



USCIB Trade and Investment Agenda 2022

USCIB is a trade association representing over 300 primarily U.S.-based global companies and professional services firms with \$5 trillion in revenues and 11.5 million employees representing every sector of the economy, with trade relationships around the world. Our companies support millions of American workers and their families through well-paying jobs in manufacturing, retail, services, and innovation, enabling a diversity of communities to flourish in every region of the United States. We promote open markets, competitiveness and innovation, sustainable development, and corporate responsibility, supported by international engagement and regulatory coherence. Not only is this critical to the vitality of our member companies and their workforce, but it is key to the continued prosperity of the U.S. economy and American competitiveness in the global marketplace.

As the unique U.S. industry representative to the International Chamber of Commerce (ICC), Business at OECD and the International Organization of Employers (IOE) and as U.S. business representative within the United Nations and International Labor Organization (ILO), USCIB cooperates closely with foreign business groups and civil society in addressing trade, investment and regulatory opportunities that bolster competitiveness, supply chain security, and global growth. Opening foreign markets for trade and investment can create prosperity and jobs in the United States and around the world if policymakers take the steps needed to implement the right policies and eliminate protectionist measures.

As the world rebounds from the challenge of COVID-19, it is imperative that the United States take a leadership role in shaping a post-pandemic recovery. The United States must not be left behind as nations forge ahead with establishing rules and standards to address priorities of the new economy, including climate change, socio-economic inequality, and emerging technologies.

Toward that end, USCIB endorses the following core principles and objectives for 2022:

- I. Free, open, and fair markets are imperative to competitiveness, well-paying jobs, and broad-based economic prosperity. The United States should lead efforts to lower global trade and investment barriers, eliminate unfair trade practices and ensure a level playing field where U.S. companies and workers can compete. Cross-border regulatory coherence and internationally accepted standards are key to achieving this objective.**
- II. Companies and workers depend on a stable, rules-based trading system to facilitate global commerce and support jobs, and the WTO serves as a critical cornerstone for bringing countries together to reach new agreements, monitor commitments and resolve disputes. The United States should lead efforts to modernize the WTO, constructively reform the dispute settlement mechanism, and revitalize its negotiating functions to facilitate new trading opportunities and partnerships.**
- III. Foreign direct investment (FDI) is a key tool in the U.S. economic arsenal of democracy and international development, serving a critical role today in helping spread U.S. values while helping emerging economies recover from the global pandemic, meet sustainable development goals and build green infrastructure consistent with the goals of the Biden Administration's Build Back Better World (B3W) initiative. To facilitate FDI and B3W, the United States should promote**

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Global Business Leadership as the U.S. Affiliate of:
International Chamber of Commerce (ICC)
International Organization of Employers (IOE)
Business and Industry Advisory Committee (BIAC) to the OECD
ATA Carnet System

an enabling environment for foreign investment and protect investors from discrimination and unfair treatment by foreign governments and courts.

- IV. **Rapid responses to emerging global trade issues facilitate innovation, workforce resiliency and green development goals. To sustain its competitiveness, the U.S. must be at the forefront in shaping rules for the new economy, especially in the areas of sustainability, circular economy, socio-economic equality, worker rights and emerging technologies.**
- V. **Rigorous enforcement of trade commitments is essential to leveling the playing field for American companies and a race to the top for workers. USCIB applauds Biden Administration efforts to hold trading partners accountable for commitments made in trade agreements but insists that any retaliatory actions be exacted with proportionality, stakeholder consultation and careful consideration of harmful impacts to domestic jobs, companies, and consumers.**
- VI. **A robust, effective, and durable trade policy requires consultation, collaboration and good will between the branches of the U.S. Government as well as with the business community. The United States must consult with all stakeholders to build confidence and good will for future trade liberalization efforts.**

I. *Free, open and fair markets are imperative to competitiveness, well-paying jobs and broad-based economic prosperity.*

USCIB urges the Biden-Harris Administration to adopt a proactive trade agenda that promotes free, open and fair trade, including the pursuit and completion of trade and investment agreements that provide a level playing field for U.S. companies and workers. With over 95% of all customers and nearly 75% of global GDP outside the United States, breaking down global trade barriers is a competitive imperative for the U.S. economy. While we support the President's agenda to invest in the U.S. manufacturing base and supply chain resiliency, we believe a robust trade negotiating agenda complements this effort. We are confident that pursuing enforceable trade agreements with new partners in key regions will allow the United States to greatly expand markets for our exporters and the millions of U.S. workers they support as we work to recover from the COVID-19 pandemic.

