

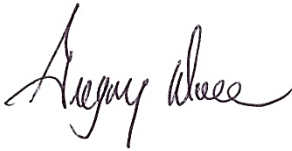
December 3, 2015

The Honorable Michael B.G. Froman
United States Trade Representative
600 17th Street, NW
Washington, DC 20508

Dear Ambassador Froman:

In accordance with section 5(b)(4) of the Bipartisan Trade Priorities and Accountability Act of 2015, and section 135(e) of the Trade Act of 1974, as amended, I am pleased to transmit the report of the Industry Trade Advisory Committee on Aerospace Equipment on the Trans-Pacific Partnership Trade Agreement, reflecting majority and minority advisory opinions on the proposed Agreement.

Sincerely,

A handwritten signature in cursive script, appearing to read "Gregory Dole".

Gregory Dole
Chairman, ITAC 1

The Trans-Pacific Partnership Trade Agreement

Report of the
Industry Trade Advisory Committee on Aerospace Equipment
December 3, 2015

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Industry Trade Advisory Committee on Aerospace Equipment (ITAC 1)

Advisory Committee Report to the President, the Congress and the United States Trade Representative on the Trans-Pacific Partnership Trade Agreement

I. Purpose of the Committee Report

In accordance with section 5(b) (4) of the Bipartisan Trade Priorities and Accountability Act of 2015, and section 135(e) (1) of the Trade Act of 1974, as amended, requires that advisory committees provide the President, the U.S. Trade Representative, and Congress with reports not later than 30 days after the President notifies Congress of his intent to enter into an agreement.

Under Section 135 (e) of the Trade Act of 1974, as amended, the report of the Advisory Committee for Trade Policy and Negotiations and each appropriate policy advisory committee must include an advisory opinion as to whether and to what extent the agreement promotes the economic interests of the United States and achieves the applicable overall and principle negotiating objectives set forth in the Trade Act.

The report of the appropriate sectoral or functional committee must also include an advisory opinion as to whether the agreement provides for equity and reciprocity within the sectoral or functional area.

Pursuant to these requirements, the Industry Trade Advisory Committee on Aerospace Equipment (ITAC 1) hereby submits the following report.

II. Executive Summary of Committee Report

Based on a review of the Trans-Pacific Partnership Trade Agreement (TPP) by the 22 members of ITAC 1, a significant majority of its members believes that the TPP will help expand existing trade between the United States and the six current free trade agreement partners (Australia, Canada, Chile, Mexico, Peru and Singapore) as well as open up new markets for the United States with the five Asia-Pacific countries that are not current free trade agreement partners (Brunei, Japan, Malaysia, New Zealand, and Vietnam). Moreover, this same majority takes the position that TPP represents a comprehensive agreement that sets high-standard trade rules, and address 21st century issues in the global economy. (Defense trade, however, is largely exempt under the “essential security” exception.)

As the largest economy in the world, trade is increasingly more critical to the economic growth and strength of the United States and to its leadership in the world. With the continued development of an inter-connected global economy, this same majority of members believe that more stable relationships will result from trade, thus promoting security, and jobs and prosperity around the world.

Today, nearly 40 million American jobs—more than one in five—depend on trade. Moreover, jobs tied to trade also pay U.S. workers 15-20% more on average than jobs not tied to trade. As the industrial sector that contributes most to a positive balance of U.S. trade—aerospace—we believe that it is vital to the future of the majority of the members comprising ITAC 1 and our highly-skilled employees, and tens of thousands of suppliers across the United States that the TPP be signed and implemented as soon as practicable. (See also the attached *Minority View* of one ITAC 1 member.)

