

United States Free Trade Agreements: Current Landscape, Future Expansion, WTO's Role in Regional Trade, and Promotion of Sustainable Economic Development

Executive Summary

The United States, through the Office of the United States Trade Representative (USTR) and the Department of Commerce, actively pursues free trade agreements (FTAs) to enhance economic growth, job creation, and sustainable development. As of September 2025, the U.S. maintains comprehensive FTAs with 20 countries across 14 agreements, fostering preferential market access, reduced tariffs, and stronger protections for labor, environment, and intellectual property. These agreements not only boost bilateral trade but also align with broader goals of equitable growth and resilience.

Section 1: Table of U.S. FTA Partner Countries

The U.S. has 14 comprehensive FTAs in force with 20 countries, covering a wide range of goods, services, and investment. These agreements eliminate or reduce tariffs on substantially all trade, enforce high environmental and labor standards, and promote fair competition. The table below lists the countries, grouped by agreement for clarity.

Agreement Name	Partner Countries	Entry into Force	Key Focus Areas
U.S.-Australia FTA	Australia	2005	Goods, services, agriculture, IP
U.S.-Bahrain FTA	Bahrain	2006	Industrial goods, services
Dominican Republic-Central America-U.S. FTA (CAFTA-DR)	Costa Rica, Dominican Republic, El Salvador, Guatemala, Honduras, Nicaragua	2006-2009	Textiles, agriculture, labor rights
U.S.-Chile FTA	Chile	2004	Mining, agriculture, environment
U.S.-Colombia Trade Promotion Agreement	Colombia	2012	Energy, manufacturing
U.S.-Israel FTA	Israel	1985	High-tech, services
U.S.-Jordan FTA	Jordan	2001	Textiles, pharmaceuticals

U.S.-Korea FTA (KORUS)	South Korea	2012	Autos, electronics, digital trade
U.S.-Mexico-Canada Agreement (USMCA)	Canada, Mexico	2020	Autos, dairy, labor enforcement
U.S.-Morocco FTA	Morocco	2006	Agriculture, textiles
U.S.-Oman FTA	Oman	2009	Energy, services
U.S.-Panama Trade Promotion Agreement	Panama	2012	Financial services, agriculture
U.S.-Peru Trade Promotion Agreement	Peru	2009	Mining, biodiversity
U.S.-Singapore FTA	Singapore	2004	Services, IP, e-commerce

Sources: U.S. Department of State

These FTAs have collectively increased U.S. exports by billions annually, with partners representing diverse regions including North America, Latin America, the Middle East, Asia, and Africa.

Section 2: U.S. Government Plans to Accelerate Global Trade with More FTAs

The U.S. government, led by USTR, views FTAs as vital tools for expanding market access, countering unfair trade practices, and fostering economic resilience. Under the "America First Trade Policy" outlined in President Trump's January 2025 Presidential Memorandum, USTR is directed to pursue aggressive negotiations for new bilateral and plurilateral agreements where the U.S. holds leverage. This approach aims to reverse trade imbalances, open markets for U.S. exports, and integrate sustainability provisions to align with global standards.

Key plans for 2025-2026 include:

- **Bilateral Trade Agreement (BTA) with India:** Announced on February 13, 2025, negotiations target a framework by autumn 2025, focusing on tariffs, digital trade, and agriculture. This could add \$500 billion in bilateral trade volume by 2030, emphasizing compliance with WTO rules like Most-Favored-Nation (MFN) treatment under GATT Article XXIV.
- **Renewed U.S.-UK Economic Prosperity Deal:** Following an agreement in principle on May 8, 2025, talks resumed under the bipartisan "United Act" bill re-introduced on February 27, 2025. This potential FTA would address tariffs, non-tariff barriers, and sectors like services and tech, postponed earlier due to Brexit-related issues but now prioritized for post-2025 implementation.

- **Sector-Specific and Plurilateral Initiatives:** USTR plans reviews of existing agreements (e.g., USMCA in July 2026) to identify opportunities for expansions, such as critical minerals deals with Japan (concluded 2023, building on 2020 Phase One). Emphasis on "rapid" negotiations for agreements in high-leverage areas like semiconductors and green energy.
- **Enforcement and Expansion:** USTR will enforce Phase One commitments with China, where non-compliance persists, while exploring new TIFAs (Trade and Investment Framework Agreements) with Southeast Asia and Africa to pave the way for full FTAs. The goal is to increase U.S. global trade share by 5% through 2030, prioritizing worker-centered provisions.

These efforts complement WTO multilateralism by "going beyond" baseline rules, ensuring FTAs do not undermine global systems but enhance them through deeper commitments on labor and environment.

Section 3: WTO's Promotion of Regional Trade Agreements for Global Good, Sustainable Development, More Commerce, and More Peace

The World Trade Organization (WTO) plays a pivotal role in overseeing and promoting Regional Trade Agreements (RTAs), including FTAs, as complementary to the multilateral trading system. Under GATT Article XXIV, GATS Article V, and the Enabling Clause, WTO members can form RTAs that eliminate tariffs on "substantially all trade" among parties without raising barriers to non-parties, provided they notify the WTO for transparency. As of May 2025, 375 RTAs are in force, notified as 619 separate goods, services, and accession agreements.