- **USCIB supports conclusion of high standard and comprehensive bilateral free trade agreements with the UK, Kenya, Japan, and the EU, covering goods (including food and agriculture) and services with strong investment protections, increased trade facilitation, and regulatory coherence.**
- **USCIB opposes the global drift toward nationalist, protectionist, buy-domestic measures that run afoul of international trading rules and are vulnerable to retaliatory measures. We urge the Administration to reject these tendencies to ensure U.S. companies and workers are not harmed by copycat laws or foreign countermeasures that could result in net job losses.**

Europe

Europe is one of the leading markets in the world and the U.S.-Europe trade and investment relationship represents a significant economic trading bloc. The United States must continue to identify new opportunities for companies to grow and expand business in the EU through elimination of trade irritants/barriers, alignment of policies and negotiation of new market liberalization initiatives.

- **USCIB lauds the recently launched U.S.-EU Trade and Technology Council and urges continued progress in resolving bilateral irritants, aligning U.S. and EU trade policies (especially vis-à-vis China unfair trading practices), and negotiating new tangible outcomes.**
- **USCIB should remain engaged with the EU to ensure the success of the newly negotiated successor to the Privacy Shield Framework to ensure the ability of U.S. companies to efficiently conduct cross-border data transfers between the EU and the United States.**
- **USCIB promotes the resolution of trans-Atlantic trade irritants.**

China

The United States and China maintain a complex yet deep trade relationship, which presents challenges but also great opportunities for U.S. companies and workers if managed carefully in accordance with international trade laws and safeguards against illegal labor in global supply chains. The U.S. has a stock of almost \$1 trillion invested in China and Hong Kong, and China will be one of the fastest growing large economies for decades to come, which are basic economic realities that any U.S. policy must acknowledge [see [Part-III-A1-A4.xls \(live.com\)](#)]. Engagement rather than confrontation is the preferred approach to resolving disputes with America's third largest trading partner, maintaining stability for the American companies, workers and consumers.

- **USCIB opposes efforts to push for broad-based “decoupling” of the two economies while applauding targeted efforts by the Administration to address unfair and discriminatory trade practices that favor Chinese industry and limit market access for U.S. companies. These include forced technology transfers, foreign investment restrictions, severe digital and cloud market access prohibitions, and other protectionist policies that significantly disadvantage and weaken the global competitiveness of U.S. companies in China.**
- **USCIB urges the Administration to work concertedly with allies as a preferred approach to addressing distortive trade practices and securing a level playing field with China. Toward this end, we applaud the recent relaunch of the Trilateral Dialogue and initiatives at multilateral institutions like the WTO and OECD to address trade distorting industrial subsidies.**
- **If bilateral or multilateral retaliatory measures are taken, we encourage them to be exacted on a targeted basis, with proportionality, in consultation with stakeholders and after careful consideration of harmful impacts to domestic consumers, jobs and companies.**
- **USCIB endorses a fair and transparent Section 301 product exclusion process for all lists of products with retroactive applicability.**
- **While USCIB is disappointed China has not met the purchasing targets under the U.S. China Economic and Trade Agreement (Phase One), USCIB supports commitments made by China in the agreement, such as opening up its financial services sector. We encourage the Administration to build on these obligations by seeking new bilateral initiatives with China that achieve a more open and balanced trade relationship and produce significant benefits for U.S. companies and workers.**

Asia

By 2030, two-thirds of all middle-class consumers in the world will be in Asia representing a critical growth market for many U.S. companies. USCIB urges the Administration to lead trade liberalization efforts in the region. Allowing other nations, including some with very different economic systems and priorities, to write the rules in this fast-growing region would be a strategic misstep. Some of our most important trading partners in the region are actively engaged in trade arrangements, giving companies in those countries' competitive advantages over U.S. companies.

