

**Commercial Customs Operations Advisory Committee
Government Issue Paper
Rapid Response Subcommittee
United States–Mexico–Canada Agreement (USMCA)
Working Group**

December 2022



**U.S. Customs and
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CBP Office of Trade/Trade Policy & Programs/Textiles & Trade Agreements Division
Rapid Response Subcommittee
United States–Mexico–Canada Agreement (USMCA) Working Group
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Action Required: Informational

Background:

- The USMCA entered into force on July 1, 2020, replacing the North American Free Trade Agreement (NAFTA). The USMCA preserves the trilateral trade pact established by NAFTA and includes provisions to reflect developments in technology and trade practices, eased compliance requirements for the Rules of Origin (RoO), and added unique criteria for automotive RoO.
- The USMCA contains trade facilitation provisions to provide traders with transparency, consistency, and predictability in the customs process through additional advance rulings and publication of regulations, requirements, and fees.
- CBP’s Office of Trade launched the USMCA Center to coordinate CBP’s efforts to implement the Agreement. As a part of this effort, CBP launched a Commercial Operations Advisory Committee (COAC) USMCA Working Group (USMCA WG) to receive recommendations and concerns from the private sector.
- The USMCA WG was reconvened in September 2022 after a brief hiatus.

Issue:

- The USMCA WG provides opportunities for industry stakeholders to provide input, identify challenges, and engage with CBP on the USMCA’s Customs Administration and Trade Facilitation Chapter (Chapter 7).

Current Status:

- The USMCA WG is meeting biweekly to discuss and identify potential gaps in the trilateral implementation of Chapter 7 provisions.
- The USMCA WG will compile recommendations for consideration at the trilateral 7.24 Committee on Customs Administration and Trade Facilitation.
 - The U.S. government lead for this Committee is the Office of the United States Trade Representative.
- CBP has created numerous compliance guidance resources, including:
 - Implementing instructions and an addendum to cover provisions from the *Consolidated Appropriations Act of 2021*.
 - More than 50 USMCA Fact Sheets and Free Trade Agreement “Side-by-Sides”
 - A CBP.gov USMCA webpage, a “frequently asked questions” webpage, informational videos, a ChatBot Search Engine, and the USMCA inbox (USMCA@CBP.DHS.gov).
- Regulations were published on July 1, 2020, and July 6, 2021. Final regulations are pending.
- CBP continues its robust partnership with the U.S. Department of Labor – Wage and Hour Division (DOL), which has involved s weekly meetings and policy coordination and working level question and answer sessions to aid in the implementation of the automotive RoO.
- CBP facilitates USMCA Chapter 7 WG meetings in coordination with COAC members and industry stakeholders.

Next Steps:

- The USMCA WG's activities will include:
 - Formulating suggestions for the U.S. government policy lead, the Office of the U.S. Trade Representative, on implementation of key USMCA Chapter 7 customs-related provisions.

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