

North American automakers call for NAFTA talks to resume

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North American auto industry groups released a joint statement urging their governments to update the North American Free Trade Agreement in the wake of steep tariffs on goods including automobiles

US, Canadian and Mexican auto industry groups on Monday urged their governments to resume stalled efforts to overhaul the North American Free Trade Agreement.

Talks to revamp the trilateral NAFTA deadlocked in February after more than six months, as Ottawa and Mexico flatly rejected Washington's calls for a five-year sunset clause on the agreement as well as steep new US-content requirements for autos.

Mexico's presidential elections early this month left the governments with little time to maneuver, so the talks were halted.

And while there were some concerns about whether anti-establishment leftist candidate Andres Manuel Lopez Obrador would scrap NAFTA altogether, since winning the presidency he has vowed to work towards revising the trade pact.

The joint statement from the [auto](#) industry groups

in the three nations urged political leaders to take advantage of the moment to proceed with the talks, even though AMLO will not take office until December.

"As a new government forms in Mexico on December 1st, 2018, we believe now is the time for all parties to return to the negotiating table with a renewed commitment to the modernization of a cohesive three-country NAFTA agreement," the statement said.

"We have a great opportunity to update this trade agreement and it is in the best interest of all three countries to refocus on establishing a new [NAFTA agreement](#) that will allow the North American auto industry to remain globally competitive."

Nine auto industry groups, including the US Alliance of Automobile Manufacturers, the Canadian Vehicle Manufacturers' Association, and the Asociacion Mexicana de la Industria Automotriz, sign onto the joint statement.

The groups may be in a hurry to advance the talks before the US holds its mid-term elections in November, which has the potential to bring major changes to Congress.

Trade relations among the three nations have continued to sour since the NAFTA talks stalled, after Washington imposed tariffs on Mexican and Canadian exports of steel and aluminum, and those nations retaliated with punitive duties on US goods.

Citing national security concerns, US President Donald Trump also is considering imposing 25 percent duties on all auto imports, a prospect that has alarmed industry and economists, who say this would considerably expand Washington's current [trade](#) wars, and disrupt the North American auto [industry](#) and its integrated supply chains.

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