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## **CSI Statement on Reports US Is Withdrawing Key Trade Disciplines from WTO Digital Trade Negotiations**

**Washington, D.C. (October 25, 2023)** — *The Coalition of Services Industries (CSI) today issued the following statement:*

Said CSI President Christine Bliss: “The decision by the administration to abandon its longstanding positions on key digital trade disciplines will have highly negative consequences for American service suppliers. The US government has for many years sought to promote cross-border data flows, oppose data localization and protect source code. Reversing that posture will provide cover to foreign governments seeking to erect new barriers to data transfers. The after-effects for US services exports are likely to be harmful and long-lasting.

“In surrendering an ambitious and forward-leaning position in digital trade, the US leaves a vacuum that China will surely seek to fill. From a security perspective, the administration’s actions appear short-sighted and self-destructive. The abruptness of these actions, which involved no domestic consultation or forewarning, have also left our close allies and trading partners searching for answers.

“Although the Biden administration has professed its interest in supporting multilateral institutions, its actions may have destroyed the best chance the WTO had to show it can negotiate an agreement relevant to modern trade. Data flows are foundational for most of the WTO digital trade articles that have been concluded to date. Without baseline assurances that commercial data can be transferred, commitments on electronic signatures, e-contracts and many other elements of the agreement are merely aspirational. In short, US actions have profoundly undermined the most ambitious multilateral attempt yet to create a global digital trade framework.

“We are deeply disappointed with the US government’s actions.”

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**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.**