U.S. ENVIRONMENTAL PROTECTION AGENCY
Washington D.C.

Briefing Document for Administrator Pruitt

Meeting with Mexico's Ambassador to the United States

DATE: February 22, 2018
TIME: 9:30-10:00am

I. PURPOSE

- This is an opportunity to establish a relationship with the Mexican Ambassador, a key player in Mexican politics.

Ex. 5 Deliberative Process

II. KEY ASKS OR MESSAGES

Deliberative Process / Ex. 5

III. PARTICIPANTS

Embassy

- Geronimo Gutierrez, Mexican Ambassador to the United States
- Carolina Ayala, Border and Special Affairs
- Sergio Garcia, Economic Affairs

EPA

- YOU
- Sarah Greenwalt, Senior Counselor, AO
- Jane Nishida, Principal Deputy Assistant Administrator, OITA

IV. BACKGROUND

You will have a meeting with the Ambasador of Mexico in the US, Geronimo Guitierrez. Ambasador Gutierrez has served in his current position since the start of 2017. Prior to taking on this position, Mr. Guitierrez served as the North American Development Bank Managing Director, where he focused on infrastructure development and financing along the U.S.-Mexico border.

Deliberative Process / Ex. 5

We are hearing that Mexican President Pena Nieto may visit Washington in early March, and that there will likely be a joint announcement on a North American Development Banl (NADB) capital increase. Treasury's legislative affairs team has begun outreach with Congress on a potential capital increase.

V. ATTACHMENTS

- Attachment 1 – Suggested Talking Points
- Attachment 2 – Ambassador Biography
- Attachment 3 - Areas of EPA Cooperation with Mexico

EPA Staff Contact: Jane Nishida, Office of International and Tribal Affairs, 202-564-1531

Attachment 1
Talking Points

Ex. 5 Deliberative Process

Attachment 2
Biography

Ambassador Gerónimo Gutiérrez

President Enrique Peña Nieto named Gerónimo Gutiérrez Ambassador of Mexico to the United States on January 13th, 2017, and after his ratification by the Mexican Senate on February 23rd, he took possession of the embassy on March 2nd of the same year.

Gerónimo Gutiérrez Fernandez served as Managing Director of the North American Development Bank (NADB) headquartered in San Antonio, Texas, where his professional activity was focused on infrastructure development and financing along the U.S.-Mexico border. Under his leadership—centered on strategic planning, business development and project management—NADB grew its loan portfolio at an average annual rate of 32%, reaching US$1.4 billion in 2016, and placed several successful bond issues in the U.S. and European markets, while maintaining a strong financial position and AA credit ratings.

With a diverse 15-year career in the Mexican federal government, Gutierrez previously served in prominent positions in the areas of trade, finance, diplomacy and national security under four presidents. In 2009 and 2010, he served as Deputy Secretary for Governance and Homeland Security, where his main responsibilities were identifying threats to the country's democratic governance and national security, and coordinating prevention and response measures. He was also part of the National Security Council's Executive Committee.

From 2006 to 2009, he served as Under Secretary for Latin America and the Caribbean in the Secretaría de Relaciones Exteriores (State Department). In that capacity, Gutierrez was responsible for normalizing the Mexico-Cuba relationship following a period of strained relations, including the signing of agreements on migration and economic cooperation, as well as the re-establishment of ambassadors with Venezuela. He led Mexico's negotiations with Mesoamerican countries (Mexico to Colombia) for the creation of the Mesoamerican Project (Proyecto Mesoamerica), a multilateral cooperation mechanism for the development of regional infrastructure. Also, he actively worked, along with other government agencies, on

strengthening security and anti-narcotics cooperation with several Latin American and Caribbean countries.

As Under Secretary for North America, from 2003 to 2006, he coordinated day-to-day trilateral and bilateral affairs with Mexico's North American partners (United States and Canada) and supervised the operations of over 50 Mexican consular offices in the region. He led negotiations for the creation of the Security and Prosperity Partnership for North America (SPP)—a prelude to the present day North American Leaders Summit—and also worked closely with other agencies on border and regional security cooperation with the U.S. and Canada.

Gutierrez has also held other federal government positions as Under Secretary of Governance in the Secretaría de Gobernación (Interior Ministry), Secretaría de Economía (Commerce Department), Secretaría de Hacienda y Crédito Público (Treasury Department), the Office of the President, and Banobras (Mexico's national public works bank).

On the political front, he worked as part of President-elect Vicente Fox's transition team; as Director of the Miguel Estrada Iturbide Foundation, the think-tank wing of Mexico's center-right party, PAN (Partido Acción Nacional); and as Chief of Staff of the party's Parliamentary Group.

Gutierrez holds both a B.A. in Economics and a B.A. in Political Science from the Instituto Tecnológico Autónomo de México (ITAM) and a Master's in Public Administration from Harvard's John F. Kennedy School of Government, for which he received a Fulbright-Garcia Robles Scholarship.

He has contributed editorials to several Mexican and U.S. newspapers and magazines, and also participates regularly as a keynote speaker in conferences related to U.S.-Mexico relations, border affairs and international business.

Attachment 3
Background

SEMARNAT
SEMARNAT is an acronym that translates as the Secretary of the Environment and Natural Resources. SEMARNAT is the cabinet level department of the executive branch responsible for developing environmental policy and legislation in Mexico.

