

## The United States–Mexico–Canada Agreement: Textiles, Apparel, and Agriculture

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### INTRODUCTION

The changes in the United States–Mexico–Canada Agreement (USMCA) for the textiles, apparel, and agriculture sectors are relatively minor, although they reflect somewhat greater protectionism, particularly with textiles and apparel. In terms of the agriculture industry, the USMCA modestly liberalizes U.S. dairy market access to Canada, and U.S. wine growers receive greater access to Canadian markets. Wine and cheese exporters to Mexico also receive significant protection from limitations on the use of common geographical indications<sup>1</sup> in Mexico as a result of Mexican negotiations with the European Union (E.U.) on a revised free trade agreement.<sup>2</sup> In the USMCA, Mexican fruit and vegetable producers also benefit from beating back U.S. efforts to make it easier to restrict such imports under U.S. dumping laws,<sup>3</sup> although the benefits for tomato exporters were largely nullified by subsequent Commerce Department restrictions.

For North American agricultural producers, particularly those in the U.S. and Mexico, the provisions of the USMCA are overshadowed, at least through 2020, by the risk that the Trump administration will impose penalty tariffs on Mexican imports. This risk was reflected in the administration's threat to impose additional tariffs on all imports from Mexico to force greater cooperation in stemming the flow of illegal immigrants from Central America

to the U.S.<sup>4</sup> While the tariffs have not been applied as of this writing, they remain a risk at least in the short term. This risk has been mitigated both by Mexico, which has responded positively to U.S. pressures to more actively discourage Central American immigration, as well as the belief that further U.S. sanctions could jeopardize U.S. congressional approval of the USMCA.<sup>5</sup> Similarly, the USMCA by no means insulates Mexican produce suppliers from “unfair” trade actions brought by the U.S., as discussed below.

This report summarizes the most significant textile, apparel, and agricultural provisions of the USMCA, focusing on the changes compared to NAFTA. Geographical indications and agricultural biotechnology are also addressed even though they are further affected by the USMCA's intellectual property rules as well.

### TEXTILES AND APPAREL

Despite the relatively small volume of apparel production in the U.S. (constituting about 3% of the U.S. market),<sup>6</sup> the textile and apparel industry remains one of the most protected sectors, along with steel. The textile and apparel sector received extensive protection under NAFTA, with a “yarn forward” rule that stated in order to be treated as originating in North America and receive tariff-free trading benefits, the formation of yarn, weaving or knitting of

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fabric, and cutting and sewing of a garment must occur in North America.<sup>7</sup> Typically, this meant that apparel and other textile goods used fabric produced in the U.S., while the sewing and other required steps for garment and textile production took place in Mexico. For example, an El Paso, Texas, mattress manufacturer purchased fabric, zippers, and threads in the U.S. and conducted the first round of design, cutting, and stitching in El Paso. The enterprise then sent the materials to a sister plant in Ciudad Juárez, Mexico, for further assembly, after which the finished mattress was shipped back to El Paso for distribution in the U.S.<sup>8</sup>

If anything, protections for the U.S. textile industry increased under the USMCA. In the USMCA, reliance on low-cost fabrics from Asia is discouraged, and duties on non-originating yarn and fabric (“tariff preferential levels” or TPLs) are limited to 10% by volume of North American garments to qualify for duty-free treatment.<sup>9</sup> In addition, other changes under the USMCA require that sewing thread, pocketing fabric, narrow elastic bands, and coated fabric used in the production of apparel be made in North America in order for those products to be treated as originating and thus subject to duty-free treatment.<sup>10</sup>

In addition to the substantive restrictions on the use of non-originating fabrics, the record keeping requirements mandated by the USMCA’s additional documentation rules are likely to further increase the costs and complexities of apparel manufacturing in North America. Spokespersons for the industry have suggested that such increased costs are likely to discourage North American producers from taking advantage of the potential tariff benefits of the USMCA, leading to greater outsourcing of apparel manufacturing to lower wage countries in Asia. This would lead to a potential reduction in sales of fabrics and thread in the U.S. As the apparel members of the U.S. advisory committee asserted:

*If fewer apparel companies source under the terms of this Agreement, they will buy fewer U.S. textiles, which will hurt U.S. fabric and yarn exports*

*and manufacturing as well. The possibility that Mexico may become even less important to the U.S. apparel industry, and consequently lead to lower demand of U.S. textiles, is particularly concerning since about half of all U.S. yarn and fabric exports go to NAFTA countries for conversion into finished products like apparel.<sup>11</sup>*

