



WRITTEN SUBMISSION OF THE NATIONAL FOREIGN TRADE COUNCIL

Request for Information on the Development of an Artificial Intelligence (AI) Action Plan

Docket Number NSF_FRDOC_0001

March 15, 2025

INTRODUCTION

This submission by the National Foreign Trade Council (“NFTC”) is in response to the request for information on the Development of an Artificial Intelligence (AI) Action Plan published by the National Science Foundation (NSF) (“the Notice”) under the direction of Executive Order 14179 Removing Barriers to American Leadership in Artificial Intelligence (“EO” or “the order”), issued January 23, 2025. NFTC represents member companies with a significant foothold in the U.S. and both global operations and global customers. NFTC’s membership spans every sector of the U.S. economy, which makes the tremendous opportunity of AI critical for each and every one of our members, from AI developers to technology enablers, companies that are deploying AI throughout their operations and those integrating it into products. NFTC’s mandate is to support our members to succeed in global markets, which is why we are advocating for strong digital leadership from the U.S. Government, including to articulate and champion a U.S. model of innovation-forward AI governance around the world and to ensure markets remain open to U.S. AI and AI-enabled products.

About NFTC

NFTC is the premier association for leadership and expertise on international trade and tax policy issues. We believe trade and tax policies should foster fair access to the opportunities of the global economy and advance global commerce for good. NFTC serves as a nimble and effective forum for businesses to engage critical and complex issues together and to foster trust with governments to improve policy outcomes in the U.S. and around the world. Leveraging its broad membership and expertise, the NFTC contributes to a greater understanding of the critical importance of trade and access to global markets for American businesses, entrepreneurs and workers.

OVERVIEW

The NFTC commends the Trump Administration for prioritizing and taking swift action towards a renewed U.S. Government approach to artificial intelligence, including through its January 23 Executive Order. As departments and agency heads recalibrate from the direction under EO 14110, it is critical that momentum and the whole of government mobilization is maintained.

Achieving the objectives of the EO to “sustain and enhance America’s global AI dominance in order to promote human flourishing, economic competitiveness, and national security” necessitates sufficient resources for the government to continue to develop and integrate the benefits of AI and AI policy expertise throughout government operations. It is also critical that the government support U.S. AI innovation, support America’s access to compute resources, including by meeting its energy demands, and to create a market framework that facilitates AI adoption and deployment throughout the U.S. enterprise.

In 2024, global services growth was 7%, compared to 2% for goods which remains below 2022 levels.¹ As the United States rebuilds the American manufacturing base and reverses a generation of decline, it is critical at the same time that the government accelerate, not step back from, its position as the flagbearer of the digital economy. Digital leadership and maintaining the technological edge must be afforded separate but equal prioritization. In our current economy, with low unemployment and a long-term workforce decline, harnessing the benefits of AI domestically and internationally must be a top policy priority to sustain the world’s most productive workforce. Three-quarters of American workers are employed in services, and in 2024, exports of services exceeded US \$1.1 trillion, the highest on record. This contributed to a services trade surplus of more than \$293 billion.² This surplus can be bolstered by AI’s projections that the technology could contribute 0.5 to 0.9 % to U.S. productivity a year by strengthening manufacturing competitiveness and the services economy, and when combined with other automation technologies and redeployment of labor, that U.S. GDP growth could be bolstered by as much as 3-4% annually.³

¹ [Global trade set to reach new high, with opportunities and challenges for developing economies in 2025](#), UNCTAD, December 5, 2024

² [U.S. International Trade in Goods and Services, December and Annual 2024](#), Bureau of Economic Analysis, February 5, 2025

³ [Will generative AI be good for US workers?](#) McKinsey, September 2023

U.S. companies operate globally. Achieving the above targets for U.S. growth requires a coherent international framework so that AI technology or derived products can be marketed or deployed where they operate and where their customers are. Failing to do so creates significant risk to achieving AI's benefits for America and, by extension, its contributions to the U.S. economy.

