

402 West Broadway, Suite 1000 San Diego, CA 92101-3585 p: 619.544.1300

www.sdchamber.org

## FOR IMMEDIATE RELEASE

**Contact:** Alison Phillips San Diego Regional Chamber of Commerce P: 619-544-1381 C: 805-886-8594 aphillips@sdchamber.org

## SAN DIEGO MAKES THE CASE FOR NAFTA 2.0

Binational leaders call trade agreement an essential tool for the region & urge legislative approval

**SAN DIEGO (Dec. 6, 2018)** – The San Diego Regional Chamber of Commerce, together with business and community leaders across the border, recognize the benefits of cross-border trade and the modernized North American Free Trade Agreement known as the United States-Mexico-Canada Agreement, or USMCA.

The agreement, signed Friday by the leaders of the United States, Mexico and Canada, now enters the critical ratification process. To take effect, each country's legislative body must approve the new agreement. The Chamber will continue working with cross-border partners to seek the support needed for ratification.

"Our mission as champions for cross-border commerce starts with ensuring our region's businesses have access to our top trade partners: Mexico and Canada," said Chamber President and CEO Jerry Sanders. "The United States-Mexico-Canada Agreement will bring certainty to businesses and preserve the trilateral trading bloc that has brought economic vitality to our region for more than a quarter century."

The Chamber's Board of Directors, voted unanimously to support the updated trade agreement at its meeting on October 25. A long-time supporter of NAFTA, the Chamber has actively participated in various legislative hearings and public comment periods throughout the past year and a half in the renegotiation process.

The tariff-free commerce between the United States, Canada, and Mexico - which NAFTA provides - has resulted in deeply interlinked cross-border supply chains. In San Diego, this has resulted in a \$2.5 billion supply chain and more than 110,000 jobs that are supported by trade.

"Mexico and Canada are San Diego's top two trading partners, so supporting this updated NAFTA supports San Diego workers and the regional economy that keeps us competitive. As we review the document, we may seek adjustments or clarification, but I'm encouraged that USMCA has many of the same provisions as the Trans Pacific Partnership to even the playing field for U.S. companies and workers," said Congressman Scott Peters. "Since the agreement only accomplishes a fraction of what TPP would have done if we expanded the agreement to include more countries around the Pacific Rim, I will continue to work to see the United States raise the standards for workers, the environment, and business worldwide."

By preserving the spirit of this trilateral relationship, the Chamber asserts the trade agreement will allow for continued growth in trade and restore predictability and certainty in North America's private sector. For San Diego, the agreement's provisions and regulatory language protecting intellectual property, enforceable labor protections and standards, along with the modernization of the customs chapter, the preservation of the TN visa, and assistance to small businesses are particularly important. In addition, the agreement's environment enforcement provisions could be used to address the Tijuana River Valley pollution issue.

"The agreement includes our proposed labor agenda presented during the campaign, which fully guarantees workers' rights and freedom to unionize," said Marcelo Ebrard, Secretary of Foreign Affairs on behalf of Mexico's president Andrés Manuel López Obrador. "We will continue working on a bilateral relationship with the U.S. and Canada that includes areas of strategic interest for Mexico: commerce, immigration, development, and security."

The termination of NAFTA, without a replacement in place, would result in a disruption of supply chains causing production cost increases. In addition to the impact to businesses and consumers, the absence of a trade agreement with the nation's two closest neighbors and trading partners risks the collaboration that has been fostered and is necessary for border management, citing and managing ports of entry, and national security, as well as addressing shared environmental issues such as air and water, and workforce development.

###

## Coming soon: NAFTA 2.0 Forum on December 18 from 10 – 11:30 a.m. at The Alexandria at Torrey Pines.

Media are invited to attend this program which will provide an overview of the revised agreement, next steps in the ratification process and insights from private and public sector stakeholders as to the possible impacts on our binational region. Featured speakers include:

- Ambassador C.J. Mahoney, Deputy United States Trade Representative
- Congress member Scott Peters
- Mayor Kevin Faulconer
- Monique Rodriguez, Senior Director of Government Affairs, QUALCOMM Inc.
- Paola Avila, Vice President of International Business Affairs, San Diego Regional Chamber

For more information and to RSVP, contact Alison Phillips at 619-544-1381 or aphillips@sdchamber.org.

## About The San Diego Regional Chamber

The San Diego Regional Chamber is the hub for connections and collaboration among the regional business community, and uses that clout to advocate for public policies and candidates that support economic growth and the creation of jobs for all businesses. As the largest Chamber on the West Coast, representing approximately 2,500 businesses and an estimated 300,000 jobs, the San Diego Regional Chamber is fighting to make San Diego the most business-friendly region in California. For more information, please visit <u>SDChamber.org</u> or call 619-544-1300.