

## **PRESIDENT DONALD J. TRUMP IS KEEPING HIS PROMISE TO RENEGOTIATE NAFTA**

*“America has ... finally turned the page on decades of unfair trade deals that sacrificed our prosperity and shipped away our companies, our jobs, and our Nation’s wealth.” – President Donald J. Trump*

### **A PROMISE KEPT: President Donald J. Trump is delivering on his promise to renegotiate the North American Free Trade Agreement (NAFTA) so all American workers can benefit.**

- The United States has secured a preliminary US-Mexico Trade Agreement that modernizes and rebalances the trade relationship to reflect the realities of the 21st century.
  - This agreement will create more reciprocal trade that grows the economy, supports high-paying jobs for American workers, and protects American intellectual property.
  - The preliminary agreement is a mutually beneficial win for North American farmers, ranchers, workers, and businesses.
- President Trump is following through after years of promises by politicians to fix NAFTA.
  - This is the first time that a modern United States trade agreement has been renegotiated.
- The preliminary agreement will benefit American workers, American manufacturing, and American agriculture, through provisions including:
  - New “rules of origin” requirements to incentivize billions a year in vehicle and automobile parts production in the United States, supporting high-wage jobs.
  - The strongest, fully enforceable labor standards of any trade agreement.
  - New commitments to reduce trade-distorting policies for agricultural goods.
  - Improvements enabling food and agriculture to trade more fairly.
  - Strong and effective intellectual property protections.
  - The strongest disciplines on digital trade of any international agreement.
  - The most robust transparency obligations of any United States trade agreement.

### **MODERNIZING NAFTA: The 24-year-old NAFTA was outdated and unbalanced, hurting American jobs and businesses.**

- Many Americans have been hurt by closed factories, exported jobs, and broken political promises resulting from the old NAFTA.
- NAFTA has contributed to our ballooning annual goods trade deficit, which grew from \$115 billion in 1993, the year before NAFTA’s implementation, to nearly \$800 billion in 2017.
  - The United States went from a \$1.6 billion goods trade surplus with Mexico to a \$70 billion goods trade deficit during that same time period.
- The old NAFTA includes many outdated provisions that have not been updated to reflect modern standards, new technologies, or the 21st century global economy.

### **NEGOTIATING FOR THE AMERICAN WORKER: President Trump has made it a priority of his Administration to replace unfair deals with free, fair, and reciprocal trade.**

- Since taking office, President Trump has undertaken multiple trade negotiations in addition to NAFTA that will benefit American workers.
- President Trump reached an agreement with the European Commission to work toward zero tariffs, increase energy exports, reduce non-tariff barriers, and address unfair trade.
- Keeping another campaign promise, the Trump Administration successfully secured key amendments to the trade agreement with South Korea to strengthen our manufacturing base.