

# Washington

**USMCA**  
The U.S.-Mexico-Canada Agreement

Canada and Mexico are the United States' top export markets for U.S. agriculture, totaling a combined \$40 billion in 2018. In fact, more than 28 percent of all U.S. farm and food exports went to our North American neighbors last year. The U.S.-Mexico-Canada Agreement, or USMCA, will make a good trade relationship even better, ensuring preferential market access for U.S. agricultural exporters and solidifying commitments to fair and science-based trade rules.



**33,600**

Washington jobs supported by agricultural exports

**\$4.0 billion**

Annual value of Washington agricultural exports

Source: USDA-ERS 2017 State Export Data

## Key Provisions



### Biotechnology

For the first time, the agreement specifically addresses agricultural biotechnology – including new technologies such as gene editing – to support innovation and reduce trade-distorting policies.



### Geographical Indications

The agreement institutes a more rigorous process for establishing geographical indications (GIs) and lays out additional factors to be considered in determining whether a term is a common name.



### Sanitary/Phytosanitary Measures

The agreement strengthens disciplines for science-based measures that protect human, animal, and plant health while improving the flow of trade.



### Fruits

The agreement updates origin rules for processed fruits to assure that preferences benefit U.S. producers.



### Wheat

Canada agrees to terminate its discriminatory wheat grading system, enabling U.S. growers along the border to be more competitive.



### Dairy

America's dairy farmers will have new market opportunities in Canada for a wide variety of dairy products. Canada agrees to eliminate the Class 7 milk pricing program that allowed its farmers to undersell U.S. producers and will impose export surcharges on dairy products that exceed agreed thresholds.



### Beef

U.S. beef producers maintain access to a \$1.8 billion market that accounted for nearly 22% of 2018 exports.



### Wine and Spirits

The three countries agree to avoid technical barriers to trade through non-discrimination and transparency regarding sale, distribution, labeling, and certification of wine and distilled spirits.

## Top U.S. Agricultural Exports to Canada and Mexico, 2018

- 1 Corn (\$3.4 billion)
- 2 Prepared Foods (\$2.6 billion)
- 3 Fresh Fruit (\$2.1 billion)
- 4 Pork & Pork Products (\$2.1 billion)
- 5 Dairy Products (\$2.0 billion)
- 6 Fresh Vegetables (\$2.0 billion)
- 7 Soybeans (\$2.0 billion)
- 8 Beef & Beef Products (\$1.8 billion)
- 9 Snack Foods (\$1.7 billion)
- 10 Poultry & Eggs (\$1.6 billion)