



Perimeter Security  
and Economic  
Competitiveness

# REGULATORY COOPERATION

## What Canadians Told Us

A SUMMARY REPORT ON CONSULTATIONS  
WITH CANADIANS ON REGULATORY COOPERATION  
BETWEEN CANADA AND THE UNITED STATES

---

---

**WHAT CANADIANS TOLD US: A SUMMARY REPORT ON CONSULTATIONS WITH CANADIANS  
ON REGULATORY COOPERATION BETWEEN CANADA AND THE UNITED STATES**

Published by the Government of Canada

For more information or additional free copies of this publication,  
consult [www.borderactionplan.gc.ca](http://www.borderactionplan.gc.ca) or write to:

**Enquiries Services**

Foreign Affairs and International Trade Canada  
125 Sussex Drive, Ottawa, ON K1A 0G2  
Telephone: **1-800-267-8376** (in Canada) or **613-944-4000**  
Email: [enqserv@international.gc.ca](mailto:enqserv@international.gc.ca)

French title: ***CE QUE NOUS ONT DIT LES CANADIENS : RÉSUMÉ DES CONSULTATIONS RÉALISÉES AUPRÈS DES CANADIENS  
CONCERNANT LA COOPÉRATION EN MATIÈRE DE RÉGLEMENTATION ENTRE LE CANADA ET LES ÉTATS-UNIS.***

Any requests for permission to reproduce this document or any part thereof shall  
be addressed to Public Works and Government Services Canada.

This publication is available in alternative formats upon request.

© Her Majesty the Queen in Right of Canada, 2011

Cat. No.: BT22-123/2011  
ISBN: 978-1-100-53789-4



Printed on 50% recycled paper



A SUMMARY REPORT ON CONSULTATIONS  
WITH CANADIANS ON REGULATORY COOPERATION  
BETWEEN CANADA AND THE UNITED STATES



# TABLE OF CONTENTS

---

**2**

OVERVIEW

---

**4**

WHO WE  
HEARD FROM

---

**6**

WHAT WE  
HEARD

---

**10**

RECOMMENDED  
APPROACH FOR  
A REGULATORY  
FRAMEWORK

---

**12**

CITED EXAMPLES  
OF REGULATORY  
ALIGNMENT

---

**14**

WHAT WE'RE  
DOING: NEXT STEPS

---

**16**

APPENDIX 1:  
GENERAL PROPOSALS  
ON REGULATORY  
ALIGNMENT

---

**20**

APPENDIX 2:  
SPECIFIC PROPOSALS  
BY SECTOR

---

**26**

APPENDIX 3:  
ORGANIZATIONS  
THAT PROVIDED  
CONSULTATION  
SUBMISSIONS

---



# OVERVIEW

On February 4, 2011, Prime Minister Stephen Harper and President Barack Obama formally announced the creation of a Canada–United States Regulatory Cooperation Council (RCC) to simplify and align Canadian and American regulatory approaches, where possible. The result of such cooperation will be lower costs for business and consumers, increased trade and investment, and ultimately the creation of more jobs on both sides of the border. Citizens of both countries deserve smarter, more effective approaches to regulation that enhance economic competitiveness while maintaining high standards of public health and safety and environmental protection.

In the first phase, Canada and the U.S. will develop an initial Joint Action Plan that will identify initiatives in priority sectors for action. These initiatives will increase regulatory transparency and coordination between the two countries.

To inform the development of the RCC Joint Action Plan, the Government of Canada invited input from a range of stakeholders, including Canadians, business and industry associations, regulatory departments and agencies, and provinces and territories. Input into the Canadian consultations for the initial RCC Action Plan was requested by May 31, 2011. However, ongoing input has been welcomed

and will continue to inform the RCC's work. The RCC also considered comments received by Foreign Affairs and International Trade Canada in its May 2010 consultations on future areas for North American regulatory cooperation,<sup>1</sup> as well as input relevant to the RCC's work received through consultations held by the Red Tape Reduction Commission<sup>2</sup> and the Beyond the Border Working Group.<sup>3</sup>

This document provides a summary of input received in response to the RCC's call for consultations to develop a regulatory alignment action plan. It does not reflect the views or position of the Government of Canada.

<sup>1</sup> Consultations on North American Regulatory Cooperation, [www.international.gc.ca/consultations/apercu-recommendations-summary.aspx?lang=eng&view=d](http://www.international.gc.ca/consultations/apercu-recommendations-summary.aspx?lang=eng&view=d). Summaries of consultation initiatives are available through the Web links provided. Results of these exercises are not included as part of this report.

