



Coalition of Service Industries

PRESS RELEASE

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CSI Expresses Strong Support for US-Malaysia FTA

(Washington, DC) The Coalition of Service Industries (CSI) expressed its strong support for a free trade agreement between the United States and Malaysia, and called for the pact to maintain the high standards that have been set in previous US free trade agreements.

" Malaysia is a very important economy with significant potential opportunities for US service suppliers across the spectrum of service industries," said Robert Vastine, President of CSI. "A comprehensive free trade agreement will not only allow US service suppliers to compete on a more equal footing in the Malaysian market, but it will build on our free trade agreement with Singapore and facilitate the expansion of our trade and investment ties with the broader ASEAN region."

US crossborder exports of services to Malaysia were \$1.1 billion in 2004, while imports were \$616 million, leaving the United States with a half-billion dollar services trade surplus. Key US service exports to Malaysia include business and professional services, education services, and travel services. Sales of services by US affiliates on the ground in Malaysia were \$1.5 billion in 2003, the latest year for which data are available.

The services sector is crucial to the US economy, accounting for approximately 75% of US GDP, and roughly 80% of private sector employment. Services also represent an important component of US foreign trade. US crossborder exports of services worldwide last year reached \$323 billion, with a \$65 billion services trade surplus.

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The U.S. Coalition of Service Industries is the leading U.S. business association representing companies across a broad spectrum of service sectors. CSI is dedicated to reducing barriers to U.S. services exports and mobilizing support for domestic U.S. policies, including tax policies, which enhance the global competitiveness of its members. CSI was formed in 1982 to ensure that U.S. trade in services would become a central goal of U.S. trade policy and trade negotiations. It played a major role in the General Agreement on Trade in Services (GATS) and in the advocacy effort leading to the 1997 World Trade Organization (WTO) Basic Telecommunications and Financial Services Agreements. CSI's knowledge of the process of services trade negotiations, its ties to the WTO and its network of relationships with governments and industry in other countries are unmatched. For a complete list of CSI members, visit our website at www.uscsi.org.