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# The "Beyond the Border" Dialogue at Age One: Policy and Political Implications for the Pacific Northwest

Border Policy Research Institute

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## *Seminar Proceedings*

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### The “Beyond the Border” Dialogue at Age One: Policy and Political Implications for the Pacific Northwest

A seminar held February 10, 2012, at the  
World Trade Center, Seattle, Washington,  
jointly hosted by the  
Border Policy Research Institute and the  
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## PREFACE

On February 4, 2011, President Obama and Prime Minister Harper issued the “Beyond the Border” (BTB) Declaration, announcing a new initiative regarding management of the Canada – US border. The Declaration contemplated the creation of an Action Plan, which was released on December 7, 2011. The goal of this seminar was to examine the Action Plan and assess its implications and impact on Canada-US border management going forward. The seminar format was two panels and a keynote luncheon, within a five-hour timeframe (9 a.m. to 2 p.m.). The first panel dealt with the Action Plan’s broad implications for trade and security and then drilled down to specific regional implications. The second panel focused on political challenges and opportunities, both from a national perspective and in the Pacific Northwest-Western Canada region. The speakers included a mix of academics, business people, policy analysts, and high ranking government officials from both sides of the border. Substantial time was allotted for interaction between the speakers and the audience. A major goal of this event was to raise awareness of the BTB initiative within the US. The audience consisted of business persons, agency officials, and media. The event was also webcast to other Canadian consulates and organizations within the US.

The first panel, titled *Significance of the Action Plan for Trade, Security and Business: National and Regional Perspectives* began with presentations from federal agencies describing what the plan will accomplish, and when we will see results. Subsequent speakers focused on the regional level and discussed specific changes that are contemplated, and how intended changes will foster mobility and security at the ports.

The second panel, titled *Political Perspectives: Overcoming Obstacles, Pathways to Regional Success* focused upon the dynamics of federal-level politics as they relate to the future of the Action Plan and particularly how these dynamics relate to the Pacific Northwest region. Speakers addressed how the political realities are likely to affect implementation, particularly at the regional level. Speakers also discussed how regional actors might leverage this plan to improve the border as well as strategies for implementation.

The takeaway from the conference is two fold—a better understanding of the content of the Action Plan and how its implementation will move us forward; and concrete ideas about how the region can be an active player in the implementation of the Action Plan.

I want to thank our seminar partners at the Canadian Consulate General, Seattle for their invaluable assistance and support. We owe Consul General Denis Stevens and Consul Wendy Baldwin a great deal of gratitude for their contributions to the seminar, and even more than this, a special thanks for the opportunity to again collaborate with such motivated and public-spirited people. We are also thankful for the cooperation we received from the U.S. Consulate, Vancouver, and PNWER. Of course, this seminar would not have been possible without the excellent advice and assistance from my colleague David Davidson whose keen insights and organizational know-how keep the BPRI at the top of its game. Finally, we are especially indebted to our Research Assistant, Austin Rose for her superb work in helping organize the seminar and transcribe and edit the proceedings.

Donald Alper  
Border Policy Research Institute

## ***Remarks by Denis Stevens, Consul General of Canada, Seattle***

Thank you all for coming today, particularly those of you who have travelled from out of state. Welcome to those joining us by videoconference from the Woodrow Wilson Centre and Canadian missions across the U.S.

I would like to thank Professor Alper and the Border Policy Research Institute for organizing this event, and more importantly, for the insightful, practical work they have done over the years on Canada-U.S. border issues. Thank you to my colleague, the Consul General of the United States in Vancouver, Anne Callaghan, and her team for partnering with us. Our two offices have such a close working relationship that mirrors the strength of the bi-national relationship, especially here in the Pacific Northwest. Thanks also to PNWER, our great partner, for contributing to the day, and for its leadership in advancing the relationship—including the major efforts you have already made with respect to the Beyond the Border initiative.

The impressive array of partners and participants here reflects the importance of the initiative that President Obama and Prime Minister Harper launched one year ago, and that resulted in the announcement last December 7<sup>th</sup> of the *Action Plan on Perimeter Security and Economic Competitiveness*, and the *Action Plan on Regulatory Cooperation*. As Prime Minister Harper has said, “These agreements represent the most significant step forward in Canada-U.S. cooperation since the North American Free Trade Agreement.” Together, they will speed up legitimate trade and travel between our countries, improve our shared security, lower costs for our consumers and businesses, and create economic opportunities on both sides of the border. Needless to say, during this period of prolonged economic volatility, steps that support job creation and prosperity are more critical than ever.

The people who have developed the Action Plans, some of whom you’ll hear from shortly, deserve our thanks and congratulations for all they’ve achieved to date. The Plans are practical and focused, with specific deliverables, pilots and timelines. The fact is, though, that there is a huge amount to do as we enter this next, implementation phase. And that’s where all of you, and the Pacific Northwest as a region more generally, can come in. Our region has such a track record of bi-national collaboration on border issues, whether it’s developing Enhanced Driver’s Licenses or piloting NEXUS. This initiative can greatly benefit from your proven capacity to problem solve and innovate.

Second, it’s important that we identify the regional dimension of this initiative. Given some of the features of our regional economy and geography, what action items represent a particular opportunity for us that we will want to seize? Is there a regional dimension to some of the action items that we’ll want to make sure decision-makers and implementers take into account as they put in place on-the-ground policies and arrangements?

Lastly, your ongoing interest and leadership can help to sustain the momentum that will be necessary for this initiative to succeed over the long term. I look forward to the day’s work, and my team and I at the Canadian Consulate look forward to working with you and others in this region as we translate these Action Plans into action.

## *Remarks by Anne Callaghan, Consul General of the U.S., Vancouver*

I am delighted to be with such distinguished company for a discussion on a topic as important as today's. Beyond the Border is our Ambassador's number one priority these days and I—together with my six Consul General counterparts from Vancouver to Halifax—participate in regular interagency conference calls chaired by the Ambassador to talk about our progress in advancing the Action Plan. He's holding our feet to the fire, and no wonder. The Ambassador, after all, is taking his marching orders directly from the White House! In fact, our colleagues on the Canada desk at the State Department in Washington join us in the call, as do our DHS partners, and they are responsible for collating all of our activities. During the last conference call, I reported that we were participating in this important forum, and the Ambassador was greatly interested.

You are on the cutting edge. I can't think of better institutions or a better place to hold a symposium on Beyond the Border than with Western Washington University and the Canadian Consulate here in Seattle. Denis and I have come to know each other quite well through the various panels and meetings we've attended together, and I had the pleasure of visiting Don and his colleagues at the Border Policy Research Institute at Western Washington University last fall. They are all as committed as they come, and they have done a great job. As I look around the room, it is pretty clear that they have managed to gather a quorum, if not a majority, of the key people in our region of the United States and Canada who really give deep thought to what makes the border tick.

I can honestly say that the view from our Embassy in Ottawa and the view from Washington, D.C., is that they look to this region for innovation and they count on this region to advance the Action Plan. After all, PNWER is all but mentioned by name in the Action Plan, for example, as part of the brain trust in the advancement of the Rapid Response Plan for Disasters and Emergencies.

I would also like to give a special thanks to DHS Assistant Secretary Heyman and DFAIT's Paul Haddow. Your presence here is very significant. It validates and acknowledges that this particular audience had an important hand in what we've already accomplished, and that the ideas emerging from our region will continue to play a linchpin role in the formulation and execution of key Beyond the Border elements.

For the benefit of our wider audience, let me say that this region's long history of making thoughtful and practical contributions to a better-working border is practically legendary. You know the list of accomplishments—whether the subject has been the implementation of the Western Hemisphere Travel Initiative, the push for the enhanced driver's license, cooperation in the run-up to the Olympics, discussions about cruise ship or passenger rail services, or expansion of Trusted Traveler programs, some of the best ideas about how to make things work their best have come from working groups right here in the Pacific Northwest.

I know that part of the secret of your success has been the inclusion of so many different groups and points of view. And that's why I am so happy to see here such a diverse group of interlocutors. And it's not only inclusiveness that makes this region so productive; it's also the nature of the dialogue. When you see a group like Western Washington University's Border Policy Research Institute working as closely as they do with CBP to come up with data and solutions that benefit everyone, you just know something is working right.

We have a number of challenges before us, but one of the biggest challenges we have—maybe the biggest challenge—is to keep the momentum going. And that's where all of you come in and that's why this symposium is so important. While we have the great benefit of having Prime Minister Harper and President Obama championing and spearheading Beyond the Border and mobilizing the

bureaucracy in both countries, we count on all of you to help us look at how we sell and how we model and advance Beyond the Border.

- We have to make sure the public's expectations are realistic;
- We have to make sure that improvements we do make become widely known;
- We have to somehow make sure that people who actually do live beyond the border know that the program profoundly affects them, too.
- And we have to get people outside this room—the ones who do not directly deal with border issues on a daily basis—to come up with ideas, too.

Fortunately, there is a solid Action Plan that provides a roadmap for many of the steps to be taken, so if all goes according to plan, we should soon have a growing string of milestones we can point to as Beyond the Border achievements.

But to be ultimately successful, we really do have to get public buy-in. That's why we—and I'm sure the same goes for Denis—promote NEXUS at every opportunity. It's why we are making the rounds to cities along the border and away from it to talk with mayors and business groups, like chambers of commerce, about how Beyond the Border could impact them and how Beyond the Border and Regulatory Cooperation make economic sense.

Whether it's the possibility of customs preclearance in Vancouver for the AMTRAK Cascades that could eventually eliminate the check stop in Blaine, or the projected new NEXUS lane at Sumas and other cross-border infrastructure upgrades, Beyond the Border is going to make a difference in peoples' lives. It's those incremental changes that are going to add up to make a big difference.

Ambassador Jacobson and the State Department are fully committed to seeing Beyond the Border take root and flourish. The Ambassador never passes up an opportunity to press the message that border security and smooth passage across the border are not mutually exclusive. And he never ceases to point out that Canada and the United States have a rich history of cooperation, commerce and innovative thinking.

That is exactly the same thing I see in this room today, and in the relationships that we all have with each other. Whether you are from government, academia, or commerce; and whether your primary interest is security, infrastructure, or trade, it is the ideas that come out of dialogues such as this one that will determine whether or not Beyond the Border succeeds in a meaningful way. So welcome to all of you, and thank you for your presence. And thank you for the great experience and ideas each of you brings to the table.

***Transforming the Canada-US Border:  
The Action Plan on Perimeter Security and Economic Competitiveness***

A joint presentation by:

David Heyman     Assistant Secretary for Policy, Department of Homeland Security,  
Washington, D.C.

Paul Haddow     Director of Operations, Border Implementation Team, Privy  
Council Office, Ottawa

**Heyman:**

Folks in the audience might be thinking “Another border deal...(sigh)...big deal...” rather than “Another border deal...BIG DEAL!!” We would like to think that this is a BIG DEAL. This is transformational. We will highlight key elements of the Action Plan and what we agencies need to do, as well as what we must accomplish together with stakeholders. But we will start by reiterating some important key facts and figures for those in the audience who may not be aware of them.

The Canada-U.S. border is the longest shared border in the world and along and across that shared border there are 120 land ports of entry, 115,000 annual flights, and 350,000 people crossing each day for tourism, social visits, school or business. That cross border flow is vital to our shared communities and economies and at the heart of what we are here to talk about today. From the U.S. perspective, Canada is the largest export market in terms of destination for 36 out of 50 states. Therefore, bilateral trade and investment, which supports millions of jobs on both sides of the border, is critically important. Beyond the actual specifics on the economics we also have a shared common infrastructure, which includes bridges, tunnels, pipelines, and electric grids.

**What is NEW? What are we doing that is different?** The concept of borders has evolved and we are appreciating that. There are three concepts of borders. Historically, borders were considered lines in the sand, keeping certain people out and enfranchising those within the border with certain laws, rights, and ways of life. More recently, borders have evolved into shared communities and a part of the infrastructure of the daily lives of those living in the borderlands. Finally, and most importantly for today’s discussion, borders are secure flows. Because of the political and economic integration of our world, the flow of goods that sustains our way of life, and the people who establish those supply chains, move across our borders.

What is unique about the Action Plan that the President and Prime Minister put forward is the notion of a perimeter approach to security. If we are interested in flows, we are interested in the secure flows of goods and people coming across our borders. As such, we want to jointly pursue a perimeter approach to security such that we can work within, at, and beyond our borders to ensure the security and resilience of our communities. How do we do that? There are four principle pillars of cooperation included in the Action Plan:

- 1) We have to mutually address threats early, beyond our borders. This requires a common understanding of the nature of those threats, and a host of other actions that will allow us to work together.

