



## **CBP Issues USMCA Interim Implementation Instructions Guidance Document**

Today, CBP released a guidance [document](#) on initial implementation of the trade agreement that replaces NAFTA, known in the United States as the "USMCA" (US-Mexico-Canada Agreement"), in Canada as "CUSMA" (Canada-US-Mexico Agreement) and in Mexico as "TMEC" ("Tratado México-Estados Unidos-Canadá"). The guidance document or "Interim Implementation Instructions" are not the anticipated "uniform regulations" but do provide some more details around CBP's view of how it will implement the USMCA.

The Interim Implementation Instructions are a nearly 50 page document and provide CBP's instruction on much of the basics re USMCA implementation in the United States, including:

- Creation of a Special Program Indicator "S" that will be used on U.S. Customs entries to claim USMCA trade benefits
- Rules of Origin, including Regional Value Content (RVC) calculation methods and creation of a General Note 11 to the Harmonized Tariff Schedule of the United States
- De Minimis
- Treatment of Sets
- Automotive Rules of Origin ("Appendix I" to the Implementation Instructions)
- Textile and Apparel Rules of Origin ("Appendix II" to the Implementation Instructions)
- Transit/Transshipment
- MPF Exemption
- Marking Rules of Origin
- Post-Importation USMCA Claims (noting that MPF will not be refunded on post-importation USMCA claims)
- Certification Requirements ("Appendix III" to the Implementation Instructions")
- Recordkeeping Requirements
- USMCA Audit or Verification Procedures

The Interim Implementation Instructions do not provide guidance on when the USMCA will enter into force although the earliest possible date is July 2020, with many in industry requesting a delay in the effective date. Nor do the Interim Implementation Instructions provide guidance on whether it will be possible to make concurrent NAFTA claims for the remainder of 2020 - even if the USMCA comes into effect in July 2020 (or in the months after July 2020) - although it is widely expected that this will not be possible and that when USMCA enters into force, NAFTA claims will no longer be able to be made - other than NAFTA post-importation claims for the year following entry into

force of the USMCA.

The Interim Implementation Instructions do contain an overview of the newly created automotive rules of origin, but caution that the Department of Labor will issue regulations related to the high wage components of the labor value content. Annexes A and B to the Implementation Instructions outline labor value content and certification requirements, while Annex C to the Implementation Instructions sets forth information about the automotive Steel and Aluminum certification requirements.

Roll & Harris LLP is continuing to monitor events and will send out future updates as the situation develops.

Please do not hesitate to contact us at [info@thetradelawfirm.com](mailto:info@thetradelawfirm.com) with any questions you may have.