

Public Comments

**National Association of Manufacturers
Washington, DC**

**Before the
United States Trade Representative**

**Concerning Objectives with respect to Japan's Participation
in the Proposed
Trans-Pacific Partnership
Trade Agreement**

June 9, 2013

Introduction

On behalf of the National Association of Manufacturers (NAM), we appreciate the opportunity to provide comments on Japan's entry into the Trans-Pacific Partnership (TPP) trade negotiations, along with comments on the NAM's broader priorities. The NAM is the nation's largest industrial trade association, representing 12,000 manufacturers, both large and small, in every industrial sector and in all 50 states. The NAM has been a leading advocate for greater trade and investment in the Asia-Pacific region, and was an early proponent of the Trans-Pacific Partnership negotiations as an important mechanism to open markets, level the playing field and increase U.S. exports and sales throughout the burgeoning Asia-Pacific region.

Japan's entry into the TPP marks a substantial transformation in these important negotiations, and the NAM supports Japan's participation as a means of achieving long-sought trade liberalization and market access. As the largest economies to be included in the negotiations, the United States and Japan should be leaders in defining a state-of-the-art agreement that contributes powerfully to jobs and growth. In terms of magnitude, Japan, as the third largest economy, the 10th most populous country in the world and the United States' fourth largest trading partner, will substantially enlarge these negotiations in terms of economic value, consumer market and complexity. An enlarged TPP would have a combined total GDP of \$27 trillion – equal to more than a third of world GDP – and a combined population of 789 million people.

For manufacturers, Japan's entry into the TPP talks brings renewed exigency to our call for a comprehensive, high-standard TPP that eliminates barriers, substantially strengthens commercial opportunities and levels the playing field for manufacturers in the United States. To deliver on the potential of Japan's entry into the negotiations, the TPP must achieve real results that create meaningful opportunities for our manufacturers, sustain and create jobs, and enhance America's global competitiveness. As discussed in the comments below, it is critical that Japan's participation in the TPP talks be on the same comprehensive, ambitious and high-standard basis as other TPP participants and that the TPP concretely resolve longstanding bilateral market access issues that have impeded U.S. access into Japan's market. While some of our members believe that the TPP represents the best opportunity the United States has had in decades to eliminate longstanding structural and trade barriers in Japan, others remain skeptical that such an outcome can be achieved. The NAM will, therefore, be closely following

these negotiations and working with our members to ensure that the outcome will improve access for manufacturers in the United States and enhance, not detract from, America's global competitiveness.

When the United States joined the TPP negotiations, the NAM strongly indicated our support for an agreement that would lay the groundwork for an eventual Free Trade Area of the Asia-Pacific. To do so, the final TPP agreement must be comprehensive and high-quality in its level of obligations, and address the substantial trade and investment barriers and complexities faced by businesses in the 21st century. We are seeking an agreement that takes account of the increasingly interconnected nature of the international economy through trade and investment flows that is oftentimes reflected in global supply chains. Inputs and products may cross multiple borders many times before they reach their final composition. As a result, it is no longer possible to look at issues through the 20th century prisms of manufacturing, agriculture, services, investment, or customs as isolated and unrelated topics. For instance, some of the greatest gains in trade agreements for manufacturers may arise from liberalization in services and investment when distribution systems are opened. Similarly, manufactured goods exports may grow in markets when they can get there faster and cheaper because of new trade-facilitating measures to be included in this agreement.

In 2009, the NAM called on the Administration to negotiate the broadest and deepest TPP agreement, and to work with negotiating partners and domestic stakeholders to address sensitivities and concerns in a way that ultimately ensures the most comprehensive and high-standard outcome possible. That same standard must apply as well to the addition of Japan. Given that the NAM is a broad-based association, our comments are limited to a general manufacturing viewpoint. We have encouraged individual companies and sectoral trade associations to make their views known regarding the specific issues of concern in the negotiations generally and with respect to the entry of Japan.