- 2) We need to facilitate trade, travel and economic competitiveness. We need to stop the bad stuff—smuggling, trafficking, illegal immigration, and terrorism—while keeping the good stuff, safeguarding the efficient flow of lawful trade and travel.
- 3) We must integrate our cross border law enforcement. Rather than independently establishing law enforcement capabilities and practices, we can collaborate, resulting in cost efficiencies and heightened effectiveness. This element recognizes another transformation that is underway involving our financial systems, which are challenged today. We have to do more with less.
- 4) Cyber and critical infrastructure and how we work together both in the planning stage and in the aftermath of an incident. We must engage our communities and ensure resilience before, during and after disruptions, whether naturally occurring or man-made.

These are the four elements that constitute the Action Plan that the President and Prime Minister laid out this past December. Paul is now going to take us into some of the specific things we are going to try to accomplish together.

### **Haddow:**

Just to summarize where David left off in terms of focus on the perimeter, here are some examples of the kinds of things that we need to correctly do together:

- Have a common understanding of the threat environment and share the right information on a timely basis.
- Screen cargo and incoming passengers at the perimeter and not re-screen at the border.
- Entry/exit. Both countries have a good idea of who is entering the country, but we don't have as good an idea of who is leaving. This creates problems in that people can overstay their visas. There are ways we can get that departure information from the neighboring nation, in order to save money. Rather than both of us set up another set of booths to gather information as people are leaving, why not just share entry into nation A as exit from nation B.

If we do all these things right at the perimeter, we can be smarter at our land border. Let's take pre-clearance for example. Pre-clearance has worked very well in the air mode for a number of years. The train and cruise ship businesses would like to see a permanent arrangement set up so that business on both sides of the border can be conducted more efficiently and security requirements for both countries can be met. Negotiations are to be done by the end of this year and soon thereafter expected to be implemented into law.

**Trusted trader programs.** Both countries have them, though there are similarities and differences. In the U.S. they have C-TPAT, which gets FAST lane access. In Canada, we have a program called PIP, which is similar to C-TPAT, but you need to apply for it separately, and you do not get access to the FAST lane. Canada also has a program called Customs Self Assessment, which is very beneficial to big manufacturers, though the U.S. doesn't have that program. So, the idea here is to harmonize our programs. We want to get to a situation where if you want to join one program, you end up applying for both through one process so that the benefits are the same whether you want to go north or south. If you want to go to Tier 2, you would have to undertake further commitments as far as providing information or security requirements, though in turn you would receive additional benefits. Again, that Tier 2 would have a common look and feel whether going north or south.

You have to recall that a number of these programs, particularly in Canada, were created to deal with a specific problem that started with the auto industry. So, they were designed to address particular issues which were important for manufacturing industries. However, there are other industries that

are important to the continent, such as forestry or agri-food. These programs were not designed for those sectors, but that is not to say these programs can't be altered to be more accessible for them. There is a commitment in the Action Plan through the use of pilots to see how these trusted trader programs can be tweaked to become more accessible to different industry sectors.

**Red tape for shippers.** There is something called a single window, where instead of showing up at the border with a piece of paper for Health Canada and another piece of paper for Environment Canada and another piece of paper for Transport Canada, it could all be done electronically. You would get a single response back from CBSA on behalf of all government departments that have a regulatory interest in that shipment. It could all be done very quickly, electronically. This would create efficiencies throughout the supply chain, less waiting time at the border, and less chance for errors.

**Business travelers.** Our countries have mechanisms in which for certain business professionals, there is meant to be preferential access to the other country. But in practice, there has been inconsistency in the level of questioning encountered at the border by travelers attempting to use those mechanisms. We need clearer instruction for agents and to bring border officials up to speed so that they can consistently apply the law as intended.

**Law enforcement.** Shiprider was launched in this region with very successful pilots, and it will be regularized. There will be two Shiprider teams in place by June of this year and two more are expected in 2015. We are also going to take the lesson we have learned from Shiprider in the maritime mode and apply them to the land mode. Two pilots are expected there by this summer.

**Interoperable radios.** Something as simple as the folks on the U.S. side of the border and the folks on the Canadian side having radios that are interoperable. Rather than having three sets of radios to communicate, something as simple as making police radios interoperable will be useful.

**Disaster planning.** PNWER has already been identified as playing a key role in that regard.

## **Heyman:**

One of the things that is unique about this initiative is that the Action Plan has specific deliverables, timelines, and responsible officials. There are 32 action items and on the US side, more than half are led by CBP. But it is a whole government approach, with a level of commitment that is rarely seen. Government is saying "Here is what we are going to do, here is when we are going to do it, and here is who is responsible for it." We are making joint binational commitments. We must therefore stay on track as we meet individual internal obligations, so that we can meet the schedule agreed upon with our neighbor. Some of those commitments are as follows:

**Threat assessments and domain awareness.** We have already completed a joint threat assessment. In May of this year, we will be doing an inventory of domain awareness capability at the border, followed by a process to identify gaps and vulnerabilities in our capabilities. Early next year we will have a prioritized schedule for how we will deploy technologies to address those gaps.

**Screening.** One of the principles that we adhere to in this partnership, in order to address this notion of doing more with less, is if you have been screened once you have been cleared twice. There are a number of things we are doing to make that operational. With respect to targeting, we have already exchanged personnel in our national targeting centers and we are developing common rules for targeting. Stepping back and looking at what is not new is that for 60 years, through NORAD, we have jointly protected North America from incoming air objects; we are now extending that metaphor to people and goods. It would not be surprising if we eventually have a

joint targeting center screening goods and travelers. In the interim we are exchanging personnel as well as best practices in targeting. We are going to complete negotiations this year to allow for full pre-clearance for rail and maritime travelers within this region. We want to extend the enrollment for trusted traveler and trader programs, which help reduce the need for screening at the border. We want to expand and streamline those programs such that for cargo, a shipper will receive the same benefits from C-TPAT or PIP.

**Infrastructure.** This year we will have the first ever binational 5-year border infrastructure investment plan. So if the US is looking at building something on the right and Canada is looking at building something on the left, we might look at building in the middle, or picking one of the two, as opposed to two investments at the border for the same purpose. This will be transformational in terms of cost.

These are commitments that both countries have made with timelines and with accountable executives to ensure we get them done.

**What we have to get done first...** A complete release of a joint statement on privacy protection principles is in the works for May 2012. Much if not all of the work being undertaken in the Action Plan relies on exchange of information. For example, one of the most innovative things we are doing is the notion of entry-exit, by which an entry into Canada counts as an exit from the U.S. Some piping is the only infrastructure needed for the information exchange, and that infrastructure cost is vastly less than the cost of adding booths on both sides of the border to handle exits. This entry-exit is hugely transformational and something we should be doing with partners around the world. The joint statement on privacy principles underlies this initiative. We spent 1+ years before the Harper-Obama Vision Declaration, looking at our privacy laws and immigration laws, because there has been public concern and discussion about whether there are differences on those concepts. So we looked carefully with the Chief Privacy Officers on both sides of the border to find issues and bridge the gap. We found that we have the same goals at heart, and in many instances the same practices by which we achieve those goals. Protecting privacy is a key commitment under the Action Plan, and any sharing of information will be consistent with each country's privacy laws and constitution to continue respecting our sovereignty, civil rights, and civil liberties.

### **Haddow:**

Just to touch again on this concept of inspecting once and clearing twice. You don't do things twice if you are confident you got it done right the first time, and the best place to do it right the first time is at the perimeter. So the idea is if a ship arrives in Seattle and the cargo is inspected and cleared by CBP and then goes north to Vancouver, then CBSA should not have to examine the cargo again. There will be confidence in terms of how the inspection was conducted at the port in Seattle, so the cargo shouldn't have to be re-inspected as it goes across the land border. We are putting in place some pilots and will do a joint evaluation to make sure we are doing it right. Thereafter we can roll it out more generally.

**Addressing the question of border fees.** We all know we are asking our companies to compete against the world. We make things together, and intermediate goods have to move back and forth across the border before products get to the consumer. Every time items cross the border, we have to make sure we are not hobbling those companies through small fees and unnecessary procedures. So we are going to do a joint inventory to clarify what the various departments and agencies from each government are charging on border transactions. Then we can find the cumulative impact of those fees upon three or four industries that trade a lot across the border. We aren't saying that

there will be no more fees or that fees will never be raised again. Simply that it's good to know what the cumulative effect is today on industries that we are asking to compete globally.

We have talked about how the principles can result in greater security—now let's summarize the impact of these principles from a perspective of pure efficiency.

- We get much more effective opportunities for better risk management. If we tease out the low risk and focus our limited resources on high or unknown risks, then we are doing a better job in protecting our citizens.
- By implementing things like “single window” we are making work at the border easier in the sense that agents know a lot more information and know it sooner.
- Program efficiencies, such as deploying interoperable radios and employing the entry/exit concept, can save government money that can otherwise be spent on something else.
- Focusing on the cost of the border on the whole economy. That is, knowing the cost of complying with border requirements on all industries, in both countries, including indirect effects. A survey of the literature in Canada suggests that border compliance costs to the Canadian economy as a whole is about 1% of the Canadian GDP (\$16 billion per year). That is the cost on companies of complying with our border requirements.

This Action Plan is ambitious, but it is not the “be all and end all,” and other issues will come up. There will be a joint annual report submitted to leaders through the various Secretaries and Ministers. The purpose is not only to measure progress, but to define the future agenda. We can then include emerging issues.

### **Heyman:**

Just to pull this all together to wrap up.

- We have a perimeter approach to security and what is transformational about this is that we are harnessing globalization, looking at flows of goods around the globe and using information about those flows to our advantage.
- We are going to screen once, and clear twice.
- We are going to integrate law enforcement capabilities and processes so that we are not duplicating efforts.
- We are going to reduce transaction costs at the border, both in terms of binational investment plans and expanding lanes and improving flow at the border.
- Increasing trusted travel programs so that people at low risk can speed through.

The combination of those things pulls pressure off the border, which allows us to enhance the opportunity for wealth creation, coupled with enhanced security.

## ***Remarks by Greg Alvarez, Area Port Director, U.S. Customs and Border Protection, Blaine, WA***

I would like to focus on what the Action Plan will mean to border management officials in this region. I was fortunate enough, earlier in the year, to work at the headquarters level on CBP's preparation for developing the initiatives in this Action Plan. So, I got to see this initiative from a different perspective, and now I need to come in and implement it. That is what I want to focus on: "What does this mean to us?" I have had to rethink my comments because the speakers before me did an outstanding job of describing what the Action Plan is, and answering the question of whether it is a concrete plan, or just another set of initiatives that 3-5 years from now may not come to fruition, resulting in not much change at the border. What is contained in the Action Plan has the potential to fundamentally change the way we do business, without abdicating our security mandate. It is challenging for us, both U.S. and Canadian border management agencies, to balance our security mandate with our public service obligations, as well as our traditional mandate to protect customs revenue and facilitate traffic. The culture has changed on us so that we are not just protecting customs revenue and facilitating traffic, but also attempting to promote and sustain economic growth. That kind of change requires an entirely different approach to management. That is what the Action Plan is all about and what it means to us regionally.

In brief, I won't speak to all of the initiatives, but I will say that as we were working on this at the headquarters level at CBP, many of the best practices and the pilots that were undertaken in this area are what you see reflected in this Action Plan for rollout in other regions along the northern border. We have done a lot of good work for many years. Our public and private sector partners and stakeholders meet regularly through PNWER and IMTC. A lot of the coordination and preparedness that went into planning for the 2010 Winter Olympics in Vancouver established relationships that didn't go away once the events were over, and we continue to build on them.

**What have we done one year later?** What I want to impart is that although our region has been a leader along the northern border in coming up with some of these unique approaches to how we partner with the private sector, the next step for us is to build from that. So I will give you a quick update on what we have done and where I think we are going in the very near term and then, provided that some of the regulatory changes that would have to occur do occur—so that we can change our business practices, such as single window, entry/exit, and harmonization of programs—what that would mean to border operations 5 years down the road, or less than that. Some of these particular action items, in general...

- **Increased harmonization to NEXUS members.** The Pacific Northwest already has the largest universe of NEXUS membership on the northern border. Now, consistent with the Beyond the Border Action Plan, of the 250,000 regional members that cross the border regularly, over 200,000 have been granted Global Entry benefits. That is one of the key initiatives, in that we have extended benefits to another trusted traveler environment, the air mode, without putting folks through a long process of new applications. We have done that in our region.
- **Border inspection technology.** For CBP, all of the passenger primary inspection lanes at every port of entry along the northern border have already been retrofitted with RFID technology, which is part of the BTB initiative. We are working with the BPRI—in fact I direct you to the Border Brief in your packet (*Vol. 7 No. 1: "Is RFID the Answer to Resurgent Border Traffic?"*), which investigates whether we are getting much benefit from this technology yet. One of our primary

initiatives this year, regionally at the ports of entry, is to increase the number of RFID-enabled documents that are being used to cross the border, through outreach and collaboration with stakeholders. There are six different documents that you can use to cross the border that are WHTI-compliant. Of the six, the most efficient are the ones that are RFID-enabled, because they reduce processing time at the booth. The preferred document of course is NEXUS. We would like to continue to expand NEXUS enrollment, because from the security perspective to the facilitation perspective, that is the most efficient way to get somebody across the border, resulting in a primary inspection that is only one-third as long. Other RFID-enabled documents are the next most efficient to use to cross the land border. If we were to increase the universe of RFID-enabled documents that are being used at our four major crossings west of the Cascades, it would enable me, during peak travel times, to increase the number of booths dedicated to RFID (both NEXUS and “Ready Lane”). So as usage increases, how we make our booth assignments will also change.

