

# PRESENTATION TO MADISON INTERNATIONAL TRADE ASSOCIATION

The view from Canada on CUSMA (USMCA)

Kenneth Jordan

March 2020

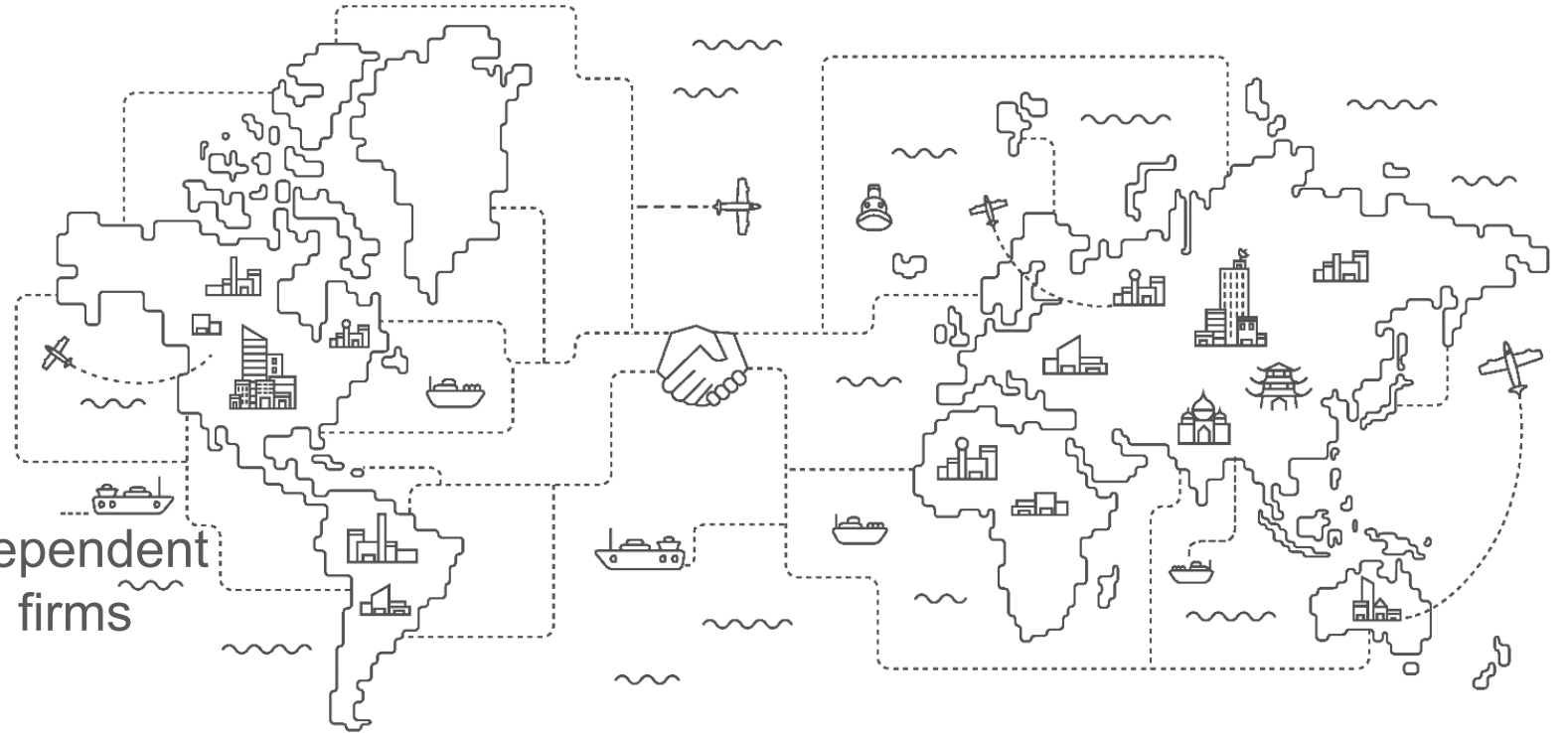
# About RSM International

**41,000** professionals

**116** countries

**750** offices

**6th** largest network of independent  
audit, tax & consulting firms





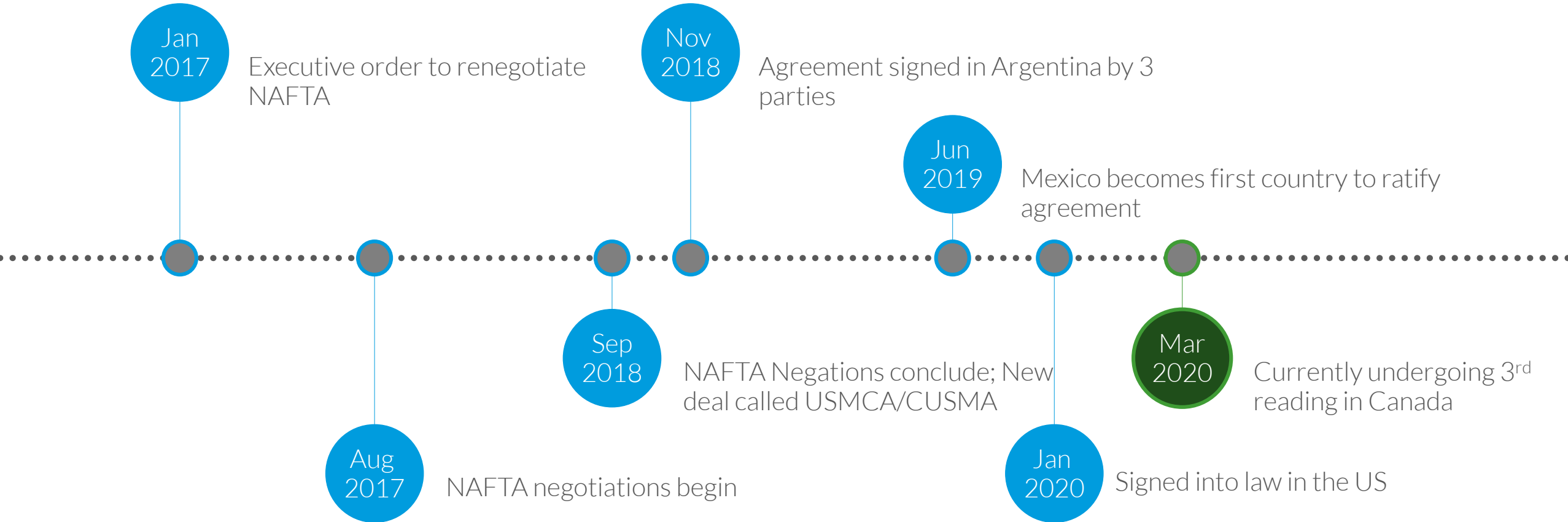
## **Kenneth Jordan**

### **Practice Leader, Trade Advisory Services**

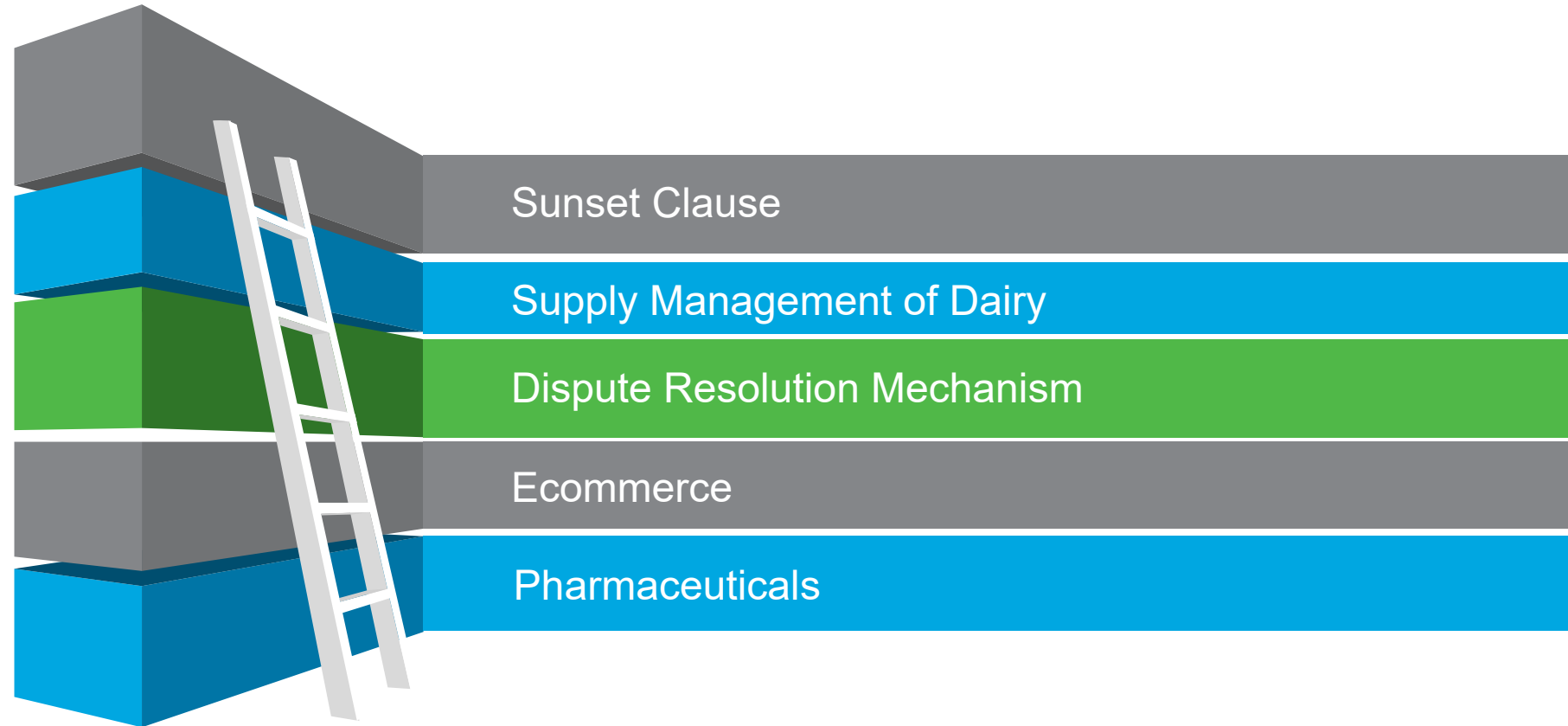
