Pacific NorthWest Economic Region (PNWER) Public Comments for USMCA/CUSMA 2026 Review
November 3, 2025

The Pacific NorthWest Economic Region (PNWER), representing the integrated economies of five U.S. states (AK, ID, OR, MT, WA) and five Canadian provinces/territories (AB, BC, SK, YT, NWT), strongly supports the continuation and strengthening of the United States-Mexico-Canada Agreement (USMCA/CUSMA). As the agreement enters its first joint review period, we see this as an opportunity to make improvements to the agreement in order to provide long-term predictability and certainty to businesses across North America. Our cross-border region's prosperity is uniquely reliant on the seamless flow of goods, services, capital and labor across the U.S.- Canada border and view the continuation of USMCA/CUSMA as vital to our integrated economy. The following comments were collected from PNWER partners from across the region from multiple sectors of the economy.

1. Supply Chain Resilience

1.1. Develop plans for engagement and dialogue with international trade stakeholders and customs agencies to enhance port of entry operations and infrastructure projects on a regional basis.

1.2. Create regional cross-border supply chain working groups to provide recommendations to address bottlenecks, recommend pilots and provide ongoing input to enhance the flow of goods across the border. Utilize these working groups to enhance cross-border collaboration on supply chain security and resilience, specifically developing shared protocols for maintaining freight flow during regional emergencies and natural disasters.

1.3. Enable private sector participation and input in upgrading border and freight technologies.

1.4. Incentivize public and private investment in regional port (sea, inland and air), rail and highway infrastructure that supports cross-border trade flow and resilience.

1.5. Incentivize cross-border, regional production of critical manufactured goods (e.g., semiconductors, medical devices) through coordinated tax credits or investment incentives, ensuring a cohesive North American strategy.

1.6. Remove restrictions that prevent U.S. Foreign Trade Zones (FTZs) and similar Canadian programs from achieving their full potential to promote exports and strengthen integrated U.S. and Canadian manufacturing supply chains.

2. Agriculture

2.1. Enable tariff-free movement of fertilizer components used by the agriculture industry, including potash, nitrogen and phosphate.

2.2. Resolve disputes on dairy access, seasonal produce, and biotech through fair, science-based approaches.

2.3. Expand cooperation on agricultural innovation and food supply resilience across sectors.

2.4. Maintain and expand agricultural eligibility in the Customs-Trade Partnership Against Terrorism (CTPAT) and Trusted Trader program.

2.5. Align rules on transportation, disease control measures and inspection requirements on livestock, agriculture and meat trade.

2.6. The requirement to place a “CAN” brand or tattoo on live Canadian cattle imports into the U.S. is unnecessary. Consider the required presence of a Canadian Cattle Identification Agency ear tag as sufficient.

2.7. Enable dedicated border inspection lanes and increased USDA border crossings for live animal shipments. U.S. processors in Washington and Montana depend on Alberta cattle. Dedicated inspection lanes for live animal shipments would reduce animal stress and driver delays, improving the cattle industry in Canada and the beef industry in the United States.

2.8. Allow the use of Canadian grades on U.S. products, and USDA beef grades on Canadian products. Formal equivalency recognition of United States Department of Agriculture beef quality grades with Canadian Beef Grading Agency quality grades would increase uniformity and consistency in commercial practices between our two countries.

2.9. It is essential to establish rules for the approval process of new products, ensuring that Canadian and American farmers have access to the same tools at the same time. This will allow for the free movement of live animals across the border, with confidence that the products used in animal feed and/or production are accepted in both countries.

3. Energy

3.1. The current USMCA/CUSMA provides the foundational framework for advancing North American energy leadership, and the USMCA/CUSMA review provides the opportunity to further unleash North American energy. The North American energy advantage, particularly between the United States and Canada, is the balanced and reciprocal trade that enhances continental security and geopolitical stability; provides manufacturing competitiveness and affordability; and creates investments in long needed refining capacity and pipeline infrastructure. To further unleash North America’s energy advantage, the Free Trade Commission (FTC) should address the following in the lead-up to the July 1, 2026 review:

3.2. Maintain tariff-free energy trade flows between the U.S. and Canada.

3.3. Find opportunities for further integration of North American energy market regulatory and standards alignment.

3.4. Reinforce North American energy infrastructure supply chains, manufacturing and workforce, and reduce dependence on non-North American sources, to increase North American joint energy-security.

3.5. In advance of July 1, 2026 deadline, Establish a Sub-Committee on Origin of Energy Resources (Energy Sub-Committee) as part of the Article 5.18 Committee on Rules of Origin and Origin Procedure (Origin Committee) to address the rapidly expanding energy demands, export opportunities, infrastructure investments and technological innovations in the North American energy sector including developing streamlined preferential treatment for energy resources by adding integrated sourcing initiative language into the USMCA/CUSMA and recognizing the investments made across fully integrated North American production.

