

May 31, 2019

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Draft Statement of Administrative Action Sent to Congress, Making Way for USMCA Legislation

Dear Valued Customer,

On May 30, 2019, the Trump administration notified Congress that it intends to start the approval process of the United States-Mexico-Canada (USMCA) trade agreement. The Administration submitted the draft Statement of Administrative Action (SAA) to Congress to start the fast-track procedures required under the Trade Promotion Authority (TPA).

U.S. Trade Representative (USTR) Robert Lighthizer wrote in an accompanying letter to Congress that "Canada and Mexico have formally initiated their ratification processes. It is time for the United States to uphold our end of the bargain with our key allies and neighbors and do the same."

The draft SAA is a necessary step under the Trade Promotion Authority (TPA) as it allows the Administration to submit to Congress a copy of the final legal text with the draft SAA proposed to implement the agreement. Once the draft SAA is submitted, there is a minimum of 30 days before the actual legislation can be sent to Congress, although it could be delayed. The Administration had expressed desire to have the USMCA legislation to a vote by end of summer.

The Office of the USTR has a timeline posted of when key actions are required to be taken. Once the final SAA and implementing legislation is submitted to Congress, the U.S. House and Senate must follow a specific timeline as detailed by TPA. Note that the House and Senate may act concurrently to expedite the process under the fast track procedures.

To view the full timeline of the TPA process, go to https://ustr.gov/Congressional-Timeline-TPP

USTR's "Letter Regarding Draft Statement of Administrative Action": <u>https://ustr.gov/trade-agreements/free-trade-agreements/united-states-mexico-canada-agreement/draft-saa-letter</u>

Thank you for being our valued customer. If you have any questions, please do not hesitate to contact C.H. Robinson for further information.

Sincerely, C.H. Robinson Customs Compliance Team

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