



Emergence of Cross Border Regions

Policy Research Institute Ottawa
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***Pacific Northwest
Economic Region (PNWER)
Overview of Best Practices***

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Economic Watersheds flow North – South in the PNWER Region

- PNWER – formed by statute in 1991
- PNWER is a Public/Private Partnership
- Alaska, Alberta, British Columbia, Idaho, Oregon, Montana, Washington, Yukon



PNWER Region at a Glance

**“If it were a nation
PNWER would rank
15th among the
world’s leading
industrial
economies, with a
combined
population of more
than 20 million and
an annual gross
regional product of
\$840 billion.”**

State/Province

Population

Alaska

626,932

Alberta

3,064,249

British Columbia

4,095,934

Idaho

1,293,953

Montana

902,195

Oregon

3,421,399

Washington

5,894,121

Yukon Territory

29,885

Population

19,328,668

Total Area

1,885,346

(Sq. Miles)



PNWER Organization

Each State

House Republican
Caucus

House Democrat
Caucus

Senate Republican
Caucus

Senate Democrat
Caucus

1 Executive
Committee Member

Executive Committee

- 8 Legislators
- 8 Private Sector Members
- Governors/Premiers (or designee)
- PNWER Executive Director

Each Province

Government

(It is customary for the government to work with the opposition in the selection of delegates)

4 MLAs

1 Executive
Committee Member

Private Sector
Council

4 Board
Members

1 Executive
Committee Member
from each
state/province



PNWER Working Groups



PNWER History

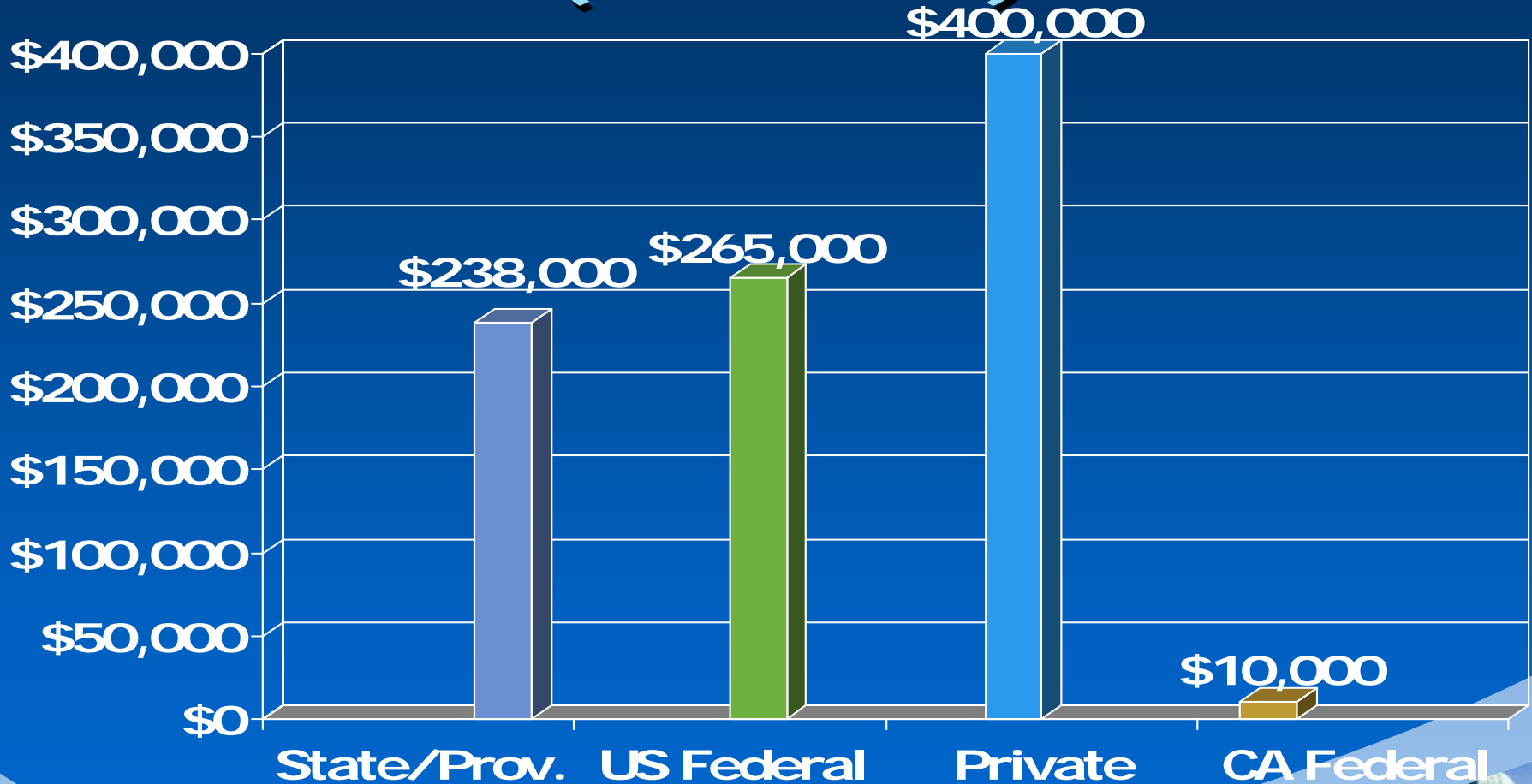
- Pacific Northwest Leadership Forum – 1989 – held 4 meetings, legislative leadership agreed to create an organization
- Legislative leadership from both Canada & US along with the NW Policy Center at Univ. of WA came up with the charter
- 1991 – voted on in all jurisdictions, out of 703 elected legislators, 701 voted for PNWER
- 1993 – Private Sector Council added
- 1994 – Yukon Territory added



