

THE DIGITAL DOZEN

The Obama Administration's digital trade policy is anchored in principles that secure and protect innovation, a free and open Internet, and commerce without barriers.

1

PROMOTING A FREE AND OPEN INTERNET

Every 'like' on Facebook, Tweet, Amazon purchase, and Etsy good sold relies on a free and open Internet. The Internet should remain free and open for all legitimate commercial purposes. We are working with our trading partners to affirm that consumers will be able to access content and applications of their choice when online.

2

PROHIBITING DIGITAL CUSTOMS DUTIES

A level playing field is a cornerstone of the Obama Administration's trade policy. A complete prohibition on customs duties for digital products will ensure that customs duties do not impede the flow of music, video, software, and games throughout the free trade area. Such a prohibition will make sure that creators, artists, and entrepreneurs get a fair shake.

3

SECURING BASIC NON-DISCRIMINATION PRINCIPLES

Digital products originating from within a free trade area cannot be put at a competitive disadvantage in any partner's market. Fundamental non-discrimination principles are at the core of the global trading system for goods and services, and we are working to ensure this principle applies to digital products as well.

4

ENABLING CROSS-BORDER DATA FLOWS

Companies and consumers must be able to move data as they see fit. Many countries have enacted rules that put a chokehold on the free flow of information, which stifles competition and disadvantages American entrepreneurs. We are working to confront these discriminatory and protectionist barriers by negotiating specific provisions designed to protect the movement of data, subject to reasonable safeguards that countries put in place to ensure things like the protection of consumer data when exported.

5

PREVENTING LOCALIZATION BARRIERS

Companies relying on cloud computing and delivering Internet-based products do not need to build physical infrastructure in a community to serve it, but many countries have tried to enforce requirements that add unnecessary costs and burdens to providers. Companies should not be forced to localize their computing services and to build expensive data centers in every market they seek to serve. We have squarely confronted such localization barriers by negotiating specific provisions designed to promote access to networks and efficient data processing.

BARRING FORCED TECHNOLOGY TRANSFERS

Countries should not make market access contingent on forced transfers of technology. We have proposed rules prohibiting countries from requiring companies to transfer their technology, production processes, or other proprietary information to persons in their respective territories.

6

ENSURING TECHNOLOGY CHOICE

Companies should be able to utilize the technology that works best and suits their needs. For example, companies should be able to choose among wireless transmission standards like WiFi and LTE. Technology choice ensures that companies are not required to purchase and utilize local technology, instead of technology of their own choosing.

7

ADVANCING INNOVATIVE AUTHENTICATION METHODS

The adoption of technologically-neutral electronic signatures and authentication methods protects users and their transactions. We believe trade agreements should ensure that suppliers can develop their own innovative methods for this purpose.

8

DELIVERING ENFORCEABLE CONSUMER PROTECTIONS

When consumers turn to the Internet for social or commercial purposes, they should be protected. We believe consumer protections, including with respect to privacy, should be embraced by our trading partners. We work to make sure parties adopt and maintain enforceable protections within their markets so that baseline consumer trust is enhanced.

9

SAFEGUARDING NETWORK COMPETITION

We have long championed the ability of our suppliers to build networks in the markets they serve—whether landing submarine cables or expanding data and voice networks—to better serve consumers and businesses.

10

FOSTERING INNOVATIVE ENCRYPTION PRODUCTS

Encryption is increasingly seen as an important tool to address protections of privacy and security in the digital ecosystem. We have introduced a provision that protects innovation in encryption products to meet consumer and business demand for product features that protect security and privacy.

11

BUILDING AN ADAPTABLE FRAMEWORK

New and innovative digital products and services are protected against future discrimination. By design, protections for services and investment continue to apply as markets change and innovative technologies emerge, unless a specific, negotiated exception applies.

12