



NASCO

North American Strategy for Competitiveness

A look at the Canada-US border

Canada – U.S. Border

- Every day
 - 400,000 people
 - \$2 billion worth of goods
- Despite the strong economic ties, significant amount of **inconsistency** and **unpredictability**
- Governments work hard to address issues, but rate of change in 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** preventing true efficiency



Tools, Technology, Programs Exist to Facilitate Trade, Fall Short of Potential

Immediate

- Harmonizing cross border programs and practices, leveraging existing infrastructure, technology and resources, and eliminating redundancy.

Medium term

- Include stronger regulatory cooperation, the creation of an infrastructure bank for cross-border projects.

Long term vision for the border



Immediate

1. Harmonizing the Free and Secure Trade (FAST) lane requirements
 - a) CANADA: Sunsetting the Commercial Driver Registration Program (CDRP) and Customs Self Assessment (CSA) for highway carriers
 - b) Harmonizing timeframe requirements for eManifest for trusted freight and empty trailers
2. Enhance the Partners in Protection (PIP) and Customs-Trade Partnership Against Terrorism (C-TPAT) portals to provide a single online mechanism for managing trusted trader membership in one or both programs, go beyond the single application process
3. US: Customs and Border Protection (USCBP) to mandate eManifest for empty conveyances, similar to Canada.
4. Allow Canadian PIP carriers combined with FAST drivers hauling empty trucks to be exempt from eManifest align with C-TPAT



Immediate

5. CANADA: Install Radio-frequency identification (RFID) readers **at least at** the busiest Canadian land ports of entry.
6. Introduce a mandatory RFID-equipped border crossing card for all commercial drivers (leverage FAST)
7. Align differences that create transportation inefficiencies through greater state and provincial collaboration. Examples include policies related to long combination vehicles, weights and dimensions.
8. Improve the use of existing border resources by ensuring all lanes are open at the busiest ports of entry.
9. Increase the flexibility for tri-lateral movement of skilled professionals throughout North America; enhance the list of professionals eligible for temporary entry.
10. Review past pilots, assess, evaluate, correct and revisit!



Medium Term

1. “Align or explain”- encourage bilateral regulatory cooperation
2. Enhance collaboration on standards accepted by both countries between all government departments
3. 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.
4. Apply the principle of “inspected once, accepted twice” to inbound cargo.
5. All government agencies regulating import/export/transport of goods should be engaged before the rollout of a single window



Medium Term

6. Flexible immigration policies address looming driver shortages. Allow province-to-province and state-to-state pickups by US and Canadian drivers.
7. Government-industry infrastructure bank for cross-border projects
8. Use the P3 model to allow for private sector participation and funding in priority projects
9. Introduce an established mechanism for border management modelled on the Beyond the Border Stakeholder consultative mechanisms.
10. Dedicate funding for the completion of congressionally authorized multi-state intermodal corridor/projects that facilitate the movement of freight.
11. Review presidential permitting process to support expedited approval of infrastructure projects that are critical to national interests (pipelines, transmission lines, bridges, roads, rail, etc.



Long Term Vision

Future Border: Highway

- The border of the future will see each commercial driver with a single border crossing ID card equipped with RFID that links to all CDL credentials
- All ports of entry both into US and Canada will have RFID readers
- All commercial vehicles must supply eManifest in advance of arrival
 - 1/2 hr advance notice for trusted and empties; exemption for CSA imports
 - “Trusted” is completely harmonized: FAST lane requirements and PIP and C-TPAT interchangeable
- All trucks transiting through a country will move seamlessly; entry/exit information shared
- Border crossing fees, where applicable, are prepaid or account based linked to the carrier whose SCAC or carrier code are associated with the manifest
- Public-private partnerships enable OGD/PGA examinations to be done at the shippers facility and not stopped at the border; US and CA accept the inspections and verifications of the other country



