April 16, 2025

STATEMENT ON NTE REPORT AND COERCIVE TARIFFS

On April 2, 2025, President Trump announced a list of so-called "reciprocal" tariffs directed against several countries. The tariffs were purportedly applied due to the tariff and non-tariff barriers imposed by these countries on the import of US goods and services.

The announcement of the reciprocal tariffs came a day after the United States Trade Representative (USTR) published its annual National Trade Estimates (NTE) Report. This year's report, unlike the 2024 NTE Report, targets a litany of public interest laws and policies adopted by countries around the world to regulate the digital ecosystem. Unfortunately, this year's report once again labels other countries' legitimate public interest policies as "trade barriers," simply because U.S. Big Tech companies find them objectionable (as evidenced by comments submitted to the USTR by various industry associations). The various public interest regulations being targeted by the Trump administration include:

Type of Regulation	Number of Countries	Countries
Data protection, privacy and other laws that impose restrictions or conditions on cross border data transfers	27	Algeria, Bangladesh, Brazil, Chile, China, Ecuador, Egypt, El Salvador, EU, Saudi Arabia, UAE, India, Indonesia, Israel, Kenya, South Korea, Mexico, Nigeria, Norway, Pakistan, Panama, Peru, Switzerland, Russia, Turkiye, Uruguay, Vietnam
Digital competition, anti-monopoly laws and regulations for revenue sharing by large tech platforms with traditional industries (news, film, etc)	6	China, EU, Japan, South Korea, Australia, Canada

AI regulation	1	EU
Intermediary liability (take-down processes)	6	Bangladesh, China, South Korea, Russia, Turkiye, India
Digital services or similar taxes	8	Canada, Colombia, EU, India, Kenya, Nigeria, Turkiye, UK

The inclusion of these policies in the NTE Report is even more troubling, given that President Trump flaunted the report during his announcement of global "reciprocal" tariffs on April 2, 2025. In essence, President Trump has declared a trade war on countries who have the temerity to regulate Big Tech in the interests of their people. Tariffs are being used as a coercive tool to prevent countries enacting regulations that could affect the profits of Big Tech, at the cost of retaliation from the US.

The Digital Trade Alliance (DTA), a global network of civil society and consumer protection groups, reiterates that the international trade system must not be used to limit the ability of governments to impose essential public interest regulation. Governments must resist any calls to water down critical consumer protection related regulations in the context of the digital ecosystem, in particular due to the rapid pace of technological change and the emergence of new technologies such as artificial intelligence.

We therefore call on governments targeted by the unjust U.S tariffs to stay firm in protecting the fundamental rights and interests of people by continuing to adopt and maintain appropriate regulatory measures to ensure a vibrant, just and fair digital ecosystem. Now more than ever, there is a need for multilateral cooperation to safeguard digital rights and resist coercive economic tactics that undermine public interest regulation.

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