<sup>2</sup> Red Tape Reduction Commission: "What We've Heard," [www.reducedertape.gc.ca/heard-entendu/heard-entendu-eng.asp](http://www.reducedertape.gc.ca/heard-entendu/heard-entendu-eng.asp).

<sup>3</sup> Perimeter Security & Economic Competitiveness: Beyond the Border Working Group, [www.borderactionplan-planactionfrontalier.gc.ca/psec-scep/consultations-consultations.aspx#BBWG](http://www.borderactionplan-planactionfrontalier.gc.ca/psec-scep/consultations-consultations.aspx#BBWG).

---

**WHO WE  
HEARD FROM**



The consultation process generated a wide range of comments and public feedback from individuals, businesses and organizations.

Over the course of the consultation period, the RCC received feedback from across Canada, including input from private citizens, think tanks, corporations, and a wide range of industry and business associations representing several sectors of the Canadian economy. These include agriculture and food, health and consumer products, energy, transportation, manufacturing, and various cross-sectoral business associations. In all, 170 submissions<sup>4</sup> were received that outlined recommended approaches and considerations to help guide the RCC's work and joint cooperative efforts.

A list of all the organizations that provided input to the RCC consultation exercise is provided in Appendix 3. Note that some organizations provided more than one submission.

<sup>4</sup> The figure of 170 includes submissions received directly from individuals and those relevant to the RCC that were forwarded by the Beyond the Border Working Group or the Red Tape Reduction Commission. This figure excludes submissions from Canada's provinces and territories and other Government of Canada departments and agencies, and does not count multiple submissions from a given stakeholder unless it made subsequent recommendations that were substantively different from its previous recommendations.



# WHAT WE HEARD

Consultation submissions covered a wide range of topics, including items of broad, cross-sectoral application or impact, as well as industry-focused proposals related to specific situations or issues. The following provides an overview of recommended areas for enhanced regulatory cooperation, organized by sector.

| SECTOR                              | KEY ISSUES RAISED   |
|-------------------------------------|---|
| <b>Agriculture and food</b>         | This sector constituted one of the most frequently cited areas for regulatory alignment. Key issues raised by stakeholders included developing common approaches to food safety requirements, biotechnology product approvals, crop protection products, labelling, packaging and product content information, expediting export certification, protecting animal and plant health animal feed and pet food, veterinary drugs, and reducing duplication of product-verification activities.   |
| <b>Transportation</b>               | Transportation was also frequently cited as a sector that would benefit from further regulatory alignment between Canada and the U.S., especially for the road, air, marine and rail transportation modes. Regulatory issues raised included alignment of motor vehicle safety standards (including for electric and alternative energy vehicles), the movement of empty containers and trailers, heavy vehicle weights and dimensions, marine security regulations, regulations pertaining to the Great Lakes and St. Lawrence region (e.g., environmental and emissions requirements, pilotage services), vessel clearance and reporting requirements, screening of cargo and passengers, construction standards for pleasure craft, pre-clearance of passengers, and shipping requirements for dangerous or hazardous materials. |
| <b>Health and consumer products</b> | Suggestions were raised on ways to reduce duplicative testing, standardize classifications, harmonize labelling, leverage the regulatory resources of each country, and align safety standards for a range of consumer and health products. These included pharmaceuticals, therapeutic and personal care products, toys, standards for electrical and plumbing products, chemicals, and telecommunications products, among others.   |
| <b>Environment and energy</b>       | Given our shared environment and the significant energy trade between both countries, this was also an area frequently raised in submissions. Key regulatory issues addressed included alignment of greenhouse gas standards for vehicles and engines, energy efficiency standards, chemicals management processes, and environmental assessment procedures for cross-border energy infrastructure.   |
| <b>Cross-cutting issues</b>         | Several stakeholder submissions raised regulatory issues that cut across multiple sectors, such as nanomaterials, “rules of origin” requirements under the North American Free Trade Agreement (NAFTA), and standards-settings and conformity assessment procedures. In addition, stakeholders highlighted procedural considerations in developing regulations, such as the importance of quantifying the benefits and costs of various regulatory options, ensuring maximum transparency of regulatory initiatives, and coordinating information gathering within and between governments to reduce duplication.   |

Respondents also identified a variety of issues for consideration, such as changes to domestic policy or regulations, and requests for domestic funding of projects or initiatives that were determined to be outside the scope of the RCC's work. Where applicable, these issues have been shared with the relevant federal departments or agencies.

