

The Case for Zero-for-Zero Tariffs on Medtech Products July 2025

Many countries are negotiating tariff rates under the U.S. call for "reciprocal" trade relations. Under President Trump's concept, countries either reach a settlement with the U.S. or face substantially higher tariffs – i.e., in the range of 25-40 percent, compared to low or zero existing tariffs. The current deadline for most countries is August 1, 2025. While President Trump is planning U.S. tariffs to include a "flat rate" of 10 percent, he appears to be considering zero tariffs for certain sectors.

The Global Medical Technology Alliance (GMTA), which represents companies manufacturing some 85 percent of global medical devices and diagnostics (medtech), urges governments to drop tariffs to zero on medtech products. We believe that zero tariffs can be achieved by U.S. trading partners proposing a "zero-for-zero" approach – i.e., the U.S. and its trading partners agree to eliminate tariffs on a bilateral basis and immediately implement these zero tariffs.

There is a clear humanitarian imperative to exempt medical devices from tariffs. Historically, industries with a direct impact on public health and welfare have been recognized as requiring special consideration in trade policy. Significantly increasing tariffs on medtech runs the risk of raising costs for patients and healthcare systems, stifling innovation, and potentially leading to reduced investment in life-saving research and development. Most critically, tariffs may interrupt the timely flow of essential medical products to patients who depend on them for disease diagnosis, treatment, and improved quality of life.

A "zero-for-zero" reciprocal tariff model is grounded in the principle that patient welfare and uninterrupted access to medical technology <u>must</u> take precedence in trade negotiations.

About the GMTA: The Global Medical Technology Alliance is a coalition of national and regional medtech associations representing the vast majority of the world's medical device, diagnostic, and digital health innovators, committed to advancing policies that support innovation, patient access, and global health. <u>GMTA Global Medical Technology Alliance</u>