

May 22, 2019

Right Honourable Justin Trudeau, Prime Minister of Canada
c/o Office of the Prime Minister
Prime Minister's Office
80 Wellington Street
Ottawa, ON K1A 0A2

The Honorable Chrystia Freeland, P.C., M.P.
Minister of Foreign Affairs
Department of Foreign Affairs
125 Sussex Drive
Ottawa, ON K1A 0G2

The Honourable William Francis Morneau, P.C., M.P.
Minister of Finance
Department of Finance Canada
90 Elgin Street
Ottawa, ON K1A 0G5

Dear Canadian Policymakers:

On behalf of the members of the Electronic Transactions Association (ETA), I am writing in support of the Canada–United States–Mexico Agreement (CUSMA). The CUSMA would strengthen Canadian cross border digital trade leadership and advance electronic payment products and services ability to grow platforms and services that enable engagement with the digital economy. As Parliament considers the many important provisions in the CUSMA, we urge lawmakers to take into account the significance of the digital trade rules on the Canadian economy and to take the necessary steps to ratify the agreement.

ETA is the leading global trade association for the payments industry, representing over 500 companies that offer electronic transaction processing products and services; its membership spans the breadth of the payments industry to include independent sales organizations, payments networks, financial institutions, transaction processors, mobile payments products and services, payments technologies, equipment suppliers, and online small business lenders.

Digital technology drives global commerce and ensures payments happen on time and in the right amount. The agreement sets a new and important precedent for modern trade rules that reflect the importance of data, technology, and innovation in the Canadian – and the North American – economy.

Businesses and entrepreneurs in every Canadian community use the internet to sell and export their goods and services across the globe and the CUSMA provides strong provisions in the agreement to facilitate the free flow of information across borders. This is essential to the vibrancy of the international economy and ensures Canadian businesses and entrepreneurs can easily access data and provide services to partners in America and Mexico.

The agreement also prohibits the data localization requirements that are harmful to business. Barring any country from requiring any sector to use or locate computing facilities in their territory as a condition for

conducting business will allow companies to store their data wherever they choose. Leveraging the global, interconnected nature of the internet and lowering unnecessary costs and regulatory burdens – especially for United States small businesses expanding into new markets.

The CUSMA enables each country to adopt a flexible privacy law to protect consumers. Privacy laws must be respected, but they should not be written in a way that prohibits the movement of secure personal data across borders. The CUSMA allows Canada, the United States, and Mexico, to develop their own privacy laws but requires each country to adopt mechanisms to promote compatibility between these different laws.

Ratification of the CUSMA would be a boost for the Canadian and bring predictable rules for all companies that use electronic payments in North America. Canada has an important opportunity to continue to be a world leader in global commerce by ratifying the CUSMA. We urge the Parliament to do so.

We appreciate your leadership on this important issue. If you have any questions, please feel free to contact me directly at stalbott@electran.org.

Sincerely,



Scott Talbott
Senior Vice President of Government Relations
Electronic Transactions Association