- **Border wait-time measurement.** The four major crossings west of the Cascades already have technology in place for both north- and southbound traffic. It is reported out in real time. The public can access it on the internet, and we have our signage on both sides of the border. That is an example of getting work done despite the lack of funding within our own budget. It was coordination and collaboration with some of the groups we mentioned (IMTC and PNWER) to be able to come up with a good plan and strategically identify the best placement for the signage and equipment and then come up with the resources to get the work done. So that is a success.
- **Developing a framework to swiftly manage traffic in the event of an emergency.** We have also done a lot of work on this. We have planned, prepared and tested these plans through table top exercises, functional exercises, and full scale exercises prior to the Olympics. Since the Olympics, we have actually had to implement those plans on a number of occasions. We had “snowmageddon” here quite recently. The Canadian work crews that had to travel south through the border to get to Seattle to repair the downed electric lines—those crews are already integrated and when they ramp up for operations, they contact us ahead of time. We receive their advance manifests, we complete all of the admissibility formalities prior to their arrival, and when those work trucks with crews and equipment show up, we compare a face to a document, and they are through the border and on their way to work. We have got small communities along the border such as Point Roberts where if a fire response is needed, 90% of the available responders are Canadian. We have already pre-vetted that entire department and we maintain that information. We have radio interoperability, so we receive notice before they arrive at the border and we can rapidly get them through to provide assistance.

One of the biggest concerns is what happens if there is an event at the border and the Pacific Highway commercial truck facility (the 3<sup>rd</sup> largest by volume in the nation) is shut and unable to process trade? Would there be a long line at the border lasting for hours, with trucks unable to turn around? We had an event in the last several months where there was a hazmat accident on the Canadian side of the border that effectively shut down that approach to the truck crossing for about a 24-hour period. I suspect many of the people in this room were not aware of that, because we implemented the plan that we already had in place. We work with the trade communities in real time—the transport companies, the brokers—we prioritize the commodities that are in route so that we can clear those and then we shift our commercial traffic to alternate locations. That was a 24 hour disruption at the truck crossing with no adverse impact to trade.

So what we have worked on thus far has led to much success. I believe this is the model for what you see in the Action Plan. But, we have work to do so we can continue to build those relationships.

- **Bi-national port operating committees (BPOCs).** We have established bi-national port operating committees that are CBSA/CBP collaborations. But we also have our IMTC and PNWER groups that have frequent collaboration on a different level. What is the difference between the two? Between CBP and CBSA, through our BPOCs, we are coordinating to some degree our operations. We are prioritizing our infrastructure needs and conducting joint planning to determine how we are going to address critical needs. We are developing metrics that make sense to agencies on both sides of the border so that we can determine if we are running, as a cohesive unit, the most efficient kind of operation that we can run. From a CBP perspective, where do IMTC and PNWER fit in? I think that we listen to the membership of those two groups, hearing their ideas and suggestions. We continue to leverage them as a resource. We reach out to them for help on a particular issue or initiative that we want to promote—as we have done with RFID, for example, as well as NEXUS and FAST and other projects before—and we bring their ideas and recommendations back into the BPOC and then we sit down and decide how far we can take things, how far we are going to be able to adjust our operations to meet their needs, and then we report back out as a unified group. We collaborate from there.

I could continue to talk about many of the initiatives. CBP is the lead agency responsible for implementing more than half of the initiatives. This is a quick review of what we have done to date. I can tell you that in looking at the Action Plan and planning for the future, should those regulatory changes that would have to take place happen, and should the compliance burdens be reduced to trade, we can expect to see increased volumes of trade in the region. We are to a degree resource-constrained, limited by our port infrastructure, and that is one of the biggest problems that we have to deal with. CBP and CBSA have invested heavily in the four major crossings in recent years. We have upgraded facilities and expanded numbers of lanes. But the approach to the border continues to be a challenge for us. How do we keep that flow going efficiently? The initiatives that were described earlier would allow us to segment traffic better, separating the low risk from the high risk. We can focus our compliance and enforce efforts on the high risk or the unknown. If we were to harmonize programs like PIP and C-TPAT and expand the level of service we can provide, and if that led to a larger group of trusted traders, that would result in a larger portion of traffic that we would no longer have to worry about examining as closely. Should there be a change to the pre-clearance agreement, that would change the way we conduct our inspections. Air has already proven to be a good model—we are successful there and we provide a good level of service, I believe. For rail and maritime, along with the updating of the pre-clearance agreement we would need to have some enhancements to technology, infrastructure, and personnel to assume that work load. But, we would eliminate the redundancies. We understand that it is not efficient to inspect Amtrak in Vancouver to complete immigration formalities and then stop at the border to complete customs formalities. So, these kinds of changes to regulations would need to take place before we can adjust operationally.

## ***Remarks by Don Brunell, President, Association of Washington Business***

I want to give a broader perspective very briefly. Our organization includes some of the very largest corporations in the world—Boeing, Microsoft, Costco, Starbucks—as well as the very smallest. All these folks are interdependent upon a good working and trade relationship with Canada. Our oil refineries, for example, get a good share of their crude from Canada. We look at shifting to greener energy sources for our power production. We are going to have to have a new working relationship between British Columbia and the state of Washington in terms of water coming down the Columbia River. We are also dependent on Canada for getting an abundance of natural gas, to replace some of the coal-fired operations in the Pacific Northwest. The point is, we look at Canada as our best friend, our most trusted ally, and really our two nations are interdependent.

In terms of challenges for the future, we all know that the new Panama Canal, when it opens, is going to present some tremendous challenges for our ports. There are a number of ports within the AWB membership. So we have to make sure that our ports can successfully compete with California, the East coast and other parts of the world in order to get the shipping traffic to British Columbia, Washington and Oregon. So, part of what we are trying to do is to make sure that the infrastructure is in place, so that we can compete. One of the things we are wrestling with in the region is the amount of money that will be available for ports, port security, rail, and highways. I started out at 6:30 this morning from Olympia. I reached the south end of Boeing Field at 7:30. I reached the garage here at 8:50. My point is that our freeways and transportation system are over-utilized and under capacity. So we are dealing with that in Olympia, trying to find new ways to fund transportation. The old way of just assessing gas tax is not going to work, there is just not enough money to get new projects going. While we are working at the north end of I-5 making sure we get the transportation infrastructure to the Canadian border, at the south end we are trying to build a new bridge across the Columbia River, because that bridge is dated. One span was built in 1917 and the other was built in 1958. My point is, we are working to ensure that in this environment, where we have a limited amount of money at the federal, state and local level, we have the money to do the infrastructure projects that we need in the state.

Secondly, we are working with institutions like Batelle's Pacific Northwest Lab. Batelle is one of our largest members in the Tri-Cities. They have a very large lab. They are working on two issues. One is a smart grid, so that our electrical system will operate more efficiently with less energy and be more consistent. Second is security, in terms of things coming through our ports. We know from Batelle's work that they can screen very well for radioactive materials, but what we don't do is chemical and biological materials. So it's important that companies like Batelle have the funding that they need from the state, federal and private sector to continue that work. It is absolutely important as goods and cargo come into this country, whether it's from Canada, Asia, or Europe, that we make sure that it is safe and we can get it through the ports in an expeditious way.

The other thing that we are looking at is the type of infrastructure that is going to move energy products from Canada into the U.S., into Washington particularly (we have five oil refineries here), and then back into Canada. So, we believe that there needs to be some enhancements in transmission lines and in pipelines for oil and natural gas. Our goal is that if agreements are crafted for getting those pipelines and infrastructure built, that we have cleared the hurdles in the state of Washington so construction can happen.

We reviewed the work that PNWER has done, as well as this *Beyond the Border Action Plan*, and we think it's a good step forward. A couple things are critical about it. On both sides of the border we must be in a position to implement the recommendations. It's a time of very tight budgets.

Right now, we can't even fund the maintenance on our highway systems with gas tax revenues. So, what we and Governor Gregoire are trying to do is not only maintain our current system, but add capacity. So there are some new approaches we are going to have to look at. The second thing we have to do is make sure that whatever regulatory structures we put in place, that they are interchangeable and can be sustainable, user friendly, and cost less money. We are working on that in the state of Washington, and our Governor has been very helpful. For example, we have 27 different agencies right now from which you have to get permit clearance in order to work in and around a body of water like a lake, stream, or wetland. We are trying to get it down to 3. So anything that we can do in terms of regulatory processes at the border that makes things easier for businesses and individual citizens is really important.

I want to close by mentioning a last topic that I think is very important. We are spending a tremendous amount of time right now, both major companies and smaller companies, on cyber security. That is a very high-risk area for us. It's not just identity theft, it's what could happen to our power system, our transportation system, our emergency system, if we experience a cyber attack. So, we are trying to figure out a lot in terms of that issue, what some of the strategies will be, and more importantly how we can support and make sure that the resources are in place to make sure the best cyber security is in place on both sides of the border.

## *Audience Comment and Discussion, Panel I*

**David Davidson:** After hearing from Greg Alvarez about things occurring in his operational arena at the ports-of-entry, where legal commerce and trade are handled, we prearranged that representatives of the U.S. Border Patrol and the U.S. Coast Guard would provide remarks, as their agencies have responsibility for the border areas between the ports-of-entry.

**John Bates, Chief Patrol Agent, U.S. Border Patrol:** As Greg Alvarez has outlined, CBP are the ones you see at the air, land, and sea ports of entry, facilitating travel and trade. We at the Border Patrol are here to prevent people from sneaking across the border, and that work is bi-directional. We are here to prevent cross-border crime of any variety. As the Chief of Blaine Sector, the people who work for me cover Alaska, Western Washington, and Oregon. Chief Gloria Chavez is here next to me; she and the people who work for her cover Eastern Washington, Idaho, and Western Montana. Also here is Keith Powell, the director of air and marine operations, responsible for border security out on the waterways and in the air. The air and marine branch works very closely with the US Coast Guard. What I can tell you about how Beyond the Border will impact us is that for years we have had a great partnership with Canadian law enforcement. We collaborate on a regular basis but we are not integrated and we do not work seamlessly together. That is what we are moving toward. We are going to be putting Border Patrol agents into cars with RCMP, patrolling on both sides of the border—the land version of Shiprider. This is ground breaking, and we are the pilot test location, as is Detroit. Hopefully we will be doing a lot of outreach this summer and then kicking it off sometime later this year. It's an exciting time for law enforcement and I appreciate the opportunity to talk to you today.

**Captain David Klipp, U.S. Coast Guard.** I am here today on behalf of Admiral Keith Taylor. I am the chief of response for Admiral Taylor, responsible for law enforcement, intelligence, and search and rescue in the Puget Sound and offshore areas. I want to talk a little bit about Shiprider. Shiprider is on the verge of going operational; we hope to have that happen this year. In 2009, our service secretaries signed a framework agreement so that RCMP and the U.S. Coast Guard are representatives for Shiprider. Up until now, Shiprider has been deployed on an ad-hoc basis for some big events and for some pilot programs. But this year we hope to have it go operational, so we can deploy it at will for deterrent effect and in response to actionable intelligence. We have a 150-mile border in this area of the region and deploying Shiprider with just a few units leaves a lot of area to cover, so we need some help with both intelligence and maritime domain awareness. If I had to identify our biggest hole right now, it is maritime domain awareness for the small vessel threat. The distances in this region are very short and vessels are very fast, so we don't have much of an opportunity to interdict those that are smuggling people and contraband. So, I am happy to see the initiatives within Beyond the Border related to maritime domain awareness. We hope we can make some big strides with that and by strengthening our intel. partnerships.

**Captain Scott Ferguson, U.S. Coast Guard.** My responsibility is for operational execution of the 11 Coast Guard primary missions within a region that includes most of Washington, most of Idaho, and all of Montana, out to 200 miles. I am responsible for collaboration in the execution of safety, security, environmental stewardship, mobility, and national defense. I am doing my job successfully if, with my partners, I enhance this Pacific Northwest region, an economic engine for both countries. I work closely with partners on both sides of the border with respect to all those mission areas, and with respect to safety and security in particular.

**Audience Comment:** I have a comment and then a question. The comment is that PACE has prepared a 14 page document of suggestions for crossing of people under the agreement and there are copies on the table in the foyer—please help yourself. My question is for Mr. Heyman. I know that you are also in charge of CBP’s Northern Border Strategy, which is a little bit different than the Beyond the Border strategy. Could you tell us a little bit more about the Northern Border Strategy and how that dovetails and how that differs from the Beyond the Border?