For these reasons, NFTC led a multi-association effort to send a strong signal of alignment to the Trump Administration representing our combined thousands of member companies to ensure that a cornerstone of your AI Action Plan is a robust international engagement strategy where the U.S. will champion its vision for an innovation-forward AI governance framework globally and in export markets (Annex 1).

This submission by NFTC is to be viewed in conjunction with the letter in Annex 1 together as encapsulating the core deliverables we would like to see factored into the international framework of your AI Action Plan, and further elaborates on the importance of doing so. There are core concepts throughout, including *inter alia*: 1) prioritizing the use of existing regulatory frameworks where possible and AI-specific rules only where gaps exist; 2) defending and championing U.S. long-standing digital priorities (e.g., preserving cross-border data flows, and algorithmic and source code protections); 3) working with U.S. industry to lead the development of coherent standards and global rules; and 4) to protect U.S. market access, including by engaging trading partners in their legislative and regulatory processes and by considering and prioritizing AI objectives in any future trade negotiations.

There are governments advancing divergent AI proposals that risk the ability of the U.S. to follow through on these objectives, which is why it is critically important that the United States not cede the field to others. Doing so risks the U.S. AI advantage and, once again, risks the U.S.'s ability to deploy AI globally. This means using U.S. diplomatic resources and capital to coalesce countries around a U.S. vision for AI governance, leading multilateral and plurilateral discussions at key fora, and resourcing and deploying government experts, including at the National Institute for Standards and Technology, to develop standards and advocate alongside industry for those standards at standard-setting bodies.

As two examples of foreign risks impacting AI for the United States, it is important that the administration defend against foreign government use of their competition frameworks to scrutinize AI investments on an extraordinary extra-territoriality basis between two U.S. domiciled firms. Similarly, the U.S. must determine the appropriate level of intellectual and copyright protections and not be restricted by foreign jurisdictions. We support the promotion of intellectual property regimes that protect legitimate rights while

enabling AI innovation but look to the U.S. government to push back on extraterritorial efforts that would constrain U.S. law. This will ensure that AI developed in one jurisdiction, in particular the U.S., can be marketed or deployed globally.

The multi-association letter focuses on the technology of AI and the rules framework to support global competitiveness. A precursor for America to scale and provide the level of data and cloud compute needed to meet not only America's but also global AI demand requires significant support for energy production, strengthening the energy grid, and support for data center infrastructure. The U.S. is energy and resource-constrained in meeting this urgent need. To meet this global opportunity, the United States requires a strategic supply of critical inputs and critical minerals that cannot be sourced or fully supplied domestically under the timeframes necessary not to lose ground to competing regions. NFTC encourages the administration to leverage new trade agreements and partnerships with key allies that can ensure a safe supply of inputs for the United States to meet the growth trajectory of AI demand.

If the U.S. does not maintain the AI edge and succeed in supporting global cloud and AI access, there is not only a risk of losing market share to foreign jurisdictions but a particular risk that countries will turn to China and Chinese cloud and AI capabilities, which creates data, censorship, and geopolitical risks. AI is a truly transformative technology that comes with significant national security implications that extend beyond competitiveness concerns. The government has already taken measures to mitigate these risks throughout the AI value chain; from protecting the design of advanced computing chips used to train large language models to utilizing export control and related authorities. AI is inherently dual-use, and therefore, concern for its military application cannot be ignored. At the same time, as the technologies supporting AI continue to evolve, striking the right balance between fostering innovation and mitigating risks is essential. In the case of AI, in many respects, the strongest defense is a strong offense. Ensuring that U.S. AI and cloud are readily available to customers around the world and continue to lead any other nation with their technical capabilities is the best means to mitigate future risks.

The equities for AI are shared across a range of departments and agencies. To secure this path forward, it begins with strong inter-agency coordination to bring coherency and cohesiveness to this effort. In addition, while it is critical that the U.S. Government move quickly, it is crucially important that U.S. industry is a partner in this effort, that their knowledge and expertise in AI and digital technologies is sought in formulating the U.S. approach, and that any regulatory or strategy frameworks are fully consulted and allow notice and comment, as you are doing here with the AI Action Plan.