Given that about half of all U.S.-manufactured yarn and fabric are exported to NAFTA countries for apparel manufacturing, demand for these products would decrease if the production of apparel decreases further in the region.<sup>12</sup> Of course, U.S. producers of thread, coated fabrics, and the like applauded the USMCA changes because of the positive impact they may have on U.S. sales of such products.<sup>13</sup>

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## AGRICULTURE

### Agriculture under NAFTA

One of the most significant market-opening aspects of NAFTA was the elimination of virtually all quotas and tariffs on agricultural trade between the U.S. and Mexico, and most restrictions on trade between the U.S. and Canada. As a result, Canada and Mexico have become the largest and third-largest export markets for the U.S., respectively. U.S. agricultural exports to Canada were worth \$23 billion in 2016 and included prepared food, fresh vegetables, fresh fruit, snack foods, and non-alcoholic beverages. U.S. imports from Canada amounted to \$22 billion.<sup>14</sup>

The elimination of Mexican tariffs and quotas on imports of corn and hard beans in particular was one of the most controversial aspects of NAFTA given the adverse effects on small corn farmers in Mexico, who were not able to compete with lower cost, highly mechanized, and well-financed farms in the U.S. The result was, as apparently intended by the negotiators, to facilitate capital-intensive and highly competitive U.S. grain and meat exports to Mexico, while at the same time encouraging Mexican exports of labor-intensive fruits and vegetables to the U.S.

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U.S. agricultural exports to Mexico are worth about \$18 billion annually in areas such as wheat, hops, other grains, corn, soy, beef, chicken, and pork. Imports from Mexico totaled \$23 billion in 2016 and included mostly fresh fruit and vegetables, as well as wine and beer, processed foods, and processed fruits and vegetables.<sup>15</sup> Most U.S. export goods are fungible, with Brazil, Argentina, Canada and Australia all eager to export more to Mexico. In this respect, it is notable that during the initial USMCA negotiations, at a time when President Donald Trump was threatening to terminate NAFTA unilaterally, Mexico's government made initial inquiries into shifting some grain and corn purchases from U.S. exporters to Brazil and Argentina, even though transport costs would have been higher because of the greater distances involved. In the short term, Mexican consumers would have been harmed through higher food prices, partly as a result of peso devaluation but also through increases in animal feed costs. Mexico's government is now in a position to avoid such price increases, even if some effort continues to establish new agricultural supply chains with South American suppliers in the event that the USMCA does not go into force.

Because NAFTA and the USMCA include zero tariffs on most agricultural products exported to Mexico, U.S. exports of farm products to Mexico have a huge tariff advantage. Under World Trade Organization (WTO) rules, which apply currently to Argentina and Brazil and would apply to U.S. exports after NAFTA, wheat is subject to a 15% tariff, beef is subject to a 25% tariff, and chicken is subject to a 75% tariff.<sup>16</sup>

Mexico exports labor-intensive farm produce to the U.S., such as tomatoes, avocados, peppers, grapes, cucumbers, melons, berries, onions, avocados, and cantaloupes, which account for 44% of total U.S. imports.<sup>17</sup> Most such fruits and vegetables currently enter duty-free; the most-favored-nation (MFN) tariffs applicable to U.S. imports from non-free trade agreement countries are high for some types of produce (e.g., 12.8%–29.8% for cantaloupes depending on the season), while others are much less (e.g., 2.8–3.9 cents/kg for tomatoes).<sup>18</sup>

Tomatoes are a significant export to the U.S. from Mexico. Under NAFTA and the USMCA they are not subject to tariffs or quotas. If such tariffs had been increased under the USMCA or with the termination of NAFTA, the increased costs as a result of tariffs would have presumably been passed on to consumers, or consumers would have had fewer choices, particularly in the off-season. Sufficient alternative sources for tomatoes or other produce imported from Mexico probably do not exist in the U.S., especially in the winter, due to the increasing shortage of legal farm workers and water shortages in Arizona and California, among other factors. However, independently of NAFTA and the USMCA, the U.S. industry sought and ultimately received more extensive so-called unfair trade protection. The tomato anti-dumping dispute and agreement are discussed separately below.

