

International Trade and Customs Practice Group Newsletter



The USMCA will not enter into force on June 1

On March 13, 2020, Canada made progress on its internal procedure for ratification of the CUSMA (T-MEC), as anticipated in our newsletter titled "Canada approves USMCA, its entry into force is coming closer" [[see newsletter](#)].

Furthermore, as anticipated, in order for the USMCA to enter into force, each party must notify the other parties, in writing, once the corresponding internal procedures are completed. The USMCA will enter into force on the first day of the third month following the last notification.

The three countries had shown willingness to complete their internal procedures so that the USMCA could enter into force on June 1, 2020; however, as pointed out in our newsletter "Canada approves T-MEC, its entry into force is approaching", the publication of the ratification Decree by the Prime Minister of Canada was still pending.

Nevertheless, in the context of concerns expressed by different stakeholders of the public and private sectors, and the SARS-CoV2 (COVID-19) pandemic, this deadline has not been met. This would have required that all parties would have announced by March 31 at

the latest, the completion of their internal procedures, which did not take place.

Among the calls for delaying the entry into force of the USMCA, those by the vehicle and automotive parts manufacturers stand out. They are concerned with focusing their attention on dealing with the disruption to their supply chains caused by COVID-19, instead of diverting resources to compliance with new rules of origin, an issue heightened by the lack of publication of the Uniform Regulations for its implementation.

In addition, on March 30, 2020, members of the Senate Finance Committee of the U.S. sent a letter [[see letter](#)] to the U.S. Trade Representative (USTR), Robert Lighthizer, requesting a delay in the entry into force of the USMCA beyond June 1, and expressing their concern with respect to the implementation of obligations by the three countries, and the ability of the private sector to prepare for a transition to USMCA in the context of COVID-19.

Thus, it will be relevant to look out for the completion of the implementation of internal procedures by the three countries, as well as the dates on which they announce the completion of the foregoing, to determine

the date of entry into force of the USMCA.

Our team of experts in the International Trade and Customs practice area will be at your full disposal, in case you may require additional information or support regarding the referenced matter.

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