What is NAFTA?

- The NAFTA is an agreement signed by Canada, Mexico and the United States that creates a trilateral trading bloc. The three countries have operated under the rules defined in the agreement since it took effect on January 1, 1994.

- The objective of the NAFTA is to expand trade and economic linkages between the three countries, creating more efficient production processes, increasing the availability of lower-priced consumer goods, and improving living standards and working conditions.

Why did the U.S. join the agreement?

- While the U.S. receives substantial benefits from trade, the international playing field is sometimes unfairly tilted against American workers.

- The U.S. market is largely open to imports from around the world, benefitting U.S. businesses and consumers in the form of lower prices and more choices. However, many other countries continue to place steep tariffs (taxes on imports) and other kinds of barriers against U.S. goods and services.

- American workers, farmers, and companies must be allowed to operate on a level playing field. Trade agreements ensure that foreign countries treat American manufacturers, services providers, farmers, and ranchers in the same way as their foreign competitors and in the same way foreign companies are allowed to serve Americans.

- The principal rationale for NAFTA was to eliminate barriers in North America and thus generate economic growth, new exports, and good jobs in a way that is fundamentally fair.
• **Was NAFTA successful? Let the numbers speak for themselves...**
  
  - Trade with Canada and Mexico supports nearly 14 million U.S. jobs, and nearly 5 million of these jobs are supported by the increase in trade facilitated by NAFTA.
  
  - Each day, the U.S. conducts more than $3.3 billion in trade with its North American neighbors.
  
  - The U.S. ran a cumulative trade surplus in manufactured goods with Canada and Mexico of nearly $60 billion from 2009 to 2016.
  
  - Canada and Mexico are the top two export destinations for U.S. small and medium-size enterprises, more than 125,000 of which exported their goods within the NAFTA market.
  
  - Exports to Canada and Mexico generate nearly $37,000 in annual export revenue for every American factory worker.
  
  - U.S. services exports to Canada and Mexico have more than tripled since NAFTA entered into force, rising from $27 billion in 1993 to $86 billion in 2016.