



## Michigan: Supporting Made-in-America Exports and Jobs



### TPP Countries\* are Important for Michigan's Exporters

- **\$38.1 Billion** in goods exports from Michigan to TPP countries in 2015, including **\$1.2 Billion** in goods exports to Japan, **\$95 Million** to Malaysia, and **\$41 Million** to Vietnam
- **71%** of Michigan's goods exports went to TPP countries in 2015
- **8,941** companies from Michigan exported goods to TPP countries in 2014 – **88%** were small and medium sized companies

## TPP Will Eliminate All Foreign Import Taxes on Industrial and Consumer Goods, Benefiting Michigan's Top Export Sectors

					
	<b>Chemicals</b>	<b>Automotive Products</b>	<b>Machinery</b>	<b>Health Products</b>	<b>High-Tech Instruments</b>
<b>Before TPP</b>	<b>\$479 Million</b> State's Exports to New TPP Countries** in 2015	<b>\$323 Million</b> State's Exports to New TPP Countries** in 2015	<b>\$136 Million</b> State's Exports to New TPP Countries** in 2015	<b>\$127 Million</b> State's Exports to New TPP Countries** in 2015	<b>\$72 Million</b> State's Exports to New TPP Countries** in 2015
	<b>35%</b> Current Maximum Tariff in Sector	<b>75%</b> Current Maximum Tariff in Sector	<b>59%</b> Current Maximum Tariff in Sector	<b>30%</b> Current Maximum Tariff in Sector	<b>25%</b> Current Maximum Tariff in Sector
<b>With TPP</b>	<b>97.2%</b> of U.S. Goods Exports will be <b>Duty-Free Immediately</b> in the New TPP Countries	<b>98.2%</b> of U.S. Goods Exports will be <b>Duty-Free Immediately</b> in the New TPP Countries	<b>96.8%</b> of U.S. Goods Exports will be <b>Duty-Free Immediately</b> in the New TPP Countries	<b>99.9%</b> of U.S. Goods Exports will be <b>Duty-Free Immediately</b> in the New TPP Countries	<b>99.6%</b> of U.S. Goods Exports will be <b>Duty-Free Immediately</b> in the New TPP Countries

\* **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

## Additional New Market Access Benefits for Michigan



**Agriculture:** TPP will provide new and commercially meaningful market access for U.S. exports of food and agricultural products; eliminate the use of agricultural export subsidies; discourage countries from imposing export restrictions; and ensure food safety, animal health, and plant health measures are developed and implemented transparently and in a science-based manner.

For more information, please visit:  
[www.fas.usda.gov/TPP](http://www.fas.usda.gov/TPP)



**Services:** TPP will expand market access and investment opportunities in a number of services sectors, including entertainment, telecommunications, software licensing, the Internet industry, retailing, and logistics/express delivery. TPP will bar discrimination against digital provision of services and prevent customs duties on electronic transmissions.

For more information, please visit:  
[www.trade.gov/fta/TPP](http://www.trade.gov/fta/TPP)

## TPP Works for Michigan

### Saves Money, Increases Competitiveness



**Intellectual Property Rights:** Establishes strong protections for patents, trademarks, copyrights, and trade secrets, including safeguards against cyber-theft of trade secrets, as well as robust enforcement that will protect innovation and the good jobs it supports.

**Technical Barriers to Trade (TBT) and Regulatory Coherence:** Enhances transparency, reduces unnecessary testing and certification costs, and promotes greater openness as standards are developed. Establishes sector-specific TBT commitments on medical devices, pharmaceuticals, cosmetics, information and communication technologies, food and food additives, organics, and distilled spirits that strive to align standards and regulations across the TPP region.

**Customs and Rules of Origin:** Creates transparent and predictable rules to facilitate the quick release of goods and promote TPP regional supply chains. Promotes common rules of origin and customs procedures to ensure that TPP benefits go to the United States and other TPP countries, not countries like China.

**Government Procurement:** Increases access to government procurement markets in TPP countries and ensures fair, transparent, and non-discriminatory rules.

**Digital Economy:** Establishes requirements that support a single, global Internet, including ensuring a free flow of data across borders. Promotes non-discriminatory treatment of digital products transmitted electronically, including a commitment that TPP countries will not impose customs duties on digital products.

### Promotes Fairness & American Values



**Environment:** Creates strong and enforceable environment obligations and includes new provisions on wildlife trafficking, illegal logging, and illegal fishing practices.

**Labor:** Establishes enforceable obligations, including adherence to fundamental labor rights as recognized by the International Labor Organization.

**State-Owned Enterprises (SOEs):** 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.

**Investment:** Ensures that U.S. investors have the same kinds of protections in TPP markets that the United States already provides to investors here at home.

**Enforcement:** Establishes fair and transparent dispute settlement mechanism that applies to all chapters and procedures to settle disputes in a timely manner.

## Michigan Companies and Workers Depend on World Markets

**270,240**

U.S. Jobs Supported by Goods Exported from Michigan in 2015



**\$54.0 Billion**

2015 Total Goods Exports from Michigan



**14,997**

Companies Exported Goods from Michigan in 2014



**89%**

SME share of Goods-Exporting Companies from Michigan in 2014



**23%**

SME share of Michigan's Goods Exports in 2014



## Metropolitan Exports in 2015



- Detroit – Warren – Dearborn **\$44.3 Billion**
- Grand Rapids – Wyoming **\$5.1 Billion**
- Midland **\$2.7 Billion**