



# **21<sup>st</sup>** **Century Border Action Plan**



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Canada and the United States enjoy the largest trading relationship in the world. Every day close to 400,000 people and \$2 billion worth of goods and services cross our shared border. Despite the strong economic ties between Canada and United States and the integration of North American supply chains, there remains much to be done to improve border management and the impact it has on businesses in both countries.

There is a significant amount of inconsistency and unpredictability for businesses involved in cross border trade, contributing to a plethora of operational issues that negatively impact North American supply chains, trade and the ability to expeditiously get goods to market. Governments in both countries are working hard to address these issues, but the rate of change in the private sector is faster than government's ability to respond. Rather than trying to adapt to constantly evolving technological advancements, governments should pause to identify and address the most problematic gaps that exist today that hinder cross border activity.

Many tools, technology and programs exist to facilitate trade, but have not received the resources necessary to truly maximize their potential. Implementing enhancements to the border of today frees up capital that can be leveraged towards partnerships and projects to ensure gaps are mitigated in advance of implementation, ensuring a truly seamless, efficient and robust border.

Improving the operation of the border and applying new technologies will not only serve to enhance the cross-border flow of goods and people but has the potential to strengthen North American security. If done right, trade facilitation and security can be complimentary. By leveraging new technology companies can make supply chains more transparent, allowing for greater collaboration between the private sector and government and ultimately improving our collective security.

This report outlines a series of recommendations for departments and agencies with jurisdiction over immigration, transportation and customs to improve the day-to-day functioning of the border. Immediate actions include harmonizing cross border programs and practices, leveraging existing infrastructure, technology and resources, and eliminating redundancy. Medium term goals include stronger regulatory cooperation and the creation of an infrastructure bank for cross-border projects. Finally, the report outlines an aspirational vision for the border of the future.

Critical to the success of the border action plan outlined below is a commitment from both governments to continuously assess and evaluate existing programs and policies prior to implementing new plans for the border. Increased consultation with industry is required to ensure new programs and policies achieve the desired intent.

# Recommendations

## Immediate

1. Complete the harmonization of trusted trader programs. This includes harmonizing the Free and Secure Trade (FAST) lane requirements, sunsetting the Commercial Driver Registration Program (CDRP) and Customs Self Assessment (CSA) for highway carriers.
2. Enhance the Partners in Protection (PIP) and Customs-Trade Partnership Against Terrorism (C-TPAT) portals to provide a single online mechanism for trusted trader membership in one or both programs, including expanding the single application process beyond highway carriers to all supply chain partners.
3. Instruct U.S. Customs and Border Protection (USCBP) to mandate eManifest requirements for empty conveyances, similar to Canada.
4. Allow Canadian PIP carriers combined with FAST drivers hauling empty trucks to be exempt from eManifest. This would align with C-TPAT carriers combined with FAST drivers whom are exempt in the US.
5. Install Radio-frequency identification (RFID) readers at the busiest Canadian land ports of entry to provide immediate advantage to trucks already equipped with transponder technology. Longer term, this should be accompanied by a movement away from transponders on trucks towards a requirement for a mandatory RFID-equipped border crossing identification card for all commercial drivers.
6. Align differences that create transportation inefficiencies through greater state and provincial collaboration. Examples include policies related to long combination vehicles, weights and dimensions.
7. Improve the use of existing border resources by ensuring all lanes are open at the busiest ports of entry.
8. Increase the flexibility for tri-lateral movement of skilled professionals throughout North America. This could be achieved in the NAFTA renegotiations by enhancing the list of professionals eligible for temporary entry.

## Medium term

Looking ahead, governments will need to embrace technological change to continue progress toward a highly functional border.

