

April 22, 2014

Expectations for the Trans-Pacific Partnership (TPP)

Joint Statement by the American Chamber of Commerce in Japan and
Keizai Doyukai (Japan Association of Corporate Executives)

The American Chamber of Commerce in Japan and Keizai Doyukai (Japan Association of Corporate Executives) jointly reached the following consensus after an exchange of views on April 11th, 2014. The two business organizations wish to express their opinions looking toward the scheduled meeting between the President of the United States and the Prime Minister of Japan in Tokyo later this month.

The Trans-Pacific Partnership (TPP) Agreement is an epoch-making initiative that aims to establish a new global discipline for trade and investment, as well as to create a stable, open and predictable environment for doing business in the Asia-Pacific region. As business leaders, we consider the TPP to be essential for stimulating business, promoting economic growth and creating jobs in the United States, Japan and the broader region. We strongly support the early conclusion of the agreement, which will mark a significant step forward towards building a Free Trade Area of the Asia Pacific (FTAAP).

The TPP negotiations currently face challenges since each country has its own sensitive issues. However, we are confident that a comprehensive, high-standard trade and investment agreement like the TPP will bring benefits to a broad range of stakeholders including consumers, workers, producers of goods and services, and investors. It will also enhance mutual understanding, the degree of interdependency, and eventually, stronger relationships between and among participating countries through increased flows of people, goods, services, capital and information. Indeed, our business organizations pledge to do more to foster deeper understanding of our respective domestic constituencies about the huge potential for TPP to expand not only bilateral trade, but also both our countries' export opportunities to the high-growth markets of the Asia-Pacific.

The many rounds of talks so far have clearly identified the issues to be solved. Now is the time for all national leaders to make a bold decision to open the door to the future of the region and the long-term mutual benefits of a high-level trade and investment agreement. Above all, we believe that the United States and Japan, both of which have been among the greatest beneficiaries of free trade, have a duty to exercise even stronger leadership in guiding the negotiations towards rapid conclusion.

We call on the two leaders of the United States and Japan to take the politically difficult decisions needed on both sides to reach bilateral agreement on TPP and thus open the way to rapid conclusion of the TPP negotiations as a whole. In addition, to achieve an effective implementation of TPP, both nations should start now to help sensitive sectors adjust to greater competition and carefully and thoroughly prepare the domestic approval processes including TPA once the TPP negotiations are concluded.

The United States and Japan share fundamental values such as democracy, market economy and the rule of law. If the two countries guide the critical passage of the TPP negotiations in a coordinated manner, it will strengthen the bonds between the two countries. This will contribute to greater stability and prosperity in the Asia-Pacific region, which is the main driving force behind the global economy as a whole.

On the auspicious occasion of U.S.-Japan summit, our two business organizations strongly urge President Barack Obama and Prime Minister Shinzo Abe to jointly make a bold decision toward the successful conclusion of the TPP negotiations.

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