



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.



Upgrading the North American Free Trade Agreement (NAFTA)

As President Obama has made clear, past trade deals—including the North American Free Trade Agreement, or NAFTA—haven’t always lived up to the hype. That’s why he has called for renegotiating NAFTA to better address labor and environmental issues. Because TPP includes Canada and Mexico and improves substantially on NAFTA’s shortcomings, it delivers on that promise. TPP learns from past trade agreements, including NAFTA, by upgrading existing standards and setting new high standards that reflect today’s economic realities.

HOW TPP UPGRADES NAFTA

TPP upgrades NAFTA by:

- Adopting the **highest environmental standards of any trade agreement**, including fully enforceable obligations prohibiting some of the most harmful fishery subsidies, creating new tools to combat illegal wildlife trafficking, and improving enforcement of conservation laws.
- Adopting the **highest labor standards of any trade agreement**, including fully-enforceable requirements to protect the freedom to form unions and bargain collectively, prohibitions against exploitative child labor and forced labor, protections against employment discrimination and requirements for acceptable conditions of work.

- Including the **first-ever measures to ensure that state-owned enterprises compete on a commercial basis**, and that the advantages SOEs receive from their governments (such as unfair subsidies) do not have an adverse impact on American workers and businesses.
- Setting standards to **protect digital freedom**, by preserving the free flow of information across borders, and protecting against requirements that force businesses to locate infrastructure in the markets in which they seek to operate.
- Improving **protections for 40 million American workers** whose jobs depend on innovation.
- Subjecting commitments in the Labor and Environment chapters to **dispute settlement**—the same enforceability mechanism available for other chapters of the TPP Agreement—including the availability of trade sanctions.



- TPP puts **strong, fully-enforceable labor and environmental provisions** at the core of the agreement. They will be the strongest labor and environment provisions ever included in a trade agreement, and they mark a sea-change from earlier trade agreements like NAFTA.
- **Labor rights and environment protections were not included in NAFTA.** Rather, they were incorporated, after the fact, into side agreements. NAFTA's dispute settlement procedures did not apply, nor could trade sanctions be imposed for violations of these agreements.
- **TPP changes that, replacing the weak, unenforceable provisions from NAFTA with strong and fully-enforceable commitments.**
- TPP also addresses critical areas not covered by NAFTA, including **state-owned enterprises** (SOEs), **digital trade**, and other issues shaping the 21st century global economy.
- TPP goes beyond just renegotiating NAFTA. It also **extends these higher, fully-enforceable standards to the nearly 40 percent of the global economy** represented by TPP countries.
- In doing so, TPP **protects U.S. jobs, strengthens America's middle class**, and spurs a **race to the top** on global trade standards.

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