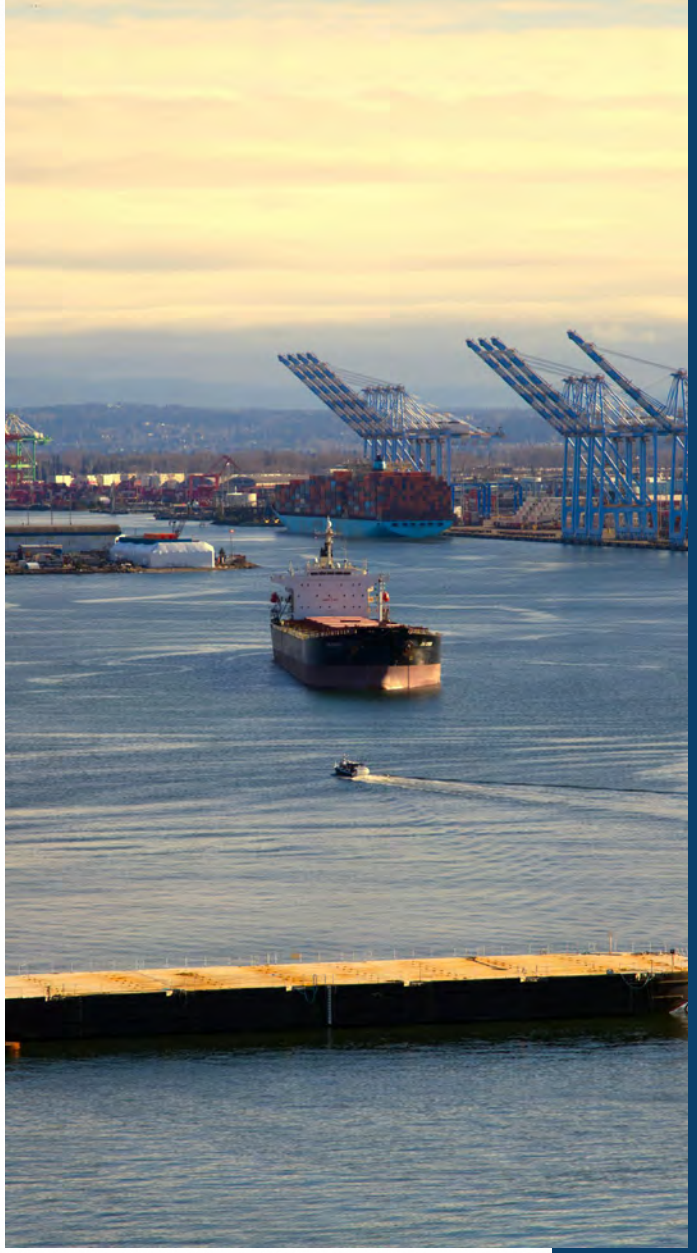


Pacific NorthWest Economic Region

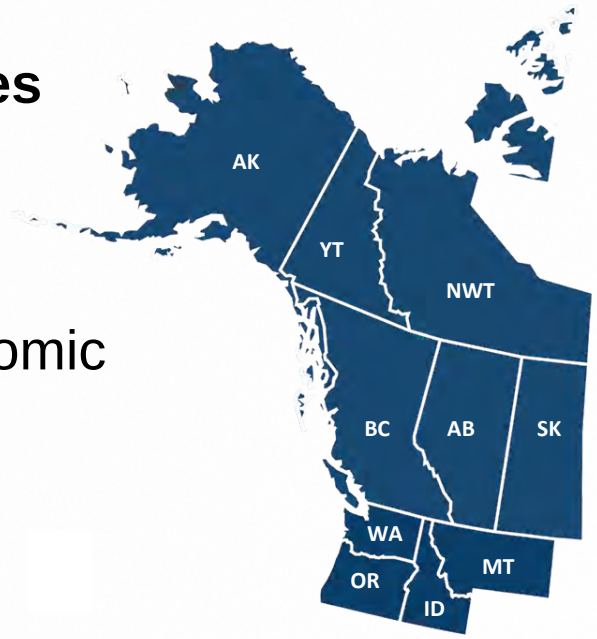
# Trade & Transportation

## North American Trade Shaping Washington's Economy & Transportation Networks

**Washington State Transportation Commission**
**May 19, 2026**

# About PNWER

- The Pacific Northwest Economic Region is a **public-private partnership** chartered by **5 states** and **5 provinces and territories**
- Cross-border, nonpartisan economic development organization
- PNWER has been at the forefront of fostering U.S. - Canada economic relationships and cooperation for 35 years



