

USTR Releases NAFTA Negotiating Objectives

Washington, D.C. – United States Trade Representative Robert Lighthizer today released a detailed and comprehensive summary of the negotiating objectives for the renegotiation of the North American Free Trade Agreement (NAFTA).

Through the renegotiation of NAFTA, the Trump Administration will seek a much better agreement that reduces the U.S. trade deficit and is fair for all Americans by improving market access in Canada and Mexico for U.S. manufacturing, agriculture, and services.

In addition to President Trump being the first American president to begin renegotiating a comprehensive free trade agreement like NAFTA, for the first time USTR has included deficit reduction as a specific objective for the NAFTA negotiations. Since NAFTA was implemented in 1994, the U.S. bilateral goods trade balance with Mexico has gone from a \$1.3 billion surplus to a \$64 billion deficit in 2016. Market access issues have arisen in Canada with respect to dairy, wine, grain and other products – barriers that the current agreement is unequipped to address.

The negotiating objectives also include adding a digital economy chapter and incorporating and strengthening labor and environment obligations that are currently in NAFTA side agreements. Additionally, among other objectives, the Administration will work to eliminate unfair subsidies, market-distorting practices by state owned enterprises, and burdensome restrictions on intellectual property.

The negotiating objectives aim to apply the highest standards covering the broadest possible range of goods and services to ensure truly free and fair trade that supports higher-paying jobs and economic growth in the United States.

“President Trump continues to fulfill his promise to renegotiate NAFTA to get a much better deal for all Americans,” said Ambassador Lighthizer. “Too many Americans have been hurt by closed factories, exported jobs, and broken political promises. Under President Trump’s leadership, USTR will negotiate a fair deal. We will seek to address America’s persistent trade imbalances, break down trade barriers, and give Americans new opportunities to grow their exports. President Trump is reclaiming American prosperity and making our country great again.”

At the direction of the President, on May 18, 2017, Ambassador Lighthizer sent a letter notifying Congress of the Administration’s intent to initiate NAFTA renegotiations.

Since then, USTR has been conducting extensive consultations with Congress, stakeholders, and the public at large. USTR sought public comments, received more than 12,000 responses, and heard directly from over 140 witnesses over three days of public hearings. During this process, the Administration received valuable advice that directly impacted the development of the negotiating objectives.

Further, these objectives reflect the negotiating standards established by Congress in the Bipartisan Congressional Trade Priorities and Accountability Act of 2015 (TPA), which requires that USTR release objectives at least 30 days prior to formal negotiations. Negotiations will begin no earlier than August 16, 2017.

Through these negotiations, the Administration seeks an effectively implemented and enforced Agreement for more open, equitable, secure, and reciprocal market access. The Administration remains committed to conducting the negotiations with timely and substantive results for America's workers, farmers, ranchers, and businesses.