



## Overview

This provision is new to the United States-Mexico-Canada Agreement (USMCA) and provides the reasons for denying a claim for preferential tariff treatment. A comparable provision is not specified in the former North American Free Trade Agreement (NAFTA).

## References

- **USMCA**
  - *Final Text*: Chapter 5, Articles 5.10
  - *Textiles Final Text*: Chapter 6, Article 6.7
  - *HR 5430 Citation*: Title II, Section 207(b)(B)
- **NAFTA**
  - Not specified.

## Significant Changes in USMCA

Provision	USMCA	NAFTA
<b>Determinations of Origin</b>	<p><b>New to USMCA</b></p> <ul style="list-style-type: none"> <li>• Everyone shall be granted preferential tariff treatment on or after the date of entry into force of this agreement; (a) through (f) are the reasons for preferential tariff treatment denial.</li> <li>• For Textile or Apparel Goods, in addition to (a) through (f), preferential tariff treatment may be denied for reasons set for in Chapter 6, Article 6.7(b) and (c).</li> </ul>	<ul style="list-style-type: none"> <li>• Not specified.</li> </ul>

## Detailed USMCA/NAFTA Side-by-Side

Provision	USMCA	NAFTA
<b>Determinations of Origin</b>	<ul style="list-style-type: none"> <li>• Except as otherwise provided in paragraph 2 or Article 6.7 (Determinations), each Party shall grant a claim for preferential tariff treatment made under this Chapter on or after the date of entry into force of this Agreement. <ul style="list-style-type: none"> <li>a) The importing Party may deny a claim for preferential tariff treatment if: <ul style="list-style-type: none"> <li>b) it determines that the good does not qualify for preferential treatment;</li> <li>c) pursuant to a verification under Article 5.9 (Origin Verification), it has not received sufficient information to determine that the good qualifies as originating;</li> <li>d) the exporter, producer, or importer fails to respond to a written request or questionnaire for information,</li> </ul> </li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Not specified.</li> </ul>



Provision	USMCA	NAFTA
	<p>including documents, under Article 5.9 (Origin Verification);</p> <p>e) the exporter or producer fails to provide its written consent for a verification visit, in accordance with Article 5.9 (Origin Verification);</p> <p>f) the importer, exporter, or producer fails to comply with the requirements of this Chapter; or</p> <p>g) the exporter, producer, or importer of the good that is required to maintain records or documentation in accordance with this Chapter:</p> <ul style="list-style-type: none"><li>i. fails to maintain records or documentation, or</li><li>ii. denies access, if requested by a Party, to those records or documentation.</li></ul>	