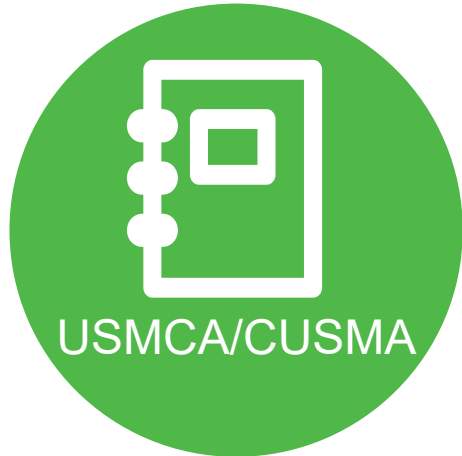
Kenneth Jordan provides comprehensive trade and customs advisory services for companies looking to import, export or transport goods through Canada. He has provided assistance to companies in various industries representing retail, manufacturers and distributors.

Kenneth assists clients in navigating the complex trade landscape in Canada through advising on the regulations of the CBSA and the 19 other government agencies with regulations and requirements at the border. It is our goal to ensure that clients are compliant with regulations, while mitigating costs. Our experience in this area includes CBSA Verification assistance, duty recovery and cost minimization reviews, obtaining rulings from the CBSA, risk identification and correction and other services.

