

9 October 2015

Dear friend of Japan,

I hope this e-mail finds you well.

As we have all witnessed, Ministers of the 12 Trans-Pacific Partnership (TPP) countries, including Japan and Australia, announced the successful conclusion of their negotiations on 5 October. Prime Minister Abe held a televised press conference on the following day and proclaimed that the TPP Agreement heralded “the opening of a new century for the Asia-Pacific region.”

I too welcome this landmark achievement. This is a historic deal that will establish a new 21st century trade and investment framework spanning 12 countries that represent nearly 40 per cent of the global economy. The Agreement will further promote trade in the Asia-Pacific region, where we are already observing remarkable growth, by eliminating tariffs across a vast array of goods. However, the significance of the deal is much greater than this. Beyond ensuring improved market access, the Agreement will establish trade and investment rules for the region that will provide a new level of transparency and predictability to the businesses of all participating countries, including those of Japan and Australia.

Furthermore, bearing in mind the economic instability we have observed in various parts of the world in recent times, the Agreement is also highly significant from a strategic standpoint. This is because the deal carries enormous potential to enhance both the prosperity and overall relations of the countries involved. This of course has very important implications for both Japan and Australia and is precisely the reason why the deal can be considered to mark the opening of a new century for the region.

As far as Japan-Australia economic relations are concerned, we are already enjoying the benefits of the Japan-Australia Economic Partnership Agreement (JAEPA), which entered into force in January of this year. Further to growth in the trade in key goods between the two countries, such as Japanese automobiles and Australian beef, we are also seeing a considerable rise in interest among Japanese businesses in directly investing in Australia. The recent acquisition of Toll by Japan Post is a prime example of this growing trend.

When viewed from a long-term perspective, the economies of both Japan and Australia stand at a critical juncture. While Australia seeks to transition away from the mining boom into new areas of growth, Japan is also endeavouring to implement a variety of reforms in order to revitalise its economy after an extended period of stagnation. I believe that both JAEPA and the TPP will play an important role in ensuring that both our countries meet the challenges we are presently faced with,

not only by opening up new opportunities for trade and investment, but also by assisting us to channel our energies into our most promising and innovative sectors.

Finally, it is also important to remember that the process of enhancing the efficiency and coordination of the region's economies does not end here. I firmly believe that our bilateral EPA played an important role in ensuring that a successful conclusion was ultimately arrived at for the TPP, and I am also confident that the TPP will itself provide a platform for further integration of the region's trade and investment regimes in future. In this regard, we can expect that the Japan-Australia relationship will remain at the heart of our efforts to maintain and indeed enhance the security and prosperity of both our own countries and the wider region as we continue to move ahead.

Yours sincerely,

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Sumio Kusaka

Ambassador of Japan to Australia