



U.S. Chamber of Commerce

1615 H Street, NW
Washington, DC 20062-2000
uschamber.com

February 10, 2026

The Honorable Mike Crapo
Chairman
Committee on Finance
United States Senate
Washington, DC 20510

The Honorable Ron Wyden
Ranking Member
Committee on Finance
United States Senate
Washington, DC 20510

Dear Chairman Crapo and Ranking Member Wyden:

The U.S. Chamber of Commerce (“the Chamber”) greatly appreciates the opportunity to provide this statement for the record on the occasion of the Committee’s hearing titled the “U.S.-Mexico-Canada Agreement: Evaluating North American Competitiveness.”

The USMCA has provided substantial benefits to American workers, farmers, and companies across the breadth of the U.S. economy. On December 1, more than 500 national business and agriculture organizations, together with chambers of commerce from every state in the union, sent a joint letter to the U.S. Trade Representative

to convey our continuing support for the U.S.-Mexico-Canada Agreement (USMCA). While a number of important compliance issues require greater attention and remediation through the “joint review” now under way, USMCA remains critical to our economic future because it preserves and strengthens U.S. trade ties to Canada and Mexico.

More than 13 million American jobs depend on trade with Canada and Mexico. U.S. manufacturers export more made-in-America manufactured goods to our North American neighbors than they do to the next 12 largest export markets combined, and the two countries account for one-third of U.S. agricultural exports. They are also the top two export destinations for U.S. small and medium-size businesses, more than 100,000 of which sell their goods and services to Canada and Mexico.

USMCA ensures U.S. manufacturers, farmers, and service providers can continue to access the Canadian and Mexican markets. It guarantees that virtually all U.S. exports enter these markets tariff-free and helps American companies and the workers they employ compete in our top two export markets.

The overwhelming support for the agreement from across the U.S. economy speaks volumes. In addition to the facts above, Canada and Mexico are the source of critical imports—including basic materials, parts, and components—that are essential to the competitiveness of U.S. industry. Many of these inputs are unavailable from domestic sources at reasonable prices or in sufficient quantities, and other imports are low-value consumer goods that a high-wage economy such as the United States cannot and should not attempt to produce domestically. To illustrate, President Trump supported this point recently when he commented that his administration is not seeking to onshore the production of t-shirts and socks.

In light of these facts, the Chamber has urged the administration to focus on the following objectives in the course of the joint review, which, under the terms of the agreement, is to conclude on July 1:

- Maintain and strengthen U.S. trade ties with Canada and Mexico by upholding and refining trilateral rules that support American jobs and enhance our industries' global competitiveness;
- Secure a renewed commitment to full compliance with the terms of the USMCA and swift action by the parties to enforce its terms in the areas where compliance has fallen short; and
- Lend certainty to investors by expediting a transparent and orderly joint review that provides the confidence businesses need to expand their investments in the United States and across North America.

Details on these three priorities follow below. In addition, we addressed the following issues in our longer comments submitted to USTR in October, and we urge the committee to take them into account as well:

- Recommendations on limited updates to the agreement;
- A discussion of challenges to the investment climate across North America, particularly in Mexico;
- A discussion of strategies for strengthening the North American Competitiveness Committee (NACC); and
- Annexes addressing compliance challenges in Canada and Mexico.

Priority 1: Maintain and Strengthen U.S. Trade Ties to Canada and Mexico

Thanks in large part to the USMCA, trade growth between the United States, Canada, and Mexico has expanded significantly in recent years to nearly \$2 trillion. In addition to providing duty-free access to nearly all goods that are traded between the three countries, the USMCA established state-of-the-art rules to facilitate trade and

investment, eliminate non-tariff barriers, and establish effective dispute settlement mechanisms.

As noted above, the USMCA has enhanced U.S. export opportunities for American manufacturers, farmers and ranchers, and service providers. Roughly one-third of all U.S. exports go to these two countries, which, on a per capita basis, purchase far more American-made goods and services than any other region.