I. Putting the TPP Talks into the Global Context

An expanded 12-country TPP market would have a combined GDP of \$27 trillion, representing more than a third of the global economy and more than one and a half times the size of the 27 member European Union, with which the United States will formally launch talks in June. The TPP is unique in including countries that are representative of much of the diversity of the global economy in terms of their differing levels of economic development, their population sizes and their geography. Many now look to the TPP as a new template for trade and investment liberalization in the face of the failure of the Doha Development Round to conclude. Other countries and their negotiators are watching the TPP talks closely to see what can be achieved and what it will mean for the world economy.

As the TPP countries continue efforts to negotiate a comprehensive, high-standard agreement that will open markets, tear down barriers and promote economic growth throughout the Asia Pacific, the NAM urges all parties to be cognizant of several key issues in the global economy.

Currency

As the NAM has highlighted in previous comments, it is undeniable that long-term misalignment of exchange rates has an impact on trade balances, and confers an artificial advantage to an economy's exports. According to the *NAM Official Policy Positions*, "The NAM believes that exchange rates should reflect market forces and be determined by the

marketplace. Governments should not engage in protracted intervention to counter market forces and maintain misaligned exchange rates for their currencies.” TPP negotiators should be cognizant of the impact a party’s monetary policies have on the competitive position of its products in its home market, in the U.S. market and in the markets of other parties to the agreement. The United States should work internationally to examine the trade consequences of significant and unanticipated currency movements.

The Doha Development Agenda Impasse

Since the TPP negotiations began in earnest in 2010, the WTO Doha Development Agenda negotiations reached a full impasse in December 2011. While important efforts continue to move forward, a few important aspects of the original Doha mandate – including trade facilitation and customs talks and an expansion of the Information Technology Agreement within the WTO and plurilateral services negotiations – the broader agenda of the Doha round remains stuck.

For manufacturers, the inability to move forward a broad Doha agenda represents a substantial lost opportunity to achieve broad tariff and non-tariff barrier elimination. In the wake of the current Doha impasse and continued global economic headwinds, there is also growing concern that some major countries around the world are turning away from trade liberalization in favor of more closed economic models. Achieving a liberalizing and high-standard TPP that tackles barriers and creates economic opportunities in light of these developments takes on renewed significance and urgency.

Proliferation of Regional Trade Agreements

As of January 2013, the WTO has received 546 notifications of regional trade agreements (RTAs), of which 354 were in force. Some are small bilateral arrangements; others are more significant, covering regions and multiple countries. The United States currently only has such bilateral and plurilateral RTAs with 20 countries, although those 20 received nearly half of the United States’ manufactured exports in 2012. The United States is outside most of the world’s RTAs and generally therefore faces higher tariffs and higher barriers than countries which have concluded such RTAs. Thus, while it is greatly concerning to manufacturers, it is not surprising that the United States ranks 128 out of 132 countries in terms of tariffs faced – meaning U.S. exporters face more tariffs than virtually any other country.¹ For manufacturers in the United States, therefore, a more robust trade-agreement negotiation agenda is vital.

This proliferation of RTAs also has other implications, with the complexity and differences that each RTA creates in terms of tariffs, rules of origin, customs rules and the myriad of other issues in each agreement. With global supply and production chains also increasing, these complexities make navigating the patchwork of RTAs both more important, but also more difficult. While we do not seek or expect that the TPP can directly tackle these complexities, we urge negotiators to be mindful of these issues and work to minimize such intricacies where possible.

¹ World Economic Forum, **The Global Trade Enabling Report 2012**, accessed at http://www3.weforum.org/docs/GETR/2012/GlobalEnablingTrade_Report.pdf.