- **USCIB welcomes the Biden Administration's new Indo-Pacific Economic Framework to promote free, fair, and open trade in the region. We urge an ambitious and comprehensive outcome with wide adoption of new market opportunities and high standards that are binding and enforceable.**
- **USCIB encourages the U.S. to launch negotiations on an Indo-Pacific Digital Trade Agreement developing rules will benefit U.S. companies and workers by fostering a free and open internet, promoting inclusive trade, opening new market opportunities, and addressing discriminatory and protectionist digital trade restrictions.**
- **USCIB has long promoted U.S. participation in the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), an ambitious, comprehensive, and balanced agreement that advances transparency, good governance, labor and environmental protections and economic growth in a geo-strategically important area of the world.**
- **USCIB applauds fulsome U.S. engagement at APEC to promote open markets, competitiveness and innovation, sustainable development, and corporate responsibility. As a sound show of leadership, USCIB is pleased the U.S. will serve as host for APEC 2023.**

Supply Chains

The global pandemic and the conflict in Ukraine have revealed areas of vulnerability in the U.S manufacturing base and global supply chains. It is critical that industry work in partnership with government to review and address vulnerabilities and develop supply chain resilience that can withstand these types of geopolitical pressures that are increasing around us.

- **USCIB supports and will continue to participate in the Biden-Harris initiative to strengthen critical supply chains and build long-term supply chain resiliency, safeguarding U.S. economic and national security particularly during times of crises. We are especially grateful for efforts to update our outdated transportation and logistics infrastructure to revitalize ports and return to reliability in cargo flows.**
- **USCIB encourages diversification of supply chains to cushion economic shocks and bolster national security but warns against blanket efforts to re-shore or decouple economies in the name of national security.**
- **USCIB also cautions that a managed approach to trade policy and industrial policies, used to protect or benefit certain sectors of the economy in a manner that does not uphold a commitment to fair and open trade, is harmful to U.S. companies and economic growth and development.**
- **USCIB urges that all executive reviews of supply chain efficiencies, including the Ministerial-level Summit on Global Supply Chain Resilience later this year, include business community and other stakeholder voices on best ways to address ongoing bottlenecks and long-term challenges.**

Services

U.S. services companies are among the most competitive in the world, but the pandemic and mobility restrictions has decimated global services demand in many sectors, with countries erecting additional barriers that limit opportunities. The U.S. has been a leader in forging agreements to break down these barriers, including the World Trade Organization's General Agreement on Trade in Services (GATS) and U.S. free trade agreements (FTAs) which contain important measures to foster services trade and investment.

- **USCIB urges continued progress on advancing 21st century standards for the full range of services trade. Such standards will not only benefit services providers but also their manufacturing clients who need such services to effectively compete around the world. While the digital trade agenda is an important part of this effort, it is not sufficient for the broad-based market access gains in the services sector that would maximize benefits for U.S. exporters and their workers.**

Regulations

USCIB believes that U.S. competitiveness, as well as market access for U.S. goods and services, is increasingly restrained by excessive, contradictory, discriminatory and non-transparent behind-the-border regulations and policies and is committed to cross-border regulatory coherence and cooperation as a top priority in government-to-government negotiations and dialogue. Governments should bridge the gaps in trade, investment and capital flows by actively pursuing cross-border regulatory coherence, adherence to science-based regulation and recognition of internationally accepted standards (especially those of the WTO-recognized international standards setting bodies), particularly in light of the anti-globalization and economic nationalism policies and programs dominating geopolitics today.

- **USCIB supports multilateral efforts to achieve regulatory harmonization among trading partners, based on relevant and sound scientific evidence while acknowledging different policy objectives and regulatory preferences that may exist.**
- **USCIB advocates for the elimination of regulatory fragmentation in the digital economy to help foster interoperability.**

II. *Companies and workers depend on a stable, rules-based trading system to facilitate global commerce and support jobs, and the WTO serves as the cornerstone for bringing countries together to reach new agreements, monitor commitments and resolve disputes.*

USCIB believes multilateral (or, when necessary, plurilateral) negotiation is the best way to achieve open markets, rule of law, and a level playing field in the global economy. As the U.S. industry representative to the International Chamber of Commerce (ICC), Business at OECD (BIAC), and the International Organization of Employers (IOE), and as U.S. business representative within the United Nations and International Labor Organization (ILO), USCIB is in a unique position to cooperate closely with foreign business groups and civil society to achieve best outcomes that benefit all stakeholders.

- **USCIB urges renewed U.S. leadership at the WTO to modernize agreements and ensure concrete deliverables at MC 12 that advance American competitiveness in areas such as dispute resolution, fisheries, agriculture, trade facilitation and pandemic response. The U.S. must maintain rather than weaken the core of WTO principles, including the treatment and respect for intellectual property rights. With the post-World War II global architecture under unprecedented stress, the Administration must now approach this issue with urgency.**
- **USCIB is encouraged by progress made to update the WTO's digital trade framework through the Joint Statement Initiative on Electronic Commerce and urges conclusion of the**

negotiations by the end of 2022. Further, USCIB urges WTO members to commit to a permanent ban on the application of customs duties on electronic transmissions.

