

Regional Value Content

75%

Light Vehicles

Three-year transition, but automakers can appeal for a two-year extension for a limited amount of production (~10%) if they have a "credible plan" to meet the new Rules of Origin (RoO)

75%

Core Parts

Includes engine, transmission, body & chassis, axel, suspension, steering (all three-year transition), and advanced batteries (five-year transition). Must be originating for the vehicle to be originating.

70%

Principle Parts

Includes tires, glass pumps & compressors, A/C, bearings & bearings housing, electric motors, used as primary source of propulsion, electric motors for electrical variable transmission, electromagnets, starter motors & generators, bumpers, safety belts, brakes, road wheels, radiators, mufflers, clutches, airbags, seats, and parts of seats.

65%

Complementary Parts

Includes pipes, catalytic converters, valves, taps & cocks, electrical motors and universal AC/DC motors not exceeding 37.5 W, DC motors and generators not exceeding 750 W, other batteries, distributors & ignition coils, electrical lighting, windshield wipers/defrosters, sound recording/reproducing apparatus, switches, insulating wiring sets, headlamps, electronic instruments & measurement equipment.

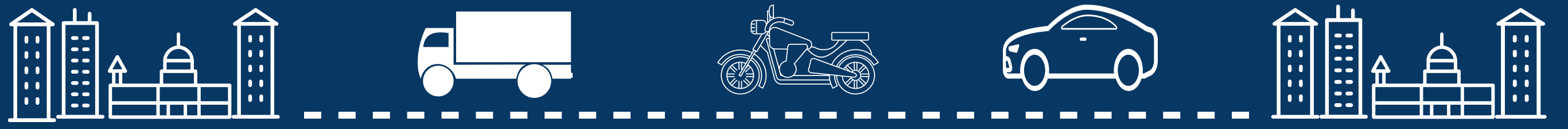
70%

Steel and Aluminum

Day 1 rule, no transition.

Sources

Center for Automotive Research
Center for Automotive Research, NAFTA Briefing (April 2018)



Wages

- U.S. and Canadian assembly and parts wages above \$20/hr.
- Mexican assembly wages \$7.34/hr, parts wages \$3.41/hr.

Labor Value Content

- Hourly wage (production/trades/temps) above \$16 USD/hour.
- Can average within one country across class, model, or plant.
- Up to 10% credit for R&D and IT content, up to 5% credit for assembly in high-wage region.

Passenger
Cars

40%

At least 25% from materials
and manufacturing content.

Pickup Trucks &
Cargo Vehicles

45%

At least 30% from materials
and manufacturing content.

Sources

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Center for Automotive Research, NAFTA Briefing (April 2018)