

Chapter Twenty-two — Final Provisions

This chapter lays out the legal language necessary to bring the Agreement into force including provisions for annexes and amendments to the Agreement. The Agreement will remain in effect indeterminately. It also permits any party to withdraw from the Agreement on six-months' notice, as in the FTA.

It states that the Agreement will enter into force when domestic approval has been obtained. In Canada, the necessary implementing legislation was presented to Parliament in late February. In the United States, legislation and a Statement of Administrative Action require Congressional approval under "fast-track" procedures. In Mexico, the NAFTA is a treaty that can take effect when the Mexican Senate provides its advice and consent to ratification. The Agreement may enter into force for two of the parties upon an exchange of instruments of ratification between them.

A key part of this chapter is the clause on accession (article 2204), which will permit other countries to seek admission into the free trade area upon meeting such conditions as may be determined by the parties to the Agreement, including:

- Canada and the other governments must agree to enter into negotiations; and
- The country seeking admission will have to negotiate its price of admission; i.e., to offer commitments to eliminate tariff and other barriers and bring its trade and related economic practices into line with the rules and procedures set out in the NAFTA.

In this way, Canada and the other founding countries will have a full opportunity to assess whether the applicant is prepared to live up to the obligations of the Agreement. This "docking" provision ensures that Canada will not have to renegotiate its terms of trade with the United States and Mexico every time a new country seeks freer access with the NAFTA countries, since future negotiations will be limited to the conditions on which another country will be admitted into the free trade area.