Long Term Vision

Future Border: Highway

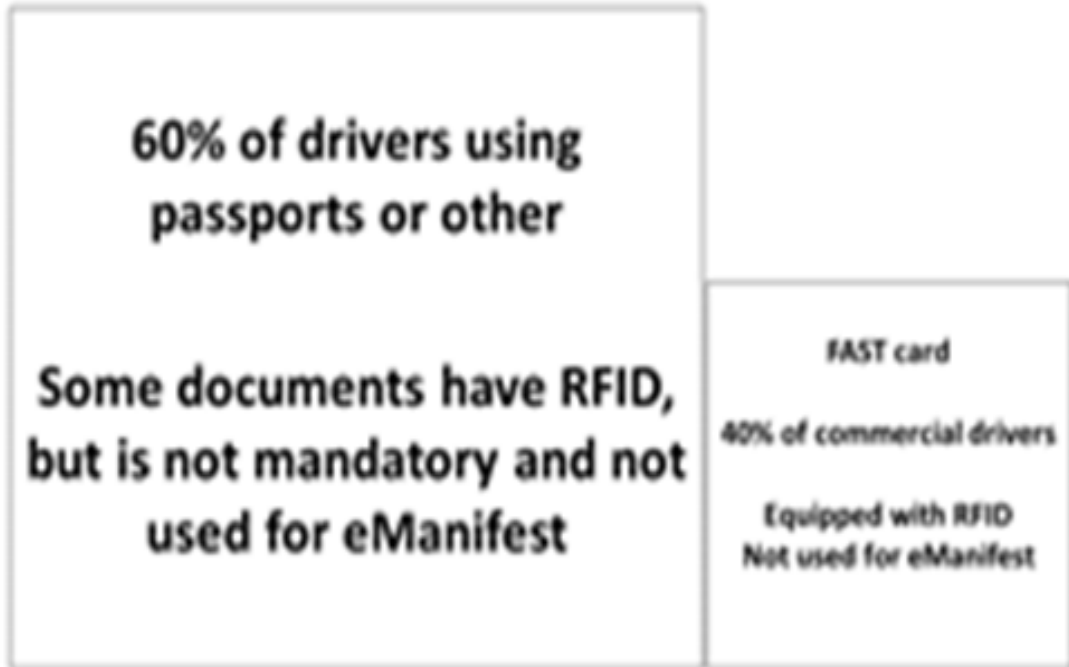
- Info in advance to customs/other agencies through single window. Trucks arrive at border, shipments are precleared, do not stop at the border; High security seals (GPS equipped) affixed at shippers
- All lanes equipped with green light/red light. Nearly all trucks = green light; Arrival and green light at FPOA dictate full release; Only health safety and security exams done at the border using Non Intrusive Inspection Technology
- Flexible immigration policies allow foreign drivers to reposition empty equipment in a foreign country; CA drivers in US; US drivers in CA
- New infrastructure/improvement projects include; Long Combination Vehicle staging yards, high-low booths, co-mingling (autonomous) avoidance; and exclusive traffic lanes reserved for trusted traffic;
- Compliance based on volumetrics and exposure; wholesome approach to compliance; penalties not first line of defense; education/training alternatives



Where do we start?

By address immediate issues; harmonization, driver shortage, RFID

FAST - Where we are



FAST - Where we need to be

- FAST infrastructure needs to be leveraged
- FAST tiered; introduce flexibility
- Increase number of drivers with RFID from 40% to 90%



Plan for the future by doing pilots today!

A “Conveyor Belt” Border Pilot

- Pre-approved low risk companies and freight using fully autonomous vehicle (no driver) to haul sealed trailers from one side of border to other
 - Truck, trailer, shipment info provided in advance to customs
 - Domestic driver hauls trailer to place within vicinity of border (customs controlled area?)
 - Autonomous vehicle takes sealed trailer across border to customs controlled area on other side
 - Await pick up by a domestic commercial driver for delivery to destination.
- Motivating Factors;
 - Automated vehicles technology is readily available regulation lags behind
 - Autonomous vehicles will not replace drivers, however, the technology could provide relief to industry chokepoint
 - Processing the human factor takes the greatest amount of time
 - Lack of drivers, drivers don't want to cross border, drivers want to be home at night
- Benefit?
 - Test autonomous vehicle technology and information exchange with USCBP/CBSA
 - Remove human factor, incorporate RFID = legitimate freight movement is expedited
 - Allows USCBP and CBSA to determine the risk of the conveyance and cargo alone, eliminating driver risk
 - Industry eliminates the need to find a driver that qualifies for entry into the US or Canada
 - 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.



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