

Partners in Prosperity

The United States and Canada: Economic Security Allies

Canada is critical to U.S. economic prosperity and security. As the United States' closest ally and most reliable trading partner, Canada strengthens U.S. competitiveness against countries that pursue unfair trade practices.

Together: Prosperous, Innovative, and Secure

Canadian companies employ almost 900,000 U.S. workers, and nearly 8 million U.S. jobs are tied to trade with Canada. Our partnership ensures a stable supply of essential goods, from natural resources to food and energy, supporting American jobs and enhancing economic resilience.

Together, we can lead in global markets, drive technological advancements, and ensure mutual prosperity and security. Strengthening our ties is essential for maintaining our competitive edge and addressing shared challenges.



A stable and secure trading partner

Canada is a major source of natural resources, critical minerals, food, and energy for the United States. Our secure and resilient supply chains make us stronger and less reliant on inputs from economies like China and Russia.

With nearly \$1 trillion in bilateral trade each year (or \$2.5 billion each day), our economic partnership is vital. Approximately **70% of Canadian goods exported to the United States are used in the production of other goods**, fueling U.S. manufacturing and supporting millions of American jobs.

The United States sells more goods to Canada than to any other country, **making Canada the top customer for 36 states and a top three customer for 46 states.** In fact, Canada buys more U.S. goods than China, Japan, France, and the U.K. combined. **In 2023, Canada's foreign direct investment stock in the United States totaled \$528 billion.** Nearly half of Canada's direct investment abroad goes to the United States, supporting job creation and economic growth in communities both small and large.

Canada supplies 60% of U.S. crude oil imports, providing good jobs and affordable energy to Americans.

Our partnership ensures continued prosperity and stability for both nations, helping us overcome challenges and seize new opportunities.

U.S.-Mexico-Canada Agreement (USMCA): The Key to North American Prosperity



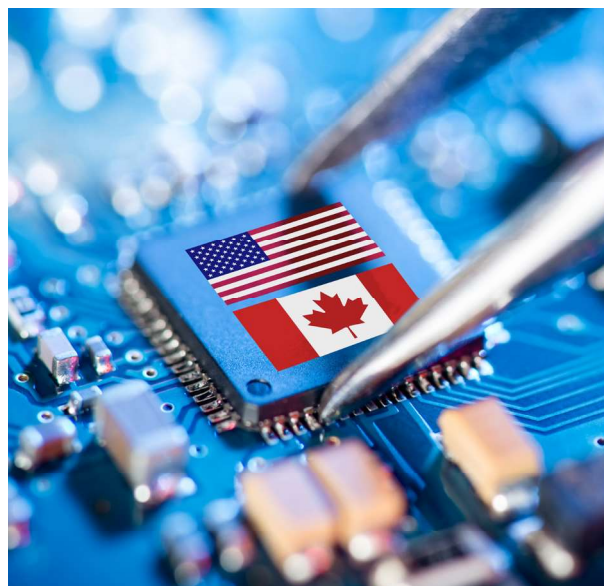
The USMCA is a bipartisan trade deal that serves as the cornerstone of our economic partnership. It provides a stable, predictable, and transparent environment for U.S. businesses, allowing them to prosper, innovate, and grow. Since the USMCA came into effect **in 2020, U.S.–Canada trade has surged by more than 27% — or \$196 billion** — driving economic growth and prosperity on both sides of the border. This agreement not only strengthens our economic ties but

also ensures that American businesses and workers benefit from a robust and reliable trading relationship with Canada. **By reducing trade barriers and tariffs, the USMCA helps lower the cost of goods, making everyday products more affordable for American families and U.S. manufacturing supply chains.**

Innovating Together

Emerging technologies and industries like artificial intelligence, semiconductors, and quantum are key to our shared prosperity. **Canada is uniquely positioned to support North American supply chains and drive growth** in these industries.

With expertise in advanced packaging, photonics, sensors, and compound semiconductors, Canada complements and enhances U.S. technological advancements. **Leveraging Canada's strengths, we can build a more integrated and secure North American technology ecosystem**, boosting our economic competitiveness and driving our leadership in global innovation.



Ensuring Food Security and Affordability

Together, we ensure North America remains the most food-secure region in the world. **In 2023, Canada-U.S. agriculture and agri-food trade reached an impressive \$72.5 billion, helping U.S. supply chains operate more efficiently and supporting millions of U.S. jobs.** Our deeply integrated supply chains are vital in delivering safe, high-quality, and affordable food to millions of American families.