1. Reinvigorate the Regulatory Cooperation Council with a new stakeholder consultation mechanism, timelines and accountability. This must include cooperation with states and provinces, other government departments and stakeholders.
2. Introduce an “align or explain” mechanism to encourage bilateral regulatory cooperation. Private-sector parties could use this mechanism to petition for alignment of specific regulations. Governments would be required to respond to a petition within a specified timeframe.
3. Enhance collaboration on standards accepted by both countries between all government departments involved in regulating freight that is imported, exported or transshipped across and between Canada and the US. Cooperation between the Canadian Food Inspection Agency (CFIA) and United States Department of Agriculture (USDA) should serve as a model.
4. Apply the principle of “inspected once, accepted twice” to inbound cargo. Permit border inspections and examinations conducted by an agency (e.g. CFIA/USDA or CBSA/USCBP) to be accepted by the other countries’ regulatory equivalent.
5. Create a single window for customs procedures in each country and apply it across Canada and the US. All government agencies that have regulations affecting the import/export/transport of goods should be engaged before the rollout of a single window to ensure that the information required from traders is limited to that which is required for health, safety and security (risk assessment purposes).
6. Introduce a government-industry infrastructure bank for cross-border projects that uses a market-driven approach to identify priorities for necessary infrastructure or upgrades along international borders and assume neutral coordination of transnational projects. Use the Public-Private Partnerships (P3s) model where appropriate.
7. Use the P3 model to allow for private sector participation and funding in priority projects. This would allow industry to pay for the infrastructure needed such as managed lanes and the creation of cross-border pilot programs to increase the use of technology for more secure and efficient trade networks throughout North America.
8. Expand the role of the North American Development Bank to invest in trade facilitation projects at border crossings.
9. Dedicate funding for the completion of congressionally authorized multi-state intermodal corridor/projects that facilitate the movement of freight.
10. Conduct an in-depth review of the presidential permitting process with a goal to support expedited approval of infrastructure projects that are critical to national interests (pipelines, transmission lines, bridges, roads, rail, etc).
11. Leverage existing technology that has been introduced throughout the supply chain.



## Technology Considerations

The rate of change in business is exceptionally fast. Emerging technologies are creating new opportunities and challenges for businesses that will have implications for supply chains and the trade system more broadly. Adapting to new technologies will require close and ongoing collaboration and consultation between government and industry, and deliberate integration of promising technologies into cross-border processes.

Some examples of technologies with border applications include blockchain technology integration into the supply chain, mobile facial recognition, risk based/compliance profiling, autonomous vehicles and alternative fuels and renewable energy. Properly incorporating these technologies will be critical to efficient border operations.

## Envisioning the border of the future

If the recommendations in this report were implemented border efficiency would be vastly improved. Consider the following characteristics of the border of the future:

- Commercial drivers use a single border crossing ID card equipped with RFID that links to all Commercial Driver's License (CDL) credentials.
- All ports of entry into the US and Canada equipped with RFID readers.
- All commercial vehicles, empty or loaded, supply eManifest in advance of border arrival to speed up crossing.
- A harmonized 30 minute advance notice requirement for trusted traders and empties (maintain exemption for CSA imports and introduce US equivalent).
- "Trusted" is completely harmonized: FAST lane requirements and PIP and C-TPAT are interchangeable.
- Complete harmonization of Section 321 and Low Value Shipments.
- Trucks transiting through a country will move seamlessly with shared entry/exit information.
- Border crossing fees, where applicable, are prepaid or account-based linked to the carrier whose Standard Carrier Alpha Code (SCAC) or carrier code is associated with the manifest using the eManifest existing portals.
- Other government departments or participating government agencies examinations are done at a shipper's facility rather than the border.
- The US and Canada accept the inspections and verifications of the other country.
- All necessary information is supplied in advance to USCBP/CBSA before arriving at the border. High security and/or GPS equipped track and trace seals are affixed at a shipper's facility and trucks arrive precleared.

- All lanes are equipped with a green light/red light system. Nearly all trucks are given the green light with green light at first point of arrival dictating full release.
- Health/safety and security exams done at the border using Non-Intrusive Inspection Technology as much as possible.
- Flexible immigration policies allow foreign drivers to reposition empty equipment in Canada and the US.
- New land border infrastructure and improvement projects include considerations for Long Combination Vehicle staging yards, high-low booths, co-mingling avoidance and where required exclusive traffic lanes reserved for trusted traffic and autonomous vehicles.
- Border compliance is based on client profiles. Carriers are assigned client representative that take a holistic approach to compliance and act as single point of contact for all programs and business needs.

This border could exist today if we could resolve existing differences in programs and policies that manage the border and ease complexities that act as barriers to trade. Combined with the application of new technologies we could achieve significant efficiencies and make this vision a reality.

