## Congress of the United States Washington, DC 20515

October 31, 2014

Ambassador Michael Froman United States Trade Representative Office of the U.S. Trade Representative 600 17th Street NW Washington, DC 20508

## Dear Ambassador Froman:

We are writing to stress the importance of digital trade issues within the Trans-Pacific Partnership (TPP) negotiations. We urge you to include strong, binding obligations in this agreement to ensure that markets are open to digital products and services and cross-border data flows.

In order to achieve modern, 21<sup>st</sup> century trade agreements, digital trade issues must be sufficiently addressed. We appreciate your commitment to including high standards to preserve cross-border data flows in all trade agreements. Any agreement presented to Congress will need to include provisions that specifically keep borders open to the free flow of data, prohibit countries from requiring the use of local data servers or other computing infrastructure as a condition for providing digital services, and ensure non-discriminatory treatment of digital products and services. We encourage you to resist efforts by other countries to include overly broad exceptions that would unnecessarily undermine these provisions and provide lower levels of protection for digital products and services than other areas of trade. We also urge you to resist any delay in the implementation of dispute resolution mechanisms.

With close to 3 billion people now using the Internet, digital trade is an increasingly important driver of the U.S. and global economies. This trend is being propelled by nearly \$4 trillion in global spending on information technologies and services, from mobile and cloud computing to data analytics. Against this backdrop, the US International Trade Commission has reported that US exports of digitally enabled services totaled more than \$356 billion in 2011 — a 26 percent increase from 2007 — generating a trade surplus in the sector each year. This underscores why it is so important for industries across the economy — especially those with global operations — to be able to transfer data across borders.

All TPP countries will benefit from the free flow of data, a view shared by industries throughout the region. Businesses of all types and sizes are capitalizing on digital technologies to boost their productivity, streamline operations, and facilitate creativity and problem solving. For example, with infinitely scalable processing power and unimaginably vast data storage at their disposal, banks can analyze patterns to detect fraud; doctors can more efficiently assess the most effective treatments for diseases; and farmers can track soil, weather and plant data to maximize yields. Advances in information technology collapse distance as never before, allowing small and large businesses to operate seamlessly in international markets — interacting with suppliers and serving customers anywhere in the world. We need trade policies to encourage this kind of innovation and growth, not inhibit it.

Thank you for your commitment to concluding an ambitious TPP that will enable the growth of the digital economy for the U.S. and its trading partners. As always, we look forward to working with you on these and other important issues.

Sincerely,

MIKE KELLY

Member of Congress

CEDRIC RICHMOND

Member of Congress

REID RIBBLE

Member of Congress

LYNNJENKINS

Member of Congress

JIM MORAN

Member of Congress

RICK LARSEN

Member of Congress

RON KIND

Member of Congress

PETER WELCH

Member of Congress

CHARLES BOUSTANY

Member of Congress

JARED POLIS

Member of Congress

DAVE REICHERT

Member of Congress

UM MCDERMOTT

Member of Congress

SUSAN DAVIS Member of Congress Member of Congress DOUG COLLINS DIANE BLACK Member of Congress Member of Congress MIKE HONDA MICHAEL MCCAUL Member of Congress Member of Congress EARL BLUMENAUER ADRIAN SMITH Member of Congress Member of Congress ADAM SMITH KENNY MARCHANT Member of Congress Member of Congress CHARLIE RANGEL JULIA BROWNLEY Member of Congress Member of Congress

MIKE THOMPSON

Member of Congress

CATHY MCMORRIS RODGER

Member of Congress

	ain Marken
TOM REED Member of Congress	JM MATHESON Member of Congress
TIM GRIFFIN Member of Congress	SUZAN DELBENE Member of Congress
JIM RENACCI Member of Congress	SANDY LEVIN Member of congress
GREGORY MEEKS Member of Congress	DEVIN NUNES Member of Congress
KRISTI NOEM Member of Congress	PETER ROSKAM Member of Congress
PAT TIBERI Member of Congress	SUZANNE BONAMICI Member of Congress
$\bigcirc 000$	

Member of Congress

TODD YOUNG Member of Congress

Blake Farentholo BLAKE FARENTHOLD BRETT GUTHRIE Member of Congress Member of Congress ANNA ESHOO STEVE ISRAEL Member of Congress Member of Congress BILL OWENS VERN BUCHANAN Member of Congress Member of Congress KURT SCHRADER Member of Congress Member of Congress AARON SCHOCK RICHARD NEAL Member of Congress Member of Congress GERRY CONNOLLY JOHN LARSON Member of Congress Member of Congress

DAVE CAMP

Member of Congress

JOHN DELANEY

Member of Congress

PETE SESSIONS
Member of Congress