

USMCA IS A WIN FOR AMERICA'S SMALL BUSINESSES



USMCA preserves and strengthens North American trade.

America's small business owners are hailed as heroes of free enterprise, generating two-thirds all new U.S. jobs. However, in the trade debate it is often overlooked that 98% of the 300,000 American companies that export are small and medium-sized businesses.

Trade continues to be the engine that drives many small businesses. The number of small and mid-sized firms that export has risen about threefold over the past two decades, and today they account for one-third of U.S. merchandise exports, according to the U.S. Department of Commerce.

However, we can and must do more. While 98% of American exporters are small and medium-sized businesses, only about 1% of America's 30 million small businesses export. In countries such as Germany and Switzerland, the share of small firms that sell their products abroad is five to ten times larger.

Congressional approval of the United States-Mexico-Canada Agreement (USMCA) would accelerate those small business exports. Canada and Mexico are the top two export destinations for U.S. small and medium-sized enterprises, more than 120,000 of which sell their goods and services to our two North American neighbors. Furthermore, when an American small business starts exporting, it's almost always to Canada or Mexico.

The USMCA is the first U.S. trade agreement with a chapter focusing specifically on small and medium-sized exporters. The chapter promotes cooperation between the U.S., Canadian, and Mexican governments to increase trade and investment opportunities for smaller firms. It establishes information-sharing tools that will help these businesses better understand the benefits of the agreement and share information on doing business in the region.

In addition, the USMCA will:

- **Cut red tape** and make customs procedures more efficient and transparent
- **Require fair and transparent regulatory procedures** for the development of product and technical standards, thus ending many of the "nontariff barriers" that too often shut out U.S. small business exports
- **Boost the potential of e-commerce** to allow thousands of smaller firms to easily reach foreign customers through online portals
- **Promote paperless trading** by allowing electronic authentication and signatures
- **Make it easier for businesses** to search, register, and protect intellectual property
- **Criminalize bribery and the theft of trade secrets** while ensuring transparency in bids for foreign bidding for government contracts.



U.S. CHAMBER OF COMMERCE