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## **TRANS PACIFIC PARTNERSHIP (TPP) NEGOTIATIONS**

### **Issue:**

The major issue in trade for the Asia-Pacific region is the progress of the Trans Pacific Partnership negotiations. The aim of the negotiations is to reach a comprehensive, high-standard agreement that will improve the conditions of trade in the region and boost economic activity in all participating countries. The inclusion of Japan to these negotiations enhances the significance of the TPP, makes the agreement much more encompassing of U.S. goals in general and for agricultural trade specifically, and generates greater interest and support for the TPP overall.

### **Background:**

The TPP participating countries currently include Australia, Brunei, Canada, Chile, Malaysia, Mexico, New Zealand, Peru, Singapore, Vietnam, Japan, and the United States. Australia, Canada, Chile, Mexico, Peru and Singapore already have Free Trade Agreements (FTA's) with the U.S. For these countries U.S. agricultural exports already have mostly tariff-free access, with the exception of dairy and poultry products going into Canada. The others, including Japan, represent the opportunity to gain new access by eliminating tariffs and by reducing non-tariff barriers with all the countries in the TPP.

Japan is our fourth-largest agricultural export destination, with \$12.7 billion in sales in 2014. While Japan is a top market for U.S. agricultural exports of wheat, corn, soybeans, beef and pork it also has many restrictive policies in place against U.S. agricultural imports. Further export growth is inhibited by substantial tariffs on beef, pork, dairy, horticulture, rice and other products, along with various sanitary and phytosanitary barriers.

The Asia-Pacific region holds great promise for U.S. agriculture and its role as the food supplier for Americans and the world. Strong leadership by the U.S. in the current TPP negotiations and in continuing trade engagement with the nations in the region will yield positive results for American agriculture's most dynamic international marketplace.

### **Status:**

On October 5th, 2015, the participating TPP countries announced an overall agreement. The President released the text of the agreement on November 5th, 2015. Congress now has 90 days to review the document. We expect Congress to take up the TPP agreement sometime next year.

### **AFBF Policy:**

Farm Bureau policy for trade negotiations includes as objectives:

1. Include all agricultural products and policies in the negotiations
2. Elimination of non-tariff trade barriers
3. Ensure market access for biotechnology products
4. Address issues concerning import sensitive products
5. Opposition to the use of geographic indicators



Farm Bureau is supporting added enforcement mechanisms for new SPS regulations in the TPP and the restriction of 'safe harbor' provisions that would allow nations to maintain trade distorting barriers to specific agricultural imports.