Strengthening this partnership is essential to maintain the **stability and affordability** of our food supply, which directly benefits American consumers and supports our shared economic prosperity.

Partners in Energy Dominance and Security

Our Energy Relationship as a Pillar of Economic and National Security

*The United States - Canada energy relationship is robust, secure, and mutually beneficial. As each other's #1 energy partner, **we fuel the North American economy**, driving key industries like artificial intelligence, automotive, and semiconductors. Our reliable and affordable energy not only powers American businesses but also helps **reduce energy costs for American families**.*

Securing America's Energy Future

Canada plays a crucial role in ensuring the United States achieves energy dominance and security. A network of over 100 pipelines and transmission lines cross the border, moving vast amounts of energy back and forth. This resilient energy supply chain makes **North America more energy independent and less reliant on foreign producers**.



Over 35 major electricity transmission lines and 70 oil and gas pipelines cross our shared border to power millions of homes and businesses. This resilient supply chain lessens dependence on hostile states.

In 2023, **Canada provided 60% of the United States' crude oil imports**, amounting to about 4 million barrels per day. **Canada supplies more crude oil to the United States than Mexico, Saudi Arabia, and Iraq combined.** In July 2024, the U.S. imported a record high daily rate of 4.3 million barrels of oil, thanks to Canada tripling the capacity of the TMX pipeline. Nearly a quarter of U.S. oil refinery intake originates in Canada, providing good jobs and supplying affordable energy to Americans.

By strengthening our energy partnership, we can ensure a stable and reliable energy supply, support U.S. jobs and economic growth, and enhance our national security.



Affordable Canadian electricity lights up nearly six million homes in the Pacific Northwest, Minnesota, New York State, and New England.

Canada provides the majority of U.S. energy imports, including 99% of natural gas, 85% of electricity, 60% of crude oil and 27% of uranium for nuclear power.

Fueling Prosperity

Canadian energy is a cornerstone of the U.S. economy, fueling business competitiveness and growth. **In 2023, our energy trade reached \$153.7 billion, encompassing oil, natural gas, electricity, and uranium.** This robust partnership not only ensures a stable and secure energy supply but also drives innovation across all sectors. Through strong U.S.-Canada cooperation, we lead the development of advanced nuclear technologies and provide fuels for both current and next-generation reactors, with the first small modular reactor in North America – designed by an American company – set to go online in Canada in 2029.

Canadian energy supports millions of good paying jobs across the United States.



Uranium from Canada powers 19 million homes across the United States. Canada's enormous reserves of high-grade uranium are a unique asset among G7 countries.

Canadian energy is one of the most competitively priced in the world, helping to lower energy costs for the U.S. consumer.



A Trusted Partner for Critical Minerals

Canada is America's partner of choice for critical minerals, **producing over 60 minerals and metals, including 21 of the 50 listed as critical by the U.S. Geological Survey.** Canada is a reliable source of critical minerals, essential for U.S. economic strength and national security.

Critical minerals are key for making batteries and semiconductors. Strengthening North American critical mineral supply chains reduces reliance on countries with unfair trade practices and ensures a steady supply of these resources, aligning with U.S. goals of security, prosperity, and affordability. The U.S. defense sector is one of the largest beneficiaries of Canada's mineral resources and expertise.



Canada is a top 3 supplier of semiconductor and key EV and battery minerals to the United States. Canada is a global leader in critical minerals and has the potential to build the world's number one battery supply chain, overtaking China for the first time in 2024.

Canada is a top U.S. supplier of:

Potash (*agriculture and food security*) → **71%**

Refined Zinc (*steel industry*) → **50%**

Tellurium (*solar cells and other uses*) → **32%**

Niobium (*defense*) → **26%**

Aluminum (*automotive and transportation*) → **23%**

Nickel (*steel and batteries*) → **23%**

Uranium (*nuclear power*) → **21%**

Germanium (*defense*) → **13%**

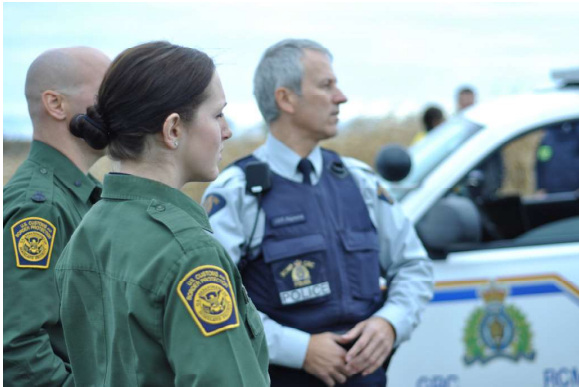
Percentage of U.S. consumption from Canada vs. the rest of the world. Source: U.S. Geological Survey, Mineral Commodity Summaries 2024

Continental Defense & Security

Working together to keep North America safe

The United States and Canada share an unwavering commitment to each other's security. Our law enforcement, intelligence agencies, military, and security forces collaborate seamlessly to safeguard the North American perimeter. As Arctic allies, we are dedicated to securing our northern regions.

*Canada stands resolutely by the United States, ready to **protect our shared values and sovereignty**, with a revitalized defense policy enhancing the Canadian Armed Forces. Recent improvements to Canadian border and law enforcement agencies will further strengthen border integrity by increasing resources to combat illegal activity.*



Ensuring a Safe and Secure Border: A Seamless U.S.-Canada Partnership

Our shared border, the longest in the world, is protected 24/7, 365 days a year. Canadian and U.S. law enforcement agencies work closely, using advanced technologies and shared intelligence to prevent the illegal movement of **drugs, firearms, and people**. This collaboration ensures the secure and efficient flow of goods and people, **vital for both countries' economic competitiveness and prosperity**.

Combating Fentanyl:

Fentanyl trafficking and the overdose epidemic affect both the United States and Canada, making joint initiatives such as the North American Drug Dialogue essential to disrupt drug movement. Canada is committed to detecting, intercepting, and addressing the threat of fentanyl and precursor chemicals. We are deploying advanced AI and imaging tools, 100 new chemical detection tools at high-risk ports, and establishing a Canadian Drug Profiling Centre to support 2,000 investigations annually. In 2023-2024, Canada seized over 110,000 pounds of illegal drugs at the border, both inbound and outbound. **Canada is a minimal source of fentanyl for the United States.**

Border Integrity and Security:

We are enhancing border security with a **new Aerial Intelligence Task Force, including helicopters, drones, and mobile surveillance towers**. AI and counter-drone technology provide 24/7 surveillance at border hotspots. Canadian and U.S. officials work through the Cross Border Crime Forum and the Cross-Border Firearms Task Force to prevent smuggling. Initiatives like "Project Moneypenny" disrupted a firearms trafficking operation, seizing 173 smuggled firearms and making dozens of arrests.

Addressing Illegal Migration:

The United States and Canada collaborate on illegal migration through the updated Safe Third Country Agreement, which requires most asylum seekers to request protection in the first safe country they enter. Canada's Royal Canadian Mounted Police (RCMP) are using all available measures to combat illegal migration into the United States and Canada including existing legislation such as the Criminal Code, coordinated aerial surveillance, and improved technology at the border. **In 2024, less than 1% of illegal crossings reported by the U.S. were at the Canadian border.**



Canada is committed to working with the United States to curb illegal migration before individuals reach the border. In 2024, an RCMP investigation in Quebec led to charges under the Criminal Code against two individuals conspiring to smuggle people from Canada to the United States.

NORAD: A Legacy of Binational Continental Defense

For over 65 years, Canadian and American armed forces have jointly defended North America through the North American Aerospace Defense Command (NORAD), **the only binational military command in the world**. NORAD is ready to detect and respond to threats from intercontinental ballistic missiles, aircraft, terrorism, and other air, missile, and space vehicles. To keep pace with evolving threats, Canada is investing in NORAD modernization by enhancing infrastructure, control and communications, surveillance, air weapons systems, and science and technology. **Approximately 1,000 Canadian Armed Forces personnel support the NORAD mission throughout North America.**

Operation NANOOK, the Canadian Armed Forces' signature Arctic training operation, reinforces Canada as a key partner and expert in Arctic security and defense and ensures a more persistent presence in the Arctic. Key allies and partners, including the United States, are invited to participate each year.



