



February 13, 2024

The Honorable Katherine Tai  
U.S. Trade Representative  
Executive Office of the  
President  
Washington, DC 20508

The Honorable Jacob J. Sullivan  
Assistant to the President for  
National Security Affairs  
Executive Office of the  
President  
Washington, DC 20500

The Honorable Lael Brainard  
Director, National Economic  
Council  
Executive Office of the  
President  
Washington, DC 20500

Dear Ambassador Tai, Mr. Sullivan, and Director Brainard:

We, the undersigned association leaders, urge the United States to provide its full support for the renewal of the World Trade Organization (WTO) multilateral Moratorium on Customs Duties on Electronic Transmissions at the ministerial conference in Abu Dhabi in late February. The overwhelming majority of WTO members support the renewal of this moratorium, including almost all developing countries. However, a small group of WTO members including, South Africa, India, and Indonesia, are threatening to block renewal. If that occurs, this nearly 30-year-old foundational agreement will cease to exist, as will the tremendous benefits it has yielded to U.S. industry, workers, and consumers.

Our associations collectively represent companies both large and small that employ more than 100 million workers across a broad array of sectors, including aerospace, agriculture, automotive, energy, electronics, film, music, entertainment software, financial and payment services, health, logistics, retail and consumer goods, technology, and telecommunications, among others. Our member companies view with significant concern the potential collapse of the moratorium, which is a core pillar of the WTO system. This collapse would also deal a major blow to the credibility and durability of the WTO as an institution, as it would be the first time WTO members have changed the rules to make it substantially harder to conduct trade.

Accepting anything short of a multilateral extension of the moratorium that applies to all WTO members would open the door to the introduction of new customs duties and related cross-border restrictions that

would hurt U.S. workers in industries across the entire economy. Workers in every sector rely on the constant flow of data – including design, development R&D, sales, logistics, and manufacturing information – to create new content, services, and products; to power production flows and supply chains; and to reduce carbon footprints and increase energy efficiency.

Most at risk are the 60 million American workers employed by small businesses, since small and medium-sized enterprises would find it harder to navigate these new restrictions and to bear the additional tariffs and onerous compliance costs. The failure of all WTO members to continue the application of the moratorium would also hike prices for both consumers and businesses in a period of recent inflation, and when communities and companies across our country are still recovering from the disruptions of the COVID-19 pandemic.

The end of the moratorium would also undermine ongoing multilateral efforts to eliminate discriminatory digital services taxes and restore certainty, stability, and predictability to the global tax and trade environment. Absent renewal of the moratorium, jurisdictions could begin haphazardly imposing tariffs on cross-border digital services and restart the fragmentation of the international tax system that the multilateral negotiations intend to address.

We believe it should be possible to gain consensus to renew the moratorium while at the same time being responsive to developing country concerns by providing for additional work around scope and definition issues associated with the moratorium, as well as digital trade capacity building, coupled with an annual report to Ministers. We urge the Administration to do its utmost at the WTO ministerial to ensure the multilateral moratorium remains intact and that U.S. stakeholders continue to benefit from its terms.

Sincerely,

Morgan Reed  
President  
**ACT | The App Association**

Scott Whitaker  
President and Chief Executive Officer  
**AdvaMed | Advanced Medical Technology Association**

Jennifer M. Safavian  
President and Chief Executive Officer  
**Autos Drive America**

Victoria A. Espinel  
President and Chief Executive Officer  
**BSA | The Software Alliance Global Data Alliance**

Joshua Bolten  
Chief Executive Officer  
**Business Roundtable**

Adam Kovacevich  
Founder and Chief Executive Officer  
**Chamber of Progress**

Christine Bliss  
President and Chief Executive Officer  
**Coalition of Services Industries**

Matt Schruers  
Chief Executive Officer  
**Computer & Communications Industry Association**

Gary J. Shapiro  
President and Chief Executive Officer  
**Consumer Technology Association**

Stanley Pierre-Louis  
President and Chief Executive Officer  
**Entertainment Software Association**

Jean Prewitt  
President and Chief Executive Officer  
**Independent Film & Television Alliance**

Jason Oxman  
President and Chief Executive Officer  
**Information Technology Industry Council**

Charles H. Rivkin  
Chairman and Chief Executive Officer  
**Motion Picture Association**

Jake Colvin  
President  
**National Foreign Trade Council**

Steve DelBianco  
President and Chief Executive Officer  
**NetChoice**

Mitch Glazier  
Chairman and Chief Executive Officer  
**Recording Industry Association of America**

John Neuffer  
President and Chief Executive Officer  
**Semiconductor Industry Association**

Linda Moore  
President and Chief Executive Officer  
**TechNet**

David Stehlin  
Chief Executive Officer  
**Telecommunications Industry Association**

Ted Osius, Ambassador (ret.)  
President and Chief Executive Officer  
**US-ASEAN Business Council**

Suzanne P. Clark  
President and Chief Executive Officer  
**U.S. Chamber of Commerce**

Whitney Baird  
President and Chief Executive Officer  
**United States Council for International Business**

*Att: Global Industry Statement re WTO Moratorium on Customs Duties on Electronic Transmissions*

cc:

The Honorable Antony J. Blinken, Secretary of State  
The Honorable Janet L. Yellen, Secretary of the Treasury  
The Honorable Gina M. Raimondo, Secretary of Commerce  
The Honorable Alejandro N. Mayorkas, Secretary of Homeland Security