



**ALIANZA MÉXICO-CANADÁ**  
**CANADA-MEXICO PARTNERSHIP**  
**PARTENARIAT CANADA-MEXIQUE**

REPORTE ANUAL  
ANNUAL REPORT  
RAPPORT ANNUEL

**2010-2011**

Este Informe se presenta en tres idiomas, inglés, español y francés, siendo igualmente válidos. En caso de diferencias en la interpretación, se utilizará como guía la versión en español.  
Este informe cubre el período de abril de 2010 a abril de 2011.

This Report is presented in three languages, English, Spanish and French, all of which are equally valid. In case of differences, the Spanish version should be used to guide the interpretation of the text.  
This Report covers the time period of April 2010 to April 2011.

Ce rapport est publié en anglais, en français et en espagnol, les trois langues étant également valables. S'il y a des différences entre les trois versions, la version espagnol devrait être utilisée pour guider l'interprétation du texte.  
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## MESSAGE FROM THE CANADA-MEXICO PARTNERSHIP NATIONAL CO-CHAIRS

*We are pleased to present the 2010-2011 Annual Report of the Canada-Mexico Partnership (CMP), which provides a summary of activities, major developments and achievements under this important bilateral mechanism, during the past year.*

*Since its creation in 2004, the CMP has fostered the expansion of networks between our governments, our business sectors and our academic and research communities, and has created a forum for productive dialogue on vital issues of competitiveness and economic development in both countries. Collaboration, flexibility and the delivery of pragmatic, concrete results remain the goals of the CMP.*

*The CMP continues to prove its value in helping advance Canada-Mexico interests in key sectors which are most relevant in today's economy. CMP achievements over the past year include: increased exchanges on the human capital investments required to meet the needs of the Canada-Mexico advanced manufacturing and mining sectors; the implementation of the Canada-Mexico Youth Mobility Agreement; intensified cooperation to build and exchange firefighting capacity to address challenges in both countries; a mission to Canada by Mexican energy regulators to exchange information with their Canadian counterparts on reforms in this area; and, the showcasing of Canada-Mexico collaboration on zero energy housing at the United Nations Climate Change Conference in Cancun in 2010.*

*The value of the CMP and the engagement of its members were again evident at the mechanism's annual meeting held in Mexico City, Mexico in April 2011. The participation of such a large and committed group in this meeting was a clear signal of the importance our two countries attach, not just to the CMP, but to the continued strengthening of our relationship.*

*We together extend our thanks to all of the working group co-chairs and participants in Mexico and Canada for their commitment and hard work. We look forward to another year of success in 2011-2012.*

**Jon Allen**

*Assistant Deputy Minister for the Americas,  
Ministry of Foreign Affairs and  
International Trade Canada*

**Julián Ventura**

*Undersecretary for North America,  
Secretariat of Foreign Affairs  
Mexico*

## **THE CANADA-MEXICO PARTNERSHIP**

Through more than 65 years of diplomatic relations, Canada and Mexico have shared a dynamic and prosperous relationship as friends, as North American neighbors and as strategic partners in the Americas and beyond.

The CMP was created in 2004 within the context of the 60th anniversary of Canada-Mexico diplomatic relations and the 10th anniversary of the North American Free Trade Agreement (NAFTA). It is based on an equal partnership between Canada and Mexico, and is an alliance spearheaded by senior-level coordinators from both countries.

It is a unique mechanism in that it draws on the best expertise among Mexicans and Canadians, and encourages partnering between the public and private sectors to develop realistic and results-oriented action plans that matter to real people. The engagement of the private sector is crucial to the success of the CMP; building a strong Canada-Mexico relationship serves not just governments, but also entrepreneurs, academics and society in general. Its unique partnering approach draws upon the expertise of those who have been actively engaged in developing Canada-Mexico linkages.

Overall coordination and management of the CMP is led by the foreign ministries of Canada and Mexico. Each Working Group is led by senior Canadian and Mexican decision-makers from the government and the private sector within their specific sectors. Working Groups meet to advance their respective work plans on an as-needed basis.

The CMP has been designed to be fluid and respond to evolving needs and priorities. It can accommodate changes within Working Groups, while also facilitating the creation of new ones as the need arises. When results are accomplished, new priorities and objectives are set. At present, the CMP includes seven working groups covering the following areas:

1. Agri-business
2. Energy
3. Environment and Forestry
4. Housing and Sustainable Communities
5. Human Capital
6. Labour Mobility; and
7. Trade, Investment and Innovation.

## AGRIBUSINES WORKING GROUP

### MEXICAN CO-CHAIRS

#### **Mariano Ruiz-Funes**

Undersecretary of Agriculture  
Secretariat of Agriculture, Livestock,  
Rural Development, Fisheries and Food  
(SAGARPA).