II. Principles to Govern the Addition of Countries

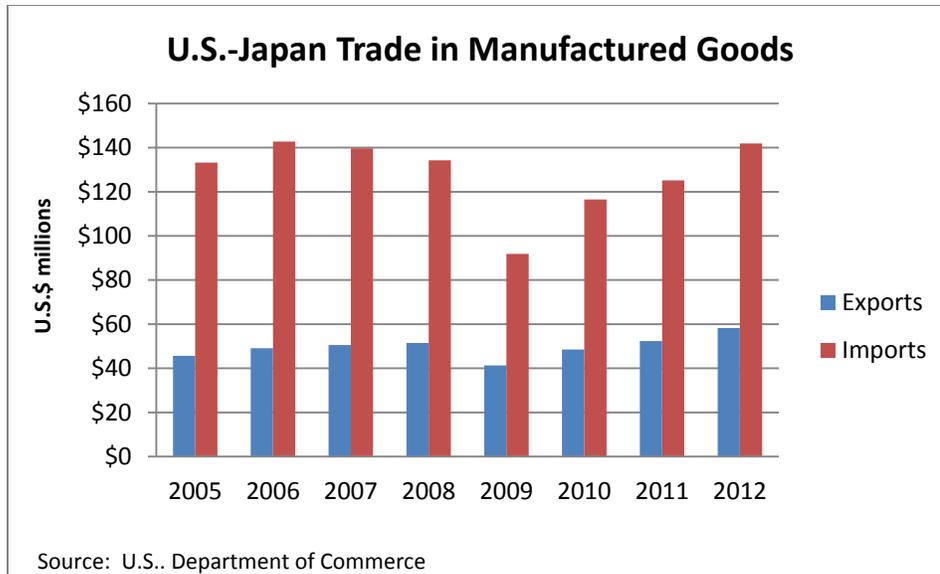
As discussed in its January 2012 comments on the potential addition of Canada, Japan and Mexico into the TPP negotiations, the NAM believes that in making its determination regarding bringing the new three into the talks, the U.S. Government should be guided by a number of key principles. The NAM believes:

1. Countries must commit to a comprehensive agreement with no *a priori* exclusions;
2. Countries must accept text agreed to already by the existing negotiating partners (“original nine”) and not reopen those texts, but they can participate in negotiations that are still open;
3. Negotiations must maintain at least the level of ambition as agreed by the original nine in terms of scope, legal obligations and market access;
4. Negotiations must not be delayed or paused to accommodate adding new participants;
5. The original nine should proceed to closure. If negotiations slow down due to the negotiations with new participants, negotiations with the new three should then be concluded later;
6. Negotiations with new participants should proceed on their own tracks and pace; the new participants should not be considered as a bloc for which negotiations must all proceed and conclude at the same time;
7. Countries must be willing to put all trade and investment barriers on the table, especially non-tariff barriers and trade-distorting practices and issues of specific concern to the United States; and,
8. Negotiations should conclude in 2013 if possible but substance must determine the timing.

III. Key Issues in the TPP Framework

The United States and Japan have a substantial trade and investment relationship, with over \$200 billion in two-way trade in manufactured goods and accumulated cross-border investment in manufacturing of more than \$100 billion.

In 2012, the United States exported \$58 billion in manufactured goods to Japan, while importing nearly \$142 billion in Japanese manufactured goods, resulting in a nearly \$84 billion trade deficit in manufactured goods last year. Japan is the United States’ fourth largest export market for manufactured goods and the fourth largest source of U.S. manufactured goods exports. The U.S. manufactured goods trade deficit with Japan is second only to its manufactured goods trade deficit with China.



At the same time, Japanese companies invest more than three and a half times in manufacturing in the United States than U.S. companies invest in Japan. The accumulated value of U.S. foreign direct investment in Japan totalled \$116.5 billion in 2011, of which \$23.3 billion is in manufacturing.² The accumulated value of Japanese foreign direct investment into the United States was more than double U.S. investment in Japan with \$289.5 billion in investments in the United States in 2011 of which \$82.7 billion was in manufacturing.³

The United States and Japan have developed a number of dialogues, initiatives and agreements to strengthen the commercial relationship and address specific sectoral issues. The U.S.-Japan Economic Harmonization Initiative, launched in November 2010, provides a bilateral forum to promote economic growth in both countries, including through activities to facilitate trade and address business climate and sectoral issues.