The USMCA also brings substantial benefits by facilitating co-production in agriculture and manufacturing, especially the automotive, aerospace, medical goods, textiles and apparel, and forest products sectors. These partnerships leverage complementarities between the three economies, creating efficiencies that help American companies produce high-quality products at a low cost. It cannot be overstated that lower costs are the foundation of higher living standards and enhanced global competitiveness. Some examples follow:

- Agriculture provides compelling examples of how companies are able to leverage these country-specific strengths. Some foods and ingredients simply cannot be sourced locally in sufficient quantities because they are not grown at scale in the United States. For example, oat acreage in the United States has been in steady decline since the 1940s, as farmers have opted to plant other crops. There is no longer a viable system for growing, storing, and transporting U.S. oats from farms to mills at the scale needed for conventional foods. At the same time, Canada is the world's largest producer and exporter of oats, with more than 90% of oats milled for food in the U.S. sourced from its northern neighbor. Thousands of U.S. jobs depend on oat imports to make food products. Similar examples arise from pulp, fiber, cansheet, and more.
- The rail equipment industry supports good jobs across the North American railcar manufacturing and maintenance supply chain, which is maintained and strengthened through benefits from the USMCA. With nearly 40% of freight rail traffic tied to international trade, it's crucial for rail companies across the United States to maintain positive relations with Canada and Mexico. This will ensure healthy and steady growth across the rail industry, using U.S.-made products to support thousands of jobs in all three countries. Every day, the U.S. rail manufacturing workforce and tens of thousands of U.S. workers move 543.5 million tons of goods through ports and across borders via rail, helping deliver the highest quality products and services that support America's railway system.
- U.S. energy dominance is enhanced by the ability to draw on integrated supply chains across North America and on natural resources from Canada and Mexico, such as crude oil from Canada. Growth in our neighboring markets

benefits U.S. exports and supports American jobs. Expanding the market for oil and gas and related products benefits all consumers, since it encourages the development of new technologies, new business models, and the efficient production and distribution of goods at scale. It's in our collective best interest to guarantee regional energy security that boosts economic growth, social well-being, and our global competitiveness. Strengthening our regional energy integration, streamlining processes while reducing administrative costs, should be front and center of the USMCA joint review.

Building on this enhanced industrial competitiveness, the USMCA greatly strengthens the position of the United States and its North American neighbors as an export platform to service the 95% of the world's consumers living elsewhere. For many U.S. companies, one out of every five jobs support overseas sales, including but not limited to those in Canada and Mexico.

Retaining the trilateral character of the USMCA is also essential. Business benefits substantially from trade rules that apply broadly and consistently across the breadth of the North American economies; compliance costs soar when inconsistent rules apply in different relationships. In an era when the United States and other governments are demanding unprecedented supply chain transparency and sourcing information, limiting this kind of unnecessary and duplicative complexity is imperative.

Related benefits of the USMCA's rules chapters are significant. Some USMCA provisions, such as simpler certification of origin, have reduced costs for businesses and customers, while disciplines under the agreement have steered policies in Mexico and Canada toward more pro-growth policies that in turn have benefited American exporters and investors and the workers they employ. Notably, the agreement has delivered concrete gains for U.S. small and medium-sized enterprises (SMEs). According to the [2025 FedEx Trade Index](#), SMEs across all three countries overwhelmingly support the USMCA, with 91% expressing approval.

The agreement also supports digital services exports, which are an important driver of U.S. economic growth with the potential for continued growth. According to the [Bureau of Economic Analysis \(BEA\)](#), U.S. information and communication technology (ICT) services exports to Canada and Mexico in 2024 reached \$10.4 billion and \$3.45 billion respectively, and digitally tradeable services exports to Canada and Mexico reached \$55.3 billion and \$19.8 billion respectively.