Beyond produce, grains, and animal products, processed foods and beverages constitute a very significant portion of total NAFTA trade. As the Agricultural Technical Advisory Committee for Trade observed in its report,

*U.S. processed food and beverage exports to the world exceeded \$43 billion in 2017, accounting for roughly one third of all U.S. agricultural exports. Nearly half of these exports are destined for Mexico and Canada. Canada is by far the largest market for U.S. food and beverage exports, with exports to Canada valued at \$12.8 billion in 2017. NAFTA has provided significant economic opportunities to the sector and allowed for the creation of a truly integrated North American market.*

*As the Committee clearly stated in its comments on priorities and negotiating objectives when the Administration announced its intent to modernize NAFTA, the many beneficial aspects of this trilateral agreement should be preserved and no outcome of the current renegotiation should decrease market access or weaken integration in North America.<sup>19</sup>*

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### **Agriculture Under the USMCA**

The USMCA does not make any major changes to agricultural trade within North America other than U.S.–Canadian dairy trade. It therefore preserves most agricultural trade within the region, including trade in processed foods. Some of NAFTA's original restrictions remain in the USMCA, including those on imports of dairy products, wheat, and some meat products in Canada. In terms of Mexico under the USMCA, most agricultural products remain duty- and quota-free.

U.S. agricultural exports to Mexico, the third-largest market behind Canada and China, are focused on corn, wheat, soy, beef, pork, and chicken, all of which are efficiently grown under highly mechanized conditions in the U.S. The U.S. also exports dairy products, apples, pears, and grapes to Mexico.<sup>20</sup> In 2017, U.S. agricultural exports to Mexico totaled \$19.5 billion, while imports from Mexico amounted to \$25.5 billion.<sup>21</sup>

As noted earlier, U.S. food imports from Mexico are concentrated in labor-intensive products. In 2017, the U.S. imported \$6.7 billion of vegetables including tomatoes and avocados, and \$5.3 billion of fruits and nuts, including melons and berries.<sup>22</sup> It was thus important to Mexican as well as U.S. agricultural producers that the duty-free trade in agricultural products established in NAFTA was carried over into the USMCA.

### **Reduction of Canadian Dairy Barriers**

Dairy is important to the U.S., not because of the dollar volume of trade (below 1% of total U.S.–Canada trade), but because Canadian restraints on dairy imports became a major issue in the USMCA negotiations between the U.S. and Canada on which Trump repeatedly focused. The industry concerns in the U.S., particularly in key milk-producing states such as Wisconsin, result from a situation where there is “a dairy glut that’s so bad it’s led some American farmers to spill milk.”<sup>23</sup> Converting milk into milk powder or milk protein, which do not spoil and are used in many processed food products, potentially helps dairy producers address milk surpluses. Thus, the opportunity to increase milk (or milk protein) exports to Canada

under the USMCA became an important issue for U.S. negotiators.

The impasse was resolved only at the last minute, which was one of the concessions that permitted Canada to become a signatory of the agreement.<sup>24</sup> According to the Agricultural Technical Advisory Committee,

*USMCA delivers additional export market access for U.S. dairy products across a diverse range of product categories. This expansion of access to the very tightly constrained Canadian market is welcome and will create new opportunities for the U.S. dairy industry in Canada’s trade-restrictive market. As the agreement is implemented, it will be critical to monitor Canada’s TRQ administration practices to ensure that procedures are not wielded to dampen TRQ fill-rates.<sup>25</sup>*

Under the Trans-Pacific Partnership, Canada had agreed to permit U.S. dairy farmers to supply approximately 3.25% of the Canadian dairy market through their exports to Canada; the level of access is increased to approximately 3.6% under the USMCA. Furthermore, one major aspect of the Canadian dairy supply management scheme the U.S. considered highly detrimental to its exports, the “Class 7” milk category that applies to imports of milk powder and milk protein, will be discontinued.<sup>26</sup> It is estimated that this change will be worth about \$600 million to the U.S. dairy industry in increased milk powder and protein exports to Canada. In exchange for Canadian acceptance of U.S. milk proteins, U.S. import barriers for processed peanut and sugar products will be liberalized to a modest degree.<sup>27</sup> Mexican trade with the U.S. was not affected by these changes to dairy trade.

