

Jay Timmons
President and CEO

May 14, 2021

Ambassador Katherine Tai
United States Trade Representative
600 17th St. NW
Washington, DC 20508

Dear Ambassador Tai:

The implementation of the United States–Mexico–Canada Agreement last year secured the jobs of more than 2 million American manufacturing workers and ensured North American supply chain continuity and certainty. Now it is critical that the focus turns to the implementation of the USMCA and ensuring that Mexico and Canada are treating manufacturing workers in the United States fairly.

The May 17–18 USMCA Free Trade Commission meeting is a key opportunity for the Biden administration to signal that it expects Mexico and Canada to fully enforce their USMCA obligations and to raise concerns about the many commercial challenges that manufacturers face in these countries.

Unfortunately, manufacturers have substantial concerns about recent steps by Mexico and Canada that violate—or threaten to violate—the letter and spirit of the USMCA and risk undermining the livelihoods of manufacturing workers and communities across America. I urge you to raise the concerns detailed below at the Free Trade Commission meeting and in subsequent discussions with Mexico and Canada.

- Energy and power generation measures that disadvantage U.S. companies by providing preferential treatment for Mexican state-owned enterprises and government agencies;
- Expanded food labelling requirements in Mexico that threaten U.S. exports and curtail intellectual property and advertising, as well as bans on sales of packaged goods to minors in a growing number of Mexican states;
- Proposed measures to diminish the independence of Mexico’s telecommunications and broadcasting regulator and its antitrust regulator, which would increase costs for U.S. telecommunications equipment manufacturers selling products to Mexico;
- Delayed approvals by Mexico of new clinical trials of biopharmaceuticals, biotechnology and medical equipment;
- Efforts by Mexico to leverage the United Nations Office of Project Services to procure pharmaceutical and medical device products, which raises concerns regarding Mexico’s direct compliance with provisions in the agreement;
- Lack of full compliance with Mexico’s customs obligations under the agreement, including a move to erect new customs barriers that harm American small businesses;

- A Canadian government proposal to brand “plastic manufactured items” as “toxic substances” under the Canadian Environmental Protection Act, with direct implications for U.S. exports in a wide range of manufacturing sectors; and
- Canada’s failure to meet its dairy obligations through the manipulation of import license procedures and tariff-rate quota allocations that undermine access to the Canadian market.

I appreciate this opportunity to share our views on the USMCA and the importance of prioritizing the implementation and success of this critical agreement. As manufacturers in the United States continue to lead the nation’s economic recovery and renewal, I look forward to working with you to enhance the competitiveness of manufacturing in America and support America’s manufacturing workers through robust commercial enforcement of our agreement with Mexico and Canada.

Respectfully,



Jay Timmons