Through the TPP and the bilateral dialogues that the United States and Japan have agreed to pursue in tandem with the TPP talks, the United States has a unique opportunity to move beyond dialogues and address concretely many of the longstanding and substantial challenges in the U.S.-Japan commercial relationship. To achieve a successful TPP with Japan, the United States must work ambitiously, steadfastly and comprehensively to address effectively the key issues identified below, as well as sector-specific issues that are beyond the scope of this submission. Ultimately, the NAM will evaluate the final agreement based on its results in eliminating barriers and opening markets and leveling the playing field so that manufacturers in the United States are more globally competitive in Japan and the growing Asia-Pacific market.

Tariffs, Non-Tariff Barriers and Market Access

While the NAM urges negotiators to pursue an ambitious and comprehensive TPP that goes beyond tariff elimination, negotiators should seek to eliminate all tariffs immediately upon implementation. Manufacturers in the United States face relatively low tariffs in Japan, which

² Bureau of Economic Analysis, **U.S. Direct Investment Position Abroad on a Historical-Cost Basis: Country Detail by Industry, 2011**, accessed at <http://www.bea.gov/international/di1usdbal.htm>.

³ Bureau of Economic Analysis, **Foreign Direct Investment Position in the United States on a Historical-Cost Basis, 2011**, accessed at <http://www.bea.gov/international/di1fdibal.htm>.

maintains an average 2.6 percent tariff for non-agricultural goods.⁴ While Japan's primary border measure is the application of tariffs, the NAM also expects that tariff elimination in the TPP will be accompanied by the elimination of import-related fees or other charges that act like tariffs.

Negotiators must also develop simple, flexible and efficient rules of origin that reflect business practices and enhance manufacturers' access and ability to reap the benefits of tariff elimination. Flexible methodologies in determining rules of origin allow a manufacturer to assess which approaches work best for its systems, procedures and sourcing patterns.

Even more important are the structural and non-tariff barriers that face manufacturers seeking to export, invest and sell in the Japanese market. Many such barriers relate to government transparency, competition rules and the predictability and regularity in the application of laws and regulations discussed below. Some barriers relate to services that are critical for manufacturers to enter the market or access customers. Many are sectoral in nature and beyond the scope of these comments, but important to address as these negotiations move forward. Effectively addressing the full range of market access issues as part of Japan's participation in the TPP is a top priority for manufacturers in the United States.

Competition Policy

The NAM seeks strong provisions to promote fair competition in Japan. As part of ongoing efforts to negotiate a competition policy chapter in the TPP, negotiators should seek the inclusion of competition policy principles that ensure fair, transparent and non-discriminatory systems and procedures with robust due-process provisions, including opportunities for a hearing, to review and rebut evidence, to cross-examine witnesses and for judicial review and fair procedures for enforcement action.

The United States is also seeking strong and enforceable provisions to ensure fair competition with state-owned enterprises (SOEs), including that SOEs act in accordance with commercial considerations and not enjoy unfair advantages. U.S. negotiators should actively seek all TPP partners' support for such disciplines.

In addition, U.S. negotiators should pursue disciplines that eliminate single-source government procurement contracts, where possible.

In recent years, Japan has taken important steps to strengthen protection of fair competition and improve enforcement, including through amendments to its Anti-Monopoly Act (AMA). Japan plays a vital role in global antitrust institutions, such as the International Competition Network, and cooperates with the United States and other competition policy authorities on policy formation and rulemaking. However, the way Japan's Fair Trade Commission makes determinations under the AMA has raised serious fairness and due process questions. Further work is also needed to fully level the playing field and to promote transparency and prevent conflicts of interest in government procurement.

