

## CASE STUDY

# Building a Municipal International Governance Framework

## The El Paso Model

Leonie Zapata • Economic Recovery Corps Fellow, City of El Paso, Tx • [lzapata@economicrecoverycorps.org](mailto:lzapata@economicrecoverycorps.org)

El Paso, Texas and Ciudad Juárez, Mexico together form a binational metropolitan area of more than 2.4 million residents. The border between them function as a shared main street crossed daily for work, school, commerce, and family. Infrastructure coordination between the two cities is a federal responsibility, and economic development efforts have largely proceeded in parallel. El Paso's International Policy Agenda established how the City engages with cross-border partners, without creating new layers of government or duplicating federal authority. What started as an effort to improve operational coordination has become the foundation for a broader international policy framework that now guides how El Paso organizes and carries out this work.

### El Paso at a Glance

- \$145B+ in U.S.- Mexico trade through El Paso in 2024
- \$3.7B in exports from FTZ 68 zone clients
- \$15B+ in total volume moved through FTZ 68.
- \$84B crosses via Ysleta - Zaragoza Port of Entry
- 3 City-owned international bridges
- 6M+ pedestrians and 11M+ vehicles northbound crossings
- 800K+ cargo northbound crossings
- ~2.5M combined metro population (El Paso-Juarez)

### The Challenge

El Paso and Ciudad Juárez share an integrated economy. El Paso-based companies manufacture in Ciudad Juárez, then move goods back through El Paso for warehousing, distribution, and export. Economic activity on one side of the border, directly generates economic activity on the other. Decisions made at the Federal level on ports of entry and trade policy, are felt immediately at the local level, shaping how companies operate and how supply chains move. And delays at the border have immediate economic consequences for businesses and communities on both sides.

This cross-border activity touches many parts of the city, but there wasn't a way to bring all of this together. Coordination with Mexico happened only when needed and the city did not have a consistent working relationship with the State of Chihuahua or Mexico's federal government.

In a region that handles nearly one fifth of U.S.-Mexico trade, shifting to a structured binational approach positions the City of El Paso – Ciudad Juarez border as an economic asset rather than a constraint.

### The Approach

The City's response is a governance architecture built from four deliberate choices, grounded in the principle that ***international engagement is not viewed as outreach or diplomacy, for the City of El Paso it is a function of municipal government.***

#### 01 Diagnose Exposure

Through a Venn diagram, City's federal and state legislative agendas were reviewed alongside existing international initiatives, mapping their overlaps. The exercise revealed that international economic activity was already embedded in state and federal policy agendas and across multiple city departments, but without a unifying structure to sustain coordination over time.

#### 02 Anchor in Governance

International coordination sits within Economic and International Development Department. The International Policy Agenda itself is anchored in the City Manager's Strategic and Legislative Affairs Office, where staff manage intergovernmental strategy, track legislation, and coordinate across city leadership.

#### 03 Formalize and Authorize

City Council adopted the International Policy Agenda in April 2025 framed as cost-neutral and non-binding, codifying existing practices rather than creating new obligations. The formal mandate gave staff the authority and legitimacy to act as cross-border economic governance agents.

#### 04 Institutionalize Routine

The International Affairs Committee convened its first meeting in first quarter of 2025, bringing together city departments plus counterparts from Ciudad Juárez and New Mexico. Recurring meetings replaced sporadic interaction with structured governance.

# International Policy Agenda: Implementation Actions

## Policy Goals

Strengthen international partnerships, improve border infrastructure for trade and mobility, facilitate Foreign Direct Investment, and advance federal legislative priorities including infrastructure investment and Presidential Permits for the Ysleta-Zaragoza Port of Entry.

## Strategic Programs

Joint programs with Ciudad Juárez, coordination with the State of Chihuahua, and structured engagement with the Federal Government of Mexico. A binational working group will develop a yearly joint programming agenda with quarterly outcome updates.

## Infrastructure

Modernizing Ports of Entry, leveraging City-owned land, and expanding Foreign Trade Zone 68 (FTZ 68) offerings and programs to strengthen the region's trade infrastructure and competitive positioning.

## Foreign Direct Investment (FDI)

Transition Assistance Program, FDI prospecting and trade missions, tariff impact mitigation and tracking, and targeted FDI incentives to attract and retain international investment.

## Results

- Ciudad Juárez is in the process of adopting an International Policy Agenda.
- Las Cruces, Doña Ana County, Socorro, Sunland Park, Horizon City, and Chihuahua, Mx have expressed interest adapting the framework to their own contexts.
- The Mexican American Trade and Transportation Committee (MATT) comprised by the Mexican Consulate in El Paso and the US DOS in Mexico, was established, formalizing municipal participation in binational port-of-entry decisions for the first time at the Federal level.
- City Council approved \$5M investment for Ysleta Port of Entry ahead of the 2027 Bridge of the Americas closure.
- City pursuing federal grants, of which over \$20M have been secured for ports matched by a total of \$7M from City funds.
- Dallas, a non-border city, has expressed interest in the governance model for integrating its internationally facing departments.

**Stress- Test:** The framework was stress-tested almost immediately. When tariffs were imposed in early 2025, the International Policy Agenda provided both the governing principles and an operational roadmap. Staff launched bilingual information sessions accessible to businesses on both sides of the border, maintained political neutrality under pressure, and deployed a QR code resource hub within days.

**Learn more about the City of El Paso, Tx** [Strategic and Legislative Affairs](#)  
[Economic and International Development](#)

## Five Takeaways for Economic Developers

- 1 Diagnose before designing** Map every department that touches international or cross-border activity before building external partnership.
- 2 Anchor in governance, not outreach** Placing international policy within an intergovernmental office ties it to authority, budget alignment, and council accountability. Close coordination with the department responsible for trade, investment, and business development ensures that governance translates into outcomes for businesses and regional competitiveness. Including neighboring partners in the process keeps the work grounded in a shared international framework.
- 3 A formal mandate transforms capacity** A formal council approval, puts existing work on record at no added cost, gives staff clear authority to act and gives partners the confidence to make long-term commitments. This also ensures the work continues through changes in elected leadership, making international coordination an official city responsibility.
- 4 Structure builds trust** A standing forum with a regular schedule and participants from both sides of the border moves coordination from occasional meetings to an ongoing function. Meeting consistently, and focusing on emerging issues before they escalate, builds the trust and shared understanding.
- 5 Neutrality as a competitive asset** Grounding international engagement in economic outcomes rather than political positioning builds trust that holds across jurisdictions, administrations, and shifting political climates.