#### **Benjamin Grayeb**

Vicepresident of International Trade  
The National Agriculture Council (CNA)

### CANADIAN CO-CHAIRS:

#### **Steve Tierney**

Deputy Assistant Minister  
Ministry of Agriculture and  
Agri-Food Canada (AAFC)

#### **Ron Bonnett**

Vice-president  
Canadian Federation of  
Agriculture(CFA)

## ***The Year at a Glance***

The Working Group on Agribusiness focuses its efforts on the following subgroups:

1. Livestock and Genetics Subgroup
2. Organic Products Subgroup
3. Oilseeds Subgroup
4. Legumes Subgroup

### ***Success Stories***

- ✓ In the Livestock and Genetics Subgroup, the National Health and Food Safety Service of Mexico (SENASICA) and the Canadian Food Inspection Agency (CFIA) have achieved information exchanges. The industry encouraged their governments to share best practices of corporate and individual efforts in order to strengthen the trilateral efforts in the context of NAFTA.
- ✓ The Organic Products Subgroup agreed to group potential products by segments, and to link the industry to identify market opportunities. It will also produce information of Mexican products with market potential in Canada, and vice versa.
- ✓ The Oilseeds Subgroup agreed that the Canola Council of Canada (CCC) and the Mexican industry will continue with open communication, while also providing contact information of Canadian seed companies to the National Committee on Avocado Products (CONASIPRO).
- ✓ The Legumes Subgroup informed industry of their activities over the year. Students and researchers visited Canada to study bean consumption and their effects on colon cancer. New topics were identified for future exchanges. A Mexican trade delegation traveled to Canada to learn more about the legumes sector to continue with the promotion efforts of various Mexican companies in Canada.

The main results of the 2011 Annual Meeting of the Canada-Mexico Partnership are further explained below:

## **Livestock and Genetics Subgroup**

### 1. Live Sheep and Goats

- The SENASICA and the CFIA have exchanged information. Their last exchange took place on 6 April, 2011.
- Mexico proposed reciprocal conditions on outstanding topics such as: Scrapie, Enzootic Abortion (Chlamydia), Contagious Ecthyma and Shearing.
- The CFIA agreed to respond to SENASICA within one month.
- SENASICA agreed to respond to CFIA within one month following CFIA's response.
- Mexico agreed to comply with this protocol when shipping live sheep and goats to Canada.
- The Scrapie Program in Mexico has recently been employed; it is based on Canadian, American and British programs.
- SENASICA and CFIA will ensure the equivalency of both programs.

### 2. US Transit

- SENASICA and CFIA agreed to discuss issues/topics regarding US Transit at the CVO Trilateral Meeting. SENASICA will inform when and where that meeting will take place.
- The Industries have expressed their desire to discuss US Transit topics at this meeting.
- SENASICA and CFIA will also discuss US Transit topics at the US Animal Health Association (USAHA) Meeting.
- The Canadian Government confirmed that it will take every opportunity to discuss US Transit with their American counterparts.
- The Mexican and Canadian Industries agreed to follow up the US Transit topic and Scrapie regulation in an attempt to gain American support.
- Canada and Mexico recognize that the US rule-making process may delay transit indefinitely.

### 3. Sheep and goats semen and embryos exports from Mexico to Canada

- On 6 April, SENASICA made a proposal to CFIA. The latter will acknowledge the proposal and will provide a date by which a full response will be sent.

### 4. Foot and Mouth Disease (FMD) Strategy

- The Industry urged their governments to enhance both their cooperative and individual efforts in the context of NAFTA.
- Trade negotiations included animal health as well as the economic and social impacts by a potential outbreak of FMD at the US-Mexico border.
- Efforts must be made to recognize regionalization and compartmentalization.
- Vaccination policies need to be clearly defined.
- Exercises must involve all NAFTA partners, including a scenario where one or two of the partners have an outbreak.

- Canada and Mexico recognized that US rule-making will be significant barrier in the process.
- The Industry will continue to advocate in Canada and Mexico, as well as with its U.S. partners.

#### 5. Compatibility of ID Systems

- The Confederación Nacional de Ganadería will work with the Canadian Cattlemen Association in order to achieve compatibility between our livestock ID systems.

### **Organic Products Subgroup**

#### 1. Market Tendency

- There was an agreement to identify market opportunities. Likewise, several potential products will be brought together by segments in order to bind the industry together.
- Generate information of the Mexican products with market potential in Canada (and vice versa).
- The subgroup concluded that the identification of needs and market opportunities will be undertaken by the private sector.

#### 2. Transfer of Technology, Knowledge Management, and Job Opportunities, and the Canada-Mexico Temporary Workers Program.

- A working program will be created which will include regulatory exchange of experiences and knowledge transfer. The topic will be proposed by the private sector.
- Promote a meeting between the SAGARPA representative in Canada and HRSDC in order to deepen the temporary worker program.

### **Oilseeds Subgroup**

Ensure an open channel for direct communication between the Canola Council of Canada (CCC) and the Mexican industry in order to:

- Provide updates on the resolution of the salmonella problem in canola meal shipments to the U.S.
- Provide an information package that includes: difference between canola flour and DDGs; as well as the economic and nutritional benefits of canola flour (including supply).
- Provide information on the benefits of canola oil and flour, which will be disseminated by the Mexican industry to relevant stakeholders. It will also provide contact information of relevant health authorities in order to reach a healthy oil classification.
- Recommend that the Canadian and Mexican governments analyze the impact of the low level presence policy (zero thresholds) in the competitive industries' environment.
- Provide contact information of Canadian seed companies to CONASIPRO for seed planting
- Develop a technical cooperation plan between Mexican and Canadian value chain representatives, including a mission to Canada.

### **Legumes Subgroup**

- Mexico and Canada reported the results of the 2010 Canada-Mexico Partnership to their industry counterparts.
- Through research visits, a group of Mexican students travelled to Canada in order to study bean consumption and its effects on colon cancer. Additionally, a number of steps were taken to identify students and possible exchange programs.
- A Mexican trade delegation visited Canada in February to learn about the Canadian legume sector.
- SAGARPA and Pulse Canada continued working on promotion campaigns to increase bean consumption and its benefits for both industries. Pulse Canada and SAGARPA share marketing information so that each group can learn from each other.

