

3 THINGS TO WATCH IN 2021: CANADA

1 Border Restrictions & COVID-19

In March 2020, the United States and Canada restricted cross-border travel to “essential” traffic which remains in effect with no strategy in place for phasing out. The impact on border state economies and the quality of life has grown.

2 North American Rebound & the USMCA

When the pandemic eases, restoring economic growth will be the top priority for Canada and the United States. President Biden supports the new United States Mexico Canada Agreement (USMCA) and is expected to proceed with its implementation.

3 Energizing Climate Policy

The United States and Canada will be aligned again on climate policy. At the same time, the possibility that Canada would impose Border Adjustment fees on imports that pay a lower carbon price than Canada’s-- allowed under the terms of the new USMCA-- could spark trade tensions.