T-TIP stands to be an ambitious, comprehensive, and high-standard trade and investment agreement that offers significant benefits for U.S. companies and workers through eliminating existing trade barriers and better enabling U.S. companies and workers to compete. **T-TIP will provide significant new opportunities for U.S. industry, as approximately one-fifth of all U.S. goods and services exports go to the European Union (EU).** In 2013, every billion dollars of U.S. exports supported 5,590 jobs. In that same year, U.S. goods and services exports to the EU supported an estimated 2.5 million U.S. jobs.

### Key Opportunities for Alabama’s Industries

**Automotive Products**

The automotive products sector accounted for **44 percent** of Alabama’s total exports to the EU between 2012 and 2014. During that same period automotive exports to the EU from Alabama averaged **$2 billion** annually. The EU currently has tariffs on automotive products as high as 22 percent. Alabama companies would likely benefit from reduced tariffs in this sector as a result of the agreement.

**Minerals and Fuels**

The minerals and fuels sector accounted for **18 percent** of Alabama’s total exports to the EU between 2012 and 2014. During that same period minerals and fuels product exports to the EU from Alabama averaged **$784 million** annually. The EU currently has tariffs on minerals and fuels as high as 8 percent. Alabama companies would likely benefit from reduced tariffs in this sector as a result of the agreement.

**Chemicals**

The chemicals sector accounted for **7 percent** of Alabama’s total exports to the EU between 2012 and 2014. During that same period chemical exports to the EU from Alabama averaged **$318 million** annually. The EU currently has tariffs on chemical products as high as 6.5 percent. Alabama companies would likely benefit from reduced tariffs in this sector as a result of the agreement. Chemical exports could also benefit from T-TIP provisions that promote regulatory efficiencies and reduce regulatory compliance costs.

Alabama U.S. Export Assistance Centers: [www.export.gov/Alabama](http://www.export.gov/Alabama)
Exports Sustain Thousands of Alabama Businesses including SMEs

A total of 3,964 companies exported from Alabama locations in 2013. Of those, 3,218 (81.2 percent) were small and medium-sized enterprises with fewer than 500 employees. Small and medium-sized firms generated nearly one-sixth (15.8 percent) of Alabama’s total exports of merchandise in 2013.

Alabama exported $4.5 billion annually in goods to the EU (2012-2014 average). During this period, 23 percent of Alabama’s total goods exports went to the EU.

The EU’s tariff elimination as part of T-TIP would provide new market access that could benefit Alabama’s exports. Exports from Alabama could also benefit from efforts in T-TIP to achieve new market access commitments in services and investment, improve the regulatory environment, and establish global best practices.

How Past FTAs Have Benefitted Alabama

The United States currently has free trade agreements in force with 20 countries, which account for $8.5 billion (44 percent) of Alabama’s exports in 2014. During the past 10 years (2005-2014), exports from Alabama to these markets grew by 86 percent, with NAFTA, Korea, Australia, Chile and CAFTA-DR showing the largest dollar growth during this period.

In Their Own Words: T-TIP Comments

The American Farm Bureau Federation

“The American Farm Bureau Federation, a U.S. general farm organization, supports efforts to increase agricultural trade flows and remove several major impediments to this flow that currently exist between the United States and the European Union.”

The American Auto Policy Council

“Eliminating tariffs and achieving greater regulatory convergence of current and future standards through the TTIP will increase trade, lower costs, create jobs, and improve the international competitiveness of the industry, strengthening the automotive industry and its economic contribution in both economies.”