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BINATIONAL LEADERS JOIN TOGETHER TO SUPPORT USMCA AND URGE RATIFICATION

New trade deal a key priority of Chamber's Binational Delegation to Mexico City

MEXICO CITY (April 1, 2019) – For more than 25 years, the Cali-Baja region has leveraged the power of free trade to create one of the world's most successful co-production manufacturing supply chains and a cross-border business ecosystem that creates jobs and opportunities. With the new United States-Mexico-Canada Agreement, or USMCA, the region stands to benefit from a modernized and improved framework that reflects today's industry needs. However, this beneficial new agreement won't take effect until USMCA is ratified by each country's legislature.

"The Cali-Baja region has become a model for a thriving cross-border economy built on free trade. The United States-Mexico-Canada Agreement ensures the future of this interconnected relationship," said San Diego Regional Chamber of Commerce President and CEO Jerry Sanders.

"Ratification of USMCA is vital to strengthening economic prosperity, growing jobs, and supporting communities on both sides of the border. We are impressed by the steps Mexico is making to gain legislative approval and we will share that as we continue to push for Congressional approval at home," Sanders said.

Reinforcing the region's support for USMCA is a key priority of the Chamber's 14th annual Binational Delegation to Mexico City, taking place through April 3. Today, Sanders joined Mexico's Undersecretary of Foreign Trade Dr. Luz María de la Mora, and San Diego Mayor Kevin Faulconer to urge ratification of USMCA by each of the three countries. They emphasized the importance of the trilateral trading block in ensuring our region's global competitiveness. Also present to give bipartisan support for the agreement and the region's long-standing bi-national collaboration were Chula Vista Mayor Mary Salas, National City Mayor Alejandra Sotelo Solís, and Encinitas Mayor Catherine Blakespear.

Dr. de la Mora, who spoke with delegates earlier in the day about USMCA and Mexico's labor reforms, shared "Mexico is committed to an agreement that enables the creation of a more inclusive and prosperous society, while ensuring that North America continues to be the most globally competitive region. The labor reforms that President López Obrador's Administration is working to implement, promote union democracy and labor justice, and is congruent with the commitments that Mexico acquired through USMCA"

Recently imposed tariffs resulting in increased costs to business and consumers have highlighted the importance of reducing barriers to trade and the value of trade partnerships. Mexico is California's number one trading partner with trade between the two valued at more than \$73 billion. In San Diego, this relationship has resulted in a \$2.5 billion supply chain and more than 110,000 jobs that are supported by trade.

"The binational relationship we have fostered between San Diego and Baja California over the years is stronger and more connected than ever," said San Diego Mayor Kevin L. Faulconer. "The decades-old NAFTA agreement has supported growth across all industries, and we want to see that growth continue. I look forward to working with the San Diego Regional Chamber to generate bipartisan support for the new USMCA trade agreement as it goes to Congress this year so that we can keep international trade moving freely and attract even more investment to our region."

The trade agreement will allow for continued growth in trade, and restore predictability and certainty in North America's private sector. Of particular importance to 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. In addition, the agreement's environment enforcement provisions could be used to address the Tijuana River Valley pollution issue.

The Chamber's delegation trip includes nearly 100 business and community leaders from San Diego County and Baja California. The group is meeting with Mexican government officials and agency representatives to advance policies related to trade, border infrastructure, the environment, and strengthening the U.S.-Mexico relationship. The San Diego Regional Chamber is the only Chamber to lead annual bi-national delegation trips to the U.S. and Mexico capital cities.

About the San Diego Regional Chamber of Commerce

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 local 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.

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