# Our Focus

- **12 sector-specific working groups**, led by public and private sector leaders
- **Key in 2026:**

**Trade**

**Tourism**

**Energy**

**Transportation**

# Our Work in Washington

- Legislative Energy Horizon Institute (LEHI) has educated 58 Washington policymakers out of 500 alumni
- First-of-its-kind cross-border hydrogen economy study
- Tourism information portal and AI border tool
- Regional Infrastructure Accelerator technical assistance program for transportation projects
- 2025 Annual Summit in Bellevue, Washington
- Roundtable on USMCA trade with Governor Bob Ferguson,  Lt. Gov Denny Heck and business leaders

# Washington is one of the most trade-driven states in the nation.

Canada and Mexico account for a substantial share of the state’s goods and services trade.

# History of the U.S. - Mexico - Canada Agreement

## NAFTA to New Deal

**1994**

### NAFTA Initiated

A **landmark pact** that created one of the world's largest free-trade zones.

**2017 - 2019**

### USMCA Negotiated & Signed

All three countries negotiate, revise and sign the agreement.

**2019**

### Bipartisan Congressional Action

The House passes implementing legislation with a **385-91** vote; Senate passes with **89-10** vote.

**2020**

### USMCA Begins

The Agreement enters into **full force** for all three countries.

# How the Agreement Works - The Big Picture

- Designed to create more balanced, reciprocal trade among the three nations
- Strengthens environmental and labor standards
- Modernizes regulations for digital trade
- Increases rules of origin requirements to encourage North American manufacturing
- Eliminates tariffs on compliant goods

**37%**

**INCREASE IN REGIONAL GOODS TRADE**

**85%**

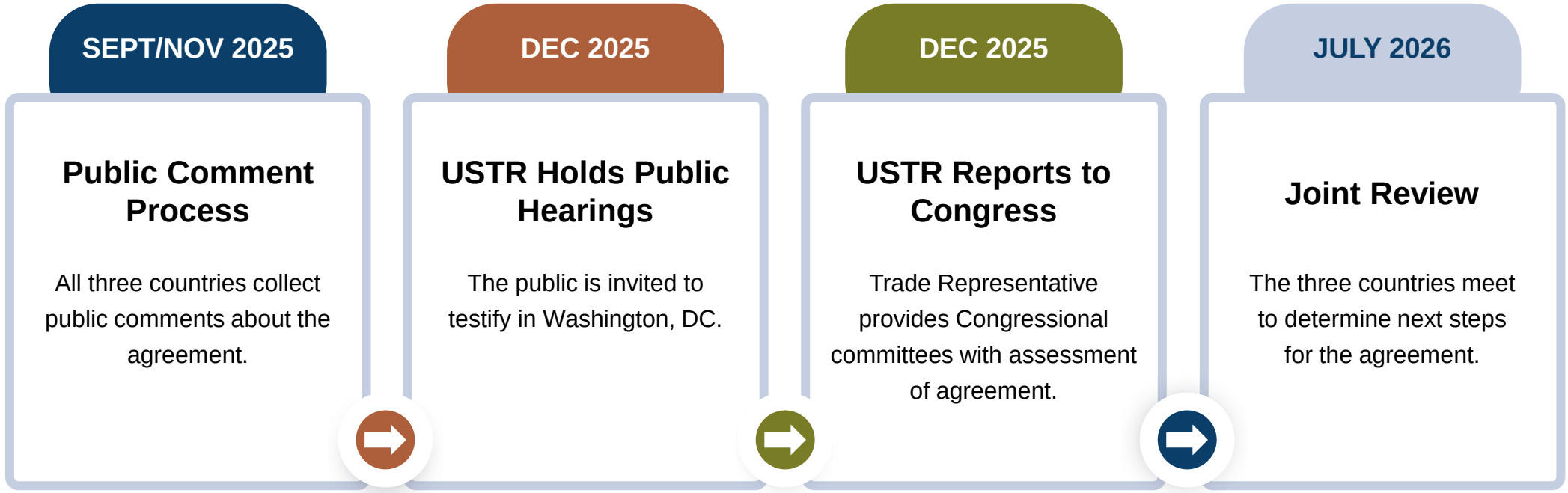
**GOODS TRADED IN NORTH AMERICA UNDER USMCA**

**$1.88 T**

**TRILATERAL TRADE**

# Review Process - Why This Year Matters

- 2026 marks six years since agreement went into effect; new review mechanism
- All parties must meet and decide whether to extend the agreement for 16 years