- **USCIB urges reform of the WTO's structure and operations to restore confidence in the multilateral trading system with respect to negotiation, monitoring and enforcement. A comprehensive WTO reform agenda that tackles dispute settlement, special and differential treatment, distortive non-market industrial subsidies, and state-owned enterprises is key to the functionality, durability and credibility of the WTO and its rules-based system.**
- **USCIB urges for quicker implementation of commitments under the WTO Trade Facilitation Agreement (TFA) to ensure faster modernization and harmonization of procedures at the border to ease supply chain constraints, aid in the economic recovery and promote a circular economy.**
- **USCIB believes the WTO must engage more stakeholders, including regular dialogues with business, leveraging the Global Dialogue on Trade and other similar platforms, to ensure all voices are heard when shaping a long-lasting future for the multilateral trading system.**

III. *Foreign direct investment (FDI) is a key tool in international development, serving a critical role today in helping emerging economies recover from the global pandemic, meet sustainable development goals and build green infrastructure consistent with the goals of the Biden Administration's Build Back Better World (B3W) initiative.*

USCIB has long been a leading voice on the benefits of foreign direct investment (FDI) for the U.S. economy, our states and cities, our companies, and our workers. When U.S. overseas investments prosper, it justifies more capital investment in the U.S. parent company, helps maintain profitability to support U.S. wages and often leads to new job creation in the U.S. A strong enforcement mechanism in international investment agreements is key to ensuring U.S. investors access to an independent rules-based arbitration system to enforce their rights when foreign governments expropriate their assets, ignore international minimum standards, discriminate against them or break binding commitments to American investors.

Foreign direct investment is more important now, than ever, to emerging economies as they struggle to recover from the global pandemic with global FDI on the decline. FDI also is key to helping the world secure the investments in green industry and infrastructure projects needed to help deliver Agenda 2030, UN sustainable development goals and the Biden Administration's B3W.

- **USCIB urges the United States to defend a strong, rules-based framework for protecting foreign direct investments, including the investor-state dispute settlement system that safeguards investors' rights particularly when investing in markets more prone to discrimination against U.S. companies and with weaker rule of law.**
- **USCIB continues to oppose the creation of a one-sided, state-dominated multilateral investment court and urges reviving negotiation of bilateral investment agreements that have gone dormant in recent years. We also oppose measures that serve merely to deter investment, including a proliferation of investment screening mechanisms and unnecessary restrictions on supply chains.**
- **USCIB cautions against creation of a new outbound investment screening mechanism as duplicative to existing requirements under Foreign Investment Risk Review Modernization Act (FIRRMA) and export controls.**

IV. *Rapid responses to emerging global trade issues facilitate innovation, workforce resiliency and green development goals.*

Trade and Labor

Trade is a key tool in achieving global economic growth and stability, higher paying jobs, increased living standards, upward mobility, consumer choice and lower priced goods and services for American families. With the appropriate complementary domestic policies, trade is a positive source for socio-economic change, bolstering the American workforce. It is important that the U.S. government more effectively communicate the positive impacts of trade to public audiences.

- **USCIB believes the United States needs policies and programs like Trade Adjustment Assistance that support workforce competitiveness by preparing U.S. workers for future employment opportunities and helps them adjust to changing skills demands and technological change.**
- **USCIB supports a trade policy that empowers workers and prevents a global race to the bottom. Through our work at the ILO, we promote core labor standards, bolster human rights and work to eradicate child labor and forced labor in global supply chains. Engaging all stakeholders is the best way to develop effective and longstanding solutions to critical human rights and labor concerns.**

Trade and Sustainability

International trade and environmental protection must be mutually supportive as nations make tough choices to battle climate change, curtail pollution, and ensure a sustainable future. We must align policies that include robust industry stakeholder engagement to help the world achieve carbon neutrality, preserve biodiversity, and enhance resource efficiency and circularity consistent with a rules-based multilateral trading system.

