

August 8, 2016

His Excellency Juan Gabriel Valdés
The Ambassador of Chile
The Embassy of Chile
1732 Massachusetts Ave NW
Washington, DC 20036

Your Excellency:

The undersigned business organizations represent thousands of businesses throughout the United States that represent millions of dollars in global trade and investments around the world, employing people both in the United States and throughout the global supply chain. These companies know that the historic Trade Facilitation Agreement (TFA) negotiated through the World Trade Organization (WTO) will cut red tape at our borders, increase transparency and decrease costs for consumers, companies and governments. Fulfilling the commitments outlined in the TFA will spur investment around the world and bolster global job growth. With these quantifiable benefits of trade facilitation, the world cannot afford to delay implementing this agreement.

Despite the broad support for the TFA, the agreement has not yet entered into force. The TFA will enter into force once two-thirds of WTO members have domestically ratified a Protocol of Amendment and notified the WTO of their acceptance of this Protocol. A number of countries, including your own, have not yet presented the necessary instruments of ratification to the WTO.

We strongly urge you to work swiftly toward ratification and implementation of this agreement in Chile. As a Free Trade Agreement (FTA) partner with the United States, Chile has already made significant commitments to facilitate trade at its border that closely align with the provisions outlined in the TFA. Moreover, Chile has already submitted its notifications for Category A commitments, those provisions that countries will implement upon entry into force of the TFA. Chile's formal ratification will help ensure the agreement can enter into force in a timely manner and that countries will be held accountable for their commitments.

We urge you to consider that the full implementation of this agreement will have widespread economic benefits for Chile, as global supply chains cross all borders and reach a diverse consumer base. The Organization for Economic Cooperation and Development (OECD) estimated that full implementation of the agreement could reduce trade costs for low income countries by more than 14 percent while reducing costs for middle income countries by 12.9-15.1 percent. A recent WTO study found that TFA implementation has the potential to increase global merchandise exports by up to \$1 trillion annually, and WTO estimates that implementing TFA reforms could create around 20 million jobs — the vast majority in developing countries. The agreement will help developing countries diversify their exports and tap into global value chains. In particular, small and medium-sized businesses will be among those who benefit the most from streamlined, transparent and efficient borders.

We understand that full realization of the benefits from this agreement will require coordination, communication and assistance from donor countries, international financial institutions, multilateral institutions and the global private sector. For the first time in WTO history, the requirement to implement the agreement is directly linked to the capacity of the country to do so. In addition, the agreement states that assistance and support should be provided to help

them achieve that capacity. Multilateral organizations like the World Bank and the World Customs Organization, national governments and non-governmental organizations have committed to mobilizing the technical assistance and capacity-building resources needed to fully implement the agreement. In 2014, the WTO announced the launch of the Trade Facilitation Agreement Facility to assist countries in implementing the TFA. Additionally, our organizations and our member companies are actively supporting the work of the U.S. government to identify priority implementation provisions and launch pilot projects, including through the public-private Global Alliance for Trade Facilitation.

Trade facilitation reforms like those outlined in the TFA will lead to significant economic benefits worldwide, and it is in our shared best interest to ensure the agreement enters into force this year. We strongly encourage Chile to submit its ratification of the TFA as quickly as possible this year and to work swiftly toward its implementation.

Sincerely,

Aerospace Industries Association
American Apparel & Footwear Association (AAFA)
American Association of Exporters and Importers (AAEI)
American Automotive Policy Council Inc. (AAPC)
American Coatings Association
American Farm Bureau Federation
American Petroleum Institute (API)
Association of Equipment Manufacturers (AEM)
Association of Global Automakers
Association of Home Appliance Manufacturers
Computing Technology Industry Association
Consumer Technology Association
Distilled Spirits Council of the United States
Emergency Committee for American Trade
Express Association of America (EAA)
Fashion Accessories Shippers Association (FASA)
Footwear Distributors & Retailers of America (FDRA)
Gemini Shippers Association
INDA, The Association for the Nonwoven Fabrics Industry
International Housewares Association
International Trade Surety Association
Metal Powder Industries Federation
National Association of Manufacturers (NAM)
National Foreign Trade Council
National Oilseed Processors Association
National Retail Federation (NRF)
North American Association of Food Equipment Manufacturers (NAFEM)
Plumbing Manufacturers International (PMI)
Retail Industry Leaders Association (RILA)
Society of Chemical Manufacturers & Affiliates (SOCMA)

The Heavy Duty Manufacturers Association
Travel Goods Association (TGA)
U.S. Chamber of Commerce
U.S. Fashion Industry Association
United States Council for International