

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

September 2022



**U.S. Customs and
Border Protection**



UNITED STATES – MEXICO – CANADA AGREEMENT (USMCA) WORKING GROUP

September 2022

Action Required: Informational

Background:

- The United States–Mexico–Canada Agreement (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 the twenty-five-year-old NAFTA. The USMCA did not change NAFTA’s tariff structure or the zero-tariffs policy on most manufacturing and agricultural goods.
- The USMCA updated 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.

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:

- 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” that highlight key provision updates and comparisons of NAFTA and USMCA.
 - 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. A final set of regulations have yet to be published.
- 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.

Next Steps:

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

Submitted by: Maya Kamar, Director

Date: August 10, 2022