**David Heyman:** Yes, thank you, and I look forward to reading the recommendations in your document. The Northern Border Strategy is a DHS internal document pertaining to coordination of all the different border-related elements within DHS. You just saw a bunch of them: air and marine, Border Patrol, Customs, Coast Guard. We also have TSA, the U.S. Secret Service, immigration services, and cyber security. There are a lot of agencies that are part of DHS and there has never been a single strategy for how we all work together at the border. It’s a document that we developed over the last year or so for coordinating internally all of our work on the northern border. It was also a congressional requirement and had to be undertaken to meet the law. It is forthcoming and is completely resonant with and consistent with the vision that the President and Prime Minister set forth, but it’s merely, frankly, an internal coordination document that contains a lot of the same themes that we have talked about today.

**Audience Comment:** Mr. Brunell, I appreciated some of your comments on enhancing infrastructure. You talked about new approaches toward funding. Do you have any thoughts or ideas on what some of those new approaches might be and how to provide those resources?

**Don Brunell:** We have to get to the point with our highway system, for example, where we no longer rely on the gas tax. We basically fund the transportation system in our state, and in fact across the country, with sales taxes on gas. In our state the sales tax amounts to 37.5%. What the Governor is proposing is that we have to look at tolls, and we have to revisit the policy of exempting hybrid and electric vehicles from sales tax as well as from other types of fees. We need to move from a consumption tax to a user fee tax. We have to look at things like HOT (*high occupancy tolled*) lanes; if people want to get someplace faster, they are going to have to pay for it. That’s something very difficult for people to understand. Essentially, if you are going to build the type of transportation infrastructure today that you need for the future, you are going to have to find a new way to fund it. I think in the interim there will likely be an attempt to increase the state portion of our gas tax. At the federal level, one of the issues we are dealing with is funding major projects like a new Columbia River crossing. When we built the interstate system, 90% of the money came from the federal government from gas tax and 10% came from the state; that money is no longer there. But, funding is available via the Surface Transportation Act. We can get 900 billion dollars if we include a platform for light rail, and if we toll the bridge. The existing bridge was built in 1917 and was a nickel a car for the toll. We have gotten out of the habit of paying for our infrastructure, and we have got to get back in the habit.

**Audience Comment:** My question is how we are going to ensure success of the Action Plan, because it is certainly very ambitious and challenging, both in terms of scope and timeline. Because these sorts of initiatives really depend on the details being worked out well, I am wondering how governments are going to ensure that there will be ongoing consultation with industry stakeholders that will be affected by and will benefit from aspects of the Action Plan being put into practice?

**David Heyman:** This is a critically important question that we need to address. First, some specifics about stakeholder engagement. We are, throughout the next several weeks and months, doing a lot of stakeholder engagement. We have started with our government partners, so we had

congressional outreach and state and local government outreach just after the beginning of the year, just after the President and Prime Minister announced the Action Plan. Reaching out to the private sector, last week we had a U.S. Chamber of Commerce event in Washington, D.C., which was attended by hundreds of companies. We have also issued our federal registry notice for comments. We are available for your feedback online at [beyondtheborder@hq.dhs.gov](mailto:beyondtheborder@hq.dhs.gov). To the broader question of how we make sure things are going to get done, here is something that is really important: hold us accountable. We want to get this done. Governments, when they are partnering with one another, have an individual responsibility to act and also a mutual responsibility to hold each other to account. In that regard, this organization, and others like it, should not just rely on the President and Prime Minister's report each year. We would like to hear reports from others, particularly from the private sector, because at the end of the day it's changes in those flows that we are going to have to be seeing. We want to hear feedback. Are businesses changing their plans for 5 years out? Are they saying, "This is something that is going to help us now in terms of export policy and our integration and manufacturing and our distribution." Are planned infrastructure investments being deployed? We want to hear. We are not going to have all that information. We will do the customary macroeconomic analysis. But, we do want to hear and are interested in results from you. Finally, help us to raise consciousness and keep others informed. We need to involve as many as possible of the folks who on a day-to-day basis make investments and benefit from cross border exchanges.

**Audience Comment:** First I would like to congratulate the government representatives here for the wonderful work that is being done. I think our Prime Minister and your President are to be congratulated for a really major initiative on border issues. I have a couple of questions which are linked. Some of you have mentioned the need for both legislative and regulatory changes in order to allow you to take some of these steps forward, and presumably you have tried to build in the congressional and parliamentary time that would be required to make those sorts of changes. Are you confident, given the environment in both Washington and Ottawa, that changes are achievable? Second, have both governments allocated additional financial resources in order to have the Action Plans come to fruition within the desired timeframes?

**Paul Haddow:** I will speak from the Canadian perspective. First of all, it is an ambitious set of initiatives. When we were negotiating the plan, we pushed our departments to accept very ambitious timelines, and in return for that, we (*at the Privy Council Office*) said, "The system will help you. If you need a regulation done, we will not slow you down through the process." So, for example, there are a couple of places where legislation in Canada will be required. We are working with the government house leader and with Parliament, not to in any way reduce the amount of scrutiny and consideration they wish to give to a particular piece of legislation, but to make sure that it is on top of the "in" basket. We are going to make the process as streamlined as possible while meeting all the requirements. Regulations are less of a problem. They do take time, with various periods of consultation, etc. But, all those sorts of requirements are built into these timelines. With respect to the financial question, we didn't agree to any of this without knowing that we would have the funds to make it happen. There hasn't been some kind of hard number put aside, but the government is very comfortable that anything that is in the plan can be funded when it is required to be funded.

**David Heyman:** On the U.S. side, we gave guidance to our interagency partners and within the Department of Homeland Security that this initiative should build on a lot of good work that has been done over the last decade, and because of the financial situation, to build on it within our base and within our priorities. So additional investments are not foreseen in the large sense. That said, we undertake annual integrated program guidance within our department that says, "here are the

secretarial priorities, and Beyond the Border is one of the top ones.” That means that if choices have to be made, then they are prioritized appropriately. With respect to the legislative/regulatory issue, there are very minimal requirements. We will go to Congress if we need to, but there is nothing anticipated at this point. With respect to changing regulations, there is a separate regulatory piece to this initiative that the President and Prime Minister launched. We are focusing here today on the security and economic competitiveness component, but the regulatory component having to do with business transactions does require regulatory streamlining, and that will go forward and be part of this initiative.

## ***Remarks by Chris Sands, Senior Fellow, Hudson Institute***

I want to talk about a context in which we are operating, but not necessarily acknowledging, in our discussions thus far. One thing David Heyman mentioned that I think should be underscored is this notion of, “If it’s a good idea that we develop between Canada and the U.S., let’s take it elsewhere. We should implement it with our other partners.” Often I find that this is the key difference between the way Beyond the Border is perceived by many American officials, as contrasted with some of their Canadian counterparts. This is not a dig at anybody, but I think the U.S. is thinking about improving the security of trade and supply chains, as well as people, as a big global project. What I want to do is first talk a little bit about that overall context, secondly talk about where this particular Beyond the Border initiative fits in the U.S. domestic context, and finally talk about where this particular region fits in all of that.

First of all, as some of you know we are coming up on the 20<sup>th</sup> anniversary of both the North American Free Trade Agreement and the Uruguay round of the GATT (now WTO) negotiations. Twenty years ago we were talking about the biggest barrier to global commerce being tariffs; tariffs and taxes that dragged the process down, added to costs, and made it more difficult to ship goods around the world. It was one of the barriers to global competitiveness that worried governments, and for that reason they began the process of trying to eliminate tariffs. In various regional and global efforts they did so. We have seen that NAFTA-specific tariff rates came down by 2008. We are still seeing tariff reductions; it is not that tariffs have been eliminated, but we have made a lot of progress on that barrier. As tariffs became less important, other barriers started to seem more important in holding us back from global commerce. In particular, the compliance cost of security, especially after 9/11, making sure that goods were secure, because they were moving a lot faster and a lot more numerous across borders, and our supply chains are much more internationally integrated now. Also important is regulation, and although we are focusing upon border security in this seminar, the Regulatory Cooperation Council inaugurated by the U.S. and Canada is very much a part of this—the standards by which we ensure that goods for consumers, products that are in our stores and our homes, are safe, are well made, and meet with the public interest.

These non-tariff barriers are now at the forefront of the global debate about facilitating international trade and economic growth. In this context they are very important to the U.S. recovery, they are important to Canada’s recovery, and I know Canada has had some good economic years, but there is still room to grow, for both nations, as we move forward. This is where governments are working, largely outside our daily observation. You might find an occasional mention in the *Wall Street Journal*, but these are negotiations and priorities that are often missed by all of us as we go about our daily lives. At the end of the George W. Bush administration, there were a couple of forms that this kind of negotiation took. Within the Western Hemisphere we had something called the Path to Prosperity in the Americas, where countries with whom we had bilateral trade agreements (or trilateral, as in the case of NAFTA), were going to undertake the next step: regulatory convergence or at least regulatory mutual recognition, as well as improving cooperation among security agencies, from border security to trade security, across the board. We also had the Security and Prosperity Partnership, a Canada/US/Mexico effort that was aimed at dealing with some of the same agenda, regulatory cooperation as well as the border, and it was the legacy of that that gave us the current initiatives. Also, there was the Trans-Pacific Partnership, something that the Australians and New Zealanders began with mutual recognition on a variety of standards and an attempt to improve commercial security, that they then expanded to other countries in Southeast Asia and to the U.S., as well as Peru and Chile on the Pacific Coast of South America.

Earlier this year in Honolulu, at the APEC summit, the U.S. came out strongly in favor of expanding the Trans-Pacific Partnership to include Canada, Mexico, and Japan, for the first time taking that effort up a notch, because we are talking about much bigger economies, much more sophisticated economies, and much bigger trading partners of the U.S. All of these negotiations are going on simultaneously, working on improving the way regulatory systems interface and our security systems interface. I think that is the context within which we need to recognize that Beyond the Border is perhaps the vanguard of some of these negotiations, because of the close cooperation of the Canadians and Americans, where we can really achieve some exciting things. This is something that can truly be global if it is successful. We are proving concepts and testing projects here that have more application that just in our own local lives.

All of that is situated in an election year, and in an election year the U.S. domestic context is important. We heard a little bit about that from the previous panel, but I just want to touch on some things that should be underscored in this context. First, the U.S. federal government is engaging in these negotiations in an environment of fiscal constraint. There is not a lot of money to go around and for those of you who really get in to the weeds of D.C. policy making, we are in the process now of sequestering funds, because we had to raise the debt ceiling. Congress said “We are going to raise the debt ceiling by \$1.6 trillion, while forming a super committee that is going to work out budget cuts, and if they can’t agree, then we will sequester funds with automatic cuts, 50 percent from defense and 50 percent from non-defense.” What a lot of people did not notice was that Congress, in their infinite wisdom, decided to put DHS into defense, so that the cuts could come from there. Last week Secretary Panetta talked about \$500-600 billion dollars in cuts to defense programs to meet this target in the current operating environment, but DHS and the State Department are left to make additional cuts. So, it is not a time where there is a lot of money for new projects and initiatives, and we are all worried about where we are going to find the money to pay for things.

Second, with multiple negotiations going on, you have agencies, whether it be DHS or domestic regulatory agencies, who have multiple partners to dance with, and the multiple partners are asking for different things. It means that it’s easier for the U.S. to have people converge to standards that we like, on all channels, rather than to have a series of multiple negotiations moving at different speeds. So there has been a tendency so far to talk a lot about convergence towards U.S. norms and standards. I think this is significant, and a reflection of the difficulty of managing so many processes simultaneously. This is one of the reasons that mutual recognition has a lot of potential in the context of regulatory harmonization.

Third, many of our domestic agencies and departments operate in an environment of overlap. You see that within DHS as well, with different departments in DHS having overlapping mandates. That overlap means that you often have a fight between different agencies internal to the U.S. government. You have to get different people on the same team to bring their standards and processes together. As we move forward, sorting out the piece of this that is internal to the U.S. government is extremely important, because it connects both to special interests (i.e., those communities that are outside of D.C. but that are important politically) and also to Congress. Let me say a little bit about each of those.

The special interests in the U.S., whether talking about the business community, environmental groups, civic organizations or community groups, are all an important part of this process. What we learned from SPP (the Security and Prosperity Partnership), a similar initiative that didn’t really provide much window for input from any of these groups, was that groups on the outside first tried to get in, and often became the most vocal critics of what was going on. The public at large wasn’t

much aware of the SPP, so the special interests became the loudest voices, and their voices tended to be critical. When the administration failed to engage special interests, those interests instead went to Congress and said “We are not happy with this. We need to slow it down, we need to reform the process.” Congress, at least domestically for the U.S., is where all of these strands come together. Congress holds the purse strings over the process and those purse strings are tightening because the fiscal environment is not good, and Congress is where special interests go to say “We think this is moving too fast,” or “We like that pilot project—why can’t we have it in our neighborhood?” or “We don’t like the process, can we change it?” One of the concerns I have, which was also raised by an audience member a few minutes ago, is that Congress is not well engaged in this process. They have not been holding hearings on Beyond the Border, they haven’t been looking at how this might affect their communities. Outside of border states, there is very little congressional engagement on even the topics. There are multiple committees charged with oversight of DHS, of the military aspect of security, and of all of these regulatory challenges, and they’re not engaged, and they need to be. Their engagement is crucial not only because legislation is needed to enact regulatory change, but also because we need to pay for all this, via congressional appropriations. Congress is the biggest blind spot to date in what we’ve been doing, which leads me, of course, to the excitement of the U.S. election.

