

USMCA: Benefits for American Agriculture

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.

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/Phyosanitary Measures

The three countries agree to strengthen 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 also agrees to eliminate the unfair milk pricing program that allowed its farmers to undersell U.S. producers.



Poultry and Eggs

U.S. poultry producers will have new access to Canada for chicken and eggs, and expanded access for turkey.



Wheat

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



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.



Fruits

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

Top U.S. Agricultural 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