



Minneapolis
Consulate General



Government of Canada
Consulate General of Canada

Gouvernement du Canada
Consulat général du Canada

We Are All Border States:
*The importance of international
connections*

**Mid America Freight Coalition
Conference**

April, 18 2012

Minneapolis, MN

Martin Loken

Consul General

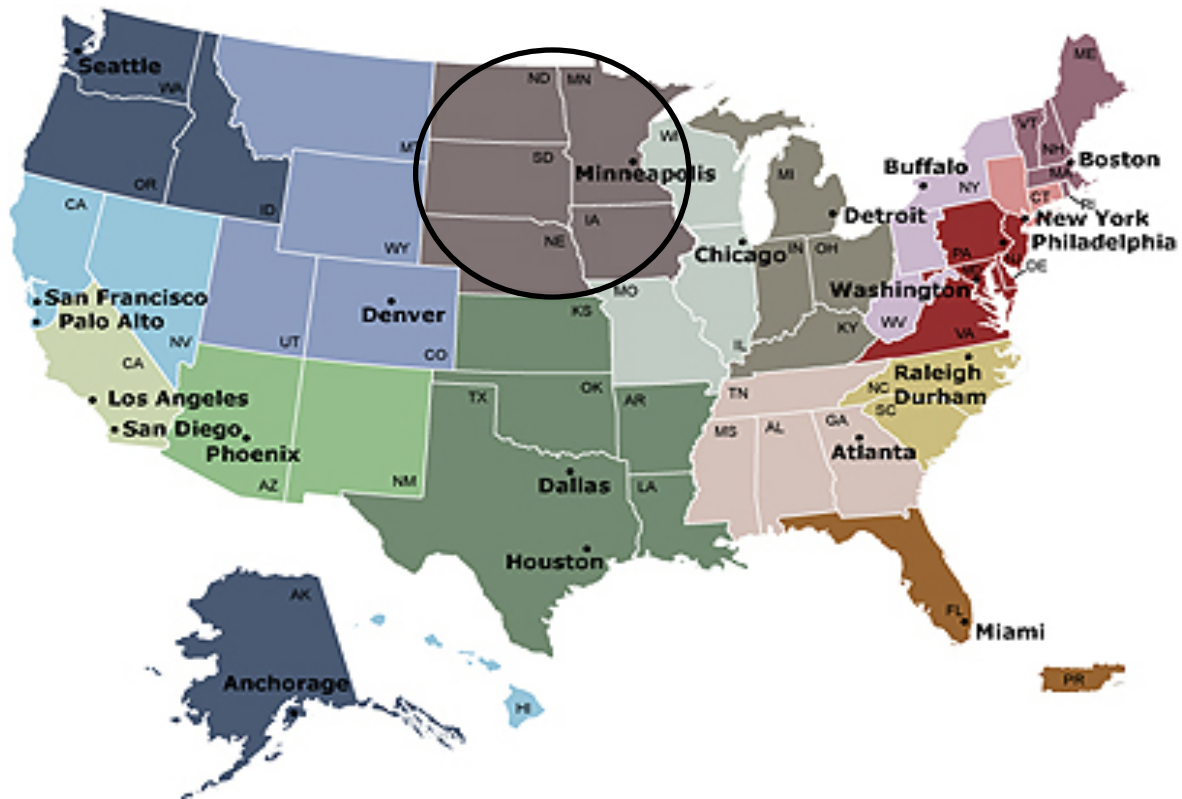


Consulate General of Canada in Minneapolis

- Part of network of Canadian offices across the United States
- Programs
 - Trade, Investment and S&T Partnerships: Trade Commissioners
 - Political/Economic Relations & Public Affairs
 - Consular
- Over 40 Years in Minneapolis



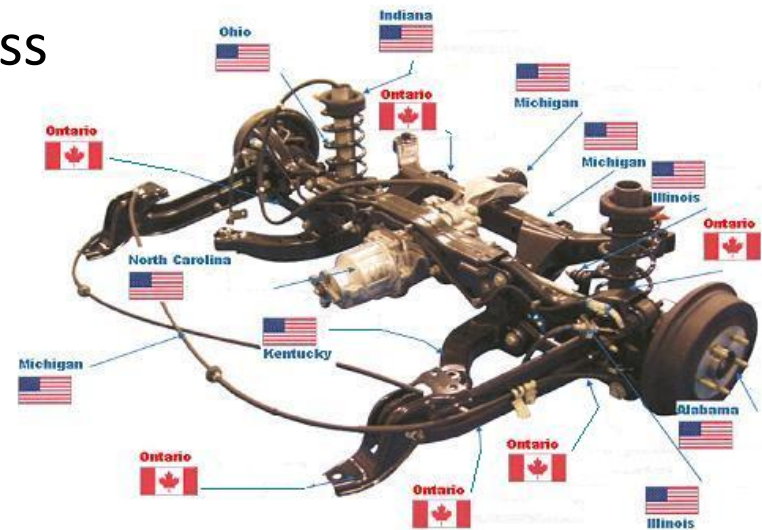
Consulate General of Canada in Minneapolis