GDP Growth since NAFTA (billions of US\$ and CN\$)

<i>Jurisdiction</i>	<i>1990</i>	<i>2004</i>	<i>% Change</i>
Alaska	25	34	36%
Idaho	17.8	43.6	145%
Montana	13.4	27.5	105%
Oregon	57.3	128.1	124%
Washington	115.7	261.5	126%
Alberta	72.4	187.2	159%
British Columbia	74.1	157.2	112%
Yukon Territory	1.2	1.4	22%
PNWER Total	376.9	840.5	123%
United States	5803.1	11734.3	102%
Canada	679.9	1290.2	90%

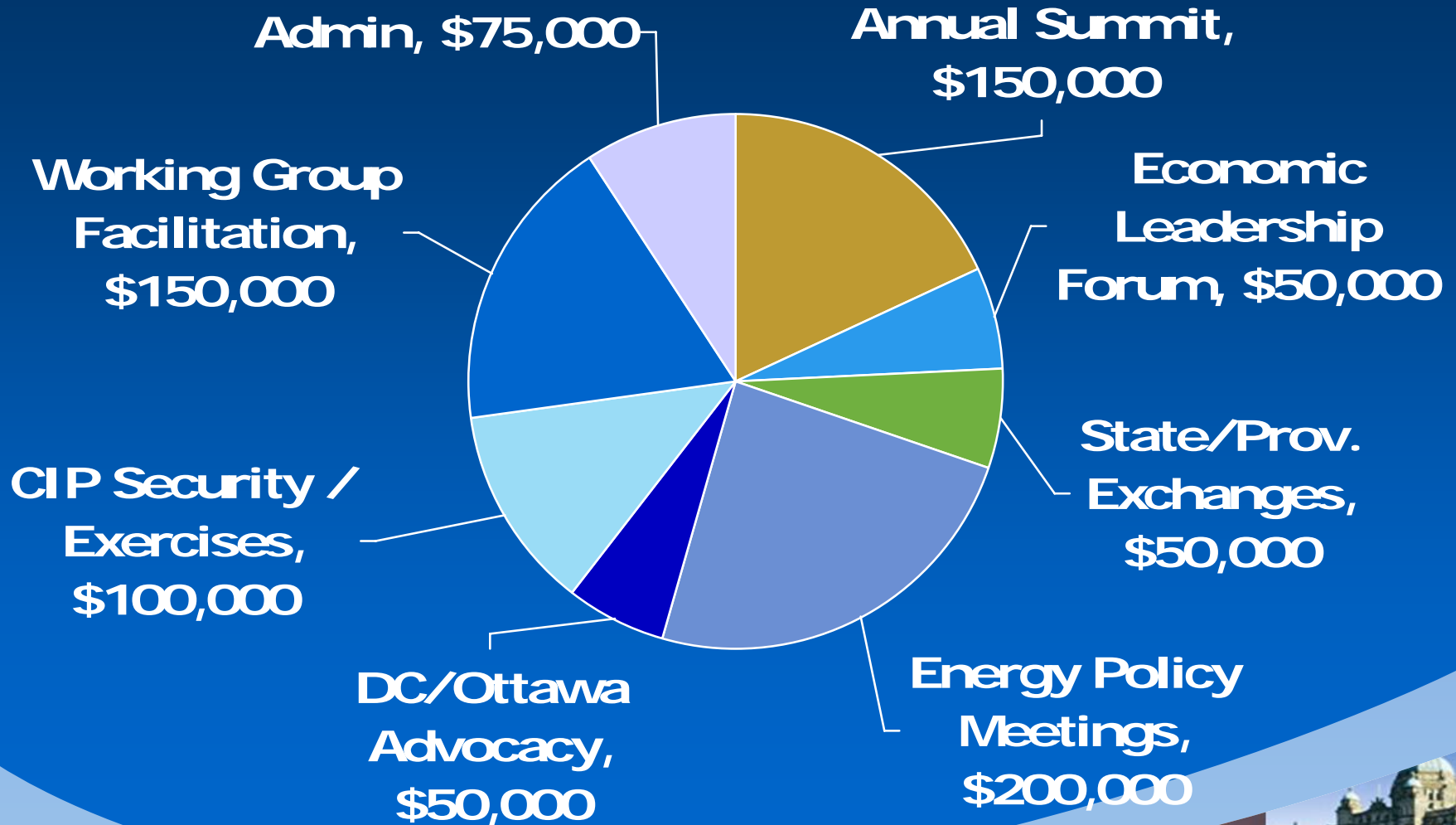
PNWER's Current Budget (Revenue)



