STRENGTHENING NORTH AMERICAN TIES - A Must For Competitiveness



A hydrogen fuel cell buses stands at the bus station. Photo courtesy of: Scharfsinn/shutterstock.com

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Making North America a clean energy leader

Goldy Hyder

Just like the COVID-19 virus, the devastating effects of climate change know no borders. Flooding, forest fires, and other extreme weather-related natural disasters are now regularly wreaking havoc on communities across North America. The costs of these catastrophes are measured not only in dollars and pesos but in human lives.

Canada, the United States, and Mexico must combat this common threat by working together, sharing resources, and investing in the development of innovative clean energy solutions. A continental approach to reducing the greenhouse gas (GHG) emissions, which cause climate change, is the best way to mitigate its impact on our three countries.

To that end, when President Joe Biden, President Andrés Manuel López Obrador, and Prime Minister Justin Trudeau held their first trilateral leaders' summit in five years last November they committed to "swift and coordinated action to fight climate change", promising joint efforts to accelerate the transition to renewable energy and the adoption of zero emission vehicles.





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Within months of their meeting, these efforts were given greater urgency when Russia invaded Ukraine. Global supply chains have been massively disrupted, and Russia's natural resources were weaponized by Moscow. As one Biden Administration official stated, North America found itself in "an energy war," with demand for clean energy and strategic critical minerals surging simultaneously.

Mexico, Canada, and the U.S. must act in a way that recognizes the geopolitical and geological realities which will influence the future of the energy transition and emissions reductions. Recent events – both Putin's war and the pandemic – have made clear that North America must take effective steps to safeguard the shared continental energy and environmental security vital to all three countries in the near, medium, and longer term.

Coordinating on critical minerals

Critical minerals and certain metals are essential for clean energy technology such as batteries, solar panels, and semiconductors. Fortunately, many of these resources can be sourced in North America, including copper, lithium, and nickel. Harnessing and leveraging these critical minerals are the first steps towards making North America a global leader in the energy transition.

Integrating energy infrastructure

A second step is building the integrated energy infrastructure needed to transport critical minerals and other natural resources both across our continent and around the world. This includes cross border green electricity grids as well as pipelines capable of accommodating sustainable fuels, natural gas, and, in the medium term, increased volumes of responsibly sourced oil. The current infrastructure in not sufficient.

Advancing electric vehicles

The third step is shifting North America's highly integrated vehicle manufacturing supply and value chains from combustion engines to more



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electric vehicles (EVs). Today, vehicles and parts manufactured in North America cross the Canada/ U.S./Mexico borders many times during the assembly process. We must adopt this approach for EVs, batteries, and other components. In addition, we should be coordinating on innovation and advanced battery materials so that next generation made-in-North America EVs are much less reliant on resources and supplies from outside the continent.

Developing hydrogen solutions

A potential fourth and vitally important step involves hydrogen. North American trade depends on medium and heavy-duty trucks, rail and marine transportation, and hydrogen offers an opportunity to decarbonize these sectors across the continent. Continental cooperation on technology can help bring down costs and expand uses of hydrogen to replace higher emitting fuels.

By taking these steps, Canada, the U.S., and Mexico would move much closer to achieving their shared goal of combatting climate change by reducing GHG emissions and becoming global leaders in clean energy and simultaneously boost the prosperity and well-being of all three countries and their peoples. The results of these efforts would not only have a dramatic impact here in North America but would help countries on every other continent move closer to net-zero.



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Mr. Hyder serves in many charitable and non-profit organizations, including as chair of the Asia Pacific Foundation of Canada's Asia Business Leaders Advisory Council, as board member of the Business + Higher Education Roundtable and as advisory board member of Catalyst Canada. He is also the host of the "Speaking of Business" podcast, which features interviews with Canadian innovators, entrepreneurs and business leaders..

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