Although the U.S. aerospace industry generally benefits from the low tariffs that were negotiated in the 1979 Agreement on Trade in Civil Aircraft and later made applicable to all WTO members, we applaud the Administration for reaching an agreement that will eliminate or reduce more than 18,000 tariff lines. In the case of industrial goods, most tariff elimination will occur when the agreement enters into force, some of which will directly benefit the U.S. aerospace industry. With U.S. exports in 2013 of nearly \$700 billion worth of goods to the other TPP nations—which represented 44% of all U.S. exports that year—the elimination of these tariff lines will increase U.S. exports and economic growth within the TPP countries. For instance, the Petersen Institute for International Economics forecasts TPP will add approximately \$300 billion to GDP and approximately \$450 billion in exports from the 12 countries in 2025. In addition, the IMF predicts the world economy to grow by more than \$20 trillion over next 5 years, with 50% of world economic growth in Asia.

For the U.S. aerospace industry, there is a *direct* correlation between greater global prosperity and demand for commercial air travel, business aviation and the movement of cargo by air. Historically, free trade agreements generate additional GDP growth for the participating countries. This growth has translated into the demand for more commercial and general aviation aircraft and related products and services. For instance, between 70-80% of The Boeing Company's \$426 billion backlog of commercial aircraft ordered—but not yet delivered—are destined for foreign airlines, many from countries exhibiting GDP growth. With a 20-year forecast of purchases in TPP countries of 11,640 commercial aircraft, valued at \$1.5 trillion, the TPP is expected to increase demand further through GDP growth in the region. As a result, the member companies of ITAC 1, and the U.S. aerospace industry, are expected to benefit substantially in terms of sales and job growth.

In the case of general aviation, it supports \$219 billion in total economic output and is responsible for approximately 1.1 million jobs directly and indirectly. In a recent 10-year forecast for general aviation, it is expected that there will be up to 9,200 new business jet delivered worldwide, worth \$270 billion. U.S.-based manufacturers will produce the largest share of these aircraft. And, in 2014, U.S. manufactured general aviation fixed-wing aircraft exports totaled 696 units, worth \$5.4 billion. This represented over 46% of total billings for the U.S. general aviation airplane manufacturers. The share of deliveries of new turboprop general aviation airplanes and business jets destined for the Asia-Pacific region overall has more than doubled in the period 2007-2014, reflecting the region's strong GDP growth.

Moreover, with some 17,000 companies in the other eleven TPP countries having investments in the U.S. valued at \$660 billion and employing 1.6 million Americans, the investment provisions are expected to further increase investments in the U.S. These important relationships will not only strengthen the specific partnerships, but also enhance security in the region. For U.S. aerospace companies, many have been longtime partners and industrial allies with the governments and

companies of many of the other 11 countries on both the commercial and military side of the industry. (As noted previously, defense trade is largely exempt under the “essential security” exception.) The importance and long-standing nature of these positive relationships cannot be overstated.

Due to the just-in-time nature of the aerospace production, repair, and spare parts businesses, border delays have the potential to increase inventory and depreciation costs, and have significant implications for production rates. In the case of U.S. aerospace manufacturers and their many suppliers, implementation of a substantial increase in production rates is underway. Unnecessary and overly burdensome foreign trade barriers are particularly counterproductive to stimulating international trade and the potential economic growth in this region. With broader trade liberalization in the region and a more efficient trading system, U.S. exporters’ ability to deliver U.S. products and components more quickly and less expensively among the TPP countries is expected to improve significantly. Accordingly, it was vitally important for the aerospace industry—and its cargo airline customers—for the TPP to have included customs facilitation provisions that reduce border processing times, improve transparency, utilize effective risk management tools, and eliminate unnecessary fees. These changes will help ensure that the playing field is level so that U.S. component manufacturers can provide even greater value to their foreign customers who are buying their premium-grade products.

The TPP also seeks to build upon some of the existing trade agreements the United States had entered into. In the case of Canada and Mexico, U.S. companies may use either NAFTA or the TPP, which provides the option to continue to use NAFTA when trading with Mexico and Canada, if it is determined that a related benefit in TPP is not greater than that which is provided under North American Free Trade Agreement (NAFTA).

