



## *the* **TRANS-PACIFIC PARTNERSHIP**

The Trans-Pacific Partnership (TPP) levels the playing field for American workers and American businesses, leading to more Made-in-America exports and more higher-paying American jobs here at home. By cutting over 18,000 taxes various countries put on Made-in-America products, TPP makes sure our farmers, ranchers, manufacturers and small businesses can compete—and win—in some of the fastest growing markets in the world. With more than 95 percent of the world’s consumers living outside our borders, TPP will significantly expand the export of Made-in-America goods and services and support American jobs.



### **Benefits for U.S. Small Businesses**

TPP unlocks opportunities for U.S. small and medium-sized businesses, which are the backbone of the U.S. economy. By addressing trade barriers that are particularly challenging for small businesses to navigate, TPP allows our small businesses to reach new markets in the Asia-Pacific region.

#### **HOW TPP BENEFITS U.S. SMALL BUSINESSES**

TPP helps promote small businesses by:

- **Eliminating foreign taxes in the form of tariffs** across the TPP region. These barriers can price out of foreign markets many of the goods and agricultural products made by U.S. small businesses.
- Making it cheaper, easier, and faster for businesses to get their products to market by creating **efficient and transparent customs procedures** that help move goods quickly through borders.
- **Streamlining complex trade barriers** like complicated standards and technical regulations, which make it hard for small businesses to access new markets.

- **Promoting digital trade and e-commerce** by prohibiting tariffs on digital products (such as software, music, video, e-books)—the arena by which many small businesses access the global marketplace—and **helping keep the Internet free** by protecting against requirements that force businesses to locate infrastructure in the markets in which they seek to operate, requirements that can be especially costly for small businesses with fewer resources.
- **Strengthening protections of intellectual property rights.** Small businesses are often highly vulnerable to infringement and theft of their intellectual property (IP), especially in markets where IP protections are not as strong as those in the U.S.
- **Providing greater certainty and new access** to markets for U.S. small business service suppliers like architects, engineers, and web designers.
- **Helping small businesses to integrate into global supply chains**, as many small businesses don't export directly, but sell their goods to other domestic companies that do.
- **Requiring TPP countries to create public websites** targeted at small and medium-sized businesses that provide easily-accessible information on the agreement and how to take advantage of it.
- **Establishing a Small Business Committee** that meets regularly to review how small businesses are taking advantage of TPP and discusses recommendations for making the agreement work better for small businesses.



- Small businesses are the backbone of the U.S. economy, accounting for **nearly two-thirds of net new private sector jobs** in recent decades.
- And small businesses that export to foreign markets **sell more, support more jobs, and pay higher wages** than small businesses that don't export.
- **While 98 percent of U.S. exporters are small businesses, fewer than 5 percent of all U.S. businesses export goods.** That means there is huge untapped potential for small businesses to increase revenues and support jobs by selling U.S. goods and services to the 95 percent of the world's consumers that live outside our borders.
- In 2013, **170,000 small and medium-sized businesses** exported nearly \$180 billion worth of goods to TPP countries.

- In the latest Small Business Exporting Survey, **more than 85 percent of small business exporters said that their company benefited from free trade agreements**, with the most common benefits being access to new markets, expanding export operations, and increased profitability from removing trade barriers. **TPP is focused on increasing these benefits.**
- TPP will—for the first time in any trade agreement—create a **dedicated chapter on small and medium-sized businesses** that focuses on how small businesses can benefit from trade.
- **TPP will address trade barriers that pose disproportionate challenges to small businesses**, such as high tariffs, overly complex trade paperwork, corruption, customs “red tape,” restrictions on Internet data flows, weak logistics services that raise costs, and slow delivery of small shipments.
- TPP will also provide **easily accessible information** to small businesses so they can take advantage of the opportunities the agreement will offer them.

## What's in the Trans-Pacific Partnership?

Learn everything you need to know about what's in the deal and who it helps.

[WWW.USTR.GOV/TPP](http://WWW.USTR.GOV/TPP)