Commercial Customs Operations Advisory Committee Government Issue Paper Rapid Response Subcommittee United States – Mexico – Canada Agreement Chapter 7 Working Group

March 2024



Office of Trade / Trade Policy and Programs United States – Mexico – Canada Agreement Chapter 7 Working Group March 2024

Action Required: Informational

Background:

- The United States Mexico Canada Agreement (USMCA) entered into force on July 1, 2020, replacing the North American Free Trade Agreement.
- The USMCA preserves the trilateral trade pact established by the North American Free Trade Agreement and includes provisions to reflect developments in technology and trade practices, eased compliance requirements for the Rules of Origin, and additional unique criteria for automotive Rules of Origin.
- The USMCA contains trade facilitation provisions to provide traders with transparency, consistency, and predictability in the customs process through additional advance rulings and publication of regulations, requirements, and fees.
- To assist with implementation of the USMCA, U.S. Customs and Border Protection (CBP) launched this Commercial Customs Operations Advisory Committee (COAC) USMCA Working Group to receive recommendations and concerns from the private sector about USMCA Chapter 7.
- The USMCA Working Group reconvened in September 2022 after a brief hiatus.
- The working group discussed and identified potential gaps in the trilateral implementation of Chapter 7 provisions and compiled recommendations for consideration at the trilateral article 7.24 Committee on Customs Administration and Trade Facilitation.
 - o The United States Trade Representative (USTR) is the U.S. Government lead for this committee.
- CBP facilitated biweekly USMCA Working Group meetings in coordination with Commercial Customs Operations Advisory Committee members and industry stakeholders.

Issue:

• The USMCA Working Group enables industry stakeholders to provide input, identify challenges, and engage with CBP on USMCA Chapter 7.

Current Status:

• Effective February 1, 2024, the USMCA Working Group is on hiatus. It met the goals in its statement of work.

Next Steps:

• The USMCA Working Group will remain on hiatus for the foreseeable future.

Submitted by: Raymond Irizarry, Trade Policy and Programs, Office of Trade

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