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**Before the**

**United States House of Representatives  
Committee on Homeland Security  
Subcommittee on Transportation Security**

**April 18, 2012**

**Building Partnerships in the Asia-Pacific Region**

Good afternoon Chairman Rogers, Ms. Jackson Lee, and distinguished Members of the Subcommittee. Thank you for the opportunity to testify before you today on building secure partnerships in travel, commerce, and trade with the Asia-Pacific region.

It is my pleasure to be here with my colleagues, Deputy Assistant Secretary Mark Koumans from the Department of Homeland Security and Assistant Administrator for Global Strategies John Halinski from the Transportation Security Administration.

As President Obama and Secretary Clinton have underscored, much of the history of the 21st Century will be written in Asia. Secretary Clinton took her first overseas trip as Secretary of State to Asia in 2009 and has returned to the region nine times since. I was pleased to hear that Chairman Rogers led a fact-finding congressional delegation to China, the Republic of Korea, and Japan just two weeks ago. The United States is committed to building mature and effective partnerships in the Asia-Pacific region that can mobilize common action and settle disputes peacefully, so that we can work toward fostering rules and norms that help manage relations between peoples, markets, and nations, and establish security arrangements that provide stability and build trust. We believe that now is the time to make the necessary investments towards ensuring a robust and coherent cooperative environment in the Asia-Pacific and that America's future success will be dependent on the success of the region as a whole.

The world of the 21st Century is increasingly linked by new technologies, rapid increases in international trade and financial flows, global supply chain networks, and the rapid proliferation of competitive companies. It poses both tremendous opportunities for trade and investment – and job creation – as well as new challenges. The United States is working to build a seamless economy in the Asia-Pacific by finding practical and concrete ways to strengthen regional economic integration, expand trade, and advance regulatory cooperation and convergence. Participating in Asia's growth is central to our economic prosperity, as it is one of the fastest growing regions and withstood the 2008 economic crisis better than the rest of the world.

We are constantly striving to strengthen our bilateral relations, which form the basis for many of our economic and security partnerships in Asia. In May, the next round of the U.S.-China Strategic and Economic Dialogue will take place. It is an important bilateral forum that allows the United States to address a wide-range of issues with China. Also, the U.S.-Korea Free Trade Agreement recently entered into force, which will create substantial new opportunities for U.S. exporters to sell more American goods, services, and agricultural products to Korean customers and support tens of thousands of new export-related jobs here at home. In addition, the United States and Japan continue to have exemplary, extensive public and private sector cooperation and exchanges in a number of areas, including science, technology, and innovation, which not only helps our economies grow, but also sets an example for the kinds of relationships we want to see flourish in the Asia-Pacific region. These are just a few ways in which we engage bilaterally in this region.

I also want to highlight a vital component of our strategic pivot toward Asia, the United States' elevated engagement with regional institutions, including the Association for Southeast Asian Nations (ASEAN), the East Asia Summit (EAS), the ASEAN Regional Forum (ARF), the ASEAN Defense Ministers Meeting Plus, the Secretary's Lower Mekong Initiative, and the Asia-Pacific Economic Cooperation (APEC) forum.

ASEAN sits at the center of many of the region's multilateral institutions, and we are taking steps to broaden and deepen our already strong partnership with ASEAN. In 2010, we were the first non-ASEAN country to open a dedicated Mission to ASEAN in Jakarta, and in 2011, President Obama appointed our first resident Ambassador to ASEAN, David Carden. We maintain communications on a range of issues, including policy, security, economics, standards, and energy, as part of our comprehensive engagement with ASEAN. We have also committed to

support ASEAN's Strategic Transport Plan in our U.S.-ASEAN Plan of Action 2011-2015. Additionally, the ARF has proven itself to be an important body to address the region's pressing security concerns, including maritime security. We are working closely with the Coast Guard to co-host with Korea and Indonesia an ARF meeting to discuss civil maritime law enforcement cooperation and how we can build stronger partnerships in the region on issues like port security and environmental disaster response. The USTR-led Trade and Investment Framework Arrangement (TIFA) also represents our expanding engagement with ASEAN. This year, we are increasing our focus on U.S. export opportunities and commercial engagement with ASEAN, through the TIFA, as whole-of-government, and with a focus on concrete sectors that ASEAN is supporting through the ASEAN Master Plan on Connectivity. We are putting an infrastructure in place to sustain our increased engagement and help these institutions continue to develop into results-oriented and effective bodies capable of mustering collective action to address pressing transnational challenges.