## INPUT FROM INDIVIDUALS

In most cases, submissions from individuals did not propose specific initiatives for regulatory cooperation, but suggested broad or general themes and/or suggestions, some of which did not pertain to regulatory alignment. For example, 30 of the submissions related to issues such as security, border regulation and administration, and immigration, all of which fall within the responsibility of the Beyond the Border Working Group.

A number of individual respondents expressed support for increased alignment and coordination between Canada and the United States. Some expressed the view that although sovereignty is important and must be maintained, increased cooperation with the U.S. would be beneficial with respect to trade and communication.

Meanwhile, many other individual respondents expressed reservations about the RCC initiative. Some are absolutely opposed to any further Canadian integration with the U.S. and expressed concern for the perceived erosion of Canadian sovereignty, rights and public accountability that would accompany heightened regulatory alignment.

Generally, individuals who support regulatory alignment with the U.S. expressed caution,

based on shared values and principles. In this regard, individuals identified a number of common ideas, including the following:

- Efforts to achieve greater alignment and cooperation should not be done at the expense of Canada's sovereignty as an independent country.
- Alignment should not be synonymous with Canada's automatic adoption of U.S. rules. Rather, the selected approach should be in support of the best interest of Canadians.
- Initiatives should be selected only by carefully considering the benefits to Canadians as well as the costs.
- Alignment and cooperative efforts should be designed to ensure continued protection of Canadians' civil rights and personal information.
- Efforts should foster the protection of the way of life of First Nations peoples.
- Initiatives should be pursued, and actions taken, in a clear and transparent manner, including due parliamentary process that involves appropriate consultations.

## INPUT FROM BUSINESSES AND ORGANIZATIONS

Input was also received from businesses, think tanks, and a wide range of local and national organizations.

Industry submissions generally reflected a very high level of support for greater regulatory alignment and cooperation between Canada and the U.S. Respondents noted the importance of establishing a regulatory regime that supports effective and efficient production

and distribution, drives productivity and the Canadian economy, and provides consumers with lower prices and more product choices, while maintaining high standards of public health and safety.

As a backdrop to recommendations and the work of the RCC, organizations generally emphasized the significance of trade between Canada and the U.S. and the integration of our markets. Some organizations pointed out that trade between Canada and the United States is important to both countries—not just Canada. One organization, in explaining the significant benefits that enhanced alignment would bring to both countries, highlighted that Canada is the number one trading partner for as many as two thirds of American states.

Respondents also underlined the global nature of markets, which are no longer defined by national borders and are composed of integrated supply chains. As more than one organization highlighted, the same product may cross a border multiple times in the production process before being completed and becoming available to consumers.

Some respondents emphasized the need for efficient frameworks and processes to support industry's ability to succeed financially and meet the growing needs of its customers. In describing the global and complex consumer product market, one organization made the case for ensuring that Canada's regulations are in line with other nations, especially with our largest trading partner—the United States.

Many submissions remarked on the growing number of regulatory requirements imposed by different organizations on both sides of the border and urged greater coordination

between Canada and the U.S. Organizations pointed to the various authorities in Canada and the U.S., which both require often similar information during the import process, and the perceived lack of coordination among government agencies.

Finally, a number of respondents remarked on the disproportionate impact that duplication and inefficiencies have on small and medium-sized organizations. They pointed to excessive paperwork and the misalignment of regulations as being an impediment to doing business across the border and, by extension, an impediment to growth.

Industry submissions supported the notion that appropriate and effective regulations are necessary to support essential objectives of health, safety, and environmental and consumer protection, and expressed that these objectives should not be sacrificed in the interest of greater alignment. Throughout the industry submissions, respondents identified areas where they believed alignment could be achieved without sacrificing product quality and consumer protection.

---

**RECOMMENDED  
APPROACH FOR  
A REGULATORY  
FRAMEWORK**

Although most organizations made specific recommendations regarding opportunities for regulatory alignment and cooperation in their sectors, many also suggested an approach to making the regulatory framework more effective and efficient.

