



## Malaysia: U.S. Export Opportunities under TPP

### Malaysia is a Key U.S. Export Market

- **Malaysia's** economy is valued at **\$296.2 billion\***
- **\$12.3 billion** in goods in **2015** were exported from the **United States to Malaysia**
- **13,180** U.S. companies exported goods to **Malaysia** in **2014** – **87.3%** were small and medium-sized companies
- **54,338** U.S. jobs supported by goods exports to **Malaysia** and **18,218** U.S. jobs supported by services exports to **Malaysia** in 2015

### TPP Will Eliminate All Foreign Import Taxes on Industrial and Consumer Goods in the Top Export Sectors in Malaysia for U.S. Exporters

	 Chemicals	 Machinery	 High-Tech Instruments	 Building Products	 Metals and Ores
<b>Before TPP</b>	<b>\$918 Million</b> in Exports to Malaysia	<b>\$694 Million</b> in Exports to Malaysia	<b>\$399 Million</b> in Exports to Malaysia	<b>\$304 Million</b> in Exports to Malaysia	<b>\$291 Million</b> in Exports to Malaysia
	<b>30%</b> Current Maximum Tariff in Sector	<b>30%</b> Current Maximum Tariff in Sector	<b>25%</b> Current Maximum Tariff in Sector	<b>60%</b> Current Maximum Tariff in Sector	<b>30%</b> Current Maximum Tariff in Sector
<b>With TPP</b>	<b>88.7%</b> of U.S. Goods Exports will be <b>Duty-Free Immediately</b> in Malaysia	<b>94.4%</b> of U.S. Goods Exports will be <b>Duty-Free Immediately</b> in Malaysia	<b>100%</b> of U.S. Goods Exports will be <b>Duty-Free Immediately</b> in Malaysia	<b>82.7%</b> of U.S. Goods Exports will be <b>Duty-Free Immediately</b> in Malaysia	<b>80.4%</b> of U.S. Goods Exports will be <b>Duty-Free Immediately</b> in Malaysia

\* 2015 nominal GDP

To look up the TPP tariff treatment for specific products, please visit our FTA Tariff Tool at [www.export.gov/FTA/ftatarifftool](http://www.export.gov/FTA/ftatarifftool)

## Additional New Market Access Benefits for U.S. Exporters



**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, internet industries, 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 Saves Money, Increases Competitiveness

### Intellectual Property Rights:

TPP establishes strong and balanced 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 40 million American jobs that are directly or indirectly tied to innovation. TPP goes beyond past trade agreements to require partner countries to criminalize the theft, including cyber theft, of trade secrets. Similarly, enhanced protection and enforcement tools for chemical patents and trademarks will give exporters greater assurances that their innovations and brands are secure in TPP markets.

### Government Procurement:

TPP guarantees new market access to government procurement markets in TPP

countries and ensures fair, transparent, and non-discriminatory rules for covered procurement.

### 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. These include ensuring that SOE commercial purchases and sales take place on the basis of commercial considerations and those SOEs and designated monopolies do not discriminate against U.S. enterprises, goods, and services. TPP also guarantees that U.S. SOEs providing public services continue to operate without interference.

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

## Market Opportunity Spotlights



### Heating, Cooling, Plumbing

**Top U.S. building product** exports to Malaysia include electrical switches and wiring, plate glass, nails, screws, bolts and other fasteners, and heating, cooling, and plumbing systems. Some of these products face tariffs as high as 30% into Malaysia. Under TPP, all of these products will become duty free, with most tariffs being eliminated immediately.



### Motorcycles

**American high quality motorcycles** are in demand throughout the TPP region for their quality and craftsmanship. Yet, American-made motorcycle exports face prohibitive tariffs in new TPP markets: Malaysia applies tariffs ranging up to 30%. Under TPP, U.S. motorcycles will see deep annual cuts to the tariffs before they are phased out entirely. These significant cuts to the tariffs, combined with the rising middle class in the Asia-Pacific region, will provide new export opportunities to America's motorcycle manufacturers.

## TPP Works for America

**2,991,102**  
Jobs Supported by  
Goods Exported to TPP  
countries in 2015

**\$679.6 Billion**  
2015 Total U.S. Goods  
Exported to TPP  
Countries

**174,331**  
U.S. Companies  
Exported Goods to TPP  
Countries in 2014

**97%**  
SME share of U.S.  
Goods-Exporting  
Companies to TPP  
Countries in 2014

**30%**  
SME share of U.S.  
Goods Exports to TPP  
Countries in 2014