

Glossary:North American Free Trade Agreement (NAFTA)

Statistics Explained

The **North American Free Trade Agreement** (NAFTA) was a trade agreement signed in 1992 between the **United States** , **Canada** , and **Mexico** that aimed to create a trilateral trade bloc in North America. It entered into force on January 1, 1994, and gradually eliminated most tariffs and trade barriers on products and services among the 3 countries. NAFTA was replaced by the **U.S.-Mexico-Canada Agreement (USMCA)** on July 1, 2020, which updated and modified the terms of trade.

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