

EXECUTIVE OFFICE OF THE PRESIDENT
THE UNITED STATES TRADE REPRESENTATIVE
WASHINGTON, D.C. 20508

May 18, 2017

The Honorable Orrin Hatch
President Pro Tempore
United States Senate
104 Hart Office Building
Washington, DC 20510

Dear Senator Hatch:

In accordance with section 105(a)(1)(A) of the Bipartisan Congressional Trade Priorities and Accountability Act of 2015 (the Trade Priorities and Accountability Act), and pursuant to authority delegated to me by the President, I am pleased to notify the Congress that the President intends to initiate negotiations with Canada and Mexico regarding modernization of the North American Free Trade Agreement (NAFTA). We will consult closely with Congress in developing our negotiating positions to ensure that they are consistent with Congressional priorities and objectives outlined in section 102 of the Trade Priorities and Accountability Act. We intend to initiate negotiations with Canada and Mexico as soon as practicable, but no earlier than 90 days from the date of this notice.

The United States seeks to support higher-paying jobs in the United States and to grow the U.S. economy by improving U.S. opportunities under NAFTA. Our specific objectives for this negotiation will comply with the specific objectives set forth by Congress in section 102 of the Trade Priorities and Accountability Act.

In particular, we note that NAFTA was negotiated 25 years ago, and while our economy and businesses have changed considerably over that period, NAFTA has not. Many chapters are outdated and do not reflect modern standards. For example, digital trade was in its infancy when NAFTA was enacted. In addition, and consistent with the negotiating objectives in the Trade Priorities and Accountability Act, our aim is that NAFTA be modernized to include new provisions to address intellectual property rights, regulatory practices, state-owned enterprises, services, customs procedures, sanitary and phytosanitary measures, labor, environment, and small and medium enterprises. Moreover, establishing effective implementation and aggressive enforcement of the commitments made by our trading partners under our trade agreements is vital to the success of those agreements and should be improved in the context of NAFTA.

Working closely with Congress and following the requirements of the Trade Priorities and Accountability Act, we will continue to review elements of NAFTA and, where appropriate, update U.S. approaches to address the challenges faced by U.S. consumers, businesses, farmers, ranchers, and workers in an increasingly global economy.

Since the President invited Congressional leaders to begin this process with him on February 2, senior Administration officials have engaged with Congress to solicit views on these matters. We have held initial consultations with Members of the Senate Committee on Finance, the House Committee on Ways and Means, other relevant Committees, the House Advisory Group on

Negotiations, the Senate Advisory Group on Negotiations, and other Members of Congress regarding the proposed modernization of NAFTA. We also have held initial consultations with the trade advisory committees.

We are committed to concluding these negotiations with timely and substantive results for U.S. consumers, businesses, farmers, ranchers, and workers, consistent with U.S. priorities and the negotiating objectives established by the Congress in statute. We look forward to continuing to work with the Congress as negotiations with the NAFTA countries begin, and we commit to working with you closely and transparently throughout the process.

Sincerely,



Robert E. Lighthizer
United States Trade Representative