

## October 15, 2014

## Trade Ministers and Chief Negotiators of TPP Negotiating Parties:

Dear Sirs and Madams,

The ability to use and transmit data in digital form is the lifeblood of companies large and small, from all sectors of the economy and in both developed and developing countries. The seamless movement of data across borders enables businesses of every size, in every sector, in every part of the world to access innovative products and services that enhance their productivity and help them reach new customers, driving growth and job creation. A 2011 McKinsey Global Institute study spanning 13 mature and emerging markets showed that the Internet accounted for over a tenth of economic growth in the preceding five years, and that 75 percent of the Internet's economic impact accrues to traditional (non-Internet focused) industries. The same study found that SMEs making intensive use of Internet-enabled technologies grow twice as fast and export twice as much as their peers.

The Trans-Pacific Partnership (TPP) has every potential for establishing critically important market access and trade disciplines which are indispensable to ensuring global economic growth in the 21<sup>st</sup> century. We urge your support and commitment for meaningful provisions on cross-border data flows in the TPP that will drive the digital economy. Whether the TPP will truly promote the digital economy depends on the following factors: 1) clear, enforceable obligations to allow the cross-border flow of data and that prohibit requirements to localize data in particular jurisdictions; 2) exceptions and limitations to such obligations that are limited and consistent with existing international trade law; 3) dispute settlement

mechanisms on a par with all the other TPP obligations; and 4) no additional reservations that undermine the effect and enforceability of such obligations.

Thank you for your commitment to concluding an ambitious TPP that will truly enable the growth of the digital economy in the 21<sup>st</sup> century. We, the undersigned coalition of industry associations and our members, look forward to working with you on these important issues.

American Chamber of Commerce in Japan

Asia Internet Coalition

Asociación Chilena de Tecnologías de la Información

Asociación Mexicana de Internet

Association of Electronic Industries in Singapore

Australian Industry Group

Australian Information Industry Association

Australian Services Roundtable

BSA | The Software Alliance

Canadian Chamber of Commerce

Canadian Manufacturers & Exporters

Canadian Services Coalition

Coalition of Services Industries

Computer & Communications Industry Association

Consumer Electronics Association

Electro-Federation Canada

**Emergency Committee for American Trade** 

**Entertainment Software Association** 

**Entertainment Software Association of Canada** 

Information Technology Association of Canada

Information Technology Industry Council

Interactive Games & Entertainment Association

Internet Association

Japan Information Technology Services Industry Association Public Policy Committee Mexican Chamber of Electronics, Telecommunications and Information Technologies

Mexican Services Coalition

National Association of Manufacturers

National Foreign Trade Council

National ICT and Multimedia Association of Malaysia

Semiconductor Industry Association

Sociedad Nacional de Industrias

Software & Information Industry Association

TechAmerica

TechNet

Technology CEO Council

Telecommunications Industry Association

United States Council for International Business

**US Chamber of Commerce** 

**US-ASEAN Business Council** 

Vietnam Electronic Industries Association