

November 21, 2013

Ambassador Michael Froman
United States Trade Representative
600 17th Street N.W.
Washington, DC 20506

Dear Ambassador Froman:

The undersigned organizations, representing the interests of millions of businesses, urge you to push forward with a Trans-Pacific Partnership (TPP) Agreement that includes a commercially meaningful de minimis level. These negotiations present a unique opportunity to address global supply chain and trade facilitation issues for companies involved in international trade and manufacturing. A successful agreement should ensure an aggressive commitment to reforms that will foster greater trade flows, such as border facilitation and customs modernization.

Our companies are engaged in a global sourcing and trading regime that relies on the rapid delivery of low-value intermediate goods and other materials as a key component of their businesses. Securing a strong de minimis provision in TPP is therefore a top priority, and we emphasize the importance of negotiating the highest possible value under which goods would be exempt from both duties and taxes and cleared on an expedited, consolidated basis. This level should at minimum be \$200 USD, thereby meeting the US-Korea FTA threshold level.

Fully fifty-six percent of all international trade is in intermediate goods. Companies across the TPP region have a shared stake in eliminating unnecessary costs and enhancing their supply chain performance. Small and medium-sized enterprises particularly stand to benefit from de minimis reform. The growth in e-commerce has provided new ways for these smaller firms to integrate into global supply chains; however, they often do not have the resources or capabilities to deal with complex border barriers and unnecessary costs.

The de minimis provision has broad application across industries and TPP economies. Studies show that streamlining border processing, including through de minimis reform, can actually be a greater catalyst to trade than reducing tariffs. At a time when all governments are working to restore economic vitality and enhance the competitiveness of domestic manufacturers and other businesses, we collectively view a high-standard de minimis provision in TPP as a major deliverable for the U.S. economy and U.S. companies.

We commend USTR for its efforts in pushing for a high standard, comprehensive, and commercially meaningful TPP. We urge you to push for a commercially meaningful de minimis level as you prepare to complete negotiations by the end of 2013.

Sincerely,



U.S. Chamber of Commerce



US-ASEAN
BUSINESS COUNCIL, INC.
US-ASEAN Business Council



**United States Council for
International Business**



Coalition of Service Industries



National Association of Manufacturers



**Emergency Committee for
American Trade**



eBay, Inc.



National Foreign Trade Council



TechAmerica



**Conference of
Asia Pacific Express Carriers**

Conf. of Asia Pacific Express Carriers



**Latin American Association of
Express Delivery Companies**

CONSEIL DES AFFAIRES CANADO-AMÉRICAINES



CANADIAN AMERICAN BUSINESS COUNCIL

**Canadian American Business
Council**



Express Association of America

The Etsy logo consists of the word "Etsy" in a white, serif font, centered within a solid orange rectangular background.

Etsy

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Council of the Americas

cc: Wendy Cutler
Barbara Weisel