### ***Looking ahead***

Summary:

- The Animal Genetics Subgroup agreed that SENASICA and CFIA will present the US transit topic at the CVO trilateral meeting.
- The Organic Products Subgroup will seek to create a working program that includes regulatory exchange of experiences and transfer of knowledge (the private sector will be in charge of this initiative). A meeting between the SAGARPA representative in Canada and the HRSDC will also be promoted in order to deepen the temporary worker program.
- The Oilseed Subgroup will seek to develop a technical cooperation program between Mexico and Canada, including a mission to Canada.
- The Legumes Subgroup will continue the exchange of research students, and in addition, Mexico is committed to conduct the International Congress of Beans in Durango.



## HUMAN CAPITAL WORKING GROUP

MEXICAN RAPPOORTEUR:

**Octavio Tripp**  
Director General, Technical and  
Scientific Cooperation  
Secretariat of Foreign Affairs  
(SRE)

CANADIAN RAPPOORTEUR:

**Claire Poulin**  
Director, International Education and  
Youth  
Department of Foreign Affairs and  
International Trade  
(DFAIT)

### ***The Year at a Glance***

In Mexico City, on April 8 2011, in the framework of the annual Canada-Mexico Partnership, the Human Capital Working Group held its meeting at the offices of the Secretariat of Foreign Affairs (SRE).

#### ***Success Stories***

- ✓ Information was delivered on the activities that Mexican institutions and their Canadian counterparts have undertaken regarding technical and academic training, student mobility and the signing of agreements, among other aspects, as part of the inventory of activities on human capital between Mexico and Canada which was agreed to during the meeting that took place in 2010 in Niagara-on-the-Lake, Ontario.
- ✓ Information was also exchanged on the Memorandum of Understanding on Youth Mobility signed by Canada and Mexico in May 2010, which entered into force in November of the same year. It was agreed that such mechanisms will facilitate access to cultural exchanges, foster the personal and professional development of youth in both countries and contribute to the strengthening of the quality of human capital activities.
- ✓ In the same manner, both parties delivered concrete proposals with the goal of promoting Canada-Mexico cooperation in higher education, science and technological innovation.

Representatives of the Trade, Investment and Innovation Working Group participated in the meeting of the Human Capital Working Group and synergies in the field of specialized training were discussed.

Finally, the delegations of both countries reasserted their interest in promoting strategies and developing mechanisms which will seek to promote cooperation between Canada and Mexico in science and technology.

## ***Looking Ahead***

1. Facilitate and encourage human capital mobility initiatives in the field of higher education, including those expressed by the parties present at the meeting, i.e. SEP, IPN, UNAM, CONACYT and the State of Jalisco, to establish and develop linkages with their Canadian counterparts, such as institutions, provinces and territories.
2. Update the inventory of activities on human capital between Canada and Mexico that was agreed to during the 2010 meeting in Niagara-on-the-Lake, Ontario, and make it available at the next meeting.
3. Continue to use existing tools, such as the respective scholarship programs, to support initiatives of the Human Capital Working Group, including science and technology initiatives.
4. Foster more Canadian participation in the Youth Mobility Memorandum of Understanding and in existing scholarship opportunities.
5. Continue to support the planning and development of the second and third Conferences of the Americas on International Education to ensure it reaches its objectives and full potential (Brazil 2012, Mexico 2013).

## TRADE, INVESTMENT AND INNOVATION WORKING GROUP

### MEXICAN CO-CHAIRS:

#### **Eduardo Ramos**

Chief of the Coordination Unit for  
International Negotiations,  
Secretariat of Economy (SE)

#### **Arturo Elizaga**

Director General of the Mexican  
Business Council for Foreign Trade,  
Investment and Technology  
(COMCE)

### CANADIAN CO-CHAIRS:

#### **Grant Manuge**

Assistant Deputy Minister, International  
Business Development, Investment and  
Innovation  
Department of Foreign Affairs and  
International Trade Canada  
(DFAIT)

#### **Rosalind Wilson**

President of the Chamber of Commerce  
Mexico – Canada  
(Can-Cham)

## ***The Year at a Glance***

### **Natural Resources – Mining Subgroup**

#### 1. Education:

The mining sector's concerns with regard to the scarcity of mining technicians and geologists were discussed. The Labour Mobility and Human Capital Working Groups were requested to join efforts with the Trade, Innovation and Investment Working Group to address this issue. Several specific plans were discussed, including for inter-university exchanges and the development of a youth mobility program.

#### 2. Regulations of the Mining Industry-Venture Capital:

The group raised the issue of access to venture capital under proposed new Mexican regulations. It was agreed that Canadian mining companies – working through the *Mining Task Force* at the Canadian Chamber of Commerce – would provide an analysis of global best practices in this area, for consideration in the regulatory framework being developed by the Office of the General Coordinator for the Mining Sector of the Ministry of Economy with the aim of promoting Mexico as a destination for venture capital.

#### 3. Regional support:

The possibility of carrying out joint visits to both countries' mining regions was proposed.

