

FOR IMMEDIATE RELEASE
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FACT SHEET: How the Trans-Pacific Partnership (TPP) Boosts Made in America Exports, Supports Higher-Paying American Jobs, and Protects American Workers

Today, the United States reached agreement with its eleven partner countries, concluding negotiations of the Trans-Pacific Partnership.

The Trans-Pacific Partnership (TPP) is a new, high-standard trade agreement that levels the playing field for American workers and American businesses, supporting more Made in America exports and higher-paying American jobs. By eliminating over 18,000 taxes – in the form of tariffs – that various countries put on Made in America products, TPP makes sure our farmers, ranchers, manufacturers, and small businesses can compete – and win – in some of the fastest-growing markets in the world. With more than 95 percent of the world's consumers living outside our borders, TPP will significantly expand the export of Made in America goods and services and support American jobs.

TPP Eliminates over 18,000 Different Taxes on Made in America Exports

TPP levels the playing field for American workers and American businesses by **eliminating over 18,000 taxes that various countries impose on Made in America exports**, providing unprecedented access to vital new markets in the Asia-Pacific region for U.S. workers, businesses, farmers, and ranchers. For example, TPP will eliminate and reduce import taxes – or tariffs – on the following Made in America exports to TPP countries:

- **U.S. manufactured products:** TPP eliminates import taxes on every Made in America manufactured product that the U.S. exports to TPP countries. For example, TPP eliminates import taxes as high as 59 percent on U.S. machinery products exports to TPP countries. In 2014, the U.S. exported \$56 billion in machinery products to TPP countries.
- **U.S. agriculture products:** TPP cuts import taxes on Made in America agricultural exports to TPP countries. Key tax cuts in the agreement will help American farmers and ranchers by expanding their exports, which provide roughly 20 percent of all farm income in the United States. For example, TPP will eliminate import taxes as high as 40 percent on U.S. poultry products, 35 percent on soybeans, and 40 percent on fruit exports. Additionally, TPP will help American farmers and ranchers compete by tackling a range of barriers they face abroad, including ensuring that foreign regulations and agricultural inspections are based on science, eliminating agricultural export subsidies, and minimizing unpredictable export bans.
- **U.S. automotive products:** TPP eliminates import taxes as high as 70 percent on U.S. automotive products exports to TPP countries. In 2014, the U.S. exported \$89 billion in automotive products to TPP countries.
- **U.S. information and communication technology products:** TPP eliminates import taxes as high as 35 percent on U.S. information and communication technology exports to TPP countries. In 2014, the U.S. exported \$36 billion in information and communication technology products to TPP countries.

TPP Includes the Strongest Worker Protections of Any Trade Agreement in History

TPP puts American workers first by establishing the highest **labor standards of any trade agreement in history**, requiring all countries to meet core, enforceable labor standards as stated in the International Labor Organization's (ILO) Declaration on Fundamental Principles and Rights at Work.

The fully-enforceable labor standards we have won in TPP include the freedom to form unions and bargain collectively; prohibitions against child labor and forced labor; requirements for acceptable conditions of work such as minimum wage, hours of work, and safe workplace conditions; and protections against employment discrimination. These enforceable requirements will help our workers compete fairly and reverse a status quo that disadvantages our workers through a race to the bottom on international labor standards.

In fact, TPP will result in **the largest expansion of fully-enforceable labor rights in history**, including renegotiating NAFTA and bringing hundreds of millions of additional people under ILO standards – leveling the playing field for American workers so that they can win in the global economy.

TPP Includes the Strongest Environmental Protections of Any Trade Agreement in History

TPP includes the **highest environmental standards of any trade agreement in history**. The agreement **upgrades NAFTA, putting environmental protections at the core of the agreement, and making those obligations fully enforceable** through the same type of dispute settlement as other obligations.

