

<https://www.canada.ca/en/global-affairs/news/2018/11/canada-signs-new-trade-agreement-with-united-states-and-mexico.html>

Canada signs new trade agreement with United States and Mexico

November 30, 2018 - Buenos Aires, Argentina – Global Affairs Canada

The Honourable Chrystia Freeland, Minister of Foreign Affairs, today welcomed the signing of a new agreement to modernize the North American Free Trade Agreement between Canada, the United States and Mexico. The new agreement will support good, middle class jobs in Canada; strengthen economic ties between the three countries; and contribute to North America's global competitiveness.

The modernized agreement preserves Canada's preferential access to the U.S. and Mexican markets, ensuring that the vast majority of trilateral trade remains duty-free—something that is vital to the continuing prosperity of Canadians. The agreement includes an exemption for a significant quantity of Canadian automobiles and auto parts from potential future U.S. 232 tariff measures. In addition, Canada succeeded in preserving key elements of the original NAFTA, including the cultural exemption and the use of binational panels to resolve disputes on duties.

Canada maintained a constructive approach throughout these negotiations to modernize NAFTA. Canada's objectives remained clear: defend Canadians' interests, fight for Canadian jobs and living standards, and uphold Canadian values within an agreement that is mutually beneficial for all three countries.

Canada, the United States and Mexico will now move forward with their respective domestic procedures toward the ratification and implementation of the new trade agreement.

Quotes

“Our focus from the outset of the negotiations was the need to preserve middle class jobs and foster economic growth. The new NAFTA preserves tariff free access in the North American trading bloc and secures essential cross-border supply chains that make North America more globally competitive. Our job as a government is to safeguard economic gains and prevent economic threats, and that is what we've done with the new agreement. What we have achieved is a reflection of the team Canada approach we took throughout negotiations, and I thank Canadians for their support and unity.”

- *Hon. Chrystia Freeland, P.C., M.P., Minister of Foreign Affairs*

Quick facts

- The three countries also welcomed the new Environmental Cooperation Agreement (ECA), a complement to the new free trade agreement's environment chapter, which will support continuous environmental cooperation among the three countries to address environmental challenges and seize opportunities arising from the agreement.
- The globally competitive regional market created under the original NAFTA in 1994 today accounts for nearly 486 million consumers and a combined GDP of more than US\$22 trillion.

- The United States and Mexico are, respectively, Canada's first- and third-largest merchandise trading partners in the world.
- Canada is, respectively, the second- and fifth-largest merchandise trading partner of the United States and Mexico, and the largest export market for the United States.
- Canada and the United States share the world's longest secure border, over which approximately 400,000 people, and goods and services worth \$2.4 billion, cross daily.
- Canada is the largest market for the United States—larger than China, Japan and the United Kingdom combined.
- To reach this new agreement on trilateral trade, the Prime Minister, ministers, parliamentarians, federal officials, premiers and industry and labour representatives directly engaged political and business leaders in the United States to advocate on behalf of Canadians.
- To help guide negotiations, the Government of Canada consulted with Canadians from across the country and from all sectors and backgrounds about trade. Consultations included meetings with the provinces and territories, the government's NAFTA Council, industry, unions, civil society, think tanks, academics, Indigenous peoples, women, youth and the general public.