# Timeline of Negotiations

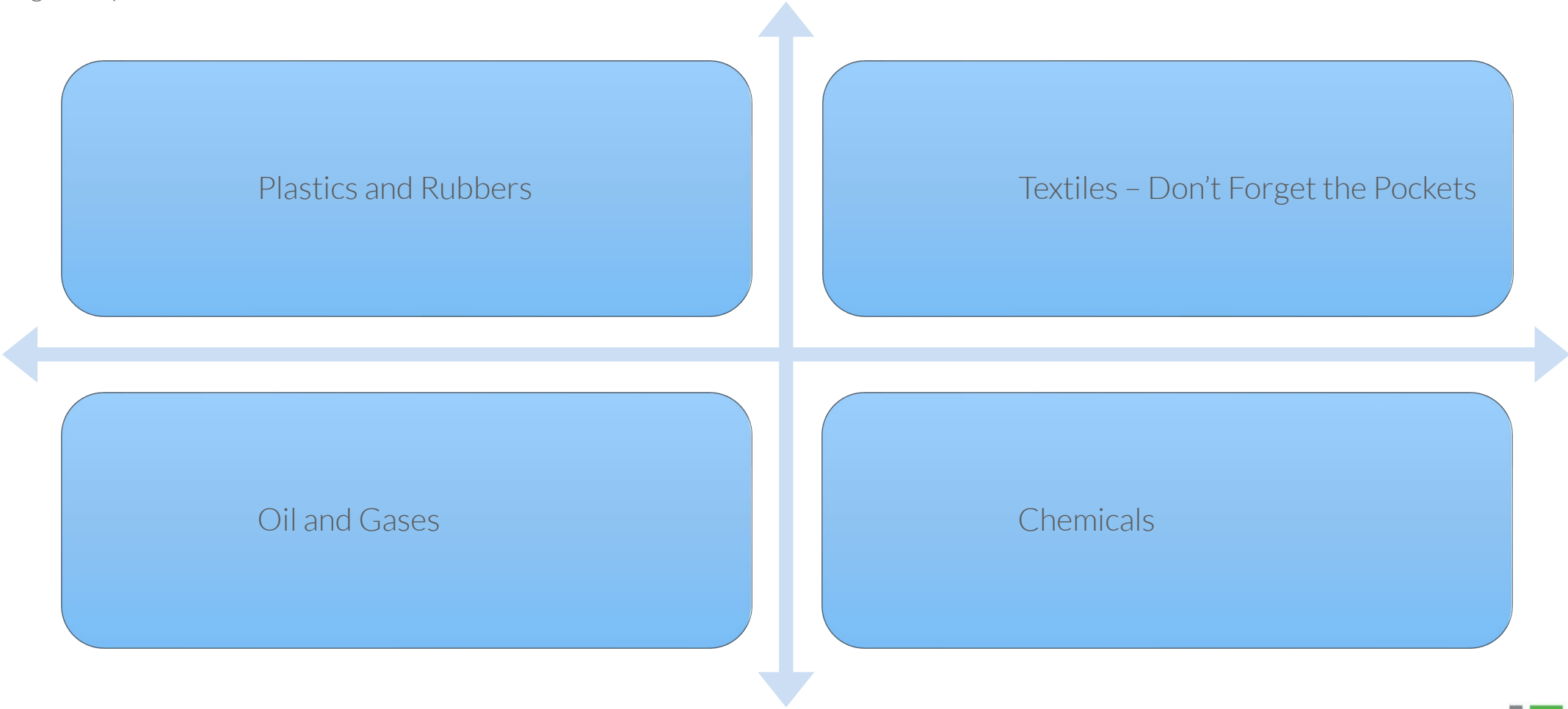


# Key Sticking Points to Agreement

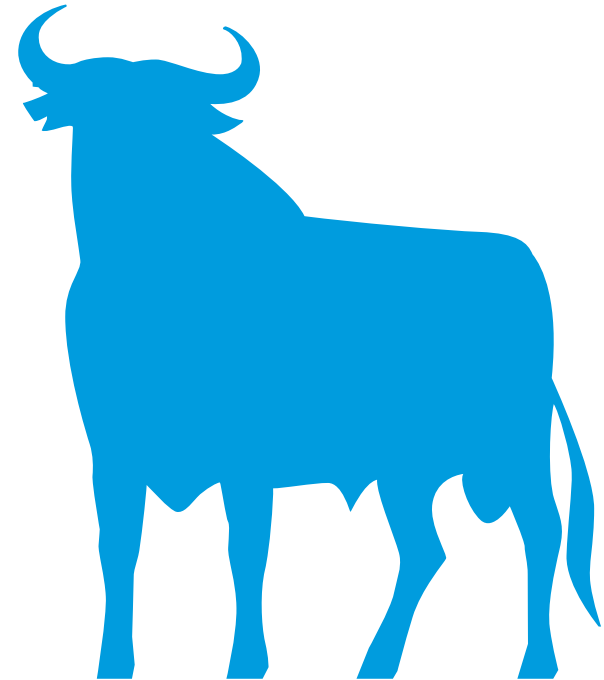


# More than Just a Change in Automotive

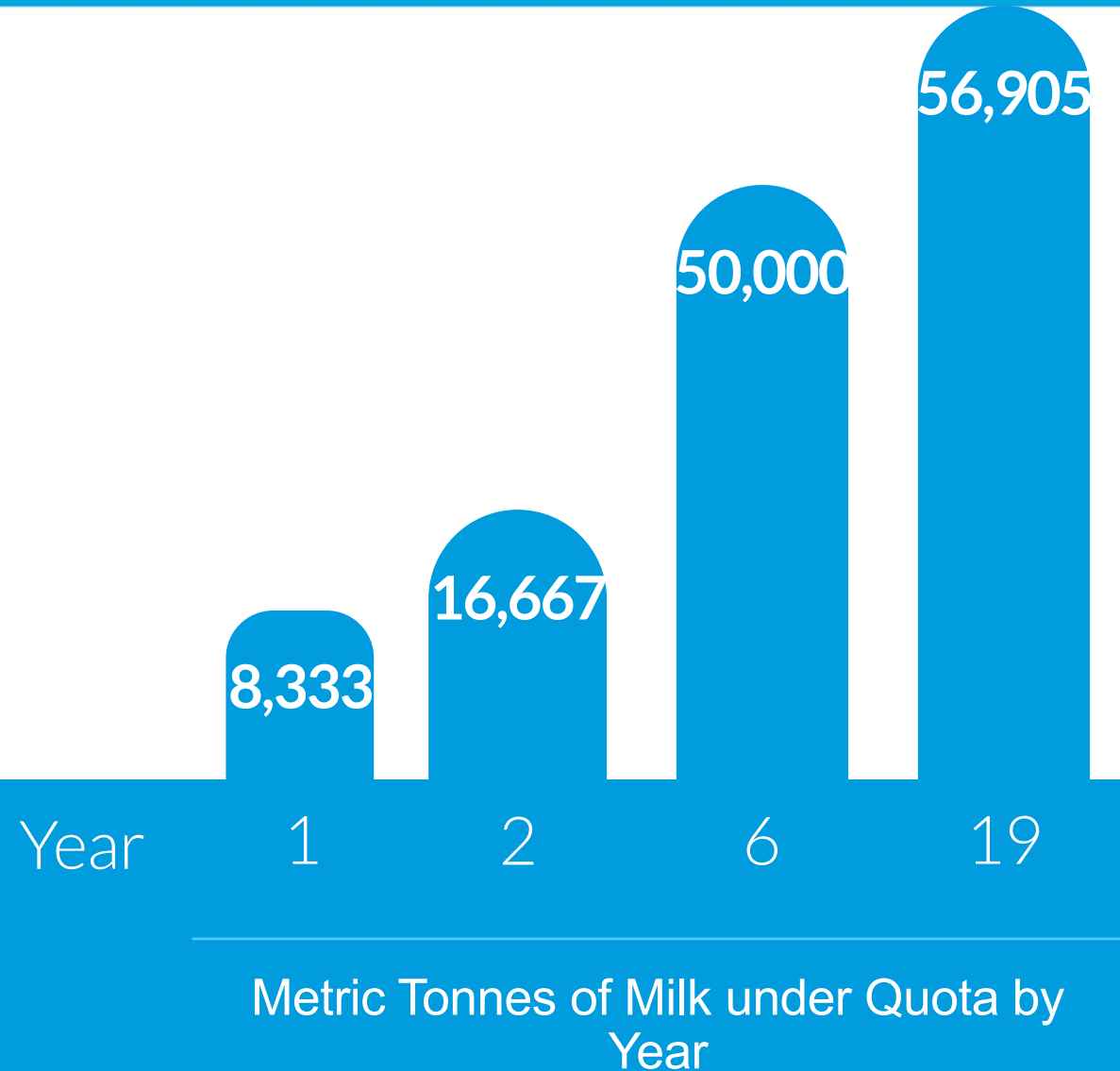
The new North American agreement has been talked about for the major changes in automotive rules, however that is not where the changes stop.



# Imports of milk and dairy Products



Gradual increase in allowable imports of dairy under a quota over a 19 year period. Similar increases in quota apply to other Dairy Products.



# Where are we now?



**Canada is currently in a minority government situation**



**No Uniform Regulations have been published**



**Changes in certification**



**Enforcement of export controls**





# Big picture impact of USMCA

Modernization  
of NAFTA  
“NAFTA 2.0”

Trend toward  
“managed”  
trade

May hinder  
Canada’s trade  
diversification

Increased labor  
and  
environmental  
protections

Small and  
medium sized  
business clause

Dispute  
resolution  
mechanism  
maintained

Potentially more  
responsive  
trade agreement

# Industry impact of USMCA

Negatively impacts  
North American  
auto industry  
competitiveness

Improved access  
to agricultural  
sector

Liberalization of  
digital trade and  
financial services

Increased  
copyright  
protection for  
cultural industries


Benefits to online  
retailers from  
higher de minimis  
threshold

Higher costs for  
textile and apparel  
manufacturers

Improved customs  
and trade  
facilitation



# QUESTIONS AND ANSWERS?



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