The Canada-US Partnership

- We make things together
- Job creation, global competitiveness and innovation
- Energy – safe, secure and reliable supplier
- Beyond the Border Action Plan
- Transformative
- Trans Pacific Partnership



Canada-U.S. trade is highly integrated, with products crossing the border up to eight times before being finished (Industry Canada).



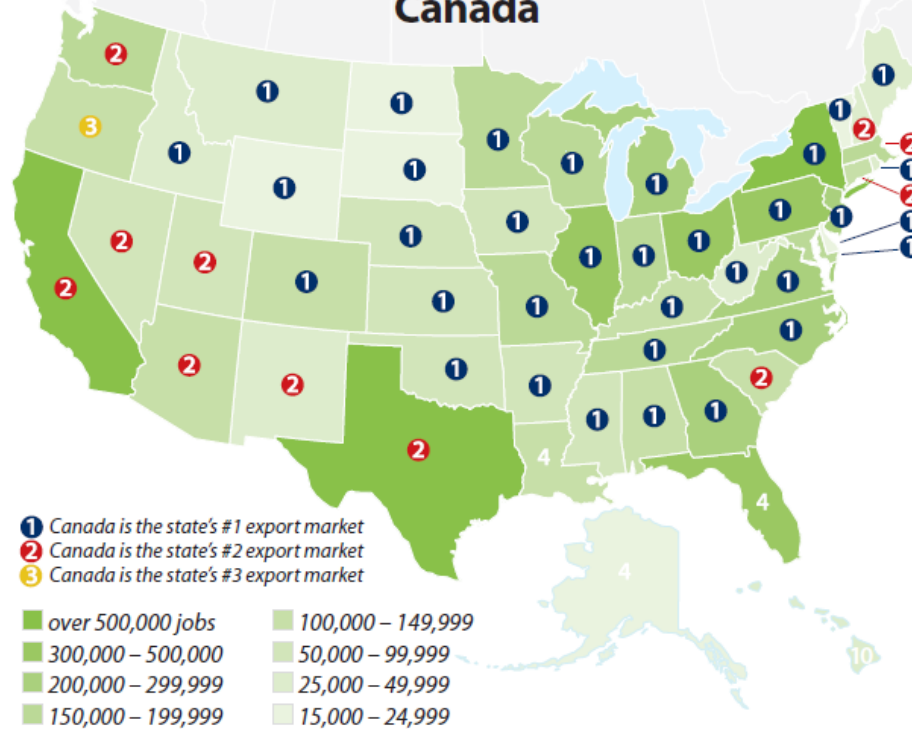
Canada and the US are each other's most important trading partner...

- \$708 billion of trade in goods and services in 2011, \$2 billion crossing border every day
- Biggest two-way trading relationship in world; U.S. sells 3 times more to Canada than to China
- Trade with Canada supports over 8 million U.S. jobs
- Canadian-owned companies in 17,000 locations across United States employ more than 619,000 Americans



America's Best Customer

Canada is the biggest customer for 34 states;
over 8 million U.S. jobs depend on trade with
Canada





Canada is Minnesota's #1 Partner

- Minnesota exported \$5.9 billion in goods to Canada in 2011
- Canada bought more than next 4 countries combined, 3 times China
- Minnesota imported \$13.7 billion from Canada
- Canada is largest supplier of energy to MN
- 157,200 jobs in Minnesota depend on Canada–U.S. trade





Twin Cities Companies in Canada



TARGET®





We Make Things Together

- 35% of border shipments are intra-firm transfers
- North American auto industry
 - **Largest single integrated industrial value chain**
- 50%+ of merchandise trade is materials and products used as inputs for other goods





Geographic proximity

- Many Canadian production hubs are closer to key US markets than corresponding American centres.
- Of Canada's 20 largest cities, 17 are within 100 miles of the border. Approximately 90% of Canadians live within this distance.

