

Seafood Industry

Immediate elimination on most fresh and frozen fish including trout, salmon, sole, herring, mackerel, haddock, hake, most dried and smoked fish and many shellfish including crabs. Under the Agreement, there will be a five-year phase-out for lobster, scallops, halibut and prepared fish products, including fish sticks. There will be a 10-year phase-out for sardines, frozen fish fillets and shrimp. Most Mexican fish products already enter Canada duty free, but there will be a five-year phase-out for further processed fish products.

Food and Beverage Industry

The NAFTA sets out separate bilateral undertakings on cross-border trade in agricultural products, one between Canada and Mexico, and the other between Mexico and the United States. As a general matter, the rules of the Canada-U.S. FTA on tariff and non-tariff barriers will continue to apply to agricultural trade between Canada and the United States. Trilateral provisions in the NAFTA address domestic support for agricultural goods and agricultural export subsidies. In addition, there is agreement by all three countries not to use health and sanitary regulations as disguised trade barriers.

Canada and Mexico will eliminate all tariff and non-tariff barriers on their agricultural trade, with the exception of those in the dairy, poultry, egg and sugar sectors. Canada will immediately exempt Mexico from import restrictions covering wheat, barley and their products, beef and veal, and margarine. Canada and Mexico will eliminate immediately or phase-out within five years tariffs on many fruit and vegetable products, while tariffs on remaining fruit and vegetable products will be phased-out over 10 years. A small number of these products will be subject to the special transitional safeguard. The three countries have agreed to recognize Canadian Whiskey, Tequila, Mezcal, Bourbon Whiskey and Tennessee Whiskey as "*distinctive products*" and to prohibit the sale of products under these names unless they meet the requirements of their country of origin. There will be an eight-year phase-out of Canadian and Mexican tariffs on beer.