Arctic Allies: Pioneering Security and Innovation in the North

The Arctic's strategic importance is growing due to geopolitical competition, economic interests, and environmental shifts. **Canada is the United States' premier partner in the Arctic**, collaborating on security, environmental, and infrastructure issues. Canada's military leads in monitoring the North and is establishing Northern Operational Support Hubs and a new satellite ground station to provide year-round presence. In November 2024, Canada, Finland, and the United States signed the **Icebreaker Collaboration Effort (ICE Pact)**, a landmark agreement to jointly develop Arctic and polar icebreakers. This partnership will boost industry collaboration, coordinate expertise, and strengthen Arctic protection, ensuring **regional security and stability**.



Allies in the World

Working together to maintain a more peaceful and stable world

*On the ground, in the air, or on the seas, Canada is at the United States' side – **steadfast, ready and firmly committed** to defend our sovereignty and common values of our great nations around the world.*

Fortifying the Future: Canada's Expansive Defense Initiatives

Canada has recently updated its defense policy to ensure we have the resources and capabilities to respond to a complex global security environment and move forward on our North American Treaty Organization (NATO) commitments. Canada delivers by strengthening the foundations of the Canadian Armed Forces (CAF) and increasing spending to defend against threats. In addition to these commitments, Canada is making significant investments to enhance our contributions to global security:



Operation REASSURANCE 2024

Central and Eastern Europe

Operation REASSURANCE is the CAF's largest overseas mission, contributing to NATO assurance and deterrence measures in Central and Eastern Europe. Canada has been leading NATO's multinational enhanced Forward Presence Battle Group in Latvia for the past seven years and is now leading the 13-nation multinational Brigade, the biggest reinforcement of the Alliance's collective defense in a generation.



Operation UNIFIER 2024

Ukraine

Through Operation UNIFIER, Canada has trained over 43,000 Ukrainian troops since 2015. We have also provided extensive military assistance, including armored vehicles, tanks, anti-tank weapons, small arms, artillery, ammunition, drones, and demining equipment.

Indo-Pacific

Canada is increasing its military presence in the Indo-Pacific region through Operation HORIZON, boosting naval deployments and participating in international exercises. Canada also contributes to the coordinated multinational effort to support the implementation of United Nations Security Council sanctions imposed against North Korea through persistent naval and long-range patrol aircraft.



Operation HORIZON 2024

Cyber and Space Capabilities

Canada is enhancing our space and cyber domain awareness, deterrence, and defense, having established CAF Cyber Command and 3 Canadian Space Division in the past few years.

In times of upheaval and uncertainty around the world, the United States can count on Canada as we show up when and where it matters, with what matters to make the world a safer place for Americans and Canadians alike.

Strengthening Global Defense Together

The United States and Canada share unmatched interoperability, boosting our defense and security frameworks. Through multilateral agreements and the U.S. Foreign Military Sales program, Canada has fortified our joint capabilities with several recent strategic defense purchases.

This robust partnership ensures that together, we are prepared to face any threat, safeguarding security and stability both regionally and globally. Canada's recent planned investments in advanced defense capabilities underscores our role as a reliable and indispensable ally in maintaining international peace and security.



Boeing P-8A Multi-Mission Aircraft

Ensuring joint patrols of shared waters and the Arctic.



Lockheed Martin F-35 Fighter Jets

Along with thousands of American-built missiles, boosting our air defense.



AEGIS System and SPY-7 Radar

In Canada's new River-class destroyers, ready for global threats.

General Atomics Remotely Piloted Aircraft Systems

Providing precise Arctic monitoring.



A Pillar of Support in Global Security

Canada stands as a pillar of global security, demonstrating unwavering commitment to human rights and democracy. As a **top 10 contributor** to international development and humanitarian assistance, Canada actively uses economic and diplomatic sanctions to influence rogue regimes and leads global efforts in counter terrorism and combating violent extremism, including antisemitism. Since February 2022, Canada's multifaceted support for Ukraine—encompassing financial, military, humanitarian, development, and immigration assistance—highlights its dedication to **defending democracy and sovereignty**.

In the Indo-Pacific, Canada is a reliable partner, working alongside the United States and other allies to promote a secure, prosperous, inclusive, and sustainable future. Canada's clear-eyed approach to China, aligned with regional and global partners, and its multifaceted engagement with Taiwan, underscore its strategic and balanced diplomacy. As G7 and G20 members, **Canada and the United States jointly advance North American interests**, enhancing their collective influence. Additionally, Canada's security assistance in Haiti and the Sahel and Horn of Africa, further solidifies its role as a key player in global security. This collaborative approach not only benefits Canada and the United States but also contributes to a **more stable and secure world**.

