



CANADIAN MEAT COUNCIL
CONSEIL DES VIANDES DU CANADA



Canadian Pork Council
Conseil canadien du porc

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CUSMA Consultations
Global Affairs Canada
Trade Negotiations – North America
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RE: Review of the Canada-United States-Mexico Agreement (CUSMA)

The Canadian Meat Council (CMC) and Canadian Pork Council (CPC) welcome the opportunity to comment on the Review of the Canada-United States-Mexico Agreement (CUSMA). We share the comments below to help inform Canada's preparations for the first joint review of CUSMA in 2026 and priorities for work being undertaken in 2025, including Canada's chairing of the fifth CUSMA Free Trade Commission meeting.

About the Canadian Meat Council (CMC) and the Canadian Pork Council (CPC)

The **Canadian Meat Council** (CMC) is the voice of Canada's meat industry, representing the entire value chain of red meat processing and distribution in Canada, including all beef and pork sold internationally. Meat processing, represented by CMC, is the largest component of Canada's food and beverage manufacturing sector. CMC members directly employ over 64,000 people in rural and urban locations nationwide, and support an additional 300,000 jobs along the supply chain.

The **Canadian Pork Council** (CPC) is the national voice for pork producers in Canada. A federation of nine provincial pork organizations representing more than 7,000 farms, the organization plays a leadership role in achieving and maintaining a dynamic and prosperous Canadian pork sector. The CPC serves its membership through national and international advocacy efforts as well as through the development and implementation of initiatives, such as food safety, animal care and health, traceability, environment and sustainability, international trade and nutrition.



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International Trade

The Canadian red meat sector, encompassing beef, pork, bison, lamb and veal, is heavily reliant on international trade. With exports accounting for a significant portion of production - almost 70 percent of pork and 50 percent of beef - the industry's success is intrinsically linked to global markets. In 2023, the Canadian red meat sector's overall exports were valued at over \$9.7 billion, underscoring the critical role of trade in driving economic growth and sustaining the industry.

The United States remains the primary export destination for Canadian meat products, which saw exports valued at \$4.0 billion (80% of total exports) for beef and \$1.8 billion for pork (38% of total exports) in 2023. However, the industry's reach extends far beyond North America, with Canadian meat products being exported to more than 90 countries worldwide. This global presence not only provides market diversification but also helps buffer against regional economic fluctuations and trade disruptions.

Trade agreements, such as CUSMA (Canada-U.S.-Mexico Agreement) and CPTPP (Comprehensive and Progressive Agreement for Trans-Pacific Partnership), play a crucial role in facilitating this international trade. These agreements help reduce tariffs, address non-tariff barriers, create more predictable trading environments and access to large fast-growing markets in the Indo-Pacific region. For the Canadian meat sector, continued efforts to maintain existing trade relationships and expand into new markets are essential for long-term growth and sustainability, especially given the highly integrated nature of the North American meat industry and the increasing global demand for high-quality protein sources.

CUSMA

On November 30, 2018, Canada, the United States, and Mexico signed the Canada-United States-Mexico Agreement (CUSMA), an agreement to replace the North American Free Trade Agreement (NAFTA), which had been in force since January 1, 1994.

NAFTA eliminated virtually all tariffs between Canada, the U.S. and Mexico, with very few exceptions.



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The Canadian Meat Council was actively involved throughout the NAFTA renegotiation process and is pleased with the final CUSMA outcomes. At that time, CMC emphasized this was an important step in maintaining competitiveness and continuing to grow the meat industry in Canada. The North American meat industry is fully integrated, and having uninterrupted access across the three countries is critical.