⁴ World Trade Organization, **World Tariff Profiles 2012**, accessed at http://www.wto.org/english/res_e/publications_e/world_tariff_profiles12_e.htm

Regulatory Practices and Transparency

Differences in policies, standards, technical regulations, conformity assessment procedures and other administrative measures, as well as lack of transparency in the development and administration of those measures, can impose significant barriers to manufacturers in the United States. Japan has made progress in reforming its regulatory environment to promote greater internal and external coherence. However, Japanese industrial standards generally are not aligned with global norms and cost-benefit analyses are rarely used when formulating, revising or abolishing measures. Interested stakeholders are not uniformly offered opportunities to participate in groups that advise on policies and other measures.

In addition, the implementation of Japan's Public Comment Procedure (PCP) by ministries and agencies remains problematic. Stakeholders do not always have a meaningful opportunity to comment on policies, regulations, standards, procedures and other measures as they are developed. Public comment periods can be unnecessarily short and final policies and rules are sometimes issued so quickly after the end of a comment period that any views provided cannot be adequately considered. "Voluntary" guidelines are used to avoid compliance with notice and comment procedures, even when compliance with those guidelines effectively is mandatory.

Given these concerns, the NAM urges U.S. negotiators to address regulatory issues in a stronger and fully enforceable way in the TPP negotiations, particularly with Japan, and seek to create a TPP that will create transparent, effective, enforceable and mutually coherent regulatory systems that are both risk- and science-based, adhere to international best practices, assure high levels of collaboration among governments and their stakeholders, and ultimately incentivize and stimulate – not stifle – innovation. TPP negotiators should pursue provisions that require national treatment regarding standards, technical regulations and conformity assessment procedures and transparent processes that allow reasonable opportunities for public input and access by stakeholders. Where possible, they should work to address differences in existing regulations and limit differences in new regulations, including by promoting harmonization and mutual recognition.

The NAM also urges that the TPP include a fully enforceable chapter on sanitary and phytosanitary (SPS) issues. SPS provisions should not only be fully enforceable, effective and science-based, but should also aim to go beyond the standards set by the WTO SPS Agreement. Ultimately, TPP partners should strive for regulatory coherence of SPS and other regulations among all TPP countries.

TPP negotiators should also pursue strong transparency provisions, including those requiring government ministries and agencies to provide timely and meaningful public access to information and notifications regarding policies and other administrative measures in written and electronic form, as well as provisions requiring consideration of public comments. They should seek commitments from Japan to implement fully and further improve its PCP, such as by doubling the current public comment period for rulemaking to 60 days. Japan's ministries and agencies should be required to make public their regulations and policy statements relevant to their interpretation.

Intellectual Property Rights

Strong and enforceable intellectual property (IP) rights, building off of the high standards in the U.S.-Korea Free Trade Agreement and consistent with U.S. law, are a key objective of

U.S. manufacturers with respect to the TPP agreement. Strong IP rights and enforcement provisions are critical for all types of intellectual property and are vital to ensure that the final TPP agreement benefits manufacturers and promotes innovation in all sectors of the U.S. economy.

Given Japan's recognition of the importance of strong IP rights, U.S. negotiators should work with Japan to seek the strongest possible protection and enforcement outcomes in the TPP with respect to all forms of IP rights, including trademarks, copyrights, patents, data exclusivity and trade secrets. Of particular importance with respect to Japan is ensuring effective civil and criminal enforcement and a reduction of piracy rates.

Investment

The NAM sees great value in the inclusion of a high-standard investment chapter in the final TPP that includes all the core protections for investors abroad that are found in U.S. investment instruments, market-opening provisions and state-of-the art enforcement provisions, including investor-state dispute settlement provisions. Both inward and outward investment helps grow jobs, innovation, productivity and new markets. For the United States, Foreign Direct Investment (FDI) overseas is a highly effective export promotion tool, with about 50 percent of U.S. exports going to the foreign subsidiaries overseas for sale in foreign markets. Enhancing and improving investment flows between the United States and Japan and more broadly with the TPP will be an important and concrete commercial benefit for manufacturers in the United States.

Japan has adopted numerous binding investment instruments, including 15 Bilateral Investment Treaties (BITs) that are in force and broader trade agreements that include investment provisions, including with Singapore, Mexico, Malaysia, Chile and Brunei.