### **Preservation of (Most) Mexican Access to the U.S. Winter Vegetable Market**

Under NAFTA, produce imported from Mexico into the U.S. was duty- and quota-free. Among the initial U.S. proposals for changes to NAFTA, the Trump administration—under pressure from Florida tomato growers—demanded that Mexico accept new “unfair” trade remedies that could have significantly

restricted access to Mexico’s markets for U.S. fruits and vegetables, with a particular emphasis on tomatoes.<sup>28</sup> U.S. growers had effectively argued that competition from Mexico was “unfair” because Mexico enjoyed unfair comparative advantages in lower labor costs, lower humidity, and a more favorable winter climate.<sup>29</sup> Mexican officials were able to reject the proposed changes, and no such provisions are included in the final text of the USMCA. However, this issue did not disappear with the signing of the USMCA on November 30, 2018. Florida Senator Marco Rubio objected to the absence of tomato import restraints in the USMCA because it effectively preserves the status quo. He subsequently threatened to oppose the USMCA’s approval by Congress.<sup>30</sup>

Other stakeholders, including produce importers in the U.S., welcomed rejection of new limits on Mexican source produce: “In terms of tariff treatment, (the agreement) is generally open for fresh produce and that’s good.”<sup>31</sup> Mexico’s negotiating success was particularly welcomed by Arizona-based traders, who benefit from a large volume of Mexican fruit and vegetable imports through the Nogales port of entry.<sup>32</sup>

However, this sense of relief was short-lived, at least for Mexican tomato exports to the U.S. In retrospect, Mexican growers and U.S. importers probably should have anticipated that trade frictions over U.S. tomato exports would continue given the long history of the dispute, with the current antidumping action dating from the 1996.<sup>33</sup> On May 7, 2019, the U.S. Department of Commerce terminated an agreement that had resulted in the suspension of duties on tomato imports since 2013. The result of cancelling this agreement, the latest action in a trade dispute between the U.S. and Mexico that has lasted for three decades, was the imposition of preliminary duties of 17.6% on tomato imports and the resumption of the antidumping investigation that had been suspended in 2013.<sup>34</sup>

In addition, Mexican growers sought an injunction from the Court of International Trade against resuming the antidumping investigation on the grounds that the Department of Commerce failed to follow

proper procedures in ending the suspension agreement. This injunction was denied, and the court further opined that the growers were unlikely to prevail due to the merits of this case: “The court finds that the stated basis for Commerce’s withdrawal from the 2013 Suspension Agreement is the voluntary withdrawal provision with 90 days’ notice, and that Commerce did not withdraw from the 2013 Suspension Agreement due to a perceived violation of the 2013 Suspension Agreement.”<sup>35</sup>

Because of the high stakes, it seemed likely that Mexican growers and the U.S. Department of Commerce would eventually conclude a new suspension agreement incorporating higher base prices for imported tomatoes and other provisions favorable to U.S. growers. Ultimately, this occurred in late August 2019, with both parties agreeing to new reference prices for tomatoes of \$0.31–\$0.59 per pound, with organic tomatoes priced 40% higher. These prices, which went into effect on September 19, 2019, are an increase from the \$0.25–\$0.59 per pound under the earlier suspension agreement.<sup>36</sup> The new five-year suspension agreement also includes an inspection mechanism applicable to some 66.4% to 92% of entering tomatoes.<sup>37</sup> While imports of Mexican tomatoes will continue without tariffs, some U.S. importers have criticized the agreement on the grounds that the increased inspection requirements could lead to increased administrative costs and a backup at the border, which is risky for perishable products.<sup>38</sup>

The current trade action does not address tomato imports from Canada, which represent a second source of tomatoes sold in the U.S.<sup>39</sup> Other vegetable and fruit imports from Mexico and Canada have not been affected by unfair trade actions to date.

### Wine, Spirits, and Geographical Indications

The USMCA also provides for various administrative procedures permitting review of “geographical indications” agreed to by Mexico in other trade agreements. Such geographical indications include many that have been accepted by the U.S., such as

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bourbon, Scotch whiskey, and champagne, which are terms that can only be used under WTO rules when the products are produced in Kentucky, Scotland, and the champagne region of France, respectively. However, there has been an ongoing debate between the U.S., which has resisted the use of additional geographical designations, and the E.U., which typically seeks additions to the protected list in new trade agreements. A key example is the term “chardonnay,” which the E.U. argues should be used only for wine produced in France even though chardonnay has been produced and labeled for decades in many other jurisdictions, including California and Australia.

