

SIGNING OF 12 NATIONS TRANS-PACIFIC PARTNERSHIP (TPP) AGREEMENT

On 4 February 2016, 12-Pacific Rim countries have signed Trans-Pacific Partnership (TPP) agreement in Auckland, New Zealand. TPP establishes a comprehensive regional agreement that promotes economic integration to liberalize trade barriers, boost investment, bring economic growth and social benefits, creating new opportunities for workers and businesses, contribute to raising living standards, benefit consumers, reduce poverty and promote sustainable growth.

TPP has established Free Trade Areas consistent with Article XXIV of GATT 1994 (Annex 1A to the WTO Agreement) and Article V of GATS and hereby establishes a free trade area .

TPP Agreement has been signed by 12-Member Countries which includes: Singapore, Malaysia, Brunei Darussalam, Japan (Singapore, Malaysia, Brunei Darussalam and Japan are AALCO Member States), Vietnam, Canada, United States, Mexico, Peru, Chile, Australia and New Zealand.

It seeks to serve as a common platform for regional economic integration and to promote innovation, competitiveness and productivity by addressing new issues in global trade such as of intellectual property rights, digital economy, ecommerce etc. further it involves reduction or complete elimination of tariff and non-tariff barriers in a list of goods, services and investments. It also aims to improve investor-state dispute settlement mechanism.

TPP is expected to promote high levels of environmental protection with effective enforcement of environmental laws, and further the aims of sustainable development, including through mutually supportive trade and environmental policies and practices; transparency, good governance and rule of law, and eliminate bribery and corruption in trade and investment.

It also aims to protect and enforce labour rights, improve working conditions and living standards, strengthen cooperation and the Parties' capacity on labour issues.

Furthermore this Agreement aims to fight global economic slowdown faced by the countries. TPP by creating better economic opportunities and rule based trading at regional level will boost world trade. TPP Agreement will contribute to the harmonious development and expansion of world trade and provide a catalyst to broader regional and international cooperation.