Finally, a significant majority of ITAC 1 members commends the TPP partners for agreeing to adopt and maintain fundamental labor rights, including, among others: (1) mandating that countries adopt and maintain in their laws and practices the fundamental labor rights as recognized in the International Labor Organization 1998 Declaration on Rights at Work related to freedom of association and the right to collective bargaining; (2) the elimination of forced labor; and, (3) the abolition of child labor and a prohibition on the worst forms of child labor. That same majority also applauds language that calls for the enactment of laws governing minimum wages, hours of work, and occupational safety and health. (See *Minority View* for comments that differ from these views of the significant majority of the ITAC 1 membership.)

Consistent with the *Minority View* attached, the members of ITAC 1 fully expect and encourage the U.S. to utilize the provisions of the TPP to enforce vigilantly the labor commitments established in the agreement.

III. Brief Description of the Mandate of the Industry Trade Advisory Committee on Aerospace Equipment (ITAC 1)

The Industry Trade Advisory Committee on Aerospace Equipment (ITAC 1) currently consists of 22 members representing the U.S. aerospace industry. Its members are drawn from the major airframe,

engine, general aviation, electronics, equipment, space vehicle, and satellite manufacturers and one member who represents aerospace workers.

ITAC 1 advises the Secretary and the USTR concerning the trade matters referred to in Sections 101, 102, and 124 of the Trade Act of 1974, as amended; with respect to the operation of any trade agreement once entered into; and with respect to other matters arising in connection with the development, implementation, and administration of the trade policy of the United States including those matters referred to in Reorganization Plan Number 3 of 1979 and Executive Order 12188, and the priorities for actions there under.

ITAC 1 provides detailed policy and technical advice, information, and recommendations to the Secretary and the USTR regarding trade barriers and implementation of trade agreements negotiated under Sections 101 or 102 of the Trade Act of 1974, as amended, and Sections 1102 and 1103 of the 1988 Trade Act, which affect the products of its sector; and performs such other advisory functions relevant to U.S. trade policy as may be requested by the Secretary and the USTR or their designees.

In particular, ITAC 1 prepares Advisory Committee Reports as set forth in [STAT.1012] (e). This Report is required under section 135 (e) (1) of the Trade Act of 1974 regarding any trade agreement entered into under section 2103(a) or (b) of this Act shall be provided to the President, the Congress, and the USTR no later than 30 days after date on which the President notifies the Congress under section 2103 (a) (1) or 2105 (a) (1) (A) of the President's intention to enter into the agreement.

IV. Negotiating Objectives and Priorities of the Industry Trade Advisory Committee on Aerospace Equipment (ITAC 1)

As a general matter, ITAC 1 believes that the TPP reaffirms the principles and standards of the trading system under which the United States and a number of our other major trading partners operate. The commitment of all TPP member countries—and of others that may follow—to that system will strengthen the confidence of U.S. industry in a global system that will level the playing field in the countries in which U.S. companies have a meaningful presence.

Although ITAC 1 members reviewed the entire agreement, the focus of the review was on Chapters 3 (Rules of Origin), 5 (Customs), 14 (e-Commerce), 15 (Government Procurement), 18 (Intellectual Property), 24 (Small and Medium-Sized Enterprises), and 25 (Regulatory Coherence). Our specific comments for each chapter follow:

Chapter 3 – Rules of Origin and Origin Procedures

The Rules of Origin Chapter represents a positive development, since clarity—and standardization to the extent possible around country-of-origin rules—has been an issue industry has attempted to address for a number of years. Achieving a common understanding and adoption of similar processes regarding implementation of the rules within the TPP member countries will provide a pathway towards more universal approaches since TPP represents such a large percentage of global trade—40%.

