



Opportunities for the U.S. High-Tech Instruments Sector



U.S. High-Tech Instruments Exporters Currently Face Barriers in New TPP Markets**

\$2.5 Billion in U.S. High-Tech Instruments Exports to New TPP Markets in 2015

U.S. High-Tech Instruments Exports Face Tariffs in New TPP Markets Up to **25%**

Border Delays, Red Tape, and Other Customs Inefficiencies **Increase Costs** and Impede the Flow of U.S. Exports Throughout the Region

The High-Tech Instruments Sector includes products such as environmental monitoring equipment, equipment for testing and analyzing materials, meters and other precision measuring equipment, electrical gauges, lenses and prisms, and other optical instruments

Key Market Access Benefits

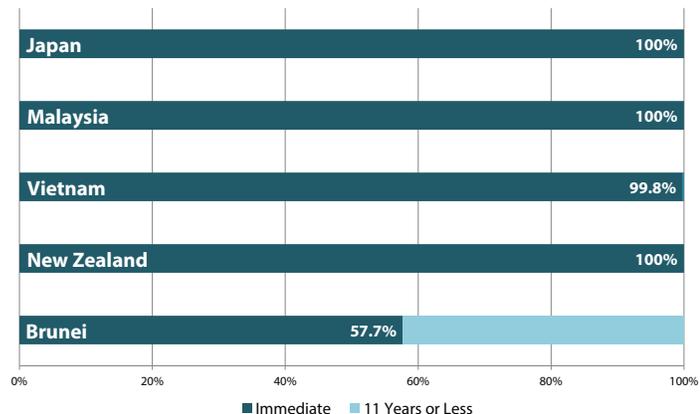
Japan will lock in duty-free access for all U.S. high-tech instruments exports **immediately**

Malaysia will eliminate import taxes on **100%** of U.S. high-tech instruments exports **immediately**

New Zealand will eliminate import taxes on **100%** of U.S. high-tech instruments exports **immediately**

Vietnam will eliminate import taxes on **99.8%** of U.S. high-tech instruments exports immediately and **100%** within **4** years

99.8% of U.S. High-Tech Instruments 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. High-Tech Instruments Sector

339,000 U.S. High-Tech Instruments Workers in 2015

\$106.6 Billion in U.S. Production in 2014

\$30.7 Billion in U.S. High-Tech Instruments Exports to the World in 2015

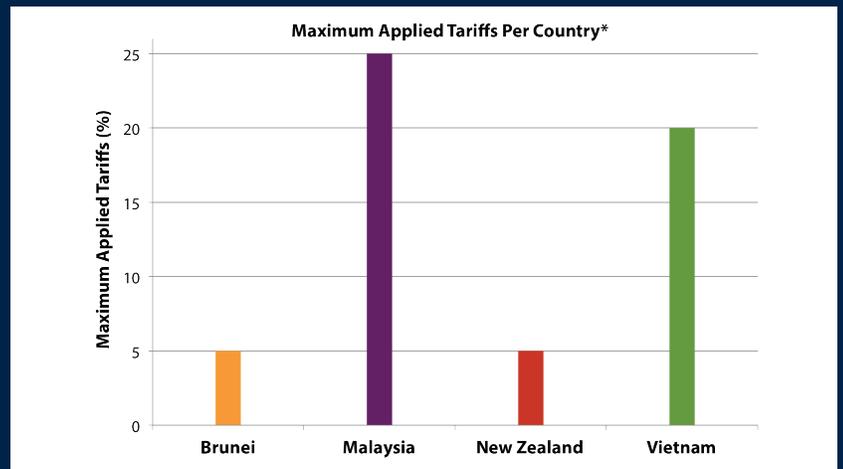
U.S. High-Tech Instruments Exports to the World Grew by **26%** between 2009 - 2015

32% of Total U.S. High-Tech Instruments Exports to the World in 2015 Went to the TPP Region

New TPP Partners are Significant Markets for U.S. High-Tech Instruments Exports

Japan	\$1.9 Billion
Malaysia	\$399 Million
Vietnam	\$97 Million
New Zealand	\$61 Million
Brunei	\$5 Million

U.S. High-Tech Instruments Exports Currently Face High Barriers in New TPP Markets . . .



. . . Which Will be Eliminated Under TPP

Opportunities for U.S. High-Tech Instruments



Environmental Technologies

High-tech instruments are critical to measuring, monitoring, and analyzing the environment to ensure compliance with U.S. and other TPP country regulations protecting the environment, human health, and food safety; reducing noise pollution; and enhancing poison prevention and radiation detection. 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.



TBT Provisions Create Opportunities for U.S. High-Tech Instruments for Testing

TPP's **Technical Barriers to Trade (TBT)** chapter ensures that technical standards, conformity assessment procedures, and technical regulations are developed in a fair and transparent manner. It includes provisions on conformity assessment procedures, or objective testing by governments or private sector conformity assessment bodies, to verify 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. Additionally, the elimination of tariffs on instruments used in conformity assessment will help to make testing more affordable for exporters around the TPP 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.
- **Digital Economy:** TPP is the most ambitious and advanced digital trade agreement the United States has ever concluded. TPP establishes requirements that support a single, global Internet, including ensuring a free flow of data across borders. TPP also provides for non-discriminatory treatment of digital products transmitted electronically, and commits TPP countries not to impose customs duties on digital 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



- **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. This Agreement goes beyond past trade agreements to require Parties to criminalize the theft, including cyber theft, of trade secrets.
- **Regulatory Coherence:** TPP establishes new principles for procedures and mechanisms to plan, implement, and review regulations. The partner countries have also agreed to a set of good regulatory practices, including the use of regulatory impact assessments and regulators' assessments of the economic costs and benefits of the regulation.



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 Implementation Offers New Opportunities for U.S. Exporters

Market Opportunity Spotlight

Japan

Imported high-tech instruments account for over 40% of Japan's market for those products. These instruments play a vital role in a wide range of applications in Japan's manufacturing and services industries. U.S. high-tech instruments manufacturers have steadily increased their share of Japan's market up to 13% in 2014. As TPP eliminates barriers to trade in goods and services, demand for these U.S. high-tech instruments will likely rise. The best prospects for U.S. manufacturers include analytical instruments for diagnostics, such as genetic analysis, protein marker searching, as well as environmental and food safety monitoring instruments and equipment.



Market Opportunity Spotlight

Australia

Australia is a strong and mature market for U.S. manufacturers of high-tech laboratory and scientific instruments. Australia's overall science performance is among the strongest in the world, is leading-edge, with a solid research presence in medical and health sciences and biotechnology. The main customers of the science industry are engaged in pathology, R&D, environmental testing, engineering, medical/health, and mining. Under TPP, the enhancement of regional supply chains and the elimination of customs inefficiencies will boost the competitiveness of American-made high-tech instruments in the Australian market.



High-Tech Instrument Companies Across the United States Export to the TPP Region

