Securing a Competitive Edge: Recommendations for the 2026 Review of the United States-Mexico-Canada Agreement (USMCA) Chapter 19: Digital Trade

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The 2026 review of the United States-Mexico-Canada Agreement (USMCA) represents more than a procedural milestone. It is a pivotal moment to recommit to and strengthen this agreement to secure North America's leadership role in a fiercely competitive global digital landscape. To maintain our region's economic strength, we must promote a successful and timely review.

Crucial to this success is the cultivation of a stable and predictable trade environment. Persistent tariff disputes and the threat of retaliatory actions introduce a level of uncertainty that negatively impacts business confidence and deters key investments, particularly in the digital economy, which depends on seamless cross-border collaboration. Furthermore, strengthening our economic partnership requires a renewed commitment to creating a competitive environment and ensuring supply chain integrity. There are avenues to fortify the USMCA and enhance its effectiveness in meeting current and future economic challenges and projecting a unified regional vision of strength and cooperation to the international community. To be clear, we are not suggesting the reopening of the agreement's negotiated text. Instead, we see the review as an opportunity to layer on further commitments, through new annexes or side agreements, that reinforce what is already a successful framework. By focusing on the following proposals, the three governments can ensure the USMCA's digital trade provisions remain effective and future-proof without disrupting the existing legal architecture.

I. Modernizing a Gold Standard: A Vision for Chapter 19

The digital economy has evolved significantly since the original signing of the USMCA. Emerging technologies such as artificial intelligence (AI), data analytics, cloud services, real-time payment services, and automation are reshaping productivity, trade, employment, and competitiveness across North America.

The agreement's digital trade chapter (Chapter 19) sets a global gold standard that underpins the ability to do business in the modern economy. With robust commitments promoting the free flow of data and digital services across borders, it ensures companies can compete fairly across the region despite the rapid evolution of the digital landscape.

The 2026 review of the agreement is an opportunity to maintain and strengthen Chapter 19 and build on it with a shared vision that reinforces digital trust, accelerates digital transformation across

all sectors, promotes regulatory interoperability across the region, and addresses new challenges and opportunities in areas such as AI and cybersecurity. The recommendations below highlight areas for policymakers to focus on during the USMCA review. Across all of this work, close partnership and consultation with industry stakeholders will enable policymakers to be effective and ensure that they are addressing commercially meaningful priorities.

II. Proposed Areas of Review

1. Strengthening Article 19.15 – Cybersecurity

Context and Purpose.

Cyber threats have grown in scale and sophistication, affecting critical infrastructure, supply chains, and cross-border digital trade. To address this evolving landscape, we propose building on Article 19.15 through adding an annex on cybersecurity with new regional commitments in the following areas:

- **Promote regulatory harmonization.** Establish a trilateral commitment to align cybersecurity regulations and promote mutual recognition of certifications. Harmonization enables scalable security practices, improves supply chain resilience, and ensures consistent protection across borders.
- **Encourage secure and interoperable critical infrastructure and regional supply chains.** Create a trilateral initiative to define trusted vendor principles, and promote the adoption of global, industry-driven, consensus-based standards, and best practices. These criteria should remain firmly grounded in transparency principles and objective governance, risk management, technical, and organizational controls.
- **Enhance operational collaboration and information sharing.** Strengthen trilateral cybersecurity collaboration by establishing a common framework for real-time information sharing and incident reporting. By aligning reporting thresholds, timelines, and technical mechanisms, the Parties can eliminate duplicative requirements and improve clarity. This collaboration should also facilitate trusted channels for coordinated cyber-prevention, defense, and resilience efforts, ensuring a unified response to regional threats while fully respecting each country's unique legal and regulatory frameworks.
- **Operationalize public-private collaboration.** Strengthen government-industry partnerships to address shared threats in real time. Encourage government-to-industry threat information sharing to improve real-time visibility and operational effectiveness.
- **Expand regional cyber capacity building and investment.** Support technical assistance and capacity building mechanisms for national cybersecurity cooperation. Facilitate shared training, resilience-building, and regional workforce development programs.
- **Uphold responsible state behavior in cyberspace.** Commit to principles of non-aggression and mutual accountability.

- **Mandate trusted and reliable vendors.** Ensure that only vendors who are trusted, reliable, and who adopt verifiable and transparent commitments aligned with international standards and best practices, participate in digital networks to safeguard against unauthorized access or interference by malicious actors.
- **Advance encryption and secure communications.** Promote the adoption of strong encryption and secure communication technologies as foundational elements of regional cybersecurity and digital trust, ensuring alignment with risk-based security practices and international standards.

2. Safeguarding Intermediary Liability Protections

- **Promote clear and predictable legal frameworks for digital intermediaries**, consistent with existing regional commitments, in order to support innovation, enable cross-border digital trade, and strengthen the safe, confident participation of users and small and medium-sized enterprises (SMEs) in digital ecosystems.