Fortunately, many of the provisions in this chapter are consistent with language in U.S. regulations: 19 Code of Federal Regulations 102 – Rules of Origin. For example, similarities with U.S. regulations exist in subparagraphs (a), (b) and (c) in Article 3.2, Article 3.3. Article

3.5, Articles 3.11 – 3.19. This will make it easier for U.S. companies to more effectively utilize the agreement.

However, some language in existing U.S. compliance requirements may need to be modified: producers and exporters will now have the obligation to prove country of origin, keep records on how it was determined, and make those records available if requested by the Customs Administration of the TPP member country (Article 3.26); the U.S. exporter will have to ensure that a U.S. domestic supplier is able to produce a certificate of origin for exports to a TPP country (Articles 3.20-3.25). For some U.S. aerospace companies, obtaining certificates of origin from third party suppliers has been problematic. If this becomes a requirement in order to take advantage of duty free entry, compliance could be difficult given the time frame to clear the goods through U.S. Customs. We, therefore, recommend that the Administration monitor this issue and work closely with the Federal Advisory Committees to ensure implementation does not disrupt trade among the TPP countries and/or complicate customs procedures and practices elsewhere.

Chapter 5 - Customs Administration and Trade Facilitation

The Customs Administration and Trade Facilitation Chapter standardizes the Customs regimes subject to the TPP for both exporters and importers. As a general matter, Customs officials will require fewer documents and adopt electronic pre-arrival processing and clearance of shipments. Packages will move through TPP countries more quickly, with fewer customs holds and more reliable delivery to customers. And, for the first time in any trade agreement, the agreement includes a chapter focused on assisting small and med-sized businesses benefit from trade. That is, TPP addresses trade barriers that disproportionately challenge these businesses, including opaque customs regulations, complex trade paperwork, and slow delivery of small courier shipments.

To increase efficiency and enhance the capacity and performance of today's global supply chain, global harmonization of Customs regulations, processes and procedures is an absolute imperative. Other global developments in this area, such as the WTO's Trade Facilitation Agreement and APEC's efforts to assist its economies in need of improving their Customs administration, demonstrate the importance that trading partners around the world give to this aspect of international trade.

As U.S. companies expand their international presence and take on the role of Importer and Exporter of Record, the Customs issues faced in many jurisdictions are becoming increasingly challenging. Today, it is often difficult to understand each other country's Customs regimes. Having to comply with different requirements poses a constant challenge, as well as a growing threat of incurring a violation. The harmonization of the regimes should significantly help U.S. companies operate more efficiently within the other countries.

However, ITAC has a concern with this chapter: while flexibility in implementing the guideline may be important, the language here is not precise enough to determine what is in compliance and what is not. For example, the reference to a 48-hour requirement for the clearance of goods upon arrival is qualified by "if possible." Clearly, exceptions will always have to be taken into

consideration, but including that language in the Agreement itself weakens its purpose and intent. It is hoped that the regulations will be more precise in this regard, and that waivers will be provided, if necessary for unclear circumstances to promote adherence to specific measures.

In addition, U.S. industry is concerned that the confluence of multilateral efforts in the area of customs and trade facilitation could lead to divergent—or perhaps even conflicting—implementation measures which could result in unnecessary and burdensome compliance requirements, as well as in additional costs to the trade community. Therefore, ITAC 1 requests that the Administration work to ensure that implementation measures under the various multilateral regimes to which World Customs Organization (WCO) member countries are parties promote common solutions.

