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Trade agreement frameworks with Argentina, Ecuador, El Salvador, Guatemala, Korea, and Liechtenstein and Switzerland include commitments to refrain from discrimination against U.S. digital services or products

The trade agreement frameworks with [Argentina](#), [Ecuador](#), [El Salvador](#), [Guatemala](#), [Korea](#), and [Liechtenstein and Switzerland](#) announced this week by the White House ([read TradeNewsFlash](#)) include commitments by those countries to refrain from discrimination against U.S. digital services or products, including in some cases to specifically refrain from imposing digital services taxes (DSTs) or similar measures on U.S. companies.

The specific language in each agreement is set out below.

- “Argentina has committed to facilitating digital trade with the United States by recognizing the United States as an adequate jurisdiction under Argentine law for the cross-border transfer of data, including personal data; and by refraining from discrimination against U.S. digital services or digital products.”
- “Ecuador has committed to facilitate digital trade, including through commitments to not impose digital service taxes that discriminate against U.S. companies and to support adoption of a permanent moratorium on customs duties on electronic transmissions at the WTO.”
- “El Salvador has recommitted to preventing barriers to services and digital trade with the United States and committed to refrain from imposing discriminatory digital services taxes. The United States and El Salvador will support a permanent multilateral moratorium on customs duties on electronic transmissions.”
- “Guatemala has committed to facilitate digital trade, including by refraining from imposing digital services taxes or other measures that discriminate against U.S. digital services or U.S. products distributed digitally, ensuring the free transfer of data across trusted borders, and supporting a permanent multilateral moratorium on customs duties on electronic transmissions at the [WTO].”
- “The United States and [Korea] commit to ensure that U.S. companies are not discriminated against and do not face unnecessary barriers in terms of laws and policies concerning digital services, including network usage fees and online platform regulations, and to facilitate cross-border transfer of data, including for location, reinsurance, and personal data. Further, the United States and [Korea] will support the permanent moratorium on customs duties on electronic transmissions at the [WTO].”
- “Switzerland and Liechtenstein intend to continue to refrain from imposing digital services taxes ... to facilitate trusted cross-border data flows and address data localization requirements ... to explore

mechanisms that promote interoperability between their respective privacy frameworks with a view to facilitating secure cross-border transfers of data ... to refrain from imposing customs duties on electronic transmissions and to support the multilateral adoption of a permanent moratorium on customs duties on electronic transmissions at the [WTO].”

KPMG observation

The inclusion in the trade deal frameworks announced today of agreements relating to digital services and products is generally consistent with the inclusion of similar measures in the trade deals with Cambodia, Malaysia, and Thailand announced last month. [Read *TaxNewsFlash*](#)

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