As you know, the agenda for both Beyond the Border and regulatory cooperation is largely bipartisan. This isn’t a Democrat/Republican issue. There are good people in both parties that support this process, and some critics in both parties, to be fair. Change in Washington, D.C., as a result of November’s election shouldn’t derail this process. Just as we saw the Security and Prosperity Partnership take a new life in the Obama administration, re-branded, re-crafted, with changes that made it more effective, and just as the Bush-era SPP built on the NAFTA working groups that the Clinton administration set up following NAFTA, there is a continuity to this that transcends party. So whoever wins the election, whether it’s the election to control Congress or the election to control the White House, we will still be talking about this in a year’s time. That’s the good news. But, the bad news is that the split is between the establishment and ordinary people. The ordinary public couldn’t be more disgusted with the establishment in this country. Whether you turn on the radio or read the newspaper, you see that people don’t trust that the establishment is doing a good job turning the economy around. They are not happy with Washington, D.C. I know the President’s poll numbers worry him. Newt Gingrich and his moon base aren’t very popular. Mitt Romney is not very popular. But Congress is less popular than all of them! It’s an environment in which it’s very hard to bet the future of the economy on the kind of negotiations that have broad bipartisan elite support, but very little public engagement. I worry about what will come to pass if we don’t start talking about this more constructively with the people who live and work not only at the border, but whose livelihood in the interior of this country is connected, in ways that they have no awareness of, to international trade through borders. People in St. Louis who use Detroit-Windsor every day; people in California who are using the Blaine border crossing every day; people who are completely oblivious to the fact that the efficiency of these crossings affects the cost of their goods, the tourism that comes down their streets, and their future livelihoods. I think we need to have a broader debate about the border with the country as a whole.

In conclusion, this is where I think this region is so critical. This region stands as an example. This is a region that is focused on solutions, not rhetoric about the border going back to the 1990’s. Not only that... Here you take a “can do” approach. If it’s a good idea, let’s see if we can do it. The great cooperation between the federal, state, provincial and local communities is an example to the rest of the country. It’s also a region where people have organized themselves to ask questions about these processes and really engage in a way you don’t see in Detroit, you don’t see in Buffalo.

This is one of the strongest communities for having that dialogue, and it's a testament to the work you all have done. But, it's also the place where the U.S.–Canada dialogue connects to the trans-Pacific dialogue. You are simultaneously on the frontier of the U.S.–Canada relationship and on the frontier of North America's outreach to the Pacific. So this is big, and you are at the heart of it. If we do this right, you can guarantee its success.

## ***Remarks by Matt Morrison, Chief Executive Officer, Pacific Northwest Economic Region (PNWER)***

I want to talk about opportunities for the region, and then challenges. For me, Beyond the Border is probably the most exciting thing that has happened in 20 years. It's an open door and it is up to us to see if we can make it fruitful. I think the opportunities here in the region are tremendous because we have such great champions. Greg Alvarez and his boss Michele James have been exceptional. Our Coast Guard and all of our people have been terrific—IMTC and PNWER. PNWER has a regional ad hoc advisory committee and we are moving forward, whether we are appointed or not, to try to follow up on these many action plans. Between the Regulatory Cooperation Council (RCC) and this border Action Plan, it is a massive amount of work. It is going to take a lot of horsepower and a lot of bandwidth to get it done. I commend Paul Haddow, who was a stickler for getting timelines into it. It's amazing that those timelines are in there for government...I was just shocked.

So how do we help? I did go out to D.C. last week for a stakeholder meeting, and I was pleased to see 400 stakeholders come from both countries, mainly focused upon the RCC. Every break-out session led to the common questions: "What is the engagement strategy?" "What is the mechanism by which we can participate in this process?" Those were questions that were brought up time and time again. I think the opportunity to provide online portals of information and continue the dialogue is really important. Whether it is asked for or not, we should do it. That is something PNWER is working on and something we will do. As many of you in the room know, PNWER submitted 62 recommendations last April, and many of them did get in the Action Plan. Then we had a significant public response last month to the Action Plan.

Cass Sunstein, who I think is a brilliant guy, is heading up the RCC from the Office of Management of Budget. His number one point last week was: "We want to hardwire changes going forward in our two systems. Yes, we've got 29 regulatory issues that we are going to focus on, but really what this is about is how we integrate so that going forward we don't make more mistakes." We are constantly facing these one-off things that just get dropped on us, like an APHIS fee. There are a lot of things that just seem to drop out of left field. I am hoping that with the secretariat that is going to be set up that no agency will just drop something on us without consulting that secretariat. And that secretariat needs to be in touch with stakeholders. That's our opportunity here.

**Business travel.** We have got to reexamine all the ways we handle business travel in a risk based, risk management approach. When I go to Canada, who cares that I am taking some materials... I am a non-profit and I am going to give them out at my meeting. Should we be spending time on that kind of stuff? I am hoping as we overhaul NEXUS we have an advisory group of business travelers that can really provide significant input. We need a NEXUS first responder. I am working on a labor mobility pilot. The integrated pre-clearance for AMTRAK Cascades is going to require a whole working group of stakeholders. It's not just the train; it's the Victoria Clipper. We have to engage people early, and look at how to make things happen, because the agencies can't do it by themselves. They may be well-meaning, but they really need our support and enthusiastic lobbying to get this stuff done.

**Electronic certifications.** At our meeting we heard from ag-producers that have to submit 29 paper forms just to export one cow. They have to drive 8 hours to get a stamp from the veterinarian. In the 21<sup>st</sup> century we have to do better. This is an opportunity for us. We have a lot of ag-producers in this region, and this single window... we've got to get there soon. I also want a single window for Beyond the Border comments.

**Perimeter security.** Our number one pilot in the region is to work with tourism visas. We are amazed that there are nearly double the number of Chinese visitors to Canada as can get into the U.S. As we look at our perimeter security approach, how do we share information and speed up the processing time for tourists trying to have a “two-nation vacation” here? There are great opportunities for us to push that forward in the context of Beyond the Border.

As Greg Alvarez said, with respect to the border infrastructure investment plan and the entry/exit, we have got to engage stakeholders, to look at how that will work and what the needs are for business.

**Some of the challenges.** Number one is measuring progress. I think we really have to utilize groups like the BPRI, a third party, to provide an annual analysis of progress of the border action plan. It’s so true that the congressional awareness is hugely lacking. I have been to our whole congressional delegation and they question what Beyond the Border is. They are really not aware that it happened. It will come down to significant issues, within the next 18 months, with Congress. We all need to help with that when we are meeting with our congressional delegation. We all need to tell them how important it is.

I want to come back and conclude on business travel. We really have to be smarter about how we handle the border. I don’t want to go into anecdotes, but we all know that we have an integrated economy and we need to be smarter about allowing our bright people to work together, to cross the border, and to do things together. And we are not there. So this is an open door, it is an opportunity, and we have many things that I think we can do to support the process and then get new things into the action plan. I agree with Chris Sands, this is a great opportunity for the region.

***Remarks by Sukumar Periwai, Executive Director, Strategic Planning and Policy, Intergovernmental Relations Secretariat, Office of the Premier, Government of British Columbia***

We are so integrated as a community of people that care about the border, and the result of that is the development of a regional consensus of what we want to see happen at the border. At the break I was speaking with my colleague Bob Steele who works for the B.C. Ministry of Transportation, and we were talking with John Sibold, who is the director of rail for the WA Department of Transportation. John made a comment that touched me. He said that as a young man he used to race sail boats up in Victoria, and that he considered Canada his second home. I am touched by that sentiment, and by the ease with which we have been accustomed to crossing the border to visit and play and to engage as a cross border community. Each summer my brother brings my nephew and niece to Victoria from Washington, D.C., and I would like them to think of Victoria as their second home. Not to think of the border as this thing they have to surmount.

It is that intent and relationship and community that informs us as we engage in these conversations. We all represent different agencies or businesses with various interests. What makes this region unique in a sense is that we are able to put those affiliations and positions aside for the span of time it takes for us to partake in a really meaningful and constructive dialogue. One example of that is taking place today in Olympia. It is the B.C./Washington joint cabinet meeting, and in a sense this seminar today is almost too timely, because that cabinet meeting is happening as we speak. Premier Clark, who has been in office for less than a year, is leading a group of B.C. ministers who are meeting with the governor and various secretaries and department heads. This is the sixth joint cabinet meeting that has taken place between B.C. and Washington, and it's almost an annual thing. Additionally, the premier and governor have met one-on-one a couple of times and the governor came up to meet with all the premiers at what we call the Council of the Federation. So there is a lot of engagement.

What makes this striking as a meeting, and reflecting back on who is going to be at the meeting, there is one minister, our Solicitor General Shirley Bond, who was Bob's minister of transportation for a number of years; prior to that she was the minister of education and attended the first joint cabinet meeting in that capacity. So she has been to every one of these six joint cabinet meetings over the last seven years. When you think of Secretary Hammond (*WA Secretary of Transportation*), and how she has attended every one of those meetings as well, and you think of Governor Gregoire and the exemplary leadership she has shown in bringing these two jurisdictions together and keeping that momentum of relationship together over the last seven years now, you realize that these are very strong ties. These are ties of leaders. These are people who know the issues and have the capacity to direct their staff to work together to focus in on very specific goals year after year and to demand the tracking of progress, to demand that things be done and that accomplishments keep being built on.

There are regional officials who have built up strong bilateral working relationships through one of the spin-offs of the BC/WA joint cabinet meeting, which is the BC/WA joint transportation executive council (JTEC). Bob Steele and his colleagues in Washington State meet on a regular basis to develop action plans and work plans to implement all the *specific* cross-border transportation-related things that need to be done. This kind of work is also done under the auspices of the International Mobility and Trade Corridor project—IMTC—as well as in the context of PNWER. Matt Morrison is one of our great leaders in the region as far as being able to foster those kinds of cross-border linkages. The plans that JTEC is building are very specific and very important in terms

of making sure that the implementation of these big picture goals, which we all share and which to large measure we have all helped to foster, can actually happen. I can't say what will specifically emerge from today's joint cabinet meeting in Olympia, but what I can say is that there is going to be a very strong consensus on many of the same things included in the Beyond the Border Action Plan, whether it's cross border law enforcement cooperation, whether it's emergency preparedness. I am told that in our region there is a 1 in 5 chance that Victoria, the city I live in, is going to be hit by a major earthquake within the next 20 years. But it's reassuring to know that there is capacity in the region, that we can all support each other in the wake of a major catastrophe. It is possible to have that sort of joint planning, whether it's through earthquake tabletop exercises, critical infrastructure protection, or the disaster resilience work that PNWER has done. We do things as a region to ensure that if something happens, we are able to pick up the phone and talk to the right person. We have to make sure that those connections are kept evergreen regardless of what political affiliations or events take place at any level. It's these relationships that I believe are going to maintain that sense of possibility and hope for all of us, regardless of where we live and regardless of what specific events may transpire.

The other thing I will emphasize is that the priorities that we have established as a region are very much in tune with the four pillars of cooperation that were discussed earlier and that we have all read in the Action Plan. The focus on building on successes like Shiprider, and actually making sure that cross-border law enforcement folks are able to have shared capacity and are able to work together to find gaps, and do threat assessments and share information effectively. That is a really critical piece, making sure that our provincial law enforcement folks are tied in with state folks, with federal folks, with community folks. All these people made sure that the 2010 Olympics were a totally seamless and forgettable experience from the standpoint of nothing having gone wrong. That is an amazing achievement, and I pay tribute to the folks that are wearing uniforms in this room for making that happen. That exemplary effort was made possible by the fact that we had a focus date, and faced with that inflexible deadline you were able to make it happen. I would like to see that same approach be taken with respect to everyday cooperation. We don't need to have an Olympics to realize the fact that we need to stay safe and secure and welcoming as a region. We need to have that mindset, and I think we have cultivated that mindset in this region.

Every joint cabinet meeting that has taken place so far has resulted in a joint letter from the Premier and the Governor to the President and the Prime Minister. In this case, I honestly can't say if a joint letter is going to go out or not, that's the prerogative of the Premier and the Governor. But, if a letter is to go out, Chris Sands wrote it....

