



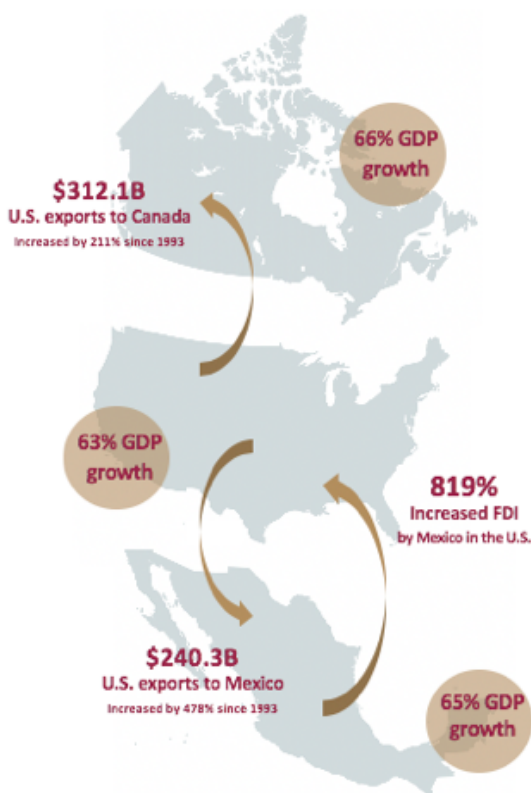
TRADE IN NORTH AMERICA

495.34 million
Combined population¹

\$1.26 trillion
Total Trade 2018²

\$23.43 trillion
Combined GDP³

NAFTA partners represent almost 30%⁴ of the world's GDP with less than 7%⁵ of the world's population.



U.S. JOBS SUPPORTED BY TRADE WITH CANADA AND MEXICO⁶

12 MILLION

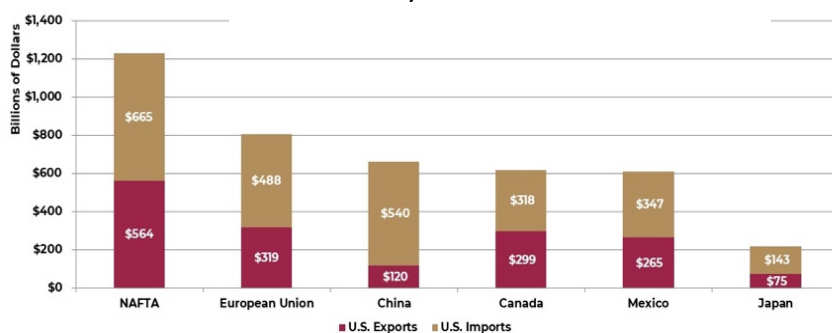
Nearly 200,000 export-related jobs created annually pay 15-20% more on average than comparable, non-export related jobs.⁷

In the last 20 years, wages have increased approximately 28% in Mexico, 31% in the U.S., and 37% in Canada.⁸

Due to integrated supply chains and intermediate products, Mexico, the U.S., and Canada don't just buy and sell from each

- China and Mexico are the largest export markets for U.S. goods and services; larger than the next ten combined.⁹
- U.S. trade with Canada and Mexico has grown faster than with the rest of the world.⁹
- In 2018, the U.S. exported more than twice as much to Mexico and Canada, than it did to China.⁹

