

## NAFTA renegotiation – 6<sup>th</sup> round ended with “some progress”

- The sixth round of negotiations of the North American Free Trade Agreement (NAFTA) ended today
- One of the highlights was that the anti-corruption chapter was finished in this round
- In addition, there was significant progress in the chapters regarding telecommunications, e-commerce, and sanitary measures, which according to comments made by Secretary Guajardo, could materialize in the seventh round
- Moreover, the sectorial annex on communication and information technology was completed
- Secretary Guajardo also mentioned that the negotiations about the annexes of chemical and pharmaceutical products are about to be concluded
- The US Trade Representative, Robert Lighthizer, emphasized that “some progress” has been achieved, although he also commented that the process has been slow and it would be desirable to speed it up
- Lighthizer also mentioned that this delay is due to the complexity of a trilateral negotiation
- Regarding the Canadian proposal to consider the value of intellectual property within the content of origin in the automotive industry, Lighthizer argued that this could be counterproductive and result in a lower regional physical content
- Lighthizer also ruled against Canada's proposal to reserve the right to prioritize other trade agreements against NAFTA, since both Mexico and the US would be affected
- Our base case continues to be that of a successful negotiation
- However, we expect the negotiations to extend beyond the second half of the year, mingling inevitably with US and Mexico’s electoral processes
- The seventh round will be held at the end of February in Mexico City

January 29, 2018

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