# What's at Stake

## Possible Outcomes

### Renewal

- All three countries **agree to extend agreement** for 16 years
- Next review: **2032**

Result:

- Stability for trade
- Minimal disruption
- Predictability for investors

### Annual Reviews

- No deal reached in 2026
- Yearly reviews begin
- **Agreement does not immediately end**
- Next review: **2032**

Result:

- USMCA continues for 10 more years or until an agreement to extend is reached.

### Early Withdrawal

- If any one country uses the withdrawal clause, the **agreement immediately ends**

Result:

- Trade and supply chain shocks
- Puts North American economic stability at risk

# Zooming In: USMCA in Washington

## 40%

Washington jobs supported by international trade

## 319K

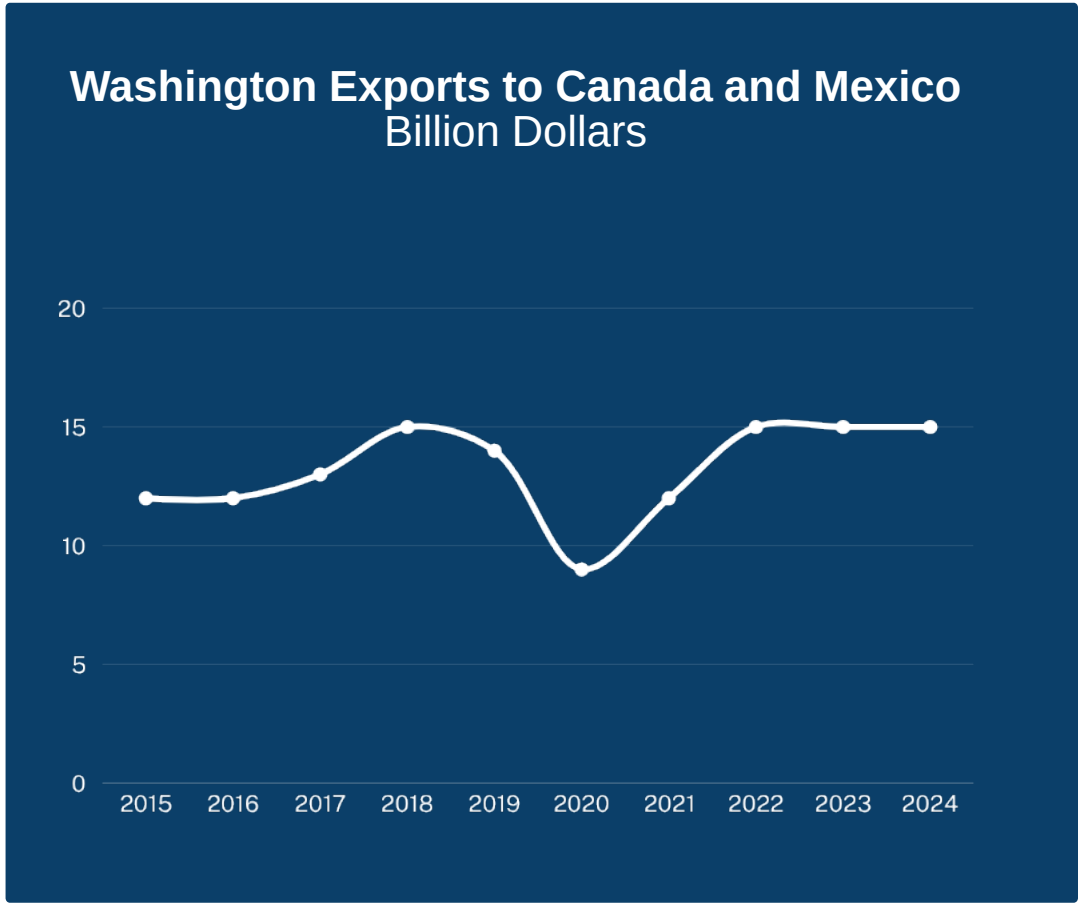
Washington jobs supported by trade with Canada and Mexico