3. Technology Neutrality

Embrace Technological Neutrality and Trusted, Innovative Solutions to Rapidly Adapt to Emerging Threats, Technologies, and Business Models.

- **Match policy to the pace of innovation.** The information and communications technology industry continuously develops innovative products, services, and solutions at scale and at rapid speeds. Public policy frameworks must be equally as dynamic, highly interoperable, and adaptable, especially as new technologies and business models emerge.
- **Avoid prescriptive mandates.** To allow for dynamic adaptability, policies should be technology-neutral and refrain from mandating prescriptive technical features or specific solutions, as they can quickly become outdated and contradict the basic economics of product and services design. We recommend the use of international standards that rely on risk-based, outcomes-focused requirements that provide the necessary flexibility to respond to an ever-evolving technological ecosystem.
- **Promote regulatory clarity.** Ensure that regulatory frameworks designed for telecommunications or traditional media are not inappropriately extended to digital and value-added services. Such a misapplication creates duplicative obligations and market uncertainty. Instead, technology-neutral, proportionate, and evidence-based approaches must be adopted to support innovation and cross-border trade.

4. Artificial Intelligence Cooperation

- **Establish trilateral cooperation.** Create mechanisms for regional cooperation in consultation with industry stakeholders on AI policy topics, including responsible AI development and deployment transparency, and cross-border use in trade facilitation.

- **Support innovation-friendly frameworks.** Encourage the development of trustworthy AI initiatives across the region. AI initiatives should encourage clear copyright and limitation frameworks that provide legal certainty for responsible AI model training and development. These frameworks must remain consistent with international commitments while bolstering regional competitiveness.
- **Promote regulatory coherence.** Strengthen regional cooperation to promote regulatory coherence, including at the subnational level.

5. Interoperability in Data Protection Frameworks

- **Strengthen alignment of data privacy regimes**. Strengthen alignment, including relevant sectors such as financial services, insurance, and manufacturing, and acknowledge shared principles across USMCA countries.
- **Enable frictionless cross-border data flows.** Promote mechanisms such as certifications, model clauses, or mutual trust agreements to enable frictionless cross-border data flows, including through full participation in the Global Cross-Border Privacy Rules Forum.

6. SME Digital Transformation

- **Support SME digitization.** Promote annexes or parallel commitments to support SME digitization through micro-credentials, cybersecurity, and access to digital trade platforms.
- **Encourage enterprise-SME cooperation.** Encourage cooperation between large enterprises and regional digital SMEs in procurement and capacity-building initiatives.
- **Expand regional service access.** Advance policies and initiatives that expand services across all regions, ensuring that businesses and individuals can fully participate in digital commerce.
- **Expand access to digital financial tools.** Expand access to tools (e.g., digital payments, open finance) to promote economic inclusion and scale-up opportunities.
- **Preserve a predictable investment environment**. Promote tax and fiscal approaches that avoid discriminatory measures targeting digital services.

7. Establishment of a Permanent Trilateral Digital Economy Forum

- **Establish a USMCA permanent Digital Economy Forum.** In line with article 19.14.2, that includes participation from government, private sector, and other stakeholders. This forum could operate under the Free Trade Commission and convene annually to assess the implementation or operation of this chapter.
- **Define a clear mandate.** Monitor the implementation of Chapter 19, discuss emerging technology issues and opportunities relevant to the agreement, and promote regulatory alignment and regional digital governance.

8. **Digital Services Governance**
    - **Promote transparent and sound governance.** As governments build and modernize state-owned digital services solutions to deliver e-government services and digital payments, there is a distinct opportunity to promote transparent and sound governance. This can be achieved through guidelines that ensure a level role for the private sector in the supply of digital services, while ensuring structural separation between a public entity's role as operator and regulator of digital platforms.
    - **Adhere to international best practices on competitive neutrality.** Numerous international organizations – including the Organization for Economic Co-operation and Development (OECD), World Bank (WB), Bank for International Settlements (BIS), and the World Trade Organization (WTO) – have outlined the importance of competitive neutrality across sectors and recommend the adoption of policies and procedures that avoid conflicts of interest.

III. Conclusion

The 2026 USMCA review represents a **historic opportunity to consolidate North America as a digitally integrated, secure, and competitive region**. AMITI and ITI jointly propose a roadmap based on:

- Digital trust as the foundation of modern trade
- Cybersecurity as a fundamental pillar for the region's digital development
- Regulatory interoperability as an innovation enabler
- Digital inclusion as a shared commitment
- Regulatory coherence and collaboration

We look forward to continued engagement with the governments of Mexico, the United States, and Canada to integrate these recommendations into the USMCA review and to advance North America's leading position in the digital economy.