The following summarizes these general and broad-based recommendations from organizations:

- **Sovereignty:** In moving toward greater regulatory alignment and cooperation, each country's sovereignty must be respected and maintained.
- **Decisions based on science:** Policy and regulations should be guided by science-based decision making. In the absence of compelling scientific reasons for maintaining differences, alignment of regulations should be the rule, especially when it could save money and enhance access to products.
- **Going beyond simple alignment:** Given the deep integration of various sectors and industries in Canada and the U.S., the end objective must go beyond the mutual recognition of existing regulations. Ideally, it would result in establishing joint regulatory objectives, collaborative research on regulatory options and primary data collection, and shared peer reviews of regulatory development and ongoing performance.
- **Risk management:** Decisions on creating and administering regulations, and possible alignment, must be supported by risk assessments to identify the real need for regulation or for a uniquely Canadian approach.
- **Cost-benefit analysis:** Many respondents noted the significant costs that can result from regulation and enforcement and advocated assessing the costs in addition to the expected benefits. In that context, some submissions suggested that the rationale for certain regulations, or the need for their differentiation from U.S. or international standards, is not well explained or persuasive.
- **Duplication:** A common theme that emerged was the desire to enhance coordination and avoid inefficiencies in such areas as the submission of paperwork, data collection and evaluation, approvals, and testing.
- **Clarity, consistency and predictability:** An important element of an effective and efficient framework is to provide businesses with clear rules and consistent application (ideally on both sides of the border), leading to predictability for businesses that are looking to comply.
- **Level playing field:** It would be important to establish a level playing field for Canadian businesses, both with their American counterparts—and the rules under which they operate—as well as with individual citizens.
- **Pilot programs:** Pilot programs were suggested to test new frameworks and processes.

---

**CITED EXAMPLES  
OF REGULATORY  
ALIGNMENT**



In support of the RCC's efforts toward achieving greater alignment and co-operation, several submissions noted examples and best practices to serve as models to inspire the work of the RCC or more generally as foundations to build upon.

Two examples of broad regulatory harmonization that were cited are as follows:

- **European Union (EU):** A number of EU agencies have been established to guide the activities of the 27 member states' competent authorities to provide information and assist in administering and enforcing the provisions of common regulations. For example, the European Chemicals Agency was established recently to manage the registration, evaluation, authorization and restriction of chemical substances manufactured, imported and used in the EU. In addition, the agency provides member states with scientific and technical advice and assistance on chemicals.
- **The Australia–New Zealand Trans-Tasman Mutual Recognition Agreement** was referred to as a model that focuses on leading science, holds safety paramount, and allows for more predictable and efficient approvals. Respondents noted that it establishes a relationship that ensures that products developed and approved for sale in one country can be sold in the other, without further testing and approvals. The process is said to work well to reduce regulatory complexity and costs for businesses and consumers while allowing each country to regulate separately, based on unique needs.

A number of other examples of intergovernmental collaboration or joint initiatives that

relate to specific products or industries were highlighted as successful examples of the power of the partnership between Canada and the U.S. on the international stage. The examples that were noted are briefly outlined in the following:

- **Automotive industry:** There has been a history of automotive industry integration, starting with the Auto Pact in 1965, evolving to the Canada–U.S. Free Trade Agreement and subsequently NAFTA. As an outcome of this collaboration and cooperation, vehicles are currently designed, tested and produced in Canada and the U.S. for use in the North American market. The economy of scale produced through this integration has benefits for manufacturers and consumers.
- **Pesticide joint review process:** This joint review process emerged out of the NAFTA Technical Working Group on Pesticides. It allowed the two regulatory agencies to share components of the pesticide review process, allowing Canadian farmers to have more efficient access to new technologies at the same time as their American competitors.
- **Health Canada pilot:** This pilot is intended to expedite the review of applications for minor manufacturing changes when these changes have already been approved by the U.S. Food and Drug Administration.
- **Conservation:** Examples of Canada–U.S. cooperation on conservation include the International Joint Commission, International Peace Parks Expeditions and the North American Waterfowl Management Plan.
- **Policy coordination in the Great Lakes Basin:** Examples include the *Canada–U.S. Boundary Waters Treaty*, the *Canada–U.S. Great Lakes Water Quality Agreement*, the *Canada–United States Air Quality Agreement*, and the *Great Lakes–St. Lawrence River Basin Sustainable Water Resources Agreement*.
- **Vehicle emissions standards:** Ongoing collaboration between Canadian and American agencies has resulted in the alignment of vehicle emissions standards.

---

**WHAT WE'RE  
DOING:  
NEXT STEPS**

Both Canada and the United States have consulted with the public and stakeholders to receive input for the development of a Joint Action Plan on regulatory cooperation. Both sets of consultations concluded in spring 2011.

