



**Canadian
Manufacturers &
Exporters**

**Manufacturiers et
Exportateurs du
Canada**

April 13, 2009

Stephen Rigby
President
Canada Border Services Agency
191 Laurier Street West
Ottawa, ON K1A 0L8

Dear Mr. Rigby:

We are writing to express our serious concerns over the Canada Border Services Agency's stated intention to introduce mandatory pre-arrival importer admissibility data (IAD) for all modes of transportation at the Canada-US land border.

Together we represent businesses in Canada and the United States – the importers, exporters, manufacturers, and services companies – responsible for the \$1.5 billion in trade that flows between our two countries, across our common border, every day.

We were all encouraged by the joint statement of Prime Minister Harper and President Obama declaring that the Canadian and U.S. governments would work together to strengthen security and facilitate trade along our border. We note as well the concerns recently expressed by Canada's Minister of International Trade about the detrimental impact of increasingly complex regulatory compliance requirements on trade, border efficiency, and the economic competitiveness of those integrated supply chains upon which much of North American business depends.

We recognize the important steps that your agency has taken in the development of the e-Manifest system aimed at expediting cross-border processing. And, we support the implementation of the Advance Commercial Information (ACI) program in a way that is both practical and cost-competitive from a business point of view and that ensures our common security while maintaining border efficiency.

The inclusion of the pre-arrival importer information requirements on all modes of transportation that is contemplated by CBSA as part of the ACI Initiative, if applied at the Canada-US land border, would increase the complexity, costs, and time delays that businesses experience in moving goods across the border. Coupled with the congestion that would be caused in implementing these new requirements, companies would face significant additional costs in the form of new information systems, new warehousing facilities to reposition freight while awaiting confirmation that importer data have been provided, and expensive changes in business and logistics systems to ensure the integrity of just-in-time supply chains. In many cases it would be simply impossible to provide the information required from importers within pre-arrival timeframes. These costs would only compound the difficulties that businesses already face in moving goods across a thickening border and further erode the competitiveness of our highly integrated economies.

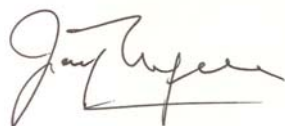
Companies on both sides of the border have made significant investments to secure their cargo supply chains – programs such as C-TPAT and FAST in Canada and the United States have proved to be successful partnerships between border agencies and the private sector. They are models for the global marketplace. We do not believe that the IAD requirements proposed by CBSA are the appropriate way to assess security risks at the Canada-US border and see no reason to apply the same information requirements for offshore shipments to lower risk trans-border shipments.

In fact, applying IAD requirements to our land border would give a competitive cost advantage to third country shipments at a time when our economies in North America can least afford it. Let us be clear, implementing IAD requirements on our land transportation modes would erode the benefits of the NAFTA and undermine the competitiveness of the integrated supply chains upon which our economic prosperity depends.

We are committed to working with you, as well as with US Customs and Border Protection, to develop and implement solutions that improve border security and efficiency. We urge you to partner with CBP to develop a coordinated and workable approach to the collection of advanced commercial information. We believe your joint efforts should focus primarily on higher-risk shipments at the North American perimeter while doing your utmost to facilitate lower-risk trade across our common land border.

Respectfully,

CANADIAN ASSOCIATIONS:



Jayson Myers, President
Canadian Manufacturers & Exporters



Claude Lajeunesse
President & CEO
Aerospace Industries Association of Canada



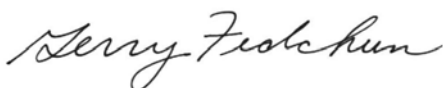
Mike Dienst
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AICC Canada



Jerry Engel
President
AMC – Agricultural Manufacturers of Canada



T. Howard Mains
Canadian Public Policy Advisor
Association of Equipment Manufacturers



Gerry Fedchun
President
Automotive Parts Manufacturers' Association



Rick Culbert
Vice-Chair
Canadian Animal Health Institute



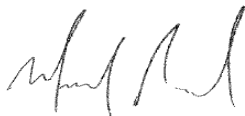
Jay Nordenstrom
Director, Government and Industry Affairs
Canadian Association of Railway Suppliers



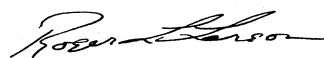
Richard Paton
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Canadian Die Casters Association



Roger Larson
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John Bachmann
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The Mining Association of Canada



Glenn Maidment
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US ASSOCIATIONS:



John Engler, President and CEO
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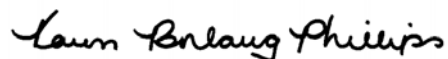
R. Bruce Josten
Executive Vice President
U.S. Chamber of Commerce



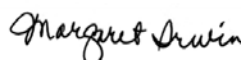
Richard E. Blouse, Jr.
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