Avoiding new geographical indications is particularly important to American cheese and wine exporters who fear pressure from the E.U. will restrict the Mexican market for products that the U.S. believes to be generic rather than specific to geographic location (e.g., Gouda or Edam cheese from the Netherlands, feta cheese from Greece, and chardonnay from France). Among other steps designed to prevent U.S. product exports to Mexico from being restricted due to Mexico's geographical indication rules, the USMCA requires government analysis by Mexico before it imposes any new geographical indications. In particular, the criteria for determining when a product is generic or specific to a particular region must be determined.<sup>40</sup>

These procedural requirements were included in the USMCA because the E.U. and Mexico are currently in negotiations for a revised free trade agreement, and the E.U. and Canada concluded the Comprehensive Economic and Trade Agreement (CETA) in September 2017. Both agreements incorporated enhanced geographical indication protection for exported E.U. products. The USMCA provisions also explicitly protect a list of U.S. cheeses marketed in Mexico.<sup>41</sup> However, as the Agricultural Policy Advisory Committee noted,

*The US – Mexico Trade Agreement includes a number of elements that further transparency and due process in the GI arena. However, it stops short of*

*fully preserving American agriculture's market access opportunities. For instance, exports of products with common food names which have been produced by the United States for decades, such as parmesan, will face restrictions moving forward. Therefore, important work remains to be undertaken . . . in order to preserve the maximum range of market access opportunities possible for American agriculture.<sup>42</sup>*

### **Agricultural Intellectual Property**

Modern agricultural trade depends in part on preservation of intellectual property (IP), particularly in research and development and agricultural biotechnology, areas in which the U.S. is a world leader. The USMCA's IP provisions in these fields have been strongly supported by the industry, and the advisory committee has made the following observations:

*The APAC applauds the ground-breaking achievements in the US – Mexico Trade Agreement which can serve as a template for future trade agreements. For the first time, a trade agreement specifically addresses agricultural biotechnology critical to the foundation of the future of American agriculture . . . In addition, the APAC notes positively of the explicit inclusion of enhanced protections for other IP elements such as trademarks, patents (including the recognition of patented plant varieties) and trade secrets.<sup>43</sup>*

Among the relevant provisions in the USMCA are those designed to encourage agricultural innovation and trade in biotechnology,<sup>44</sup> and those protecting proprietary formulas for pre-packaged foods and food additives.<sup>45</sup> The USMCA also includes provisions for agricultural biotechnology, which is defined as: “technologies, including modern biotechnology, used for the deliberate manipulation of an organism to introduce, remove, or modify one or more heritable characteristics of a product for agriculture and

aquaculture use and that are not technologies used in traditional breeding and selection.”<sup>46</sup> The agricultural biotechnology provisions reflect a commitment by the parties,

*Confirm[ing] the importance of encouraging agricultural innovation and facilitating trade in products of agricultural biotechnology, while fulfilling legitimate objectives, including by promoting transparency and cooperation, and exchanging information related to the trade in products of agricultural biotechnology.*<sup>47</sup>

### Seasonal Agricultural Workers

In contrast to other agriculture–related concerns, the availability of seasonal workers to provide agricultural labor in the U.S. is not addressed in the USMCA. The U.S. agricultural industry had hoped, probably unrealistically, that the USMCA would make some provision for seasonal farm workers, but this was not to be the case in either the USMCA’s labor chapter or elsewhere in the agreement. As the advisory committee report noted,

*American agriculture is disappointed that this negotiating opportunity did not achieve consensus on facilitating the cross-border flow of seasonal and select year-long workers. The current H2A [sic] to a program is both difficult and expensive to navigate. It is not user-friendly and does not work for year-round occupations like dairying. The result for America’s farmers, ranchers and processors is a shortfall of labor available to participate in both seasonal and year-round agricultural jobs.*<sup>48</sup>

## CONCLUSION

In terms of changes in the USMCA, U.S. importers of apparel and materials used in apparel production did not achieve their damage-limiting objectives, but it is too soon to tell whether impact of the changes overall will be significant. The U.S. has been highly protective of its textile and apparel sector in NAFTA and all subsequent trade agreements, so it is not surprising that such actions continued under the USMCA.

In agriculture, the major takeaway is likely a broad feeling of relief for U.S. and Mexican traders of agricultural products. In terms of the more severe tomato import restrictions, it would be inaccurate to blame the USMCA. One simply needs to understand that a) about half of the tomatoes grown in the U.S. are grown in Florida,<sup>50</sup> and b) Florida’s 29 electoral votes are important in the upcoming 2020 presidential election.

Despite these tomato restrictions, the truly free agricultural trade that is vital to all three NAFTA parties, and to the interests of their consumers, was largely untouched in the USMCA. While some Canadian restrictions remain, U.S. dairy farmers modestly increased access to the highly regulated Canadian market for milk solids. It thus seems highly likely that under the USMCA, as under NAFTA, Canada and Mexico remain among the largest markets for U.S. agricultural exports. Given the threats to continued U.S. agricultural exports to China as a result of the current trade war,<sup>51</sup> the USMCA results provide one of the few bright spots for American agriculture today.