# Annex

## Detailed Recommendations

### Immediate

**1. Complete the harmonization of trusted trader programs. This includes harmonizing the Free and Secure Trade (FAST) lane requirements, sunsetting the Commercial Driver Registration Program (CDRP) and Customs Self Assessment (CSA) for highway carriers.**

Trusted Trader program requirements for carriers and for shipments to access the Free and Secure Trade (FAST) lane are different whether entering Canada or the United States. Canada has an added layer of programs that is not linked to security creating added costs, increasing complexity for the supply chain and allowing an unvetted commercial driver the same access to benefits of the highly scrutinized “low risk” FAST approved commercial drivers creating inequality and compromising integrity of the low risk designated lane

The Authorized Economic Operator (AEO) program is a model put in place by the World Customs Organization that allows countries to develop their own Trusted Trader (TT) programs. These TT programs provide an opportunity for businesses involved in cross-border trade to volunteer to enhance their supply chain security by implementing initiatives to control personnel, IT, and infrastructure. Widely accepted as good business practice, many trade partners invested into the requirements of the voluntary programs both in Canada and in the US in exchange for membership and the subsequent benefits of belonging to these programs.

One of these benefits is expedited passage at the border. Highway carriers that belong to a TT program, hauling freight that also belongs to an importer of a TT program, driven by a driver with a TT card (FAST card) are provided access to specially designated customs clearance booths called “FAST” booths at the ports of entry into Canada and into the US. Where infrastructure permits, some ports have separate and distinguished access lanes reserved for qualifying participants, called “FAST” lanes. Access to FAST booths and lanes is seen as one of the most significant benefits offered to those belonging to the TT program.

In the US, the TT program is called Customs-Trade Partnership Against Terrorism. In Canada it is called Partners in Protection (PIP). For the freight to be deemed “trusted” the US importer must belong to Customs-Trade Partnership Against Terrorism (C-TPAT) and the Canadian importer must belong to PIP. For the carrier hauling the freight to qualify as “trusted”, the carrier must also belong to C-TPAT in the US or PIP in Canada. The qualifying card for a commercial driver is called the FAST card. Drivers must undergo highly detailed and extensive security background checks to obtain the FAST card. Possessing a FAST card allows the driver to haul the “trusted” freight for the importer and the “trusted” carrier. When all three parameters are met, (importer, carrier, driver) a truck can access the FAST booths and lanes.

If only it were that simple. In Canada there is an extra program called Customs Self-Assessment (CSA). The program is not aimed at security enhancements but on stringent record keeping. To be deemed “trusted” in Canada, the importer and the carrier must belong to both PIP and CSA. Additionally, the CSA program has its own driver ID card called Commercial Driver Registration



Program (CDRP) card. The CDRP card is not associated with security and background checks, however if a driver has a CDRP card they may access the FAST booths and lanes along with the drivers that have gone through the much more stringent and secure background check to obtain a FAST card.

The very programs aimed to facilitate the legitimate trade of low risk goods by low risk supply chain partners are so different and complex that the number of CSA importers in Canada is staggeringly low. Despite the CSA program being available since 2001 there are only 106 companies in the program at time of print, leaving FAST lanes and booths into Canada grossly underutilized. While the infrastructure is in place to accommodate expedited passage into Canada, the importers are reluctant to invest the significant costs required to belong to the additional layer of programming to be deemed “trusted” in Canada.

Canada should eliminate the CSA program for highway carriers into Canada, aligning PIP with C-TPAT. Furthermore, CBSA should sunset the CDRP program for drivers in Canada as it is duplicative and provides FAST lane access despite no level of secure background check.

**2. Enhance the Partners in Protection (PIP) and Customs-Trade Partnership Against Terrorism (C-TPAT) portals to provide a single online mechanism for trusted trader membership in one or both programs, including expanding the single application process beyond highway carriers to all supply chain partners.**

Trusted trader programs in Canada and the US have duplicative portals that serve the same function. Both C-TPAT and PIP offer trade partners access to online portals to manage their memberships. A US based company can apply for membership in the Canadian programs and a Canadian company can apply for the US programs.

Many companies see the benefit in belonging to both the Canadian and US programs given that program requirements are markedly similar. To belong to both programs, trade partners must access separate and unique portals for each one.

In 2015, U.S. Customs and Border Protection (USCBP) and Canada Border Services Agency (CBSA) announced the introduction of one portal for new applicants, whereby a company applying for one program in an online portal can simply check a box to automatically apply to the other countries program. Yet this is only available to highway carriers and only for new applicants to the programs. In addition, this does not include the CBSA’s separate yet related CSA program which is an entirely separate application process altogether.

