



The Australian Services Roundtable
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October 23, 2013

The Honorable Andrew Robb AO, MP
Minister for Trade and Investment
PO Box 6022, House of Representatives
Parliament House Canberra ACT 2600

By email: andrew.rob主.mp@aph.gov.au

Dear Minister:

We welcome reports that the Trans-Pacific Partnership (TPP) negotiations are nearing conclusion. ASR members have been strong supporters of the negotiations and firmly believe that this agreement can bolster the growth of Australian services industries and lead to economic and job gains as a result. As the Abbott Government moves into the final phase of the negotiations, we urge you to ensure that the agreement keeps pace with dynamic evolution of the global services economy to one which is increasingly reliant on trade in, and enabled by, digital products and services. ASR is also very cognizant of Australia's strengths in these areas, which we believe offers enormous opportunities for growth both nationally and as an export industry over the next decade. To that end, ASR believes that it is imperative that the TPP agreement includes strong rules enabling cross-border information flows.

Services organisations both large and small increasingly rely on flows of digital information in order to operate efficiently. All companies operating in the services sector need the certainty of clear trade rules to ensure that they can effectively and efficiently transfer and access their information across borders. For example, to maximise the efficiencies and productivity benefits of cloud computing, cloud services providers must be able to locate servers where they make most sense logistically and economically, and offer services from these locations to any market where sufficient demand exists. This is not just about the possibility of data being held off shore - with Australia's growing expertise and investment in cloud services solutions, protected by a stable legal system and balanced privacy regime, this may become a significant export industry across the region.

To achieve this we specifically seek for our members a strong and commercially relevant 21st century TPP agreement that includes provisions that; (1) allow parties in TPP to transfer, access, process or store information across borders; and (2) prohibit countries from requiring the establishment or use of local servers as a condition of market access. We also request that these provisions be clearly articulated in a binding e-commerce chapter of the TPP, signaling a strong commitment to the needs of 21st century businesses, whether they be retail, media, manufacturing, finance, logistics and healthcare to name a few.

We recognize that there are legitimate areas where exceptions to such enforceable obligations should be permitted, including national security, public safety concerns and privacy. However these exceptions should not be allowed to be used to create unwarranted barriers to cross-border data flows. Any exceptions should include specific criteria for challenging a measure on the grounds that it is unnecessarily restrictive.

We applaud the Australian Government's efforts to expeditiously conclude a TPP agreement that opens new markets and establishes new rules that can set a precedent for expanded global trade. ASR's business members are very keen to work closely with you and your Government representatives in the coming weeks to ensure that the TPP agreement meets the needs of Australia services companies and reaches its full potential to stimulate trade, investment and jobs in Australia and throughout the Asia-Pacific region.

Yours sincerely,

A handwritten signature in black ink that reads "Ian Birks". The signature is written in a cursive style with a horizontal line underneath the name.

Mr. Ian Birks
Chief Executive Officer
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