The United States and Canada: Strong Arctic Partners

The United States and Canada, both Arctic states, share a vital partnership essential for a secure and prosperous North American homeland. As geopolitical competition, economic interests, technological advancements, and melting sea ice increase the Arctic's strategic importance, our collaboration is even more crucial to maintaining peace and stability in the region.

A History of Cooperation in the Arctic

The United States is Canada's premier Arctic partner, with shared priorities in security, search and rescue, critical minerals, energy development, scientific research, conservation, and environmental protection. Our collaboration through bilateral arrangements and international forums underscores our commitment to continental defense, sustainable development, and Arctic resilience. Our mutual support for the Arctic Council ensures Arctic governance remains with Arctic states. By working together, the United States and Canada can enhance leadership and promote peaceful engagement in the Arctic.

A Secure Arctic is a Secure North America

The Arctic is now a critical region for national security, especially with increased military activities by Russia and China. As the United States' partner in the North American Aerospace Defense Command (NORAD) — the world's only binational military command — Canada's Armed Forces play a key role in monitoring and responding to threats in the Arctic and the North American continent. Our defense partnerships through both NORAD and NATO enhance information-sharing and deepen operational and strategic engagement, ensuring continental security.

Arctic Security with the Icebreaker Collaboration Effort

A prime example of our strong partnership in the Arctic is the Icebreaker Collaboration Effort (ICE Pact) signed in November 2024 by Canada, Finland, and the United States. This landmark and



RANGERS HELP SECURE THE ARCTIC

Canada engages in the Arctic from a position of strength thanks to the Canadian Armed Forces' presence and capabilities, including the Canadian Rangers. The Rangers are active, well-respected community members who play a critical role in demonstrating Canadian sovereignty over the North and the Arctic. They are also vital in Arctic search and rescue operations, supporting security and communities in the region.



innovative agreement to jointly develop Arctic and polar icebreakers will boost the U.S. and Canadian shipbuilding industry, leverage highly specialized technical expertise, and strengthen Arctic protection by enabling greater U.S. and Allied naval and Coast Guard presence in the region.

Canada's Arctic Foreign Policy

Canada's Arctic Foreign Policy, announced in December 2024, broadens Arctic security to include community, research, economic, information, and infrastructure security. The policy aims to strengthen national resilience and defend critical infrastructure against foreign threats. Canada will continue to hold Russia accountable, confront aggression, and, alongside the United States, defend NATO's western flank. The Canadian Coast Guard's annual Operation Pacer Goose will continue to ensure safe delivery of supplies to the U.S. Pituffik Space Base in Greenland. Increased defense spending and the addition of an Arctic ambassador and Canadian consulates in Anchorage and Nuuk will enhance diplomatic engagement among Arctic allies. Together with Canada's updated defense policy, these emphasize Canada's leadership in the Arctic.

Strategic Arctic Resource Management for Economic Growth

Melting sea ice in the Arctic is opening new shipping routes and access to untapped resources like oil, gas, and minerals which offers economic potential but also requires careful management to protect our national interests from adversaries. Canada's sustainable resource management policies ensure balanced development and environmental protection. Canada also promotes Indigenous stewardship, supporting Indigenous Guardians in monitoring wildlife, conducting search and rescue missions, and maintaining cultural sites.

A coordinated approach between the United States and Canada promotes responsible Arctic resource management. By collaborating, we can leverage our expertise to harness resources responsibly, secure energy supplies,

and foster innovation. This partnership will enhance economic growth, job creation, and strategic interests, benefiting both countries and contributing to global stability.



UPDATED CANADIAN DEFENSE POLICY TO ENHANCE ARCTIC SECURITY WITH HISTORIC INVESTMENTS

- *Year-round presence with Northern Operational Support Hubs and a satellite ground station*
- *Modern tactical helicopter capability*
- *Airborne early warning aircraft for early threat detection*
- *Improved naval fleet sustainment*
- *Specialized maritime sensors and expanded submarine fleet for underwater defense on all three coasts*

Canada is committed to a secure and stable Arctic, to defending against threats to the continent, and to advancing shared priorities.

