



## Overview

This is a new provision in the new United States-Mexico-Canada Agreement (USMCA) that requires the Parties of the Agreement to cooperate to strengthen and expand their customs and trade enforcement. There was no such provision in the North American Free Trade Agreement (NAFTA).

## References

- **USMCA**
  - *Final Text*: Chapter 7, Article 7.25
- **NAFTA**
  - No provision.

## Significant Changes in USMCA

Provision	USMCA	NAFTA
<b>Cooperation on Enforcement</b>	<p><b>New provision in USMCA.</b></p> <ul style="list-style-type: none"> <li>• Only a domestic importer, or an exporter or producer in one of the other two countries, can request advice or information.</li> <li>• Must respond timely if it meets the requirements of the drawback or duty deferral program.</li> </ul>	No provision.

## Detailed USMCA/NAFTA Side-by-Side

Provision	USMCA	NAFTA
<b>Cooperation on Enforcement</b>	<ol style="list-style-type: none"> <li>1. The Parties agree to strengthen and expand their customs and trade enforcement efforts and cooperation as set out in this Section. In these efforts, the Parties may use any applicable mechanism, including bilateral cooperation mechanisms.</li> <li>2. Each Party shall, in accordance with its laws and regulations, cooperate with other Parties for the purposes of enforcing or assisting in the enforcement of their respective measures concerning customs offenses in the trade in goods between the Parties, including ensuring the accuracy of claims for preferential tariff treatment under this Agreement.</li> </ol>	<ul style="list-style-type: none"> <li>• Not specified.</li> </ul>

Provision	USMCA	NAFTA
	<p>3. With a view to facilitating the effective operation of this Agreement, each Party shall:</p> <ul style="list-style-type: none"> <li>a) encourage cooperation with the other Parties regarding customs issues that affect goods traded between the Parties; and</li> <li>b) endeavor to provide the other Parties with advance notice of any significant administrative change, modification of a law or regulation, or other measure related to its laws or regulations that governs importations, exportations, or transit procedures that is likely to substantially affect the operation of this Agreement or likely to affect the effective implementation and enforcement of the customs and trade laws and regulations of a Party.</li> </ul> <p>4. Each Party shall take appropriate measures, such as legislative, administrative, or judicial actions for enforcement of its laws, regulations, and procedures related to customs offenses, to enhance coordination between its customs administration and other relevant agencies and for cooperation with another Party.</p> <p>5. The measures under paragraph 4 may include:</p> <ul style="list-style-type: none"> <li>a) specific measures, such as enforcement actions to detect, prevent, or address customs offenses, especially on identified customs priorities, taking into account trade data, including patterns of imports, exports, or transit goods to identify potential or real sources of these offenses;</li> <li>b) adopting or maintaining penalties aimed at deterring or penalizing customs offenses; and</li> <li>c) providing a Party's government officials with the legal authority to meet its enforcement obligations under this Agreement.</li> </ul>	