	13:00	End of session	

Annex B

Joint Public Advisory Committee Regular Session 10-03 Greening the Economy in North America New Orleans, LA 16 - 17 November 2010

Participants List

PARTICIPANTS

Ball, Frederic

Principal Waggonner & Ball Architects New Orleans, LA Tel : 524 5308 e-mail : mac@wbarchitects.com

Barreto Sanchez, Jorge Luis

Ingeniero, MSST Lima, Peru Tel : 0051 1 4672529 Fax : 0051 1 2578144 e-mail : jbarretosanchez@yahoo.es

Beaton, Archie

Executive Director Chlorine Free Products Association Algonquin, IL Tel : 847 254 2605 Fax : 847 658 3152 e-mail : archie@chlorinefreeproducts.org / heather@chlorinefreeproducts.org

Bent, Tim

Director, Environmental Affairs Bridgestone Americas Nashville, TN Tel : 615 937 1426 Fax : 615 937 1490 e-mail : benttim@bfusa.com

Bernal, John

Deputy County Administrator Pima County, Arizona Tucson, AZ Tel : 520 740 8480 Fax : 520 838 7429 e-mail : john.bernal@pw.pima.gov

Bustamante, Diana

Executive Director Colonias Development Council Las Cruces, NM Tel : 575 647 2744 Fax : 575 647 1462 e-mail : dbustamante@zianet.com

Carbajal, Salud First District Supervisor Santa Barbara County Santa Barbara, CA Tel : 805 568 2186 Fax : 805 568 2534 e-mail : supervisorcarbajal@sbcbos1.org

Carrillo, Oscar

NAC/GAC Manager U.S. EPA Washington, DC Tel : 202 564 0347 e-mail : carrillo.oscar@epa.gov

Chapman, Karen

Great Lakes Regional Director Center for Conservation Incentives 223 North Union Street Delaware, OH Tel : 740 363 8269 e-mail: kchapman@edf.org

Coffey, Jane Carroll

Finance Officer Joan Mitchell Foundation Brooklyn, NY Tel : 212 524 0100 e-mail : jcafe@earthlink.net

Cook, Kirk

Chief Environmental Scientist Washington Department of Agriculture Olympia, WA Tel : 360 791 3382 e-mail : kcook@agr.wa.gov

Correa, Sylvia

CEC Team Leader U.S. Environmental Protection Agency 1300 Pennsylvania Ave. N.W. Washington, DC Tel.: 202 564 6443 Fax: 202 565 2411 e-mail: correa.sylvia@epamail.epa.gov

Dorsey, Michael

Professor Dartmouth College Hanover, VA Tel : 603 646 0544 Fax : 603 646 1682 e-mail : michael.dorsey@dartmouth.edu

Featherman, Barry

Executive director The Global Center for Development & Democracy 505 9th Street, N.W. Suite 1000 Washington, DC Tel : 202 776 7800 e-mail: BFeatherman@inter-american.org

Gallagher, Kevin P.

Associate Professor Department of International Relations Boston University 156 Bay State Road Boston, MA Tel : 617 353 9348 e-mail : kpg@bu.edu

Gallegos, Karen

Division Director New Mexico Environment Department 525 Camino de los Marques, Suite 4 Santa Fe, NM Tel : 505 476 8611 e-mail : KarenE.Gallegos@state.nm.us

Goodmann, Therese Assistant City Manager City of Dubuque Dubuque, IA Tel : 563 564 9126 e-mail : tgoodman@cityofdubuque.org

Houseal, Brian Executive Director Adirondack Council Westport, CT Tel : 518 873 2240 e-mail : bhouseal@adirondackcouncil.org

Jones-Jackson, Cynthia

Acting Director Office of Federal Advisory Committee Management and Outreach U.S. EPA, Office of the Administrator Washington, DC Tel : 202 564 2321 Fax : 202 564 8129 e-mail : jones-jackson.cynthia@epa.gov

Joyce, Mark

Acting Designated Federal Officer Good Neighbor Environmental Board U.S. Environmental Protection Agency Office of Federal Advisory Committee Management and Outreach 1200 Pennsylvania Avenue, N.W. Washington, DC Tel : 202 564 2130 e-mail: joyce.mark@epa.gov

Kennedy, Lynn

Professor Louisiana State University AgCenter Baton Rouge, LA Tel : 225 578 2726 Fax : 225 578 2716 e-mail : lkennedy@agcenter.lsu.edu

Knudson, Dean

Director General, Americas Environment Canada 200 Sacré Coeur Blvd. Gatineau, Québec Tel: 613 695 5590 e-mail : dean.knudson@ec.ge.ca

Lozano, Raymond

Executive Director, Michigan Hispanic Chamber of Commerce Detroit, MI Tel : 313 962 8600 Fax : 313 962 8602 e-mail : lozano_r@sbcglobal.net

Markell, Dave

Professor, Florida State Univ. College of Law Tallahassee, FL Tel : 850 907 2041 e-mail : dmark123@comcast.net

Marshall-Waterhouse, Mary

725 Christensen Drive, Suite 3 Anchorage, AK Tel: (907) 258 3337

Martinez, Cecilia R.