In addition to ASEAN, APEC is particularly important to the United States because it is our primary organization for multilateral engagement with the Asia-Pacific on economic interests. The 21 APEC members account for 55 percent of the world's GDP, 45 percent of global trade, and 40 percent of the world's population. Sixty percent of U.S. export goods go to APEC economies and five of America's top seven trade partners are APEC members.

APEC is unique in that it already has the tools and focus to ensure regional economic prosperity by promoting policies that will spur long-term economic growth and ensure all citizens have the opportunity to thrive in the global economy. It promotes free and open trade and investment and initiatives to build healthy and resilient economies. APEC also maintains a unique partnership with the private sector – including many of the region's leading companies – which ensures that its initiatives are focused, constructive, and of tangible benefit to all economic stakeholders. It is a prime example of how we can leverage the interconnectedness of our economies to benefit the region.

APEC brings together officials at every level of government – from leaders to technical experts – to tackle a multiplicity of important issues in practical and concrete ways. While APEC's main focus is on strengthening regional economic integration by addressing barriers to trade and investment, its members recognize that security plays a vital role in a healthy and growing economy. APEC works to secure the region's transportation networks, enhance the security and resilience of

the supply chains, and help protect the region's economic and financial infrastructure from attack or misuse.

APEC's commitment to securing the transportation of people and goods is reflected in the APEC Consolidated Counter-Terrorism and Secure Trade Strategy, endorsed by APEC Ministers last year. The Strategy highlights secure travel and secure supply chains as two of its priority areas of work over the next five years. In recent years, APEC committees have undertaken projects designed to protect aviation, land, and maritime transportation from terrorist attacks and other disruptions. Because of its economic focus, APEC seeks ways to strengthen security while also facilitating the flow of legitimate travelers and commerce. For this reason, APEC has taken a particular interest in fostering layered, risk-based approaches to security, which allows authorities to expedite legitimate trade and travel, while focusing on a small percentage of goods and travelers that may pose a greater risk.

One example of this approach is the Travel Facilitation Initiative (TFI). The TFI is a multi-year initiative that was introduced by the United States and was endorsed at the 2011 APEC Leaders Meeting. The TFI is meant to expedite the movement of travelers across the Asia-Pacific region, with the goal of enabling more efficient, more secure, and less stressful travel. It benefits business and non-business travelers, the private sector and governments. The TFI includes a range of programs including: an *APEC Airport Partnership Program* envisioned to showcase best practices and build capacity on the efficient and secure processing of travelers for international departures and arrivals at airports; the *APEC Business Travel Card* which allows frequent business and government travelers expedited immigration processing; a *Network of Trusted Traveler Programs for Ports of Entry* which is still under development, but ultimately could dramatically reduce processing times for travelers while enabling high levels of security throughout the region. I would note that a bilateral Trusted Traveler program was agreed to last year and is currently under development between the Republic of Korea and the United States as well. The TFI also includes the *Facilitation of Air Passenger Security Screening* which has the goal of fostering technologies and approaches that will increase travel efficiency and security in the region – APEC already supports capacity building workshops to implement low-cost ways to screen passengers and baggage as well as canine security programs – and the *Advance Passenger Information Program*. By receiving passenger information in advance of travel, APEC economies can identify and mitigate risks and expedite the processing of legitimate travelers through ports of entry and focus resources on those requiring additional scrutiny. APEC as a whole seeks to enhance the

resiliency of regional trade, travel, finance, and infrastructure against attacks and other disruptions, as this is critical to the health of our economic systems.

## **Conclusion**

Today we face the challenge of continuing to promote the prosperity and security of the United States, as well as the Asia-Pacific region. We are looking for new ways to collaborate and form partnerships both bilaterally and multilaterally with the international community, because in the global society in which we live, America's future success is now intrinsically linked to the success of others.

Thank you for the opportunity to appear before you today to discuss building secure partnerships in travel, commerce, and trade with the Asia-Pacific region, I am happy to answer any questions you may have.