### **Advanced Manufacturing Subgroup**

The Subgroup agreed:

1. To develop supply chains that encourage the establishment of Canadian companies that are leaders in high-opportunity production processes.
2. To identify partners in the public and private sector of both countries, with a view to stimulating the establishment of highly-specialized training centres in advanced manufacturing.
3. Promote opportunities to work towards mutual recognition of measures relating to trade and security.
4. To seek standardization of customs procedures and the harmonization of technical and environmental standards.

### **Innovation Subgroup**

The Subgroup agreed:

1. To promote inter-institution links, with the aim of expanding existing collaboration and documenting examples of how these initiatives have benefitted small and medium-sized business.
2. To promote and take advantage of existing programs, with the goal of furthering innovation cooperation - particularly with the objective of supporting the involvement of Mexican and Canadian companies in the global value chain - and to examine the possibility of establishing closer ties with the Working Group on Human Capital.
3. To develop regional partnerships in innovation, with the aim of complementing national strategies.
4. To hold the MexDay Business Forum (*held on June 13-14, 2011*).

### **Next steps (April 2011-April 2012)**

#### **Resources:**

1. The Resources-Mining Sub-Group will work with the Working Group on Human Capital to identify a pilot program that can be put into practice in Canadian and Mexican universities.
2. Canadian companies will develop a best global practices report with regard to venture capital. A seminar will be held in Acapulco, with Canadian experts on venture capital (October 26-29, 2011).
3. May 2011: Durango, Sonora, and the State of Mexico will be visited.

#### **Advanced Manufacturing:**

1. Customs authorities will meet in order to review their processes (Department of Standards - Ministry of Economy [DGN-SE], and Customs-Tax Administration System [Aduanas-SAT] CBSA).

Innovation:

1. The Working Group agreed to meet in Ottawa in June 2011 on the margins of the MexDay Business Forum, in order to follow-up on the decisions taken on April 8, 2011.

## ENERGY WORKING GROUP

### MEXICAN CO-CHAIRS:

**Aldo Flores**

Director General, International Affairs,  
Secretariat of Energy (SENER)

**Lorenzo Arena**

President of the Mexican Association for  
Co-Generation and Self Supply

### CANADIAN CO-CHAIRS:

**Mark Corey**

Assistant Deputy Minister  
Natural Resources Canada (NRCan)

**Lorena Patterson**

Vice-President  
TransCanada Pipelines Ltd.

### *The Year at a Glance*

The activities held in 2010-2011 in the Energy Working Group (EWG) fostered the bilateral energy relationship through exchange of information and the organization of the plenary session of the EWG in the Canada-Mexico Partnership (CMP) Annual Meeting.

The Oil and Gas Technical Committee succeeded in involving key representatives from both public and private sectors in the CMP in order to establish a Canada-Mexico hydrocarbons sector permanent dialogue.

### *Success Stories*

- ✓ The Oil and Gas Technical Committee (OGTC) approved its terms of reference in order to provide a framework to facilitate dialogue between Canadian and Mexican private and public sectors, increase bilateral communication between regulators, and foster government to government communication as well as exchange of information on energy policy topics.

In October 2010, the OGCT facilitated a Mexican regulatory mission to Canada on the margins of the International Regulatory Conference. CNH Commissioners met with the NEB, the ERCB, the Canada-NS Offshore Petroleum Board and the Canada-Nfld Offshore Petroleum Board. They shared information on regulatory energy reforms and measures on exploration and production technologies on measurement standards for upstream oil activities and on oil and gas recovery factors.

### *Looking Ahead*

The EWG identified the following areas of focus for continuing collaboration:

- Industrial safety and energy security in offshore oil and gas exploration and production.
- Cooperation on heavy oil technology, issues and policies (e.g. low carbon fuel standards).
- R&D technology funds (including academic institutions participation).
- Natural gas, including shale gas.
- Enhanced oil recovery.
- Carbon Capture and Storage.
- Biofuels.

## ENVIRONMENT AND FORESTS WORKING GROUP

### MEXICAN CO-CHAIRS:

**Sandra Herrera Flores**  
Undersecretary of Development and  
Environmental Regulation  
(SEMARNAT)

**Jose Armando Alanís de la Rosa**  
Director of Cooperation of the  
International Affairs Unit and Financial  
Development (CONAFOR)  
(SEMARNAT)

### CANADIAN CO-CHAIRS:

**David McGovern**  
Assistant Deputy Minister  
International Affairs  
Environment Canada

**Richard Verbisky (Co-Chair)**  
Senior Advisor, Canadian Forest  
Service.

## *The Year at a Glance.*

The Environment and Forestry Working Group (EFWG) has established two sub-groups to reflect the different nature and focus for the two teams: the Forestry sub-group and the Environment sub-group.

### Forestry Subgroup

The Forestry subgroup includes the participation of NRCan-CFS, Mexico's Secretariat of Environment and Natural Resources, CONAFOR, as well as the province of Alberta and the state of Jalisco. Three priority areas for collaboration have been agreed upon and include:

- Forest Carbon accounting;
- Bio-energy;
- Forest fire protection

#### Main activities:

##### Forest carbon accounting

- Follow-up meeting regarding the CBM-CFS3 parameterization model at the 8<sup>th</sup> Edition of the Forest Expo that took place on October 1<sup>st</sup> 2010;
- CBM-CFS3 International Technical Workshop that took place at the Canadian Forest Service's Pacific Forestry Centre in Victoria, Canada from February 21<sup>st</sup> to 23<sup>rd</sup>, 2011;
- International Workshop on the nationwide use of the CBM-CFS3 with participants from China, Korea, and Mexico. The event took place in Victoria, Canada from February 24-25, 2011;
- Working and collaboration workshop "Towards a nation-wide implementation of the Carbon Flow Model of the Canadian Forest Service (CBM-CFS3) in Mexico, that took place in Guadalajara, Mexico from March 15<sup>th</sup> to 18<sup>th</sup>, 2011.