Associate Research Professor Center for energy and Environmental Policy University of Delaware 278 Graham Hall Newark, NW Tel : 302 831 3232 e-mail : cmart@udel.edu

Mould, Roy

President and CEO Merides Business Solutions 240 Broadway Avenue – No. 7 Toronto, Ontario Tel: 416 356 4240 e-mail: rmould@rogers.com

Mould, Judy 240 Broadway Avenue – No. 7 Toronto, Ontario Tel: 416 488 7753

Pastor, Robert

Professor and Director Center for North American Studies American University Washington, DC Tel : 202 885 1520 e-mail : rpastor@american.edu

Romero-Lizana, Ana

Director International Business Development World Trade Center Saint Louis St Louis, MO Tel : 314 615 8123 Fax : 314 615 8140 e-mail : aromero@worldtradecenter-stl.com

Rosson, III, Claude Parr

Professor Texas AgriLife Extension Service Texas A&M College Station, TX Tel : 979 845 3070 e-mail : prosson@tamu.edu

Rubinstein, Carlos

Commissioner Texas Commission on Environmental Quality Austin, TX Tel : 512 239 6018 e-mail: crubinst!tceq.state.tx.us

Rush, Thomas

Director Greater New Orleans, Inc. New Orleans, LA Tel : 504 527 6978 e-mail : trush@gnoinc.org

Serrato, Carola Executive Director South Texas Water Authority Kingsville, TX

Tel : 361 592 9323 Fax : 361 592 5965 e-mail : cserrato@stwa.org

Sherer, Tim Associate Director EPA Office of Federal Advisory Committee Management and Outreach Washington, DC Tel : 202 564 6486 e-mail : sherer.tim@epa.gov

Small, Gail

Exec. Director Native Action Lame Deer, MT Tel : 406 477 6390 Fax : 406 477 6421 e-mail : gailsmall001@aol.com

Trujillo, Octaviana

Professor Northern Arizona University Pascua Yaqui Tribe Flagstaff, AZ Tel : 928 523 8788 e-mail : octaviana.trujillo@nau.edu

Vintze, Roger

Performance Manager Department of Toxic Substances Control El Centro, CA Tel : 760 339 2777 Fax : 760 352 1641 e-mail : rvintze@dtsc.ca.gov

Wagner, Gerald

Director Environmental Program Blackfeet Tribe 457 Hospital Road Browning, MT Tel : 406 338 7421 e-mail: gwagner@3rivers.net

Wennberg, Jeffrey

Chair US Government Advisory Committee Rutalnd, VT Tel : 802 793 5345 e-mail : jeff7297@comcast.net

SPEAKERS

Abazs, David

Farmer & Senior Fellow College of Agriculture Systems Round River Farm & University of Minnesota Finland, MN Tel : 800 909 6472 Fax : 218 353 7762 e-mail : abazs@round-river.com

Bear, Dinah

Attorney at law Washington, DC Tel : 292 906-9407 e-mail : bear6@verizon.net

Elgie, Stewart

Professor of law and Economics University of Ottawa Ottawa, Ontario Tel : 613 562 5800 x 2525 e-mail : selgie@uottawa.ca

Francis, John

Planet Walk Cape May, NJ Tel : 609 884 2687 Fax : 609 884 2687 e-mail : john@planetwalk.org

Romay Romero, Luis Alejandro

Gerente de Seguridad y Ecología Grupo Jumex Ecatepec, México Tel : 5 836 99 99 ext 20620 Fax : 5 836 9999 e-mail : aromay@jumex.com.mx

Stone, Linda

Policy Associate Global Green USA New Orleans, LA Tel : 504 525 2121 x 186 Fax : 504 525 2122 e-mail : lstone@globalgreen.org

JPAC MEMBERS

Alanís-Ortega, Gustavo

President Centro Mexicano de Derecho Ambiental Atlixco No. 138 Colonia Condesa México, D.F. 06140 México Tel: 555 286 3323 ex.13 e-mail: galanis@cemda.org.mx

Angove, Linda

3045 New St., #60 Burlington, Ontario L7N 3V9 Tel.: (905) 634 7377 e-mail: lm.angove@rogers.com

Coronado, Irasema

Associate Provost University of Texas at El Paso 500 W. University Blvd. El Paso, Texas 79968 Phone: 915 747 5725 e-mail: ICoronado@utep.edu

Correa Sandoval, Adriana Nelly

Profesor Investigador Centro de Calidad Ambiental - ITESM Campus Monterrey Bureau 2121 Monterrey, NL 64849 México Tel: 52 818 328 4032 Fax: 52 818 359 6280 e-mail: ancs@itesm.mx

Hearn, Tim J.

