Message

From: Muehling, Brian [Muehling.Brian@epa.gov]
Sent: 1/28/2020 10:00:25 PM
To: Nishida, Jane [Nishida.Jane@epa.gov]; Ferrante, Joe [Ferrante.Joe@epa.gov]
Subject: RE: (SBU) MEXICO Ambassador Courtesy Call with Environment Secretary Highlights Open Communication

Thank you, Jane.

FWIW, Nina Horowitz (who has been very helpful for the MARPOL Annex VI and ECA work with Mexico) is taking a new post at State/OES this summer, where she will work on USMCA and other FTA implementation issues. Here's the email she just sent me:

> *I will be transferring out of Mexico City this summer and will be working in our Oceans, Environment, and Science bureau for my next job. My position will cover implementation of the environmental chapters of free trade agreements and I expect to be involved in USMCA implementation as well. I think we'll continue to see/talk to each other!* ☺
>
> *-Nina*

From: Nishida, Jane <Nishida.Jane@epa.gov>
Sent: Tuesday, January 28, 2020 4:49 PM
To: Ferrante, Joe <Ferrante.Joe@epa.gov>; Muehling, Brian <Muehling.Brian@epa.gov>
Subject: RE: (SBU) MEXICO Ambassador Courtesy Call with Environment Secretary Highlights Open Communication

Thanks Joe and Brian – this is very helpful information, not only on border but other issues discussed.

Jane

From: Ferrante, Joe <Ferrante.Joe@epa.gov>
Sent: Tuesday, January 28, 2020 3:58 PM
To: Nishida, Jane <Nishida.Jane@epa.gov>
Cc: Almodovar, Lisa <Almodovar.Lisa@epa.gov>; Kasman, Mark <Kasman.Mark@epa.gov>
Subject: FW: (SBU) MEXICO Ambassador Courtesy Call with Environment Secretary Highlights Open Communication

Jane, FYI.

This cable from US Embassy Mexico is courtesy of Brian Muehling. Please note the section on *Water Issues at the Northern Border Receiving Highest Levels of Attention.*

Best,

Joe

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From: SMART Core <svcSmartBtsEwsSPrec@state.gov>
Sent: Tuesday, January 28, 2020 12:26 PM

To: Horowitz, Nina E (Mexico City) <HorowitzNE@state.gov>
Subject: (SBU) MEXICO Ambassador Courtesy Call with Environment Secretary Highlights Open Communication

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Action Office:	DOJ, ECON, INL, RSO, POL, FAS, NAS, PAS, ADO
Info Office:	POL_LES

MRN:	20 MEXICO 302
Date/DTG:	Jan 28, 2020 / 281825Z JAN 20
From:	AMEMBASSY MEXICO
Action:	WASHDC, SECSTATE *ROUTINE*
E.O.:	13526
TAGS:	SENV, ECON, EAGR, ETRD, EFIS, EPET, PREL, PGOV, KSCA, KCWT, EPA, FWS, NOAA, CITES, NSF, NMFS, MX
Captions:	SENSITIVE
Reference:	19 MEXICO 858
Subject:	(SBU) MEXICO Ambassador Courtesy Call with Environment Secretary Highlights Open Communication

1. (SBU) **Summary:** The Ambassador met Environment and Natural Resources (SEMARNAT) Secretary Victor Toledo in a January 21 introductory meeting to discuss bilateral environmental cooperation and facilitate open communication on areas of disagreement. The Ambassador raised areas of bilateral concern with Toledo and his leadership team, including cross-border water, efforts to save the vaquita marina porpoise, and a controversial permitting process for private gas stations, among others. Toledo and his team committed to working together on the range of bilateral challenges. **End summary**.

(SBU) Water Issues at the Northern Border Receiving Highest Levels of Attention

2. (SBU) The Ambassador stressed the need to prioritize addressing wastewater issues in Tijuana affecting neighboring U.S. communities. SEMARNAT Undersecretary Julio Trujillo confirmed the Mexican government has set aside USD 10 million to be invested through the federal water authority, CONAGUA, to repair and improve infrastructure in Tijuana. The Ambassador mentioned the United States-Mexico-Canada Agreement (USMCA) set aside USD 300 million for EPA to bolster their border water infrastructure program. (Note: There remain legal questions to be resolved regarding EPA's authority to use their funding to support repairs on the Mexican side. End Note.) Toledo and his team agreed to coordinate closely with U.S.-counterparts to realize a sustainable solution.