Since then, members of the RCC and senior officials from regulatory departments and agencies have met several times to identify potential areas and initiatives for the Joint Action Plan. Feedback from consultations was carefully reviewed by both Canada and the United States and informed discussions regarding what initiatives would be included in the Action Plan.

The RCC Joint Action Plan is expected in fall 2011.

The RCC continues to welcome feedback from Canadians and all stakeholders. Comments can be submitted through a number of channels, including the Perimeter Security & Economic Competitiveness website<sup>5</sup> and by email at [rcc-ccr@tbs-sct.gc.ca](mailto:rcc-ccr@tbs-sct.gc.ca).

<sup>5</sup> Perimeter Security & Economic Competitiveness, [www.borderactionplan-plandactionfrontalier.gc.ca/psec-scep/consultations-consultations.aspx#RCC](http://www.borderactionplan-plandactionfrontalier.gc.ca/psec-scep/consultations-consultations.aspx#RCC).

# APPENDIX

# 1



General Proposals on  
Regulatory Alignment

Although the RCC consultations submission proposals can be organized into **four main themes** (as described earlier and detailed in Annex 2), submissions also identified many other areas for enhanced regulatory alignment. Listed in the following is a summary of these recommendations.

## **PROCESS AND APPROACH TO REGULATORY ALIGNMENT**

### **General Approach**

In assessing priorities, quantify the potential benefits and risks of various options in order to maximize cost reductions and gains in economic growth while ensuring continued strong protection of public health and safety.

Use principles of rationalization and coherence, common sense implementation, and avoidance of unintended consequences to examine issues brought to the RCC.

Ensure that efforts designed to enhance alignment do not inadvertently create new barriers to trade for Canadian industries or cause disruption in domestic markets.

Insist that sound science and robust information support regulatory decision making.

Ensure that each government demonstrates transparency in drafting policy and regulatory initiatives.

Encourage greater continuity in North America regulatory activity and approaches, and expedite processes and rule making to match the speed of business in the global economy.

Undertake a complete review of all non-customs requirements for importing and exporting between countries, with the goal of aligning import and export requirements, and eliminate requirements where there are no identified health and safety or security concerns.

### **Single Window to Government**

Align regulations and regulatory reporting processes across government agencies and departments, including implementing single-window reporting.

Develop one-window application processes, with subsequent approvals honoured by both countries.

### **Establishing Working Groups**

Create an industry–government working group to discuss issues that might lend themselves to fairly rapid harmonization and mutual acceptance.

Recommend establishing working groups that focus on the following key sectors of our bi-national economy: agriculture, transportation, energy, and health and consumer products.

Establish a senior-level committee to provide oversight and coordinate cross-jurisdictional implementation of the RCC Joint Action Plan.

### **Information Sharing**

Coordinate information gathering, data analysis and distribution activities to reduce duplication, enhance efficiency and foster cooperation across the Canada–U.S. border.

Establish clear procedures on how information may be shared and used by U.S. officials.

Ensure appropriate levels of privacy protection, in compliance with Canadian laws (e.g., the *Personal Information Protection and Electronic Documents Act*, or PIPEDA).

Ensure adequate protection of commercially sensitive data.

Develop common standards for secure information technology.

## **HORIZONTAL ISSUES**

Foster regulatory cooperation and alignment relating to nanotechnology.

Facilitate subsequent imports of the same product once initial requirements have been met (without having to fill out the same paperwork every time).

Eliminate redundant testing and certification requirements for previously examined products.

Review NAFTA's rules of origin requirements to facilitate compliance, especially for small businesses.

Roll back regulations and fees that impede supply chains.

Mandate the Standards Council of Canada and its U.S. counterpart to develop a standards and conformity assessment harmonization agenda.

Include a transparency clause in future trade agreements that would require the competent authority to notify any other competent authority whose responsibilities or workers may be affected by a Mutual Recognition Agreement being negotiated or changed.

Within Canada, revise the Competition Bureau's guidelines on using "Made in Canada" labelling for consumer products in order to align with requirements that apply to food products.

## **OTHER**

Exempt Canada from the U.S. *Foreign Account Tax Compliance Act*.

**APPENDIX**

**2**



Specific Proposals  
by Sector



## AGRICULTURE AND FOOD

### Food Safety Systems

Develop common approaches to food safety requirements and policies, aligning new regulations and guidance—specifically, implementation of the U.S. *Food Safety Modernization Act* requirements.

