

RENEGOTIATING NAFTA: U.S. PRIORITIES

Scotiabank
Economics looks at
parts of NAFTA that
the **U.S. has targeted
for revision.**

RULES OF ORIGIN

WHAT'S IN PLACE NOW?

A minimum share of the content in a good has to have been sourced in North America for it to move tariff-free between NAFTA countries.

WHAT COULD CHANGE?

1. A specified minimum amount of U.S. content for duty-free passage within North America.
2. More extensive transformation of foreign-made content in order for goods to qualify as North American.

Content
in vehicles

62.5%

60%

Manufactured
goods*

*including auto parts

CANADA

U.S.A.

MEXICO

DISPUTE SETTLEMENT MECHANISMS

WHAT'S IN PLACE NOW?

NAFTA's tribunals for trade and investment disputes have worked well for the U.S.

WHAT COULD CHANGE?

The U.S. may push to replace trade experts on NAFTA's tribunals with judicial appointees.

The U.S. Trade Representative's Office (USTR)* has identified other areas of concern for trade with Canada and Mexico:

TOP AREAS OF CONCERN

OUTSIDE OF NAFTA OR PART OF SIDE AGREEMENTS

Softwood
lumber



Agriculture and
supply management



WITHIN NAFTA

Intellectual
property



Services
trade



E-commerce and
duty exemptions



Government
procurement

