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JOINT PROPOSAL FROM CANADA AND THE UNITED STATES OF AMERICA TO  
SET-UP AN INFORMAL NETWORK OF CONTACTS FOR CONTRACTING  
PARTIES TO DISCUSS COMPLIANCE ISSUES RELATED TO  
ENVIRONMENTAL REGULATIONS

The United States of America (USA) and Canada propose that an informal voluntary network of contacts be established for Contracting Parties to discuss and exchange information on compliance issues related to the administration of domestic environmental regulations.

**Background:**

A kick-off meeting of the Enforcement Working Group was held November 17<sup>th</sup>, 2011 during the 155<sup>th</sup> session of the WP.29. At this meeting, the United States EPA and Environment Canada experts suggested that due to the sensitive nature of compliance information, informal and voluntary discussions between Contracting Parties (CPs) related to international environmental compliance interests would be helpful. The full disclosure of certain compliance information in the public domain is often not possible and could have negative implications on the investigation of specific allegations. However, there would be benefit in Contracting Parties informally sharing compliance information on environmental regulations and enforcement activities in light of the global nature of trade in the automotive industry. Sharing of this type of information can assist regulatory agencies to more effectively design the administration of their respective regulatory programs on issues with higher suspected non-compliance. This exchange of information could also be used by countries to better inform their domestic manufacturers of requirements in other countries and reduce the exportation of non-compliant products. The network can also be used to provide opportunities to exchange information on best practices that encourage compliance and avoid enforcement. Finally, such communication would help to ensure global manufacturers and suppliers of compliant products which could be placed at a competitive disadvantage compared to companies offering non-compliant products if violations were to go unheeded in some jurisdictions.

**Proposal:**

That an informal network of contacts be established to facilitate communication on compliance issues related to environmental regulations. The operating principles for this network of contacts would be as follows:

1. Develop a Contracting Party contact list (email, address and phone contact info) that would have no more than two-three contacts per Contracting Party;

2. The first use would be to serve as a quick notify mechanism in the event of compliance / enforcement (C/E) actions that may have international impacts;
3. Provide that the same server list can be used to share general concerns about areas of concern, share information on best practices and notify Contracting Parties of any changing requirements in the manner of C/E;
4. The list could also serve for the use in the need of bilateral discussions regarding C/E issues. In this case a Contracting Party can feel free to contact another Contracting Party about a particular matter when deemed appropriate.
5. The exchange of compliance information by a Contracting Party would be entirely voluntary and the means of exchanging this information would be at the discretion of the Contracting Party. Conversely, accepting information from another Contracting party would also be at a Contracting Party's discretion.

The network and information exchange would be open to any interested Contracting Party that has provided contact information.

**Proposed Next Steps:**

1. Establishment of the network of contacts, to maintain a list of contacts.
  - The US and Canada will work with the WP.29 secretariat to notify all CPs of the establishment of the network
  - Within 5 months (by November WP.29) the list will be fully established and will be operational and distributed by email to all interested CPs.
  - Canada and the US will work to actively to maintain the accuracy of the list calling upon all interested CPs to notify the Representatives of Canada and the US of any changes in personal
2. From time-to-time informal discussions could be held on the margins of the WP.29 for the exchange of environmental information and will be noticed through the network.