## Results:

- ✓ Exploring the model's use to monitor GEI emissions at a nation-wide level;
  - Strengthening of institutional arrangements for information exchanges;
  - Development of a regional pilot study in Chiapas (1990-2008);
  - Development of a nation spatial framework to analyze carbon dynamics in the forestry sector (special units);
  - Identification of available nation-wide information.
- ✓ Potential use of the model for future evaluation of REDD + impact scenarios on carbon-balance emissions at a nation-wide level
  - Develop a regional pilot study in Chiapas (2009-2050);
  - Identification of two new pilot areas: Oaxaca, Hidalgo and Yucatán Peninsula.
- ✓ Building and strengthening of capabilities
  - Conducting a training workshop in Victoria, Canada on the use of CBM-CFS3 model. Training for two people (CONAFAR, ECOSUR);
  - Scientific personnel exchange between two individuals (CONAFAR, ECOSUR);
  - Drafting a Spanish version of the model (interface and use manual);
  - Workshops in Mexico on carbon emission qualifications by the use of the CBM-CFS3 model.
- ✓ Scientific research to reduce uncertainties
  - Development of work plan (protocols) to improve data collection on reserves and field carbon flux;
  - Development of a work plan on the use field data for the parameterization of the CMB-CFS3 model;
  - Available methods demonstration on the use of information in forest inventory and remote sensing for carbon qualification;
  - International projects' collaboration( e.g. GEO-FTC, Norway)

## New projects for 2011-2012

- ✓ Elaborate new regional pilot studies;
- ✓ Nation-wide project implementation;
- ✓ Arrange a meeting in early 2012 to assess progress;
- ✓ Launch of Spanish version of the CBM-CFS3 model;
- ✓ Development of training workshops in Mexico (late 2011) and Canada (early 2012) on the use of CBM-CFS3 model;
- ✓ Further outlined steps in the two year working plan.

## Bio (Wood) Energy

### Results



- ✓ **Increase knowledge in the use of forest biomass (residues) for the generation of clean energy.**
- a) In 2010, the results of the technical feasibility study “Evaluation of wood biomass and potential technologies for the production of energy from biomass in Durango, Mexico” were presented in three certified forest ejidos in the region of El Salto.
- ✓ **Progress in Mexico and Canada’s understanding of wood energy. Trade opportunities in the field of world energy.**
- b) International Symposium on Wood energy in Mexico City, from 25 to 26 November 2010. Researchers from Canada participated with a focus on projects adapted to Mexico’s conditions.
- ✓ **Training and development of technology between Canada and Mexico**
- c) A Mexican bioenergy production specialist from IPN-CIBA visited CANMET Energy from 9 November to 17 December 2010.

## **New Projects**

1. Technological development of a gasifier from biomass electricity generation.
  - a. Develop a proposal for the participation of Mexican experts in a technical exchange at the CANMET Energy facilities to assist in technology development specific to gasifier adaption from biomass electricity generation.
  - b. Information exchange
    - i. Canadian companies’ profile for gasification;
    - ii. Information of wood energy projects in Mexico;
    - iii. Make use of the new CMP web page in order to increase information exchange.
2. Technical Feasibility and Financial Study
  - a. Tour by technical experts and potential suppliers to assess the condition and the appropriate technology adaption of wood energy priority projects in Mexico.

## ***Looking ahead in 2011 and 2012:***

### ***Technical exchanges/capacity building***

- Exchange Mexican researchers profile. June 2011
- Technical exchange of Mexican experts at CANMET Energy. August-November 2011

### ***Information Exchange***

- Send profile of companies in gasifier and pellets sector. September 2011

- Use of CMP we page. Ongoing
- Joint scoping and capacity assessment mission to Mexico. January 2011
- Reporting and follow-up. February-March 2011

### ***Forest Fire Protection***

Results:

#### ***Creation of technical capabilities for forest firefighting through certified training.***

The group's activities have consisted of delivering Canadian technical assistance to Mexican firefighters through courses in Mexico and/or firefighting training courses in Canada.

As a result, human resources for firefighting have been certified under Canadian standards, and firefighters can perform duties including training instructors.

Based on mutual aid agreements, Jalisco firefighters have participated in fire control and fire suppression activities in the province of Alberta.

#### ***Training Center for forest firefighters.***

The government of Jalisco, CONAFOR and Canada analyzed the possibility of building a firefighting training center in Mexico (Jalisco). Despite current budget constraints, the group will design a curriculum for training and upgrading forest firefighting skills (under Canadian standards).

#### ***Strengthening technical cooperation in forest firefighting.***

Several proposals have been explored with the Canadian Forest Fire Interagency in order to negotiate a cooperation agreement to promote Canadian training and accreditation protocols for Mexican forest firefighters.

#### ***Increased human resource capacity to control and fight forest fires.***

Under the mutual aid agreement, this activity has allowed the government of Jalisco to increase the number of firefighting training brigades in the province of Alberta.