Priority 2: Secure a Renewed Commitment to Full Compliance with the USMCA

The Chamber has long argued that a trade agreement is not worth the paper it is written on without meaningful enforcement, and our members appreciate the administration's focus on this important body of work worldwide. In keeping with this

view, the joint review represents an essential opportunity to focus on compliance with the terms of the USMCA. It is imperative that the three governments hold each other accountable to full implementation of the USMCA in order to secure the full breadth of its benefits.

Canada continues to present compliance challenges that threaten to undermine the full potential of the USMCA. Canada has faced criticism for not fully implementing its obligations, particularly regarding Canada's agricultural commodity supply management system (in particular, regarding enhanced market access for U.S. dairy products); intellectual property protections, notably patent term adjustment and patent term extension, among other commitments; and discriminatory policies, in areas like digital (e.g., the Online Streaming Act) and healthcare (e.g., PMPRB pricing policies). For a comprehensive list of compliance issues and recommendations, please review [Annex I](#) in our submission to USTR.

Mexico also presents compliance challenges in a manner that undermines trade and investment opportunities. Mexico's constitutional reform poses significant challenges to judicial independence and regulatory autonomy, directly conflicting with critical provisions of the USMCA. These include requirements for independent labor dispute judges and autonomous regulatory bodies in key sectors and areas such as antitrust, energy, and telecommunications. As the Chamber has previously stated, absent adjustments, these legal and regulatory changes risk undermining the rule of law and the guarantees of protection for business operations in Mexico, including the minimum standard of treatment under the USMCA. These [reforms are at odds with Mexico's obligations](#) under the USMCA and other international treaties to provide all with the right to a competent, independent, and impartial judicial system. Additionally, Mexico presents significant compliance-related challenges in areas including agriculture, digital trade, energy, financial services, intellectual property, regulatory and government procurement, and trade facilitation—including several non-tariff barriers. For a comprehensive list of compliance issues and recommendations, please review Annex I.

With regard to the United States, the extensive new tariffs imposed on goods from Canada and Mexico in the year to date are not compliant with the USMCA. Indeed, the core commitment of the agreement is to maintain the tariff-free trade within North America—with limited exceptions relating to trade remedies and a few other areas—that has prevailed for decades. Many of these new tariffs have been applied under Section 232 of the Trade Expansion Act of 1962, under which tariffs are imposed on imports that “threaten to impair the national security.” However, imports of Canadian and Mexican steel, aluminum, autos, commercial vehicles, copper, and lumber, and their derivative products do not threaten U.S. national security; on the contrary, these duties impose a heavy burden on U.S. manufacturing and consumers,

notably imposing significant costs on the U.S. auto manufacturing sector, the nation's largest manufacturing subsector.

Further, Congress recognized Canada as an integral part of the U.S. defense industrial base under the Defense Production Act in 1993. Canada is also one of the four countries deemed to be a formal part of the U.S. national technology and defense industrial base (NTIB). It is not reasonable to claim that imports of these goods from a close ally somehow pose a threat to U.S. national security when these imports are essential to the competitiveness of U.S. industry. The U.S. tariff on Canadian aluminum is a vivid case in point: Replacing Canadian aluminum with domestic production—as is the apparent objective of the present 50% tariff—would take decades, cost tens of billions of dollars, and require additional electricity production equivalent to that of the state of Nevada.

It is worth noting that the United States also has a significant manufactured goods trade surplus with Canada that is undermined by these tariffs, which raise costs for U.S. manufacturers and undermine their products' price competitiveness in the Canadian market. While the U.S. relationship with Mexico is different, the complementary nature of our southern neighbor's economy and factor endowment also makes it critical to U.S. economic and national security, including in the context of America's strategic competition with China. To seize that opportunity, however, we must guarantee North America's energy integration and energy security. Mexico's current lack of compliance with the USMCA in the energy sector is hindering its manufacturing productivity and competitiveness. Only with reliable, affordable, and sustainable energy will Mexico continue to play the critical complementary role it has played for the last thirty years.