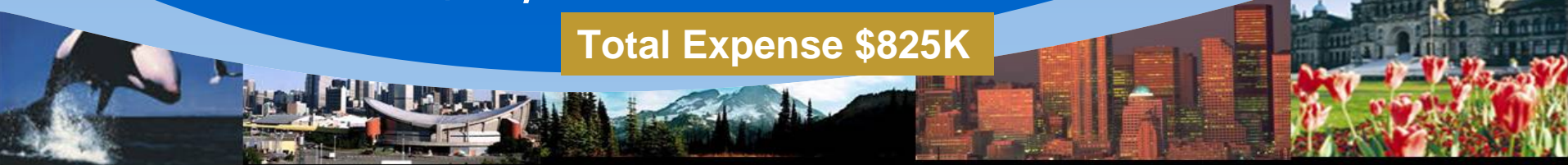
Total Revenue = \$913,000



Programmatic Expenses

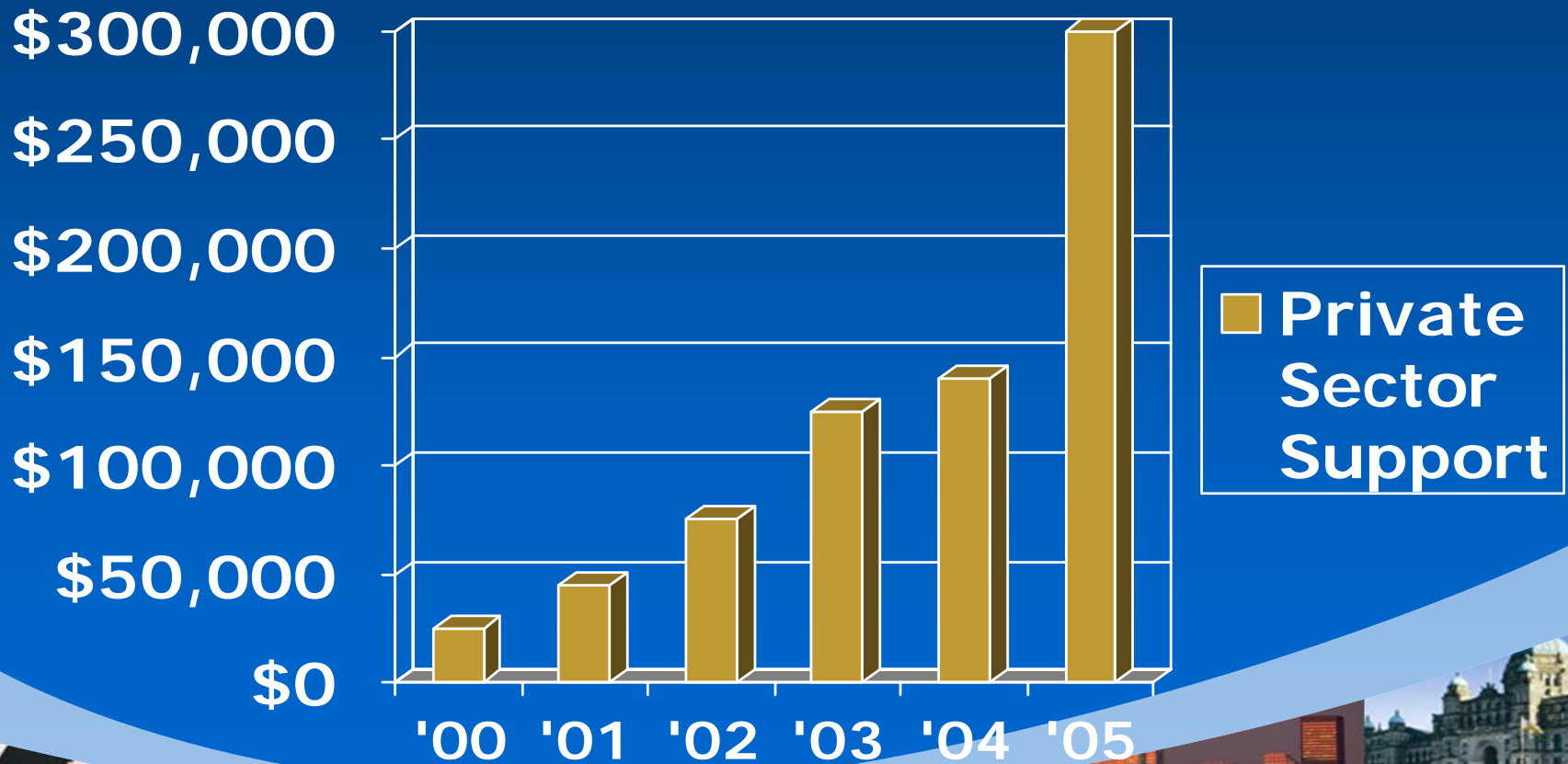


Total Expense \$825K



Trends

- Private Sector Support to PNWER



PNWER Work Groups

- Industry Co-Chair, and Government Co-Chair
- Issues driven by Work Groups – some initiated by private sector, some by public
- Detailed vetting process to develop workplan for Working Group
- Action Plan decentralized by Working Group leadership



Getting Private Sector Involvement

- Each State/Province has Private Sector Council – meets quarterly with Public leadership – develops provincial ‘agenda’ for the Region
- PNWER Officers travel to State/Provincial Capitols and meet with government leadership in each jurisdiction – ask “What issues should PNWER be addressing?”



