



# USMCA Nebraska State Fact Sheet

## **Nebraska's Trade with the World**<sup>1</sup>

- In 2019, Nebraska exported \$7.5 Billion in goods to the world.
- In 2019, Nebraska was the 34th-largest state exporter of goods in the United States.
- In 2016, 62,670 U.S. jobs were supported by goods exported from Nebraska.<sup>2</sup>
- In 2018, 1,870 companies exported goods from Nebraska- 80 percent were small and medium-sized companies.<sup>3</sup>

## **Nebraska's Trade with Canada and Mexico**

### Nebraska's Rank in Exports to Canada and Mexico

In 2019, Nebraska was the 30th-largest exporter of goods to Mexico and Canada.

### Ranks of Canada and Mexico as Destinations for Nebraska Exports

In 2019, Canada was Nebraska's second-largest export destination and Mexico was the largest export destination.

### Statewide Statistics and Top Export Product Categories<sup>4</sup>

- In 2019, Nebraska exported \$3.3 Billion to Canada and Mexico, accounting for 45 percent of Nebraska's total exports to the world.
  - Nebraska exported \$1.6 Billion to Canada, 21 percent of Nebraska's exports to the world.

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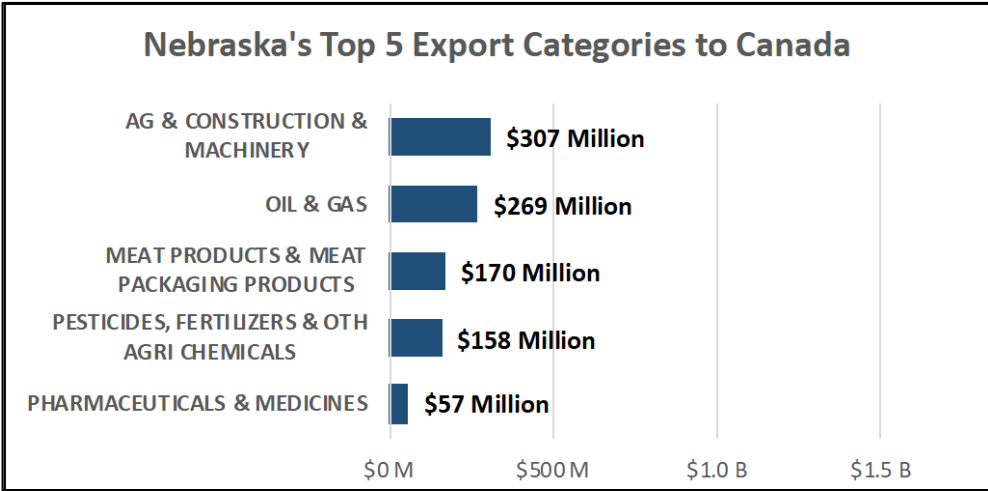
<sup>1</sup>All trade data used in this report reflect the data published by June 15, 2020 from the U.S. Census Bureau, as compiled by the International Trade Administration's Trade Policy Information System (TPIS).

<sup>2</sup> Jobs supported by state exports estimates by the Office of Trade and Economic Analysis (OTEA), Industry and Analysis, International Trade Administration, U.S. Department of Commerce:

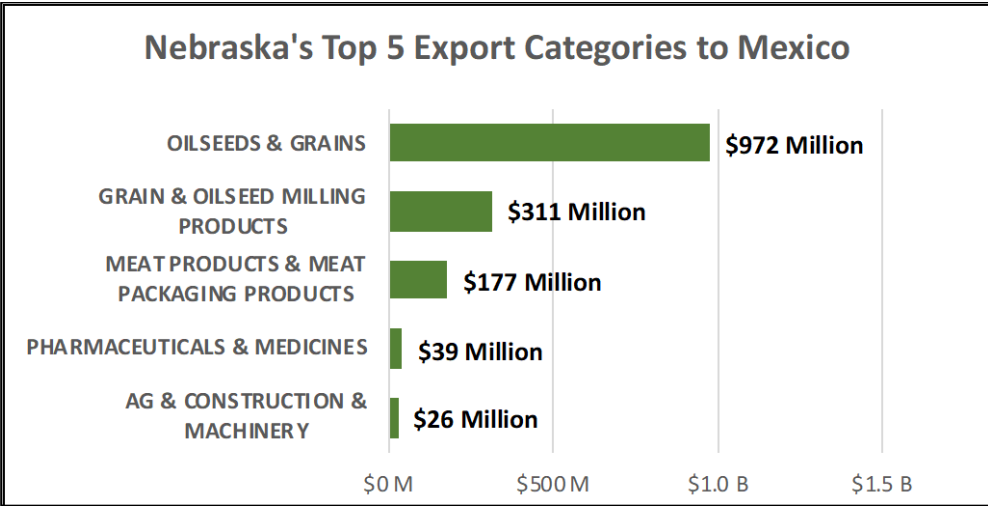
<https://www.trade.gov/mas/ian/employment/>

<sup>3</sup> U.S. Census Bureau's A Profile of U.S. Importing and Exporting Companies, Table 6a 2018 Exports by State of Origin of Movement, Number of Exporting Companies, Value for Small and Medium Companies

<sup>4</sup> Top export product categories reflected under the 2017 North American Industry Classification System (NAICS) at the 4-digit level of detail, compiled by TPIS.



- Nebraska exported \$1.7 Billion to Mexico, 23 percent of Nebraska’s exports to the world.



