

US Multilateral Trade Policy Developments

Japan External Trade Organization

October 2018



inconsistent with NAFTA, USMCA, or the WTO Agreement, Canada and Mexico may retaliate, and retain WTO rights to challenge such measures.

Notably, the USMCA is silent regarding the United States' existing Section 232 tariffs on aluminum and steel. USTR Robert Lighthizer has indicated in recent weeks that the United States would be willing to discuss possible exemptions for Canada and Mexico after the renegotiation of NAFTA is concluded. There has been some speculation that the US tariffs and Canadian/Mexican retaliation would be lifted upon the USMCA's signing, but officials have not provided concrete signals in this regard.

Outlook

The parties are expected to sign the US





content requirement. This increase also was included in the TPP, and will provide additional flexibility for traders seeking to qualify for USMCA tariff preferences.

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of conformity.

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USTR has invited interested parties to comment on (1) general and product-



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Annex: NAFTA/USMCA Chapter 8(r 9om)22(p5(ha)ri)15(s)13(on[])JTJETq.00000