More than Discussion Group

- PNWER Board wants ACTION ITEMS and Work Plan from each Working Group
- Secretariat works with Co-Chairs to follow up action plan projects
- Projects fleshed out by project team, and resources sought to implement PNWER Projects



Major PNWER Projects

- Bi-National Energy Planning Initiative
- 2010 Olympic Regional Coordination Council
- Critical Infrastructure Security – Partnership formed and supported by US Federal government, state, local, and private sector



Bi-National Energy Planning Council

- Funded by US Dept of Energy - \$325,000 – 2005
- Led by PNWER Legislative Energy Chair Task Force
- Working regionally to develop solutions to future energy demand and transmission congestion
- Integrated Resource Planning for the Bi-National PNWER Region



Cross Border Tourism Initiative

- 2010 Olympic Regional Coordination Council
 - \$200,000 funded by states/provinces
 - Regional Training Venue Online Directory
 - Regional Visitor's Center in Vancouver and Whistler for 2010 Olympics
 - Regional Media Strategy for 2010
 - Inventory of Sustainability Best Practices
 - Northwest Passage Rail & Sail (NORPASS)



Security

- PNWER formed the 'Partnership for Regional Infrastructure Security' one month after 9-11
- Identified as model for bi-national critical infrastructure protection by Ottawa and DC (US DHS and PSEP)
- Sponsored series of 'Blue Cascades' Exercises on Critical Infrastructure protection – with PSEP-C, and DHS



350 Experts at Blue Cascades III Tabletop Exercise last week – March 1 & 2 in Bellevue, Washington



PNWER Leadership Direction

- 2004 President's Retreat – defined a Ten Year Vision for PNWER
 - Advocacy in Ottawa & DC for Regional Issues Key
 - Develop greater resources to successfully implement Action Plan
 - Utilize network of organizations in the region more successfully



Advocacy in Ottawa & DC

- Feb, 2005 met with 6 Ministers in Ottawa – conveyed key action plan items
- March, 05 and October 05 Board members went to Washington, DC
- Led to Deputy Prime Minister McClellan coming to Annual Summit in Seattle for Bi-National roundtable
- Have had several meetings with Canadian and US Embassy staff



Statutory Institutional Framework has increasingly important ramifications

- PNWER provides a focal point for increased bi-lateral cooperation mechanisms
 - BC / WA; BC / MT Environmental Cooperation Councils
 - Alberta – AK, ID, WA, MT Bi-Laterals
 - Joint legislative committees – WA & BC; Alaska – Yukon; WA, ID, OR Compact, etc.







Structure Provides Opportunity for early more effective dispute resolution

- Issues addressed regionally, preempting more costly, slower international processes
- Some Examples - Tire Recycling brought to special session of PNWER - avoided NAFTA challenge
- PNWER held 4 Cattle Summits (2002-2004) – also potato issues ornamental plants, pig farms, etc.



Structure Facilitates Policy Solutions and Best Management Practices

- Sustainable Development – State/Provincial executive orders
- PNWER Bi-National Energy Planning Council & Legislative Energy Chairs Task Force
- Regional Tourism Promotion
 - 2010 Coordination Council
 - Circle Tours, NorPass Rail & Sail





Cross Border Industry Cluster Development

- Nano Technology Summit – July 05
- Bio Tech collaboration
- 'Smart' Energy Investor's Forum – July 04 – PNWER Summit in Victoria
- Environmental Technologies – organized regional delegation to Globe since 1992
- R & D 'Exchange'
- Aerospace – facilitated BC, AB, WA, OR



Catalyst for a Network of Linkages

- Groups meeting at PNWER Summits
 - CanAm Border Trade Alliance
 - Western Legislative Forestry Task Force
 - Energy Council
 - Canadian Studies Consortium

Formal PNWER Linkages:

Council of State Governments – West
Western Governor's Association

Border Policy Research Institute (WWU)



Regional Priorities

- WHTI – facilitated development of the BESTT Coalition of northern border chambers
- 2010 Winter Olympics – border and infrastructure logistics & security
- Pacific Gateway coordination
- Workforce development
- Northern Corridor Development



Western Hemisphere Travel Initiative

- Congressional Briefing held Monday, Feb 13, 2006
- PNWER facilitated BESTT Coalition with major chambers across the northern border – 45 delegates visited Congressional offices for 3 days in Feb.
- PNWER Board met with DHS and State Dept Officials in Washington, DC
- Submitted comments to advanced rulemaking





