Transatlantic Trade and Investment Partnership (T-TIP)

Opportunities for Kansas

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 Kansas’s Industries**

**Machinery**

The machinery sector accounted for **14 percent** of Kansas’s total exports to the EU between 2012 and 2014. During that same period machinery exports to the EU from Kansas averaged **$215 million** annually. The EU currently has tariffs on machinery products as high as 9.7 percent. Kansas companies would likely benefit from reduced tariffs in this sector as a result of the agreement.

**Information and Communication Technologies (ICT)**

The ICT sector accounted for **9 percent** of Kansas’s total exports to the EU between 2012 and 2014. During that same period ICT product exports to the EU from Kansas averaged **$140 million** annually. The EU currently has tariffs on ICT products as high as 14 percent. Kansas companies would likely benefit from reduced tariffs in this sector as a result of the agreement. ICT exports could also benefit from T-TIP provisions that will address technical regulations and standards that unnecessarily restrict trade.

**Chemicals**

The chemical sector accounted for **9 percent** of Kansas’s total exports to the EU between 2012 and 2014. During that same period chemical exports to the EU from Kansas averaged **$136 million** annually. The EU currently has tariffs on chemical products as high as 6.5 percent. Kansas 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 will address technical regulations and standards that unnecessarily restrict trade.
Exports Sustain Thousands of Kansas Businesses including SMEs

A total of 3,322 companies exported from Kansas locations in 2013. Of those, 2,760 (83.1 percent) were small and medium-sized enterprises with fewer than 500 employees. Small and medium-sized firms generated nearly one-quarter (22.7 percent) of Kansas’s total exports of merchandise in 2013.

Kansas exported $1.7 billion annually in goods to the EU (2012-2014 average). During this period, 14 percent of Kansas’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 Kansas’s exports. Exports from Kansas 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 Kansas

The United States currently has free trade agreements in force with 20 countries, which account for $5.4 billion (45 percent) of Kansas’s exports in 2014. During the past 10 years (2005-2014), exports from Kansas to these markets grew by 60 percent, with NAFTA, Peru, Korea, CAFTA-DR, and Colombia 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](http://www.trade.gov/fta).

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