



Canada – U.S.  
Regulatory Cooperation Council:  
Considerations for the  
Path Forward

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# Initial RCC Action Plan

- RCC initiative first announced three years ago: PM Harper and President Obama
- Linked to economic and competitiveness drivers
- Recognized two independent regulatory systems generating duplicative requirements = costs
- Action Plan announced in December 2012, followed by detailed work plans for 29 initiatives
- Last 18-24 months – extensive work by federal departments and central agencies
- Fall 2013 – conducted binational stakeholder consultation to inform next steps



# Initial RCC Action Plan

Initial Action Plan focused on enhancing regulatory cooperation on specific issues in a range of regulatory areas, including:

## **Cooperation in regulatory system reliance**

- Reducing and eliminating duplicative requirements by recognizing success of each others' work

## **Cooperation in regulatory standard-setting**

- Partnering on regulatory standards development, conformity (i.e. testing), and implementation/ enforcement tools

## **Cooperation in product reviews and approval**

- Collaborating on aligning submissions, analysis, and approval processes

## **Cooperation in managing 3<sup>rd</sup> country import risks**

- Sharing common requirements and approaches, sharing monitoring and compliance initiatives, reallocating resources to address 3<sup>rd</sup> country risks



# Initial RCC Action Plan

- The initial Action Plan was intended:
  - as a test of binational Canada-U.S. cooperation through tangible examples
  - to allow consideration of more systemic cooperation to avoid future misalignment
  - to inform future work
- The initial Action Plan was successful in:
  - building an understanding of how to achieve alignment on an ongoing basis
  - demonstrating the ‘proof of concept’ through individual initiatives
  - clarifying the various categories of benefits that can be realized
  - identifying barriers and challenges to closer cooperation



# Considerations for the Path Forward

- Next effort needs to transition to a “business as usual” approach rather than an “add-on” approach for regulatory departments
- Deeper partnership between similarly mandated Canadian and U.S. departments are the key to success
- Cross-cutting issues need to be explored (e.g., information-sharing, funding collaboration, etc.)
- Canada-U.S. alignment is not required in all areas – the benefits need to be clear to merit the effort
- Stakeholder role is important and it needs to be embedded in new processes
  - Departmental: planning and implementation
  - Canada-U.S. RCC/central agency: ongoing dialogue on regulatory cooperation
- Need to move away from an “issue and irritant” mindset to an “opportunity and benefit” mindset in a short, medium and long-term context



# Key Elements for the Next Phase

1. Department-to-department partnerships
  - Common department-level cooperation elements
  
2. Broaden scope
  - Focus on broader areas of regulatory business between Canada-U.S. departments rather than selecting individual issues as in the initial Action Plan
  
3. Exploring cross-cutting issues
  - Consider options to address challenges (e.g., information-sharing, funding collaboration, regulatory processes) to support regulatory cooperation



# Key Elements – New Binational Partnerships

- **Primary interface between the Canadian and U.S. regulatory departments**
  - At senior and technical levels of departments
- **Planning**
  - Long term: industry trends, regulatory system and policy direction
  - Medium term: forecast upcoming opportunities
  - Short term: rolling work plans updated
- **Stakeholder role**
  - Binational priorities
  - Industry trends
  - Quantification of costs / benefits for firms / sectors
- **RCC oversight maintained**
  - Evolving role and consideration of longer term governance
- **Secure partnerships through department-level arrangements**





## Key Elements – Next Work Plan

- Evolve from individual issues to broader commitments in areas of regulatory business (e.g., side impact standards → vehicle safety standards in general)
- Includes more comprehensive and regular binational planning
- Partnership arrangements aligned to similarly mandated U.S. and Canadian departments and their regulated sectors



# Key Elements – Exploring Cross-Cutting Issues

- **Information sharing**
  - Facilitate sharing enforcement data, product submissions, etc.
- **Funding collaboration**
  - Enable partners to send or receive funds, jointly contract 3<sup>rd</sup> parties, re-spend, etc.
- **Regulatory process**
  - Seek opportunities within our respective respective regulatory processes to advance alignment
- **Regulatory policy**
  - Further align regulatory policy and approaches to regulatory cooperation



# Next Steps

- Release of *RCC Forward Plan* (imminent)
- Department-to-department planning starts (post-release)
- RCC stakeholder event in Washington, DC (early Fall 2014)
- Move towards new partnerships and binational processes between departments