## $6.7B

Washington **exports** to Canada and Mexico
Jan-July 2025

## $10.6B

Washington **imports** from Canada and Mexico
Jan-July 2025



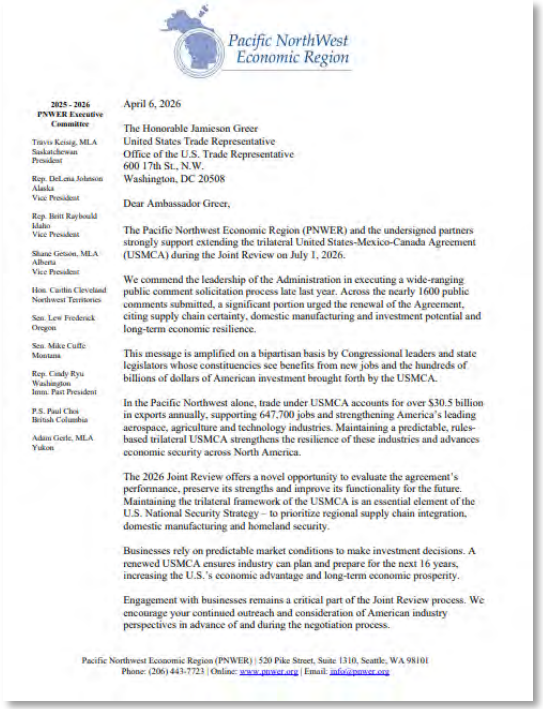

*Data by Business Roundtable and Washington Council on International Trade*

# PNWER's Engagement on USMCA | Highlights

- Elevating USMCA in state legislatures and among Congressional leaders in DC

- Convening businesses/association and educating leaders about the Agreement's importance

- Sent letter to U.S. Trade Representative strongly encouraging extension of USMCA
  - Washington organizations included:
    - Northwest Gas Association
    - WEDA
    - Association of Washington Business
    - Border Policy Research Institute, Western Washington University
    - Economic Development Board for Tacoma-Pierce County
    - Seattle Metropolitan Chamber of Commerce
    - Washington Apple Commission
    - Washington Association of Wheat Growers
    - Washington Council on International Trade
    - Washington Farm Bureau
    - Washington Grain Commission
    - Washington Winegrowers Association
    - Northwest Agricultural Cooperative Council



Pacific NorthWest Economic Region

2025 - 2026 PNWER Executive Committee

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Saskatchewan
President

Rep. DeLena Johnson
Alaska
Vice President

Rep. Britt Raybould
Idaho
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Shane Getson, MLA
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Rep. Cindy Ryu
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P.S. Paul Choi
British Columbia

Adam Gerle, MLA
Yukon

April 6, 2026

The Honorable Jamieson Greer
United States Trade Representative
Office of the U.S. Trade Representative
600 17th St., N.W.
Washington, DC 20508

Dear Ambassador Greer,

The Pacific Northwest Economic Region (PNWER) and the undersigned partners strongly support extending the trilateral United States-Mexico-Canada Agreement (USMCA) during the Joint Review on July 1, 2026.

We commend the leadership of the Administration in executing a wide-ranging public comment solicitation process late last year. Across the nearly 1600 public comments submitted, a significant portion urged the renewal of the Agreement, citing supply chain certainty, domestic manufacturing and investment potential and long-term economic resilience.

This message is amplified on a bipartisan basis by Congressional leaders and state legislators whose constituencies see benefits from new jobs and the hundreds of billions of dollars of American investment brought forth by the USMCA.

In the Pacific Northwest alone, trade under USMCA accounts for over $30.5 billion in exports annually, supporting 647,700 jobs and strengthening America's leading aerospace, agriculture and technology industries. Maintaining a predictable, rules-based trilateral USMCA strengthens the resilience of these industries and advances economic security across North America.

The 2026 Joint Review offers a novel opportunity to evaluate the agreement's performance, preserve its strengths and improve its functionality for the future. Maintaining the trilateral framework of the USMCA is an essential element of the U.S. National Security Strategy – to prioritize regional supply chain integration, domestic manufacturing and homeland security.

