

Supply Chains Working Group Inception Meeting Report

November 18, 2022

EXECUTIVE SUMMARY AND NEXT STEPS

Thanks to all who attended our initial working group meeting. Below are detailed terms of reference and participant comments. In order to get most important items up front, here are the main focus areas FBC will be working for 2023. Please review the following themes and actions and identify areas where you could contribute.

THEME 1: Border Workforce / Automation

Scope: All modes

Actions:

- Map short- and long-term supply/demand mismatches
- Identify remedies and opportunities for bilateral cooperation
- Provide recommendations to government policy and program managers
- Identify mechanisms for improved public information sharing

THEME 2: Emergency Resilience – Pandemic, Climate, Blockade

Scope: All modes

Actions:

- Create process map to identify points of friction, information gaps, and process failures
- Create infographics from process maps for public education. Include use cases such as BC floods, pandemic closure, and blockade
- Identify mechanisms for joint planning and improved information sharing
- Provide recommendations to government policy and program managers

THEME 3: Single Window / Trusted Trader Programs

Scope: All modes

Actions:

- Create a status report on U.S. and Canada efforts and future goals. Identify areas of misalignment, gaps or duplication.
- Convene a joint planning session for U.S. Canada officials
- Provide recommendations to government policy and program managers

THEME 4: Food Security Supply Chains

Scope: All modes, focusing on perishable sectors (meat and produce)

Actions:

- Create a process map to identify points of friction, information gaps, and process failures
- Create infographics from process maps for public education. Include use cases for meat, fresh fruit and vegetables
- Identify mechanisms for improved processes and supply chain facilitation
- Provide recommendations to government policy and program managers

Possible Additions: Customs Data Reporting and Compliance; and/or Remote Screening; and/or E-Commerce Policy and Process Alignment; and/or Regulatory Cooperation; and/or Port Congestion/Dwell Times

I. Working Group Terms of Reference

Why are we here? FBC members and stakeholders are looking for a roadmap to strengthen North American competitiveness and move beyond the supply disruptions induced by the pandemic and global choke points.

This working group will identify 3-4 priority areas and action items for 2023 through regular meetings and outreach to other specialists as needed. These meetings are a confidential space for frank discussions with industry and government in the U.S. and Canada. The Chatham House rule applies.

Meetings will be organized and chaired by FBC with volunteer participation on an as-available, as-needed basis.

Working Group Composition

- Participants from Canada and U.S., government, private sector, and industry/academic organization.
- Membership may change from time to time. All conversations are Chatham House unless specifically exempted (e.g. webinar participation).
- Members should reflect the broadest spectrum of activities captured by the theme from carriers, to border officials, to service providers.

FBC Action Channels/Potential Outputs

1. Conducting research and focus groups, examining and evaluating issue options
2. Building consensus on recommendations among industry partners and between/within governments
3. Convening information sharing and coordination meetings
4. Providing recommendations to governments (formally or informally)
5. Building public awareness on certain issues
6. Convening information sharing and coordination meetings

II. Potential Action Items

- Preventing disruptions - lessons learned from COVID and Trucker Blockade
- Bilateral infrastructure planning, permitting, and investment
- Trusted trader and automated processes – interoperability or fragmentation?
- Short-sea shipping - opportunities and options
- Data, origin and traceability – TMI
- IT and Single Window commitments
- E-Commerce – managing risk, encouraging SMEs
- Modal complementarity
- Are perimeter strategies dead?
- Making borders work better for border communities

III.. November 18, 2022 Rapporteur's Notes

Total of 14 people in attendance.

Feedback on action items/how to address them and what we want to achieve:

Themes that were of particular interest were:

- Climate/disaster resiliency
- Trusted trader
- Disruptions
- Resiliency and lessons learned
- Greening the border
- Strategies to reduce dwell time
- Perimeter strategies are essentially dead

U.S.-Canada Supply Chains Working Group Task Force is already providing some recommendations. The challenge is how to take those recommendations and implement those.

Short sea shipping is a minor issue. Not major interest in tackling it among call participants.

Special focus should be given to

- Congestion
- Dwell times
- Ocean container manufacturing (produced over 6 million new containers, but the old ones weren't taken out, and led to congestion globally. Containers are now sitting in railyards). Who do we hold accountable for this? Where are we going to put these containers?

Plan for the working group is to focus on scenario-based evaluation. Attendees on the call agree that this helps government officials understand different situations.

Members on the call also bring up a point to understand that there are different kind of border communities, and so three different realities.

Important theme is not only on how to move things inside North America, but also into the U.S. and Canada from third countries.

Important to listen to industry people and focus on FAST.

Trusted trader is an important issue for people working in the field. Focus should also be on disruptions (such as flooding, and lessons learned from it)

Minister of Transport, Omar Alghabra, has asked for organizations to bring forward recommendations on low hanging fruit. Changes that could be easily implemented.

In order to make recommendations and action items, it's important to get input from every department in both countries.

Northern Alberta has invested a lot on e-commerce. Calgary and Edmonton are designated free zones.

Focus on supply chains for perishable goods.

- Could be a sub-group
- Moving inspection away from the border seems necessary

FBC will set up the next meeting in another 6 weeks for continued discussions and for narrowing down the focus to actionable items. The notes (without attribution) are sent to people who missed the inception meeting but wanted to be part of the working group.