In sum, the USMCA joint review should focus attention on compliance and enforcement. As allies and partners, it is essential that Canada, Mexico, and the United States meet our commitments under the USMCA.

Priority 3: Provide Certainty and Confidence to Investors by Expediting a Transparent and Orderly Joint Review

Among the chief benefits of the USMCA for the U.S. business community are clear and stable rules of the road. The USMCA provides job creators—farmers and ranchers, manufacturers, and service providers—with the certainty they need to invest, hire, grow, and contribute to our shared prosperity.

The agreement has already established strong measures that preserve duty-free trade; streamline customs procedures and commitments on risk assessment and science-based regulation, among other good regulatory practices; and facilitate digital trade, among other areas. These areas should, at a minimum, be preserved.

The following discussion of disciplines included in the USMCA and specific industry implications underscores the imperative of expediting a transparent and orderly review that maintains the agreement's basic framework.

Duty-Free Access

The USMCA's duty-free access must be maintained, and U.S. negotiators should unwind the Section 232 tariffs imposed to date on goods from Canada and Mexico. Doing so would mark a positive step forward in mitigating rising U.S. energy, transportation, construction, and other costs, without jeopardizing national security. Additionally, tariffs on commodities that are not available domestically in sufficient quantities hinder U.S. manufacturers' abilities to meet consumer demand. Future Section 232 undertakings, including pending investigations, should not impose tariffs on goods imported from Canada and Mexico, as discussed above.

Technical Barriers to Trade (TBT); Sanitary and Phytosanitary Measures (SPS)

In addition to securing outstanding market access, the USMCA established state-of-the-art TBT rules that guard against non-tariff barriers to trade as well as science-based SPS rules that are the strongest achieved in any trade agreement. The agreement provides transparency and information sharing on measures impacting trade in related biotechnology products.

It is essential to maintain such commitments, which are based on comprehensive risk assessments and science and do not create excessively onerous requirements for trade in related products. These chapters improve upon disciplines incorporated in the World Trade Organization's similar agreements, promoting non-discrimination, transparency, and regulatory coherence among the member countries.

Digital Trade

The USMCA's Digital Trade chapter (Chapter 19) established a high-standard, pro-innovation framework that has supported North American competitiveness, job creation, and small business participation in digital markets. The Chamber urges governments to maintain the core disciplines of Chapter 19; ensure full, faithful implementation across the agreement; and avoid reopening settled text in ways that would weaken existing commitments or introduce uncertainty.

First, the agreement's non-discrimination principle for digital products and services should be preserved and vigorously enforced. Companies that deliver software, cloud, digital content, and other online services across borders should not face discriminatory measures based on nationality, business model, or mode of

delivery. This includes avoiding measures that target digital services for unique taxes or levies, or that otherwise treat digital offerings less favorably than domestic or non-digital counterparts. These rules have provided essential certainty for small and medium-sized and larger firms alike and should not be diluted.

Second, the USMCA's commitments enabling cross-border data transfers and prohibiting data localization requirements remain foundational to modern commerce. Maintaining the free flow of commercial data is indispensable for supply chain visibility, secure operations, compliance, and innovation. The prohibition on requiring the use or location of computing facilities in a Party's territory should be preserved and applied consistently, including in sectors with heightened regulatory oversight.

Third, the USMCA's protections against forced disclosure of source code and related proprietary information must be maintained and modernized in implementation: Firms should not be required, as a condition of market access or operation, to transfer or provide access to source code, algorithms, model parameters, or encryption keys. Any limited exceptions should remain narrow, transparent, and accompanied by robust safeguards for confidentiality, intellectual property, due process, and judicial review. These protections are critical to safeguarding innovation across software, AI, advanced manufacturing, and cybersecurity.

