

UNITED STATES-MEXICO-CANADA AGREEMENT

STRENGTHENING EFFECTIVENESS IN DIRECT ENFORCEMENT MATTERS AND ENHANCING JUSTICE SECTOR CAPACITY

BACKGROUND

Through an interagency agreement with USTR, the U.S. Department of Justice (DOJ), is enhancing operational effectiveness in direct enforcement matters, working to improve communications and exchange of information with Mexican and Canadian environmental enforcement counterparts, and facilitating capacity building for Mexico's justice sectors (including investigative, prosecutorial, and judicial), across the full range of enforcement areas.

MAIN OBJECTIVES

DOJ's Environmental and Natural Resources Division (ENRD) will provide dedicated prosecutorial capacity and support for federal investigative agencies to enhance monitoring and enforcement of USMCA environmental obligations. DOJ will contribute enforcement expertise and support capacity building with respect to areas of concern, including: illegally sourced timber (USMCA 24.22, 24.23); wildlife trafficking (USMCA 24.22); illegal fishing (USMCA 24.21); pollution from ships (USMCA 24.10); illegal trade in ozone depleting substances (USMCA 24.9); and import of non-compliant engines (USMCA 24.11(2)). This work also addresses USMCA Article 24.4 (ensuring U.S. enforcement of its environmental laws). The work is divided into the following two goals:

GOAL 1: To increase ENRD Case Work for USMCA-Related Cases

GOAL 1 OUTCOMES:

- In *United States v. Jose Manuel Perez, a.k.a. "Julio Rodriguez,"* on August 24, 2022, Jose Manuel Perez pleaded guilty to two counts of smuggling and one count of wildlife trafficking for illegally importing more than 1700 reptiles into the United States, which included CITES-protected species. The smuggled wildlife was valued at \$739,000 and included, among other species, Yucatan box turtles, Mexican box turtles, baby crocodiles and Mexican beaded lizards.
- In *United States v. Jaime Gomez Gonzalez,* on June 30, 2022, a court sentenced Jaime Gomez Gonzalez to complete a two-year term of probation and pay \$900 in restitution for smuggling Tactic, an illegal Mexican pesticide, into the United States.
- In *United States v. Guadalupe Ponce-Betanzas, et al.,* on May 4, 2022, a court sentenced Isabel Betanzas to complete a two-year term of probation and pay \$2500 in restitution for conspiring to violate the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA). The court earlier sentenced co-defendant Guadalupe Ponce-Betanzas to complete a one-year term of probation and pay \$2,500 in restitution for the same charge.
- In *United States v. Felipe Oliveros, et al.,* on September 8, 2022, a court sentenced Felipa Oliveros to three months in custody for smuggling pesticides from Mexico into the United States (a felony). Previously, on June 7, 2022, the court sentenced the group's ringleader, Sofia Mancera Morales, to 8 months in custody and ordered to pay nearly \$8,000 in, restitution to pay for disposal of the illegal pesticides.
- On September 20, 2022, the United States sought court approval of a consent decree to settle alleged violations of the Clean Air Act by Canadian auto parts manufacturer Flo~Pro Performance Exhaust and its U.S. distributor, Thunder Diesel & Performance Company, for selling devices that illegally bypass or disable vehicle emissions control systems and harm air quality. The companies also agreed to pay a \$1.6 million penalty. Flo~Pro agreed to stop manufacturing and selling all such devices in the United States. The Environmental Protection Agency (EPA) estimates that prior to its 2018 investigation Flo~Pro manufactured or sold more than 100,000 of the aftermarket "defeat devices" in the United States per year.

GOAL 2: To provide a constant and reliable resource for DOJ's federal investigative agency partners, and especially the attachés in Mexico City, to address prosecutorial or other legal considerations connected with efforts to enhance compliance with USMCA environmental obligations.

GOAL 2 OUTCOMES:

- ENRD participated in capacity building or direct engagement on enforcement-related matters with USMCA counterparts in Mexico and Canada
- ENRD undertook activities to improve communications and exchange of information with Mexican and Canadian environmental enforcement counterparts, especially prosecutors
- ENRD continued to regularly communicate and coordinate with USTR attachés to respond to direct inquiries about legal questions pertaining to potential areas of enforcement in Mexico
- ENRD continued to coordinate with the DOJ Resident Legal Advisor in response to queries from FGR about the prospects for training and case coordination in the area of environmental crimes.

CONTACT:

David Gualtieri, Senior Counsel, DOJ-ENRD
E-mail: David.Gualtieri@usdoj.gov