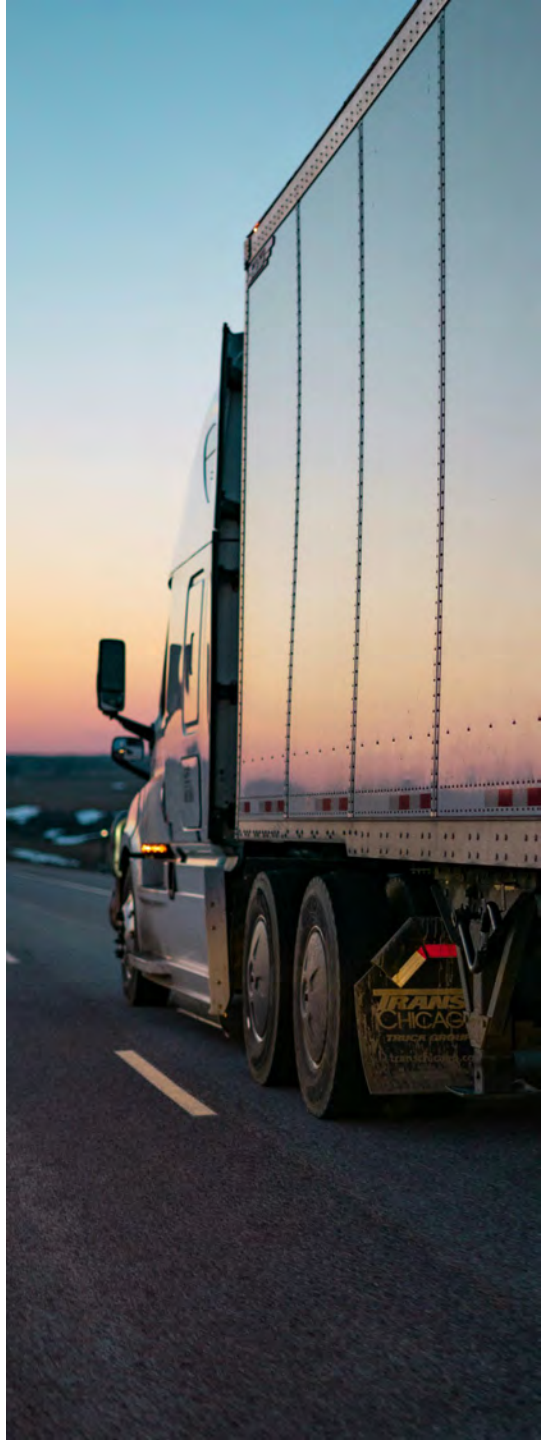
Businesses rely on predictable market conditions to make investment decisions. A renewed USMCA ensures industry can plan and prepare for the next 16 years, increasing the U.S.'s economic advantage and long-term economic prosperity.

Engagement with businesses remains a critical part of the Joint Review process. We encourage your continued outreach and consideration of American industry perspectives in advance of and during the negotiation process.

Pacific Northwest Economic Region (PNWER) | 520 Pike Street, Suite 1310, Seattle, WA 98101
Phone: (206) 443-7723 | Online: www.pnwer.org | Email: info@pnwer.org

# Transportation as a Backbone of Trade

- USMCA and other international trade shape how freight moves through Washington state
- Trade depends on movement via rail, highways, air, ports and border crossings across the region
- Transportation investments impact trade competitiveness and accessibility for shippers
- Understanding trade dynamics helps transportation leaders support resilience and mobility in trade infrastructure networks



# Regional Tourism Growth | FIFA

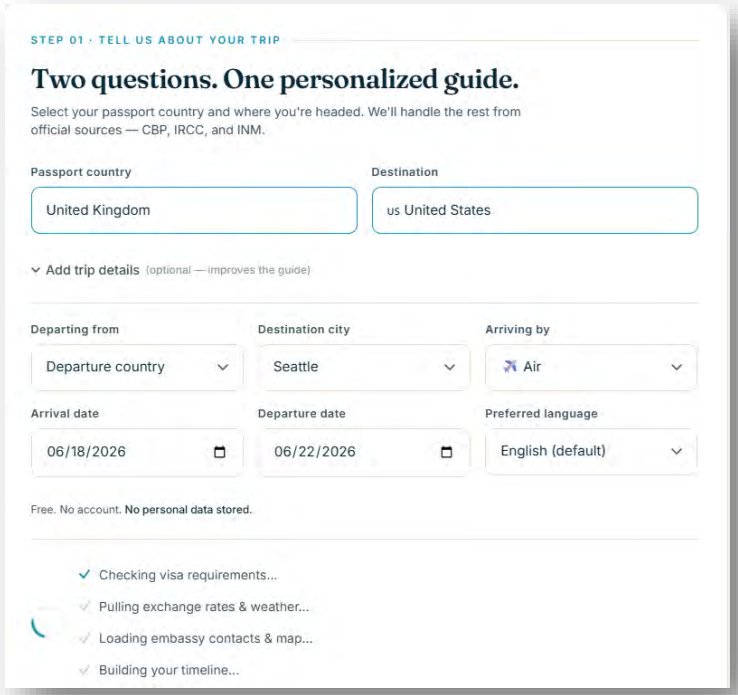
- Investment by Pacific Economic Development Canada to **accelerate international tourism** to the Pacific Northwest during major events, such as FIFA World Cup

