UNITED STATES DEPARTMENT OF COMMERCE
The Under Secretary for International Trade
Washington, D.C. 20230

AUG 30 2006

The Honorable Thomas G. Tancredo
U.S. House of Representatives
Washington, D.C. 20515

Dear Representative Tancredo:

Thank you for your letter regarding the Security and Prosperity Partnership of North America (SPP). I am pleased to respond on behalf of the Department of Commerce.

The SPP is not a group, but a White House-led effort to enhance our economic prosperity and security through greater cooperation and information sharing with our neighboring countries, Canada and Mexico. These two countries are our two largest trading partners, and, for example, represent Colorado's first and second largest export markets, respectively. Not only is it in our best interest to communicate and coordinate with our neighbors, it is essential.

As soon as it is published, I will ensure that you receive a copy of the 2006 SPP Report, which will provide the status of the various initiatives. In the meantime, enclosed is a fact sheet that may be useful to you. More information on SPP initiatives, which are being implemented with existing resources, can be found on our website, www.spp.gov.

If you have any further questions, please contact me [redacted]

Sincerely,

Franklin L. Lavin

Enclosure

Security and Prosperity Partnership of North America (SPP):

The SPP is an initiative among the United States and the two nations it borders – Canada and Mexico – to increase security and to enhance prosperity among the three countries through greater cooperation. The SPP is based on the principle that our prosperity is dependent on our security and recognizes that our three great nations share a belief in freedom, economic opportunity, and strong democratic institutions. The SPP outlines a comprehensive agenda for cooperation among our three countries while respecting the sovereignty and unique cultural heritage of each nation. The SPP provides a vehicle by which the United States, Canada, and Mexico can identify and resolve unnecessary obstacles to trade and it provides a means to improve our response to emergencies and increase security, thus benefiting and protecting Americans.

The SPP is meant to:

- *Coordinate our security efforts to better protect U.S. citizens from terrorist threats and transnational crime and promote the safe and efficient movement of legitimate people and goods;*
- *Expand economic opportunity for all our people by making our businesses more competitive in the global marketplace, cutting red tape, and providing consumers with safe, less expensive, and innovative products; and*
- *Enhance our common efforts to combat infectious diseases, develop responses to man-made or natural disasters to enhance our citizens' quality of life, protect our people and our environment, and improve consumer safety.*

The SPP benefits the American people in many ways, and much progress has already been made. For example (see www.spp.gov for more information):

- ✓ To save lives, prevent injuries, and make consumer goods safer, the United States, Canada and Mexico signed separate agreements for advance notifications when consumer goods violate one country's safety standards or pose a danger to consumers.
- ✓ To strengthen border security, Mexican and U.S. agencies are exchanging information and establishing protocols to detect fraud and smuggling, and address border violence.
- ✓ To speed up response times when managing infectious disease outbreaks, the United States and Canada signed an agreement to enable simultaneous exchange of information between virtual national laboratory networks.
- ✓ To speed cargo shipping, the three countries are developing uniform in-advance electronic exchange of cargo manifest data for maritime, railroad and motor carriers.
- ✓ To develop a coordinated strategy aimed at combating counterfeiting and piracy, a task force of senior officials from the three North American countries has been established
- ✓ To reduce the cost of trade, the United States and Canada decreased transit times at the Detroit/Windsor gateway, our largest border crossing point, by 50 percent.
- ✓ To reduce market distortions, facilitate trade, and promote overall competitiveness, the North American Steel Trade Committee developed a new strategy that focuses on improving innovation and market development.

Security and Prosperity Partnership of North America (SPP): Myth vs. Fact

Myth: The SPP was an agreement signed by Presidents Bush and his Mexican and Canadian counterparts in Waco, TX, on March 23, 2005.

Fact: The SPP is a dialogue to increase security and enhance prosperity among the three countries. The SPP is not an agreement nor is it a treaty. In fact, no agreement was ever signed.

