



CSI SUPPORTS STRONG OUTCOMES FOR NAFTA ROUND 6

Contact: Shantell Isaac
Tel. 202-289-1953
isaac@uscisi.org

CSI Urges Continued NAFTA Progress and Rejection of Withdrawal

Montreal, CA (January 23, 2018) — The Coalition of Services Industries (CSI) will attend the sixth round of negotiations of the North American Free Trade Agreement (NAFTA) in Montreal to spotlight the benefits of the existing NAFTA framework and modernization proposals to U.S. services providers, as well as highlight the risks of NAFTA withdrawal.

“NAFTA’s framework of non-discriminatory treatment and market access has allowed U.S. services exports to the region to increase by over 220 percent over the last two decades,” said CSI President Christine Bliss. “NAFTA has created vast market access for U.S. services providers, including cross-border services, investment rules and protections, opportunities for government procurement contracts in NAFTA countries, and a wide range of services market access from telecommunications to financial services.”

CSI commends the positive progress that U.S. negotiators are making to modernize the agreement by proposing “TPP Plus” digital trade rules strengthening data flow, source code, and cybersecurity provisions; providing provisions on non-intellectual property intermediary liability; and extending data localization provisions to financial services. The United States is also proposing strong commitments on electronic payment services, express delivery and distribution services, market access reforms in telecommunications, and streamlining customs procedures and increasing customs *de minimis* levels.

“Streamlining customs procedures and increasing customs *de minimis* levels can cut the red tape for U.S. and other North American exporters, which helps reduce transaction costs for their customers, and ultimately increases exports,” said Bliss. “While Mexican and Canadian exporters benefit from existing high-standard U.S. customs procedures, and a *de minimis* threshold of 800 USD, American exporters continue to be restricted by disparate treatment across the border. A parallel *de minimis* level with the United States, along with harmonizing customs procedures, would unlock greater export opportunities and overall market growth for the entire NAFTA region.”

If NAFTA negotiations do not achieve high standard outcomes in services and digital trade, or if the United States withdraws from NAFTA, the United States risks losing \$88 billion in U.S. services exports to Canada and Mexico. Those exports support nearly 600,000 high-paying American jobs and drive a \$24 billion services trade surplus with Canada and \$7.5 billion services trade surplus with Mexico. CSI and its members continue to work with the Administration and Congress to ensure a winning, modernized NAFTA, which will further the success of the American services sector in the North American region and further promote U.S. economic growth.

###

The Coalition of Services Industries (CSI) represents the interests of the dynamic American service economy, which employs over 75% of the workforce and generates 80% of national economic output. Since 1982, CSI has created greater public awareness of the major role services play in the U.S. economy, and it has shaped domestic and international economic policies on behalf of the services sector. The broad range of the U.S. service economy is reflected in CSI’s membership, which includes major international companies from the banking, insurance, telecommunications, information technology, logistics and express delivery, audiovisual, retail, and other service industries. CSI members conduct business in all 50 states and in more than 100 countries.