



Alliance for Fair Trade with India

September 22, 2015

The President
The White House
1600 Pennsylvania Avenue, N.W.
Washington, DC 20500

Dear Mr. President:

As leading U.S. business associations representing thousands of companies and millions of U.S. workers from virtually every sector of the economy, we welcome your continued commitment to strengthening ties between the United States and India. It is through continued engagement, including your reported upcoming meeting later this month with Prime Minister Modi in New York City, that concrete progress can be made in improving the business environment for U.S. workers and companies operating in and exporting to India. A balanced and mutually beneficial U.S.-India commercial relationship is of critical importance not just to citizens of both countries, but to the broader bilateral partnership.

In particular, we strongly support the renewed focus on high-level commercial dialogues, namely the Strategic and Commercial dialogue, to be held for the first time in September, and the newly reinvigorated Trade Policy Forum. These dialogues can help fulfill your joint commitment with Prime Minister Modi to “revitalize the existing partnership and find new areas for collaboration and mutual benefit” by focusing on reforms that boost India’s long-term economic growth, especially in ways that restore market access for American innovators, exporters, and investors. A level playing field is the best strategy for Prime Minister Modi to spur innovation and draw investments from across the U.S. economy.

In order to attract investment, India must begin to put in place policies that provide legal and regulatory certainty for U.S. companies seeking to invest in the market. Imposing barriers like forced localization measures, excessively high tariffs, and unnecessary regulations discourage globally competitive U.S. industries from participating fully in India's economy, which would enable these sectors to spur domestic growth. Moving towards international standards and having workable regulatory systems, including with respect to the development of a new food product approval system, are particularly critical to attracting investment. Improving India’s broadband penetration underpins Prime Minister Modi’s Digital India project, so it is in India’s interest to revise policies that discourage broadband investment like tariffs and onerous testing requirements on imported information and communication technology products. The Prime Minister recognizes the immense buying power of Indian consumers of movies and music, but poor intellectual property enforcement and ubiquitous access to pirated goods critically undercuts these industries. Closing regulatory loopholes that hamper patent enforcement for medicines, providing a sufficient period of data protection for agrochemicals and medicines, and removing the overly restrictive “enhanced efficacy” criterion for the patentability of medicines

would go a long way toward attracting investment in advanced research and manufacturing in India.

Addressing these measures and others would help reinvigorate U.S.-India bilateral trade and investment ties, build a deeper and more reciprocal commercial relationship, and realize the tremendous promise the relationship holds. We stand ready to work with your administration toward that end.

Sincerely,

American Business Conference (ABC)
American Foundry Society (AFS)
Association of Equipment Manufacturers (AEM)
Biotechnology Industry Association (BIO)
California Manufacturers & Technology Association (CMTA)
CropLife America
Distilled Spirits Council of the United States (DISCUS)
Emergency Committee for American Trade (ECAT)
INDA, Association of the Nonwoven Fabrics Industry
National Association of Manufacturers (NAM)
National Electrical Manufacturers Association (NEMA)
National Foreign Trade Council (NFTC)
Pharmaceutical Research and Manufacturers of America (PhRMA)
Telecommunications Industry Association (TIA)
U.S. Chamber of Commerce

cc: The Honorable John Kerry
Secretary of State

The Honorable Penny Pritzker
Secretary of Commerce

The Honorable Michael Froman
United States Trade Representative