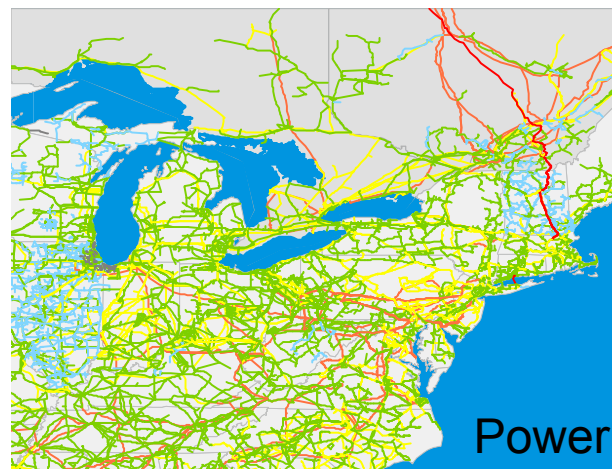
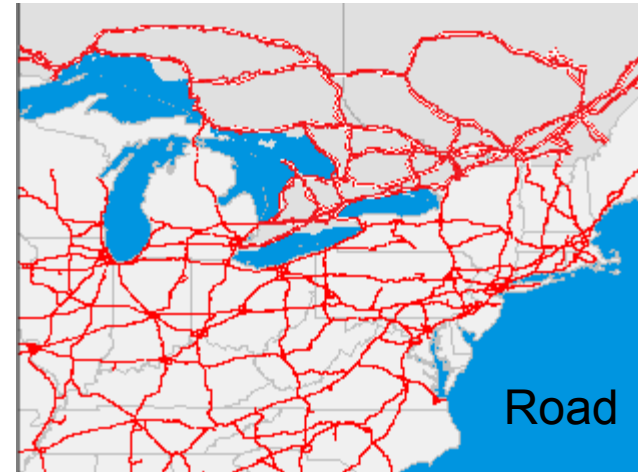




Connectivity



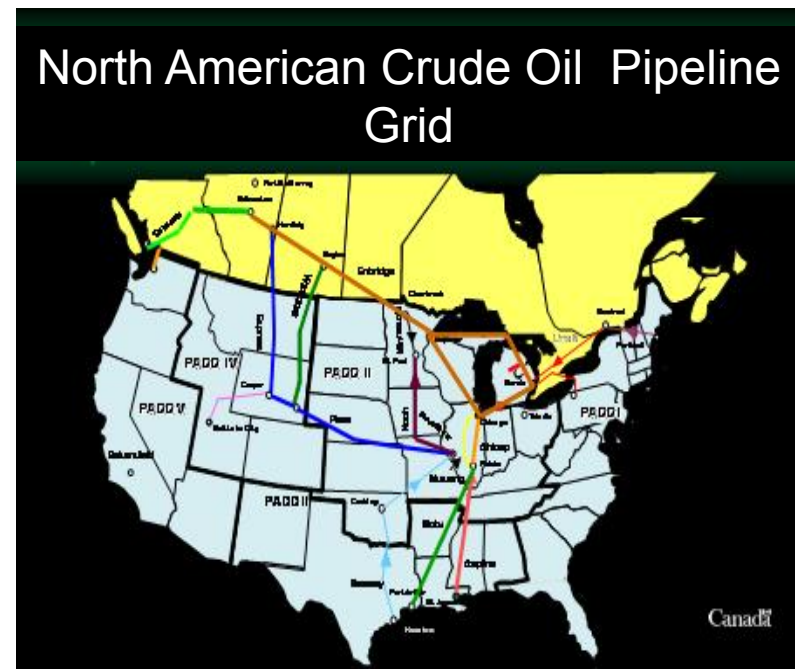
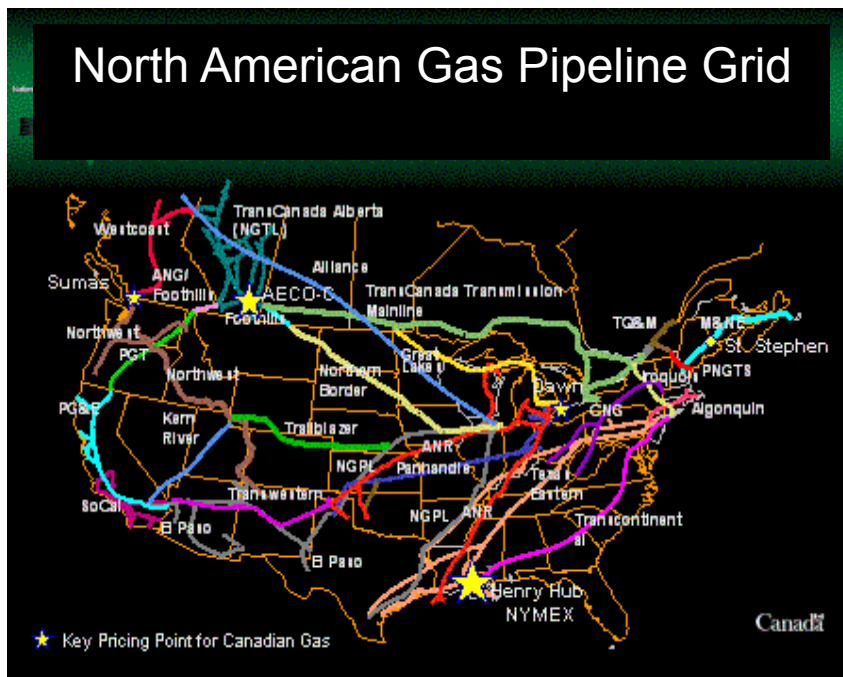
Rail