The PIP portal and C-TPAT portal are different, meaning companies in both programs have to manage both programs through two different online mechanisms. There should be one online access point for TT in both programs. This should include the amalgamated application process.

**3. Harmonize timeframe requirements for eManifest for trusted freight and empty trailers, introduce a CSA equivalent in the US, and instruct U.S. Customs and Border Protection (USCBP) to mandate eManifest requirements for empty conveyances, similar to Canada.**

**4. Allow Canadian PIP carriers combined with FAST drivers hauling empty trucks to be exempt from eManifest. This would align with C-TPAT carriers combined with FAST drivers whom are exempt in the US.**

eManifest requirements vary between Canada and the US. Combined with varying qualifications this makes it very difficult for a small to medium sized enterprise looking to engage in international trade to initiate the cross-border trade process. For example, eManifest time frames are different depending on whether you are deemed a Trusted Trader. A Trusted Trader into Canada (CSA + PIP + FAST) is exempt from eManifest. A trusted trader into the US (C-TPAT + FAST) is still required to give advance notice -thirty minutes instead of sixty minutes.

In 2005 USCBP implemented mandatory pre-arrival information from all commercial carriers. Under this program detailed manifest data must be sent electronically to USCBP in advance of the trucks arrival at the border. This eManifest process allows USCBP to begin the risk assessment of the freight, carrier and driver before a truck arrives at the border increasing efficiencies in both USCBP resources and improved truck throughput.

In 2015 CBSA followed suit, implementing the same program. In the US the carriers use Automated Customs Environment (ACE) to supply eManifest information to USCBP and in Canada the carriers use Advanced Commercial Information (ACI).

For a truck headed into the US, the eManifest must be received and acknowledged as received by US CBP at least one hour prior to the truck's arrival at the primary inspection booth. However, as a result of efforts to introduce benefits to trusted traders, a FAST truck may submit eManifest information only 30 minutes in advance of arrival. Trucks that are hauling empty trailers are not required to provide an eManifest in advance of the truck's arrival, although are encouraged to do so.

Arriving into Canada a truck is required to have supplied the eManifest at least one hour prior to the truck's arrival at the border. However, as a benefit to trusted traders, a FAST truck is completely exempt from eManifest while a truck hauling an empty trailer into Canada is required to supply an eManifest.

CBSA should eliminate the need for a carrier to belong to the CSA program, thus aligning PIP with C-TPAT. This would allow for the timeframes for a carrier hauling PIP freight to align with C-TPAT freight into the US (30 minutes). Where the importer into Canada has made the investment to belong to the CSA program, CSA freight can still receive the eManifest exemption. The US should consider a similar program to CSA where importers can apply to the program and their freight would be exempt from eManifest

In addition, USCBP should mandate eManifest requirements for empty conveyances, similar to Canada. PIP carriers combined with FAST drivers hauling empty should also be exempt.

**5. Install Radio-frequency identification (RFID) readers at the busiest Canadian land ports of entry to provide immediate advantage to trucks already equipped with transponder technology. Longer term, this should be accompanied by a movement away from transponders on trucks towards a requirement for a mandatory RFID-equipped border crossing identification card for all commercial drivers.**

All US ports of entry are equipped with RFID to read a truck transponder. CBSA has not implemented RFID at commercial lanes into Canada, creating a gap in the use of RFID technology and slowing border crossings.

Upon arrival at the border, a truck heading into the US may be equipped with a transponder, a piece of equipment that emits a RFID signal to a reader at the USCBP primary inspection line (PIL). The transponder will send a signal to the reader as the truck approaches, automatically populating the USCBP officer's screen with the eManifest information previously submitted according to the requirements.

A truck equipped with a transponder averages a 90 second improvement in efficiency through the primary inspection line than one without. While 90 seconds may not seem like much, the Ambassador Bridge averages 12,000 trucks a day, generating a significant total time savings. While transponders are not mandatory many trucks that regularly cross the Canada-US border have them.

Upon arrival at the border into Canada, there are no readers at the CBSA PIL booths. Instead, the driver must come to a complete stop, turn off the engine and hand over paperwork to CBSA.

CBSA should immediately install RFID readers to leverage the existing transponder technology at the busiest land ports of entry as a minimum. Widespread use of RFID will speed up every truck crossing by an average of 90 seconds.