- **As nations consider carbon prices and corresponding carbon border adjustment mechanisms, USCIB urges the U.S. government to work with allies to ensure that their measures are WTO consistent and maintain a fair and level playing field between foreign and domestic industries.**
- **USCIB encourages consideration of a multilateral approach to trade for energy-intensive industries so as avoid the creation of unilateral trade barriers that could impede U.S. exports.**
- **USCIB also supports trade and investment measures that seek to achieve net-zero climate goals and promote a circular economy in compliance with WTO commitments, including the work at the WTO through the Trade and Environmental Sustainability Structured Discussions (TESSD).**
- **USCIB supports efforts at the WTO to revitalize negotiations to liberalize trade in environmental and low-carbon goods and services to foster diverse sources of environmentally friendly solutions.**

Digital Trade

USCIB recognizes that digital trade is now fundamental to the way all companies do business around the world. In recent years there has been an increase globally in the number of government requirements that foreign companies localize investments, production, services, procurements, or other activities as a condition of doing business in that country. They represent unfair trading practices that create inefficiencies, harm consumers, and increase cybersecurity risks.

- **USCIB supports a strong trade agenda for the digital economy including adoption of policies that facilitate trade of digital goods and services, especially for MSMEs, as well as the free flow of data, and national privacy legislation.**
- **USCIB opposes policies and regulations that create barriers to trade and investment in this sector, such as restrictions on cross-border data flows, requirements to store data locally, unilateral tax measures that discriminate against digital firms, discriminatory approaches to competition and platform regulation, cloud market access restrictions, and the application of customs duties and other processes on cross-border electronic transmissions.**
- **Given the rapid pace of technological change, USCIB believes it may be time for members to consider an update to WTO rules in the telecommunications sector.**

V. Rigorous enforcement of trade commitments is essential to leveling the playing field for American companies and a race to the top for workers. USCIB applauds Biden Administration efforts to hold trading partners accountable for

The U.S. should continue to hold its trading partners accountable for compliance with their bilateral and international obligations and vigorously pursue a level playing field overseas and avoid policies that undermine U.S. industrial competitiveness. USCIB will continue to urge the Administration to develop a comprehensive strategy, including engagement with allies, as appropriate, to compel trading partners to adhere to their trade and investment commitments.

- **USCIB supports enforcement of all bilateral free trade agreements to ensure delivery of their full benefits for U.S. companies.**
- **USCIB is particularly concerned about enforcement under the United States-Mexico-Canada Agreement (USMCA), where parties to the agreement seem to be retreating from commitments, including in the areas of telecommunications, broadcasting, audiovisual services, pharmaceuticals, biotechnology, agriculture, food labeling, energy and power generation, customs and trade facilitation, and electronic payment services.**
- **While USCIB supports USMCA as negotiated, the agreement includes provisions in areas such as investment protection, IP protection and government procurement that represent a step backward and should not be viewed as models for future trade agreements.**
- **USCIB supports efforts to modernize its trade enforcement tools. Trade remedy tools, including export controls and sanctions, however, must be narrowly tailored and used in alignment with strategic partners, to achieve national security objectives without walling off U.S. industry from global talent and global trade.**

VI. A robust, effective and durable trade policy requires consultation, collaboration and good will between the branches of the U.S. Government as well as with the business community.

Congress should fully exercise its constitutional role in the development of U.S. trade objectives, implementation of trade agreements, and oversight of the enforcement of trade agreements. Congress should make clear, with safeguards, its intentions when delegating trade authority to the executive branch to ensure U.S. policies are balanced and effective.

It should also take the necessary measures to ensure that the trade tools it confers on the executive branch are not misused for protectionist purposes. National security concerns should be carefully considered in the context of long-term American competitiveness and not used as justification for unwarranted and trade-distorting protectionism.

- **USCIB supports timely renewal of trade promotion authority, establishing a trusted consultation and notification process to ensure that Congress, stakeholders, and the public are closely involved before, during and after the conclusion of trade agreement negotiations.**
- **USCIB believes that to the extent national security is invoked with respect to trade matters, including with the use of Section 232 national emergency actions, it should be narrowly focused, fact based, and not serve as a pretext to avoid WTO rules and procedures.**
- **USCIB urges the U.S. government to use export controls consistent with the policies and provisions in the Export Control Reform Act to ensure that current and new export controls advance national security and preserve U.S. economic and innovation leadership.**
- **USCIB lauds the Administration's recent sanctions policy review as a successful outcome of robust stakeholder engagement. We embrace the findings especially with respect to transparency, multilateral coordination, and targeted application to make sanctions more effective while mitigating unintended consequences. USCIB appreciates the Administration leaning into these objectives while currently applying sanctions against Russian aggressions in Ukraine.**

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