

Joint Statement on TPP
Keidanren/Japan-U.S. Business Council
U.S. Chamber of Commerce/U.S.-Japan Business Council
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As Prime Minister Abe and President Obama prepare to meet this week, the signatory organizations above call on both leaders to pursue conclusion of the Trans-Pacific Partnership (TPP) agreement with renewed focus, vigor and purpose at this critical time in the negotiations. Failure to do so runs the risk that the TPP will founder.

The path forward is clear. As the largest economies in the negotiations, the United States and Japan must demonstrate concretely their commitment to closing a comprehensive, high-standard and ambitious agreement in line with the leaders' vision from Honolulu in November 2011, which was recommitted to in December 2013. Both Japan and the United States have difficult steps to take, namely achieving progress bilaterally on market access that will help unlock other parts of the TPP negotiations currently on hold as the other partners await the resolution of the bilateral negotiations.

For a high-standard agreement such as TPP, full market access is a core principle for all members. For Japan, it is essential to meet the commitment made to the United States and other TPP members upon admission into the TPP in April 2013 to subject all goods to negotiation, including agricultural products, with the goal of eliminating tariff and non-tariff barriers on all. For the United States, it is important to indicate a similar commitment to provide market access on industrial and agricultural goods. There are ways for both countries to manage commitments on sensitive issues flexibly, but fully in line with this principle.

The U.S. and Japan stand to gain substantially from the establishment of high standard rules in areas such as intellectual property protection, investment, SOEs, digital commerce, regulatory coherence and transparency. Without strong market access offers from Japan and the United States, however, other negotiating countries will be much less likely to open their markets or agree to rules that will benefit Japanese and American companies and both economies more broadly in the years ahead.

Concluding a strong TPP agreement requires the long-term vision and commitment of both governments to prioritize 21st Century strategic economic interests that support trade and investment expansion, job creation, and innovation. It is important for political leaders in both countries to focus on the broader economic interests. Ultimately, this will increase U.S. and Japanese economic growth, integrate the two economies further, and solidify the strategic alliance at a critical time.

It is with this in mind that the U.S. Chamber of Commerce, Keidanren, the U.S.-Japan Business Council (USJBC) and Japan-U.S. Business Council (JUBC) urge both governments to look to the future and take the steps necessary to lead the TPP to a successful conclusion. We stand ready to support a truly comprehensive, high-standard and ambitious agreement that opens the U.S., Japanese and other TPP markets to the fullest extent possible while establishing the essential architecture and rules for the FTAAP (Free Trade Area of the Asia-Pacific) and subsequent global agreements. To this end, we will proactively advocate for the domestic political support required to ratify it in Japan and the United States, as well as processes such as TPA that support trade more broadly.