The WTO has noted that "Japan's inward FDI remains substantially lower than outward FDI, and low compared with other developed economies."⁵ In its 2012 FDI Restrictiveness Index for 2012, the Organization for Economic Cooperation and Development (OECD) shows Japan's investment environment as more restrictive than any other OECD country.⁶ The WTO notes that Japan's trading partners have indicated that Japan's low foreign investment levels "may be attributed, *inter alia*, to impediments to mergers and acquisitions, insufficient regulatory reform and financial transparency and flexibility," among other issues.⁷

Therefore, the NAM strongly urges U.S. negotiators to achieve high-standard and comprehensive investment provisions with Japan, as with the other TPP countries. In terms of the market access provisions of the investment chapter, particularly national treatment and most-favored nation treatment, the NAM seeks the same full coverage for both pre- and post-establishment of operations, with only limited exceptions on a negative-list basis. This will enhance the market-driven nature of Japan's inward investment climate, eliminate impediments that have limited growth in FDI in Japan, and help promote the economic growth and other gains that FDI provides.

⁵ World Trade Organization, **Trade Policy Review: Japan** (March 2013), accessed at http://www.wto.org/english/tratop_e/tpr_e/s276_sum_e.pdf.

⁶ OECD, **2012 FDI Regulatory Restrictiveness Index by Country**, accessed at <http://www.oecd.org/investment/fdiindex.htm>.

⁷ World Trade Organization, **Trade Policy Review: Japan** (March 2013), accessed at http://www.wto.org/english/tratop_e/tpr_e/s276_sum_e.pdf.

In terms of protections, the NAM seeks the inclusion of high-standard protections in all the core areas covered by U.S. investment instruments, which have also been included in many Japanese BITs. In particular, the NAM seeks the strongest possible protections for investment agreements (between a foreign investor and a host state government), the minimum standard of treatment (including fair and equitable treatment and full protection and security), compensation for both direct and indirect expropriations, restrictions on performance requirements, provisions enhancing choice of senior management, transparency and publication of investment laws and regulations, and the free transfer of capital. Regarding performance requirements, the NAM supports the provisions added in the 2012 Model BIT that restrict the ability of governments to condition investment on requirements to use or purchase local technology or to transfer technology.

Each of these core protections, including breaches of investment agreements, as well as the market-access provisions of the investment chapter should be subject to both investor-state and state-to-state dispute settlement. Unlike traditional exports of product across borders, investment requires the investor-state enforcement provisions to ensure that property and investment abroad can be assured of a neutral and fair hearing in the case of government action that harms such investment. Without the investor-state provisions in particular, the provisions of the investment chapter would be effectively unenforceable. Therefore, the NAM places a high priority on the application of investor-state provisions to all TPP countries. Failure to achieve such an outcome would nullify any benefits that the TPP investment chapter could provide for manufacturers in the United States.

E-Commerce and Cross-Border Data Flows

The rapid growth in the development and use of information and communications technologies (ICT) has been a key driver of economic growth, job creation, productivity, and competitiveness for industries across all sectors of the global economy, particularly manufacturing. As a result, manufacturers are increasingly using digital platforms to reach new customers and to produce more efficiently around the world. Manufacturers rely heavily on digital data and information flows, global communication networks and cross-border flows of data and information to manage their businesses, from tracking sales, sourcing and pricing options, and imports and exports, to managing human relations and customers.

Countries around the world are increasingly employing a host of measures to exclude or discriminate against foreign information flows and technology and some governments have blocked access to information services that are critical for data flows. Some governments have also sought to require investors to use local ICT infrastructure systems, which not only discriminate against foreign ICT equipment, but also the ability of companies to locate data in a central location.

The NAM, therefore, strongly supports the inclusion of provisions in the TPP that will promote fair market access for emerging technologies, transparent regulatory frameworks that promote open competition among carriers, and cross-border data flows while ensuring intellectual property rights, and prohibit requirements to use local infrastructure.