More specifically:

- Article 5.4, “Response to Requests for Advice or Information,” requires a Party to expeditiously provide advice or information relevant to the facts on a request. This can help develop a fast process, but the concern with respect to the language is that there is no clear standard for determining what “expeditiously” means;
- Article 5.6, “Automation,” which sets standards for electronic systems, access to data, and a single point of entry for electronically standardizing import and export requirements is particularly helpful;
- Article 5.7, which provides for expedited customs procedures for express shipments is a recognition of an environment in which more cargo is being moved via express carriers which will result in increased efficiencies for multinational companies, including all-cargo airlines;
- Article 5.9, “Risk Management,” is a key component of the import control system in the United States because it allows customs authorities, through the establishment of partnership programs, to focus its inspection activities on high-risk goods and thus simplify the clearance of low-risk goods. Implementation of similar programs within the TPP countries could help U.S. companies achieve good standing and preferential treatment with respect to security considerations; and,
- Article 5.11, which requires online publication of customs laws and regulations, to the extent possible in English, will be of extraordinary benefit to multinational companies, and more importantly to small and medium sized enterprises that often have to depend on costly representation in-country to resolve issues which may often be quite minor.

Chapter 14 – E-Commerce

The E- Commerce Chapter includes ground-breaking cross-border data and data localization language that creates binding, enforceable commitments on digital and data issues for the first time ever in a trade agreement. This is a significant breakthrough in liberalizing global digital trade. Key provisions include: (1) the provision which mandates the signatories to allow the free-

flow of data across borders by electronic means; and (2) that none of the parties shall require a person or country to use local computing facilities as a condition for conducting business.

Due to the critical nature of this chapter, ITAC 1 highly recommends that regulations implementing this chapter incorporate additional clarity and precision, as well as provide proper safeguards. The explosive growth of e-commerce—particularly in highly populated countries—makes it imperative the regulations ensure the protection of information at the proper level. The proper protection of information would require countries which have more sophisticated systems work closely with—and provide assistance to—countries that may not have the ability to put measures in place to properly manage e-commerce.

More specifically,

- Article 14.2 on “Scope and General Provisions,” states that the chapter shall not apply to government procurement of information, including measures related to its collection. This statement may raise concerns about private or export controlled information.
- Article 14.6, “Electronic Authentication and Electronic Signatures,” will provide much needed relief by directing all parties to not deny the legal validity of a signature solely on the basis that the signature is in electronic form. Collaboration with industry on implementation of this provision will be important to address related obstacles that U.S. companies are experiencing in certain jurisdictions.
- Article 14.8, which relates to “Personal Information Protection,” is a critical aspect of e-commerce, and similar protections should be provided through the agreement. However, a process should be in place to address and test safeguards attached to each system on a regular basis to ensure that there are no gaps or potential escapes.
- Article 14.9 on “Paperless Trading” raises protection concerns, as well. For example, the U.S. has put systems in place that ensure companies providing export and information are protected from unauthorized access, even though the information may be shared by multiple agencies. The other countries should collaborate with one another to ensure that they institute systems that provide the same level of protection for transactions.

Chapter 15—Government Procurement

The ITAC commends the Administration for negotiating a Government Procurement chapter that satisfies the objective of maintaining broad exceptions for special government procurement regarding: national security; measures necessary to protect public morals, order, or safety; protecting human, animal, or plant life or health; and protecting intellectual property. We are confident that TPP will help unlock significant opportunities for U.S. businesses and workers to increase their access to government procurement markets in TPP countries. Nine of the 12 TPP Parties have already agreed to ambitious coverage of their government procurement in past trade agreements. For the remaining three countries, the TPP establishes comparable commitments. There are appropriate exceptions, including application to sensitive elements of defense procurement. In addition, the TPP does not make a commitment to cover state or local government procurement at this time.

However, under this chapter, the Parties agree to commence negotiations, no later than three years after the date of entry into force of the Agreement, with a view to achieving expanded coverage, including sub-central coverage. Parties may also agree to cover sub-central government procurement prior to or following the start of those negotiations. Sub-central coverage is a complex issue, and we encourage the Department of Commerce and USTR to engage with the Advisory Committees prior to entering into such negotiations to establish appropriate outcomes that will support U.S. objectives.