Finally, the Chamber supports retaining the prohibition on customs duties on electronic transmissions contained in Chapter 19. Duties on data flows or digital content would be a step backward for North American competitiveness, particularly for small businesses that rely on digital channels to reach customers across borders. The Parties have an opportunity to build on the USMCA's foundation through practical implementation workstreams. The Chamber recommends doing so via the establishment of a Committee on Digital Trade in the areas of artificial intelligence and trusted technology; government access to data, post-quantum cryptography; and financial sector coordination.

Energy

North America's energy resources have made the United States, Canada, and Mexico a collective powerhouse in trade, investment, and economic growth, resulting in thousands of jobs for small and large companies alike. Earlier this year, the Business Council of Canada (BCC), the Consejo Coordinador Empresarial (CCE), and the U.S. Chamber of Commerce released a [report](#) highlighting the importance of continental energy security and calling for enhanced coordination to solidify the continent's long-term role as the world's foremost energy powerhouse. Consistent with the administration's Energy Dominance objectives, and as the following excerpt from that report illustrates, opportunities exist to build on this critical competitive advantage:

“North America produces more oil and gas than any other region in the world. The combined power of North America’s energy sector places it as the top global producer of oil and natural gas, the top exporter of liquified natural gas (LNG), and the third-largest exporter of crude oil. Moreover, integrated energy markets and substantial cross-border trade in oil, natural gas and key minerals and materials provide the continent with a competitive advantage unrivaled by any other region of the world and reduce dependence on less reliable foreign actors.

“North America is uniquely positioned to leverage its natural resources and deeply integrated energy markets to enhance energy security and the economy in the years ahead. Enhanced and formalized cross-border collaboration under the auspices of a North American energy alliance would provide an enduring framework to cement the continent’s role as a global energy powerhouse.

“These benefits go beyond generating strong returns for capital markets. They underscore what can be achieved when North American policy agendas are aligned rather than fragmented. In this case, North America has proven it can lead the world in production and exports by accessing the largest capital markets in the world and developing new energy sources and technologies. Importantly, North America’s resources and export capacity can also offer a near-term solution to global challenges concerning energy security and lower emissions energy...

“Today, however, cooperation on energy is dispersed across numerous government task forces and memorandums of understanding led by multiple departments and agencies with varying mandates and expertise. While the USMCA includes important provisions related to energy trade, continental collaboration has languished, with the last North American Energy Ministers meeting taking place in 2017.”

It is essential to prioritize the enhancement of the North American energy trade relationship by eliminating tariffs and non-tariff barriers to energy trade. The free flow of Canadian and Mexican crude, energy products, and equipment between the U.S. and our North American neighbors should continue to be the norm. Efforts should also focus on pursuing the development of a North American energy alliance aimed at maximizing the shared energy security, economic, and geopolitical interests of the United States, Canada, and Mexico.

To strengthen regional energy cooperation and ensure long-term reliability, the Parties should prioritize cross-border electricity integration and modernize transmission permitting to enhance reliability and efficiency of continental

transmission networks. Incorporating electricity and transmission infrastructure into the North American Energy Alliance concept would expand the alliance's scope from production to delivery, ensuring that the continent's energy system remains reliable and competitive for decades to come.

Automotive Rules of Origin

The automotive manufacturing sector is one of the strongest examples of how the USMCA has provided tremendous benefits to industry and workers. The United States is the world's second largest auto-manufacturing country, and Canada and Mexico are the top two markets in the world for U.S. auto exports. For decades, the ability of automakers and their suppliers to leverage continental supply chains has enhanced their competitiveness and kept costs low. More than half of U.S. imports today are inputs for manufacturers—raw materials, intermediate goods, and capital equipment—which are essential to advanced manufacturing, and this is true of the auto sector as well.