US- Mexico Environmental Program: Border 2020

- Border 2020 is the latest environmental program implemented under the 1983 La Paz Agreement, which is a bi-national environmental program for the U.S.-Mexico border region. The program is led by EPA and SEMARNAT, and includes the environmental agencies from the U.S. and Mexico border states as well as border tribes.
- Border 2020 implements EPA core programs to improve air quality, water quality, address solid waste, improve emergency preparedness and response, and enhance compliance.
- The program encourages meaningful participation from local communities and stakeholders, within 100 kilometers (62 miles) of the international border between the United States and Mexico.

North American Commission for Environmental Cooperation (CEC)

- The CEC was created by the governments of the United States, Canada, and Mexico, through the North American Agreement on Environmental Cooperation (NAAEC), the environmental side agreement to the North American Free Trade Agreement.
- The Council is the governing body and meets annually, alternating the chairmanship and location of the Council meeting between the three countries. Secretary Pacchiano, Environmental Minister McKenna (Canada), and YOU constitute the Council.
- YOU are the Council chair and host of the 2018 Council Session. YOU will be transferring the chairmanship to Mexico at the end of this Council Session.

North American Development Bank (NADB)

- The United States and Mexico signed an Agreement in November 1993, which created and charged the NADB (previously the NADB/BECC) with helping to improve the environmental conditions of the U.S.-Mexico border region.
- EPA-OW receives a Congressional line-item to build water and wastewater infrastructure along the border through EPA's Border Environment Infrastructure Fund (BEIF) Program, which the NADB administers. All Mexican-side projects that are funded via BEIF Program must be matched dollar-for-dollar and demonstrate a U.S. side benefit.
- The NADB has a joint Board of Directors, composed of members from the U.S. Treasury, State Department, EPA, and their Mexican counterpart agencies, as well as state and public representatives from the border region.
- A topic that has come up at the Board meeting is expanding the mandate of the NADB by broadening its mandate to include a broader portfolio mix of sectors, while continuing the core environmental work under the initial intent of the charter.

Tijuana Transbounday Sewage – 2017

Background Tijuana River:

The Tijuana River flows through central Tijuana before entering the U.S. in San Diego County and reaching the Pacific Ocean through the Tijuana River Estuary. Deficiencies in Tijuana's sewage collection system periodically cause spills of raw sewage to the Tijuana River, with resulting impacts to the U.S. In addition, not all of Tijuana is sewered, as haphazard development has led to irregular homes being built on steep hillsides, which results in raw sewage entering the binational watershed. Pathogens in sewage pose a threat to public health and the environment, which can pose significant economic impacts. Border patrol agents are exposed to raw sewage, as are surfers and beachgoers. U.S. beaches near Imperial Beach are closed when sewage contaminates the river, curtailing important sources of revenue for coastal communities in San Diego County.

Trash and sediment are also washed into the U.S. when it rains, adversely affecting communities on the U.S. side. Per Mexico's Institute of Statistics and Geography (INEGI), of the 2000 tons of trash produced per day in Tijuana, 15% is not collected. Trash and large quantities of sediment from eroding hillsides are carried across the border and deposited in the Tijuana River Valley of South San Diego County, burying native vegetation and exacerbating flooding.

February 2017 Spill and Reaction

- In February 2017, damage to a wastewater collector near the intersection of the Tijuana and Alamar rivers in Mexico resulted in a 143-million-gallon sewage spill, much of which entered the United States near Imperial Beach. Concurrently, sewage overflowed from other sewers that were overwhelmed by high flows, but not damaged. The spill and overflows resulted in contamination of the Tijuana River where it flows into the United States near Imperial Beach.
- The Mexican Section of the International Boundary and Water Commission did not report the spill to the U.S. Section for several weeks. By then, U.S. border communities were reporting foul odors and taking action to close beaches.
- California Members of Congress have expressed significant concern about the spill. Reps. Peters, Vargas, Cook, and Hunter have written to Secretary Tillerson highlighting the potential dangers and urging the State Department and EPA to fully investigate the spill and take action. To prevent such spills in the future, Rep. Peters has also called for requirements to repair Tijuana's sewage system be included in any re-negotiation of NAFTA.
- Customs and Border Protection have also expressed concern to EPA that these spills compromise border security by placing their agents in harm's way. The participants agreed to work to improve notification procedures in the event of future spills, and also discussed the need for significant infrastructure improvements. The Secretary of HHS has raise this issue with the White House, State Department and EPA.

What EPA has been done:

- On April 19, EPA Region 9 convened U.S. stakeholders to discuss the ongoing problems, including California Secretary of Environmental Protection, the U.S. IBWC, Congressional staff from the offices of Senator Feinstein, Representatives Vargas and Peters, NADB/BECC staff, and several others. All parties agreed that wastewater and

trash flows are an ongoing threat to the environment and negatively impact the health and welfare of U.S. citizens.

- EPA organized three meetings in 2017 in response to concerns California and members of Congress raised regarding spills in the Tijuana area and EPA continues to work closely with local, state, and federal authorities to address the issues.
- Repairs are currently being made to collectors using money from CEPST (the Tijuana municipal water utility), emergency funds provided by the State of Baja California, Mexico's National Water Commission, and EPA, via the Border Water Infrastructure Program.

EPA's role moving forward:

Ex. 5 Deliberative Process

North American Development Bank role:

- NADB is working with Mexican authorities, primarily the State of Baja California and CESPT (the Tijuana municipal utility), on a Tijuana area water and wastewater infrastructure repair and improvement plan. The plan envisions short-, medium-, and long-term work that would provide for immediate infrastructure repair, system-wide upgrades of pipeline and pumping capacity, and wastewater reuse facilities.