

US RECIPROCAL TARIFF FACT SHEET

(Source : <https://www.whitehouse.gov/fact-sheets/2025/07/fact-sheet-the-united-states-and-indonesia-reach-historic-trade-deal/>)



DELIVERING ON RECIPROCAL TRADE: President Donald J. Trump announced a landmark trade deal with Indonesia that will provide Americans with market access in Indonesia once considered impossible and unlock major breakthroughs for America’s manufacturing, agriculture, and digital sectors.

- Under this deal, Indonesia will pay the United States a reciprocal tariff rate of 19%.
- The key terms of the U.S.-Indonesia Agreement on Reciprocal Trade will include:
 - **Eliminating Tariff Barriers:** Indonesia will eliminate tariff barriers, on a preferential basis, on over 99% of U.S. products exported to Indonesia across all sectors, including for all agricultural products, health products, seafood, information and communications technology, automotive products, and chemicals, which will

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create commercially meaningful market access opportunities for the full range of U.S. exports, supporting high-quality American jobs.

- **Breaking Down Non-Tariff Barriers for U.S. Industrial Exports:** Indonesia will address a range of non-tariff barriers, including by: (1) exempting U.S. companies and originating goods from local content requirements; (2) accepting vehicles built to U.S. federal motor vehicle safety and emissions standards; (3) accepting FDA certificates and prior marketing authorizations for medical devices and pharmaceuticals; (4) exempting U.S. exports of cosmetics, medical devices, and other manufactured goods from burdensome certification and labeling requirements; (5) removing import restrictions or licensing requirements on U.S. remanufactured goods and their parts; (6) eliminating pre-shipment inspection or verification requirements on imports of U.S. goods; (7) adopting and implementing good regulatory practices; (8) taking steps to resolve many long-standing intellectual property issues identified in USTR’s Special 301 Report; and (9) addressing U.S. concerns with conformity assessment procedures.
- **Breaking Down Non-Tariff Barriers for U.S. Agriculture Exports:** Indonesia will address and prevent barriers to U.S. agricultural products in the Indonesian market, including by: (1) exempting U.S. food and agricultural products from all of Indonesia’s import licensing regimes including its commodity balance policy; (2) ensuring transparency and fairness with respect to geographical indications (GIs) including meats and cheeses; (3) providing permanent Fresh Food of Plant Origin (FFPO) designation for all applicable U.S. plant products; and (4) recognizing U.S. regulatory oversight, including listing of all U.S. meat, poultry, and dairy facilities and accepting certificates issued by U.S. regulatory authorities.
- **Strengthening Rules of Origin:** The United States and Indonesia will negotiate

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facilitative rules of origin that ensure that the benefits from the agreement accrue to the United States and Indonesia, not third-countries.

- › **Removing Barriers for Digital Trade:** The United States and Indonesia will finalize commitments on digital trade, services, and investment. Indonesia has committed to eliminate existing HTS tariff lines on “intangible products” and suspend related requirements on import declarations; support a permanent moratorium on customs duties on electronic transmissions at the World Trade Organization (WTO) immediately and without conditions; and take effective actions to implement the Joint Initiative on Services Domestic Regulation, including submitting its revised Specific Commitments for certification by the WTO. Indonesia will provide certainty regarding the ability to move personal data out of its territory to the United States through recognition of the United States as a country or jurisdiction that provides adequate data protection under Indonesia’s law. American companies have sought these reforms for years.
- › **Aligning on Economic Security:** Indonesia has committed to join the Global Forum on Steel Excess Capacity and take effective actions to address global excess capacity in the steel sector and its impacts. The United States and Indonesia are committed to strengthening cooperation to increase supply chain resilience. This includes addressing duty evasion and cooperating on export controls and investment security. Indonesia will remove restrictions on exports to the United States for all industrial commodities, including critical minerals.
- › **Improving Labor Standards:** Indonesia has committed to adopt and implement a forced labor import ban and remove provisions that restrict workers and unions from exercising freedom of association and collective bargaining rights.
- › **Notching Commercial Deals:** The United States and Indonesia take note of

commercial deals in the areas of agriculture, aerospace, and energy, which will further increase U.S. exports to Indonesia.

- President Trump has delivered a forward-looking and tough trade deal that will benefit American workers, exporters, farmers, and digital innovators—this deal is what winning looks and will feel like for all Americans.

A DEFINED PATH FORWARD: In the coming weeks, the United States and Indonesia will memorialize the Agreement on Reciprocal Trade in order to lock in benefits for American businesses and workers.

- The United States currently runs its fifteenth largest goods trade deficit with Indonesia.
 - The U.S. total goods trade deficit with Indonesia was \$17.9 billion in 2024.
 - Before this deal, Indonesia’s simple average applied tariff was 8% while the U.S. average applied tariff was 3.3%.

LIBERATING AMERICA FROM UNFAIR TRADE PRACTICES: Since Day One, President Trump challenged the assumption that American workers and businesses must tolerate unfair trade practices that have disadvantaged them for decades and contributed to our historic trade deficit.

- On April 2, President Trump declared a national emergency in response to the large and persistent U.S. goods trade deficit caused by a lack of reciprocity in our bilateral trade relationships, unfair tariff and non-tariff barriers, and U.S. trading partners’ economic policies that suppress domestic wages and consumption.
- President Trump continues to advance the economic and national security interests of

the American people by removing tariff and non-tariff barriers and expanding market access for American exporters.

- Today's announcement shows that America can defend its domestic production and strengthen its defense industrial base while obtaining expansive market access with our trading partners.



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