TPP requires all members to combat wildlife trafficking, illegal logging, and illegal fishing, as well as prohibit some of the most harmful fishery subsidies and promote sustainable fisheries management practices. TPP also requires that the 12 countries promote long-term conservation of whales, dolphins, sharks, sea turtles, and other marine species, as well as to protect and conserve iconic species like rhinos and elephants. And TPP cracks down on ozone-depleting substances as well as ship pollution of the oceans, all while promoting cooperative efforts to address energy efficiency.

TPP Helps Small Businesses Benefit from Global Trade

For the first time in any trade agreement, TPP includes a **chapter specifically dedicated to helping small- and medium-sized businesses benefit from trade**. Small businesses are one of the primary drivers of job growth in the U.S., but too often trade barriers lock small businesses out of important foreign markets when they try to export their Made in America goods. While 98 percent of the American companies that export are small and medium-sized businesses, less than 5 percent of all American small businesses export. That means there's huge untapped potential for small businesses to expand their businesses by exporting more to the 95 percent of global consumers who live outside our borders.

TPP addresses trade barriers that pose disproportionate challenges to small businesses, such as high taxes, overly complex trade paperwork, corruption, customs "red tape," restrictions on Internet data flows, weak logistics services that raise costs, and slow delivery of small shipments. TPP makes it cheaper, easier, and faster for American small businesses to get their products to market by creating efficient and transparent procedures that move goods quickly across borders.

TPP Promotes E-Commerce, Protects Digital Freedom, and Preserves an Open Internet

TPP includes **cutting-edge rules to promote Internet-based commerce – a central area of American leadership**, and one of the world’s great opportunities for growth. The agreement also includes strong rules that make sure the best innovation, not trade barriers and censorship laws, shapes how digital markets grow. TPP helps preserve the single, global, digital marketplace.

TPP does this by preserving free international movement of data, ensuring that individuals, small businesses, and families in all TPP countries can take advantage of online shopping, communicate efficiently at low cost, and access, move, and store data freely. TPP also bans “forced localization” - the discriminatory requirement that certain governments impose on U.S. businesses that they place their data, servers, research facilities, and other necessities overseas in order to access those markets.

TPP includes standards to protect digital freedom, including the free flow of information across borders - ensuring that Internet users can store, access, and move their data freely, subject to public-interest regulation, for example to fight spamming and cyber-crime.

TPP Levels the Playing Field for U.S. Workers by Disciplining State-Owned Enterprises (SOEs)

TPP **protects American workers and businesses from unfair competition by State-owned companies in other countries**, who are often given preferential treatment that allows them to undercut U.S. competitors. This includes the first-ever disciplines to ensure that SOEs compete on a commercial basis and that the advantages SOEs receive from their governments, such as unfair subsidies, do not have an adverse impact on American workers and businesses.

TPP Prioritizes Good Governance and Fighting Corruption

TPP includes the **strongest standards for transparency and anticorruption of any trade agreement in history**. As such, TPP strengthens good governance in TPP countries by requiring them to ratify or accede to the U.N. Convention Against Corruption (UNCAC), commit to adopt or maintain laws that criminalize bribing public officials, adopt measures to decrease conflicts of interest, commit to effectively enforce anticorruption laws and regulations, and give citizens the opportunity to provide input on any proposed measures relating to issues covered by the TPP agreement. TPP also requires regulatory transparency policies based on standard U.S. practice.

TPP Includes First Ever Development Chapter

For the first time in any U.S. trade agreement, TPP includes **stand-alone chapters dedicated to development and capacity-building**, as well as a wide range of commitments to promote sustainable development and inclusive economic growth, reduce poverty, promote food security, and combat child and forced labor.

TPP Capitalizes on America’s Position as the World Leader in Services Exports

TPP lifts complex restrictions and bans on access for U.S. businesses – including many small businesses – that export American services like retail, communications, logistics, entertainment, software and more. **This improved access will unlock new economic opportunities for the U.S. services industry, which currently employs about 4 out of every 5 American workers.**

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