## ***Remarks by Hugh Conroy, IMTC Project Director, Whatcom Council of Governments***

I work at the Whatcom Council of Governments in Bellingham, WA. We are a federally designated metropolitan planning organization (MPO). As an MPO since 1997, my office has been the lead agency of a cross-border planning coalition called the International Mobility and Trade Corridor project (IMTC). Funding for our effort in that regard has come since 1999 from the Coordinated Border Infrastructure (CBI) program of the Federal Highway Administration, matched significantly by funds from the Washington State DOT. As I will later touch on, funding for specific projects that we've helped bring along has also come from the CBI program, as well as other Canadian, federal, provincial, and local jurisdiction funds.

At the Cascade Gateway there are four ports of entry. From west to east they are Peace Arch /Douglas, Pacific Highway, Lynden/Aldergrove, and Sumas/Huntington. The participants that come to IMTC meetings and partake in this process include regional representatives of the federal inspection agencies, federal transportation agencies, state and provincial transportation agencies, local jurisdictions, academia like the BPRI, nongovernmental organizations like Cascadia and PACE, as well as industry associations like the BC Trucking association, duty free stores, etc. There are lots of stakeholders in a border that works well on a daily basis.

The work of the IMTC in a general sense is stakeholders that come together and mutually identify and then promote projects which they have a shared interest in getting done. Those types of projects include not only infrastructure and operation investments, but also deployments of information technology. Much of that is built on successful data collection and business-case analysis and things of that nature. To that point, I can't emphasize enough the importance of shared data collection at the outset of these discussions. When you have multiple agencies involved in the actual acquisition of data and turning that into information that they are collectively using to identify projects and to work with their respective managements to get funding for a project that no one agency could afford to advance, it all goes back to having trust in the information that is the basis of those individual decisions. So, really condensing it down, I would say that is the narrative that has worked for moving projects forward and that has resulted in a lot of the successes that have been pointed out earlier today.

Here is a quick illustration of a product that has come out of our process. As David Heyman mentioned earlier, the border is flows and this graphic (*reference to a slide showing modeled routes of crossborder truck traffic*) literally shows our flows across the border. This is commercial vehicle routing across the border as captured by a very extensive data collection in 2009 spearheaded by BPRI and done in cooperation with the inspection agencies and our office as well. Inspection agencies were great in giving us access at the ports of entry themselves to get that kind of data. This plots the origins and destination of commercial vehicles through what would be their optimal route according to a traffic model. This kind of information has not only led to other types of modeling to assess options with the FAST program, but also helped us look at future routes of significance with regard to crossborder freight, as well as planning for alternative routing during emergency situations with congestion or incidents. So, this information provides a really good foundation that has helped a collection of agencies think about ways to optimize their responses. With respect to this project, and things that led to information like this and that lead to infrastructure, funding is critical. Over the course of the 15 years that I have been involved with IMTC, some of these key funding programs have been the CBI program in the U.S., which is not expected to be perpetuated in the next federal reauthorization bill. So that is a concern. We have had a dedicated funding source that

states can apply to for these border priorities in cooperation with other stakeholders, but without CBI the future is dubious in that regard. Canadian federal funding has also been key—the Border and Gateways fund and before that the Border Infrastructure Fund. I am not sure what the outlook is on those, but such sources of funding have been key in leveraging provincial and state resources for these projects. In Washington State, it is difficult to promote investments at the border when there are comparatively huge transportation issues in the rest of the state and obviously here in Seattle.

I will quickly go through some of the themes that you have heard about already in the Action Plan and try to relate those to some of the ongoing and current issues and work going on in the Cascade Gateway region and somewhat through IMTC.

**Trusted trader programs.** These programs started in our area. At Pacific Highway, southbound opened up in 2002 and northbound opened up at the end of 2005. Both B.C. and WA DOT worked with inspection agencies to install dedicated highway access for the FAST program. Paul Haddow did a good job earlier explaining how there are different component programs that comprise what we refer to as FAST. Regionally we have had a different experience with FAST than has been the case in Detroit. Carrier uptake has been very good, but uptake by shippers has been a little spotty, so the result is that not as much traffic as hoped has taken advantage of the dedicated FAST highway access and booth infrastructure. So with data collection that was done in 2009 we worked with partners and inspection agencies to model some scenarios and estimate that a different routing arrangement would work a lot more efficiently for the overall flow of trade through the port. CBP proposed a pilot project, which was conducted last year, and baseline data was collected by partners including BPRI. That has led to the current situation in which B.C. is investing in significant rerouting—not major infrastructure, but still important investments—of commercial vehicle traffic to a new arrangement which is going to make much more efficient use of the three commercial booths and still preserve dedicated lane access for FAST. So, a really good balanced outcome in tune with the spirit of the Action Plan. There also will be a lot of improvements in data collection related to that commercial flow, resulting in the ability to provide some of the metrics that are specifically called for in the Action Plan.

There are still some questions. Paul Haddow mentioned tier 1/tier 2 trusted-trader programs. How will that play out in this region? Will it expand the market for FAST? Will it change our assumptions about how this flow breaks out into the new alignment? So this is a reason to stay plugged into the dialogue and keep optimizing the system. These things always change relative to variables outside of our control, like exchange rates, commodity mix, and things like that.

**Trusted travel programs (NEXUS).** It was mentioned earlier that since the late 90's this region has successfully invested in things like extending NEXUS lanes. We have engaged in interagency marketing programs, which have been successful. With regard to the Beyond the Border Action Plan it was mentioned early that Lynden/Aldergrove and Sumas/Huntington are called out in that plan as likely future locations. The transportation agencies, both BC Ministry and WSDOT, have done a great job working with the inspection agencies to identify what types of dedicated lane infrastructure will be needed and are well prepared to make the necessary investments when all the decisions fall into place. Again, these are good example of investments that are going to require funding over time. There is still some remnant of CBI funding in the pipeline, but the outlook for a dedicated funding source to be responsive to these policy changes is going to be a challenge in the near term.

**Joint border investment planning.** This was discussed a little bit, too, this notion of annually revising a binational 5-year investment plan. There are a lot of big ticket projects listed in the Action Plan, all of which are well to the East of this region. It's a good bet that the first list of priorities will consist entirely of such projects. But in hopes that the inaugural plan will be comprehensive, I think we have a very good relationship with national-level groups like the Transportation Border Working Group to plug into the process and get our infrastructure—not just the port of entry infrastructure, but the roadway infrastructure that will likely be required as these incremental changes are put into place—made part of that plan. That is going to be significant. The state and the province obviously have a lot of prerogative with regards to steering investments towards those collaborative strategies. I think groups like the IMTC, the Joint Transportation Executive Committee, and the POE Committees that Greg Alvarez mentioned earlier, are all going to be really good sources of regional validation of the importance of these projects and hopefully align them with what might evolve into a federally guided investment strategy.

**Border wait-time measurement.** This was a big topic years ago when IMTC got underway. WA Department of Transportation was looking at ways to invest in this. We had both BC and Washington agencies talking about a very symmetrical approach to this. It has worked very well. The first installation occurred in 2001 with the BC Ministry of Transportation installing equipment to analyze southbound traffic. The really interesting thing about the system we have out here is that BC has installed and maintains and owns the system that generates wait time information for US Customs. Washington State has installed, maintains and owns the system that serves the Canada Border Services Agency. So, you have got four agencies investing in a symmetrically designed system generating not just wait-time information, but planning data. We are now well-poised to deliver many of the performance metrics that are listed in the Action Plan, and even being able to look at NEXUS vs. standard traffic or FAST vs. general traffic, not just overall wait-times. Our system generates a very rich data set which has served us well in terms of identifying project priorities and making business cases.

In conclusion I will hit some of the main themes. Structured communication has really worked well for productive partnerships and advancing projects. Our region is very well positioned to advance Beyond the Border vision goals, but I think some aspect of flexibility is still always helpful and I think the different way in which the FAST program is received in this region by industry is a good example of why some flexibility in operational responses is very valuable. Last, but certainly not least, the seeming disappearance of the U.S. Coordinated Border Infrastructure program as a dedicated source for border investment is a little bit of a concern. Hopefully we will figure out another way to keep the profile high and the money available.

## *Audience Comment and Discussion, Panel II*

**Audience Comment (Buffalo Consulate):** I was at an event with a prominent elected official from New York State who had no idea what Beyond the Border was. It was an awkward situation, considering that many of our local partners had briefed this person's staff on numerous occasions. It raises the question that Chris raised: "How do you communicate to politicians who are mostly focused on re-election?" We are partnering with local agencies and local business and Chambers of Commerce, but what else can we do to get this information out to these politicians?

**Chris Sands:** This is a really big challenge. In this region, and I know your region as well, engagement has taken place with the business community and with legislative staffers. To put it crudely, I think engagement has to take place with voters. There has to be a sense that this is something that voters connect to creating jobs. Politicians pay attention to what is going to get them re-elected. Now, how do you reach voters? We need to reach in two directions. One, we need to reach into the interior. There has been an interesting effort to talk not just about border gateways, but about the transportation corridors that funnel to those gateways, so that people have a better sense that their livelihood is connected to a distant point of geography where goods cross the border. I know this will sound like a cheesy school project, but, one of my dreams is that we could get high school teachers and college professors to give kids a video camera and have them begin to document the supply chain. When some of us were kids we used to see Junior Chamber of Commerce videos about how things are made in the factory down the street; you could see the assembly line and all the people at work. It was a little abstract, but you got a sense of what people do in big factories or offices. We don't convey supply chains, other than in business school. We don't really have a sense of how things move to the stores near us. I think that this is part of the lack of awareness that we have as citizens in a global economy. I know telling you to educate the youth of America is a long run project, but we need to take this dialogue outside the rooms in which we are having it, and we need to be connected to ordinary folks—to get the message out "retail"—so that more people see that this is connected to their lives and livelihoods. One more idea: I think we ought to establish tuition reciprocity at the university level between Canada and the U.S. By which I mean that we offer kids in New York the chance to go to schools in Ontario and Quebec, for in-province tuition. If that's not possible, then perhaps at the tuition rate for an out-of-province Canadian. Similarly, Canadian students could study at our universities, paying in-state tuition. Why? Because I think we need to build bridges across the border within the younger generations. We need to teach them about collaboration. Having them drinking together or going to concerts together will eventually lead to them being entrepreneurs together. I know this idea has a big fiscal impact. But we have got to engage at that level and really get more people excited about this stuff.

**Audience Comment :** A follow up with Chris Sands regarding energy issues. Congress doesn't know much about the border, but they do know about the Keystone pipeline. It's become very partisan now, and there is talk of Canada looking more towards Asia, consistent with the trans-Pacific theme you raised. What is your sense of the politics of that? Is energy and energy security and energy integration in North America helpful in terms of economic and transportation connections between the two countries?

**Chris Sands:** I will give you a classic answer: "yes and no." The one thing you wouldn't want to do is take the broader energy debate and make it more Keystone-like. Politically, the problem with Keystone now is that it is a partisan issue. I don't think the administration has said "We will never build Keystone." But the perception is that people running for election against the President would build Keystone right away, and now there are ads from the Chamber of Commerce suggesting that

the President is derelict in his duty, not creating jobs, etc. That is a horrible way to make policy. Once things become so partisan, it becomes difficult to do anything. Keystone is an example of what we should not do. Now let's think of the broader debate. Consider the new Detroit-Windsor bridge which has been a priority since before September 11<sup>th</sup> and still hasn't been built. Look at Keystone, look at powerlines that connect our electricity grid, the Smart Grid linkages that we need, even look at what we were talking about earlier in terms of border infrastructure. We ought to think about a North American infrastructure planning commission, similar to the international joint commission that has looked at environmental issues. Such a commission should not have decision-making authority, but should have pre-decision authority so that the federal governments could say, "there is a cross-border infrastructure project that needs to be considered." They could hold public hearings, listen to the engineers, talk to the scientists, hear from the environmental groups, and hear from the public. They would then present the governments with an evaluation. They would say, "Having heard all the evidence and arguments, this is the best route for the freeway" or "We think there is need for this new pipeline." They could do this before Trans-Canada is trying to put a pipeline in place, before we start investing dollars and delaying projects. Government could have something pre-planned. So I think we have not only an infrastructure gap, but also a governance gap. Too often decisions like Keystone are made in the U.S., and only the U.S. is involved. We have got to find a way to bridge this dialogue to include more people. We must do more than we do now, not just on energy, but across the board with infrastructure, because if we can't solve these problems we will find that trade does what trade always does—it finds an easier route. It would be sad if alternatives to U.S.-Canada routes develop just because we can't get our act together.

**Audience Comment :** Both B.C. and Washington State were very supportive in securing the commitment to expand integrated customs and immigration pre-clearance broadly to rail and marine modes, in addition to what we have now for air. And the Plan includes a specific reference to pre-clearance for AMTRAK in Vancouver. What is your perception on how the region can help ensure that the pre-clearance initiatives can be met within the September 2012 timeframe?

**Matt Morrison:** It's a critical issue for the region and we are going to have to support changes that need to be made in Ottawa. I think that we immediately need to pull together a public/private advisory council with both the ferry operators and with AMTRAK and BNSF and all the stakeholders. We have had numerous meetings over the many years about this issue, so we know what the obstacles are, but I do think that a public/private advisory committee would be very helpful to keep us on track. It must be not just rail, but also ferry, and the province must also be involved because there is space and other issues there. We are already talking to Paul Haddow and others about making those changes.

