

## PROJECT PROPOSAL

1. **Project name:** Reducing Emissions from Goods Movement via Maritime Transportation in North America (Phase III)
2. **Two-year budget:** C\$250,000
3. **Short statement of the need identified (including current status), the project objective and outcomes (achievable by June 2019) to address it:** Maritime emissions significantly impact air quality, human health and environmental quality. Phase I of this project showed that reducing these emissions in Mexico would prevent thousands of premature deaths and greatly reduce related health care costs. This project supports Mexico's implementation of Annex VI of the International Maritime Organization (IMO)'s Convention for the Prevention of Pollution from Ships (Marpol) and its creation of an Emission Control Area (ECA) similar to those established by Canada and the United States. The project builds on trilateral development under OP15-16 of a strategy to implement Annex VI and approve and submit a final Mexican ECA designation proposal to the IMO (expected in 2018). Building upon the transfer, as of June 2017, of responsibility and capacity for implementing Marpol from Mexico's *Secretaría de Comunicaciones y Transportes* (SCT, Transport and Communication Ministry) to the *Secretaría de Marina* (Semar, Ministry of the Navy), the project also will provide Mexico with Canada-US guidance on Annex VI and ECA implementation and compliance assurance matters.
4. **Select the strategic priority(ies) that the project addresses:**

2015–2020 Strategic Priorities	Priority Areas
<input checked="" type="checkbox"/> Climate Change Mitigation and Adaptation <input checked="" type="checkbox"/> Green Growth <input checked="" type="checkbox"/> Sustainable Communities and Ecosystems	<input type="checkbox"/> Trade and the Environment (e.g., environment and innovations; movement of environmental goods and services)
	<input type="checkbox"/> Methane emissions reduction
	<input type="checkbox"/> Reduce and recover food waste
	<input type="checkbox"/> Black carbon inventory
	<input type="checkbox"/> Priority species and ecosystems (e.g., transboundary invasive alien species)
	<input type="checkbox"/> Health of oceans (e.g., marine litter; ocean acidification; marine protected areas)
	<input type="checkbox"/> Syndromic surveillance systems
	<input checked="" type="checkbox"/> Mexican Emissions Control Area (ECA)
	<input type="checkbox"/> TEK case studies

**5. Explain how the project can achieve more impact by working trinationally, and why the CEC is the most effective vehicle to undertake this work:**

With Mexico's expected ratification of Annex VI in 2017, the project will facilitate the review, finalization and submission of Mexico's ECA designation proposal to the IMO, including through transfer of US-Canada guidance. The project will also help build the capacity of Semar to implement and assure compliance with Annex VI and ECA provisions. Compared to a patchwork of national standards, trilateral cooperation through the CEC will result in consistent maritime air pollution standards across North America, greater human health and environmental benefits, and a level playing field for the maritime transport sector.

**6. Describe how the project may capitalize on, or advance, the relationship between ecosystems, job creation, gender impacts, and income generation:**

Previous work under this project estimated that establishing a Mexican ECA would significantly reduce emissions from ships in Mexican waters of nitrogen oxides [NO<sub>x</sub>] by 80%, sulfur oxides [SO<sub>x</sub>] by over 90%, and particulates by over 80%. Such reductions would improve ambient air quality and lead to fewer adverse impacts on environmental quality and human health (including an estimated 35,000 lives saved annually by 2030) throughout Mexico. The avoided adverse human health impacts would enhance productivity by reducing work and school absences, as well as health care costs. Implementation of Annex VI and establishing an ECA would also improve ecosystem features (e.g., coral reefs), moderate the burden imposed by poor air quality on low income communities, pregnant women and people with health issues, create employment and income generation opportunities (e.g., related to ship services, tourism, potential entry of Mexico into the market for compliant marine fuels), and support other national efforts to improve air quality.

**7. List the objectives and activities to be conducted to achieve measurable results:**

<b>Objectives (must be SMART<sup>1</sup>)</b>	<b>Main activities to achieve objectives (by 30 June 2019)</b>	<b>Measurable results</b>
By 30 June 2019:  Identify needs, share information, and build	Conduct workshops and/or meetings with Semar and other key Mexican stakeholders to identify needs for capacity-building.	A final Annex VI and ECA implementation plan for Mexico is completed.

<sup>1</sup> SMART: Specific, Measurable, Achievable, Realistic and Time-bound

<p>essential capacity for relevant agencies to implement, monitor compliance with, and enforce Annex VI and an ECA in Mexico.</p> <p>Support Mexican government approval of a final ECA designation proposal and submission of the proposal to the IMO Marine Environment Protection Committee (MEPC).</p>	<p>On the basis of the strategy outlined in the white paper developed in Phase II, develop a Marpol Annex VI implementation plan for Mexico, including roles and responsibilities, identified needs and objectives for capacity building for Semar, regulatory framework development, timeline for submission of an ECA proposal to IMO, etc.</p> <p>Share with key Mexican agencies, and demonstrate, US and Canadian guidance and other reference materials (certification programs under Marpol Annex VI, etc.)</p> <p>Facilitate initial discussions to develop a trilateral compliance assurance coordination network.</p> <p>Cooperate trilaterally to review and finalize an ECA designation proposal, facilitate outreach (e.g., to neighboring countries and members of the Viña del Mar Agreement), and develop a joint presentation of the ECA proposal and talking points for use at IMO MEPC sessions.</p>	<p>Mexico submits its ECA designation proposal for IMO MEPC consideration (expected in 2018).</p>
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- 8. Describe how the project complements or avoids duplication with other national or international work:** This project relates directly to the statement made by the North American leaders at their Summit, held 29 June 2016 in Canada, wherein they agreed to continue the collaboration between Mexico, the United States and Canada to “support implementation of a North American Emission Control Area that includes Mexico.” The project is expected to enhance the ability of the three nations to monitor and assure compliance with Marpol Annex VI and ECA requirements by all ships in their waters, not just those that call at their ports. It complements Mexico’s efforts to control marine pollution, its publication and implementation of a new national fuel quality standard (NOM 016), and its high-level commitment through the Inter-ministerial Commission for Oceans and Coasts (Cimares) to ratify Annex VI and establish an ECA.
- 9. Describe opportunities for inclusion of traditional ecological knowledge (TEK), if applicable, and how these opportunities are incorporated into the project:**  
N/A

- 10. Describe opportunities for youth engagement, if applicable, and how these opportunities are incorporated into the project:**  
N/A
- 11. List significant involvement of other levels of government, Indigenous groups, local communities, experts, private sector, civil society and others, as applicable:** The project will work with various levels of government and other stakeholders in Mexico, including maritime transportation industries and maritime services (CAMEINTRAM, AMISBAC, AMANAC, TMM, Maersk and others), ports and local communities, especially in port areas and cities, civil society and other vulnerable groups.
- 12. Identify relevant committee members and their federal agencies in each country committed to developing this project, and implementing it, if approved:**  
Canada: Naomi Katsumi, Transport Canada  
Mexico: Salomón Díaz, Semarnat; TBD, Semar; TBD, SCT.  
United States: Angela Bandemehr, EPA.