







September 26, 2014

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

Dear Mr. President,

On behalf of the undersigned associations, we urge you to prioritize the importance of India undertaking a positive role in the global economy in your upcoming meeting with Indian Prime Minister Narendra Modi.

The U.S. business community is deeply concerned about India's recent role in blocking a global agreement on trade facilitation from moving forward, which calls into question India's role in the global economy and the future of negotiations under the multilateral trading system led by the World Trade Organization (WTO).

Under the leadership of WTO Director-General Roberto Azevedo, trade ministers from 159 countries agreed in Bali, Indonesia, last December to a package of reforms for global trade rules. The Trade Facilitation Agreement, a significant part of that package, would simplify customs procedures and facilitate the movement of goods across borders and is estimated to provide a more than \$1 trillion stimulus to the world economy once implemented.

The Bali package – and especially the Trade Facilitation Agreement – was a sign that the WTO could remain relevant as a negotiating forum among its entire membership.

India's actions in June to block the agreement from moving forward sent a highly negative signal to businesses and governments around the world that want to spur global economic growth. This move, combined with India's inaction on a host of domestic industrial policies taken by the previous government, contradicts Prime Minister Modi's own aspiration that India is now "open for business."

Importantly, the lack of movement on trade facilitation threatens to undermine the ability of the global trading system to move towards greater openness and opportunity. Without a successful Trade Facilitation Agreement, there are no prospects for future multilateral trade negotiations that could help drive new economic growth. It is important that Prime Minister Modi hear directly that the Trade Facilitation Agreement in particular and India's constructive participation in the global trading system more generally are critical to the economic success of India, the United States and the global trading system.

Our organizations have been strong supporters of the WTO and its predecessor framework that developed over the past half-century. It is vital for the WTO to remain at the center of global trade policy, but that can only happen with the constructive participation of all major economies.

Thank you for your consideration of these comments.

Sincerely,

Michael C. Mullen Executive Director

Express Association of America

Michael C. Hullen

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