**Audience Comment :** In D.C. last month, another ferry operator and I had a meeting with U.S. Customs. One of the things they were very encouraged by was pre-clearance. The problem is the facilities that we ferry operators have. I have two points I would like to make. First, in terms of the improvements at the Vancouver rail terminal, who paid for those improvements? Second, a few years ago, when many of us were going back to D.C. and making visits to congressional delegations, we would go in the company of a Canadian representative like Tourism Quebec, and we would take information provided by the Canadian Consulate showing the economic impact of Canadian exports on each state. Staffers were overwhelmed in most cases, like the state of Oklahoma, by just how much business was being done between Canada and Oklahoma. I am really concerned that the state of New York, a border state, isn't aware of Beyond the Border, but it seems that there should be a strategy, whether working with the Chambers or other organizations, to try to get the word to our delegations.

## ***Keynote Address by Brad Owen, Lieutenant Governor of Washington State***

It is my honor to be here today to speak on behalf of the state of Washington. Our governor, Christine Gregoire, would be here but is having her annual joint cabinet meeting in Olympia today with British Columbia Premier Christy Clark. We were very pleased to give the premier and governor a warm welcome on the Senate floor this morning.

The joint cabinet meeting is a good thing. I suspect at least some of the issues that you are discussing here in Seattle are an important part of their discussions in Olympia too. In fact I am pleased to announce that this morning's joint cabinet session yielded a letter to President Barack Obama and Prime Minister Stephen Harper that expresses our state and British Columbia's support for the Beyond the Border action plan and urge its implementation. The letter is on top of another measure we are taking in our state Legislature—a joint memorial to Congress, the Secretary of State, the Department of Homeland Security, the Secretary of Commerce, the Canadian government and others that the provisions of the *Beyond the Border Action Plan on Perimeter Security and Economic Competitiveness* and the *Action Plan on Regulatory Cooperation* are carried out.

I introduced that joint memorial by executive request. A meeting with Consul General Stevens brought this to our attention, and after that meeting we started to think about what we could do to support this effort and move it forward. I am pleased to report to you that, as of this morning, this joint memorial has been passed by our state Senate and is now in the House of Representatives. Once passed by the House, it will be transmitted to the aforementioned parties as a way of our being officially on the record in support of these vital, landmark initiatives. In the days following the Obama-Harper announcement, Premier Clark issued her own statement of strong support for improved border security, threat assessment and economic cooperation. In the process of testifying in support of this joint memorial, which I did together with Consul General Stevens, here in a nutshell is what I said, and believe.

1. That this initiative represents one of the most important cooperative agreements between Canada and the United States in recent memory.
2. That with implementation of the plans, the vital economic partnership that joins our two countries will continue to improve, that our systems of governing and security and regulation will be simpler and more convenient and will aid, not hinder, our mutual economic development and,
3. That this initiative will establish joint priorities for achieving a new long-term security partnership in four key areas, guided by mutual respect for sovereignty and our separate constitutional and legal frameworks that protect individual privacy.

So today I would like to use my time to make the case for gaining support from more people, including businesses, the farm community and public officials, to rally those around them and keep this process on track. I know that the spirit of this meeting revolves around a shared vision for closer bonds between Canada and the U.S. and, perhaps more specifically, between the state of Washington and the province of British Columbia.

In many ways it seems odd, especially in this corner of the world, that we are separated by a border at all. Our commonality goes back many centuries to the days when our native peoples traveled and traded freely across the waters of Puget Sound, the Straits and the passages that surround Vancouver Island and north.

We have shared interests in natural resources, such as timber, fishing and tourism; our ports serve common and close markets in Asia and Russia; we speak, more or less, the same language, eh? A thin, cartographic, line drawn between us is a reminder of the close and precious nature of our relationship.

Our governments are both democratic in nature. Our families intermarry. Our cultures are very much the same, with the core value systems that we have all grown up with based on freedom, mutual respect and goodwill and an appreciation for lawfulness and order. Even though our Vancouver Whitecaps and Seattle Sounders may proclaim a fierce rivalry, we often find ourselves fighting in the same battles, whether it is overseas where we frequently serve in combat hand in hand; or in working together to conquer a common enemy, such as terrorists, drug traffickers, smugglers and their like. We are also working together for the common good on environmental issues and the allocation of our natural resources in the form of many treaties and agreements that have been signed over the years.

While some among us may say that good fences make good neighbors, what this initiative is about is tearing at least some of those fences down but, at the same time, making sure that we do so in order to widen the path that crosses our yards, to share the easement that is our border and to engage in pleasant, neighborly conversations along the way.

Before we do this we must be prepared to solve not one, but many puzzles, with interlocking pieces and even some moving parts. The two big boxes that these puzzles arrive in are the U.S. and Canadian governments.

Inside the U.S. box are its 50 states, 13 of which share a border with Canada. Inside Canada's box are its 10 provinces and territories, about half of which share a border with the U.S. as well. Dig in the boxes a little further and you have the cities, counties, towns, boroughs, villages, ports and, just as importantly, the respective jurisdictions of our tribal and aboriginal populations. Scattered all over the place are the businesses, the transportation systems, telecommunications systems, buildings, houses and other infrastructure.

And finally, you have the glue, the bolts and nuts and other framework that somehow holds it all together, friendships, family, and business relations. Complicating it all even further is the fact that there are really no clear set of directions on how to put these puzzles all together, or at least in a way that is logical to everyone who will be a part of the final result.

It is our job to make these puzzle pieces interlock in a way that is both functional, fitting and a source of pride. We want to look at the finished product and be proud of not only its appearance, but that it will be linked together as a solid framework for generations to come.

So how do we do it?

Neighborly cooperation can truly start with the small things, such as the burying of old grudges and starting anew. Some of you may be familiar with the story of Louie Sam, a 14-year-old Sto:lo youth from a native village near Abbotsford, B.C. who was lynched by an American mob in 1884. That was five years before Washington became a state and just 13 years after B.C. joined the Canadian Federation.

I first became aware of the story of Louie Sam during a 2005 meeting with then B.C. Lt. Gov. Iona V. Campagnola in Victoria. Louie Sam was wrongfully accused of the murder of Nooksack area shopkeeper James Bell, and turned over to a B.C. deputy and held in custody. The vigilante mob of 100 or so stole across the board, kidnapped Louie Sam, rode back to Washington territory and lynched him from a tree. It was later proven that Louie Sam did not commit the murder and that a

great injustice had been done. In 2006 we were able to pass a resolution in the Washington state legislature that offered our state's deepest sympathies for this injustice, which we presented to Sto:lo tribal leaders in our office in Olympia. Several tribes in Washington and aboriginal bands in Canada also took part in a number of healing drum circles, including one in the rotunda of our Capitol building.

A whole lot of positive things happened after that, all of which brought us closer together, but the bottom line is that it is a story of how people of different cultures and backgrounds can work together to right even an old wrong and further solidify a strong and lasting friendship. If we can work together on repairing damage that was caused by an incident of more than a century and a quarter ago now, we can work together on resolving the big issues that are between us today.

And what I am talking about, really, is that the U.S.-Canada Beyond the Border Action Plan can begin with everyone in this room and then move with deliberate speed to convince those at the state/province and federal policy making level. The good news is that Washington and British Columbia have already staked their claim, proving that there is a vital role for a political subdivision to have input into the federally created Beyond the Border Action plan. In fact, many aspects of plan implementation depend on cooperation of sub-national governments.

We have many examples where we are either leading the charge, or are certainly beginning to be engaged, right here between the border of Washington and British Columbia. Examples of what is possible, what can be done.

A prime example can be found with the Washington Enhanced Driver's License, or EDL. This was an initiative first proposed by Governor Gregoire and then-Premier Gordon Campbell in 2006 to offset the Western Hemisphere Travel Initiative, which required passports rather than lesser forms of identification to travel between our borders in the wake of the 9/11 terrorist attacks.

It took a lot of hand-holding of the Department of State and the White House, and a series of high-level discussions for both sides, to agree to accept an equivalent document but in the end the EDL was created—along with a similar card for British Columbia residents, that would be less expensive and burdensome than a passport, but just as secure.

In fact the EDL contains an RFID chip, that is scanned electronically as travelers approach border crossing stations. More than 320,000 Washington residents have purchased these EDLs since they were established and they are now selling at the clip of 9,000 to 10,000 each month, constituting about 4 percent of all state driver licenses. The cost is just an additional \$15 onto a \$25 license, which is a considerable savings over the cost of a passport. British Columbia has a similar license, as do four or five other border states in the U.S. But we pioneered the EDL right here, and it was delivered well in time for the 2010 Winter Olympics in Vancouver. While the higher-priced Nexus pass is still preferable for most frequent crossers, we would like to see an even higher rate of adoption of these enhanced drivers licenses on both sides of the border, so perhaps a little more marketing is needed to help make our residents more aware.

The Olympics proved to be another success story. Although it did not create as big of an economic boom as anticipated, it was another testament to how closely we can work together to accomplish a dream.

Our state's Department of Transportation completed four major capital projects amounting to more than a half a billion dollars to widen roads and build new lanes on our side of the border to help cars and trucks get through. They also made track and signal improvements on Amtrak rail lines and in the process were able to better share this critical rail corridor. In August, 2009, Amtrak Cascades

added a second-round-trip line between Vancouver, B.C. and Portland, Oregon, providing an additional transportation option for the Olympics. Advanced traveler information systems were put into place to let border crossers know about wait times by both electronic signage, and WSDOT introduced the use of Twitter on top of its 511 call system to relay wait times. They have since introduced an “app” for smart phones too.

So what happened as a result of all of this work during the Winter Olympics of 2010? Basically, nothing. And I mean nothing in a very positive way. There were few, if any, significant lineups. Nearly 200,000 vehicles crossed from Washington State into Canada; yet for the vast majority of the Olympics, border delays averaged less than 10 minutes. There was just one day, a Saturday, when there was a two-hour wait at the border, when nearly 16,000 Olympics-bound vehicles crossed into Canada. Southbound traffic into Washington was estimated at around a quarter million vehicles during the Olympics.

On the security side, there was an incredible amount of local and regional cooperation in advance of and during the Olympics. A security headquarters was set up at the Bellingham airport to handle air security issues. Communication between coordinating agencies was constant and complete. As a result, we heard of very little, if any, major security issues on either side of the border during this time. We may never know, thankfully, what could have happened if this security had not been in place.

A little snag in our relations did come up recently with the introduction by the Canadian federal government of a border clearance fee for passengers, which threatened to curtail service for the second Amtrak line. Once again, after close work between Washington and British Columbia, the director of the U.S. Department of Homeland Security and the Canadian Minister of Public Safety announced last August that this fee would be waived, ensuring that the route would continue to serve our international train travelers.

Governor Gregoire hailed this decision, saying in a statement:

“The decision to waive the border clearance fee is fantastic news for both Washington state and British Columbia, as well as for those businesses that have greatly benefitted from the second Amtrak line. There’s no question the second train has helped our economic recovery – leading to a significant increase in tourism spending on both sides of the border.”

Governor Gregoire, former Premier Campbell and now Premier Clark deserve a lot of the credit for all they have done to facilitate and promote cross-border relations during their respective administrations. For starters, simply keeping the lines of communication open, such as their joint cabinet meeting in the governor’s mansion today is a prime example. These meetings began in 2006, and have been the force behind much of the work that has been done in cross-border relations since.

Their ongoing efforts are to be applauded, but there is much more to do. I’d like to tell you about Gordon Trucking Incorporated, or GTI. GTI runs about 2,000 trucks in total and had just shy of \$400 million in revenue last year. It is one of the top 25 full truckload carriers in the nation, and the 17th largest private company in the state. It has also been named the safest large carrier in the state of Washington five years in a row, and recognized as the second safest carrier in North America and safest in the US by the Truckload Carriers Association.

GTI averages about 50 loads per week into Canada and takes around 35 per week back out. About 60 percent of their volume is Vancouver area crossing at Blaine, with the rest at various points

throughout Alberta crossing at Eastport, WA. They primarily ship various paper products each direction. Based in Pacific, Washington, the business has been in family ownership since 1946.

So what is GTT's biggest challenge? Company president Steve Gordon tells us in a nutshell it is this: finding drivers that can and are willing to go to Canada. Not all of them, he says, want to expend the time it takes for an enhanced license and most don't carry their passport with them normally, nor do they want to go through the red tape and hassle associated with trans-border shipments. So for many it's easier to just say no. Having a severely restricted pool of available folks makes it much more expensive to position drivers to support loads going both directions, plus these drivers have to be paid more on those trips.

He says the additional requirements to clear customs electronically in both directions has made it more challenging in the last few years. It is not a harmonized process going both directions, so it means that the company must spend a lot of extra time to fill out information that their customers don't always readily provide.

