

November 30, 2018

The Honorable Chrystia Freeland  
Minister of Foreign Affairs  
Canada

Dear Minister Freeland

I have the honor to confirm the following agreement reached between the Government of Canada (Canada) and the Government of the United States (United States):

Recognizing that in the negotiations for the United States-Mexico – Canada – Agreement (USMCA) the United States and Canada (the Parties) have made changes to the automotive rules of origin compared to NAFTA 1994, and in order to support and enhance the existing manufacturing capacity and mutually beneficial trade of the Parties, if the United States proposes a measure pursuant to section 232 of the Trade Expansion Act of 1962, as amended, with respect to passenger vehicles classified under subheadings 8703.21 through 8703.90, light trucks classified under subheadings 8704.21 and 8704.31, or any automotive parts in the scope of any such measure, the United States shall exclude from the measure:

- (1) 2,600,000 passenger vehicles imported from Canada on an annual basis;
- (2) light trucks imported from Canada; and
- (3) such quantity of auto parts amounting to 3 billion U.S. dollars in declared customs value on an annual basis

Goods covered by the exclusion described in (1), (2), and (3) above will be eligible for the preferential tariff treatment applicable pursuant to NAFTA 1994, or the

methodologies to allocate the quantities of passenger vehicles and auto parts eligible for this treatment.

In determining the allocation of quantities of passenger vehicles under the passenger vehicles allocation methodology, Canada shall consult with each auto producer exporting passenger vehicles from Canada to the United States and take into consideration information on auto producers' existing production capacities of the signature of the USMCA as well as export volume to the United States and production plans at the time of the consultation.

Full Text (60 pages), 10/2/2018  
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November 30, 2018

The Honorable Robert E. Lighthizer  
United States Trade Representative  
Washington, D.C.  
United States of America

Dear Ambassador Lighthizer,

I am pleased to acknowledge your letter of November 30, 2018, which reads as follows:

I have the honor to confirm the following agreement reached between the Government of

