

Rhode Island

USMCA
The U.S.-Mexico-Canada Agreement

Canada and Mexico are the top export markets for U.S. agriculture, totaling a combined \$40 billion in 2018. In fact, more than 29 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.



300

Rhode Island jobs supported by agricultural exports

\$35 million

Annual value of Rhode Island 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.



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.



Pork

U.S. pork producers maintain access to two of their largest export markets, which combined totaled \$2.1 billion (32% of total exports) in 2018.



Beef

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



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.

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

- 1 Corn (\$3.4 billion)
- 2 Prepared Foods (\$2.7 billion)
- 3 Fresh Fruit (\$2.2 billion)
- 4 Soybeans (\$2.1 billion)
- 5 Pork & Pork Products (\$2.1 billion)
- 6 Dairy Products (\$2.0 billion)
- 7 Fresh Vegetables (\$2.0 billion)
- 8 Beef & Beef Products (\$1.8 billion)
- 9 Snack Foods (\$1.7 billion)
- 10 Poultry & Eggs (\$1.6 billion)

Source: USDA-FAS Global Agricultural Trade System BICO HS-10

United States Department of Agriculture
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