Myth: The SPP is a movement to merge the United States, Mexico, and Canada into a North American Union and establish a common currency.

Fact: The cooperative efforts under the SPP, which can be found in detail at www.spp.gov, seek to make the United States, Canada and Mexico open to legitimate trade and closed to terrorism and crime. It does not change our courts or legislative processes and respects the sovereignty of the United States, Mexico, and Canada. The SPP in no way, shape or form considers the creation of a European Union-like structure or a common currency. The SPP does not attempt to modify our sovereignty or currency or change the American system of government designed by our Founding Fathers.

Myth: The SPP is being undertaken without the knowledge of the U.S. Congress.

Fact: U.S. agencies involved with SPP regularly update and consult with members of Congress on our efforts and plans.

Myth: The SPP infringes on the sovereignty of the United States.

Fact: The SPP respects and leaves the unique cultural and legal framework of each of the three countries intact. Nothing in the SPP undermines the U.S. Constitution. In no way does the SPP infringe upon the sovereignty of the United States.

Myth: The SPP is illegal and violates the Constitution.

Fact: The SPP is legal and in no way violates the Constitution or affects the legal authorities of the participating executive agencies. Indeed, the SPP is an opportunity for the governments of the United States, Canada, and Mexico to discuss common goals and identify ways to enhance each nation's security and prosperity. If an action is identified, U.S. federal agencies can only operate within U.S. law to address these issues. The Departments of Commerce and Homeland Security coordinate the efforts of the agencies responsible for the various initiatives under the prosperity and security pillars of the SPP. If an agency were to decide a regulatory change is desirable through the cooperative efforts of SPP, that agency is required to conform to all existing U.S. laws and administrative procedures, including an opportunity to comment.

Security and Prosperity Partnership of North America (SPP): Myth vs. Fact

Myth: The SPP will cost U.S. taxpayers money.

Fact: The SPP is being implemented with existing budget resources. Over the long-term, it will save U.S. taxpayers money by cutting through costly red tape and reducing redundant paperwork. This initiative will benefit the taxpayers through economic gain and increased security, thereby enhancing the competitiveness and quality of life in our countries.

Myth: The working groups and SPP documents are a secret and not available to the public.

Fact: The SPP's initiatives and milestones with timelines can be found by clicking the Report to Leaders link at www.spp.gov. The Web site contains a section to enable interested persons to provide input directly to the various working groups.

Myth: The SPP seeks to lower U.S. standards through a regulatory cooperation framework.

Fact: The framework will support and enhance cooperation and encourage the compatibility of regulations among the three partners while maintaining high standards of health and safety. Enhanced cooperation in this area will provide consumers with more affordable, safer, and more diversified and innovative products. Any regulatory changes will require agencies to conform to all U.S. administrative procedures, including an opportunity to comment.

Myth: The SPP is meant to deal with immigration reform and trade disputes.

Fact: Immigration reform is a legislative matter currently being debated in Congress and is not being dealt with in the SPP. Likewise, trade disputes between the United States, Canada, and Mexico are resolved in the NAFTA and WTO mechanisms and not the SPP.

Myth: The SPP will result in the loss of American jobs.

Fact: The SPP seeks to create jobs by reducing transaction costs and unnecessary burdens for U.S. companies, which will bolster the competitiveness of our firms globally. These efforts will help U.S. manufacturers, spur job creation, and benefit consumers.

Myth: The SPP will harm our quality of life.

Fact: The SPP improves the safety and well-being of Americans. It builds on efforts to protect our environment, improves our ability to combat infectious diseases, such as avian influenza, and ensures our food supply is safe through the exchange of information and cooperation — improving the quality of life for U.S. citizens. Americans enjoy world class living standards because we are engaged with the world.

Security and Prosperity Partnership of North America (SPP):
Myth vs. Fact

Myth: The SPP creates a NAFTA-plus legal status between the three countries.

Fact: The SPP does not seek to rewrite or renegotiate NAFTA. It creates no NAFTA-plus legal status.

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