Thank you for the opportunity to present our comments. NFTC looks forward to supporting the government in further developing and delivering on its AI Action Plan. If you have any questions regarding our comments, please contact Brad Wood, Senior Director for Trade and Innovation Policy (bwood@nftc.org).

Sincerely,

A handwritten signature in blue ink, appearing to read 'B. Wood', with a stylized flourish at the end.

Brad Wood

ANNEX I: Multi-association letter to President Trump on International AI Priorities, transmitted, March 12, 2025

March 12, 2025

The Honorable Donald J. Trump
President of the United States of America
The White House
1600 Pennsylvania Avenue, N.W.
Washington, DC 20500

Dear Mr. President:

The undersigned associations and organizations represent a broad cross-section of companies at the forefront of advancing cutting-edge artificial intelligence (AI) innovation in America, developing products and applications that utilize AI, and integrating AI across their businesses. We applaud the issuance of your January 23 Executive Order (EO) on Removing Barriers to American Leadership in Artificial Intelligence and re-asserting this as a top priority at the outset of your Administration. We agree with the EO's assertion that "with the right Government policies, we can solidify our position as a global leader in AI and secure a brighter future for all Americans."

To protect America's AI edge, it is critical that your administration's AI Action Plan include a robust international engagement strategy that ensures foreign markets are open to American AI. To this end, and to secure U.S. economic and national security, we urge you to promote a U.S. vision of innovation-oriented AI governance, safeguard our AI assets and stop foreign governments from impeding U.S. AI innovators and deployers.

AI is already benefiting a wide variety of industries: helping America's automakers to better design automobiles and develop autonomous capabilities; pharmaceutical companies to discover new medicines; financial services companies to better detect fraud; farmers to be more productive; and energy companies to explore, produce, and distribute energy more efficiently. Fully deploying AI domestically and achieving the potential of this world-changing technology requires U.S. global leadership to ensure coherent rules and access to global markets.

In order to win the AI race, American companies must be able to compete, scale globally, and deploy AI solutions throughout their operations without the undue burden of potential market impediments. Governments around the world are implementing divergent and non-risk-based regulatory frameworks that make it more onerous and costly to develop and deploy AI. These policies weaken market access for American companies, reduce sales of U.S. AI and AI-enabled products and services abroad, and erode the U.S. advantage in digital services trade. This risks diminishing U.S. leadership in AI and harms the ability of U.S. innovators to compete with aggressive technology deployment by countries of concern.

China is countering U.S. AI leadership through economic statecraft and industrial subsidization while using its economic reach to push an approach incompatible with U.S. interests to every corner of the globe. Meanwhile, the European Union is implementing its highly prescriptive and overarching AI rules that burden U.S. innovation, which creates risks that other countries will look to this approach as a global template for AI regulation. Similarly, other countries such as Brazil are pursuing their own AI regulations that risk inhibiting AI and AI-enabled trade if not consistent with U.S. policy direction.

A common theme is that these countries are taking divergent policy approaches creating overlapping requirements with existing regulatory frameworks that are not commensurate with the risk, thus over-regulating harmless and beneficial use cases for the technology. These approaches stray from the preferred innovation-friendly U.S. approach to AI and restrict business activity within and between American companies. In addition, some foreign governments are seeking, on an extraordinary extra-territoriality basis, to halt U.S. investments in other U.S. AI developers, which further harms U.S. technology leadership.

At the same time, governments are restricting cross-border data flows, forcing disclosure of proprietary AI source code and algorithms, and requiring data to be stored locally, undermining long-standing U.S. digital priorities. For a technology that relies on leading U.S.-based and U.S.-developed semiconductor and cloud capabilities, these digital restrictions are highly problematic and directly impact U.S. competitiveness. Given U.S. technological leadership, it is also critically important to prioritize engagement and access to compute to ensure that U.S. companies can meet market demand in developing nations and avoid those countries looking to China and Chinese providers.

