

U.S.-CANADA FREE TRADE AGREEMENT

Elements of the Agreement

OBJECTIVES

The objectives of this Agreement, as elaborated more specifically in the provisions of this Agreement, are to:

- (a) eliminate barriers to trade in goods and services between the territories of the Parties;
- (b) facilitate conditions of fair competition within the Free Trade Area;
- (c) significantly expand liberalization of conditions for investment within the Free Trade Area;
- (d) establish effective procedures for the joint administration of the Agreement and the resolution of disputes;
- (e) lay the foundation for further bilateral and multilateral cooperation to expand and enhance the benefits of the Agreement.

Tariffs

The United States and Canada agree that all bilateral tariffs on goods meeting the rules of origin will be eliminated. All dutiable products are assigned by mutually agreement to one of the following staging categories for duty elimination: a) immediate duty elimination; b) duty elimination in five equal annual stages; or c) duty elimination in ten equal annual stages.