The main CUSMA outcomes achieved include:

1. Duty-free access: CUSMA maintains the duty-free benefits from NAFTA, ensuring that the vast majority of North American trade, including agricultural products, continues to be duty-free.
2. Preferential market access: The agreement safeguards Canada's preferential access to the United States and Mexico markets, which is crucial for the Canadian meat industry.
3. Improved trade facilitation: A new chapter on customs administration and trade facilitation standardizes and modernizes customs procedures throughout North America, facilitating the free flow of goods.
4. Reduced technical barriers: Improvements to disciplines on technical barriers to trade make it easier for Canadian businesses to export goods within the CUSMA region.
5. Forum for addressing issues: A modernized Committee on Agricultural Trade provides a platform for parties to address issues and trade barriers.
6. Enhanced North American integration: CUSMA promotes deeper integration within the broader North American market, which is particularly important for the highly integrated North American meat industry.
7. Science-based measures: CUSMA encourages the parties to use science and risk-based sanitary and phytosanitary analyses, measures and certification, and requires improved audit procedures, import checks, equivalence assessments and transparency measures to be put in place to facilitate and increase the predictability of market access.

Canadian meat exports



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A secure access to the North American market is vital for the Canadian red meat industry. In 2023, combined meat exports to the U.S. and Mexico reached CAD 6.5 billion. Since 2017 the export value grew by 54%. For the pork industry, exports to Mexico and the US totaled CAD 2.2 billion in 2023, a 45% increase since 2017, meanwhile beef and veal exports were valued at CAD 4.3 billion, which represents a 44% growth since 2017.

CUSMA Review

CUSMA entered into force on July 1, 2020. The CUSMA safeguards Canada's preferential access to the United States and Mexico while promoting deeper integration within the broader North American market.

As we approach the 2026 CUSMA review, the future of the North American economic partnership faces significant challenges. Recent years have seen a growing bipartisan trend in the U.S. towards protectionist trade and industrial policies, with similar developments in Mexico. The 2024 U.S. Presidential election has intensified these concerns as Vice President Kamala Harris has indicated a desire to reopen the Agreement to protect U.S. manufacturing jobs and Donald Trump has stated intentions to implement 10% tariff on all U.S. imports, which could have a disruptive impact on both Canadian and U.S. economies.

CMC members have a vested interest in maintaining and improving a stable rules-based framework for free trade in North America to ensure their future economic prosperity, effective business planning and return on investments.

Opportunities for Growth: Recommendations

To ensure a successful 2026 CUSMA review that advances Canada's economic interests, we recommend the following strategic priorities:

1. **Continuity and Stability**: The review should focus on ensuring the continuity of the Agreement's provisions rather than renegotiation. A disruptive renegotiation would harm businesses across all three countries that rely on the stability and predictability of the trilateral trading relationship.



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2. Proactive Resolution of Key Irritants: In advance of the review, Canada should prioritize minimizing and resolving key irritants to ensure a constructive process in 2026. This includes addressing 'low hanging fruit' issues that can be easily resolved.

3. Improve North American competitiveness notably by enhancing regulatory coherence and reduce compliance costs across North America, including:
 - Leveraging both bilateral and trilateral mechanisms:
 - Utilize the Canada-U.S. Regulatory Cooperation Council for ongoing and regular bilateral efforts.
 - Engage the Committee on Good Regulatory Practices (Article 28.18 of CUSMA) as a central coordinating body for trilateral cooperation.

 - Enhancing the role of the Committee on Good Regulatory Practices to:
 - Facilitate regular dialogue and collaboration on regulatory issues.
 - Improve transparency in regulatory processes.

 - Considering specific regulatory improvements in the meat industry:
 - Allow product inspections at either Canadian or U.S. establishments, rather than solely at I-houses, to improve efficiency.
 - Harmonize regulations on veterinary medications and Specified Risk Material (SRM) to align with U.S. practices while maintaining food safety standards.
 - Monitor and prevent any complexities arising from Country of Origin labeling requirements, including voluntary schemes, from hindering trade.
 - Mitigate the impact of state-specific regulations like California's Prop 12 and similar laws, which affect both Canadian and U.S. industries.
 - Review and streamline pesticide testing procedures to prevent unnecessary delays and product devaluation.
 - Facilitate unrestricted trade in bison.

Conclusion



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Preserving and strengthening CUSMA is integral for a thriving Canadian economy and the success of Canadian businesses, workers, and communities. We look forward to continuing our engagement with the government on this important issue.