

U.S. Fish and Fish Products Industry Swimming Along with the TPP Current

In a span of just five years—2009 to 2014—U.S. fish and fish products such as frozen fish fillets, fish roe, crabs, cod, clams, and salmon exports to the world grew by 48 percent. In 2014, this sector yielded \$5.8 billion in U.S. exports to the world and accounted for 1.3 million U.S. jobs. Once it enters into force, the [Trans-Pacific Partnership \(TPP\)](#) agreement, will help to increase the competitiveness of these U.S. exports in important markets.



U.S. fish and fish products

In 2014, the U.S. fish and fish products sector generated \$909 million in exports to new TPP markets which include Japan, Malaysia, Brunei, New Zealand and Vietnam. The United States does not have preferential market access in these countries and, consequently, faces tariffs as high as 35 percent which result in an estimated \$52 million in import duties levied on U.S. fish and fish products each year.

The United States is the sole supplier of Alaskan Pollock to Japan, averaging \$248 million in exports annually. Presently, an estimated \$10.4 million in duties are levied on these exports due to the current 4.2 percent tariff. Under its previous trade agreements, Japan has excluded Pollock from tariff elimination; however, under the TPP, the 4.2 percent tariff will be eliminated immediately upon entry into force, thus benefitting U.S. fishermen by helping to make U.S. Pollock more competitive.

Implementing the TPP will break down barriers the U.S. fish and fish products sector currently faces. Tariffs on 100 percent of U.S. exports of fish and fish products to Malaysia, New Zealand and Vietnam will be eliminated immediately. Additionally, Japan will immediately eliminate tariffs on 93 percent of U.S. exports of fish and fish products with the remaining seven percent eliminated within the next 11 years.

Bringing TPP into force is an important step forward to increase the competitiveness of U.S. exports of fish and fish products in new TPP markets. TPP commitments to promote sustainable fisheries management, eliminate some of the most harmful fisheries subsidies, and combat illegal fishing are groundbreaking and can make a significant contribution to global efforts to conserve fisheries resources while ensuring a level playing field for legitimate fishing operations and trade.

The International Trade Administration's Industry & Analysis team has developed several resources to help business owners and employees in this booming sector. One, the [FTA Tariff Tool](#), is designed to help U.S. companies—large and small—take advantage of export opportunities with U.S. FTA partners, including TPP partners. The "What's My Tariff" search empowers the user to perform instant and at-a-glance searches for tariff treatment for all goods under certain U.S. FTAs.

For more detailed information on the fish and fish products sector, and the Trans-Pacific Partnership, please [download the free sector report](#).

American-Made Chemicals Reach TPP Markets

When we hear the word *'chemicals'*, we often imagine a science lab, flasks, and Bill Nye the Science Guy. But did you know that chemicals are used to produce everyday household items such as cosmetics, paints, plastic products, and fertilizers?

It's no surprise, then, to know that the United States has a bustling chemicals industry that in 2014 had \$160 billion in exports and employed 1.2 million workers. Many countries rely on U.S. exports of these chemicals to help meet their everyday needs.



In 2014, the U.S. chemicals industry employed 1.2 million workers.

In fact, from 2009 to 2014, U.S. chemical exports to the world grew by 44 percent – and this supports the growth of jobs here in the United States as well. [It's estimated that STEM](#)(Science, Technology Engineering and Mathematics) jobs are poised to grow by 8.65 million by 2018; many of them will be in the chemicals sector and will be critical in supporting the development of U.S.-made chemical products.

But there is a cost to doing business abroad. Without the [Trans-Pacific Partnership](#) (TPP) in place, these products have been subject to tariffs of up to 35 percent in some TPP countries. Worldwide, an estimated \$236 million in duties are levied on U.S. exports of chemicals every year.

However, once enacted, the TPP will create duty-free access to new TPP markets, thus leveling the playing field for domestic-made chemicals and the chemical industry's workers. Japan, for example, will eliminate import taxes on all U.S. chemical products *immediately*. And within four years, growing markets such as Malaysia and Vietnam will end upwards of 93% percent of their duties on U.S. chemicals exports as well.

