

## **U.S.-Mexico-Canada Pact Covers Data Privacy, Local Storage Rules (1)**

The U.S., Canada, and Mexico would have to adopt data protection measures under a deal aimed at replacing the North American Free Trade Agreement.

Those measures should include provisions on data quality, collection restrictions, and transparency, according to text of the U.S.-Mexico-Canada Agreement released by the U.S. Trade Representative's Office. Under the deal, governments would have to publish information on how businesses can comply with the rules and the remedies that individuals can pursue.

The agreement reflects an increased awareness of data protection issues following the EU's adoption of new privacy rules and the Cambridge Analytica scandal involving Facebook Inc. data. It would direct the three countries' governments to exchange information on data protection policies and work together to promote digital trade.

The agreement also would ban rules requiring data to be stored locally and prohibit restrictions on data flows for business purposes. Lawmakers in all three countries must approve the deal for it to take effect.

Tech industry groups supported the pact's digital trade and data privacy provisions.

"They appear to be the strongest digital trade provisions in a trade agreement to date," Joe Whitlock, director of policy at the BSA | The Software Alliance, told Bloomberg Law. "We're very happy with the outcome and the level of ambition that the negotiating parties were able to achieve."

Computer and Communications Industry Association President and CEO Ed Black said in a statement that the industry is glad to see a deal that removes barriers to data flows across borders. CCIA's members include Facebook and Alphabet Inc.'s Google.