

Wilson Center
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Mexico

A trusted
USMCA partner



Made in
USMCA.

A Business Partnership
for Global Success



ECONOMÍA
SECRETARÍA DE ECONOMÍA

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Secretary of Economy



**USMCA:
a renewed
commitment to
North American
integration**



“The USMCA will allow our successful economic partnership — one of the strongest in the world — to expand even more over the coming years in a continuation of our great history of shared cooperation...”

Joint Declaration



President Lopez Obrador's visit to Washington, D.C. on July 8th

- President Lopez Obrador met with President Trump to reaffirm Mexico's commitment towards the USMCA and the future of the North American economic integration.

USMCA

- ✓ Certainty
- ✓ Clear rules
- ✓ Maintains free trade
- ✓ Preserves North American integration

1. Initial Provisions and General Definitions	12. Sectoral Annexes	23. Labor
2. National Treatment and Market Access for Goods	13. Government Procurement	24. Environment
3. Agriculture	14. Investment	25. Small and Medium-sized Enterprises
4. Rules of Origin	15. Cross-Border Trade in Services	26. Competitiveness
5. Origin Procedures	16. Temporary Entry	27. Anticorruption
6. Textiles and Apparel	17. Financial Services	28. Good Regulatory Practices
7. Customs and Trade Facilitation	18. Telecommunications	29. Publication and Administration
8. Energy	19. Digital Trade	30. Administrative and Institutional Provisions
9. Sanitary and Phytosanitary Measures	20. Intellectual Property	31. Dispute Settlement
10. Trade Remedies	21. Competition Policy	32. Exceptions and General Provisions
11. Technical Barriers to Trade	22. State-Owned Enterprises	33. Macroeconomic Policies
		34. Final Provisions



10 New Chapters



24 Modernized Chapters

Labor Rights in NAFTA and T-MEC

1994 - 2020

North American Agreement on Labor Cooperation (NAALC)

- Commitment to implement eleven **labor principles**.
- Development of a **regional labor cooperation** agenda.
- **Dialogue** between relevant agencies and Ministers.
- Implementation of a **public communications mechanism** regarding labor law matters
 - 45 communications between 1994 and June 2020.
- Specific **dispute settlement mechanism**.

Labor Rights in NAFTA and T-MEC

T-MEC



- **Implements** internationally-recognized labor rights (ILO).
- **Addresses** violence against workers when exercising their labor rights.
- Ensures **protection** of migrant workers.
- **Bans** trade in products sourced from forced labor.
- Prohibits **child labor**
- Keeps the **public communications mechanism**.
- **Binding commitments**
- Facility-Specific **Rapid Response Labor Mechanisms**.

T-MEC: Annex 23-A

Worker representation in collective bargaining in Mexico

- A set of commitments to ensure workers' representation in collective bargaining in workplaces throughout Mexico
 - **Effective enforcement of freedom of association**
 - **Collective bargaining**
- Implementation of the **Federal Labor Law Reform** towards:
 - The deployment of a new labor justice system
 - Union democracy and authentic collective bargaining
 - The creation of new conciliation and registration bodies.

Rapid Response Labor Mechanism

(Annexes 31-A/B)

1

Allows to request, the remediation of a “**denial of rights**” concerning:

➔ freedom of association

➔ collective bargaining

2

Provides for a streamlined mechanism to address “denial of rights” in **specific covered facilities**.

3

Parties are allowed to **impose different sanctions**, depending on the matter at issue and the occurrence of more than one case.

T-MEC Implementation of labor commitments

1

Coordination

1. Government
2. Private Sector
3. Labor Organization



Identification of risks

2

Self-evaluation Information

1. Private – sector platform
2. USMCA site
3. Webinars

3

Task force for rapid response labor mechanism

1. What to do
2. Who does it
3. Time frame

Concluding remarks

- Incorporation of a Labor Chapter within USMCA constitutes an important step towards the **protection of workers' rights**.
- Some **elements of the NAALC** were incorporated in USMCA Chapter 23.
- Some elements of the NAALC are **“upgraded”**, through more ambitious provisions in USMCA Chapter 23.
- The incorporation of Annex 23-A as well as Annexes 31-A and 31-B implies a **high level commitment** from the Mexican Government.
- Labor is now at **the forefront of our regional trade agenda**.
- The government and the private sector in Mexico are prepared for the challenges and opportunities that T-MEC provides.



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Integración comercial y productiva para el bienestar

Thank you!

Dra. Graciela Márquez



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