Together, we can build a secure, prosperous, and resilient Arctic future for both countries.

Critical Minerals

Ensuring a safer, energy-secure future and laying the foundation for modern technology

Critical minerals are essential to modern technology, security, and the advanced energy economy. They are key for energy production and storage, defense technologies, and critical infrastructure.

Canada’s critical minerals are key to U.S. national and economic security.

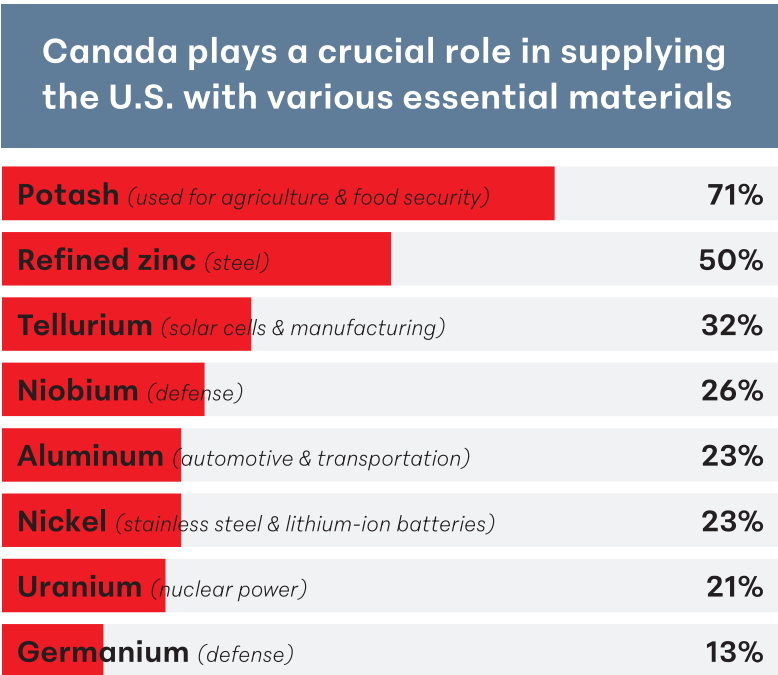
Canada: A Premier Partner for U.S. Critical Minerals Supply

Canada is producing over 60 minerals and metals, including 21 of the 50 listed as critical by the U.S. Geological Survey as well as producing or refining 10 out of the 12 NATO defense-critical raw materials. Canada is a leading supplier to the United States of minerals for the agriculture, defense, energy, and communications technology industries. This extensive production capacity, combined with our deep and highly sought expertise in the minerals sector across academia, government, finance, industry, and non-governmental organizations, makes Canada an indispensable ally in securing a stable and reliable supply of critical minerals.

Strengthening U.S. National Security Through North American Critical Mineral Supply Chains

Canada and the United States are each other’s #1 minerals trading partner, with almost \$150 billion in annual two-way minerals and metals trade. Canada is already a secure and reliable provider of critical minerals and processed materials to highly integrated North American supply chains. Strengthening our partnership reduces reliance on China and other countries with unfair trade practices and ensures a steady supply of these resources, aligning with U.S. goals of **security, prosperity, and affordability**.

Through the Canada–U.S. Joint Action Plan on Critical Minerals and other agreements, we are building North American critical mineral supply chains that bolster diversity in the market, reduce risk, and safeguard our shared strategic national security and economic interests. Canadian mineral resources and processing capacity are important assets for bolstering U.S. defense with joint investments of \$100 million from the U.S. Department of Defense and Canada to develop strategic critical minerals assets in Canada. Five Canadian companies — Fortune Minerals Limited, Lomiko Metals, Nano One, Electra Battery Materials, and Fireweed Metals — will use this funding to advance the development of resilient North American critical mineral supply chains.