Supply Chain Integration Supports Huge Trade in Energy

- Largest supplier of energy,
- 92% of Canadian energy exports go to U.S. markets
- Completely integrated energy infrastructure

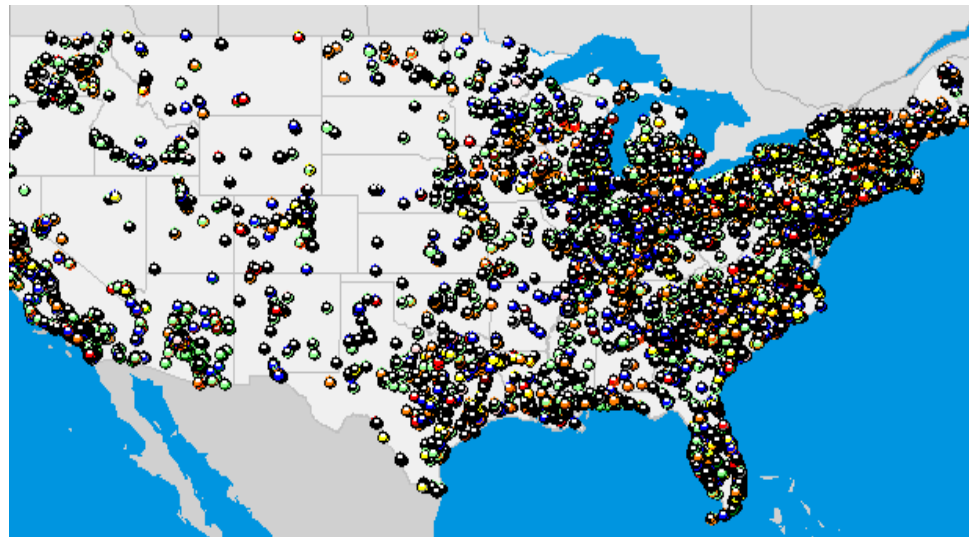




Supply Chain Integration

- 49% of Canadian FDI goes to the U.S.
- 16,000 Canadian owned companies in the U.S.
- These companies depend on integrated supply chains
 - Bombardier - 46% of suppliers are US firms
 - Boeing – 35 Canadian suppliers help produce aircraft

Canadian Owned Companies





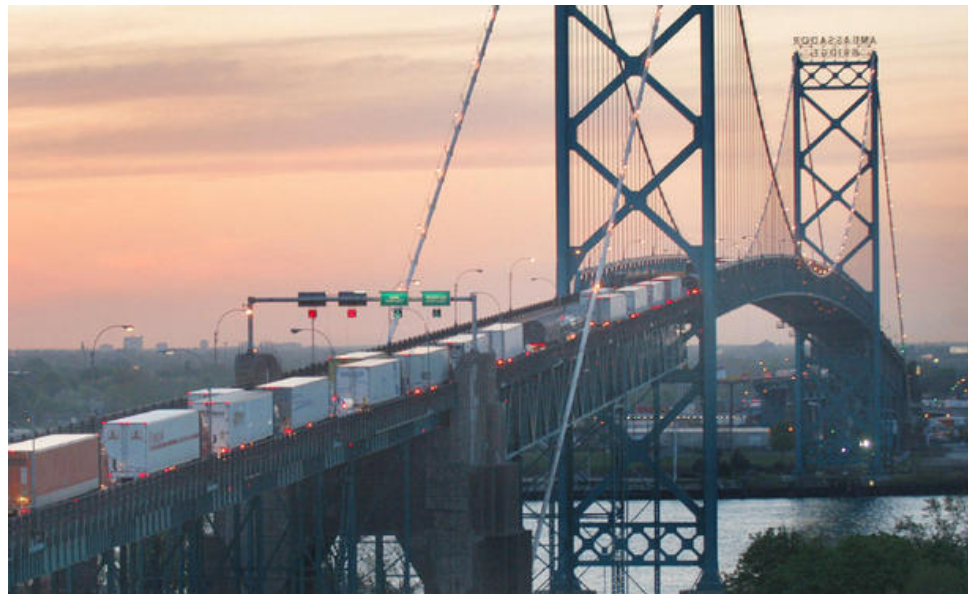
The size and diversity of our relationship hides a significant constraint...