### ***New Projects***

1. Forest Fires: Strengthening technical cooperation in the field of risk assessment systems, (including evaluation of combustible materials), early warning, and fire management (prescribed burning, black lines, use of natural barriers, etc.).
2. Forest Health: As a result of climate change, the presence of forest pests (pine beetle) has substantially increased in both countries. It is therefore relevant to formalize cooperation agreements in forest health, and exchange knowledge and experience in the diagnosis and management of forest pests.

There has been significant progress in this field; the government of Jalisco and the province of Alberta are training professionals through graduate studies. The CONAFOR is interested in formalizing agreements at a national level.

### **Environment Subgroup**

Results:

- Continued work on National Greenhouse Gas Inventories on Monitoring, Reporting and Verification systems.
- In the context of the Global Methane Initiative or other mechanisms, continued work on clean technology projects to reduce methane in oil and gas as well as in solid waste management. It will also begin the implementation phase of an agricultural project.
- On Zero-energy Housing, the development of carbon metrics was explored to verify zero energy housing in Mexico.

### ***Ongoing Projects:***

Since 2009, the Environment Subgroup has collaborated in climate change and clean technologies through the following projects:

1. Methane reductions in the oil and gas sector.
2. MRV for the GHG inventories.
3. Methane capture from solid waste management.
4. Methane capture from the agricultural sector.
5. Zero energy housing.

### ***Next Steps 2011-2012***

#### 1) Methane reduction in the oil and gas sector

- Reduce fugitive methane emissions, decrease greenhouse gas externalities and improve energy efficiency from selected PEMEX facilities and transmission systems.
- Establish, train and equip PEMEX internal audit teams to pursue opportunities for methane emission reduction and energy efficiency improvement in all its operations.
- Continue working on the PEMEX CO<sub>2</sub> and CH<sub>4</sub> inventory.
- Develop analytical tools: Baseline model and a cost abatement model.

#### 2) Monitoring, reporting and verification for greenhouse gas (GHG) inventories

- Support the development of a single mechanism for GHG reporting in Mexico by integrating Mexico's GHG Reporting Program in Mexico's Emissions Registry and Pollutants Transfer System (RETC); replace current voluntary paper reporting with

mandatory electronic reporting system for companies; develop a pilot project with PEMEX as the first participant.

- Develop a secure reporting system to increase confidence and companies' participation.
- The development of a public sector inventory in Mexico, including: GHG quantification systems, facilitation of training and/or a framework to build a GHG inventory.

### 3) Methane capture from solid waste management

- After the delivery of the Bio-Cancun project design specifications and detailed engineering for the bio-digester, continue to move the project towards implementation.
- Explore opportunities for the capture and evaluation of methane gas from other existing landfill sites.

### 4) Methane capture from the agricultural sector

- A demonstration project to implement Canadian technology.
- A training course in anaerobic digester technology for Mexican experts.
- Explore academic exchanges and collaboration possibilities.
- Site visit to Canadian installations.

### 5) Zero energy housing (Sustainable Housing)

- Continue supporting Mexico to advance zero energy housing in the development of carbon metrics and local training programs for a verification system to certify zero energy housing in Mexico.

### 6) Private sector

- Explore opportunities to increase private sector participation.

### 7) Synergies

- Explore opportunities to develop joint projects with other CMP working groups, e.g. Housing and Energy.

## LABOUR MOBILITY WORKING GROUP

### MEXICAN CO-CHAIRS:

**Jaime Domingo López Buitrón**  
Undersecretary of Employment and  
Labor Productivity  
Secretariat of Labor and Welfare Social  
(STPS)

**Marcelo Mereles Gras**  
Head of the International Affairs Unit  
Secretariat of Labor and Social Welfare  
(STPS)

**Eduardo Baca Cuenca**  
Director General for North America  
Secretariat of Foreign Affairs  
(SRE)

### CANADIAN CO-CHAIRS:

**David Manicom**  
Director General, Immigration Section  
Ministry of Citizenship and Immigration  
Canada

**Andrew Kenyon**  
Director General Temporary Foreign  
Workers Section and Labor Market  
Information  
Ministry of Human Resources and Skills  
Development Canada  
(HRSDC)

## ***The Year at a Glance***

In accordance with the objectives that were identified at the April 2010 meeting in Niagara-on-the-Lake, the Labour Mobility Working Group (LMWG) continued with the recruitment of candidates to fill vacancies, according to requests from employers, who made the final selection. In order to achieve this, there has been close coordination between the Secretariat of Labor and Social Welfare (STPS) and the Canadian Federal Government (Ministry of Human Resources and Skills Development and Ministry of Citizenship and Immigration) and the participating provincial governments (Alberta and British Columbia).

### ***Success Stories***

- ✓ In addition to the Mexican Workers in Alberta in 2009 under the pilot project, selected Mexican workers traveled to British Columbia starting June 7, 2010. The provinces of Manitoba and Quebec participated as observers.
- ✓ From February 13<sup>th</sup>, 2009 to April 1st, 2011, 663 Mexican candidates had been selected as food service counter attendants. Since October 10<sup>th</sup>, 2010 to March 31<sup>st</sup>, 2011, 29 candidates have been posted as kitchen helpers and 14 as cleaners in lodging establishments. This totals 706 Mexican candidates.
- ✓ Out of the 663 Mexican food service managers, 475 were pre-selected to fill the vacancies offered by Canadian employers, of which 263 candidates were selected and 152 were pending interviews. 60 workers decided to withdraw their applications for various reasons.

