



January 25, 2010

Via Online Submission www.regulations.gov

Ms. Gloria Blue
Executive Secretary, Trade Policy Staff Committee
Office of the U.S. Trade Representative
600 17th Street, N.W.
Washington, DC 20036

RE: USTR's Request for Comments: Trans-Pacific Partnership Free Trade Agreement. Countries covered in this submission include Australia, Brunei Darussalam, Chile, New Zealand, Peru, Singapore and Vietnam.

Dear Ms. Blue:

In response to the Federal Register notice issued on December 16, 2009, the Telecommunications Industry Association (TIA) and its hundreds of member companies would like to thank you for the opportunity to submit comments regarding negotiations of a Trans-Pacific Partnership free trade agreement with Australia, Brunei Darussalam, Chile, New Zealand, Peru, Singapore and Vietnam.

TIA represents the global information and communications technology (ICT) industry through standards development, advocacy, tradeshow, business opportunities, market intelligence and world-wide environmental regulatory analysis. For over 80 years, the association has facilitated the convergence of new communications networks while working for a competitive and innovative market environment.

Implementing free trade agreements is an important component to helping build a strong, global digital economy which relies on quality infrastructure, a network of services, and a solid legal and commercial framework which provides confidence and protection to investors. In order to achieve these goals more efficiently, TIA supports the following principles for inclusion in the Trans-Pacific Partnership free trade agreement.

Technology Neutrality:

TIA is a strong advocate for policies that promote technology neutrality, in which standards and products are developed by market-driven dynamics and open, transparent processes. As the United States moves forward in negotiating new free trade agreements, it should build upon the belief that technology neutral policies are critical in promoting competition and ensuring that consumers are empowered to choose technologies that best suit their needs.



Plurilateral Commitments under the WTO (ITA, GPA):

TIA strongly supports as part of the negotiations that the United States urge the parties to commit themselves to plurilateral agreements under the WTO, including, but not limited to:

- **Information Technology Agreement (ITA):** TIA urges Brunei Darussalam, Chile and Peru to join the WTO's Information Technology Agreement. The ITA would eliminate tariffs on a number of ICT products that would lower the costs for consumers and help increase connectivity and economic opportunity. TIA believes that further development of the ICT sector in these countries can increase productivity and create economic opportunities for the countries' citizens, both within the industry itself and as a result of the opportunities provided by greater connectivity.
- **Government Procurement Agreement (GPA):** TIA supports government procurement policies that place domestic and foreign companies on a level playing field. Preferential procurement policies distort market efficiencies, increase consumer cost and prevent the development of a competitive industry, and can be detrimental to innovation and productivity. While it is beneficial for countries to make bilateral commitments on government procurement, it would strengthen the international trading system if the countries who have not signed the WTO's Government Procurement Agreement (Australia, Brunei Darussalam, Chile, New Zealand, Peru and Vietnam) were to commit to do so.

Establishment of an Independent Regulator under the WTO:

TIA urges USTR to seek commitments to establish an independent regulator from countries who do not currently have one (Vietnam). Preferably, such a regulator would be the central authority governing the converging telecom, Internet media, and broadcast industries. An unbiased, fair and transparent regulator will encourage liberalization and competition in the telecommunications market.

Mutual Recognition Agreement (MRA) for Testing and Certification:

In order to facilitate trade of ICT and other technologies between TPP countries, TIA encourages USTR to negotiate MRAs with countries with which we do not have an MRA arrangement under the APEC framework (Brunei Darussalam, Chile, New Zealand, Peru and Vietnam). TIA recognizes that Australia has completed requirements in Phase I, which covers mutual recognition of test reports, and that Singapore has completed the requirements in Phases I and II, which also includes the recognition of certification of test reports.



Expanding the Trans-Pacific Partnership Agreement:

TIA supports USTR's future efforts to expand the TPP trade agreement to other countries in the Asia-Pacific region. Over the next four years, the Asia Pacific wireless subscriber base is expected to increase by 1 billion, bringing the total subscribers to 2.7 billion and raising wireless penetration from 45% to 69%.¹ The region also has the largest broadband market in the world with 142 million subscribers and broadband revenue is projected to expand at a 10% compound annual rate over the next three years. With tremendous room for growth in the telecommunications sector, TIA member companies could benefit from the myriad opportunities. Specifically, for example, Malaysia has recently initiated a \$4.5 billion, ten-year project to build a high-speed broadband network, while Indonesia is expecting double-digit growth of its telecommunications revenue over the next two years.² In the Philippines, broadband subscribers and telecommunications revenue are expected to grow by almost 80% over the next three years.³

TIA wishes to express its appreciation to USTR for its efforts on behalf of the U.S. ICT industry. It is important that the United States continue its efforts, both bilaterally and multilaterally, to bring about a fully competitive world market for ICT equipment.

If you have any questions about this submission or if we can assist you in other ways, please do not hesitate to contact Nick Fetchko, Director for International and Government Affairs, at 202-346-3246 or at nfetchko@tiaonline.org.

Sincerely,

A handwritten signature in black ink that reads 'Grant E. Seiffert'. The signature is written in a cursive, flowing style.

Grant Seiffert
President

¹ TIA 2009 ICT Market Review and Forecast.

² Ibid.

³ Ibid.