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## North America Revitalized

In the last few years, political impetus to further integrate North America has lost steam. The current political rhetoric attacking the foundation of its integration, the North American Free Trade Agreement (NAFTA), has made it more difficult to engage in a productive dialogue to revitalize this relationship. Nonetheless, the business community, as the underlying force of an integrated North America, recognizes the importance of advancing it for jobs and joint economic prosperity. Therefore, the U.S. Chamber offers to combine forces with the three governments to develop a meaningful agenda. As a starting point, this agenda should focus on advancing the key issues below.

***Trade Facilitation:*** Modern manufacturing and businesses models rely on integrated supply chains and flexibility of their workforce. Reducing the cost of the movement of goods, services and people across North America should be paramount. Therefore, policies should adapt to the new business reality and work to:

- Create an interoperable single window platform, where importers can electronically submit all information to comply with customs and other participating government agency regulations.
- Facilitate the movement of people and goods, under a common framework for trusted trader and traveler programs that will align requirements, enhance member benefits, and provide applicants with the opportunity to submit one application to multiple programs.
- Promote supply chain connectivity by harmonizing regulations related to transportation, low-value shipment processes and regulations to expedite customs administration.
- Create and expedite the pre-inspection and pre-clearance initiatives covering all modes of cross-border trade and travel.
- Build on the achievements of the Beyond the Border Agreement and dive deeper to ensure progress has a commercially meaningful impact and seek ways to incorporate Mexico to ensure a competitive North America.

***Energy:*** Energy abundance is necessary for maintaining the region's competitiveness. Therefore, the three governments should work towards having a unified North American energy market and to the extent possible:

- Harmonize regulations governing offshore energy exploration and fracking.
- Harmonize, or make consistent across national boundaries, the regulatory environment for pipeline inspections. Efforts should encourage the continued development and deployment of new, but proven, technologies to protect the safety and integrity of the pipeline system.
- Expedite electrical grids cross-border interconnectivity between the three countries.

***Innovation:*** Innovation is essential for keeping the region ahead of global competition. Therefore, governments should work to establish a North American Innovation Dialogue to foster a region-wide legal and regulatory framework that positions North America as the predominant global player in the formation of intellectual capital. The U.S. Chamber is prepared to serve as coordinator and institutional host to a private sector expert advisory group in order to inform and engage the public sector dialogue.

*Regulatory Cooperation:* A permanent structure should be provided to the Regulatory Cooperation Council (RCC) that facilitates the addition of Mexican regulators and stakeholders to the work plan. It should also provide for meaningful and continuous private sector stakeholder engagement.

*Infrastructure:* Functional integration is only possible when appropriate physical infrastructure interconnects regions. Therefore, the governments should:

- Coordinate on border infrastructure investment and upgrade physical infrastructure at key border crossings.
- Facilitate access to capital for cross-border infrastructure projects, such as interconnectivity of power grids or points of entry infrastructure. This could be done by reforming the North American Development Bank (NADBANK), so it can become a key instrument.

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