Nearly 60% of all commercial drivers are not using FAST cards (not using RFID equipped identification documentation). Governments should leverage the FAST program to ensure every commercial driver crossing the border has an RFID equipped border crossing card. Evolving the FAST card program will increase the number of participants in the program, leverage the existing enrollment centers, application process, distribution, online portal, appeals and ombudsman already in place. Further, it provides an additional level of visibility to customs agencies because it provides advance knowledge of every commercial driver crossing the border. All while ensuring every commercial driver crossing the border has an RFID equipped identification card for use with the RFID readers installed at the ports of entry.

**6. Align differences that create transportation inefficiencies through greater state and provincial collaboration. Examples include policies related to long combination vehicles, weights and dimensions.**

A lack of harmonization of interprovincial, interstate and international freight movement regulations in weights and dimensions contributes to supply chain inefficiencies as trucks are required to stop and accommodate different regulations.

For example, in some provinces in Canada, trucks can haul two 53 ft. trailers using only one power unit (long combination vehicles). According to a study by the government of Alberta, long combination vehicles enhance fuel efficiency by 32 per cent and lead to a 30 per cent reduction in GHGs.

To safely haul two trailers there must be rules in place such as designated routes and entry/exit points that can facilitate safe navigation of a double conveyance. Despite the significant efficiencies generated by double hauling, upon arriving at the CA-US border, a truck hauling two trailers must stop and de-link due to differing standards and regulations. Additionally, allowable weights and dimensions with respect to some truck configurations vary province to province, state to state and between Canada and the US.

## **7. Improve the use of existing border resources by ensuring all lanes are open at the busiest ports of entry.**

Cross border trucks and port operators have repeatedly iterated concerns to USCBP and CBSA about the need for all primary inspection booths to be fully staffed. Both customs agencies and port operators have captured traffic trends, and while anticipating random spikes or drops in traffic is not always possible, fully staffed primary inspection lines during peak traffic times is critical to high efficiency throughput of trucks and therefore goods. Furthermore, specialized officers conducting examinations on behalf of other government departments, such as USDA officers, need to be available at the major ports of entry on a 24/7 basis.

Trade functions in a 24/7 environment, so too must all the services that apply to trade. Canada and the US should ensure that primary inspection lines are fully staffed at major points of entry during peak traffic times, even if the traffic volumes fluctuate.

## **8. Increase the flexibility for tri-lateral movement of skilled professionals throughout North America. This could be achieved in the NAFTA renegotiations by enhancing the list of professionals eligible for temporary entry.**

Antiquated and rigid immigration regulations prevent progress on innovative solutions that introduce more flexibility with respect to immigration policy, addressing a shortage of skilled workforce and labour throughout Canada and the US.

Skilled professionals are highly sought after because they provide a specific skill set that may be uniquely attuned to proprietary business practices. Finding local talent with the same degree of knowledge, expertise and experience in a sophisticated manufacturing or logistics environment is a huge challenge for the North American supply chain.

The restrictions and limitations placed on bilateral movement of skilled professionals continues to add costs and delays to the supply chain as the paperwork required to facilitate the movement of these individuals is burdensome and arduous. Furthermore, the qualifying list of professionals eligible for temporary entry is outdated and doesn't meet the needs of current and future business needs. In the event skilled professionals are moving across borders, the H2B VISA process is an added layer of administrative burden that inhibits profitability and efficiency.

One particularly problematic example relates to freight. Province-to-province pick-ups and deliveries of freight are not permitted in Canada by US trucks driven by US drivers. Likewise, state-to-state pick-ups and deliveries of freight are not permitted in the US by Canadian trucks and Canadian drivers. These rules, governed by two separate sets of regulation, are put in place to protect the jobs of citizens engaged in domestic freight movement.

In an environment of looming driver shortages, the ability to do more with less is hindered by these regulations. There may be opportunity to review cabotage law to allow for increased efficiencies. A good place to start is to look at the repositioning of foreign plated empty trailers which is not the point-to-point movement of freight, but simply the movement of empty trailers.

Immigration policies should be reviewed to address the needs of integrated North American supply chains by increasing flexibility for tri-lateral movement of skilled professionals throughout Canada and the US. One immediate change would be to allow empty trailer repositioning in both Canada and the US with a goal to review restrictive cabotage law over the longer term.

## Medium term

Looking ahead, governments will need to embrace technological change to continue progress toward a highly functional border.

