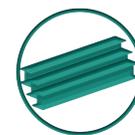




Opportunities for the U.S. Metals & Ores Sector



U.S. Metals & Ores Exporters Currently Face Barriers in New TPP Markets**

\$2.7 Billion in U.S. Metals & Ores Exports to New TPP Markets in 2015

Metals & Ores Exports Face Tariffs in New TPP Markets Up to **35%**

An Estimated **\$64 Million** in Duties are Levied on U.S. Metals & Ores in New TPP Markets Every Year

The Metals & Ores Sector includes products such as iron and steel, aluminum alloys, titanium products, and ores of molybdenum, copper, and zinc

Key Market Access Benefits

Japan will eliminate import taxes on **99.7%** of U.S. metals & ores exports **immediately**

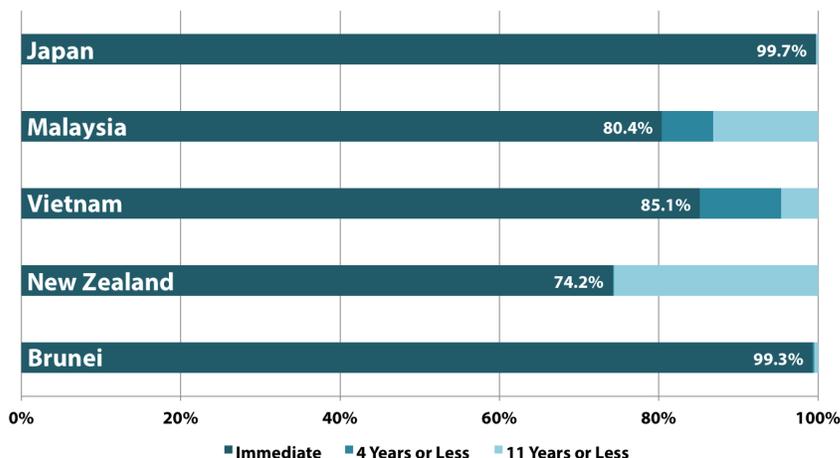
Malaysia will eliminate import taxes on **80.4%** of U.S. metals & ores exports immediately and **86.8%** within **4** years

Vietnam will eliminate import taxes on **85.1%** of U.S. metals & ores exports immediately and **95.4%** within **4** years

Brunei will eliminate import taxes on **99.3%** of U.S. metals & ores exports **immediately**

94.8% of U.S. Metals & Ores Exports to New TPP Markets will Enjoy Duty-Free Access Immediately

Share of Exports by Tariff Elimination Basket



* **TPP Countries:** Australia, Brunei, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore, the United States, and Vietnam

** **New TPP Countries:** Countries with which the United States currently does not have preferential market access – Brunei, Japan, Malaysia, New Zealand, and Vietnam

Importance of the U.S. Metals & Ores Sector

1 Million U.S. Metals & Ores Workers in 2015

Accounted for **6%** of Total U.S. Production in 2014

\$82.9 Billion in U.S. Metals & Ores Exports to the World in 2015

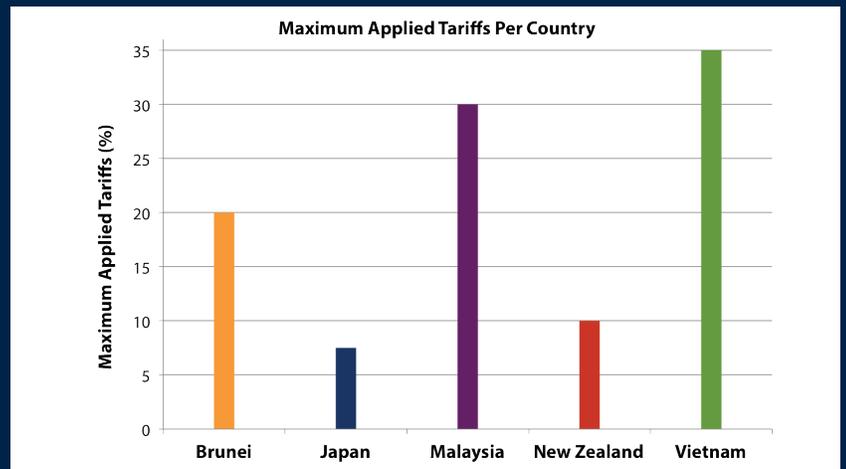
U.S. Metals & Ores Exports to the World Grew by **30%** between 2009 – 2015

45% of Total U.S. Metals & Ores Exports to the World in 2015 Went to the TPP Region

New TPP Partners are Significant Markets for U.S. Metals & Ores Exports

Japan	\$2.1 Billion
Malaysia	\$291 Million
Vietnam	\$194 Million
New Zealand	\$32 Million
Brunei	\$3 Million

U.S. Metals & Ores Exports Currently Face High Barriers in New TPP Markets . . .