Mutually recognize food safety systems.

Improve the effectiveness of meat-safety-system equivalency agreements (i.e., eliminate or minimize re-inspections of product and microbial testing at the border).

Accept industry-led standards and programs that are based on international standards (e.g., the Hazard Analysis Critical Control Point, or HACCP).

Harmonize approvals for food-safety-enhancing products and technology used in processing (e.g., packaging materials, anti-microbial interventions, testing methodologies and processes, sanitation, and maintenance chemicals and equipment).

### Biotechnology

Establish a joint review process or a Mutual Recognition Agreement for biotechnology product approvals to facilitate synchronized approvals.

Establish a common policy for dealing with low level presence (LLP) of unapproved biotechnology products (e.g., harmonized risk assessments and acceptance of LLP already commercially available in the other country).

### Agricultural Inputs

Building on significant collaboration to date, align pre-market approval processes and data requirements for crop protection products

(i.e., pesticides, seed treatments) to facilitate joint reviews and assessments and improve re-evaluation and re-registration processes.

Resolve discrepancies in maximum residue limits for crop protection products.

Modify the U.S. Environmental Protection Agency (EPA) notice-of-arrival process to remove the advance notification requirement for products that are already EPA-registered.

Harmonize the approval process for veterinary drugs, including the establishment of maximum residue limits.

### Labelling, Packaging and Product Content

Align nutritional labelling formats and content (e.g., nutrient definitions, required values, daily recommended intakes).

Harmonize approaches to allowed health claims.

Align standards for discretionary fortification of foods.

Develop uniform labelling requirements (e.g., quality specifications, method of production claims, glycemic index labelling).

Adopt a common approach to the nomenclature of meat cuts.

Eliminate or amend U.S. mandatory country-of-origin labelling requirements.

Align container size requirements (infant food, bottled and canned goods).

### Export Certification

Implement complementary electronic certification systems in Canada and the U.S. for agricultural products.

Eliminate Canada's requirement for a veterinarian's signature on export certificates for meat and poultry products.

## Animal and Plant Health

Agree on zoning for foreign animal diseases, with greater recognition of each country's ability to verify the absence of disease and its control.

Align traceability requirements for live animals.

Mutually recognize phytosanitary and zoonosanitary inspections.

Harmonize crop pests and weed seeds regulations and standards to address the issue of the requirement to maintain the identity of screenings from bulk shipments.

Restore and/or facilitate market access for the following:

- Canadian small ruminants (sheep, goats);
- U.S. live hogs for slaughter in Canada; and
- Beef-containing pet food from Canada.

Harmonize livestock transportation standards training for truckers.

## Animal Feed and Pet Food

Align product requirements for market authorization for animal feed ingredients and additives to facilitate joint Canada–U.S. animal feed product registration, in particular for high-risk ingredients.

Align definitions of specified risk materials to alleviate pet food ingredient supply pressures between Canada and the U.S.

Reduce border-crossing times for pet food from Canada to the U.S. by allowing pre-clearance and improving service standards for import permits.

## Other

Adjust user fees of the U.S. Animal and Plant Health Inspection Service.

Address inequity created by the *Marine Mammal Protection Act*, which prevents Canadian access to the U.S. market relating to seal products, although products from Alaska move freely through U.S. markets.

Develop a protocol to manage agri-food trade during an emergency (e.g., pandemic).

Align financial risk mitigation tools for commercial transactions for fresh produce.

Adopt common approaches to bulk produce shipment requirements, removing the requirement for Ministerial exemptions.

Eliminate the monopoly of the Canadian Wheat Board.

## ENVIRONMENT AND ENERGY

Foster closer collaboration on climate policy through the following:

- Aligning greenhouse gas emission standards for vehicles and engines;
- Developing a broad bilateral energy and environment accord; and
- Harmonizing energy efficiency standards, e.g., developing a consistent approach to performance requirements, conformity assessment, and labelling of electrical and electronics products.

Harmonize regulations to support electric and other alternative energy vehicles.

Align chemicals management processes, including reviewing, permitting, labelling, reporting and timelines for implementation.

Streamline permissions for and construction of new cross-border energy infrastructure, e.g., a single Canada–U.S. regime for permitting oil and gas pipelines.

Ensure common approaches to nuclear liability, in the event of litigation arising from nuclear incidents.

Avoid policies that discriminate against particular fuel sources, such as low-carbon fuel standards (for types of crude oil) or renewable electricity standards (for large-scale hydro).