**1. Reinvigorate the Regulatory Cooperation Council (RCC) with a new stakeholder consultation mechanism, timelines and accountability. This must include cooperation with states and provinces, other government departments and stakeholders.**

**2. Introduce an “align or explain” mechanism to encourage bilateral regulatory cooperation. Private-sector parties could use this mechanism to petition for alignment of specific regulations. Governments would be required to respond to a petition within a specified timeframe.**

The recent reaffirmation of the RCC is a positive step. To ensure the RCC is successful its mandate should be broadened to include clear timelines and accountabilities. Brining states and provinces into the discussion would help to ensure that intra-provincial and intra-state regulatory disparities do not serve to hinder the bilateral trade relationship.

Priority should be given to addressing longstanding regulatory divergences in the trucking industry regarding harmonization of vehicle weights and dimensions. With respect to Canadian and US operators, there should be consistent application of the National Safety Code clarifying the definition of compliance while facilitating industry’s ability to meet compliance requirements. Additionally, both the US and Canada should consider implementing mandatory entry-level training for commercial drivers’ license holders to increase safety and reduce risk. The National Safety Code Safety Fitness Framework and requirements for USDOT numbers should be reviewed by both US and Canada to ensure parity and even competition while maintaining safe standards for all operating carriers.

Putting in place a mechanism through which the private sector can provide targeted recommendations to governments on the harmonization of specific regulations will increase the RCCs effectiveness. The mechanism should require the governments to respond to a petition within a set period of time (e.g. 120 days). Governments would have two options: proceed with alignment, or provide a written, public explanation why the petition was being turned down.

**3. Enhance collaboration on standards accepted by both countries between all government departments involved in regulating freight that is imported, exported or transshipped across and between Canada and the US. Cooperation between the Canadian Food Inspection Agency (CFIA) and United States Department of Agriculture (USDA) should serve as a model.**

**4. Apply the principle of “inspected once, accepted twice” to inbound cargo. Permit border inspections and examinations conducted by an agency (e.g.CFIA/USDA or CBSA/USCBP) to be accepted by the other countries’ regulatory equivalent.**

Government departments involved in the import, export and transport of goods across the CA-US border must to work together with equivalent regulators to ensure the examinations and inspections done by one country at the perimeter are accepted by the other. While customs agencies have implemented eManifest for advance data and work on “Single Window

Initiatives” in both Canada and the US are ongoing, there is a need to address the delays and costs caused by multiple inspections by multiple agencies at multiple points throughout freight transit. As work progresses on border visions for pre-cleared cargo, there is an opportunity to explore true harmonized inspections on goods regulated by other government departments. A pilot to involve CFIA examining goods at the first port of arrival that is commensurate with the requirements of USDA could identify opportunities to truly “Inspect Once, Accept Twice”. This could be voluntary for companies moving goods from offshore through Canada or the US to the other country.

**5. Create a single window for customs procedures in each country and apply it across Canada and the US. All government agencies that have regulations affecting the import/export/transport of goods should be engaged before the rollout of a single window to ensure that the information required from traders is limited to that which is required for health, safety and security (risk assessment purposes).**

Both the US and Canada are working towards creating their own single window for customs and import procedures. The objective is to create a single point of access for traders to submit data related to the import, export and transport of freight. The system would then disseminate the required data to the appropriate government departments to ensure compliance with trade requirements. At the same time Canada, Mexico and the US are also entering into discussions around the development of a North American Single Window Initiative where an importer would supply the information once and it would be shared between the regulatory bodies of affected countries.

The concept of a single window should remain “one place for companies to supply all data”, not create an opportunity for government departments and agencies to establish a “wish list” of data requirements. The data required in advance through a single window needs to be limited to that which is absolutely necessary for risk assessment. Furthermore, a traders’ ability to provide data in advance through a single window should enhance their risk status and consideration be given to an integrated Trusted Trader compliance ‘scorecard’.

To ensure the success of these initiatives both countries should dedicate appropriate funding that is renewed over the long- term to fully support consultation, development and testing across all sectors prior to rolling out any single window tool.

**6. Introduce a government-industry infrastructure bank for cross-border projects that uses a market-driven approach to identify priorities for necessary infrastructure or upgrades along international borders and assume neutral coordination of transnational projects. Use the Public-Private Partnerships (P3s) model where appropriate.**

A government-industry infrastructure bank would provide an opportunity to engage private capital and the prioritization of projects by industry and government. Regional and local business will have increased influence over necessary improvements to local infrastructure necessary to facilitate economic development.

