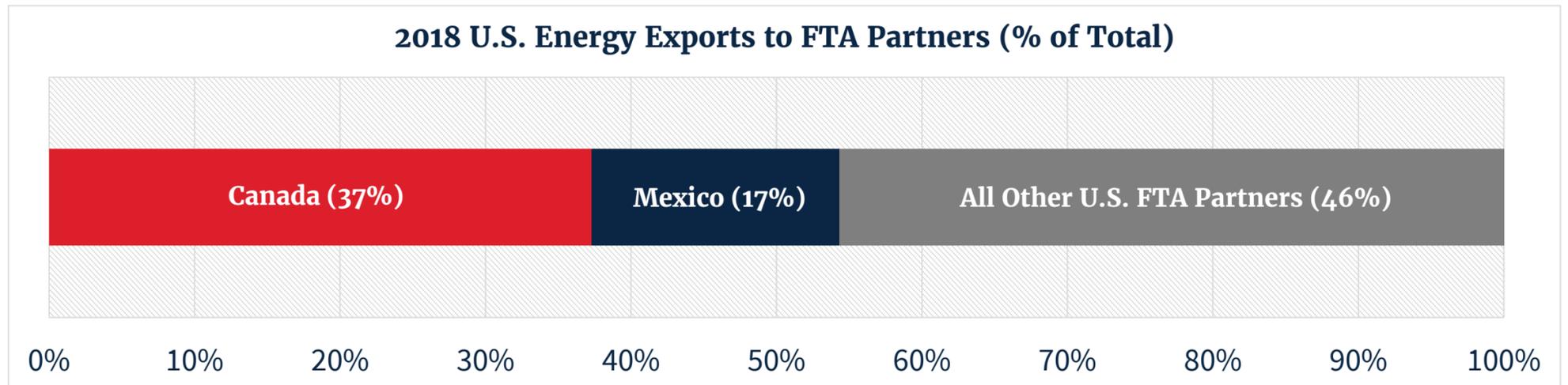


The **United States-Mexico-Canada Agreement (USMCA)** is the most comprehensive and high-standard trade agreement ever negotiated. It fully updates, modernizes, and rebalances the NAFTA to meet the challenges of the 21<sup>st</sup> century economy and to ensure that American workers, farmers, ranchers, and businesses, including small- and medium-sized enterprises, share in the benefits of the agreement. It will help drive economic prosperity, promote fairer and more balanced trade, and help ensure that North America remains the world's most competitive region.

## Mexico and Canada are Major Destinations for U.S. Energy Exports



## USMCA Provides a Predictable Framework to Support North American Energy Trade

North American trade in energy products is significant and growing. The USMCA provides a predictable framework for the United States, Mexico, and Canada to continue expanding this trade, which has been marked by rapidly increasing U.S. exports. This is good for the U.S. energy industry, associated sectors of the U.S. economy, and their workers. Likewise, this growing trade will bolster North American competitiveness and help lower our reliance on energy imports from outside the region.

### ✓ Zero Tariff Trade in Energy Products

- Maintains the free flow of energy across borders in North America, through the continued zero-tariff treatment of U.S. energy exports to Mexico and Canada.

### ✓ Locks In Mexico's Historic Energy Reforms

- Locks in for U.S. investors, services suppliers, and other companies the benefits of Mexico's historic 2013 energy reforms.

### ✓ Facilitates the Movement of Hydrocarbons by Pipeline

- Fixes a longstanding issue in allowing hydrocarbons transported through pipelines to qualify as originating, provided that any diluent, regardless of origin, does not constitute more than 40 percent of the volume of the good.

### ✓ Certification Requirements for Oil and Gas

- Provides new flexibilities in rules of origin certification requirements for oil and gas moving between the United States, Mexico, and Canada.

### ✓ Streamlined Regulatory Process for U.S. LNG Exports to Mexico and Canada

- U.S. liquefied natural gas exports to Mexico and Canada will continue to receive automatic export approvals, whereas exports to non-FTA partners require a determination that they are in the public interest.