

**Subcommittee on Asia, the Pacific, and Nonproliferation**  
**House Committee on Foreign Affairs**  
**“Strategic Importance of Digital Economic Engagement in the Indo-Pacific”**  
**Opening Remarks, Chair Ami Bera**  
**January 19, 2022**

I thank our witnesses and members of the public for joining today’s hearing on the importance of strengthening U.S. digital economic engagement with the Indo-Pacific.

The Indo-Pacific is home to many of our closest allies and significant trading partners, with more than 662 million people and a combined GDP of \$3.2 trillion. I have long supported deepening economic relations with our Indo-Pacific partners, and I believe we can do that in a way that protects and benefits American workers and strengthens the U.S. economy. I commend the Biden Administration for its continued prioritization of the region and its efforts toward developing an Indo-Pacific Economic Framework.

Today’s hearing focuses on what I hope will be **one important pillar** in the broader economic framework: digital trade.

The Indo-Pacific region contains the majority of the world’s internet users and the fastest growing internet market. The pandemic has only further accelerated these trends. U.S. companies and platforms remain dominant in this expanding but increasingly competitive market, and further U.S. leadership is necessary to expand economic opportunities that improve the lives of workers and consumers in the United States and beyond.

As Chair of the House Foreign Affairs Subcommittee on Asia, the Pacific, Central Asia, and Nonproliferation, I do not intend for this hearing to examine what a digital trade agreement should include. **Rather, I hope our witnesses today will help illuminate the economic and strategic importance for the United States to engage our Ind-Pacific allies and partners on the development of standards for the digital economy and technology.**

Countries in the region have long been negotiating and implementing digital trade policies to stimulate economic growth and improve the livelihoods of their citizens. Although these conversations occur thousands of miles away, they have significant implications for data protection and privacy, trade facilitation, and other issues that affect the American people and economy.

But despite the wide-reaching impact of these agreements in today's interconnected economy, the United States is not at the table to ensure that the standards and norms being established align with our shared democratic principles.

Our absence risks allowing countries that do not share our pro-worker, pro-consumer, pro-environment, and pro-small business values to advance digital governance standards antithetical to democratic practices. We need to engage our allies and partners to advance a prosperous Indo-Pacific region that supports a rules-based international trading system and high standards that prioritize openness and the free flow of data.

The United States has experience negotiating digital trade chapters in the U.S.-Mexico-Canada Agreement and in the standalone U.S.-Japan Digital trade Agreement. These agreements provide for nondiscrimination, consumer protection

and privacy, and prohibit customs duties and technology transfer requirements, among other obligations.

Working to lower barriers to digitally enabled trade and establishing rules that allow for nondiscriminatory competition with Indo-Pacific countries will help U.S. companies compete more effectively.

I want to be clear that this will need to be an inclusive process with consultation of relevant stakeholders and groups. The NAFTA renegotiation process demonstrated that open dialogue and compromises strengthened the ultimate outcome that resulted in USMCA.

**I had the opportunity to hear from experts with different opinions prior to today's hearing, and I look forward to continuing the conversation with labor and environmental groups to ensure that U.S. digital economic engagement with the Indo-Pacific continues to be pro-worker, pro-consumer, pro-environment, and pro-small business.**

Our competitors are not waiting for us as they continue to shape the rules of the digital road in the Indo-Pacific. The United States has a unique window of opportunity to economically reengage the region on this pivotal issue, and work with allies and partners to advance a free, open, and prosperous Indo-Pacific underpinned by our shared commitment to democratic norms and principles. And I look forward to hearing from our witnesses today, as well as voices from other stakeholders and relevant industries, to ensure that we demonstrate sustained global leadership on these important issues.