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## ENDNOTES

1. According to the World Intellectual Property Organization, “A geographical indication (GI) is a sign used on products that have a specific geographical origin and possess qualities or a reputation that are due to that origin.” See “Geographical Indications,” World Intellectual Property Organization, accessed October 9, 2019, [https://www.wipo.int/geo\\_indications/en/](https://www.wipo.int/geo_indications/en/).
2. See E.U. Commission, “EU and Mexico Reach New Agreement on Trade,” April 21, 2018, <https://trade.ec.europa.eu/doclib/press/index.cfm?id=1830>.
3. Under the Tariff Act of 1930, 19 U.S.C. §§ 1671–1677n, as amended, U.S. industries may petition the government for relief in the form of additional tariffs from imports that are sold in the U.S. at less than fair value (“dumped”), if the sales can be shown to cause material injury to domestic producers of the same product.
4. Irina Ivanova, “What does the U.S. Import from Mexico? A Whole Lot,” *CBS News*, June 1, 2019, <https://www.cbsnews.com/news/what-does-the-us-import-from-mexico-a-whole-lot/>.
5. See “Mexican Official: Threat of U.S. Tariffs ‘More and More Distant,’” *World Trade Online*, September 10, 2019, <https://insidetrade.com/trade/mexican-official-threat-us-tariffs-more-and-more-distant>.
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7. NAFTA, annex 3–B.
8. See Colin Eaton, “Businesses Along Texas Border Fear ‘Going Belly Up’ without NAFTA,” *Houston Chronicle*, February 9, 2018, <https://www.houstonchronicle.com/business/article/In-Texas-border-economy-fears-of-going-belly-12564578.php>.
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10. USMCA, notes to HTSUS chs. 61–62.
11. Report of the Industry Trade Advisory Committee on Textiles and Clothing, September 27, 2018, 6, <https://ustr.gov/sites/default/files/files/agreements/FTA/AdvisoryCommitteeReports/ITAC%2011%20REPORT%20-%20Textiles%20and%20Clothing.pdf>.
12. “Stakeholders: USMCA Rules Could Undercut Benefits for the Apparel Industry,” *World Trade Online*, November 20, 2018, <https://insidetrade.com/daily-news/stakeholders-usmca-rules-could-undercut-benefits-apparel-industry>.
13. *Ibid.*
14. Office of the United States Trade Representative (USTR), “U.S.–Canada Trade Facts,” <https://ustr.gov/countries-regions/americas/mexico>. A comprehensive analysis of the effects of NAFTA’s termination on regional agricultural trade is beyond the scope of this report but is available through the *Congressional Research Service*. See Renee Johnson, “Potential Effects of a U.S. NAFTA Withdrawal: Agricultural Markets,” *Congressional Research Service*, November 13, 2017, <https://fas.org/sgp/crs/row/R45018.pdf>.
15. USTR, “U.S.–Mexico Trade Facts,” <https://ustr.gov/countries-regions/americas/mexico>.
16. Ana Swanson and Kevin Granville, “What Would Happen if the U.S. Withdrew from NAFTA,” *The New York Times*, October 12, 2017, <https://www.nytimes.com/2017/10/12/business/economy/what-would-happen-if-the-us-withdrew-from-nafta.html>.
17. Renee Johnson, “The U.S. Trade Situation for Fruit and Vegetable Products,” *Congressional Research Service*, December 1, 2016, <https://fas.org/sgp/crs/misc/RL34468.pdf>.
18. See Harmonized Tariff Schedule of the United States, USITC Pub. 4750 (2018).
19. Agricultural Technical Advisory Committee for Trade in Processed Foods, September 27, 2018, <https://ustr.gov/trade-agreements/free-trade-agreements/united-states-mexico-canada-agreement/advisory-committee>.

20. “Mexico Country Commercial Guide,” Export.gov, October 12, 2018, <https://www.export.gov/article?id=Mexico-Agriculture>.

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23. Jeff Daniels, “US Dairy Glut Leads to Problem of Spilled Milk in Some Markets, as NAFTA Brings Other Worries,” CNBC, September 22, 2017, <https://www.cnbc.com/2017/09/22/dairy-glut-in-us-leads-to-problem-of-spilled-milk.html>.

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26. USMCA, annex 3–B.

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