

Welcome to a new edition of the [bilaterals.org](https://bilaterals.org) podcast where we discuss the most recent developments around free trade and investment agreements.

January 1 marked the 30th anniversary of the first modern free trade agreement, originally known as the North American Free Trade Agreement (or NAFTA) and now called the United States-Mexico-Canada Agreement. Thirty years ago, the Zapatista movement led an uprising in southern Mexico and denounced the trade agreement, citing threats to indigenous peoples and food security. The trade deal also became a template for many others that followed worldwide.

There is no denying that Mexico has served as a free-trade laboratory in the neoliberal world that emerged after the fall of the Soviet Union.

For Mexico, NAFTA meant surrendering food sovereignty in favor of importing staple grains, leading to increased inequality and migration. It also meant abandoning the countryside and opening borders to trade, creating a vacuum that organized crime has filled.

But for a handful of transnational agribusiness corporations like Monsanto and Cargill, NAFTA has brought huge profits.

The revised version continues to challenge Mexico's public policies and advance corporate interests. For example, in August 2023, the US filed a claim under the treaty over a Mexican government decree that banned the use of genetically modified corn in tortillas and phased out its use in all products for human and animal consumption. To add insult to injury, the Canadian and US governments shut down the ability of NGOs to comment on the trade dispute.

But this attack on Mexican sovereignty has reactivated the trinational solidarity of Mexican, US and Canadian civil society organizations that have criticized NAFTA for thirty years, warning from the start that it could destroy age-old agricultural traditions. Today they are demanding that Mexico stand up to the pressure of the agribusiness corporations and stop what could be the final blow to Mexican food culture.

The toxic legacy of NAFTA has also been felt in Canada. In February 2023, a US energy company filed an arbitration claim against Canada over the province of Quebec's rejection of a gas project, based on the results of a two-year public environmental assessment. The company is now seeking compensation of US\$20 billion, which is the largest amount ever claimed by an investor under NAFTA's investor-state dispute settlement provisions and one of the largest current investor-state claims in the world.

In Ecuador, large mobilizations against the Free Trade Agreement with China led the National Assembly to suspend the vote to approve the agreement. Social movements say it will only benefit Chinese corporations and elites at the expense of smaller local businesses and the public interest. They're also concerned about the expanded protections for foreign investment that could be granted in the mining, oil and agribusiness sectors.

**Negotiations between the European Union and Mercosur were delayed again last month. While the issue surrounding the talks is uncertain, their conclusion may depend on Argentina's new far-right libertarian president, who is reportedly in favour of the deal.**

**Chief negotiators from the EU and Mercosur countries will meet at a last-chance summit to finalize the trade deal before the European elections. Civil society groups have insisted that the deal should be scrapped once and for all, as it follows in the footsteps of neoliberal trade deals that have only benefited transnational corporations.**

**In late 2023, the EU also signed trade deals with Chile and Kenya, and ratified another with New Zealand that will take effect in 2024.**

**This year, the EU-Mexico FTA could see a breakthrough if the parties can agree on Mexico's recent electricity reforms. The EU is also hoping to restart trade talks with the Philippines, which stalled in 2017, while the election of a new president in Indonesia could lead to a reset in trade negotiations.**

**In Africa, 30 countries will begin trading under the African Continental Free Trade Area in 2024 as part of the Guided Trade Initiative, which implements limited parts of the agreement's trade rules.**

**Algeria and Ethiopia are reportedly among the new countries joining the initiative, but we know very little as developments around the African trade deal continue to lack transparency.**

**Seven countries have already been trading under the initiative since October 2022.**

**And that's it for today. I'm Nicolas Roux, [bilaterals.org](https://bilaterals.org). If you'd like more information about today's podcast, you can click on the links provided in the description. More trade news coming up soon in our next podcast. In the meantime, you can visit [bilaterals.org](https://bilaterals.org).**