

EXECUTIVE OFFICE OF THE PRESIDENT
THE UNITED STATES TRADE REPRESENTATIVE
WASHINGTON, D.C. 20508

October 5, 2010

The Honorable Daniel K. Inouye
President Pro Tempore
United States Senate
Washington, D.C. 20515

Dear Senator Inouye:

On behalf of the President, I am pleased to inform the Congress that we intend to include Malaysia in the ongoing negotiations on the Trans-Pacific Partnership (TPP) Agreement. As I stated in my letter last December notifying the Congress of our intention to enter into the TPP negotiations, the United States views a TPP Agreement as a means to advance U.S. economic interests with the fastest-growing economies in the world and as a potential platform for economic integration across the Asia-Pacific region. In addition, a TPP Agreement would serve as a tool to expand U.S. exports, something that is critical to our economic recovery and the creation and retention of high-paying, high-quality jobs in the United States. Malaysia's inclusion in the TPP negotiations will contribute meaningfully to these goals and to the development of the high-standard, 21st-century, regional trade agreement we are seeking.

My December letter also underscored that U.S. participation in the TPP negotiations is predicated on the objective we share with our current TPP negotiating partners (Australia, Brunei Darussalam, Chile, New Zealand, Peru, Singapore, and Vietnam) of expanding the group to additional countries throughout the Asia-Pacific region and securing a high standard agreement. Malaysia's participation advances this goal and further expands the economic significance of a TPP Agreement. Malaysia's economic record is one of the strongest in the Asia-Pacific region, and is already an important destination for U.S. exports. Last year, U.S. goods and services exports to Malaysia totaled \$10 billion, of which agricultural exports comprised \$700 million. According to the latest available data, services exports added another \$2 billion in 2008. Malaysia's participation in a TPP Agreement will create significant new opportunities for U.S. workers, manufacturers, service suppliers, farmers, ranchers, small businesses, and consumers.

We have conducted in-depth discussions with Malaysia about the status of our bilateral free trade agreement negotiations and the standards and objectives that the TPP countries are seeking in an agreement. We also discussed with Malaysia its ability to negotiate on issues that are a priority to the United States and that remained outstanding in our negotiations of a bilateral free trade agreement with Malaysia. Malaysia, which is engaged in extensive domestic economic reform, has assured us that it is now prepared to conclude a high-standard agreement, including on these issues.

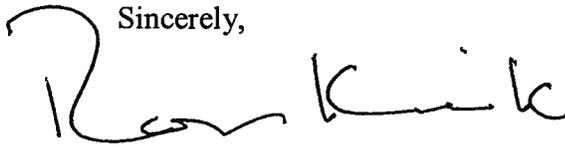
We will continue to rigorously and extensively consult with Congress on all elements of the TPP negotiations in order to develop negotiating objectives consistent with both Administration and Congressional priorities and objectives. As we have done thus far, we will work with Congress as we further develop approaches for using the TPP Agreement to promote new technologies and

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emerging economic sectors, create new opportunities for U.S. small- and medium-sized businesses to increase exports to the region, and help U.S. firms participate in production and supply chains in order to encourage investment and production in the United States. In addition, we will continue to consult closely with Congress on elements related to environmental protection and conservation, transparency, workers rights and protections, and development.

We value the partnership we have established with Congress on the TPP negotiations and look forward to maintaining it as we set U.S. objectives and carry out negotiations to conclude this important new agreement.

Sincerely,

A handwritten signature in black ink, appearing to read "Ron Kirk". The signature is fluid and cursive, with a large initial "R" and a distinct "K".

Ambassador Ron Kirk