

**NAFTA (Goods)
Summary Fact Sheet**

Table 1: Background Information

Parties	Canada, Mexico, the United States of America.	
Date of signature	17 December 1992.	
Date of entry into force	1 January 1994.	
Transition period for full implementation	15 years.	
Date of full implementation	1 January 2009.	
Website addresses or points of contact	NAFTA Secretariat: http://www.nafta-sec-alena.org/	
List of related GATT/WTO documents	L/7176 L/7176/Add.1 WT/REG4/1 and Corr.1-2, WT/REG4/1/Add.1 and Add.1/Corr.1, WT/REG4/1/Add.2 WT/REG4/2 WT/REG4/3 WT/REG4/4 and Rev.1 WT/REG4/M/1-4 WT/REG4/5 WT/REG4/6 and Add.1	Notification Text of the Agreement Questions & Replies Terms of Reference Membership Information Summary Records Questions & Replies Questions & Replies

Table 2: Internal trade liberalization provisions

Import duties and charges	Article 302 (Tariff elimination)
Export duties and charges	Article 314 (Export taxes) Article 315 (Other export measures) Annex 314 (Exceptions) Annex 315 (Exceptions)
Non-tariff measures	Article 309 (Import and export restrictions) Annex V(Quantitative restrictions and other items)
Sector-specific rules	Article 312 (Wine and distilled spirits) Annex 300-A (Trade and investment in the automotive sector) Annex 300-B (Textile and apparel goods) Chapter Six (Energy and basic petrochemicals) Chapter Seven, Section A (Agriculture)
Product exclusions	None

Table 3: Common external tariff

Provisions	Not applicable
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Table 4: General trade-related provisions

Provision	Relevant Article(s)	Additional Information
Rules of Origin	Annex 311 and Chapter Four	In general, a good originates in the territory of a Party when: it is wholly obtained or produced entirely in the territory of one or more of the Parties; each of the non-originating materials used in its production undergoes an applicable change in tariff classification; or it is produced entirely in the territory of one or more of the Parties exclusively from originating materials. The Agreement also contains provisions on, <i>inter alia</i> , regional value content, automotive goods, cumulation, <i>de minimis</i> , fungible goods and materials, etc.
Standards-related measures	Article 103 and Chapter	Each Party may adopt standards-related measures relating to safety, the protection of human, animal or plant life or health, the environment or consumers, and any measure to ensure its

Provision	Relevant Article(s)	Additional Information
	Nine	enforcement or implementation. Such measures include those to prohibit the importation of a good of another Party that fails to comply with the applicable requirements of those measures or to complete the Party's approval procedures. The Agreement also affirms the Parties' obligations under the WTO Agreement on Technical Barriers to Trade, outlines the Parties' basic rights and obligations, and obliges the Parties to cooperate on technical matters. It establishes a Committee on Standards-Related Measures.
SPS measures	Chapter Seven, Section B	Each Party may adopt SPS measures necessary for the protection of human, animal or plant life or health in its territory, including a measure more stringent than an international standard, guideline or recommendation. The Agreement also affirms the Parties' obligations under the WTO Agreement on SPS Measures and establishes a Committee on Sanitary and Phytosanitary Measures.
Safeguard mechanisms (intra-trade)	Chapter Eight	The Agreement provides for the application of bilateral emergency actions during the transition period if a good originating in the territory of a Party, as a result of the reduction or elimination of a duty provided for in the Agreement, is being imported into the territory of another Party in such increased quantities that it constitutes a substantial cause of serious injury. Global actions are governed by Article 802 and Article XIX of the GATT. Restrictions in case of balance of payments difficulties are admitted under the Agreement.
Anti-dumping and countervailing measures	Article 317 and Chapter Nineteen	Article 317 sets out the procedure for addressing third-country dumping, while Chapter Nineteen details the procedure for review and dispute settlement in anti-dumping and countervailing duty matters.
Subsidies and state aid	None	
Customs-related procedures	Chapter Five	The Chapter includes provisions on, <i>inter alia</i> , certification of origin, administration and enforcement, uniform regulations and cooperation.
IPR	Chapter Seventeen	Each Party shall provide for adequate and effective protection and enforcement of intellectual property rights.
Government procurement	Chapter Ten	The Chapter defines the scope and coverage of national treatment, tendering procedures, bid challenges and general provisions.
Competition	Chapter Fifteen	Each Party shall adopt or maintain measures to proscribe anti-competitive business conduct. Each Party recognizes the importance of cooperation and coordination among their authorities to further effective competition law enforcement in the free trade area. The Parties shall cooperate on issues of competition law enforcement policy, including mutual legal assistance, notification, consultation and exchange of information relating to the enforcement of competition laws and policies in the free trade area. Nothing in the Agreement shall prevent a Party from designating a monopoly but it must comply with the provisions of the Agreement designed to prevent anti-competitive behaviour.
Investment	None	
General exceptions	Chapter Twenty-one	The Agreement provides for exceptions in cases of national security, taxation, disclosure of information, and cultural industries.
Accession	Article 2204	Any country or group of countries may accede to the Agreement subject to such terms and conditions as may be agreed between them and the Commission and following

Provision	Relevant Article(s)	Additional Information
		approval in accordance with the applicable legal procedures of each country.
Dispute resolution	Chapters Nineteen and Twenty	Chapter Nineteen contains provisions relating to dispute settlement for anti-dumping and countervailing duty matters. Chapter Twenty contains general provisions on dispute settlement, including the establishment of a Free Trade Commission to <i>inter alia</i> supervise the Agreement and resolve disputes arising from its interpretation or application.
Relation with other trade agreements	Articles 103 and 104	The Parties affirm their existing rights and obligations with respect to each other under the GATT and other agreements to which such Parties are party. In the event of any inconsistency between the Agreement and such other agreements, the Agreement shall prevail to the extent of the inconsistency, except as otherwise provided. In the event of any inconsistency between the Agreement and the Convention on International Trade in Endangered Species of Wild Fauna and Flora, the Montreal Protocol, the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and Their Disposal, or the environmental agreements set out in Annex 104.1, such obligations shall prevail to the extent of the inconsistency.
Transparency	Chapter Eighteen	The Chapter contains requirements on publication of laws, regulations, procedures and other administrative rulings of general application on any matter relating to the Agreement, notification and provision of information as well as administrative procedures and review and appeal procedures on administrative actions concerning the Agreement.
Institutional provisions	Chapter Twenty	The Agreement establishes a Free Trade Commission, responsible for implementation, and a Secretariat to provide administrative assistance to the Commission. It also establishes a number of other Committees and Working Groups, as listed in Annex 2001.2.

Table 5a: Canada's imports, 1994-1996

	Total imports		Share of duty free imports	
	Value (C\$ million)	Percent	1994	1996
Total World	205,099	100%	-	-
US	138,378	67.47%	62.09	82%
Mexico	4,449	2.19%	54.7	78.2%
NAFTA	142,877	69.66%	-	-

Table 5b: Mexico's imports, 1994-1996

	Total imports		Share of duty free imports	
	Value (US\$ million)	Percent	1994	1996
Total World	79,346	100%	-	-
US	54,791	69.05%	53%	54.47%
Canada	1,621	2.04%	59%	62.55%
NAFTA	56,412	71.00%	-	-

Table 5c: United States' imports, 1994-1996

	Total imports		Share of duty free imports	
	Value (US\$ million)	Percent	1994	1996
Total World	663,000	100%	-	-
Canada	129,000	19.4%	63.6%	81%
Mexico	49,500	7.5%	68%	77%
NAFTA	178,500	26.9%	-	-

- not available

Source: Standard Format