3. (SBU) Toledo updated the Ambassador on ongoing negotiations with Constellation Brands International, the third-largest brewing company operating in Mexico. Constellation has completed construction of about 60 percent of its new brewery in Mexicali, Baja California amid protests and questions about their use of water from local government officials and environmental activists. Toledo attended a January 17 meeting in Mexicali with Constellation representatives, academics, and scientific experts in water usage. SEMARNAT officials are concerned about how water usage will affect the local community. SEMARNAT is confirming whether all necessary permits have been attained and are in order. Toledo said SEMARNAT will make a statement in the coming 1-2 weeks on the status of a resolution.

(SBU) SEMARNAT Official Estimates Ten Vaquitas Remain

4. (SBU) SEMARNAT's Commissioner of Natural Protected Areas (CONANP) Roberto Avina estimated only ten vaquita marina porpoises remain in the upper Gulf of California, though he noted estimates were particularly difficult to make this year due to local conditions. (Note: The vaquita marina is a native Mexican porpoise on the brink of extinction. Extensive illegal fishing of totoaba fish – another endangered species – in its habitat can also catch and drown the vaquita. Ref A. End note.) The United States' embargo on shrimp and other fish, as a result of illegal fishing, is detrimental to the local fishing economy, according to Avina. (Note: In July 2018, the U.S. Court of International Trade ordered an embargo of certain fish and seafood products from the upper Gulf of California due to the local fisheries failure to protect the vaquita. End note.) Local fishers say alternative vaquita-safe gear is ineffective and illegal fishing will continue as the fishers find themselves in an increasingly desperate economic situation.

5. (SBU) On enforcement, Mexico's lead prosecutor on environmental matters Blanca Mendoza said her agency (PROFEPA) opened 30 to 40 cases targeting illegal fishing in the area. She appealed for an urgent resumption of tri-national enforcement efforts with United States and China. According to Mendoza, the United States is a transit country for the illegal trade of totoaba bladders in China where adult totoaba bladders weighing several kilos can sell for up to USD 93,000.

(SBU) Mexican Big Oil Says No to Marpol Annex VI

6. (SBU) The Ambassador asked about Mexican progress on accession to the International Maritime Organization's convention on shipping pollution, known as Marpol Annex VI. Acceding to this Annex would allow for the creation of an emissions control area in Mexican waters in which international shippers would be required to use low-sulfur fuels, significantly reducing harmful pollutants in the air across all of Mexico's territory (Note: The United States and Canada are already parties to the agreement. End note). Nearly all relevant Mexican government agencies approved accession to the convention, but the energy secretariat (SENER) and state oil company Pemex opposed it due to concerns over compliance costs and finding a market for domestic production of high-sulfur fuel for ships. SEMARNAT International Affairs Unit Chief Rodolfo Godinez mentioned his agency is reviewing

provisions under the USMCA that may compel Mexican compliance with international agreements, including MARPOL. (Note: SENER argues compliance would require Pemex to import fuel which is contrary to government energy policy though the sale of this fuel makes up about 0.5 percent of fuel sold by Pemex in Mexico.)

7. (SBU) On another fuel-related issue, the Ambassador told Toledo there is a perception that SEMARNAT's Security, Energy, and Environmental Agency (ASEA) was favoring Pemex in the approval of permits for gas stations. Industry interlocutors believe ASEA may be slow-rolling approvals for private companies while approving Pemex permits creating an uneven playing field. SEMARNAT officials were not aware of the issue, noting ASEA was an independent agency, but committed to look into it.

(SBU) Glyphosate is a "Black Hole" for Biodiversity

8. (SBU) The Ambassador asked Toledo about SEMARNAT's recent decision to ban importation of the herbicide glyphosate over environmental and health concerns. Toledo, a biologist by training, characterized glyphosate as a "black hole" for biodiversity, as shown in a study of five South American countries where it was used. He mentioned Germany and France are also considering a ban. Toledo supports food production through "clean farming", meaning use of naturally-sourced biofertilizers. He stated the small farmers use minimal glyphosate. The larger-scale agricultural companies are the main consumers. SEMARNAT has convened a working group to discuss alternatives to glyphosate.

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