## TRANSPORTATION

### Motor Vehicles

Establish a robust, enduring process to establish safety regulations that meet the needs of both countries, including a formal framework to coordinate research efforts and monitor progress.

Implement one set of common rules and regulations across North America for vehicle safety and emissions standards.

Align testing and certification requirements. There is a lack of reciprocal recognition of certification.

Align regulatory mechanisms for chemicals management for the vehicle manufacturing sector.

Align the *Canada Motor Vehicle Safety Standards* and the U.S. *Federal Motor Vehicle Safety Standards and Regulations*.

Work cooperatively in developing new standards and codes related to clean technologies for light-duty vehicles and heavy-duty vehicles with respect to liquefied natural gas, aerodynamic devices and electric vehicles.

### Trucking

Align the different requirements for safety and hours of operation.

Align the different requirements for weight and dimension.

Revise regulations regarding in-transit shipments. If the carrier belongs to a customs

supply chain security program, only high-level cargo descriptions should be required.

Review immigration laws and interpretations to enable a driver to move empty trailers in another jurisdiction to the pickup point of an export load to enhance efficiency.

Review proposed rules regarding sleep apnea.

Review rules regarding container residue.

Align regulations relating to the use of boat tails on transport trailers.

### Marine

Harmonize safety, environmental and regulatory standards across both countries.

Harmonize and streamline reporting and vessel clearance requirements between both countries.

Align Canadian and U.S. marine security regulations.

Align small vessels construction standards (capacity labels).

Remove user fees as barriers to trade.

Increase icebreaking assets.

Streamline pilotage services.

Remedy the situation regarding double scanning or no scanning of ocean containers.

Give consideration to seaway infrastructure (maintenance, technology and research).

Regarding the Great Lakes and St. Lawrence region:

- Streamline reporting requirements for marine shipments within the Great Lakes region.
- Mutually recognize regulatory oversight regimes relating to Canadian and U.S. flagged vessels operating on the Great Lakes and the St. Lawrence Seaway;

- Harmonize environmental (ballast water management) and emissions requirements across the Great Lakes and the St. Lawrence Seaway; and
- Harmonize and streamline pilotage services.

Seek reciprocity for the Seafarer's Identification Document.

Align construction standards for pleasure craft (small vessels).

Harmonize ballast water regulations and remedy the State of New York's implemented ballast water management discharge standards.

Harmonize regulations for ship emissions, taking into account fleet requirements.

## **Air**

Recommend that Canada and the U.S. sign a formal partnership on NextGen.

Streamline and harmonize security and facilitation protocols and align passenger baggage screening regulations.

Streamline and automate pre-enrollment border clearance processes.

Streamline regulations for passenger pre-clearance, watch lists and exit immigration controls.

Align cargo security regulations.

## **Dangerous Goods**

Harmonize shipping requirements for dangerous or hazardous materials relating to shipping names, packaging and labelling, including mutual recognition for tank repairs.

## **Rail**

Regarding locomotive emissions, align regulations on locomotive air contaminants and greenhouse gas emissions.

## **HEALTH AND CONSUMER PRODUCTS**

Leverage Canadian and American scientific capacities by aligning research, review and approval processes to reduce duplication:

- Establish a joint electronic submission gateway for pharmaceutical products.
- Establish a mutual reliance agreement for sharing scientific analyses that support regulatory decision making while protecting trade secrets and confidential business information.
- Establish mutual reliance on equivalent good manufacturing practices in each country.
- Mutually recognize product claims that can be substantiated scientifically by the manufacturer.
- Deem as acceptable in Canada and the U.S. consumer health products that meet U.S. Food and Drug Administration and Health Canada requirements.

Standardize regulatory classifications and definitions for therapeutic and personal care products.

Align with the American over-the-counter monograph system as an official reference for personal-care imported products and develop common monographs for therapeutic products.

Establish mutual recognition regarding inspections and certification:

- Establish mutual reliance on each country's good manufacturing processes and collaborate on ensuring any third-party country's compliance and enforcement to avoid duplicative inspections.

Establish uniform labelling requirements, including alignment of the following:

- Health claims;
- Medicinal ingredients;
- Ingredient nomenclature;
- Warnings and classifications;
- Expiration dating practices; and
- Lot number configuration.

Standardize security packaging closures based on product risk.

Align toy safety regulations and standards with international or bilateral norms, especially relating to the following:

- Lead levels;
- Testing methodology;
- Magnets or magnetic compounds;
- Mechanical and electrical hazards;
- Acoustics; and
- Flammability.