Detroit River International Crossing - DRIC

- New Windsor-Detroit bridge – to ensure sufficient border crossing capacity
- Environmental clearances Canada and the U.S.
- Government of Canada commitment





Transforming the U.S. - Canada Border



Beyond the Border &
Regulatory action plans





Beyond the Border Action Plan

- In February 2011, the Prime Minister of Canada and President of the United States announced a shared vision

...to take steps to strengthen the perimeter of the continent against threats...

...so that we can expedite the movement of legitimate trade and travel across our shared border



The Action Plan will deliver on a new vision for cooperation at, and beyond, our borders

- Puts the vision into practice
- Creates a new, long-term partnership with the U.S. on public safety and cross-border trade
- Focuses joint Canada-U.S. work in the near term on ambitious but achievable objectives



Four Key Areas of Cooperation

- Addressing Threats Early
- Trade Facilitation, Economic Growth, and Jobs
- Integrated Cross-Border Law Enforcement
- Critical Infrastructure and Cyber-Security



Steps will be taken to thin the land border for legitimate trade and travel

- ✓ Eliminate duplicate inspections
- ✓ Expand trusted trader and traveller programs
- ✓ Expand pre-clearance
- ✓ Improve cross-border access for business travellers
- ✓ Improve infrastructure and technology
- ✓ Jointly plan infrastructure
- ✓ Set wait time service levels
- ✓ Reduce red tape for shippers and travellers





Collectively, these measures will transform border management

- Security and contraband concerns for cargo resolved at the perimeter and not at the land border
- Duplicate inspections of air cargo and passenger baggage eliminated
- Low-risk travellers face fewer hassles at airports and shorter lines at the land border
- Business travellers face fewer hassles crossing the border for temporary assignments



Collectively, these measures will transform border management

- Small-value courier shipments need significantly less paperwork
- Truckers have access to real-time information on border delays and can plan accordingly
- More businesses, including small business, can obtain trusted trader status
- Shippers finally get single-window service from both governments



A better functioning border will produce savings for the economy as a whole

- Border imposes costs on businesses and the economy as a whole
 - Canadian estimates suggest 1% of Canada's GDP, or \$16 billion per year
- The Action Plan directly addresses these costs: duplicate inspections, delays at the border, paperwork
- Hundreds of millions of dollars in annual savings for the Canadian economy alone



Implementing the plan will be done over a number of years

- Sustained efforts will be needed to fully implement the Action Plan
- As the Action Plan is implemented, both Governments will continue to consult with the full range of stakeholders
- To measure progress, a joint annual report to leaders will be prepared



Regulatory Cooperation Action Plan

- Focused and practical approach to increased regulatory cooperation and alignment between Canada and the United States.
- Streamline and remove unnecessary differences in standards and duplicative requirements that slow down trade and investment.
- Starting point for change—29 initiatives : agriculture, transportation, health and personal care products, and the environment.



How You Can Get Involved

Stay informed.

<http://www.dhs.gov/files/publications/beyond-the-border.shtm>

Provide feedback. Your ideas can help guide the implementation of the Action Plan.

beyondtheborder@hq.dhs.gov

Hold us accountable. Each initiative in the Beyond the Border Action Plan has due dates – help us achieve them.



Summary – Looking Forward

- Best friends and neighbors
- Vital economic partnership:
Creating jobs together
- Energy partnership:
infrastructure and more
- Beyond the Border &
Regulatory Action Plans
- Trans Pacific Partnership



www.minneapolis.gc.ca