Chapter 18—Intellectual Property

The Intellectual Property Chapter is generally consistent with U.S. Intellectual Property (IP) law and would generally require other countries to improve their IP laws and to strengthen their enforcement systems. Specifically, this provision would require the governments to establish criminal, civil and administrative procedures and remedies to combat IP theft. It would require the countries to establish criminal penalties for trade secret theft, including via a computer system. ITAC 1 fully supports this provision as a significant step forward and an important precedent in a region in which U.S. companies are facing significant challenges involving trade secret theft.

Chapter 24—Small and Medium-Sized Enterprises (SMEs)

The TPP is the first U.S. free trade agreement to include a separate chapter focusing on issues specific to SMEs. With the number of small businesses participating in international trade relatively small—less than 5% of U.S. small businesses export and only one-half of them do so to only one country—one of the Administration’s core goals was to promote and support American small and medium-sized enterprises enter the global trading community, by, among other things, addressing barriers that pose disproportionate challenges to small business exports.

ITAC 1 members applaud the Administration for attempting to address the substantial issues facing the SME who elects to export. One area of concern is with how the SME Committee, which will meet regularly to review how well the SMEs are availing themselves of the benefits of TPP as well as determine ways to further enhance the benefits of TPP for those SMEs, will function. We ask that the Administration seek inputs from the SME community during the implementation phase to ensure an effective process is developed and maintained.

Chapter 25 – Regulatory Coherence

The Regulatory Coherence Chapter follows very closely the principles of the U.S. regulatory system: the establishment of an open, transparent, fair and predictable environment within each individual country.

However, the chapter does not refer to the need for regulatory cooperation *among* the 12 governments. Regulatory coherence among the 12 countries is paramount to creating a positive and competitive trade environment. If the application of the regulations within the borders of one country is too different—or potentially in conflict with that of the other country—the objectives will not be achieved for the benefit of the entire TPP membership.

Standardization and harmonization are common themes throughout the TPP. We believe that those two concepts must be applied to the development of regulations. We, therefore, strongly encourage the U.S. to affirm to the regulators implementing this chapter in each country, the need for consultation among the members in order to achieve maximum commonality in the application of the regulations.

V. Advisory Committee Opinion on Agreement

A substantial majority of the members of the Industry Trade Advisory Committee on Aerospace Equipment strongly believe that the Trans-Pacific Partnership Trade Agreement promotes the economic interests of the United States and achieves the applicable overall and principle negotiating objectives set forth in the Trade Act. That majority also takes the position that the agreement provides for equity and reciprocity within the aerospace industry. We, therefore, urge TPP be signed and implemented as soon as practicable.

VI. Membership of Committee

Gregory Dole, Chairman, The Boeing Company
Mark Webber, Vice-Chairman, Lockheed Martin Corporation
Don Akins, Precision Coil Spring Company
Charles Auclair, Electroimpact, Inc.
Mike Conschafter, Harris Corporation
Patrick Curley, Moog, Inc.
Richard Douglas, General Electric
Brian Dubie, Liquid Measurement Systems, Inc.
Richard Ermeti, Pelican Products, Inc.
Derek Hardwick, Aerospace Industries Association
Owen Herrnstadt, International Association of Machinists and Aerospace Workers
Joel Johnson, Teal Group Corporation
Stanley Kennedy, Oakman Aerospace, Inc.
Gregory Kiley, Kiley and Associates, LLC (representing Sequa Corporation)
David Logsdon, TechAmerica/Space Enterprise Council
Vincent Logsdon, Textron Systems
Steven Moore, ATK Defense Group
Dale Rill, Honeywell
Michelle Schulz, Gardere Wynne Sewell LLP (representing Air Tractor, Inc.)
Edward Smith, General Aviation Manufacturers Association
Susan Walsh, Pratt & Whitney/United Technologies Corporation
Mark Zimmerman, Simplex Aerospace

Dissent of Owen Herrnstadt
International Association of Machinists and Aerospace Workers
ITAC-1