Synchronize hazard classification and communication standards for chemicals and hazardous materials:

- Align regulations relating to hazard classification (including types of hazard statements that must be on a controlled product label, hazard symbols, and requirements

associated with mandatory hazard communication information);

- Ensure synchronicity in regulatory changes and harmonization of labelling elements to the U.S. Occupational Safety and Health Administration and the Canadian Workplace Hazardous Materials Information System during implementation of the Globally Harmonized System (GHS) for the Classification and Labelling of Chemicals; and
- Standardize the format of material safety data sheets through the formal recognition of GHS Material Safety Data Sheets.

Coordinate standard setting with respect to the following:

- The development of common standards in new and emerging areas; and
- The equivalency of existing standards.

Align exemptions relating to export controls for products covered by the *International Traffic in Arms Regulations* (ITAR) by pursuing a clear exemption in the ITAR for a Canadian company that is registered under the Controlled Goods Program.

Align export controls regarding cryptography products and equipment.

Foster alignment in product safety, including the following:

- Alignment of global mandatory incident requirements;
- A synchronized required reporting period; and
- A common approach to privacy issues.

Foster North American alignment with respect to the creation and management of common standards and regulations for electrical and plumbing products.

# APPENDIX

# 3



Organizations That  
Provided Consultation  
Submissions

The following companies and associations provided comments to the RCC consultation process, or provided input to consultations by the Beyond the Border Working Group on issues relevant to the work of the RCC:

3M Canada

Aerospace Industries Association of Canada

Animal Nutrition Association of Canada

Association of Canadian Port Authorities

Association of Equipment Manufacturers

Association of International Automobile Manufacturers of Canada

Bayer CropScience Canada

Borderpol

Canada's Research-Based Pharmaceutical Companies

Canadian Appliance Manufacturers Association

Canadian Association of Importers and Exporters (I.E. Canada)

Canadian Business Aviation Association

Canadian Cattlemen's Association

Canadian Chamber of Commerce

Canadian Civil Liberties Association

Canadian Consumer Specialty Products Association

Canadian Cosmetic, Toiletry and Fragrance Association, together with the U.S. Personal Care Products Council and the Mexican Cámara Nacional de la Industria de Productos Cosméticos

Canadian Council of Chief Executives

Canadian Energy Pipeline Association

Canadian Federation of Agriculture

Canadian Federation of Independent Business

Canadian Gas Association

Canadian Generic Pharmaceutical Association

Canadian Horticultural Council

Canadian Institute of Plumbing & Heating

Canadian International Freight Forwarders Association Inc.

Canadian Manufacturers & Exporters

|   |  |
|---|--|
| Canadian Manufacturing Coalition  | Pulse Canada                               |
| Canadian Meat Council, together with the American Meat Institute          | Railway Association of Canada              |
| Canadian Nuclear Association  | Retail Council of Canada                   |
| Canadian Oilseed Processors Association                                   | St. Lawrence Seaway Management Corporation |
| Canadian Parks and Wilderness Society                                     | Shipping Federation of Canada              |
| Canadian Pork Council   | Standards Council of Canada                |
| Canadian Produce Marketing Association                                    | Tea Association of Canada                  |
| Canadian Propane Association  | The Conference Board of Canada             |
| Canadian Shipowners Association   | Wild Bird Trading Company Ltd.             |
| Canadian Society of Customs Brokers                                       |  |
| Canadian Supply Chain Food Safety Coalition                               |  |
| Canadian Toy Association, together with the Toy Industry Association Inc. |  |
| Canadian Trucking Alliance  |  |
| Canadian Vehicle Manufacturers' Association                               |  |
| Canola Council of Canada  |  |
| Capilano Rock & Gem   |  |
| Certified General Accountants Association of Canada                       |  |
| Chamber of Marine Commerce  |  |
| Consumer Health Products Canada   |  |
| Council of Great Lakes Industries   |  |
| CropLife Canada   |  |
| Electro-Federation Canada   |  |
| Fisheries Council of Canada   |  |
| Food & Consumer Products of Canada  |  |
| Food Processors of Canada   |  |
| Fraser Institute  |  |
| International Air Transport Association                                   |  |
| National Airlines Council of Canada                                       |  |
| National Marine Manufacturers Association                                 |  |
| Pacific NorthWest Economic Region   |  |
| Public Border Operators Association                                       |  |