- ✓ The group completed the Phase 1 evaluation of the pilot projects agreed to by Canada and Mexico, which consisted of a survey of employers. It also conducted and concluded Phase 2 of the evaluation, which consisted of surveys to governments and workers.
- ✓ The group held two technical teleconferences (on September 3, 2010 and March 2, 2011) as well as multiple conference calls between the STPS and the participating provinces of Alberta and British Columbia regarding the system for the administration of procedures related to workers (SIMLEX), and discussed with the provincial governments how to improve it. The group held a technical meeting in Mexico City on November 22<sup>nd</sup> -23<sup>rd</sup>, 2010.

The LMWG fine-tuned details on coordination of both federal and provincial governments and employers regarding workers' administrative procedures, including reimbursement for administrative costs, work permits and transportation costs. This information was distributed among workers and employers.

- ✓ The LMWG compiled an information guide on worker's rights and obligations as well as an information pamphlet for employers interested in pilot projects. A base text work contract was approved; any additional details agreed between employer and employee may be added to the latter. Participants exchanged information on the specific protection of workers and applicable laws.

### ***Looking Ahead***

#### Objectives:

- The Labor Mobility Working Group agreed to continue a new phase through the current "Labor Mobility Mechanism", through the government to government relationship, under the CMP.
- Both governments agreed to move from the pilot projects stage to extend the labor mobility of Mexican workers, to other provinces and occupations, according to employers' demands, in an orderly, legal and safe manner.
- The government of Mexico will promote the Labor Mobility Mechanism under the Canada-Mexico Partnership, with employers and Canadian employer associations, with federal and provincial government support.
- The Government of Canada will share labor market information with the Government of Mexico and will facilitate the establishment of contacts with the employer community.
- The Canadian Embassy in Mexico will continue working with the Secretariat of Labor and Social Welfare to ensure the efficient issuance of work permits.

## HOUSING AND SUSTAINABILITY COMMUNITY WORKING GROUP

MEXICAN CO-CHAIR:

**Ariel Cano Cuevas**  
General Director  
National Housing Commission

CANADIAN CO-CHAIRS:

**André Asselin**  
Executive Director  
CMHC International

### ***The Year at a Glance***

The Group has made progress in the following areas:

- **Housing Policy and financing:** The Group continued exchanging information and ideas, as well as sharing experiences on financing systems and the issuance of residential mortgage backed securities. Mexico's Green Mortgage experience was explored specially products to encourage adoption of green technologies for low income segment and a new model to expand it.
- Experiences on Canadian rental market were shared. This will assist CONAVI in its analysis and understanding of rental markets as well as aid in the design and implementation of a specific program in Mexico.
- **Sustainable Housing and technology:** The NetZero demonstration homes were built in Cancún and Coatzacoalcos with the participation of five Mexican home developers, and extensive input from the CMP Environment and Housing Working Group. The demonstration homes were showcased at the United Nations Climate Change Conference (COP16) in Canada in 2010.
- **Community Development.** Expert exchanges took place to learn more about sustainable community planning in both countries.

### ***Success Stories***

- ✓ Net zero or toward net zero demonstration/pilot projects have been established in both countries. Mexico pilot projects were done in conjunction with CMP Environment Working Group. Various working group members participated in several design schemes in order to review the project approach and design.
- ✓ Expert exchanges took place throughout 2010 and 2011: In 2010 and 2011 a Canadian delegation led by CMHC participated at INFONAVIT's *Sustainable Housing Conference*, and shared Canadian approaches to sustainable community planning.
- ✓ Canadian experts participated at CONAVI's 5th Annual Sustainable Community technical session held at the World of Concrete Conference in June, 2010.

- ✓ SHF sent a technical mission to Canada to take CMHC's 1 week Master Class in Sustainable Community Planning training. The SHF group also visited projects sites and met with Canadian industry.

### ***Looking Ahead***

The Housing and Sustainable Community Working Group identified the following objectives and initiatives:

- **Housing Finance and Housing Policy:**
  - Share experiences on the role of housing finance in support of the rental housing market in Mexico.
  - Explore Canada's mortgage backed securities model and its recent performance during the global economic downturn to support the development of new mechanisms that can make a successful comeback of private markets.
  - Deepen the knowledge of green mortgage approaches for low income segments.
  - Organize a webinar on Green Mortgage approaches for low income segments in Mexico with Canadian experts.
- **Sustainable Housing and Community Development:**
  - Net Zero Demonstration Project:  
Discuss results achieved to date and agree on next steps. Evaluate the possibility of implementing the project at community or neighborhood levels
  - Renewable Housing Technologies: Advance discussions held at the last CMP meeting regarding current needs for social housing versus market housing.
  - Organize expert exchanges on sustainable community planning and housing, leveraging existing venues such as INFONAVIT Sustainable Housing Conference and World Green Building Conference in Toronto.



