



THE SCHOOL
OF PUBLIC POLICY



THE NORTH AMERICAN PROCESS: STEPS TOWARD STRONGER PARTNERSHIP

A WORKING SYMPOSIUM

MARCH 30-31, 2016
PHOENIX, ARIZONA

SELECTED RECOMMENDATIONS

SUMMARY LIST OF SELECTED RECOMMENDATIONS

Please note: a full list of recommendations may be found in the Symposium Summary (available at northamericanprocess.org)

Energy: Electricity and Utilities

1. Bring together CEOs of utility companies that have authority over the power systems adjoining the borders of Canada, the U.S. and Mexico, as well as the heads of the regulatory entities in these jurisdictions, in order to streamline the transmission process between countries, including regulatory requirements and standardization of construction. The universities that produced the North American Process symposium should convene these individuals and co-ordinate conveying the recommendations of the process to the entities along the border and to the federal government.
2. Include the Comisión Federal de Electricidad (CFE) in the Edison Electric Institute (EEI) meetings.
3. Further advance the importance of Clean Energy Certificates (Certificados de Energía Limpia, or CELs, certified by Mexico's Energy Regulatory Commission/Comisión Reguladora de Energía) by developing a North American market for the trading of CELs.
4. Develop open standards for connectivity and interoperability on the electric grid.

Energy: Oil and Gas

1. Document trilateral best practices in the fossil fuel industry, starting with hydraulic fracturing, as a first step toward a transition to continental fossil fuel regulations, and in doing so, set the bar for energy regulation for the rest of the world.
2. Establish an investor-protection regime covering all of North America, mirroring the Foreign Corrupt Practices Act (FCPA).
3. To support the debates that inform regulatory choices and policy interventions, promote easy access to transparent, unbiased and integrated data and information on energy market fundamentals in North America by improving the ease of use, integration and display of information on the North American Cooperation on Energy Information (NACEI) website.
4. Work toward trilateral standards for the marine transportation of crude oil as an initial step toward greater North American regulatory harmonization.

Infrastructure and Competitiveness: Rail and Trucking

1. Formalize the technical and operational standards of the rail industry in a similar manner to those applied to the International Air Transportation Association and include, from the U.S., the Federal Railroad Administration; from Canada, the Canadian Transportation

Agency; and from Mexico, the Rail Transport Regulating Agency (soon to start operations). Also include in the above discussions: the Association of American Railroads, the Railway Association of Canada and the Mexican Association of Railways.

2. Create a trilateral working group to document best practices in rail and truck transportation at the Canada-U.S. and Mexico-U.S. border as an important step toward trilateral streamlining of continental rail and truck movement.
3. Given that rail cargo should be able to move across the border without stopping, create a North American working group to address the specific issues and concerns of North American businesses that have “on-the-ground” experience with serious rail delays at either the Canada-U.S. or Mexico-U.S. border.
4. Sign a “trilateral logistical agreement” to promote a customs regime that improves the fluidity of cross-border transit, and to bring about measures required to allow trains reaching the border to directly access the facilities of the rail operator that will take the cargo into the destination country.

Supply-Chain Security

1. Promote a co-ordinated customs regime that improves the fluidity of cross-border transit including developing a single, harmonized customs form that will be used by all three countries that can be submitted electronically.
2. Engage the insurance and risk-management industries, encouraging the equivalent of a “good-driver discount” for companies that engage in best practices in risk management.
3. Support the private sector to: engage in continuity-of-operations activities; finance and develop border and trade infrastructure; and use standard practices for good supply-chain management.
4. Address the threats to the North American supply chain that include the following specific actions:
 - Integrate security into routine supply-chain operations;
 - Verify cargo with minimal disruption, so that contraband can be identified;
 - Maximize the flow of legitimate cargo by modernizing infrastructure, and simplify trade-compliance processes so business can understand the requirements;
 - Mitigate/prevent supply-chain disruption by using established risk-management principles to identify and protect key assets and infrastructure;
 - Develop common guidelines to co-ordinate incident-management responses, namely: identification of threats, the creation of rapid-response structures, and the speedy sharing of information;
 - Adoption of global standards (i.e., ISO) regarding best practices for supply-chain security.

Selected General Recommendations

1. Have senior government leaders in Canada and Mexico advance and promote North American trade and a North American brand as key to continental global competitiveness.
2. Advance trilateral efforts to encourage the exchange of students among all three countries to promote a stronger understanding of continental interconnectedness among youth.
3. Harness opportunities for closer North American collaboration by encouraging a North American process, led by universities, that would convene key stakeholders from government, industry, the non-profit sector and civil society. Consider such an academic-led approach to be a potential forerunner of an organization like a North American commission.