



# USTR NEWS

## UNITED STATES TRADE REPRESENTATIVE

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### **Statement from U.S. Trade Representative Michael Froman on USITC Report on TPP**

Washington, D.C. –U.S. Trade Representative Michael Froman released the following statement today following the release of the U.S. International Trade Commission ([ITC](#)) report on the Trans-Pacific Partnership. The ITC found that U.S. exports will increase by \$57.2 billion annually by 2032 if TPP is passed and that overall U.S. annual real income will increase annually by \$57.3 billion by 2032.

*“The ITC report provides another strong argument for why TPP should be passed this year. It is part of a growing body of evidence that shows that TPP will benefit our economy at home and allow the U.S. to help set the rules of the road for trade in the Asia Pacific.*”

*“The ITC report illustrates for the American people and members of Congress the benefits TPP will deliver in their own backyards. If you are a poultry farmer in Delaware this report shows that chicken exports will increase by \$174 million annually under TPP. If you are a rancher in Nebraska this report shows that beef exports will increase by \$876 million annually under TPP. And if you build cars in the Midwest, this report shows that auto exports will rise \$1.95 billion annually. With today’s study as another important data point, our work with Congressional leaders on TPP implementation and enforcement will continue and accelerate in the days and weeks ahead.*”

*“Though the ITC took a more narrow approach in their projections, excluding virtually all service exports for example, they found that U.S. exports to TPP countries will increase by \$57.2 billion annually by 2032 if TPP is passed and that overall U.S. real income will increase by \$57.3 billion annually by 2032. And when the full impact of TPP’s intellectual property rights protections, services sector benefits, disciplines on state owned enterprises, reduction of non-tariff barriers, and many provisions on digital trade are included, other studies, including from the [non-partisan Peterson Institute](#), have found that the benefits are even higher.*”

*“While the ITC report underscores the economic benefits of TPP, the perils of not acting may be even greater. Earlier this year, the [Peterson Institute](#) projected that delaying the passage of TPP for just one year would cost the U.S. economy \$94 billion.*”

*“What cannot be quantified in this study or any other is the cost to American leadership if we fail to pass TPP and allow China to carve up the Asia-Pacific through their own trade agreement. If we allow China to beat us in defining the rules for trade it will undercut our workers and businesses and prevent us from taking badly needed steps to improve worker rights, bolster intellectual property protections, and protect the environment through TPP.”*

## **WHAT PREVIOUS STUDIES HAVE FOUND**

### **Peterson Institute – Petri/Plummer Economic Impact Study**

According to the Petri/Plummer projections, approving and implementing TPP will result in additional U.S. real national income of \$131 billion annually by 2030 and will grow U.S. exports each year by \$357 billion by 2030. Peterson also found that income growth will result in higher wages for American workers. Importantly, the Peterson/Petri projection found that if TPP is delayed by even one year, the U.S. will see an estimated one-time national loss of \$94 billion.

<https://piie.com/publications/wp/wp16-2.pdf>

### **Peterson Institute for International Economics Chapter by Chapter Summaries:**

In addition to the Petri/Plummer modeling estimates, the Peterson Institute commissioned a full review of all of the agreement's substantive and procedural points, ranging from its implications for labor and environment to electronic commerce, dispute settlement, SPS, and intellectual property rights.

The analysis is available at: PIIE Briefing 16-1 - *Assessing the Trans-Pacific Partnership, Volume 1: Market Access and Sectoral Issues*: <https://piie.com/publications/piie-briefings/assessing-trans-pacific-partnership-volume-1-market-access-and-sectoral>

PIIE Briefing 16-4 – *Assessing the Trans-Pacific Partnership, Volume 2: Innovations in trading Rules*: <https://piie.com/publications/piie-briefings/assessing-trans-pacific-partnership-volume-2-innovations-trading-rules>

**Farm Bureau Federation** – The Farm Bureau Federation, America's largest agricultural producer association, conducted a quantitative assessment of the TPP's results for 10 major commodities and product groups, accompanied by a qualitative assessment of outcomes for processed food and food manufacturing. This study found a likely \$8.5 billion in total additional farm receipts from the implementation of TPP (\$5.8 billion for livestock, \$2.7 billion for crops), and \$4.4 billion in additional net farm income.

[http://www.fb.org/newsroom/news\\_article/400/](http://www.fb.org/newsroom/news_article/400/)

### **FOR ADDITIONAL REPORTS ON THE IMPACT OF TPP ON SPECIFIC SECTORS VISIT:**

<https://ustr.gov/about/TPP/Previous-Findings-Economic-Impact-TPP>