**7. Use the P3 model to allow for private sector participation and funding in priority projects. This would allow industry to pay for the infrastructure needed such as managed lanes and the creation of cross-border pilot programs to increase the use of technology for more secure and efficient trade networks throughout North America.**

While emerging technology such as autonomous vehicles are increasingly garnering attention from media, public, and government, government lacks funding necessary to test and pilot technology in real time. Furthermore, regulation lags behind the use of this technology and it isn't clear yet how widespread use of autonomous or semi-autonomous vehicles may become.

A public-private partnership could lay the foundation for a pilot between industry and government to work to identify high volume, high frequency shipments moving across the land border at one or more ports of entry by low risk shippers and consignees (those approved in the US C-TPAT or Canada's PIP). Pre-approved entities and pre-approved commodities would enter into a pilot whereby a fully autonomous vehicle moves back and forth across the land border. Once the freight has crossed the border, it would enter into a customs controlled area to await pick up by a domestic commercial driver for delivery to destination. Piloting this technology allows USCBP and CBSA to determine the risk of the conveyance and cargo alone, eliminating additional time to risk assess the driver. For industry, it eliminates the need to find a driver that qualifies for entry into the US or Canada. It also ensures availability of freight for local drivers. For shippers and consignors, the steady stream of freight movement is highly conducive to "Just In Time" environments. Industry could pay the costs associated with this pilot to further exploration of the use of the technology in real time supply chain environments, while sparing USCBP and CBSA resources from spending time vetting commercial drivers.

**8. Expand the role of the North American Development Bank to invest in trade facilitation projects at border crossings.**

**9. Dedicate funding for the completion of congressionally authorized multi-state intermodal corridor/projects that facilitate the movement of freight.**

North American supply chains rely on robust transportation systems and critical infrastructure to support getting goods to market. The I-69 interstate acts as a major transportation vein that supports freight and goods movement into and through the Midwest connecting Canada to Mexico through Michigan, Indiana, Kentucky, Tennessee, Mississippi, Arkansas, Louisiana, and Texas. The suspension of the interstate construction program has limited the ability for states hosting the I-69 corridor to fund the necessary construction and improvements. As a result, this essential length of highway remains underdeveloped.

The US should prioritize completion of congressionally authorized "Future Interstates" that facilitate the movement of freight as a priority under the US Infrastructure Plan and funding should not be considered as part of a state's formula allocation given the national impact of the Future Interstate. As well, federally authorized Future Interstates should be included as part of the National Freight Network and eligible for all funding associated with the National Freight Network Program.

**10. Conduct an in-depth review of the presidential permitting process with a goal to support expedited approval of infrastructure projects that are critical to national interests (pipelines, transmission lines, bridges, roads, rail, etc.**

**11. Leverage existing technology that has been introduced throughout the supply chain.**

Company supply chains have become increasingly sophisticated over the past 20 years thanks to technological advances. There are opportunities to leverage these existing technologies to improve border efficiency. Examples include:

- Highway carriers today use GPS equipped track and trace seals to ensure the integrity of the goods and trailer from point of origin to destination. This technology allows for increased control and secure transport, features that could be incorporated into the border to increase efficiencies.
- Rather than rely on paper documents for some border crossing processes, introduce electronic documentation combatable with shippers. Technology such as smartphones or Electronic Logging Devices already mandatory for all trucks operating in the US (including trucks from Canada) could be used for the transmission of eManifest.
- Trucks crossing the border into the US are required to pay border crossing fees. These fees are still paid by cash, if not by transponder. This requires trucks to stop, pay cash, obtain change if necessary and gather a receipt. The ACE system provides an internet portal that tracks nearly every commercial truck entering the US and could provide a mechanism for invoicing. Alternatively, smartphones or Electronic Logging Devices could be used for payment processing.
- Governments should provide more information online for shippers with “how to” guides to facilitate cross border trade, particularly for small to medium size enterprises. A web portal to determine country of origin would prove invaluable and encourage economic growth through exports.
- The trade community often seeks clarification on legality of import, export, transport and even storage and handling of goods and product. When legal decisions are publicly available they should be easy to find and access, encouraging the trade community to self-educate and self-regulate.
- Any and all ports where the internet connection is still relying on dial up need to be immediately upgraded to faster, more reliable, sustainable and secure internet delivery methods.