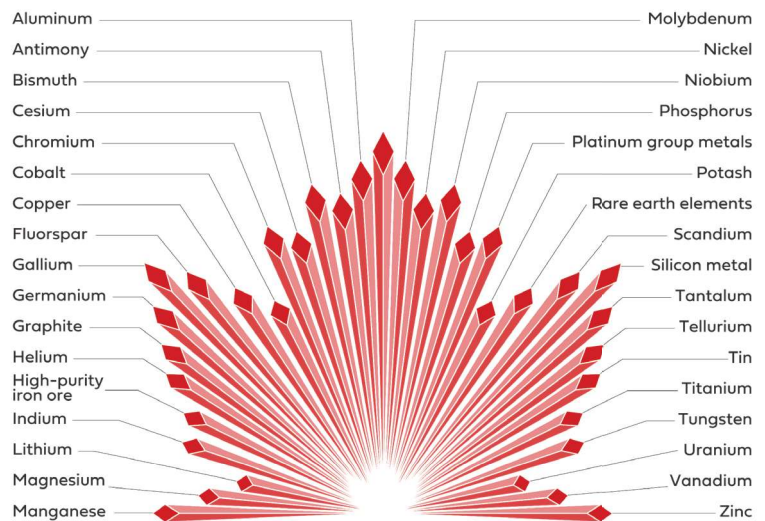
Percentage of U.S. consumption from Canada vs. the rest of the world.
Source: U.S. Geological Survey, Mineral Commodity Summaries 2024

Securing the Future: Canada's Critical Minerals Support U.S. Advancements

Critical minerals are key for manufacturing EV batteries and semiconductors, and Canada is already a top three supplier of these essential materials to the U.S., including tellurium, copper, indium, germanium, and silicon. Additionally, Canada is a leading provider of key minerals for electric vehicles (EVs) and battery production.

Uniquely, **Canada is the only country in the Western Hemisphere that has all the critical minerals required to manufacture EV batteries.** According to

Bloomberg New Energy Finance, Canada is a global leader in critical minerals and has the potential to build the world's number one battery supply chain — overtaking China for the first time in 2024. By partnering with Canada, the U.S. can secure its supply chains, meet projected energy demands, and drive innovation and technological advancements across all sectors.



Strengthening Manufacturing Capacity on Both Sides of the Border

In 2024, Nouveau Monde Graphite and General Motors signed a multi-year supply agreement for active anode materials. This agreement supports mining and manufacturing in Canada, and the production of EV batteries for General Motors vehicles in the U.S.

Securing U.S. Defense with Canadian Critical Minerals

Critical minerals are vital for defense technologies like aircraft, missile defense, and military equipment, and have dual uses in energy and advanced manufacturing. Further Canada-U.S. collaboration on critical minerals could allow Canada to replace U.S. imports from China and other countries for key minerals such as rare earth elements, natural graphite, bismuth, gallium, germanium, scandium, and tungsten.

In addition to mined supply, Canada can produce more defense minerals from refining and recycling (e.g., tungsten, gallium). Targeted actions, such as co-funding of critical minerals projects alongside the U.S.' Defense Production Act (DPA) Title III program, and fast-tracking regulatory reviews of critical minerals projects related to defense, semiconductors, and batteries applications, are essential. This collaboration will bolster U.S. defense capabilities and ensure a resilient supply chain.

Increased Canada–U.S. collaboration on critical minerals will secure supply chains, enhance U.S. national security, and reduce dependence on other countries.

Border Security

Working Together to Safeguard Our Shared Border

Canada and the United States are committed to safeguarding our shared border, the longest in the world. This vital corridor, used by approximately 400,000 people and facilitating \$2.5 billion worth of goods and services trade daily, is protected 24/7, 365 days a year. U.S. and Canadian law enforcement agencies collaborate closely, using advanced technology and shared intelligence to significantly reduce illegal migration, deter illicit movement of drugs, such as fentanyl, firearms and other goods, and protect the North American perimeter. Recently announced resources for Canadian border and law enforcement agencies will further strengthen border integrity by increasing tools and capacity to combat illegal activity.

A secure Canadian border is a secure U.S. border.

Canada Bolsters Border Security

In December 2024, Canada unveiled an action plan to enhance security and continue to strengthen its immigration systems focusing on five pillars:

1. Detecting and Disrupting the Fentanyl Trade

- New artificial intelligence and enhanced imaging tools like portable X-ray machines and mobile examination vehicles to detect illegal drugs.
- New canine teams and 100 new chemical detection tools at high-risk ports of entry.
- Creation of a drug profiling center supporting 2,000 investigations annually.
- New unit to monitor and act against precursor chemicals, supply chains, and distribution channels.