However, the auto sector has been subjected to a host of public policy challenges in recent years. Successive administrations have made dramatic on-and-off shifts in the regulatory environment for the auto sector, including emissions rules, incentives for the adoption of EVs, the USMCA's extensive and complex rules of origin and the related compliance burden, and most recently the Section 232 tariffs on autos, auto parts, commercial vehicles (trucks and buses), commercial vehicle parts, steel, and aluminum. These shifts have imposed burdens on industry at a time of intense global competition and rapid technological change. Policymakers should reflect on these dramatic twists and turns and engage with industry to chart a path forward that will allow the U.S. industry the certainty and transparency needed to invest and compete.

Further restricting the USMCA's automotive rules of origin—which are by far the most restrictive of any global trade agreement—would add to the burdens on industry. The USMCA introduced high Regional Value Content (RVC) and Labor Value Content (LVC) thresholds as well as mandatory requirements to purchase steel and aluminum and produce core parts in the region. These changes have taken time and resources for companies to implement. According to the [U.S. International Trade Commission's 2025 report on the USMCA's rules of origin](#), annual investments in vehicle manufacturing in the U.S. increased by 164% in the four years after the agreement was announced.

Making these rules even more restrictive puts at risk this growth and the global competitiveness of the U.S. auto industry. Automotive rules of origin should be clear and implementable and should minimize trade disruptions.

Aviation

U.S. aerospace is essential for innovation, economic growth, and national security, with its technologies playing a critical role in supporting these areas. North America's leadership in civil aviation manufacturing is bolstered by the zero-for-zero tariff environment established under the Agreement on Trade in Civil Aircraft. This framework has consistently driven a positive U.S. trade surplus, job creation, workforce development, investment, and global competitiveness for the industry. As the USMCA review progresses, we encourage the Administration to adopt civil aircraft provisions similar to those in the U.S.-Japan, U.S.-EU, and U.S.-UK framework agreements reached in the year to date, ensuring the continuation of a trade regime that has secured the U.S. civil aircraft industry's global competitive edge.

Investment

Investment in foreign markets is critically important for U.S. companies to compete globally. In fact, most U.S. investments abroad are in sectors that cannot be served by means of exports from the United States, and forgoing these opportunities would be costly. This includes a wide range of services as well as many manufactured goods, such as detergent, which generally cannot be exported due to high transportation costs. Such investments help boost U.S. exports and make U.S. companies and their workers more competitive.

A stable, transparent, and predictable investment climate is not always guaranteed, and the USMCA's investment obligations (Chapter 14) offer the bare minimum, necessary legal protections. The USMCA's investment rules ensure that U.S. investors are not subject to discrimination, are treated fairly, and are compensated in the event of expropriation.

Unfortunately, U.S. companies making investments in Mexico have experienced discrimination and expropriation in recent years and have needed to avail themselves of core investment protections found within the agreement. The USMCA joint review must support, at a minimum, the current level of investment protection (ISDS and SSDS), and the administration should consider strengthening their enforcement measures. Enhancing protections is especially necessary in the wake of Mexico's aforementioned judicial reform, which has generated significant uncertainty about the extent to which U.S. companies can rely on the country's legal system to act as a guardrail against executive or legislative overreach. Allowing our trading partners to backslide on investment protection commitments would signal that the United States accepts discriminatory treatment by foreign governments against American companies.

SOEs and Competition Policy

The USMCA established groundbreaking rules (Chapter 22) to ensure that state-owned enterprises (SOEs) do not distort competition as they compete with the private sector. These obligations restrict financial support, combat regulatory favoritism, and ensure the purchase and sales decisions of SOEs are commercial in nature and free from government interference. The USMCA provisions related to procurement by SOEs are particularly important for U.S. companies operating in Mexico because Mexico is not a signatory of the WTO Government Procurement Agreement (GPA) and has a large number of SOEs.