Pacific "Gateway" and Economic Convergence

- Gateway to Pacific Rim and China depends upon Bi-National seamless border processes (Nexus Plus, etc)
- Intermodal infrastructure connections for freight mobility a huge factor in future economy of the region
- Policy cooperation essential to develop infrastructure for the future (Amtrak Cascades train)



Workforce Development

- Worker Mobility key to North American Productivity
- PNWER Facilitated numerous meetings with BC and Alberta Licensing organizations with state licensing board officials and legislators
- 3 states allowing 'reciprocity' of licensing requirements – Meeting April 21-24 in Edmonton
- Workforce Skill sets for northern development projects being catalogued for the region
- Aboriginal workforce development best practices conference being planned.



Northern Corridor Development Task Force

- Established to address policy challenges related to new developments in Alaska, Yukon, BC, and Alberta
- Working on Rail connection from Alaska to the lower 48 states
- Addressing workforce issues for pipeline construction (Alaska and MacKenzie Delta Natural Gas)





PNWER Loaned Executive Program

- Begun 2005 with full time TransCanada Senior Vice President
- Encouraging federal and provincial 'loaned executives', also national labs and academic interns
- Intern program from Provinces (YIIP Program)
- Goal is ongoing PNWER Fellows Program of Senior Executives



What is the Canadian Federal Government Not Doing?

- Engaging in a systematic and regular way on the Security & Prosperity Partnership action plan with border stakeholders
- CBR's would be ideal partners to make this happen



What else?

- Utilize CBR's to impact US policymakers on issues Regions are in agreement on. Example – WHTI, transportation infrastructure, border facilitation, etc.
- Provide capacity building resources
- Utilize CBR's to provide early dispute resolution on trade irritants.



Observations on the role of Cross Border Regions

- Face to face meetings on a regular basis build trust and long term relationships
- PNWER's structure involving opposition leadership and bi-partisan participation has been invaluable
- Huge gap in understanding of the differences between US & Canada political systems



Observations - continued

- Ottawa & DC open to regional solutions – PNWER trips to both Capitals have been very successful
- Greater capacity to deliver on PNWER Action Plan is essential to continued effectiveness
- Public – Private Partnership is vital to success



Recommendations

- Provide resources for increased capacity building of Cross Border Organizations, if necessary on a project by project basis
- Foster regular and ongoing communication between CBR's through an ongoing roundtable
- Utilize Cross Border Organizations according to their strengths



Recommendations

- Recognize that CBR's are an opportunity to have a two way dialogue on US/Canada issues – with both public and private stakeholders - before they reach Ottawa & DC
- Invest in success, and strengthen alternative dispute resolution mechanisms



Recommendations

- Create US/Canada Leadership Academy for State & Provincial political leadership – (PNWER happy to take a lead on this)
- Develop Annual Roundtable on US/Canada emerging issues – with Cross Border Organizations



Recommendations

- Build on and duplicate successful models – cost benefit of PNWER model is evident to all participating jurisdictions
- Recognize importance of third party Bi-National organizations in providing leadership in border issues, trade irritants, and dispute resolution
- Exploit value of CBR's in impacting US federal policy



Recommendations

- In the US, “all politics is Local”
- Advocacy is much more effective based on regional and local interest
- Mapping issues and ties to Congressional committee chairs is extremely useful
- Cross Border Organizations provide an opportunity for a more effective voice



North American Economic Integration

- Growth in trade and commerce will continue to make regions more important
- Border issues (WHTI, BSE, Softwood) will hopefully be solved, but only to be replaced by others
- Proactive regional response to these border issues is highly effective



Advice to other Cross Border Regions

- Visionary Leadership, both public and private is the key to establishing viable structures and institutions
- Ongoing commitment over time has huge dividends – build on what is working
- Engage private sector and ask what issues really matter to them.





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Thank You!

The Pacific NorthWest Economic Region



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