Transatlantic Trade and Investment Partnership (T-TIP) Opportunities for Delaware

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 Delaware’s Industries**

**Chemicals**

The chemicals sector accounted for 11% of Delaware's total exports to the EU between 2012 and 2014. During that same period chemical exports to the EU from Delaware averaged **$204 million** annually. The EU currently has tariffs on chemical products as high as 6.5 percent. Delaware 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.

**Minerals and Fuels**

The minerals and fuels sector accounted for 10% of Delaware’s total exports to the EU between 2012 and 2014. During that same period mineral and fuel product exports to the EU from Delaware averaged **$183 million** annually. The EU currently has tariffs on minerals and fuels as high as 8 percent. Delaware companies would likely benefit from reduced tariffs in this sector as a result of the agreement.

**High-tech Instruments**

The high-tech instruments sector accounted for 6% of Delaware’s total exports to the EU between 2012 and 2014. During that same period high-tech instrument exports to the EU from Delaware averaged **$125 million** annually. The EU currently has tariffs on high-tech instrument products as high as 6.7 percent. Delaware companies would likely benefit from reduced tariffs in this sector as a result of the agreement.

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

A total of 1,627 companies exported from Delaware locations in 2013. Of those, 1,406 (86.4 percent) were small and medium-sized enterprises with fewer than 500 employees. Small and medium-sized firms generated nearly one-fifth (18.9 percent) of Delaware’s total exports of merchandise in 2013.

Delaware exported $2.0 billion annually in goods to the EU (2012-2014 average). Delaware’s goods exports to the EU increased by 20 percent from 2012 to 2014. During this period, 37 percent of Delaware’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 Delaware’s exports. Exports from Delaware 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 Delaware

The United States currently has free trade agreements in force with 20 countries, which account for $1.3 billion (24 percent) of Delaware’s exports in 2014. During the past 10 years (2005-2014), exports from Delaware to these markets grew by 36 percent, with CAFTA-DR, Korea, Singapore, NAFTA, and Jordan 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.”

**Telecommunications Industry Association (TIA)**

“We see significant potential for a TTIP to increase transatlantic trade of telecommunications goods and services. As the two largest telecommunications markets in the world, the benefits of a comprehensive agreement will likely have a significant commercial benefit to the United States and Europe.”

**National Electrical Manufacturers Association (NEMA)**

“Our member companies manufacture a diverse set of products including power transmission and distribution equipment, lighting systems, factory automation and control systems, and medical diagnostic imaging systems. Saving time and money not having to pay import duties could provide for notable efficiencies and re-programming of company resources into more productive activities.”

For more information, please see www.trade.gov/fta.
Sources include resources from the U.S. Department of Commerce’s International Trade Administration, Bureau of the Census, and Bureau of Economic Analysis, as well as the International Monetary Fund’s World Economic Outlook.