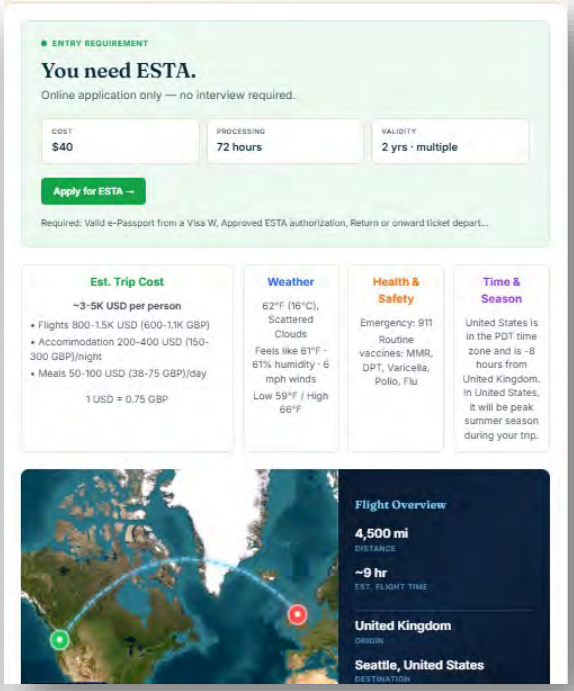
- Convened hundreds of stakeholders across tourism, emergency management, border security and transportation

- Key takeaways:
  - Advanced, aligned communication will streamline travel
  - Large events can be leveraged to attract international investment and highlight sectors
  - Deploying new technologies will accelerate processes
  - Sharing traveler volume and demographic data can drive coordination between planners

# Know Before You Go

- New AI **Know-Before-You-Go tool** developed with Future Borders Coalition provides real-time border crossing information
- Sources data from official government border agencies
- Example: United Kingdom → Seattle




KBYG.watchfireai.com

*SAVE THE DATE*

# 2026 PNWER ANNUAL SUMMIT

**JULY 19 - 23, 2026 | EDMONTON, AB**

**WWW.PNWER.ORG/2026-SUMMIT**

## WHY SHOULD YOU ATTEND?

- **Collaborate** and establish partnerships with Canadian & U.S. public & private sector leaders
- **Learn** about key economic issues facing the region
- **Strengthen** regional networks and cooperation
- **Advocate** for regional policies and cross-jurisdictional initiatives

**REGISTRATION IS NOW OPEN!**

**pnwer.org/2026-summit**

## PNWER ANNUAL SUMMIT BY THE NUMBERS

**10** Provinces, States & Territories

**20+** Sessions & Networking Breaks

**600** Leaders & Decisionmakers

**125+** Speakers

# Build Northwest

## Enhancing Washington's Trade & Transportation Infrastructure

# About the Regional Infrastructure Accelerator

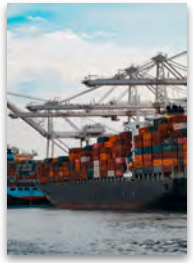
- U.S. Department of Transportation Build America Bureau program
- Connects multi-state transportation projects with innovative federal financing tools, including TIFIA and RRIF loan programs and Public-Private Partnerships (P3s)

## Build Northwest

- Connecting leaders to enhance **trade, supply chains and logistics hub** infrastructure
- **Permitting** reform & expedited **project delivery**
- State & federal education / outreach

## High Performance Rail

- Accelerating investment in **freight and passenger rail** networks
- Connecting communities



## Critical Connections

- Supporting improvements to **sea and inland ports and bridges**
- Connective infrastructure for communities & economies

## Innovative Supply Chains

- Enhancing **regional trade competitiveness**
- Integrating innovative technologies, data-driven solutions & public-private investments

# Our Supply Chain Work in Washington

1. **Cascades Corridor Rail and Port Investment Strategy**: Collaborate with WSDOT and community stakeholders to showcase federal state and local investments for the Amtrak Cascades and freight service between Vancouver BC and Eugene, OR.

