



NAFTA Works

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FIRST MEXICAN TRUCK CROSSES TO THE UNITED STATES TO PROVIDE INTERNATIONAL LONG-HUAL CARGO SERVICES

Today a truck from Transportes Olympic, the first Mexican carrier to be issued operating authority provide long-haul international cargo services between Mexico and the United States, departed from Nuevo Laredo, Tamaulipas to deliver machinery used for drilling to Garland, Texas. This marks the first international long-haul crossing under the program established between our countries in the Memorandum of Understanding of July 6, 2011.

This event marks an additional step towards U.S. compliance with its commitments under the North American Free Trade Agreement (NAFTA), and contributes to the resolution of the 16 year old bilateral trucking dispute. As announced last March by presidents Obama and Calderon, this development led Mexico to suspend the remaining retaliatory tariffs on 99 U.S. products that Mexico was forced to impose after a previous trucking pilot program was defunded in 2009. Accordingly, the decree to suspend the tariffs was published today on the *Diario Oficial de la Federacion* (Mexico's official gazette).

The Government of Mexico will continue to work with the Government of the U.S. to ensure the program's success and preserves the right to reinstate duties if it is cancelled again.

Mexico and the United States enjoy a \$400 billion annual trade relationship and 70 percent of this trade travels by truck. Door-to-door delivery services of international cargo represent a step toward a more modern, agile, secure and efficient border. Since Mexico is the second largest market for U.S. exports and the two neighboring nations together produce goods for worldwide consumption, reestablishment of cross-border long-haul trucking services is vital for North America's competitiveness and for job creation on both sides of our border.