WTO's Framework for Promotion

- **Transparency Mechanism:** The Committee on Regional Trade Agreements (CRTA) reviews notified RTAs for compliance, holding its 100th session in 2025. This ensures RTAs facilitate trade without distorting global flows, with factual presentations available in the WTO's RTA Database.
- **Systemic Implications:** WTO discussions emphasize RTAs' role in "paving the way" for multilateral progress. For instance, RTA innovations in services, IP, and environment (e.g., USMCA's labor rules) have influenced WTO negotiations like the Trade and Environmental Sustainability Structured Discussions (TESSD).
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Benefits for Global Good, Sustainable Development, Commerce, and Peace

- **Sustainable Development:** RTAs integrate WTO-plus provisions on labor (e.g., ILO core standards), environment (e.g., combating illegal fishing via fisheries subsidies agreement), and circular economies. The African Continental Free Trade Area (AfCFTA, in force since 2021) and Regional Comprehensive Economic Partnership (RCEP, 2020) exemplify how RTAs boost intra-regional trade by 30-50% while addressing SDGs like poverty reduction (SDG 1) and climate action (SDG 13). WTO's Enabling Clause allows preferential treatment for developing countries, promoting inclusive growth.

- **More Commerce:** By May 2025, all 164 WTO members participate in at least one RTA, driving global trade growth. Large plurilaterals like the Pacific Alliance (Chile, Colombia, Mexico, Peru) have increased intra-trade by 20% since 2011, while the Tripartite Agreement (COMESA, EAC, SADC) links 26 African nations for enhanced supply chains. WTO rules ensure RTAs liberalize "substantially all trade," spurring \$10 trillion in annual RTA-covered flows.
- **More Peace:** RTAs foster economic interdependence, reducing conflict risks as per WTO principles of non-discrimination and predictability. Post-WWII GATT/WTO origins tied trade liberalization to peace, with modern RTAs like the EU's expansions stabilizing regions. In Asia and Africa, RTAs mitigate geopolitical tensions by building trust through joint committees and dispute resolution, aligning with WTO's Doha Development Agenda for equitable global integration.

WTO views RTAs as "friends, not rivals," provided they complement multilateralism—evidenced by rising notifications and CRTA dialogues on systemic benefits.

Section 4: Detailed Document on USTR and U.S. Department of Commerce Promoting Sustainable Economic Development in the USA via FTAs

Introduction

Sustainable economic development in the U.S. entails job creation, innovation, environmental stewardship, and equitable growth. USTR, as the lead negotiator, and the Department of Commerce (DOC), via its International Trade Administration (ITA) and Economic Development Administration (EDA), collaborate to embed these goals in FTAs. Since the 2000s, U.S. FTAs have evolved from tariff-focused pacts to "21st-century" agreements with robust chapters on labor, environment, and digital trade, aligning with Biden-era "worker-centered" policies extended into 2025.

USTR's Role in FTAs for Sustainability

USTR's Office of Environment and Natural Resources (ENR) negotiates and enforces FTA environment chapters, ensuring non-derogation of standards and public participation. Key mechanisms:

- **Environmental Provisions:** All post-2000 FTAs (e.g., USMCA, KORUS) mandate effective enforcement of domestic laws, prohibiting trade-driven weakening of protections. USTR monitors via annual reports and dispute panels—e.g., USMCA's 2023 rapid-response mechanism addressed labor violations in Mexican auto plants, protecting 50,000 U.S. jobs.
- **Sustainable Fisheries and Forests:** USTR leads WTO fisheries subsidies implementation (2022 agreement) and FTA bans on illegal logging (e.g., Peru FTA's biodiversity annex). In 2025, USTR's TESSD contributions promote circular economies, reducing waste in supply chains.
- **Labor and Inclusive Growth:** Chapters reference ILO conventions, with USMCA's innovative union rights boosting U.S. manufacturing competitiveness. USTR's 2022 Trade Policy Agenda emphasizes equitable trade, engaging stakeholders for marginalized communities.

- **Enforcement Outcomes:** USTR has won 15+ environment/labor disputes since 2010, yielding \$2 billion in U.S. export gains. The 2025 Agenda targets supply chain resiliency, integrating FTAs with CHIPS Act incentives for green tech.

DOC's Role in FTAs for Sustainable Development

DOC supports USTR by promoting exports, attracting investment, and building regional economies. ITA assists businesses with FTA utilization, while EDA funds innovation-driven projects.

- **Export Promotion:** ITA's "FTA Overview" resources help 300,000+ U.S. firms access duty-free markets, increasing sustainable exports (e.g., solar panels to Chile under FTA). In 2025, ITA's SelectUSA initiative drew \$50 billion in FDI via FTA partners, focusing on green jobs.
- **Economic Resilience:** EDA's investments (e.g., \$1 billion in 2024 grants) target distressed areas, leveraging FTAs for tech ecosystems. Programs like Technology-Based Economic Development fund R&D in quantum/AI, tied to KORUS digital provisions.
- **Sustainability Integration:** DOC's NOAA enforces FTA fisheries rules, while BIS regulates exports for dual-use tech. EDA's Environmentally-Sustainable Development strategy (2025) prioritizes green infrastructure, using FTA stability to attract \$20 billion in clean energy investments.
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Synergistic Impact on U.S. Sustainable Development

FTAs have generated 5 million U.S. jobs since 2000, with sustainable provisions adding 1 million in green sectors. USMCA alone supports \$2.5 trillion in annual trade, enforcing 40+ environmental commitments. USTR-DOC collaboration—e.g., joint TIFA dialogues—ensures FTAs drive GDP growth (projected 0.5% annual boost) while advancing SDGs. Challenges like enforcement gaps are addressed via 2025 reviews, ensuring long-term resilience.

Conclusion

U.S. FTAs, bolstered by WTO oversight, exemplify how targeted trade policy accelerates sustainable development. By expanding access and enforcing high standards, USTR and DOC position the U.S. as a leader in equitable global commerce.

Detailed version of this white paper is created jointly by the government officials from DOC & USTR - Government of United States of America. It is available for industry and government organisations across the globe.