

THE PRESIDENT'S EXPORT COUNCIL
WASHINGTON, D.C. 20230

September 14, 2016

President of the United States of America
The White House
Washington, DC 20500

Dear Mr. President,

We thank you for your Administration's sustained efforts and leadership to harness the essential benefits of international trade over the last seven and one half years, including implementation of three free trade agreements with Colombia, Panama, and South Korea, and extending to the negotiation of a significant expansion of the Information Technology Agreement (ITA). These achievements offer essential tools for ensuring the United States remains a respected economic powerhouse and the world's leader in an increasingly globalized and interconnected world. In order to further promote American economic security and prosperity, we urgently request that you support the expansion of America's global trade opportunities by continuing to work with Congress to secure approval of the Trans-Pacific Partnership (TPP) agreement before the end of 2016.

For over 50 years, the health of our economy has grown increasingly dependent upon exporting goods and services, activities that now account for over 13 percent of U.S. gross domestic product (GDP) and support about 1 in 12 jobs in the United States. During this period, the American economy has repeatedly adjusted to meet the challenges and reap the benefits of global competition; that adjustment process must and should be continuous, and it calls for multiple policy responses including practical support for worker education, training and career mobility, as well as effective facilitation of American entrepreneurship and innovation.

The private sector members of the PEC believe that the single most important step the United States Government can take to promote increased U.S. exports and the continued recovery and growth of the U.S. economy is to secure passage of TPP this year. Although our economy is large, the future success and prosperity of American farmers, ranchers, manufacturers and service providers will rely to even greater extent upon increased access to growing foreign markets. In turn, that market access will depend more and more upon our ability to shape the rules of international trade and investment in a comprehensive manner that matches American expectations of transparency, fairness, and the rule of law. Implementation of TPP will help ensure that the United States, along with our strongest allies, set the rules for international commerce for the foreseeable future.

Specifically, not only will TPP eliminate more than 18,000 tariffs that currently impede U.S. exports to the Asia Pacific; it will establish a more cohesive framework for trade and investment across a region that accounts for about 40 percent of the world's population and nearly 60 percent of global GDP.

For example, TPP enhances the protection of intellectual property and for the first time establishes a more secure framework for digital commerce by prohibiting digital protectionism and protecting electronic data flows across borders. This important framework will promote additional growth in the digital economy, creating new opportunities for American exporters of both goods and services.

TPP also strengthens key labor and environmental protections, and facilitates market access for U.S. exports of energy efficient and sustainable products to encourage better environmental practices in developing countries. TPP further tackles significant non-tariff barriers, including regulatory and standards issues that pose market access challenges for American firms – particularly small- and medium-sized enterprises (SMEs).

At the same time, TPP represents an important symbol of American commitment and leadership in the Asia Pacific, promoting geopolitical stability and offering positive direction for international relations. Considering our histories, it is inspiring to note that we are on the verge of establishing open trading relationships with Vietnam and Japan and integrating them in a broader commercial fabric that includes the nine other TPP nations. This is truly a historic opportunity, one that we cannot afford to let slip.

Apart from TPP, there is one other action that we emphatically recommend be taken this year. We consistently supported your efforts to work with Congress to reauthorize the charter of the Export-Import Bank of the United States, which you signed into law in December 2015. However, the Bank continues to function on a limited basis due to the absence of a voting quorum on its Board of Directors.

As a result, there are reportedly more than 30 transactions worth over \$20 billion to American exporters and their supply chains pending approval by the Bank's Board. It is vital that the Bank return to full function as soon as possible in order to provide effective support for American export competitiveness. We therefore urge your Administration to prioritize working with Senate leadership to secure confirmation of the pending nominees to the Bank's Board this year. Thank you for your consideration of each of our recommendations.¹

Sincerely,



Ursula Burns

¹ Please note that this letter was prepared by the private sector appointed members of the PEC.