



September 7, 2021

The Honorable Kamala Harris
Vice President of the United States
Old Executive Office Building
Washington, DC 20501

Dear Madam Vice President:

As members of the Alliance for Trade Enforcement (AFTE), we thank you for convening the United States-Mexico High Level Economic Dialogue. The United States-Mexico-Canada Agreement (USMCA) is at the center of our economic relationship. Full USMCA implementation is critical for U.S. workers and businesses, particularly given recent actions and statements by President Andrés Manuel López Obrador and other senior Mexican government officials that indicate an intent to narrow the ability of our members to export to Mexico and do business there, activities that directly support American businesses and workers. We encourage you to use all available tools, including enforcement action when necessary, to secure Mexico's full implementation of and compliance with USMCA's commercial commitments.

AFTE represents a diverse array of industries that help put trade to work for the middle class, creating good jobs for workers from all backgrounds and raising living standards in communities across the United States. Our export successes help us to generate high-paying, export-intensive jobs. In fact, the White House Council of Economic Advisers noted in a 2015 report that workers in export-intensive sectors earn as much as 18 percent more on average, compared to less export-intensive sectors and found in its survey of the economic research that the exporter wage premium is "a well-established feature of the data across many countries over decades."¹

These well-paying jobs and economic opportunities for Americans across the economic spectrum allow our members to hire people with diverse backgrounds and education levels for a wide range of jobs in a variety of sectors, including telecommunications, audiovisual, music, agriculture, biopharmaceuticals, medical devices, infrastructure and energy. Our members build on decades of American innovation to create new products and technologies that further U.S. technology leadership and improve the quality of life for Americans—sustainably increasing crop production, boosting domestic energy production, growing the clean energy economy, launching new 5G telecommunications solutions, producing and distributing film, television, and music content, and developing and manufacturing the tests, therapies, and vaccines that have enabled the United States to lead the world in combatting COVID-19.

Our members' role in building a stronger, fairer U.S. economy also depends on holding foreign governments like Mexico accountable for their trade obligations and making a strong push to resolve unfair and illicit trade practices. Mexico is one of the United States' top-three trading partners overall, with exports of goods and services to Mexico averaging \$270 billion annually since 2016, creating

¹ "The Economic Benefits of U.S. Trade." The White House Council of Economic Advisors. May 2015.
https://obamawhitehouse.archives.gov/sites/default/files/docs/cea_trade_report_final_non-embargoed.pdf

immense economic opportunity across the United States. Mexico is the first or second largest export destination for 27 states.²

USMCA has enormous potential to improve the business environment for our members operating in Mexico, but only if Mexico treats American businesses and workers fairly. We are concerned that President López Obrador continues to frame USMCA commitments as contrary to his political agenda. His administration appears intent on disregarding many of Mexico's USMCA commitments, which would further narrow access for American exporters and companies doing business with Mexico. In other instances, laws that have been adopted to carry out USMCA commitments remain in limbo. AFTE members and other trade associations have catalogued a series of market access and other challenges in telecommunication, broadcasting, audiovisual services, pharmaceuticals, biotechnology, medical devices, food labeling, energy and power generation, customs and trade facilitation, and electronic payment services. In an AFTE letter in March, we described many of these challenges and the related discriminatory and onerous proposed laws and regulations. Most of the issues catalogued in that letter have not been resolved, and additional market access barriers and regulatory actions have developed since that letter was written that are highly concerning.

Full USMCA implementation will require constant attention and a strong push across the range of issues impacting American businesses and workers. Our members and workers are committed to ensuring that Mexico abides by the rules established by the USMCA, and we appreciate the support of the U.S. Government to overcome Mexico's unfair trade practices. AFTE members urge you to continue to stress to the Government of Mexico that the United States will fully and broadly enforce the USMCA, working with industry and other stakeholders to take commercial enforcement action when necessary.

We value your continued commitment to work with the Government of Mexico to cultivate a lasting, competitive U.S.–Mexico economic partnership.

Sincerely,

Advanced Medical Technology Association
(AdvaMed)
American Fuel & Petrochemical Manufacturers
(AFPM)
American Petroleum Institute (API)
ACT | The App Association
Biotechnology Innovation Organization (BIO)
Coalition of Services Industries (CSI)
Motion Picture Association (MPA)
National Association of Manufacturers (NAM)
The National Foreign Trade Council (NFTC)

Pharmaceutical Research and Manufacturers of
America (PhRMA)
The Recording Industry Association of America
(RIAA)
Television Association of Programmers Latin
America (TAP)
The Telecommunications Industry Association
(TIA)
United States Council for International Business
(USCIB)

cc:

Ambassador Katherine Tai, United States Trade Representative
Secretary Gina M. Raimondo, Department of Commerce
Secretary Antony Blinken, Department of State

² "EXPORTS, JOBS, AND FOREIGN INVESTMENT." International Trade Administration.
https://legacy.trade.gov/mas/ian/statereports/tg_ian_001955.asp