

BUILDING A SAFE AND RESILIENT CANADA



Update on the Implementation of the Agreement on Land, Rail, Marine and Air Transport Preclearance

EBTC, September 12, 2018



Overview

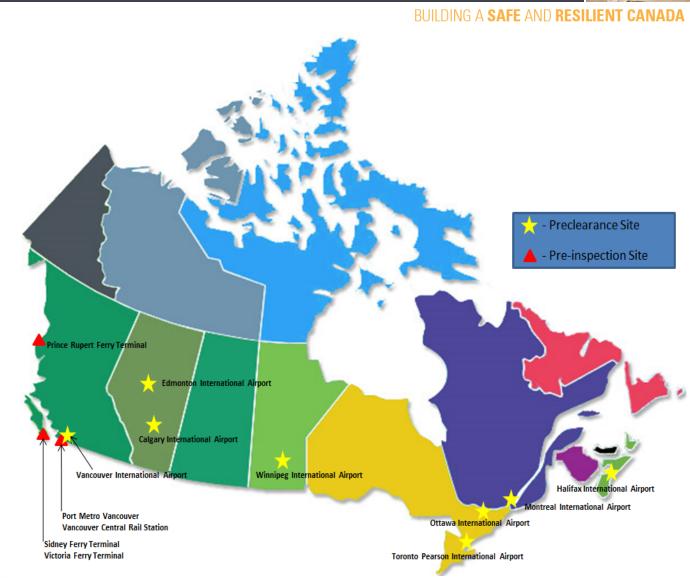


- Background
- Preclearance benefits
- Update on Implementation: Timelines
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- Update on Implementation: Facility Design Standards
- Next Steps: New Sites
- Next Steps: Cargo Preclearance

Background – Existing Framework

- Preclearance operating successfully in the air mode since the 1950s
- Preclearance currently exists at 8 major Canadian airports
- Pre-inspection

 (informal
 preclearance mostly
 for immigration
 purposes) exists at
 several sites in B.C.



Preclearance Benefits



- Proven **trade and travel benefits** for Canada and the U.S.:
 - Expedited transiting of borders
 - Access to non-international airports
 - Increases competitiveness of Canadian airports
 - Moves processing away from congested border crossings
- Enhances **security** by addressing security threats at the point of departure rather than upon arrival
- The new Agreement responds to strong market demand for expansion in all modes to facilitate growing trade and travel

Update on Implementation: Timelines



- Legislation is complete, the *Preclearance Act, 2016* received Royal Assent on December 12, 2017
- In order to ratify the LRMA, regulations for the air mode in Canada are being completed and outstanding implementation issues are being addressed
- Phased approach to regulations:
 - Complete regulations for the air mode in Canada by early 2019
 - Complete regulations for land, rail, and marine modes in Canada by 2020
 - Complete regulations for Canadian preclearance in the U.S. in 2020
- Ratify the LRMA in early 2019



Update on Implementation: Costs



- Canadian and U.S. officials have formalized the U.S. approach to cost recovery in Canada through the signing of a joint letter.
 - Currently operating preclearance and pre-inspection facilities will not be subject to cost-recovery measures for the current level of service, increased levels of service may be subject to cost recovery.
 - New preclearance sites will be subject to cost recovery, and the costs would vary from facility to facility depending on factors such as the volume of travelers.
 - CBP will partially offset costs through collection of user fees.

Update on Implementation: Facility Design Standards



- As is currently the case, all preclearance facilities in Canada will have to meet U.S. CBP technical and infrastructure design standards
- CBP has developed new technical design standards for all preclearance facilities around the world
- Facility operators who decide establish preclearance will be responsible for working with CBP to ensure they meet the design standards to the extent possible, taking into account the unique circumstances at each location

Next Steps: New Site Expansion



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- A Joint Statement was issued by Minister Goodale and former DHS Secretary Jeh Johnson on March 10, 2016 which agreed, in principle, to expand preclearance to four new sites:
 - Billy Bishop Toronto City Airport
 - Jean Lesage International Airport in Quebec City
 - Rocky Mountaineer rail service in Vancouver
 - Montreal Central Rail Station
- Pre-inspection sites will have to either transition to preclearance or cease operations
 - Belleville terminal in Victoria
 - Pacific Central Rail Station in Vancouver
 - Port of Vancouver
 - Sydney ferry terminal
 - Prince Rupert ferry terminal



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Next Steps: Cargo Preclearance



- In early 2017 Canada and the U.S. committed to an overarching vision for cargo preclearance:
 - "Facilitate bi-national trade and prosperity, achieve greater efficiency in cargo processing, allocate public resources optimally, and enhance security through the strategic deployment of cargo pre-inspection or preclearance."
- CBSA launched a Binational Rail Cargo Pre-Screening Pilot in Lacolle
 QC Champlain NY that has been extended
- Canada and the U.S. are in the process of drafting a binational paper that will include cargo and a forward work plan.
- In parallel, CBSA looking to identify suitable locations for cargo preclearance based on an assessment of trade flows and with industry input.



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Questions?

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