And, because the company has its federal C-TPAT certification, they are required to ask sometimes uncomfortable, security-related questions of their customers that their non-certified competition may not ask, such as the backgrounds of employees at the paper recycling plants. Gordon tells us this sometimes will steer their Canadian customers to other carriers.

Other issues Gordon has identified is the need for them to charge the \$300 to \$400 per load charge they are assessed at the border as the result of random security checks back to the customer. That creates an unexpected charge and another wedge between carrier and customer.

Gordon says having similar crossing systems on both sides would diminish confusion at border crossings. It is also sometimes difficult to get a hold of a border broker at all hours, even though trucking is a 24/7 operation. There are occasions when trucks have to wait until the next business day in order to clear customs with the right paperwork.

We may or may not be able to help GTT with their driver's refusal to carry a passport or an EDL, but I really see ways this Beyond the Border initiative can help out companies like Gordon Trucking. Let's use the tenet of regulatory improvement to sync these processes and help them reduce the amount of paperwork that is required. Let's make the movement of goods hauled by trusted carriers as seamless and as transparent as possible, and in both directions.

I mentioned security in terms of the Olympics a few minutes ago, and would be remiss if I did not bring up the incredible amount of cooperation that is going on between the RCMP, U.S. and Canadian customs, the U.S. Department of Homeland Security and the Drug Enforcement Agency on keeping our shared border safe and protected.

There is an incredible amount of coordination that goes on within both sides of the border to stop the flow of illegal substances, especially marijuana, cocaine and ecstasy. That alone is a huge job, and part of the challenge is just for them to be able to all talk to each other on the same radio frequency. This action plan will help.

One area I haven't spent too much time on is trade and tourism. This is critical and of significant joint interest. While our state's tourism office no longer exists, we know that Canada represents a substantial and important market for Washington's travel and tourism industry, and it works both ways. The fact that our dollars have been nearly on par means that many Canadians from the high population center of Vancouver and vicinity are coming south to do their shopping.

One of my staff members is among the thousands of American citizens who venture north to Canadian waters every year in pursuit of the wily Pacific salmon, halibut and trout each year, or go on hunting trips for the adventure of a lifetime.

There is a great need for both sides to work together on ensuring ways that our international visitors, especially those from China and the rest of Asia, are welcomed equally on both sides of the border by the establishment of mutually-recognized visa documentation. While we may compete with one another for their tourism dollars, we need to make it easy for them to travel across both sides of the border in the first place.

Another key area where this initiative strikes home is in agriculture as our countries have \$33 billion in the trade of agricultural products between us. One of the pilot projects that is in the works has to do with the need for implementing electronic export certification for livestock and meat that crosses the US/Canada Border, just as it is now for plant-based commodities. I could go on and on about other joint and cooperative efforts but for the purpose of time I will leave that to others. I would like to give praise to those organizations that are actively engaged in cross border issues and cooperation, such as the Pacific Northwest Economic Region, the Border Policy Research Institute at Western Washington University and so many more.

It is with optimism and pride that I look ahead at the promise to come, while issuing the challenge: What can we do to reduce red tape and confusion in order to enhance trade, economic development, security, and ease of travel. Personally I believe we are on the right course and I thank everyone here for all that you are doing. The Beyond the Border initiatives will certainly get us further along and it is with passion and sincerity that we need to each do our part to make sure our respective governments are on board.

We can make things easier for companies that do business on both sides. We can cut the hassles for tourists and travelers who want nothing more than to see our beautiful lands and comfortably share in our bounty. We will work together to put the bad guys where they belong. We are here, together as friends and family. As with any familial relationship, there will be occasional tough times and friction, but as long as we are sitting at the same table and sharing all that is important, we can work together and make this relationship as vibrant, meaningful and productive as ever.

Drug smugglers, terrorists from Al Queda and other organizations and other events may have diminished our freedoms, but now we have an opportunity to take back what was stolen from us. With your guidance the border initiatives we have in front of us will help us to return us to that time.

## Speaker Biographies

### **Don Alper**

Dr. Donald K. Alper has a Ph.D. in political science from the University of British Columbia and has taught at Western Washington University for 35 years. He is both the director of the Center for Canadian-American Studies (since 1993) and the Border Policy Research Institute (since 2005). Dr. Alper is the author of numerous publications and is an active member (and past-President) of the Association for Canadian Studies in the United States (ASCUS). A recipient of the 2007 International Council for Canadian Studies' Certificate of Merit, Dr. Alper is a recognized scholar and leader in the field of Canadian Studies. His teaching and research interests include American and Canadian politics as well as political relations between them.

### **Denis Stevens**

Denis Stevens was appointed Consul General of Canada in Seattle by Prime Minister Stephen Harper in August 2010. He is Canada's senior representative in the Pacific Northwest, which includes the states of Alaska, Idaho, Oregon and Washington. Immediately prior to his appointment, Mr. Stevens served as Director General for the Intergovernmental Relations and Public Outreach at the Department of Foreign Affairs and International Trade. There, he led provincial and territorial government relations, marshaled the department's senior-level domestic outreach and oversaw its policy and programming for international youth, education and culture. Mr. Stevens earned his Bachelor of Arts degree in International Relations with great honors in 1988 from Harvard University. He earned his law degree and Master of Business Administration from McGill University in 1992.

### **Anne Callaghan**

Anne Callaghan assumed duties as the United States' Consul General in Vancouver on August 25, 2011. Anne Callaghan is a career senior Foreign Service officer with the U.S. State Department, with the personal rank of Minister Counselor. Before her assignment as Consul General in Vancouver, she was posted in southeastern Iraq, overseeing the Maysan Provincial Reconstruction Team in its last year of operation. Ms. Callaghan has also served as Minister Counselor for Public Affairs in Rome where she directed public diplomacy for the U.S. Embassy and three Consulates General (2006-2009); and as Counselor for Public Affairs in Bogota, Colombia (2004-2006). Her last Washington tour was in the senior assignments division of the Bureau of Human Resources (2009-2010).

### **David Heyman**

David Heyman is the Assistant Secretary for Policy at the U.S. Department of Homeland Security. Previously, he served as a Senior Fellow and Director of the CSIS Homeland Security Program where he led the CSIS' research and program activities in homeland security, focusing on developing the strategies and policies to help build and transform U.S. federal, state, local, and private-sector homeland security institutions. Mr. Heyman is an expert on terrorism, critical infrastructure protection, bioterrorism, and risk-based security. He has led or contributed to a number of studies on aviation security, nuclear security, bioterrorism preparedness, and pandemic flu planning. Mr. Heyman also is an adjunct professor in security studies at Georgetown University.

**Paul Haddow**

Paul Haddow is the Director of Operations, Border Implementation Team, in the Privy Council Office in Ottawa, which oversees the newly-created Beyond the Border Working Group, a joint effort by the administrations of President Obama and Prime Minister Stephen Harper. Prior to his current position, Mr. Haddow served as the Director General of International Affairs in the Department of Public Safety and Emergency Preparedness Canada.

**Greg Alvarez**

Mr. Alvarez is the Area Port Director for Field Operations in Blaine, Washington. He oversees the operations of 17 ports and stations extending from Point Roberts to Metaline Falls, WA. The Area Port of Blaine processes the 3<sup>rd</sup> largest amount of commercial traffic along the entire U.S. Canadian border. Annually over 5.9 million passenger vehicles, 13.3 million passengers and 566,730 commercial trucks are cleared in the Blaine area of responsibility. Mr. Alvarez service record includes service with the United States Marine Corps, U.S. Customs Service and U.S. Customs and Border Protection.

**Don Brunell**

As president of the Association of Washington Business, Don Brunell oversees the state's oldest and largest statewide business organization, representing more than 7,500 members employing more than 650,000 workers. In 1973, Mr. Brunell served as a press aide to Western Montana Congressman Richard Shoup in Washington, D.C. In 1975, he joined The Inland Forest Resource Council to coordinate federal timber supply issues for forest products companies in Montana, Idaho and eastern Washington. In 1978, he became the issues and communications manager for Crown Zellerbach Corporation in Washington state and was elected to the Board of Directors and Executive Committee of the Association of Washington Business. In 1986, Don became vice president of Governmental Affairs for AWB and was named president in 1987.

**Chris Sands**

Dr. Christopher Sands has a Ph.D. in international economics and Canadian studies Johns Hopkins University's School of Advanced International Studies. He is a senior fellow at the Hudson Institute in Washington, DC where he directs the newly-launched Hudson initiative on North American Competitiveness, and specializes on Canada and U.S.-Canadian relations. Among his recent publications, *Toward a New Frontier: Improving the U.S.-Canadian Border* was published by the Brookings Institution in 2009. He is also a professional lecturer at the Johns Hopkins University School of Advanced International Studies, and an adjunct professor of Government at the School of Public Affairs at American University.

**Matt Morrison**

Matt Morrison, CEO of the Pacific Northwest Economic Region (PNWER), serves the public/private partnership established in 1991 by statute in the states of Alaska, Washington, Idaho, Montana, and Oregon, and the western Canadian provinces and territories of British Columbia, Alberta, Saskatchewan, the Yukon, and Northwest Territories. As Director of PNWER, he also communicates with the state and provincial legislatures of the member states and provinces, and coordinates the working groups of PNWER, in the following areas: Trade & Economic Development, Environment, Sustainable Development, Energy, Transportation, Agriculture, Forestry, Tourism, Health Care, Workforce, Homeland Security, Innovation, Invasive Species, and Border Issues.

**Sukumar Perival**

Dr. Sukumar Perival is Executive Director, Strategic Policy and Planning in the Intergovernmental Relations Secretariat, which is part of the Office of the Premier of British Columbia. Dr. Perival has primarily worked for the past thirteen years on cross-border cooperation with neighboring US states and regional organizations. His current responsibilities include helping to set British Columbia's intergovernmental and international priorities, including a special focus on Canada-US border issues. Dr. Perival has a D.Phil. and M.Phil. in International Relations from the University of Oxford and was the Fulbright Visiting Chair in Canada-US Relations at the University of Washington in 2006-7.

**Hugh Conroy**

Hugh Conroy is Project Manager of the International Mobility and Trade Corridor (IMTC) project at the Whatcom Council of Governments (WCOG) in Bellingham, Washington. Mr. Conroy is also an Adjunct Research Associate at the Border Policy Research Institute at Western Washington University. From 1997 to 2001 he worked at WCOG as a Research and Policy Analyst. Mr. Conroy holds a Master's Degree in Public Policy and Management from Carnegie Mellon University and a Bachelor's Degree in Legal Studies from the University of California, Berkeley.

**Brad Owen**

Brad Owen was elected as Washington State's 15th lieutenant governor in 1996 and re-elected in 2000, 2004 and 2008. His more than 33 years in public office includes service as a finance commissioner for the City of Shelton, as a member of the state House of Representatives and of the state Senate. Over this time Lt. Governor Owen has focused on providing leadership in public health and safety, with an emphasis on substance abuse and prevention. In addition to his day-to-day duties as lieutenant governor, Mr. Owen is the co-chair of Washington State Mentors and chair of the Legislative Committee on Economic Development and International Relations. He has conducted many foreign trade and goodwill missions to countries in Asia, Europe and South America.

***The “Beyond the Border” Dialogue at Age One:  
Policy and Political Implications for the Pacific Northwest***  
**Friday, February 10<sup>th</sup>, 2012, 9:00 AM – 2:00 PM**  
**World Trade Center, Seattle, WA**

- 9:00 – 9:05**     ***Welcome and Conference Goals***  
Don Alper, Director, Border Policy Research Institute, Western Washington University
- 9:05 - 9:30**     ***Introductory Remarks***  
Denis Stevens, Consul General of Canada, Seattle  
Anne Callaghan, Consul General of the United States, Vancouver
- 9:30 - 10:45**     ***Significance of the Action Plan for Trade, Security and Business: National and Regional Perspectives***  
David Heyman, Assistant Secretary for Policy, Department of Homeland Security, Washington, DC  
Paul Haddow, Director of Operations, Border Implementation Team, Privy Council Office, Ottawa  
Greg Alvarez, Area Port Director, US Customs and Border Protection, Blaine, WA  
Don Brunell, President, Association of Washington Business
- 10:45 - 11:00**     ***Break***
- 11:00 - 12:15**     ***Political Perspectives: Overcoming Obstacles; Pathways to Regional Success***  
Chris Sands, Senior Fellow, Hudson Institute  
Matt Morrison, Chief Executive Officer, Pacific Northwest Economic Region  
Sukumar Periwal, Executive Director, Strategic Planning and Policy, Office of the Premier, Government of British Columbia  
Hugh Conroy, IMTC Project Director, Whatcom Council of Governments
- 12:15 – 1:30**     ***Luncheon Keynote Address***  
Introduction: Denis Stevens, Consul General of Canada, Seattle  
Keynote: Brad Owen, Lieutenant Governor of Washington State
- 1:30**             ***Wrap- Up***  
Don Alper, Director, Border Policy Research Institute, Western Washington University

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