

# What is the most significant challenge in the trade relationship between Canada and the United States, and is it new?

1. The most significant challenge for Canada in its trade relationship with the US is **the continued US domestic focused priorities**, such as the **worker-centric policies**, the **Buy America plan**, and the **use of tools over rules**.
2. The most significant challenge is that **US political interests emphasize domestic policy** to the detriment of international relations and allies, and while it isn't new it **has become a stronger issue** because of **political polarization** in the US.
3. The most significant challenge in the trade relationship between Canada and the United States is the **protectionist approach to trade**, in the context of Canada's dependence on the US market, none of which is a new issue, as it has endured despite changes in the policy directions of both governments over many years in the various trade policy fora.
4. We are both navigating a changing world and we **need to remind** the United States that **there is no effective way forward without Canada**.
5. The degree to which **US domestic politics are driving American trade policy**, making it more difficult for Canada to defend its interests with the US.
6. The most significant problem for Canada is **aligning mutual benefits of trade integrated North American system with Domestic policy considerations** resulting in an erosion of the preference for trade-based policy.
7. **Disregard for rules in the pursuit of domestic self-interest**. It is not new but increasing in intensity.

# Which area of shared interest among the United States and Canada holds most potential for impactful collaboration between the two countries?

1. Collaborating with the US in order to address **climate change** and **Chinese unfair non-market practices**.
2. Canada and the US have highly integrated economies and can effectively collaborate on advancing their interests in the **sustainability** and **security of supply chains**.
3. The area of shared interest among the United States and Canada holds most potential for impactful collaboration between the two countries is **deepening the integration of our supply chains**, including supply chain realignment, in light of concerns on **food security, climate change and national security**.
4. Canada shares with the United States, the importance of **technological leadership**, enhancing **benefits for workers**, and addressing **climate change**.
5. At least in the short term, shared interests with the US include **a progressive trade agenda, environmental protection**, and **strengthening CND-US supply chains**. **Counterbalancing China** will remain an area of shared interests in the long term, while it may put Canada in a difficult position vis-à-vis these countries.
6. The best area of opportunity to collaborate is on issues with common interest, where we can find a **harmonized approach to the environment, climate, technological advancements** and **energy transition** as well as in the promotion of **human rights**.
7. Trade related aspects of **climate change**.

# What are the key elements of a strategy for managing the trade relationship with the United States?

1. Canada must engage regularly to continuously **remind the US of our shared interests**, using the **Team Canada approach** to strengthen the relationship at all levels.
2. The key elements of a strategy for managing our trade relationship with the US would be to pursue a **Team Canada approach** to manage both our common interests and challenges, while also continuing to focus on **diversifying our export markets** (e.g., negotiating preferential trade agreements) and **building alliances within multilateral fora**, including the WTO.
3. The key elements of a strategy for managing the trade relationship with the United States are **policy coherence**, a **proactive approach, communication, patience, flexibility, creativity**, and a **focus on showing the negative impact of protectionist measures** on international trade, seeking support of US stakeholders/representatives who share Canadian interests and safeguarding our interests in the American market, all the while reflecting pan-Canadian interests.
4. **Demonstrate** through forward-looking actions **that Canada can advance America's domestic agenda**, on a North American basis while promoting shared values.
5. A **proactive, advocacy based approach** using a **unified front** (eg. Team Canada) to, notably, entrench shared interests (eg labour, environment), reinforce economic integration, and influence American trade policy by proposing creative solutions that serve both our countries.
6. Canada should **engage stakeholders in provinces, states, industry** and beyond in order to understand problems and find solutions, **rather than relying on dispute mechanisms**. Through multilateral trade negotiations and other international forums, Canada should look for areas to build common cause.
7. Pursue a **broad and deep Team Canada engagement** approach to convince the US that we have areas of shared interest.