2. Significant New Tools for Law Enforcement

- New Aerial Intelligence Task Force with helicopters, drones, and surveillance towers.
- Expanded mandates for port facilities to support export inspections.
- Enhanced capacity and capabilities to target organized crime and fentanyl trafficking.

3. Enhancing Operational Coordination

- Creation of Canada-U.S. Joint Strike Force to combat transnational organized crime.
- Three new regional hubs (federal, provincial, and local law enforcement) to intercept organized crime and illegal drugs.

4. Increasing Information Sharing

- Build on information and intelligence sharing between Canada, the U.S., and international partners to intercept high-risk individuals and goods of interest.

5. Minimizing Unnecessary Border Volumes

- End temporary residents “flagpoling” to receive immigration services at the border.
- Strengthen control over immigration documents.
- New restrictions on countries not facilitating the rapid return of their citizens.

Preventing Firearms Smuggling

Canadian and U.S. officials collaborate closely through the Cross Border Crime Forum and the Cross-Border Firearms Task Force to prevent firearms and other illegal substances from being smuggled across our shared border. Initiatives like “Project Money Penny” have disrupted firearms trafficking, resulting in the seizure of 173 smuggled firearms and dozens of arrests.

Since 2022, Canadian authorities have enforced a **100% tracing policy for seized firearms**, significantly enhancing our ability to track crime guns. **In 2023, 79% of firearms seized by Canadian authorities were traced back to the United States.**

Combating Drug Trafficking

Fentanyl trafficking and the overdose epidemic impact both the United States and Canada. In 2023, the United States had 27.4 opioid-related overdose deaths per 100,000 people, while Canada saw 21.3 per 100,000. This shared challenge has tragic consequences in Canadian and American communities, making joint initiatives like the North American Drug Dialogue crucial to disrupt drug movement. **Canada is not a significant source of fentanyl for the United States.** In 2024, U.S. border officials seized only 43 pounds of fentanyl at the Canadian border, compared to 21,000 pounds at the Mexican border. Canada lists fentanyl precursor chemicals under the Controlled Drugs and Substances Act, enabling stronger action against illegal importation. The United States and Canada face the shared challenge of precursors coming from China, which we jointly tackle through the Joint Action Plan on Opioids and the Trilateral Fentanyl Committee to deter the global supply of illicit fentanyl and its precursors before they reach the Western Hemisphere.

Addressing Illegal Migration and Human Trafficking

The United States and Canada work together on illegal migration through bilateral agreements like the expanded Safe Third Country Agreement (STCA), which requires most asylum seekers to request protection in the first safe country they enter. In March 2023, the STCA, previously applied only at official crossings, was expanded to cover the entire land border, including internal waterways like the Great Lakes. Canada is also enhancing its asylum system by allocating resources for processing claims, detaining high-risk individuals, and removing failed claimants by housing them temporarily in a Regional Reception Centre to ensure public safety.

In 2024, Canada took significant action to enhance the integrity of its temporary resident programs by tightening eligibility requirements for temporary foreign workers, enforced employer compliance more strictly, and took action to mitigate fraud. **Canada's reimposition of partial visa requirements for Mexican citizens in February 2024 reduced Mexican volumes crossing illegally to the United States from Canada by 72% compared to 2023.** Actions to reduce visa fraud, identity threats, and tighten visa screening for key populations who are abusing the system are producing results: **Canada investigated 600% more cases of potential misrepresentation by clients from September 2023 than the same time in 2024.**

Canada is committed to working with the U.S. to curb illegal migration before individuals reach the border. The RCMP employ measures such as coordinated aerial surveillance, improved border technology, and existing legislation like the Criminal Code. **Less than 1% of total illegal crossings to the U.S. occur at the Canadian border.** Since spring 2024, Canada-U.S. joint efforts to reduce illegal entries into the U.S. by non-genuine visitors to Canada are seeing significant progress with an **89% decrease in volumes between June and December 2024.** In addition, Canada has conducted several operations resulting in significant successes in intercepting illegal human smuggling activities. For example, in 2024, the RCMP made several arrests in connection to a suspected human trafficking ring which carried out multiple trafficking operations involving over 100 migrants in the Cornwall, Ontario area to the United States.

Our joint goal: keep the border open to legitimate trade and travel while closing it to terrorists and criminals. Our law enforcement and intelligence agencies work closely with U.S. partners daily to combat terrorism, recognizing that a threat to one country is a threat to both.