3.6. Maintain the 40% diluent rule for heavy crudes and provide technical clarifications to the Product Specific Rules of Origin (PSRO) for crude oil and other bulk energy resources to account for industry practices, and ensure consistency in the certification and trade compliance processes. This recommendation respectfully requests that the FTC issue a technical clarification that the CTC/tariff shift rules does not apply when the 40% Rule is met (i.e., less than 40% diluent), and provide guidance regarding the proper USMCA/CUSMA preference criterion (i.e., A, B or C).

3.7. Improve the Certification of Origin requirements for crude oil and bulk energy sources to incorporate industry practices, recognize that pipeline specifications prohibit shippers from transporting crude oils that meet or exceed 40% diluent, accept available information from digital and automated tracking systems such as Petrinex, and address USMCA/CUSMA qualifications for in-line swaps.

3.7.1. Recognize, via the Origin Committee or new Energy Sub-Committee, the existence and enforcement of robust and transparent Canadian government mandated tracking systems (such as Petrinex) and pipeline specifications as valid evidence of origin for aggregated energy products, removing the need for importers of crude to provide additional documentary proof of origin for crude oil volumes imported into the United States from Canada.

3.7.2. Recognize, via the Origin Committee or new Energy Sub-Committee, the need to accommodate in-line swaps including the need to waive the requirement to provide certification for a substituted shipment, recognizing that pipeline specifications prohibit shippers from transporting crude oils that meet or exceed 40% diluent.

4. Regulatory Compliance & Technical Barriers to Trade

4.1. Revitalize the U.S.-Canada Regulatory Cooperation Council. Work toward regulatory alignment for key industries like agriculture, energy, food and manufactured transportation technologies (planes and automobiles).
4.2. Encourage mutual certification where compliance is aligned to streamline processes for product movement.
4.3. Ensure tariff-free movement of USMCA/CUSMA compliant goods and services across borders.
4.4. Implement joint customs inspections and invest in shared facilities where feasible.
4.5. Establish enhanced and unified dispute resolution mechanisms across the U.S. and Canada.
4.6. Minimize and align technical requirements where possible, such as permitting, to advance infrastructure projects.

5. Workforce Mobility

5.1. Streamline the TN visa eligibility and acquisition process by expanding the list of eligible professions to reflect modern, in-demand occupations and ensure consistent interpretation of requirements and renewal process at all ports of entry.
5.2. Support mobility for skilled trades and vocational workers, especially in manufacturing and construction.
5.3. Prioritize and fund the digitization and harmonization of visa/work permit application systems across the three countries to reduce processing times, administrative burdens, and facilitate the movement of essential skilled workers.

6. Customs Innovation

6.1. Strengthen commitments to secure cross-border trade data sharing while respecting national security and privacy laws.
6.2. Incentivize border infrastructure technology upgrades that allow for greater security and faster inspection and deployment.
6.3. Adopt a unified digital trade platform for real-time customs data sharing and clearance processing.
6.4. Incentivize cross-border technology innovation discussions to support North American tech manufacturing particularly in Artificial Intelligence (AI) applications for regulatory alignment, which will strengthen American competitiveness and expand industry markets compliance.
6.5. Digitize customs processing and promote electronic certificates of origin.
6.6. Automate compliance procedures through AI and blockchain verification.

7. Critical Minerals Supply Chains

7.1. Enhance supply chain transparency for critical minerals under USMCA/CUSMA to ensure traceable, responsibly sourced materials, strengthen North American processing and manufacturing competitiveness and reduce reliance on suppliers outside of North America. Continuing a fragmented approach of critical mineral management leaves North America vulnerable and reactive to sole source providers.

7.2. Align cross-border strategies where applicable on critical mineral and rare earth supply chains in North America with the goal of optimizing production and processing.

7.3. Recognizing the strategic advantages of U.S.-Canada-Mexico mining and processing capabilities, develop a North American critical minerals strategy to leverage existing partnerships and expand capabilities.

7.4. Coordinate incentives for regional production and processing of critical technologies and minerals, particularly in energy grid reliability, transportation, defense technologies and semiconductors.

8. Partnerships and General Comments

8.1. Enable frequent stakeholder engagement between trade partners, industry and government.

8.2. Maintain the USMCA/CUSMA to ensure predictability and economic certainty in the long term. This will help advance infrastructure projects and long-term investment.

8.3. Recognize the gains achieved in the existing USMCA/CUSMA agreement.