



U.S. TREASURY DEPARTMENT OFFICE OF PUBLIC AFFAIRS

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CONTACT: Whitney Smith, Treasury Public Affairs (202) 622-2960

FACT SHEET: JOINT DECLARATION OF THE MACROECONOMIC POLICY AUTHORITIES OF TPP COUNTRIES

OVERVIEW

For the first time in the context of a free trade agreement, countries have adopted a Declaration that addresses unfair currency practices by promoting transparency and accountability. The Joint Declaration addresses the principal negotiating objectives on currency that Congress included in the Trade Priorities and Accountability Act passed in June.

- All TPP countries commit to avoid unfair currency practices and refrain from competitive devaluation.
- TPP countries will publicly report their foreign-exchange intervention and foreign reserves data, some for the first time.
- Officials from all TPP countries will consult regularly to address macroeconomic issues, including to engage on efforts to avoid unfair currency practices.

The Joint Declaration will take effect once the Trans-Pacific Partnership enters into force. It will also apply to those countries that accede to the TPP in the future, subject to additional transparency and other conditions determined by existing TPP authorities.

EXCHANGE RATE POLICIES

The Declaration sets a new high standard on exchange rate policies and unfair currency practices for trade agreements. Each TPP country:

- Confirms it will avoid manipulating exchange rates to gain an unfair competitive advantage over other Parties.
- Commits to take policy actions to foster an exchange rate system that reflects underlying economic fundamentals and to avoid persistent exchange rate misalignments.
- Commits to refrain from competitive devaluation and targeting exchange rates for competitive purposes.

TRANSPARENCY AND REPORTING

In order to demonstrate our shared commitment to use our macroeconomic tools to promote a strong TPP, exchange rate authorities commit to publish economic data – including exchange rate-related information – that will allow the United States and U.S. stakeholders to better evaluate their exchange rate and other macroeconomic practices:

- IMF Staff Report on its macroeconomic policies, including an exchange-rate assessment, following each IMF Article IV consultation
- Monthly foreign-exchange reserves data, including forward positions
- Intervention in spot and forward foreign-exchange markets
- Quarterly portfolio capital flows
- Quarterly amounts of the domestic “broad” money stock
- Quarterly exports and imports
- Confirmation that the country is participating in the IMF Currency Composition of Official Foreign Exchange Reserves (“COFER”) database

MACROECONOMIC POLICY CONSULTATIONS

Senior macroeconomic policy officials from each TPP country will meet at least once a year to consult on the macroeconomic and exchange rate policies of each TPP country and evaluate efforts to prevent unfair currency practices.

The authorities will annually report on that meeting and any conclusions. If TPP countries hold bilateral meetings to discuss unfair currency practices, those issues can also be raised among all TPP countries.

The full text of the Joint Declaration is available [here](#). For more information on the Trans-Pacific Partnership, visit www.ustr.gov/tpp.