



March 9, 2012

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For Immediate Release

Trans-Pacific Partnership Apparel Coalition Advocates for Modern TPP in Australia

Melbourne, Australia – As the 11th round of Trans-Pacific Partnership (TPP) negotiations concludes in Melbourne, Australia this week, the TPP Apparel Coalition was again present to hold productive discussions with government officials and other industry stakeholders, including the Australian and Vietnamese textile and apparel industries. In meetings with various negotiating teams, the coalition advocated for simple, flexible rules of origin, smart customs provisions, and immediate market access that facilitate apparel trade and investment in the TPP region. The coalition also met with other US stakeholder groups who increasingly view a positive outcome on apparel as critical to the overall success of the negotiations.

“Millions of well-paying U.S. jobs would be bolstered by flexible apparel rules and the successful conclusion of the TPP,” said Stephanie Lester vice president of international trade for the Retail Industry Leaders Association. **“We were pleased to continue a productive dialogue with the participating countries around a modern approach for apparel trade that reflects the commercial realities of global value chains and provides immediate market access to create jobs, trade and investment.”**

Restrictive rules such as the “yarn forward” style rule of origin--which require all the materials that go into a garment to originate and be assembled in a TPP country to receive tariff-free treatment--are unworkable in today’s global value chains. Past FTAs with TPP countries have shown that such an “all or nothing” approach does not spur new U.S. exports or new apparel trade.

When considering ways to create new opportunities in the TPP for apparel trade and investment, it is important to consider the value and jobs created throughout the entire global value chain. A global value chain includes the full range of activities that firms and workers do to bring a product from concept to the final customer. This includes the manufacturing, design, production, marketing, distribution, retail and support to the final customer.

“The yarn-forward-approach we've seen in our past FTAs is not equipped to accommodate today’s global supply chains and create the kind of trade and investment flows that are needed in the TPP. It is time for U.S. trade policy to recognize that 98 percent of apparel sold in the United States is imported and not allow antiquated rules to hold up negotiations any longer. We look forward to attending the next round of negotiations in the U.S. and continuing the conversation,” concluded Steve Lamar, executive vice president for the American Apparel & Footwear Association.

Other issues discussed by the coalition included:

- Advocating for customs provisions that facilitate rather than hinder trade.
- Emphasizing smart enforcement that views responsible trading companies as partners.
- Achieving immediate, reciprocal duty free access so as not to delay the job creating benefits of the agreement.
- Ensuring that the TPP is a living agreement so it can grow with a rapidly evolving fashion industry.
- Resisting efforts by interests that have sought to shackle the TPP with demands that will make it hard for trade and investment to grow in the region.
- Adopting a general rule of origin that is liberal and flexible, with limited exceptions only for specific products proven to be import sensitive.
- Supporting an early conclusion and expansion to other countries such as Japan, Mexico and Canada.

The [TPP Apparel Coalition](#) supports the negotiation of a 21st Century TPP agreement that generates new trade and investment opportunities for the benefit of workers, businesses, and families. These opportunities include buying and selling goods and services, sustaining and growing well-paying U.S jobs, and providing high added value for the U.S. and TPP economies.

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