

**CHANGES ARE
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USMCA

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On the first Friday of the month, several aspects were discussed in a meeting with the undersecretary for North America of the Ministry of Foreign Relations, Ambassador Jesús Seade Kuri, and the representatives of top organisms and members of the Cuarto de Junto (Federal consulting body). The addressed matters were:

- » In the face of lobbying for approval of the treaty by the White House with its Congress, several changes are likely to be made to the USMCA that was originally approved by Mexico. One of the most relevant amendments will be on the Dispute Settlement chapter (chapter 20 of the NAFTA and USMCA). This change will allow, on request of the Parties, to assemble a panel to resolve any conflicts that may arise.
- » The negotiation began with several proposals led by the Democrats, many of which are unacceptable to Mexico. Among the most recurrent and serious is the enforcement, meaning that Mexico must take care of compliance and the obligation to comply. One of the rejected proposals was that the export certificate should include two questions in order to know whether the company had a trade union, and whether it was certified by a foreign external party. Mexico has assured that it will have the necessary resources for the implementation of the provisions of the enforcement.
- » Regarding labor, the position is that the dispute settlement panel should function and be applied in case the agreements of the labor chapter are not complied with. The U.S. union says there is a gap, so it is not enough, since a Party may not agree to establish the panel, and therefore a lawsuit would never be filed.

» There are several ideas, one of them is that when the complaint is filed, an international commission is created to visit the concerned plant to make recommendations. Mexico has not accepted this. Another proposal is that there should be consultations and evidence; they are working on who would undertake them.



» products, the period of protection will surely be reduced. It is a very important issue for the leader representative of the Democrats to reduce the prices of medicines. This change would result beneficial for Mexico.



- » Rules of origin for cars have not been addressed.
- » U.S. Congressmen are in recess and return on November 12. Texts expected to be agreed by November 12.
- » Finally, he stressed that the Treaty as such will not be open, the changes that are agreed will be handled by the three countries as an addendum. Which will be submitted to the Mexican Senate once the United States ratifies the Agreement.

This information was reported to the press by Undersecretary Seade.

Our President, Dr. Octavio de la Torre, participates as an accredited member of the Cuarto de Junto in support of the tertiary sector representing trade, services and tourism as part of the CONCANACO SERVYTUR team.



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