In January 2012, the United States and Japan concluded a common set of trade principles for digital trade and ICT services⁸ that emphasized many of the same principles that the NAM is seeking to be included in the TPP agreement, from promoting transparency and cross-border data flows to prohibiting localization requirements to use local information infrastructure to do business. We urge the United States to continue working with Japan to build upon these principles in the TPP negotiations to ensure strong outcomes in these critical areas for globally engaged manufacturers.

Customs and Trade Facilitation

The final TPP agreement should result in efficient, predictable and transparent movement of goods throughout the TPP countries. Chokepoints at the border – such as excessive customs mandates, redundant security programs, inadequate infrastructure, and burdensome regulations – reduce the critical predictability of the global supply chain. In fact, these chokepoints have the same detrimental impact on trade as tariffs.

One important advancement that should be made in the TPP that is relevant for Japan and other TPP countries is raising the *de minimis* threshold at which low-value shipments can cross borders free from tariffs. We urge TPP parties to establish a baseline *de minimis* threshold of at least \$800, covering both duties and all taxes that would be applicable regardless of country of origin.

Greater transparency in Japan's customs system, particularly for advanced rulings is also important, as is working to improve the customs clearance times and streamlining processes.

One important tool that the United States and Japan are already using is the mutual recognition of certain border security processes and regulations for certain importers. In the United States, the Customs-Trade Partnership Against Terrorism (C-TPAT) is a voluntary program to build cooperative relationships between the government and industry, and it has proven effective in bolstering supply chain security and strengthening U.S. border controls. More than 10,000 companies currently participate in the C-TPAT program. The Authorized Economic Operators (AEO) program is a foreign partnership program that is used as a risk-assessment tool to decrease redundancy and duplication efforts. The NAM believes that harmonizing C-TPAT with TPP parties' cargo security programs would be a great step toward further enhancement of trade facilitation, and we encourage USTR to consider establishing a Mutual Recognition Agreement on AEO-CTPAT in the TPP text. Such an agreement would preclude the need for the United States to separately negotiate Mutual Recognition Agreements with each of our trading partners in the TPP. The United States signed a mutual recognition agreement with Japan in June 2009, benefiting U.S. C-TPAT participants as well as the nearly 500 Japanese companies certified as AEO by Japan's Customs and Tariff Bureau. In addition to Japan, the United States currently has mutual recognition agreements for supply chain security programs with TPP negotiating participants Canada and New Zealand. These agreements lower costs, increase efficiency, and improve security throughout the global supply chain. Incorporating a similar result in the TPP would have similarly important benefits for manufacturers throughout the U.S. economy.

⁸United States-Japan Trade Principles for Information and Communication Technology Services (Jan. 27, 2012), accessed at <http://www.mac.doc.gov/japan-korea/EHI/2012-01-27%20EHI%20ICT%20Services.pdf>.

Overall, the NAM urges negotiators to achieve ambitious commitments on customs, trade facilitation and supply chain issues as there is much more to be done to eliminate unnecessary roadblocks at the border. Limiting cross-border friction will boost the global competitiveness of businesses in participating countries while reducing costs for highly-integrated global supply chains.

Conclusion

The NAM supports Japan's participation in the TPP negotiations as a means of achieving long-sought trade liberalization and market access. To be sure, on many issues the United States and Japan will be leaders for the same high-standards commitments U.S. manufacturers seek. In other areas, significant work remains to ensure manufacturers in the United States gain a level playing field and concrete access in the Japanese market. The NAM is committed to working with the Administration to ensure that these negotiations yield the most robust outcomes which will strengthen commercial opportunities for manufacturers, encourage economic growth, and create jobs throughout the United States.

Of course, as would any company or association, the NAM will reserve its judgment as to its support for a final agreement with the existing TPP countries and the addition of Japan until we see the final balance of commitments. With many challenges facing the U.S. economy, the TPP negotiations must achieve concrete results that create jobs and economic growth.

Thank you for the opportunity to provide the NAM's views.