



PRESS RELEASE

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AmCham Singapore Members Optimistic about CPTPP in the Long Term

Greater understanding of how to utilize agreement would increase impact on business growth

19 November 2020, SINGAPORE – The American Chamber of Commerce in Singapore (AmCham) today released the results of a survey finding the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) beneficial to its members, though implementation remains low.

A free trade agreement between 11 economies, not including the U.S., the CPTPP aims for a more seamless flow of goods, services, and investment across the Asia-Pacific region and lays a foundation for further cooperation among member states. AmCham believes the agreement as negotiated furthers economic growth and development in the Asia-Pacific region by addressing the realities and objectives of 21st century trade.

AmCham CEO Dr. Hsien-Hsien Lei said, “Our survey underscores that the CPTPP is a comprehensive and forward-looking agreement that will lead to tangible benefits through tariff reduction, strengthening of regional production and supply chains, and greater coherence and transparency of regulatory rules.”

In particular, the survey finds:

- The majority of companies find the CPTPP beneficial, yet utilization remains low.
- Better education around the provisions of the CPTPP could improve utilization rates.
- The addition of more countries would substantially change how companies view the agreement, mostly for the better.
- Projections about rising protectionism and COVID-related disruptions are leading companies to adjust their supply chains.
- Despite assumptions about rising protectionism, companies are still finding trade deals relevant in a post-COVID world.
- Respondents are optimistic (20%) or undecided (60%) about the strategic benefits of the Regional Comprehensive Economic Partnership (RCEP) as compared to the CPTPP.
- More than 80% of respondents believe the CPTPP with the U.S. included would make the CPTPP a more attractive trade agreement.

“Multilateralism and free trade will help economies recover from the impact of COVID-19. American businesses stand to benefit from multi-party trade agreements whether they have yet to enter Asian markets, are already well established in Singapore, or are looking to diversify or expand across the Asia-Pacific region,” Dr Lei added.

AmCham will also work with its members to better understand the benefits from the recently signed RCEP, of which Singapore is a key member.

“AmCham congratulates Singapore for being a leader on regional trade and looks forward to the reduction in tariffs on imports, new rules of origin, and other provisions which will facilitate greater market access for our members, while also needing to address labor and environmental concerns,” said Mr. Steven R. Okun, Senior Advisor at McLarty Associates, AmCham Governor and Chair of AmCham’s CPTPP Task Force. “With the United States out of the CPTPP, and also not in RCEP, trade liberalization and integration moves forward in the region without the United States’ leadership.”

In the survey, only 20% of the respondents found the recently concluded RCEP to be a more strategic deal than the CPTPP.

“AmCham looks forward to sharing our members’ point of view with the incoming Biden Administration. It is important that the United States is a leader in developing the region’s trade architecture,” Mr. Okun said. “Being part of these agreements would advance the United States’ economic and geostrategic interests,” he added.

For the full report, visit: <https://amcham.com.sg/amcham-publications/>

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About AmCham Singapore

Established in 1973, the American Chamber of Commerce in Singapore (AmCham Singapore) is the largest and the most active international business association in Singapore and Southeast Asia, with over 4,700 members representing nearly 600 companies. Our Chamber comprises 14 industry-specific committees: seven sectoral and seven functional.

AmCham is a forward-thinking, business-progressive association. Our mission is to create value for our members by providing advocacy, business insights, and connections. Our membership includes American companies and Singaporean and third-country companies with significant U.S. business interests. AmCham is an independent, non-partisan business organization. We are a member of the 28-chamber-strong AmChams of Asia Pacific.

Our goal is to provide the information and facilitate the access and connections that give members insight into the local, regional, and global operating environment, enhance their four

professional capabilities, and enable them to make well-informed business decisions. For more information about AmCham Singapore, visit www.amcham.com.sg.

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