



## The Internet is a Critical Stakeholder in Trade

The continued growth of the Internet as a global medium for innovation, trade, and commerce is made possible by laws that preserve the vitality of an open and consumer-oriented Internet environment. To ensure this growth, The Internet Association is an active stakeholder in the Trans-Atlantic Trade and Investment Partnership and the Trans-Pacific Partnership, two critically important trade agreements for both the domestic and global economy. In order to successfully enter into these 21<sup>st</sup> century trade deals, The Internet Association calls on Congress to pass a renewed Trade Promotion Authority that reflects today's digital economy.

## The Internet Drives The Global Economy

---



**2 billion people** use the Internet around the globe, which will rise to 3 billion by 2016.



**1 trillion devices** will be connected to the Internet by 2015.



About **8 trillion dollars** is exchanged through e-commerce annually.



The U.S. **captures more than 30% of global Internet revenues** and **more than 40% of net income**.



The Internet accounts for **21% of GDP growth** of advanced economies over the past five years.



The Internet sector has **greater weight in GDP than agriculture or utilities**.

## Trade Policies Should Support the Digital Economy

---

The Internet is a revolutionary platform for commerce and trade allowing small businesses – proven economic drivers – to compete in the global market along side multinational corporations. In order to bolster the global economy, the Internet community must support policies that facilitate digital trade such as:

- **Intermediary Liability:** The United States (U.S.) has the most Internet-friendly legal system in the world. As a result, the U.S. is a net exporter of Internet-related products and services. Generally, an Internet company in the U.S. is not held liable for the conduct or content of third parties who use its platform. Section 230 of the Communications Decency Act allows for this limitation. The Internet Association supports the inclusion of this policy in renewed TPA legislation as well as ongoing and future trade deals with the recognition of different traditions regarding freedom of expression.
- **Balanced Intellectual Property Template:** Balanced copyright and trademark provisions promote innovation and creativity, which stimulates growth of the \$4.2 trillion Internet economy. In the digital economy, fair use is critical to the functioning and development of technology and services. Internet companies rely on safe harbors and limitations on liability in order to flourish. The Internet Association encourages the U.S. to promote the balanced framework of its existing copyright and trademark laws, recognizing rights reserved for creators but also limitations and exceptions such as fair use for consumers.
- **Cross-Border Data Flows:** The Internet is a borderless medium. Movement of electronic information across borders is critical to global businesses, but the rules governing flows of digital goods, services, and data are uncertain. Consequently, the Internet Association strongly supports the inclusion of provisions that protect legitimate, cross-border information flows, including language that prohibits the use of differing privacy regimes as a non-tariff barriers and measures that link market access or other commercial benefits to local infrastructure and investment.