

May 23, 2016

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 the opportunity of Indian Prime Minister Modi's visit to the United States in early June. We hope you will use this visit to engage with the Prime Minister to advance both discussions and concrete action to produce a stronger and more-promising U.S.-India commercial relationship.

A strong and vibrant U.S.-India relationship is beneficial not only to our two countries, but also to greater growth and opportunity throughout the world. We share the confidence you and Prime Minister Modi expressed during your visit to India in January 2015 that "continued bilateral collaboration will increase opportunities for investment, improve bilateral trade and investment ties and lead to the creation of jobs and prosperity in both economies."

Your administration has made great strides in reinvigorating U.S.-India engagement. The U.S.-India Strategic and Commercial Dialogue and the Trade Policy Forum provide important high-level dialogues to resolve issues of mutual concern. As Prime Minister Modi finishes the second year of his leadership, however, we are concerned that the high hopes and positive rhetoric that accompanied the beginning of his tenure have yet to be translated into concrete measures to improve the business environment for U.S. workers and companies operating in and exporting to India.

Real, meaningful progress remains elusive, and recent signals indicate backsliding in key areas. For instance, India just released its long-awaited National Intellectual Property Rights Policy, which falls far short of industry expectations. . Among other things, it continues to allow sectoral regulations to trump the Copyright Act. Persistent issues, such as forced localization policies in the information technology, energy, and other sectors; excessively high tariffs in a range of sectors; tariff increases that appear to violate the Information Technology Agreement; longstanding challenges on intellectual property; lack of predictability in enforcing the rule of law; barriers to investment, including proposed bans on further foreign direct investment in certain sectors and other related barriers to FDI, such as ex ante vertical integration restrictions in the broadcasting sector; and bureaucratic action that interferes with private sector contractual arrangements continue to hinder company operations and ensure that India remains a challenging place for U.S. companies to do business. Prime Minister Modi's visit presents an opportunity to discuss and resolve many of these important commercial matters that are limiting India's own trade engagement and growth.

Such progress must be the foundation for further expansion of the U.S.-India relationship. Discussing and resolving difficult problems is not only essential to any healthy bilateral exchange, it is also a critical step as India seeks to expand its participation in other trade-related fora and activities. India's concrete commitment to the more-open trade and investment markets and its ability to work with the United States to resolve difficult problems and promote common principles in support of business and trade will pave the way for even greater engagement bilaterally and in multilateral fora.

Our associations and companies support a deepening of the U.S.-India relationship with robust discussions and outcomes achieved on commercial issues. Only through addressing these issues as high priorities can the United States and India fulfill the economic promise of the relationship and "lead to the creation of jobs and prosperity in both economies." We look forward to working with you and your administration toward that end.

Sincerely,

American Business Conference (ABC)
Association of Equipment Manufacturers (AEM)
American Foundry Society (AFS)
Biotechnology Innovation Organization (BIO)
CropLife America
Distilled Spirits Council of the U.S., Inc. (DISCUS)
INDA, Association of the Nonwoven Fabrics Industry
Information Technology Industry Council (ITI)
Motion Picture Association of America (MPAA)
National Association of Manufacturers (NAM)
National Electrical Manufacturers Association (NEMA)
Pharmaceutical Research and Manufacturers of America (PhRMA)
Recording Industry Association of America (RIAA)
Semiconductor Industry Association (SIA)
Telecommunications Industry Association (TIA)
United States Council for International Business (USCIB)
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