Hawaii Depends on World Markets

- Hawaii’s goods exports in 2009 totaled $562 million.
- Of Hawaii’s total exports, $422 million, or 75 percent, went to markets in the Asia-Pacific region.
- The top three product categories to TPP member economies exported in 2009 were transportation equipment, computers and electronics equipment, and petroleum and coal products.

Goods exports support jobs for Hawaii workers

- Jobs supported by Hawaii’s goods exports are estimated to be 7,000.
- Hawaii’s manufacturing exports accounted for 9.6 percent of its manufacturing output.
- 5 percent of all manufacturing workers in Hawaii depend on exports for their jobs.

Goods exports sustain hundreds of Hawaii Businesses

- A total of 666 companies exported goods from Hawaii locations in 2007. Of those, 582 (87 percent) were small and medium-sized enterprises (SMEs), with fewer than 500 employees.

Hawaii SMEs will benefit from TPP FTA Provisions

Trans-Pacific Partnership & Asia Pacific Economic Cooperation

In May 2011, the APEC Ministers meeting on the Margins of APEC was held in Big Sky, Montana. At this event, Trans-Pacific Partnership ministers met with APEC ministers to discuss the progress of TPP after six rounds of negotiations and to complete the construction of a regional trade agreement.

"Many APEC economies continue to express interest in joining the negotiations and the TPP ministers agreed to continue to work bilaterally with interested countries and to consider the membership of any APEC members if and when they are ready to meet the high standards of the agreement."

(Joint Statements from TPP Ministers Meeting on Margins of APEC in Big Sky, Montana- May, 2011)

Courtesy of Press Release by USTR

U.S. Objective and Interest

The Trans-Pacific Partnership is one of the main economic architectures that allow the U.S. involvement and U.S. policy response to the rapidly growing economic linkage among Asian states. There are two main goals of U.S. in engaging in the Trans-Pacific Partnership.

First, create more compatible trade regulatory systems in the Asia-Pacific region by shaping the regional economic architecture to the comprehensive standards of the TPP and of U.S. FTAs. Second, enhance diplomatic partnership by demonstrating strong U.S. commitment in the region.

In November 2009, the United States' intentions to participate in the Trans-Pacific Partnership was announced by President Obama.

"Through TPP, we are seeking to support the creation and retention of high-quality jobs by increasing American exports to a region that includes world's most robust economies and that represents more than 40 percent of global trade."

U.S. Trade with Current TPP Partners

The U.S. involvement in the Trans-Pacific Partnership comprises the negotiation of FTAs with Brunei, Vietnam, Malaysia and New Zealand. The U.S. currently holds FTAs with Chile, Singapore, Australia and Peru.

As a group, Trans-Pacific Partnership members are the U.S.'s 3rd largest importers of U.S. goods and 4th largest importers of U.S. services.

APEC trade ministers pose for a family photo at the Asia-Pacific Economic Cooperation meetings in Big Sky, Montana May 19, 2011.
Important Areas of TPP Negotiation

There are some important areas of TPP negotiations that the United States have been highlighting to promote the expansion of trade: (1) Regulatory Coherence, (2) Competitiveness and Connectivity, (3) Small Medium-sized Enterprises (SME).

(1) Regulatory Coherence:
To eliminate non-tariff barriers to make regulatory system more compatible and transparent. The goal is not to interfere with the right of the government but to expand internal regulatory coherence within each country.

(2) Competitiveness and Connectivity:
To deal with issues such as supply chain management, trade facilitation and border procedures.

According to the World Bank’s “Doing Business” survey of 2010, which measures the number of procedures, time and overall transaction cost in trade, Singapore was the best nation for doing business followed by the United States.

(3) Small Medium-sized Enterprises (SME):
To recognize that SMEs form the majority of business and job creation in national economy. The goal is to find ways for SMEs to fully participate in trade.

For more information on the Trans-Pacific Partnership please see the APEC Panel of Experts by Dr. Peter Petri and Dr. Michael Plummer.

http://uhero.hawaii.edu/assets/APEC/panel/Plummer.pdf