Metropolitan Statistics<sup>5</sup>

- Nebraska’s Top Metropolitan Exports to Canada and Mexico 2018
  - Omaha-Council Bluffs **\$1.6 Billion**\*<sup>6</sup>
    - Top Products: Food Manufacturing; Crop Production; Chemical Manufacturing; Machinery Manufacturing; Oil And Gas Extraction

<sup>5</sup> 2018 Metropolitan (statistical) area (MSA) exports to Canada and Mexico data from the U.S. Census Bureau compiled by the Office of Trade and Economic Analysis (OTEA), Industry and Analysis, International Trade Administration, U.S. Department of Commerce. Top products by MSA reflected under the 2017 North American Industry Classification System (NAICS) at the 3-digit level of detail.

<sup>6</sup> An asterisk (\*) notes if the Metropolitan Area is shared with one or more other states.



- Sioux City **\$548 Million**\*<sup>7</sup>
  - Top Products: Food Manufacturing; Chemical Manufacturing; Machinery Manufacturing; Transportation Equipment Manufacturing; Leather And Allied Product Manufacturing
- Lincoln **\$430 Million**
  - Top Products: Food Manufacturing; Transportation Equipment Manufacturing; Electrical Equipment, Appliance, And Component Manufacturing; Machinery Manufacturing; Computer And Electronic Product Manufacturing

### **USMCA Will Benefit Nebraska's Top Export Sectors to Canada and Mexico**

Nebraska's top export sectors to Canada and Mexico in 2019 include Food Manufacturing, Machinery, and Chemicals.<sup>8</sup>

#### **Food Manufacturing**

Nebraska is home to several large food manufacturing<sup>9</sup>. In 2019, there were 336 food manufacturing establishments with 37,797 employees. Douglas (Omaha), Saline, and Dodge (Fremont) counties have the largest number of employees in the food manufacturing sector. USMCA contains an annex on proprietary food formulas which requires each Party to protect the confidentiality of such information in the same manner for both domestic and imported products. For the first time in a trade agreement, USMCA contains a chapter on good regulatory practices that promotes transparency and accountability in development and implementation of regulations. USMCA also has a chapter on sanitary and phytosanitary (SPS) provisions, which requires the Parties to agree to increase transparency in SPS measures, advance science-based decision making, and work together to enhance compatibility of SPS measures between them.

#### **Machinery**

Nebraska is home to many machinery manufacturing companies. In 2019, there were 187 machinery manufacturing<sup>10</sup> establishments employing 9,018 workers. Douglas (Omaha), Hall, and Adams (Hastings) counties have the largest number of employees in the machinery sector. USMCA maintains duty-free access to Mexico and Canada for originating machinery and remanufactured goods for Nebraska's machinery manufacturing companies and contains strong rules of origin protections to ensure that tariff preferences go to companies in the USMCA countries. USMCA also goes beyond any past trade agreement by including important new provisions that will help reduce costs and bring greater predictability to the border for shipments of machinery. At the same time USMCA will ensure customs administrations have the necessary tools to enforce the law. Industry<sup>11</sup> reported support for the

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<sup>7</sup> Ibid.

<sup>8</sup> Unless otherwise footnoted in the below sectors, sector employment data is average annual number of employees and establishments by county or local economic region by 2017 NAICS3-digit level from the Bureau of Labor Statistics.

<sup>9</sup> Food manufacturing defined as NAICS 311 for food manufacturing.

<sup>10</sup> Machinery sector defined as NAICS 333 for machinery manufacturing.

<sup>11</sup> Industry Trade Advisory Committee 2 – Automotive Equipment and Capital Goods Report Regarding USMCA:



following provisions included in the Intellectual Property chapter: civil and criminal courses of legal action to protect trade secrets, protection of industrial designs, and equal treatment of digital and physical goods. Industry<sup>12</sup> also supports the Small and Medium-Sized Enterprises (SMEs) provisions to enhance SMEs ability to participate in the benefits and opportunities created by USMCA. As stated in Nebraska’s trade statistics, 80 percent of companies that exported goods from Nebraska in 2018<sup>13</sup> were small and medium-sized companies.

### Chemicals

Nebraska is home to numerous chemical<sup>14</sup> establishments. In 2019, there were 121 chemical establishments employing 5,667 workers. Lancaster (Lincoln), Douglas (Omaha), and Platte counties have the largest number of employees and establishments in the chemicals sector. USMCA adopted chemical reaction rules to determine origin for most chemical products. USMCA also contains sector annexes on chemical substances, pharmaceuticals, and cosmetics. These annexes promote enhanced regulatory compatibility and trade between the three Parties, while recognizing the regulatory authority of each Party. These annexes commit to build on existing extensive regulatory cooperation on chemicals, pharmaceuticals, and cosmetics between Parties and identify areas of focus for future cooperation. It also encourages the Parties to consider internationally-developed science and technical guidance documents when implementing regulations for cosmetics and encourages cooperation on inspections of pharmaceutical manufacturers.

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<https://ustr.gov/sites/default/files/files/agreements/FTA/AdvisoryCommitteeReports/ITAC%20%20REPORT%20-%20Automotive%20Equipment%20and%20Capital%20Goods.pdf>

<sup>12</sup> Ibid.

<sup>13</sup> Census’ Exports by State of the Origin of Movement, Number of Exporting Companies, and Value for Small and Medium Sized Companies in 2018 was the latest data published by June 25, 2020.

<sup>14</sup> Chemical sector defined as NAICS 325 for chemical manufacturing.