TPP fails to eliminate market distortions that are created when a signatory country does not honor and effectively enforce fundamental human rights, as defined by the International Labor Organization's Conventions and accompanying jurisprudence. By holding down workers' wages because they are not free to form independent unions, engage in collective bargaining and be free from discrimination, child labor, forced labor and unsafe/unhealthy working conditions, these signatory countries produce cheaper products that unfairly compete with those manufactured and serviced in the U.S. TPP's reliance on the 1998 Declaration of Principles and Rights at Work, without reference to the ILO Conventions and jurisprudence, compounded by a footnote stating that the obligations in the Labor Chapter are limited to the Declaration, enables countries who have signed onto the agreement to enjoy the benefits of the agreement without eliminating their ability to distort the market by failing to honor and effectively enforce international labor standards.

These concerns are heightened with respect to the aerospace and related industries. The domestic aerospace industry provides the kinds of jobs upon which our economy depends. Aerospace employment is highly paid. Jobs in the industry require highly skilled workers that develop innovative products and systems leading to new productive industries which further contribute to our national economy. Despite the importance of the industry, U.S. aerospace and related industry workers have lost tens of thousands of jobs over the past thirty years. While there are many reasons for these job losses, thousands of them have been outsourced to other countries who also see the great economic advantage to having a robust aerospace industry.

Viet Nam, Malaysia and Mexico, all TPP countries, are engaged in producing products for the aerospace and related industries. As aerospace manufacturers continue to expand their global supply chains, the ability of these countries to unfairly compete with domestic manufacturers poses a real risk to U.S. workers, their communities and of course the U.S. economy. The TPP fails to obligate Viet Nam, Malaysia and Mexico to fully comply with international labor standards before they receive the benefits of the TPP, which will permit employers in these nations to continue to suppress wages below where they would be if workers were free to exercise fundamental workplace rights. This wage suppression, in turn, will result in aerospace companies and their suppliers increasingly moving work to Viet Nam, Malaysia and Mexico to take advantage of cheap, exploited labor.

Under TPP, “offsets” are a market distorting activity referring to “any condition or undertaking that requires the use of domestic content, a domestic supplier, the licensing of technology, technology transfer, investment, counter-trade or similar action to encourage local development or to improve a Party’s balance of payments accounts.” Offsets are used to a great extent in the aerospace and related industries. TPP would permit developing countries to “adopt or maintain” offsets with respect to government procurement during a so-called transition period. In the case of Viet Nam, this transitional period is for 25 years. The period is 12 years for Malaysia.

The continued use of offsets by Viet Nam and Malaysia provides them with additional leverage to demand that production be transferred there, under the guise of government procurement, for many years. Once a factory is built for the purposes of fulfilling an offset requirement, the factory doesn’t simply disappear at the end of the contract. Instead, it can become a cheap outsourcing alternative to U.S. production. The transfer of this production, both during and after the transition period, could result in the direct loss of jobs here in the U.S. and an even greater loss of jobs in the long-term as Viet Nam and other developing countries who are members of the TPP (including prospective members such as Thailand and Indonesia) develop their own aerospace and related industries to compete with U.S. manufacturers and their domestic suppliers.

Among other things, TPP also includes highly objectionable provisions regarding the investor to state dispute mechanism and the rules of origin. Under the TPP’s rules of origin, many products receiving TPP preferences could be made to a great extent by non-TPP countries like China or Thailand. TPP also fails to address currency manipulation.

In an effort to be as constructive as possible during the negotiations of the TPP, recommendations concerning these and other matters have been made to USTR on several occasions. Unfortunately, none of these recommendations are reflected in the final agreement. While these constructive recommendations could be included in this dissent, given that they have already been made to USTR and USTR’s explicit position that the TPP cannot be renegotiated, repeating them here, in this submission, would not be productive.

In view of the aforementioned, as well as other matters critical to U.S. workers and their communities, the TPP is not in the interests of the U.S. economy and should be rejected.