



UNITED STATES DEPARTMENT OF COMMERCE
Chief Financial Officer and
Assistant Secretary for Administration
Washington, D.C. 20230

**FAR CLASS DEVIATION
DETERMINATION AND FINDINGS
UNITED STATES-MEXICO-CANADA AGREEMENT
PROCUREMENT MEMORANDUM 2020-11**

FINDINGS:

1. On June 29, 2020, the Civilian Agency Acquisition Council (CAAC) issued CAAC Letter 2020-05 to serve as consultation in accordance with the Federal Acquisition Regulation (FAR) 1.404, allowing agencies to authorize a class deviation to implement the United States-Mexico-Canada Agreement (USMCA), as enacted by Congress in the United States-Mexico-Canada Agreement Implementation Act (Pub. L. 116-113).
2. The USMCA is effective July 1, 2020. It supersedes the North American Free Trade Agreement (NAFTA), therefore references to NAFTA are replaced with USMCA. Although Canada is still a designated country under the World Trade Organization Government Procurement Agreement, Canada is no longer a Free Trade Agreement country, because chapter 13 of the USMCA (government procurement) applies only to the United States and Mexico. Therefore, references to Canada as a Free Trade Agreement country are deleted, including the \$25,000 threshold. Mexico thresholds remain unchanged.
3. CAAC Letter 2020-05 strongly encourages agencies to issue class deviations using the provided deviated FAR provisions and clauses in lieu of the corresponding standard FAR provisions and clauses. Accordingly, the Department's deviation will require use of the provided deviated FAR provisions and clauses without change.
4. The FAR Council has undertaken rulemaking through FAR Case 2020-014 to implement the USMCA.

DETERMINATION:

It is hereby determined that a class deviation is approved to implement USMCA.

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and Director for Acquisition Management