Hearn & Associates #3840, 855 - 2nd St. SW Bankers Hall East Calgary, AB T2P 4J8 Phone: (403) 508-1940 Fax: (403) 508-1954 e-mail: t.hearn@telus.net

Garver, Geoffrey

Independent Consultant & Adjunct Law Professor University of Montreal & Laval Universities 20 rue des Soeurs Grises #106 Montreal QC H3C 5M1 Tel: (514) 582 0929 e-mail: gginmont@sympatico.ca

Gutiérrez Lacayo, Martín

Director General Pronatura México, A. C. Aspérgulas 22 (antes Pino) Col. San Clemente México, D.F. 01740 México Tel: 555 635 5054 e-mail: martingutierrez@pronatura.org.mx

Lacy, Rodolfo

Coordinador de Programas y Proyectos Centro Mario Molina Paseo de los Laureles 458, despacho 406 Col. Bosques de las Lomas México, D.F 05120 México Tel: 559 177 1670 e-mail: rlacy@centromariomolina.org

Sandoval, Carlos

President Consejo Nacional de Industriales Ecologistas Gabriel Mancera No. 1141, Col. del Valle México, D.F. 03100 México Tel: 52 555 559 3611 Fax: 52 555 575 2337 e-mail: ecologia@conieco.com.mx

Takvorian, Diane

Executive Director Environmental Health Coalition 2727 Hoover Ave., Suite 202 National City, CA 91950 Tel.: (619) 474 0220 Fax: (619) 474 1210 E-mail: DianeT@environmentalhealth.org

Waterhouse, Jonathan

Alaska Region Director Yukon River Inter-Tribal Watershed Council 725 Christensen Drive, Suite 3 Anchorage, AK 99501 Tel: (907) 258 3337 e-mail: jwaterhouse@yritwc.org

Wright, Glen

Chairman PrinterOn Corporation 221 McIntyre Drive Kitchener, ON N2R 1G1 Canada Tel: 519 504 5363 e-mail: gwright@gpark.ca JPAC Chair for 2010

CEC STAFF

Anghel, Cezar Network Administrator Commission for Environmental Cooperation 393, rue St-Jacques Ouest, suite 200 Montreal, QC H2Y 1N9 Canada Tel: 514 350 4300 Fax: 514 350 4314 e-mail: canghel@cec.org

Lloyd, Evan

Acting Executive Director / Director of Programs Commission for Environmental Cooperation 393, rue St-Jacques Ouest, suite 200 Montreal, QC H2Y 1N9 Canada Tel: 514 350 4300 Fax: 514 350 4314 e-mail: mvulpescu@cec.org

Morin, Jocelyne

JPAC Assistant Commission for Environmental Cooperation 393, rue St-Jacques Ouest, suite 200 Montreal, QC H2Y 1N9 Canada Tel: 514 350 4300 Fax: 514 350 4314 e-mail: jmorin@cec.org

Orozco, Marcela

JPAC Liaison Officer Commission for Environmental Cooperation 393, rue St-Jacques Ouest, suite 200 Montreal, QC H2Y 1N9 Canada Tel: 514 350 4300 Fax: 514 350 4314 e-mail: morozco@cec.org

Paz-Miller, Liliana

Meeting Services Coordinator Commission for Environmental Cooperation 393, rue St-Jacques Ouest, suite 200 Montreal, QC H2Y 1N9 Canada Tel: 514 350 4300 Fax: 514 350 4314 e-mail: lpmiller@cec.org

Powell, Keith

Program Manager, Information Services Commission for Environmental Cooperation 393, rue St-Jacques Ouest, suite 200 Montreal, QC H2Y 1N9 Canada Tel: 514 350 4300 Fax: 514 350 4314 e-mail: kpowell@cec.org

Viadas, Eduardo

Media liaison Commission for Environmental Cooperation 393, rue St-Jacques Ouest, suite 200 Montreal, QC H2Y 1N9 Canada Tel: 514 350 4331 Fax: 514 350 4314 e-mail: eviadas@cec.org

LOGISTICS

Antunez, Gloria Interpreter, Boadella English Services e-mail: boadella@terra.com.mx

Boadella, Rosa María Interpreter, Boadella English Services e-mail: boadella@terra.com.mx

Cerf, Edna Interpreter, Boadella English Services e-mail: boadella@terra.com.mx

Copeland, Matthew Technician, ISI Global Webcasting

Levesque, Helene Interpreter, Boadella English Services e-mail: boadella@terra.com.mx