

COMPLIANCE ANNOUNCEMENT

The Office of the US Trade Representative (USTR) is Accepting Comments for the Renegotiation of the North American Free Trade Agreement (NAFTA)



On May 18, 2017, President Trump through the Executive Office of the White House filed a letter with the both houses of the US Congress notifying them of the his intent to re-negotiate the North American Free Trade Agreement (NAFTA).

The text as contained in the official White House letter is provided at the bottom of this announcement.

Consequently on May 23, 2017 the USTR has published a notice in the Federal Register / Vol. 82, No. 98 / Tuesday, May 23, 2017 / Notices; to advise that it is opening the public comment period and accept comments on those topics outlined in the official White House letter that will be subject to the NAFTA re-negotiation.

The specific topics for which the USTR is open to receiving comments are:

1. General and product-specific negotiating goals and objectives for NAFTA member countries.
2. Financial costs and benefits to U.S. manufacturers and growers as well as consumers as the result of the elimination of remaining tariffs and removal or reduction of non-tariff barriers on articles traded with NAFTA member countries.
3. Treatment of specific goods (described by HTSUS numbers), including comments on- (1) Product-specific import or export interests or barriers, and (2) experience with particular measures that should be addressed in negotiations, and (3) addressing any remaining tariffs on articles traded with Canada, including ways to address export priorities and import sensitivities related to Canada and Mexico in the context of the NAFTA.
4. Customs and trade facilitation issues that should be addressed in the negotiations.
5. Appropriate modifications to rules of origin or origin procedures for NAFTA qualifying goods.
6. Any unwarranted sanitary and phytosanitary measures and technical barriers to trade imposed by Canada and Mexico that should be addressed in the negotiations.
7. Relevant barriers to trade in services between the United States and Canada and Mexico that should be addressed in the negotiations.
8. Relevant digital trade issues that should be addressed in the negotiations.
9. Relevant trade-related intellectual property rights issues that should be addressed in the negotiations.
10. Relevant investment issues that should be addressed in the negotiations.
11. Relevant competition-related matters that should be addressed in the negotiations.
12. Relevant government procurement issues that should be addressed in the negotiations.
13. Relevant environmental issues that should be addressed in the negotiations.
14. Relevant labor issues that should be addressed in the negotiations.
15. Issues of particular relevance to small and medium-sized businesses that should be addressed in the negotiations.
16. Relevant trade remedy issues that should be addressed in the negotiations.
17. Relevant state-owned enterprise issues that should be addressed in the negotiations.

Comments are due no later than June 12, 2017.

Importers and exporters with operations in North America should use this time to advocate changes to the NAFTA that will benefit their North American operations.

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**EXECUTIVE OFFICE OF THE PRESIDENT THE UNITED STATES TRADE REPRESENTATIVE WASHINGTON, D.C. 20508
May 18,2017**

In accordance with section 105(a)(1)(A) of the Bipartisan Congressional Trade Priorities and Accountability Act of 2015 (the Trade Priorities and Accountability Act), and pursuant to authority delegated to me by the President, I am pleased to notify the Congress that the President intends to initiate negotiations with Canada and Mexico regarding modernization of the North American Free Trade Agreement (NAFTA). We will consult closely with Congress in developing our negotiating positions to ensure that they are consistent with Congressional priorities and objectives outlined in section 102 of the Trade Priorities and Accountability Act. We intend to initiate negotiations with Canada and Mexico as soon as practicable, but no earlier than 90 days from the date of this notice.

The United States seeks to support higher-paying jobs in the United States and to grow the U.S. economy by improving U.S. opportunities under NAFTA. Our specific objectives for this negotiation will comply with the specific objectives set forth by Congress in section 102 of the Trade Priorities and Accountability Act.

In particular, we note that NAFTA was negotiated 25 years ago, and while our economy and businesses have changed considerably over that period, NAFTA has not. Many chapters are outdated and do not reflect modern standards. For example, digital trade was in its infancy when NAFTA was enacted. In addition, and consistent with the negotiating objectives in the Trade Priorities and Accountability Act, our aim is that NAFTA be modernized to include new provisions to address intellectual property rights, regulatory practices, state-owned enterprises, services, customs procedures, sanitary and phytosanitary measures, labor, environment, and small and medium enterprises. Moreover, establishing effective implementation and aggressive enforcement of the commitments made by our trading partners under our trade agreements is vital to the success of those agreements and should be improved in the context of NAFTA.

Working closely with Congress and following the requirements of the Trade Priorities and Accountability Act, we will continue to review elements of NAFTA and, where appropriate, update U.S. approaches to address the challenges faced by U.S. consumers, businesses, farmers, ranchers, and workers in an increasingly global economy.

Since the President invited Congressional leaders to begin this process with him on February 2, senior Administration officials have engaged with Congress to solicit views on these matters. We have held initial consultations with Members of the Senate Committee on Finance, the House Committee on Ways and Means, other relevant Committees, the House Advisory Group on Negotiations, the Senate Advisory Group on Negotiations, and other Members of Congress regarding the proposed modernization of NAFTA. We also have held initial consultations with the trade advisory committees.

We are committed to concluding these negotiations with timely and substantive results for U.S. consumers, businesses, farmers, ranchers, and workers, consistent with U.S. priorities and the negotiating objectives established by the Congress in statute. We look forward to continuing to work with the Congress as negotiations with the NAFTA countries begin, and we commit to working with you closely and transparently throughout the process.

For questions related to the public comment period on topics outlined in the NAFTA re-negotiation process, please contact the [KWE Corporate Trade & Compliance Group](#).