Your first term provided a blueprint on which to build and address these threats. The pioneering American AI Initiative, the first-ever U.S. AI strategy, as well as your administration's digital trade leadership, increased AI research investment, led to guidance on AI governance standards, and laid the groundwork for U.S. international engagement, which included negotiating the world's strongest digital trade rules in the U.S.-Mexico-Canada Agreement and with Japan. We urge you to build on these successes and pursue a strong international AI trade and economic agenda by using available diplomatic and economic tools to deter foreign governments from adopting harmful regulatory models that directly threaten U.S. AI leadership.

In addition to bilateral engagements with trading partners, we encourage your administration to assertively engage in the various international organizations that are working to build an international AI agenda, including the G7, G20, WTO, OECD, and UN. We cannot leave the field to others to develop AI rules and frameworks counter to U.S. interests. It is critical that your administration work alongside industry in standard-setting bodies to write coherent standards and defend U.S. interests. Finally, given growing global attention to the potential national security-related implications of highly capable frontier models, it will be vital for the United States government to maintain a partnership with American companies on joint research and voluntary evaluations to drive international standards and policy conversations to ensure U.S.-developed models are accepted by foreign regulators. In collaboration with industry, these workstreams can help translate the study of AI and its risks into concrete consensus-based standards that are interoperable and facilitate market access for U.S. AI and AI-enabled products.

If this strategy is successful, America will maintain its AI leadership and grow the nearly \$300 billion annual digital trade surplus with trading partners, making our country more competitive and secure. Paired with a robust domestic strategy to ensure all of America benefits from AI, we believe the U.S. international AI agenda must be framed upon the following key objectives:

➤ Strengthen U.S. Digital Leadership:

- Assertively engage foreign governments to deter adoption of detrimental AI policies that weaken U.S. AI leadership, restrict commercial access or deployment of AI-enabled products, and ensure governments do not block consequential U.S. AI investments;
- Prioritize longstanding U.S. policies to support and enforce core digital trade commitments to preserve cross-border data flows, oppose forced data localization, and protect AI's algorithmic and source-code integrity (including model weights) from exploitation or forced transfer, all of which are necessary to achieve AI's profound benefits;
- Vigorously defend U.S. digital market access from policies that undermine U.S. competitiveness, seek to transfer U.S. trade secrets, or onerously tax or burden American companies;
- Ensure that a trusted AI ecosystem safeguards our national security, economic security, and critical infrastructure, including by strengthening cybersecurity; and
- Integrate AI objectives into the negotiating scope of any forthcoming trade agreements, including FTAs and sector-specific frameworks.

➤ Prioritize Global Alignment:

- Shape the AI and digital agenda at all major international fora (UN, G7, WTO, G20, OECD), and do not leave the field to others;
- Partner with industry to drive global consensus in support of a U.S.-led framework for international AI standards and definitions that enables regulatory coherence and global adoption; and
- Actively engage with foreign governments that are developing AI legislation and regulation to protect U.S. market access and promote an innovation-oriented approach, including by advocating for adherence to international consensus-based technical standards, the use of existing regulatory frameworks where possible and AI-specific rules only where gaps exist, and promoting innovation-enabling policies like open government data.

➤ Foster a Global Vision for an AI Future:

- Promote a comprehensive vision for trustworthy AI built upon American values that can uplift workers and the global economy.

We, the undersigned organizations, are eager to work in partnership with your administration to advance this vision and to help realize AI's full potential for our country.

Sincerely,

ACT | The App Association
Coalition of Services Industries (CSI)
Computer & Communications Industry Association (CCIA)
Consumer Technology Association (CTA)
Engine
Global Innovation Forum
National Association of Manufacturers (NAM)
National Foreign Trade Council (NFTC)
National Small Business Association (NSBA)
Software & Information Industry Association (SIIA)
Technet
Technology Trade Regulation Alliance (TTRA)
U.S. Chamber of Commerce
US Council for International Business (USCIB)