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Five Takeaways for Corporate Counsel on the USMCA

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In this article, Miller & Chevalier Member Richard Mojica, Riyaz Dattu, Partner at Osler, Hoskin & Harcourt in Toronto, and Eduardo Sotelo Cauduro, Partner at Sánchez DeVanny Eseverri in Mexico City, highlight important issues companies need to know to comply with the requirements of the United States-Mexico-Canada Agreement (USMCA), which goes into effect July 1, 2020. "The key issues that corporate counsel should discuss with the company's trade compliance personnel include the use of the correct rules of origin, new methodology for certification of origin, tapping into government provided resources, needed modifications to internal compliance programs, and getting ready for audits and investigations," the authors wrote. "Failure to comply with the USMCA's requirements can have drastic ramifications for companies from both a financial perspective and, just as importantly, the company's reputation. Furthermore, the ability to participate in some customs facilitation programs can be impacted by a poor compliance record."