2. **Hood River-White Salmon Bridge Replacement Project**: Supporting the WA/OR Bridge Authority in navigating federal credit program gap financing.

★ **High Performance Rail Working Group**: Convening leaders and partners to discuss challenges and opportunities for co-investment in the PNW's freight and passenger rail network.

## Previous Work

3. Support NW Seaport Alliance initiative to provide port drayage truck drivers zero-emission vehicles.

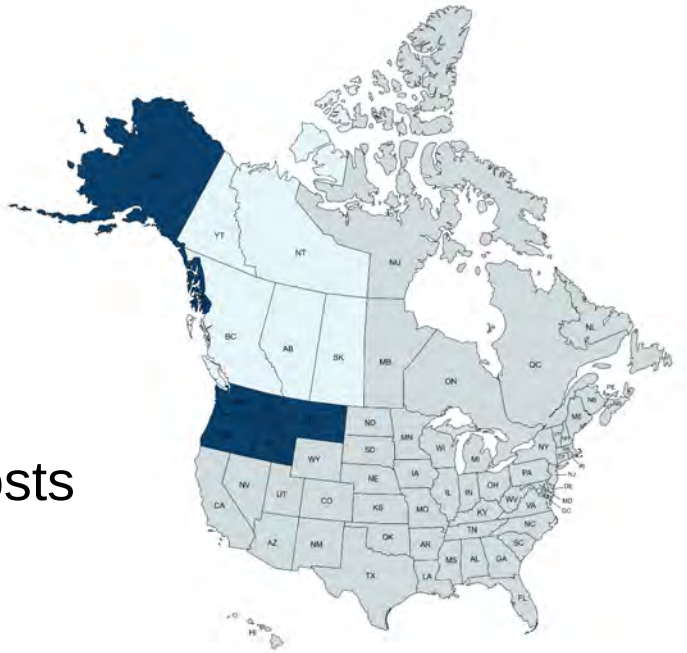
★ Contract with CALSTART through legislative funding to WSDOT for industry outreach for incentive plan for zero-emission MHD vehicles - now WAZIP.

4. Supported BNSF Pines Road grade separation RAISE application - $21M

# Build Northwest Export Accelerator

- Awarded $1 million in congressionally directed spending by Senators Maria Cantwell and Patty Murray

- The research project will:
  - Map and model key supply chains to identify vulnerabilities
  - Coordinate regional strategies to boost exports
  - Compile trade data across state lines
  - Identify critical investments to improve freight efficiency
  - Provide recommendations to enhance resiliency and reduce costs



- State & federal partnerships:
  - WA Commerce
  - WA State Department of Agriculture
  - Universities
  - USDA Rural Development
  - USDOT Rural Opportunities to Use Transportation for Economic Success (ROUTES)

# *Ties That Bind* - Legislative Field Trip

- Hosted policy tour for Washington and Alaska legislators to better understand WA-AK supply chain
  - First trip held April 27-May 1 to Alaska
    - State transportation committee leadership
    - Port of Seattle and Tacoma commissioners (support from Northwest Seaport Alliance)

- Hosting Alaska delegation in Washington later this year
  - Partnerships with USDOT MARAD, Northwest Seaport Alliance, shipyards & Columbia River/inland ports

# FIFA – Cascades Rail

- PNWER advocated for improvements to Vancouver's Pacific Central Station for accessibility improvements in advance of new trainsets
- WSDOT partnering with Amtrak to conduct preclearance of passengers prior to crossing Canada-U.S. border heading south
- Working with legislative and agency partners to increase Amtrak Cascades frequency to 4-5 trains daily

*Airo Trains – Credit: Amtrak*

*Pacific Central Station – Credit: Bob Hare*

Pacific NorthWest Economic Region

# Stay Connected!

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**Bruce@pnwer.org**

**www.PNWER.org** **www.RIANorthwest.org** **@PNWER**