



Overview

The new United States-Mexico-Canada Agreement (USMCA) introduces a new provision related to: Transparency, Predictability, and Consistency in Customs Procedures. The former North American Free Trade Agreement (NAFTA) did not include a similar provision.

References

- **USMCA**
 - *Final Text*: Chapter 7, Article 7.11
- **NAFTA**
 - Not specified

Significant Changes in USMCA

| Provision | USMCA | NAFTA |
|----------------------------|---|-------|
| Changes/Differences | <p>New to USMCA</p> <ul style="list-style-type: none"> • Trade related customs procedures must be transparent, predictable, and consistent. • Different rules or treatment can be applied based upon the list of criteria. • Conduct review procedures to ensure these procedures are the least trade restrictive; applied with a view to the rapid release of goods; applied in a manner that reduces costs and time; and not maintained if no longer required to fulfill a Parties' objective. • Develop trade-related procedures that consider international standards. | |

Detailed USMCA/NAFTA Side-by-Side

| Provision | USMCA | NAFTA |
|--|--|---------------|
| Transparency, Predictability, and Consistency in Customs Procedures | <p>Article 7.11: Transparency, Predictability, and Consistency in Customs Procedures</p> <ol style="list-style-type: none"> 1. Each Party shall apply its customs procedures related to the importation, exportation, and transit of goods in a manner that is transparent, predictable, and consistent throughout its territory. 2. Nothing in this Article prevents a Party from differentiating its import, export, and transit procedures, and documentation and data requirements: <ol style="list-style-type: none"> a. based on the nature and type of goods, or their means of transport; b. based on risk management; c. to provide total or partial exemption to a good from customs duties, taxes, fees, or charges; d. to allow electronic filing, processing or payment; or e. in a manner consistent with Chapter 9 (Sanitary and Phytosanitary Measures) and the SPS Agreement. 3. Each Party shall review its import, export, and transit procedures, and documentation and data requirements, | No specified. |

| Provision | USMCA | NAFTA |
|-----------|--|-------|
| | <p>and, based on the results of the review, ensure, as appropriate, that these procedures and requirements are:</p> <ol style="list-style-type: none"> a. adopted and applied with a view to a rapid release of goods; b. adopted and applied in a manner that aims at reducing the time, administrative burden, and cost of compliance with those procedures and those documentation and data requirements; c. the least trade restrictive, if two or more alternative measures are reasonably available to fulfil the Party's policy objectives; and d. not maintained, including parts thereof, if no longer required to fulfil the Party's policy objectives. <p>4. If a Party holds the original paper version of a document submitted for the importation into, exportation from, or transit through its territory, the Party shall not require an additional submission of the same document.</p> <p>5. Each Party shall take into consideration, to the extent practicable and appropriate, relevant international standards and international trade instruments for the development of its customs procedures related to the importation, exportation and transit of goods.</p> <p>6. Each Party shall adopt or maintain measures with a view to ensuring consistency and predictability for traders throughout its territory in the application of its customs procedures, including determinations on tariff classification and customs valuation of goods. These measures may include training of customs officials or issuing documents that serve to guide customs officials. If an inconsistency in the application of its customs procedures, including determinations on tariff classification or customs valuation of goods, is discovered, the Party shall seek to resolve the inconsistency, if practicable.</p> | |