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The new North American Free Trade Agreement still not ratified by US Congress

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The U.S.-Mexico-Canada Agreement (USMCA)[1] requires ratification by the United States Congress. The trade deal, which would replace the North American Free Trade Agreement (NAFTA), is stuck in the House of Representatives as Democrats and Republicans haggle over several outstanding issues. President Donald Trump is pushing to ratify the agreement before the election season, while Speaker of the House Nancy Pelosi is holding off until she receives written confirmation of several concessions she hopes to win.

The major issues of dispute revolve around labor provisions, environmental provisions and protections for biologics (cutting-edge drugs) from generic imitators.

The Democrats under Nancy Pelosi have yet to put forth counterproposals to the existing language in the USMCA, opting instead to argue for more robust enforcement mechanisms for labor and environmental policies, and a drastically reduced time period for the protection of drug patents.

Mexico's ability to enforce and implement its new labor laws is one of the key sticking points preventing Congress from ratifying the deal. Democrats and labor organizations in the U.S. have called for an independent, or treaty-mandated, enforcement body that would ensure Mexico complies with the USMCA labor provisions, as well as its own labor law. That recommendations have not yet materialized into action, casting doubts on whether Congress will vote on the agreement before the election season.

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