. . . Which Will be Eliminated Under TPP

Opportunities for Selected Metals & Ores Subsectors



Steel

U.S. exports of steel and steel products to TPP countries face tariffs as high as 20% in Malaysia and 30% in Vietnam. Under TPP, Malaysia will eliminate tariffs on 90.8% of U.S. steel exports immediately and Vietnam will eliminate tariffs on 80.5% of U.S. steel exports immediately—leveling the playing field for U.S. producers. All remaining tariffs will be eliminated over time.



Non-Ferrous Metals

America's high-quality non-ferrous metals and products face tariffs as high as 30% in Malaysia and 20% in Vietnam. Under TPP, Malaysia will eliminate tariffs on 83.1% of U.S. non-ferrous metals exports within four years and Vietnam will eliminate tariffs on 100% of U.S. non-ferrous metals exports within four years. All remaining tariffs will be eliminated over time, helping to enhance the competitiveness of U.S. exports in the region.

TPP Commitments Will Make it Easier to Sell More Made-in-America Products

► Saves Time



- **Customs Procedures:** TPP provides for transparent and predictable customs regulations to facilitate the quick release of goods, and promotes regional supply chains. This includes special features to support small business exporters, including extra facilitations to speed express delivery.
- **Rules of Origin:** TPP provides common rules of origin to ensure that TPP benefits go to the United States and other TPP countries, not China or other non-members. This includes strong, industry-specific rules for certain sensitive sectors and products.

► Reduces Costs



- **Investment:** TPP ensures that U.S. investors have the same kinds of protections in TPP markets that the United States already provides investors here at home, such as due process, non-discrimination, and just compensation in the event of expropriation.
- **Technical Barriers to Trade (TBT):** TPP enhances transparency, reduces unnecessary testing and certification costs, and promotes greater openness as standards are developed. This will enable U.S. exporters to ship more specialized, high-value manufactured goods to the region.

► Promotes Fairness



- **State-Owned Enterprises (SOEs):** TPP develops rules to ensure that U.S. private sector businesses and workers are able to compete on fair terms with SOEs engaged in commercial activity. These include ensuring that SOE commercial purchases and sales take place on the basis of commercial considerations and that SOEs and designated monopolies do not discriminate against U.S. enterprises, goods, and services, while at the same time ensuring that U.S. SOEs providing public services continue to operate without interference.
- **Enforcement:** TPP establishes fair and transparent dispute settlement mechanism that applies to all chapters and procedures to settle disputes in a timely manner.
- **Environment:** TPP creates strong and enforceable environment obligations and includes new provisions on wildlife trafficking, illegal logging, and illegal fishing practices.
- **Labor:** TPP establishes strong and enforceable obligations, including adherence to fundamental labor rights as recognized by the International Labor Organization. TPP will require countries to protect the freedom to form unions and bargain collectively, eliminate exploitative child labor and forced labor, and set acceptable conditions of work.



Want to learn about the tariff for your specific product in the TPP?
Visit the FTA Tariff Tool at <http://www.export.gov/fta/ftatarifftool/>

TPP Will Protect U.S. Trade Laws



Trade Remedies

TPP's Trade Remedies chapter ensures that U.S. producers remain fully able to use trade remedy laws, including safeguards, anti-dumping, and countervailing duties, to address injury resulting from a sudden surge in imports, the sale of exports below a country's domestic price, or the provision of subsidies to producers of exported products. At the same time, the chapter ensures that U.S. exporters facing trade remedy measures initiated by other countries—which are increasingly common and affect over \$1 billion in U.S. exports annually—are provided procedural due process, and that procedures used by other TPP countries are transparent.

Buy America and Other Set-Aside Programs

In TPP, the United States will continue to exclude from coverage the same elements of procurement that are excluded from our past trade agreements: Buy America requirements attached to federal funds for state and local mass transit and highway projects and water projects; small business and other set-asides; procurement of transportation services; human feeding programs; and sensitive elements of Department of Defense procurement, including defense systems, materials (such as specialty metals), and textiles. In addition, the United States made no commitments to cover state or local government procurement at this time.



Metals & Ores Companies Across the United States Export to the TPP Region