With respect to plastics, the TPP countries represent a significant market for highly-competitive U.S. products. Under the TPP, tariffs of as high as 25 percent will be eliminated, and U.S. plastics producers will enjoy reciprocal market access to all the other economies. To give two examples: Japan will immediately eliminate all tariffs on U.S. plastics, and Vietnam will eliminate nearly all of its tariffs on plastics within four years.

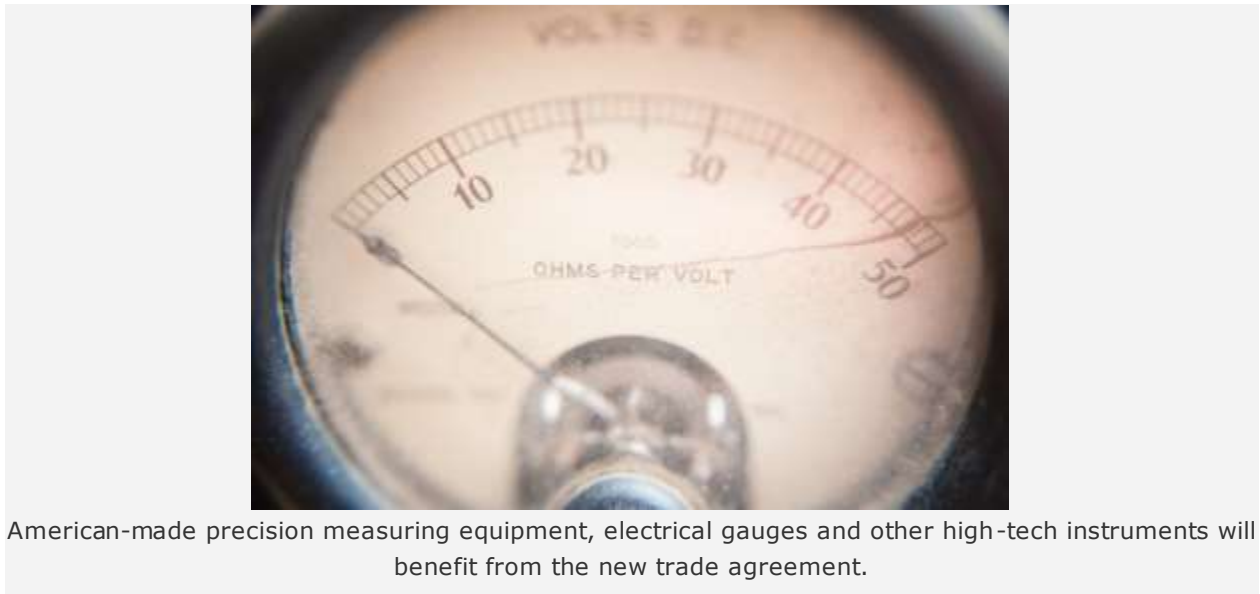
The TPP addresses high foreign tariffs for many every-day use items (e.g., cosmetics, soap, shampoo, deodorant), as well. For example, Vietnam's duties on U.S.-made cosmetics, which have been as high as 27 percent, will be eliminated within four years after implementation.

ITA's Industry & Analysis team understands the importance of this historic agreement and is ready to assist businesses that are looking to take advantage of the new possibilities. We have created a detailed [fact sheet](#) on what U.S. chemical exporters can look forward to once the agreement is passed.

Bringing American-Made High-Tech Instruments to TPP Countries

[U.S. High-Tech Instruments](#) are in high demand and will continue to play a vital role in a wide range of applications across the globe. Here at home, the industry makes its mark by employing more than 340,000 Americans, and is responsible for \$32.2 billion in exports worldwide.

The industry comprises a variety of products including environmental monitoring equipment, equipment for testing and analyzing materials, meters and other precision measuring equipment, electrical gauges, lenses and prisms, and other optical instruments.



The TPP Region is the destination for more than 32 percent of high-tech instruments exports, with exports to new TPP partners alone valued at \$2.6 billion in sales. Yet, tariffs up to 25 percent can await these exports upon arrival.

