RENEGOTIATING NAFTA: U.S. PRIORITIES

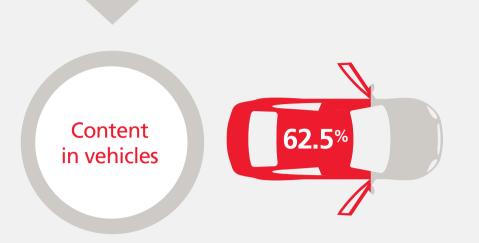
Scotiabank Economics looks at parts of NAFTA that the U.S. has targeted for revision.



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.

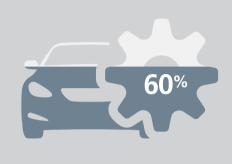


WHAT COULD CHANGE?

- **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.



CANADA



*including auto parts

Manufactured goods*

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



WITHIN NAFTA

