

**Principal Deputy Assistant Secretary Moy's  
Opening Statement to HFAC Indo-Pacific Sub-Committee Hearing  
on "Commerce as Statecraft: Better Leveraging U.S. Business to Advance  
our Economic and National Security Goals in the Indo-Pacific"  
March 21, 2024, 2:00 p.m.**

Chairwoman Kim, Ranking Member Bera, thank you for the invitation to appear today before the House Foreign Affairs Indo-Pacific Sub-Committee. I'm pleased to join Deputy Assistant Secretary Phan and Ambassador Murray to discuss the Administration's efforts to advance U.S. economic and commercial interests in the Indo-Pacific region.

The United States remains a major economic partner in the Indo-Pacific. U.S. companies continue to be the top source of foreign direct investment in the region with nearly \$1 trillion in U.S. investments, and roughly the same amount invested in the United States by firms from the region. The United States also remains a major trade partner with more than \$2 trillion in two-way trade. Exports to the region and investments from the Indo-Pacific support almost 4 million U.S. jobs.

In the past three years, we've seen \$200 billion in new investments announced from the Indo-Pacific, including \$17 billion by South Korea's Samsung for a semiconductor plant in Texas, and \$4 billion by Japan's Panasonic Energy for a battery production facility in De Soto, Kansas, which will create 4,000 jobs.

LG Chemical, also of South Korea, announced plans to invest \$3.2 billion in a plant to manufacture EV battery materials in Clarksville, Tennessee, creating more than 850 jobs. CS Wind, a South Korea-based wind turbine tower manufacturer, broke ground on an over \$200 million expansion to its Pueblo, Colorado wind tower manufacturing facility, creating 850 jobs. These are just a few examples of the tangible benefits of our active engagement in the Indo-Pacific region.

The Administration's Indo-Pacific Strategy, launched just over two years ago, identifies advancing economic prosperity as central to U.S. efforts in the region. The strategy's objective to "drive Indo-Pacific prosperity" states clearly that "the prosperity of **everyday Americans** is linked to the Indo-Pacific." And since the release of the Indo-Pacific Strategy in 2022, we have advanced key Administration approaches to achieve this end, including:

- The launch of the Indo-Pacific Economic Framework (IPEF) for Prosperity (*which Deputy Assistant Secretary Phan will discuss in greater detail*);
- Engagement in the Asia-Pacific Economic Cooperation (APEC) forum (*which Ambassador Murray will discuss in greater detail*);
- Efforts to advance high labor and environmental standards;
- Work with partners to advance resilient and secure supply chains;
- A commitment to close the region's infrastructure gap; and
- An emphasis on standing "shoulder-to-shoulder" with our like-minded partners and allies in the region to enhance economic and trade opportunities.

And as we do so, continuing to work together to invest in the collective capacity of our allies, partners, and friends in the Indo-Pacific remains a top priority of the Administration.

Before providing more details on where the Administration has made progress in the past two years, I want to make two important points.

First, we know it will be critically important to support U.S. businesses and coordinate closely with the private sector. American firms create good-paying jobs at home, encourage innovation, strengthen economic competitiveness, and expand opportunities for middle-class families. Given the important role U.S. businesses play in the region, the State Department is looking forward to working with the Commerce Department, the Trade and Development Agency, and other U.S. government partners to co-host the 6th Indo-Pacific Business Forum (IPBF) with the Philippines in Manila on May 21. The IPBF is the premier U.S. commercial diplomacy event in the

region and, in January 2023, when the United States and Japan co-chaired, the forum convened more than 1,000 business leaders and senior policy makers, highlighted about \$11 billion in new investments, and launched roughly \$100 million in new U.S. economic initiatives. We look forward to similar outcomes in the Philippines this year.

Second, we share the sub-committee's concerns regarding the PRC's economic influence and unfair practices in the region, and we remain focused on our strategic competition with China. As Secretary Blinken has stated, the Administration's approach to China aims to invest in the foundations of our strengths here at home, align our efforts with our network of allies and partners, and compete with China to defend our interests and build our vision for the future. The Administration's economic and commercial engagement in the Indo-Pacific region, therefore, requires a "latticework" of economic engagement mechanisms to ensure we are simultaneously competing with the PRC and enhancing our ties with like-minded partners and allies.

IPEF and APEC both are key to the Administration's efforts to facilitate U.S. business interests to advance our economic and national security goals in the Indo-Pacific region. These two platforms both give the United States the opportunity to deliver substantive outcomes on behalf of U.S. businesses, and my colleagues here today will provide their expert insights on both IPEF and APEC.

In addition, the Administration's efforts under the Indo-Pacific Strategy have resulted in other important outcomes to support our economic and commercial goals in the region, including but not limited to:

- Launching the Partnership for Global Infrastructure (PGI)-IPEF Investment Accelerator in November 2023 to unlock new high-standard public and private sector investment to close the infrastructure gap in the Indo-Pacific region;
- Completing the first agreement under the U.S.-Taiwan Initiative on 21st Century Trade under the auspices of the American Institute in

Taiwan and the Taipei Economic and Cultural and Representative Office in the United States;

- Holding the second economic ministerial “2+2” with Japan in which both Secretary Blinken and Secretary Raimondo participated in San Francisco in November;
- Supporting digital connectivity through the development of undersea cables, including the East Micronesia Cable and the Central Pacific Cable;
- Concluding certain agreements related to the Compacts of Free Association to enhance economic prosperity and stability in the Pacific Islands;
- Deepening economic engagement with ASEAN, including through our U.S.-ASEAN Smart Cities Partnership, continued support of the ASEAN Single Window Electronic Data Exchange Platform, and the launch of the ASEAN-U.S. Transportation Work Plan;
- Strengthening economic connectivity in the Mekong sub-region through the Mekong-U.S. Partnership, including working through the Japan-U.S.-Mekong Power Partnership to integrate clean energy, develop competitive power markets, enhance cross-border power trade, and create opportunities for private investment in the region.
- Driving cooperation on critical and emerging technologies through bilateral engagements with India, Singapore, and the Republic of Korea (ROK), as well as through the Quad;
- Promoting semiconductor supply chain resilience by working with partners to develop early warning systems and utilizing CHIPS Act ITSI funds to diversify supply chains in emerging markets including Vietnam, Indonesia, the Philippines. Our partnership with key global partners, including Australia, Japan, and the ROK, bolsters critical supply chains essential for the clean energy transition.
- Deepening dialogue and cooperation with key Indo-Pacific partners—including Japan, Australia, New Zealand, and the ROK—to build capacity to respond to economic coercion.

Working together with allies, partners, and the private sector remains our greatest strength and was central to all these outcomes. The essential feature of our approach is to deepen these relationships across the Indo-Pacific to drive sustainable and inclusive prosperity. We will continue to build on these achievements in 2024 through sustained engagement, as well as focus on implementing the successful IPEF and APEC outcomes from 2023.

To close, I would summarize our view as follows:

- (1) The Indo-Pacific region is central to our future;
- (2) This future is not just about security but also about economics and trade and investment; and
- (3) It is incumbent on us now to solidify and sustain this engagement and “make it real” for the long run.

Thank you, and I look forward to your questions.

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