U.S. Total Trade by Selected Partners in 2018



¹ U.S. Census Bureau: <https://www.census.gov/popclock/world>

² UN Comtrade Database: <https://comtrade.un.org/data/>

³ IMF: <https://www.imf.org/external/pubs/ft/weo/2019/01/weodata/index.aspx>

⁴ World Bank Group: <https://data.worldbank.org/indicator/nv.gdp.mktg.cd>

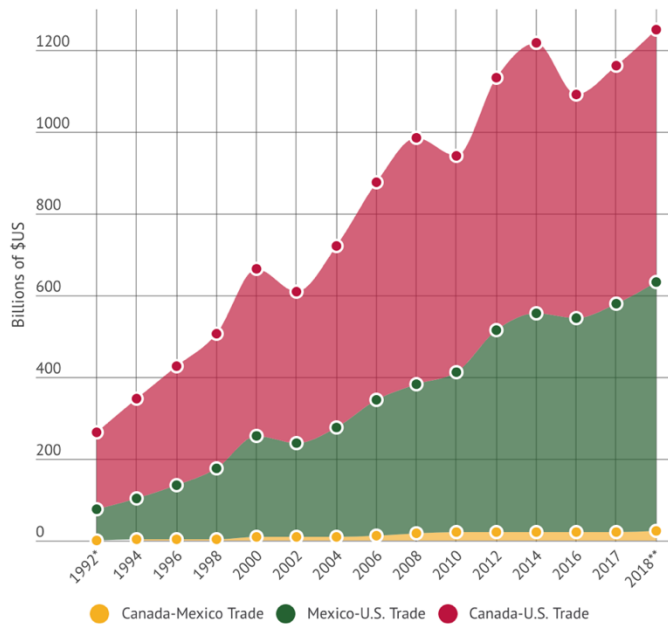
⁵ U.S. Census Bureau: <https://www.census.gov/popclock/world>

⁶ Business Roundtable: <https://www.businessroundtable.org/new-study-international-trade-supports-nearly-39-million-american-jobs>

⁷ Wharton School of Business: <https://knowledge.wharton.upenn.edu/article/naftas-impact-u-s-economy-facts/>

⁸ OECD: <https://data.oecd.org/earnwage/average-wages.htm>

Trilateral Trade from 1992 to 2018



- Canada and Mexico are the two largest destinations for US exports accounting for more than a third of total exports.⁹
- In 2017, Mexico's inward FDI was \$18.034 billion from Canada and \$215.899 from the U.S.¹⁰
- In 2017 the United States' inward FDI was \$453.127 billion from Canada and \$18.011 billion from Mexico.¹⁰
- In 2017 Canada's inward FDI was \$321.316 billion from the U.S. and \$1.637 billion from Mexico.¹⁰
- Over half of U.S. imports are raw materials or intermediate components¹¹, roughly 25% of which come from Mexico and Canada. These goods are key inputs for domestic businesses.¹²

HOW USMCA MODERNIZES NORTH AMERICAN TRADE

USMCA modernizes the rules for trade in North America with state-of-the-art provisions in the following areas:

Market Access:

Maintains tariff-free access to the Mexican market for all U.S. goods exports. Also prohibits import restrictions on remanufactured goods.



Intellectual Property:

Secures stronger protections for patents, copyrights and related rights, trademarks, designs, and trade secrets. Enforcement tools to guard against counterfeiting and piracy, promoting innovation and creating well-paying jobs.



Enforcement:

Raises the bar with binding enforcement for all chapters, including labor and the environment.



Competition Policy:

Ensures that antitrust investigations are fair, transparent, and based on sound economic analysis.



Customs:

Modernizes procedures with regard to advanced rulings, simplified entry, risk management, single window, e-signatures, and self-certification of origin.



State-Owned Enterprises:

Ensures that SOEs do not distort competition by guaranteeing impartiality and requiring that SOE decisions be commercially motivated.



Regulatory and Technical Barriers:

Promotes compatibility and best regulatory practices for ICT products, pharmaceuticals, chemicals, and others, while reducing discriminatory technical barriers to trade.



Financial Services:

A level playing field for U.S. financial institutions, investors and investments, as well as cross-border trade in financial services on a nondiscriminatory basis.



Digital Trade:

Creates rules to foster growth in the digital economy for a diversity of firms by guaranteeing the freedom to move data across borders and prohibiting the forced localization of data; ensuring continued growth for international commerce.



Agriculture:

Secures outstanding market access, and establishes modern sanitary and phytosanitary standards. Provides transparency and information sharing on measures impacting trade in the products of biotechnology.



Source: USMCACOALITION, www.usmcoalition.org

⁹ Council on Foreign Relations: <https://www.cfr.org/backgrounder/naftas-economic-impact>

¹⁰ IMF CDIS: <http://data.imf.org/regular.aspx?key=60564261>

¹¹ Data from the American Enterprise Institute: <http://www.aei.org/publication/nearly-all-imports-even-consumer-goods-are-inputs-for-us-firms-and-factories/>

¹² Data from the United States International Trade Commission: https://www.usitc.gov/research_and_analysis/trade_shifts_2017/specialtopic.htm