It is essential that the agreement protect U.S. companies from unnecessary or discriminatory process and review clauses, official or unofficial, that could serve as an impediment for access to SOE procurements. This is especially important for services and energy companies, which are often subject to discrimination and regulated in a manner lacking impartiality. Too often, Mexican state-owned competitors receive treatment inconsistent with the USMCA provisions specific to the sector and governance of state-owned enterprises.

The USMCA also ensures that competition policy and antitrust law (Chapter 21) advance economic efficiency and consumer welfare. Under the USMCA, enforcement proceedings are to be conducted in a non-discriminatory manner, based on sound economic analysis, and are required to afford transparency and due process to those targeted in investigations. The provisions are fully aligned with U.S. law and U.S. constitutional protections and therefore do not present any conflicts for either the Department of Justice or the Federal Trade Commission. Unfortunately, these provisions are necessary as too often antitrust proceedings remain opaque in foreign jurisdictions, and safeguards to ensure due process can be limited.

Government Procurement

The opening of foreign procurement markets through the USMCA and other agreements benefits U.S. manufacturers, service providers, and the agricultural sector. Exports tied to foreign government procurement support many good-paying American jobs and increase production and services sales from the United States. The agreement's government procurement obligations related to national treatment, transparency, and fairness should therefore be preserved and more vigorously enforced, especially with respect to Mexico's commitments involving the Comisión Federal de Electricidad (CFE) and proposed offset requirements for medicines. Moreover, beneficiary countries should take further steps to enshrine non-discriminatory and other obligations outlined in the World Trade Organization's Government Procurement Agreement.

Financial Services

The USMCA ensures a level playing field for U.S. financial institutions, investors, and investments in financial institutions as well as cross-border trade in financial services on a nondiscriminatory basis. It is essential that the agreement's provisions in this space be preserved, and, given the speed and pace of technological changes in the digital payments industry, there is also an opportunity to ensure U.S. leadership in electronic payment services. Any adjustments to the agreement should be modest and focus on delivering outcomes that support market access, increase trade facilitation, and drive cost-efficiency.

Small and Medium-sized Enterprises (SMEs)

The USMCA included a novel chapter (Chapter 25) recognizing the significant role of SMEs in the North American economy. This chapter includes commitments to facilitate job creation and enhance overall competitiveness of SMEs. Such language remains integral for main street businesses operating across all three countries to bolster investment opportunities and information sharing, among other objectives. SMEs' abilities to leverage USMCA benefits enable U.S. manufactured exports to be more competitive upon delivery to customers in Mexico and Canada.

To strengthen commercial opportunities in services for SMEs, and further to Chapter 25, the USMCA also included first-ever language supporting "the development of SME trade in services and SME-enabling business models, such as direct selling services, including through measures that facilitate SME access to resources or protect individuals from fraudulent practices." It is critical that such language remains intact, especially given mounting challenges smaller businesses face as a result of the recent termination of the de minimis exemption or potentially more restrictive rules of origin.

Conclusion

The United States-Mexico-Canada Agreement (USMCA) is a cornerstone of North American economic strength, providing a modernized framework that supports businesses, workers, and consumers across the region. By maintaining its trilateral structure, the agreement ensures that the United States, Canada, and Mexico can collectively leverage their shared strengths to remain competitive in the global economy. The importance of preserving the U.S.-Mexico-Canada Agreement (USMCA) cannot be overstated.

The USMCA not only preserves critical market access for U.S. businesses but also fosters innovation, strengthens supply chains, and promotes investment in key sectors such as manufacturing, agriculture, energy, and digital trade. For the United States, the agreement represents an unparalleled opportunity to deepen economic

ties with its closest trading partners, enhance regional competitiveness, and secure millions of American jobs that depend on cross-border trade.

The Chamber appreciates the opportunity to submit these comments and looks forward to working with the administration to address these important issues.

Sincerely,

A handwritten signature in blue ink, appearing to read "Neil Herrington".

Neil Herrington
Senior Vice President, Americas
U.S. Chamber of Commerce