## ACRONYMS AND INITIALISMS

AAFC	Agriculture and Agri-Food Canada ( <i>Ministerio de Agricultura y Agroalimentación de Canadá</i> ).
AMC	<i>Alianza México-Canadá</i> (Canada-Mexico Partnership).
AMCA	<i>Asociación Mexicana de Congregación y Abastecimiento</i> (Mexican Association for Co-Generation and Self Supply).
CANCHAM	Canadian Chamber of Commerce ( <i>Cámara de Comercio de Canadá</i> ).
CBSA	Canada Border Services Agency ( <i>Agencia de Servicios Fronterizos de Canadá</i> ).
CCC	Canada Canola Council ( <i>Consejo de Canola de Canadá</i> ).
CCS	Carbon capture and storage ( <i>Captura y almacenamiento de Carbono</i> ).
CFA	Canadian Federation of Agriculture ( <i>Federación Canadiense de Agricultura</i> ).
CFE	<i>Comisión Federal de Electricidad</i> (Mexico's Electricity Commission).
CFIA	Canadian Federal Inspection Agency ( <i>Agencia Canadiense de Inspección Federal</i> ).
CIC	Citizenship and Immigration Canada ( <i>Ministerio de Ciudadanía e Inmigración de Canadá</i> ).
CIMAV	<i>Centro de Investigación de Materiales Avanzados</i> (Centre for Research in Advanced Materials).
CMHC	Canada Mortgage and Housing Corporation ( <i>Sociedad Hipotecaria y de Vivienda Canadiense</i> ).
CNH	<i>Comisión Nacional de Hidrocarburos</i> (Mexico's National Hydrocarbon Commission).
COMCE	<i>Consejo Empresarial Mexicano de Comercio Exterior, Inversión y Tecnología</i> . (Mexican Business Council for Foreign Trade, Investment and Technology).
CONASIPRO	<i>Comité Nacional del Producto Aguacate</i> (National Committee on Avocado Products).
CONACYT	<i>Consejo Nacional de Ciencia y Tecnología</i> (Mexico's National Council for Science and Technology).
CONAFOR	<i>Comisión Nacional Forestal</i> (Mexico's National Forestry Commission).
CONAVI	<i>Comisión Nacional de Vivienda</i> (Mexico's National Housing Commission).
DFAIT	Canada's Department of Foreign Affairs and International Trade ( <i>Departamento de Asuntos Exteriores y Comercio Internacional de Canadá</i> ).
ECOSUR	Colegio de la Frontera Sur.
EOR	Alberta's Enhance Oil Recovery ( <i>Mejora de Recuperación de Petróleo de Alberta</i> ).
ERBC	Alberta's Energy Resource Conservation Board ( <i>Junta de Conservación de Recursos Energéticos de Alberta</i> ).
GHG	Greenhouse Gas ( <i>gases de efecto invernadero</i> ).
HRSDC	Human Resources and Skills Development Canada ( <i>Ministerio de Recursos Humanos y Desarrollo Social de Canadá</i> ).
IIE	<i>Instituto de Investigaciones Eléctricas</i> (Mexico's Electrical Research Institute).
IPN	<i>Instituto Politécnico Nacional</i> (Mexico's National Polytechnic Institute).
INFONAVIT	<i>Instituto del Fondo Nacional de la Vivienda para los Trabajadores</i> .
MOU	Memorandum of Understanding ( <i>Memorando de Entendimiento</i> ).
NAFTA	North American Trade Agreement ( <i>Tratado de Libre Comercio de América del Norte</i> ).
NEB	Canada's National Energy Board ( <i>Consejo Nacional de Energía de Canadá</i> ).
NRCan	Natural Resources Canada ( <i>Ministerio de Recursos Naturales de Canadá</i> ).
NZEH	Net Zero Energy Housing ( <i>Coalición de Vivienda Energética Net Zero</i> ).
OGTC	Oil and Gas Trade Company ( <i>Compañía de Comercio de Gas y Petróleo</i> ).
PEMEX	<i>Petróleos Mexicanos</i> (Mexico's state-owned petroleum company).
REEEP	Renewable Energy and Energy Efficiency Partnership ( <i>Alianza de Energía Renovable y Eficiencia Energética</i> ).
SAGARPA	<i>Secretaría de Agricultura, Ganadería, Desarrollo Rural, Pesca y Alimentación</i> (Mexico's Ministry of Agriculture, Livestock, Rural Development, Fishery and Food).
SE	<i>Secretaría de Economía</i> (Mexico's Ministry of the Economy).
SEMARNAT	<i>Secretaría de Medio Ambiente y Recursos Naturales</i> (Mexico's Ministry of the Environment and Natural Resources).
SENASICA	<i>Servicio Nacional de Sanidad, Inocuidad, y Calidad Agroalimentaria</i> (National Health Service, Food Safety and Food Quality).

SENER	<i>Secretaría de Energía</i> (Mexico's Ministry of Energy).
SG	<i>Subgrupo</i> (Subgroup).
SGMA	<i>Sistema de Gestión Medioambiental</i> (Environmental Management System)
SEP	<i>Secretaría de Educación Pública</i> (Mexico's Ministry of Public Education).
SHP	<i>Sociedad Hipotecaria Federal</i> (Mexico's Federal Mortgage Society).
SRE	<i>Secretaría de Relaciones Exteriores</i> (Mexico's Ministry of Foreign Affairs).
STPS	<i>Secretaría de Trabajo y Prevision Social</i> (Mexico's Ministry of Labour and Social Welfare).
TC	Technical Committee (Comité Técnico).
TLCAN	<i>Tratado de Libre Comercio de América del Norte</i> (North American Free Trade Agreement).
UNAM	<i>Universidad Nacional Autónoma de México</i> (Autonomous National University of Mexico).
UNFCCC	United Nations Framework Convention on Climate Change ( <i>Convención Marco de las Naciones Unidas sobre el Cambio Climático</i> ).
USAHA	United States Animal Health Association ( <i>Asociación de Salud Animal de Estados Unidos</i> ).