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CSI Urges Administration to Address Digital Trade Barriers in Negotiations with EU

Washington, D.C. (March 9, 2022) — *The Coalition of Services Industries (CSI) today issued the following statement ahead of President Biden’s meeting with European Commission President Ursula von der Leyen:*

“In negotiations over the implementation of the Inflation Reduction Act, we strongly urge the Biden Administration to raise concerns about European policies that disadvantage U.S. firms,” said CSI President Christine Bliss. “In the attached letter from CSI and other trade associations, we emphasize the importance of ensuring a balanced and fair bilateral exchange with our European partners. This is particularly urgent at a time many EU digital policy measures are poised to have a disruptive impact not only on U.S. services and digital firms, but also on the wide spectrum of U.S. economic sectors they support.

“Such measures include the draft European Cybersecurity Certification Scheme for Cloud Services (EUCCS), the draft Data Act, and the proposed Cyber Resilience Act. It will also be important to ensure equitable enforcement of current EU policies, notably the Digital Markets Act and Digital Services Act.

“As we and our colleagues note in the letter, measures that disadvantage American firms in Europe stand to ‘damage U.S. jobs and growth, erode our long-term competitiveness, and undermine transatlantic national security cooperation.’

“As another unfortunate consequence, policies enacted as part of the EU’s ‘digital sovereignty’ push could have the unintended effect of aiding Chinese firms, as the Center for Strategic and International Studies pointed out in a recent report, [‘Implications of the European Union’s Digital Regulations on US and EU Economic and Strategic Interests.’](#) A diminished U.S. digital presence in the EU could open the door for those Chinese competitors not subject to ‘gatekeeper’ obligations. Helped along by preferential subsidies and other aid from Beijing, they would be well positioned to offer lower-cost products and make further inroads into the European digital market. This would be a regrettable outcome after the U.S. and EU have pledged to cooperate to promote more secure and resilient digital infrastructure globally.

“We call on the administration to ensure that trade concerns from both the U.S. and the EU are jointly addressed at the negotiating table. In doing so, the US can help deliver on the bilateral commitment in the most recent December 2022 Trade and Technology Council joint statement, which promised to ‘ensure... that international norms and the international trade rulebook are respected and reflect our shared values.’ “

CSI is the leading U.S. industry association devoted to promoting the trade policy priorities of the U.S. services sector on services and digital issues. Our members include companies that provide financial services, information and communication technology services, telecom services, express delivery and logistics, media and entertainment, distribution, and professional services to all sectors of the economy, including manufacturing and agriculture. CSI members include manufacturers of consumer electronics, telecommunications equipment and health and nutrition products. Our members operate in all 50 states and in nearly 200 countries, representing both large and small firms. CSI also works with counterpart organizations around the globe as co-chair of the Global Services Coalition and the Asia Pacific Services Coalition.