



National Foreign Trade Council 2017 Goals and Priorities

National Foreign Trade Council (NFTC) will continue its core mission of advancing global commerce by advocating for public policies that foster an open, rules-based international trade and investment regime. NFTC will support a national economic strategy that leverages America's great strengths – our innovation and entrepreneurship, our belief in the rule of law and our deep-seated confidence in market economics. We will support trade and tax initiatives that promote higher economic growth rates and job creation, substantially improve our competitive position globally and enhance the attractiveness of the U.S. as a place to invest, produce and work. Operating within our existing, robust framework of U.S. trade laws, multilateral institutions, and international norms, NFTC believes that the U.S. should advance these goals with a dynamic set of policies and actions. These will include priorities in the areas of trade, tax, workforce development and infrastructure development. These priorities, while not exclusive, will shape our approach to the rapidly changing policy environment. It is understood that the NFTC staff will work with the Board to adjust our priorities as new challenges emerge.

Trade Priorities

In the trade policy arena, NFTC will maintain its central focus on an outward-looking and dynamic trade policy that maintains a commitment to open markets, appropriately addresses unfair trade and economic policies and creates better, more transparent rules for global competition. The existing network of high-standard bilateral, regional and multilateral trade agreements to which the United States (U.S.) is a party have supported the U.S. national interest, opened markets for our exports and supported well-paying jobs for U.S. workers at home. Recognizing the importance of this network to our member companies, we propose specific areas where improvement can be made.

Specific priorities will be:

- **NAFTA:** NFTC will engage actively with the Administration to preserve the benefits of this important agreement. We will advocate for retaining the existing trilateral structure and promote the overall goal of improving North American economic integration, which in turn serves the U.S. national interest and supports U.S. job growth. To the extent that the Administration seeks to modernize the agreement, we will work with member companies to advocate for inclusion of provisions, such as disciplines on digital trade and e-commerce, which will update and strengthen the agreement.
- **China:** NFTC plans to play an active role as the new Administration seeks to refashion trade policy towards China. We support an open and mutually beneficial trade and investment relationship between the U.S. and China. We plan to have extensive

1
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consultations with member companies to assess various proposals put forth as part of the trade agenda with China, and will coordinate closely with member companies to identify specific areas of concern and raise them with U.S. trade officials. It is important for NFTC help a new Administration find ways to address Chinese policies that frustrate access to their market and undermine fair trade, while at the same time encouraging a positive trend in our trade relationship.

- **Other bilateral trade agreement negotiations:** NFTC will work with member companies to assess the value of new proposed bilaterals in key markets, such as Japan and the United Kingdom, and will participate in the consultation process that will likely be part of the launch of any such agreements. We will work for bilaterals which will ensure openness in the areas vital to our economic future – the digital economy and technology as well as in more traditional sectors where we have a significant comparative advantage, such as agriculture, value-added services and high-end manufacturing.
- **Support for the WTO:** Our member companies are strong supporters of the rules-based multilateral trading system. We will continue our efforts to strengthen global trading rules that reflect the principles of open markets and non-discriminatory treatment. We will discourage reliance on separate deals that increase costs and complexities for global companies.
- **Enforcement:** Consistent with U.S. law and our international obligations, we will advocate for use of strong enforcement disciplines to address unfair practices by our trading partners and to protect the investments that our companies have made in their workforce, their innovation and their technology.
- **Sanctions:** Through USA*Engage, NFTC will continue to make the case that sanctions are counterproductive unless multilateral, that they should be left to the careful exercise of the executive branch rather than being codified into law by Congress, and that humanitarian exceptions to sanctions must be protected.
- **Next generation of trade issues:** NFTC will continue its leadership role in advancing modern rules to support digital trade; articulating the importance of intellectual property rights frameworks, including effective global protection of those rights, similar to the balance in U.S. law, to promote innovation and jobs; liberalizing trade in environmental goods and services; supporting robust global supply chains, and investment rules; and, through its Global Innovation Forum, improving the understanding of the opportunities and challenges for startups and small businesses in the global marketplace.

Tax Priorities

NFTC will work for the adoption of tax policies that will significantly strengthen our global competitiveness, spur investment across broad sectors of our economy and benefit working Americans.

Specific priorities will be:

- **Tax reform:** The Tax Committee will continue to work to reform the tax code. We will work to lower the U.S. corporate tax rate and move to a territorial tax system to make NFTC members more globally competitive.
- **Tax Treaties:** We will continue to work with the Administration to encourage Treasury to negotiate tax treaties with countries of highest interest to NFTC members. We will also work to encourage the Administration to add mandatory binding arbitration provisions to all treaties, to work to move the pending tax treaties through the Senate, and to be sure that any tax reform effort does not negate the current bilateral tax treaty network.
- **Regulations:** NFTC will continue to advocate that any new tax regulation works to resolve uncertainty and not add to the administrative burden on companies. We will also work to improve the efficiency and effectiveness of the tax administration by the IRS.
- **Non-U.S. Issues and BEPS:** There is a global movement by countries to change their tax systems to: (a) respond to the BEPS requirements, including liberal interpretations of the BEPS rules, (b) stop aggressive tax planning through diverted profits taxes and general anti-abuse rules, and (c) to raise additional revenues. Most of these tax changes are aimed at U.S.-based multinationals. NFTC will continue to respond to these tax changes where they negatively and disproportionately affect NFTC members.

Workforce Development

The breadth and acceleration of technology-driven change will continue to transform the workplace and the nature of work. The members of NFTC support policies that encourage current employees to maintain and develop their work-related skills. NFTC also supports strategic engagement with community-based educational institutions so that future employees attain proficiency to take advantage of opportunities that technology-driven innovation will present and be resilient to continual change.

Specific priorities will be:

- We will identify the best practices of our member companies regarding skills training and education support.
- We will work with the Administration and Congress to delineate federal policies to reform, focus, and invest at scale in worker re-training programs based on public-private partnerships.
- We will pursue initiatives in apprentice and school-while-working programs.

- We will continue to support primary and secondary education reforms that are well-resourced, empirically-based and grounded in accountability.
- We will advocate for U.S. temporary entry and immigration policies that will facilitate international commercial travel and enable the U.S. to attract and retain the global talent that is essential to the future of American competitiveness.

Infrastructure Development

A fundamental aspect of a strong trading economy is a robust national infrastructure program. To accompany better trade, tax and workforce development programs, NFTC strongly supports a smart infrastructure program for the nation that will make us more competitive internationally, improve our living standards and produce real, long-term economic benefits for all segments of society.

Specific priorities will be:

- NFTC supports infrastructure development that is aligned at the federal, state and local level, that ensures more public-private cooperation and that enhances both our quality of life and our global competitiveness.
- We will support significant public and private investment in our seaports, airports, roads, railway, energy and digital infrastructure to enable companies to move products via more efficient and modernized means.