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USTR Seeks Comments and Holds Hearing on NAFTA Renegotiation

On Tuesday, May 23, 2017, the Office of the U.S. Trade Representative (USTR) officially announced in a *Federal Register* notice that the United States intends to commence negotiations with Canada and Mexico over modernization of the North American Free Trade Agreement (NAFTA). A hearing will be held on **June 27, 2017**, at the U.S. International Trade Commission (ITC). Written comments and all requests to testify at the hearing should be submitted by **June 12, 2017**.

In April, President Trump said that the United States will not terminate NAFTA "for now," suggesting that further negotiations with Canada and Mexico would determine whether U.S. withdrawal is necessary. On May 18, the Administration formally notified U.S. Congress of its intent to renegotiate NAFTA, triggering the 90-day consultation period for Congress to decide on the best strategy of renegotiation.

According to USTR Robert Lighthizer, the "aim is that NAFTA be modernized to include new provisions to address intellectual property rights, regulatory practices, state-owned enterprises, services, customs procedures, sanitary and phytosanitary measures, labor, environment, and small and medium enterprises." Indeed, in the May 23 notice, the USTR Trade Policy Staff Committee (TPSC) invites interested persons to submit comments or oral testimony, or both, on these and other matters, such as general and product-specific negotiating objectives for Canada and Mexico, economic costs and benefits of removal or reduction of tariffs or non-tariff barriers, rules of origin, digital trade, investments, competition-related matters, government procurement, and trade remedy issues.

What to Watch For

The relatively short timeline between the announcement and the hearing date serves as a de facto limit on input from the private sector and NGOs regarding the objectives of the renegotiation. Interested parties should make every effort to submit comments for the record by the June 12 deadline.

^{*}The Night Note has a long tradition in Washington, where for years it has been a channel used by cabinet secretaries to alert the White House of critical issues and vital news that should be among the President's priority concerns. We've adapted it here to communicate timely issues that concern the trade and investment community stemming from new policy actions and decisions taken by the Trump Administration.