

April 21, 2015

The Honorable Paul Ryan Committee on Ways and Means 1101 Longworth House Office Building Washington, DC 20515

The Honorable Sander Levin Committee on Ways and Means 1101 Longworth House Office Building Washington, DC 20515

Dear Chairman Ryan and Ranking Member Levin:

The Telecommunications Industry Association (TIA), the leading trade association for global manufacturers, vendors, and suppliers of information and communications technology (ICT), strongly supports the *Bipartisan Congressional Trade Priorities and Accountability Act of 2015*. Enactment of Trade Promotion Authority (TPA) legislation is vital to the potential conclusion of the Trans-Pacific Partnership (TPP) and other trade agreements. Such agreements are critical to the U.S. ICT industry because they promote trade-liberalizing, market-based, and technology-neutral approaches in countries overseas, in turn facilitating high-tech exports by U.S. ICT companies and job growth at home.

Global investment is increasing rapidly in both wireless and fixed broadband networks as smartphone penetration and fiber deployments expand worldwide. Driven by this enormous need, the global telecommunications market for equipment and related services was valued at \$5.4 trillion in 2014, with about 75 percent of the total marketplace located outside of the United States. Moreover, experience shows that the effects of prior trade agreements on ICT equipment exports are both demonstrable and dramatic. According to TIA's 2014-2017 ICT Market Review and Forecast, although countries having trade agreements with the United States currently represent only 13 percent of the overseas economy, they account for 38.6 percent of U.S. exports in telecommunications equipment in 2013.

TIA is particularly pleased that this year's TPA legislation has been updated for the 21st century by including trade negotiating objectives related to digital trade and cross-border data flows, as well as the proliferation of localization barriers to trade. Finally, this landmark legislation will strengthen the partnership between Congress and the Administration through enhanced congressional oversight, transparency, and consultations. This will ultimately result in stronger trade agreements that truly benefit the U.S. economy and job creation.

TIA strongly urges the rapid enactment of this legislation. For more information, please contact David Gray at dgray@tiaonline.org or at 703-907-7710.

Very best regards,

Scott Belcher

Chief Executive Officer

<u>Cc:</u> House Ways and Means Committee Members