

Congress of the United States
House of Representatives

COMMITTEE ON OVERSIGHT AND ACCOUNTABILITY

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October 12, 2023

The Honorable Katherine Tai
United States Trade Representative
600 17th Street NW
Washington, D.C. 20508

Dear Ambassador Tai,

The Committee on Oversight and Accountability is writing to request information from the Office of the United States Trade Representative (USTR) regarding negotiations in the Indo-Pacific Economic Framework (IPEF). The Committee recently requested and obtained a March 22, 2023 letter sent by the Federal Trade Commission (FTC) and Department of Justice (DOJ) to USTR regarding the competition and digital trade provisions in IPEF.¹ The Committee is troubled by the FTC's unwarranted influence in the IPEF negotiations and USTR's failure to transparently engage with Congress during such negotiations, contradicting its own stated principles.²

The letter from FTC and DOJ to USTR indicates that U.S. negotiators are now seeking to rewrite established rules for competition and digital trade that enjoy bipartisan support. USTR's lack of transparency in doing so undermines Congressional confidence in USTR's handling of IPEF. Under your leadership, USTR has previously failed to keep Congress apprised of negotiations before announcing agreements with foreign partners.³ It is imperative that USTR do so. The U.S. has considerable economic interests in the Indo-Pacific region, and IPEF is an important vehicle for challenging China's growing influence in the region. American companies' ability to compete openly and fairly in the Indo-Pacific market is paramount to countering that influence. IPEF negotiations should be guided by upstanding standards established in prior U.S. trade agreements. Those standards include procedural fairness, due process, transparency, and consumer welfare. Competition and enforcement agreements must protect the investments and innovations of American companies.

¹ Letter from Hon. Lina Khan, Chair, Federal Trade Commission, and Jonathan Kanter, Assistant Attorney General, Department of Justice, Antitrust Division, to Hon. Katherine Tai, U.S. Trade Rep., Office of the U.S. Trade Rep. (March 22, 2023) (On file with Committee).

² Press Release, Office of the U.S. Trade Representative, USTR Releases Agency Transparency Principles (May 7, 2021).

³ See Letter from Hon. Ron Wyden, Chairman, S. Comm. on Finance, to Hon. Katherine Tai, Ambassador, U.S. Trade Rep. (May 10, 2023).

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Concurrently to the IPEF negotiations, USTR is engaged with the European Union (EU) through the Trade and Technology Council (TTC).⁴ Cooperation within the TTC is important but should be limited in a manner that respects the U.S. legal system. The EU recently enacted protectionist policies that are at odds with U.S. interests because they discriminate against U.S. tech companies. The Biden Administration shared these concerns with the EU, specifically regarding the Digital Markets Act,⁵ and USTR similarly considers the Digital Markets Act a barrier to digital trade.⁶ Given that the EU's efforts to regulate the digital market run counter to U.S. interests, USTR should reject pressure by the EU to accept EU guidance for regulating digital platforms. The U.S. tech industry is the most innovative in the world, and USTR should continue to work to promote its success.

To assist the Committee in better understanding USTR's objectives in IPEF and the TTC, please provide the following documents and information no later than October 26, 2023:

1. A copy of the U.S.-proposed competition chapter for IPEF that is currently before USTR Industry Trade Advisory Committee-cleared advisors and all associated correspondence with DOJ and FTC regarding those provisions;
2. A copy of the U.S. proposed digital trade chapter in IPEF and all associated correspondence with DOJ and FTC regarding those provisions;
3. All correspondence with the DOJ and FTC relating to the EU's Digital Markets Act, Digital Services Act, AI Act, or any other EU laws, regulations, or policies regarding digital markets; and
4. All correspondence between USTR and the White House Competition Council regarding IPEF negotiations, antitrust and competition policies, and digital trade.
5. An unredacted copy of the letter sent by FTC and DOJ to USTR on March 22, 2023.

To arrange for the delivery of responsive documents or ask any related follow-up questions, please contact the Committee on Oversight and Accountability staff at (202) 225-5074.

The Committee on Oversight and Accountability is the principal oversight committee of the U.S. House of Representatives and has broad authority to investigate "any matter" at "any time" under House Rule X. Thank you in advance for cooperating with this inquiry.

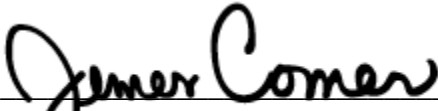
⁴ See Office of the U.S. Trade Representative, *U.S.-EU Trade and Technology Council Inaugural Joint Statement* (Sept. 29, 2021).

⁵ Foo Yun Chee, *EXCLUSIVE U.S. warns against IP, trade secret risks in draft EU tech rules - paper*, REUTERS (Nov. 10, 2021).

⁶ Office of the U.S. Trade Representative, *2023 National Trade Estimate Report: Foreign Trade Barriers* (Mar. 31, 2023).

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Sincerely,



A handwritten signature in black ink that reads "James Comer". The signature is written in a cursive style and is positioned above a horizontal line.

James Comer
Chairman
Committee on Oversight and Accountability

cc: The Honorable Jamie Raskin, Ranking Member
Committee on Oversight and Accountability