

February 18, 2022

The Honorable Gina Raimondo
Secretary of Commerce
U.S. Department of Commerce
1401 Constitution Ave. NW
Washington, DC 20520

The Honorable Katherine Tai
United States Trade Representative
Executive Office of the President
600 17th St. NW
Washington, DC 20508

Dear Secretary Raimondo and Ambassador Tai:

We welcome the Biden Administration's commitment to promote free, fair, and open trade and investment through both its decision to launch an Indo-Pacific Economic Framework (IPEF) initiative as part of its Indo-Pacific Strategy and by hosting the Asia-Pacific Economic Cooperation (APEC) meetings in 2023¹. We agree that strengthening trade, investment, and economic ties with the region benefits all Americans.² The United States needs an affirmative agenda with allies and key partners in the Indo-Pacific to advance shared economic and strategic interests. The United States, as well as our allies and key trading partners, would benefit most from an ambitious and comprehensive IPEF initiative with enforceable commitments, new market opportunities, and wide adoption of high standards.

U.S. industry, agriculture, and bipartisan members of Congress broadly support deepening our economic and trade engagement in the Indo-Pacific. With 1.5 billion people in the Indo-Pacific region projected to join the middle class this decade, the market presents significant opportunities for American goods and services.³ The Indo-Pacific already accounts for \$1.75 trillion in trade with the United States and for 30 percent of U.S. goods and services exports, supporting millions of American jobs.⁴

Given the importance of the Indo-Pacific, an ambitious IPEF would ensure the United States is back on the economic playing field in the region. U.S. trading partners in the region are not waiting as they move ahead with the Regional Comprehensive Economic Partnership, which includes China; the Comprehensive and Progressive Trans-Pacific Partnership (CPTPP) that China and several other countries seek to join; and the Digital Economy Partnership Agreement that China also seeks to join.⁵ The United States needs a comprehensive initiative in response.

¹ see [U.S.-Indo-Pacific-Strategy](#), p. 11

² see [U.S.-Indo-Pacific-Strategy](#), p. 11: "The prosperity of everyday Americans is linked to the Indo-Pacific."

³ see [U.S.-Indo-Pacific-Strategy](#), p. 11

⁴ see [BRT 2020 Update - Trade and American Jobs Study](#) and [U.S.-Indo-Pacific-Strategy](#), p. 4

⁵ see Peterson Institute for International Economics, [Which countries are in the CPTPP and RCEP trade agreements and which want in?](#)

U.S. industry and agriculture continue to support a comprehensive regional approach to trade, technology and commerce in the Indo-Pacific, such as the CPTPP. To move towards that objective, the IPEF should include both more traditional and proven commitments from recent U.S. trade agreements and new ones to tackle current and future challenges. We support proposals to negotiate under the IPEF agreements and commitments across trade, digital, technology, worker rights, sustainability and climate, supply chains, innovation, infrastructure, and other critical economic policy areas to level the playing field for American businesses, farmers, and workers.

We are committed to working with the Administration across all aspects of the IPEF to achieve meaningful results. The level of ambition will determine the success of the IPEF. While we appreciate that the details of the IPEF will continue to be developed and will evolve through negotiations, in our view, a successful IPEF should broadly:

- Include binding and enforceable legal commitments.
- Create market access opportunities for U.S. businesses, farmers, and workers.
- Set high standards in each module and ensure that participating countries agree to all commitments.
- Secure commitments this year for each of the modules.
- Include specific work plans to regularly add commitments and participating countries to each module, which would deepen and broaden the IPEF's benefits over time.
- Establish an ongoing consultative mechanism for the private sector to share feedback on the priorities for each module and to maximize benefits and outcomes.

Specifically, IPEF negotiations should open markets, promote inclusive trade and economic growth, enable rules-based commerce, increase sustainability, and promote shared values and interests. Negotiations should also integrate SMEs into the digital economy to reach new customers, support investment, foster quality infrastructure development, and enhance supply chain resilience – including for semiconductors, strategic minerals, medical, and other critical supply chains.⁶

A successful trade module of the IPEF should include commitments across the manufacturing, agriculture, and services sectors. These should include trade facilitation, good regulatory practices, sanitary and phyto-sanitary rules, technical barriers to trade, intellectual property rights protection, and anti-corruption, among other state-of-the-art provisions from recent agreements.

⁶ For additional reference, a recent CSIS paper explored a number of potential provisions and outcomes that could be included in the IPEF: [Filling In the Indo-Pacific Economic Framework](#)

Countries in the region share the U.S. interest in shaping an open, trusted, and well-governed digital economy. The digital transformation of commerce will shape the global economy, drive growth, and create jobs across the U.S. economy. This transformation also necessitates better data governance and digital policies across the Indo-Pacific region consistent with our values and with trade principles such as non-discrimination, due process, interoperability, and the rule of law. A successful IPEF initiative would set new digital governance rules and digital policies that foster innovation, facilitate digital trade, enhance transparency, enable trusted data flows, advance cooperation on cybersecurity, support digital inclusion, increase trade and open markets for SMEs, and promote digital enablement and skilling in the United States and across the Indo-Pacific.

Given the broad bipartisan, bicameral, and stakeholder support for U.S. economic, trade, and technology leadership in the Indo-Pacific, we urge the Administration to move the IPEF forward with urgency, ambition, and determination. The United States will be at a disadvantage unless it moves decisively and comprehensively. The business community stands ready to partner with the Administration, Congress, and our trading partners to build the depth, scope, credibility, and momentum necessary for the IPEF to succeed.

Sincerely,

American Farm Bureau Federation
Business Roundtable
Coalition of Services Industries
Consumer Technology Association
Information Technology Industry Council
National Association of Manufacturers
National Foreign Trade Council
Securities Industry and Financial Markets Association
Semiconductor Industry Association
U.S.-ASEAN Business Council
U.S. Council for International Business
U.S. Chamber of Commerce

cc: Jake Sullivan, National Security Advisor
Brian Deese, Director of the National Economic Council
The Honorable Antony Blinken, Secretary of State
The Honorable Tom Vilsack, Secretary of Agriculture