

## NAFTA Modernization Task Force

In November 2016, PNWER established a *NAFTA Modernization Task Force* to develop a regional bi-national consensus of recommendations needed to update the agreement. The Task Force held monthly calls to discuss key areas of interest to include in a modernized agreement and to develop a survey to collect feedback from economic sectors across the bi-national region. With NAFTA renegotiation ongoing, PNWER provides regular updates on the process to stakeholders. This continues to be a priority for PNWER delegation visits to Ottawa and D.C. *See pg. 30 for more details.*

### **Members of the Task Force Include:**

- PNWER Private Sector Working Group  
Co-chairs
- Alberta Economic Development and Trade
- Alaska Department of Commerce Division  
Economic Development
- Business Oregon
- BC Trade Policy and Negotiations
- BC Intergovernmental Relations Secretariat
- Cascadia Institute
- Idaho Department of Agriculture  
Market Development Division
- Idaho Department of Commerce
- Montana Department of Commerce
- Montana Governor's Office of Economic  
Development
- Northwest Territories Ministry of Industry Tourism  
and Investment
- Saskatchewan International Relations Executive  
Council
- Saskatchewan Trade Policy Executive Council,  
Office of the Premier
- Washington Department of Commerce
- Washington Governor's Advisor for Trade Policy
- Washington Council on International Trade
- Western Washington University Border Policy  
Research Institute
- Yukon Economic Development

## NAFTA Modernization Survey

Through this process PNWER created a survey to gather feedback from across North America. The survey collected data from industries and organizations on overarching principles that they would like to see included in a renegotiated NAFTA. The results of the survey were submitted to the United States Trade Representative and Canadian Parliament House Standing Committee on International Trade, respectively, in response to their calls for public comment. PNWER also testified at hearings at the US Trade Representative and Standing Committee on International Trade in Ottawa.

## NAFTA Modernization Resolution

In November 2017, the PNWER Executive Committee approved a resolution in support of the modernization of NAFTA. In summary, the resolution states that PNWER supports the modernization of NAFTA to enhance the existing economic relationships within PNWER jurisdictions in a mutually beneficial manner; and, that PNWER continues to encourage our countries to respect the spirit of NAFTA by promoting policies that support and enhance the integrated nature of our supply chains and economies that provide jobs in our respective communities; and that PNWER supports improvements that enhance the commitment and the success for all parties of NAFTA; and that PNWER members encourage their federal governments to strive towards a modernized NAFTA that builds upon its current success to further enhance trade and investment in North America.

*For the complete text and more information, please visit [www.pnwer.org/nafta-modernization](http://www.pnwer.org/nafta-modernization)*

## NAFTA Recommendations

Stakeholder survey recommendations:

1. **INCLUDE ADVANCEMENTS FROM OTHER FREE TRADE AGREEMENTS:** As a starting point, examine previously agreed upon advances from modern trade agreements like the Trans-Pacific Partnership.
2. **CROSS-BORDER TRADE FACILITATION:** Include "modern" processes for cross-border customs (methods to streamline and simplify clearance, declaration, documentation, facilitation, etc.). Simple clearance, declaration and origin rules will facilitate that process. Harmonizing and aligning standards before products reach the border to increase efficient trading. This includes preclearance for goods and livestock.
3. **DIGITAL TRADE AND E-COMMERCE:** NAFTA should be modernized to provide a framework to promote and govern digital trade, e-commerce, services; including financial services, logistics, and information and communication technology.
4. **ENERGY AND INFRASTRUCTURE:** Support further integration of North American energy markets and the infrastructure needed to connect them.
5. **INTELLECTUAL PROPERTY:** Increase protection of intellectual property
6. **REGULATORY COOPERATION:** Encourage permanent adoption and expansion of the Regulatory Cooperation Council to align product standards, testing, and certification.
7. **EXPRESS DELIVERY:** Include modern provisions to facilitate cross-border express delivery for small shipments; harmonize de minimis thresholds for expedited shipments.
8. **LABOR MOBILITY:** Update NAFTA labor categories to reflect modern classifications and expand common standards for professions and mutual recognition of skills credentials.
9. **PROCUREMENT:** Include exemption for Canadian content in "Buy American" procurement, as it currently is in the defense sector.
10. **DISPUTE SETTLEMENT:** Establish clearer and more effective mechanisms for resolving trade disputes.

## Preclearance

In 2015, PNWER established a *Preclearance Task Force* to provide input on the expected benefits and coordinate with agencies on both sides of the border prior to and during the eventual implementation of the agreement. Since November 2014, the Task Force has held monthly conference calls to share information across the Northern Border on the challenges, process, timeline, and implementation. This stakeholder engagement has helped with increased outreach and engagement from the federal entities to the Pacific Northwest. PNWER was instrumental in securing implementation legislation in the US in Dec. 2016 and in Canada in late 2017.

### PNWER Preclearance Task Force Participating Organizations:

- Amtrak
- BC Ministry of Transportation
- Blackball Ferry
- Border Policy Research Institute
- Canada Border Services Agency
- Canadian Consulate Seattle
- CanAmBTA
- Cascadia Institute
- Government of British Columbia
- International Mobility and Trade Corridor
- Kenmore Air
- NW Congressional staff
- NW Cruise Line Industry Association
- Pacific Northwest Economic Region
- Port of Vancouver
- Privy Council of Canada
- Public Safety Canada
- Rocky Mountaineer
- The Butchart Gardens
- Tourism Industry Association of BC
- Tourism Victoria
- Transport Canada
- UPS
- US Consulate Vancouver BC
- US Customs and Border Protection
- US Department of Homeland Security
- Victoria Airport
- Victoria Clipper
- Washington Dept. of Transportation

*The Pacific Northwest is in a unique geographic area of mountains and sea and has all the transportation modes tied to the "Two-Nation Vacation". This region is a prime location to test the implementation of preclearance.*