A few months ago, leaders from 12 countries gathered to complete negotiations for the [Trans-Pacific Partnership \(TPP\)](#), a 21-st century agreement that will open the borders to 11 countries along the Pacific Rim, allowing made-in-America goods to enjoy duty-free status.

Under TPP, the elimination of tariffs and removal of customs inefficiencies will help to make American-made high-tech instruments more competitive throughout the TPP region. Once enacted, TPP will **instantly** remove import taxes to diverse markets such as Malaysia and New Zealand. Japan will lock in duty-free access for all U.S. high-tech instruments exports **immediately** upon approval.

TPP also includes provisions to ensure that technical standards, conformity assessment procedures, and technical regulations are developed in a fair and transparent manner. These provisions are contained in TPP's chapter on Technical Barriers to Trade (TBT) and will create regulations and baselines for high-tech instruments. The TBT chapter also includes provisions on conformity assessment procedures and verification that products meet the technical regulations and standards set by governments or private sector standards development bodies. Such testing is dependent on precision instrumentation and creates export opportunities for U.S. high-tech instruments. The elimination of tariffs on instruments used in conformity assessment will also help to make testing more affordable for exporters around the TPP region.

Once Congress passes TPP, the high-tech instruments industry will begin to see benefits from the new trade agreement. To learn more about how TPP can benefit U.S. workers and businesses, visit our [TPP site](#). To

look up the TPP tariff treatment for specific products, including high-tech instruments, please visit our [FTA Tariff Tool](#). For more information on opportunities for U.S. [high-tech instruments exporters](#), contact one of our [local offices](#).

U.S. Information and Communication Technology Exports: TPP Helps Connect the World to American-Made Digital Products

One of the larger trade categories, [Information and Communication Technology \(ICT\)](#) Goods includes optical fibers, audio-video equipment, television reception apparatus, coaxial cable, and batteries, in addition to those items covered by the [World Trade Organization's Information Technology Agreement](#), whose coverage was recently expanded to include over 200 new product categories. These items range from machines that bring the Internet into our homes; entertainment to our televisions, radios, and mobile devices; processing power to cash registers and point of sale systems; all the way to the crucial technologies needed to help teach children across the world.



Technology plays a critical role in both economic growth and job creation in the United States.

The use of digital products has increased at a rapid rate within the last decade. Essentially, these are the every-day items that connect us to each other, across America and around the world. The TPP creates a huge opportunity to increase the export of American-made ICT goods, and the digital services they enable, to our partners overseas.

In 2014, \$9.7 billion in U.S. ICT goods were exported to new TPP countries, where they faced tariffs up to 35 percent, putting made in America goods at a disadvantage in comparison to other countries. U.S. exporters also face border delays and customs inefficiencies that increase costs and impede the flow of U.S. exports throughout the region.

A few months ago, leaders from across the Asia Pacific completed negotiations for the [Trans-Pacific Partnership](#) (TPP) to combat these trade barriers. This historic agreement not only benefits American businesses, but also facilitates access to reliable, well-made American products for consumers throughout the region – improving the lives of our neighbors abroad.

This agreement is crucial to American businesses and workers. In 2014, twenty states across the country exported more than \$700 million in ICT goods to TPP markets alone. That same year, the sector employed more than 700,000 American workers.

President Obama recognizes that technology plays a critical role in both economic growth and job creation in the United States. In 2011, speaking at the [National Innovation and Growth Conference](#) the President stated “We have to do everything we can to encourage the entrepreneurial spirit, wherever we find it. We should be helping American companies compete and sell their products all over the world. We should be making it easier and faster to turn new ideas into new jobs and new businesses. And we should knock down any

barriers that stand in the way. Because if we're going to create jobs now and in the future, we're going to have to out-build and out-educate and out-innovate every other country on Earth."

Once enacted, TPP will reduce the cost of exporting, increase the competitiveness of U.S. goods, and promote fairness and transparency in trade among the participating countries. The TPP provisions that promote trade in digital products (e.g., software, music, video, e-books) as well as e-commerce generally also benefit the ICT goods industry, which makes the equipment that enables global trade via the Internet.

To learn more about how this historic agreement benefits U.S. workers and businesses [visit us on the web](#) or contact one of our [local offices](#).