



USMCA Texas State Fact Sheet

Texas's Trade with the World¹

- In 2019, Texas exported \$328.9 Billion in goods to the world.
- In 2019, Texas was the 1st-largest state exporter of goods in the United States.
- In 2016, 910,304 U.S. jobs were supported by goods exported from Texas.²
- In 2018, 40,932 companies exported goods from Texas- 93 percent were small and medium-sized companies.³

Texas's Trade with Canada and Mexico

Texas's Rank in Exports to Canada and Mexico

In 2019, Texas was the top exporter of goods to Mexico and Canada.

Ranks of Canada and Mexico as Destinations for Texas Exports

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

Statewide Statistics and Top Export Product Categories⁴

- In 2019, Texas exported \$137.1 Billion to Canada and Mexico, accounting for 42 percent of Texas's total exports to the world.
 - Texas exported \$28.5 Billion to Canada, 9 percent of Texas's exports to the world.

¹All 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).

² 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:

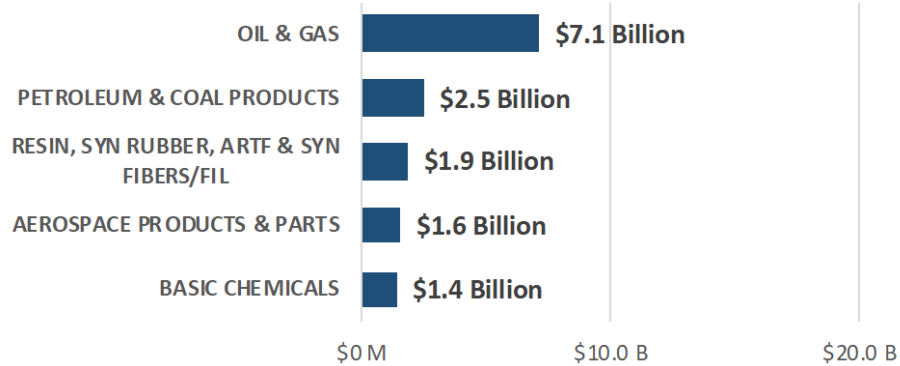
<https://www.trade.gov/mas/ian/employment/>

³ 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

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

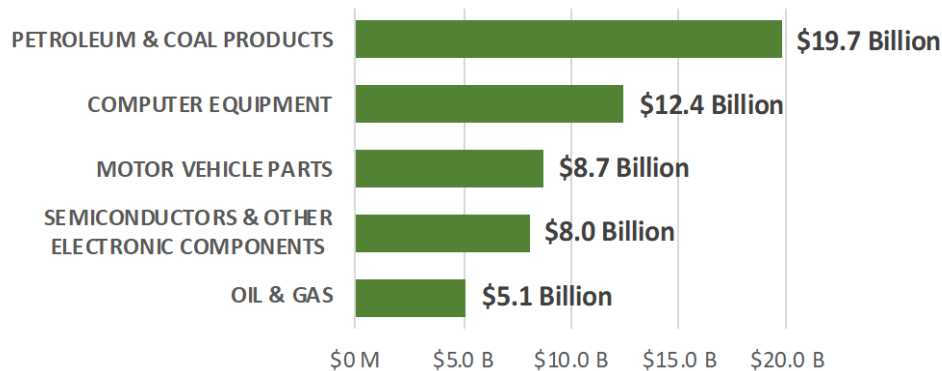


Texas' Top 5 Export Categories to Canada



- Texas exported \$108.6 Billion to Mexico, 33 percent of Texas's exports to the world.

Texas' Top 5 Export Categories to Mexico



Metropolitan Statistics⁵

- Texas's Top Metropolitan Exports to Canada and Mexico 2018
 - Houston-The Woodlands-Sugar Land **\$34.1 Billion**
 - Top Products: Petroleum And Coal Products Manufacturing; Oil And Gas Extraction; Chemical Manufacturing; Machinery Manufacturing; Computer And Electronic Product Manufacturing
 - El Paso **\$26.8 Billion**
 - Top Products: Computer And Electronic Product Manufacturing; Electrical Equipment, Appliance, And Component Manufacturing; Transportation

⁵ 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.



Equipment Manufacturing; Miscellaneous Manufacturing; Machinery Manufacturing

- Dallas-Fort Worth-Arlington **\$10.7 Billion**
 - Top Products: Transportation Equipment Manufacturing; Computer And Electronic Product Manufacturing; Machinery Manufacturing; Chemical Manufacturing; Electrical Equipment, Appliance, And Component Manufacturing

USMCA Will Benefit Texas's Top Export Sectors to Canada and Mexico

Texas's top export sectors to Canada and Mexico in 2019 include Computer and Electronic Products, Petroleum and Coal Products, and Chemicals.⁶

Computer and Electronic Products

Texas is home to many leading technology companies. In 2019, there were 1,493 computer and electronic product establishments⁷ with 93,148 workers. For the first time in a trade agreement, the Intellectual Property chapter includes protections against the misappropriation of trade secrets and requires a minimum term of protection of industrial designs of at least 15 years.

Petroleum and Coal Products

Texas leads the country in petroleum refining.⁸ Houston accounts for over 42 percent of the nation's base petrochemical capacity.⁹ In 2019, there were 283 petroleum and coal¹⁰ establishments with 22,975 workers. Harris (Houston), Jefferson (Beaumont), and Nueces¹¹ counties also reported support for USMCA's new energy efficiency performance standards annex (which aims to harmonize the federally mandated energy performance standards across various products), energy regulatory measures, and regulatory transparency.

Chemicals

⁶ 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.

⁷ Computer and electronic products sector defined as NAICS 334 for computer and electronic product manufacturing.

⁸ Texas Economic Development gov.texas.gov/business

⁹ Ibid.

¹⁰ Petroleum and coal products defined as NAICS 324 for petroleum and coal products manufacturing.

¹¹ Industry Trade Advisory Committee 6 – Energy and Energy Services Report Regarding USMCA:

<https://ustr.gov/sites/default/files/files/agreements/FTA/AdvisoryCommitteeReports/ITAC%206%20REPORT%20-%20Energy%20and%20Energy%20Services.pdf>



Texas is home numerous chemical¹² companies. In 2019, there were 1,730 chemical establishments with 83,418 workers. Harris (Houston), Brazoria, and Dallas counties have the largest number of employees 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.

¹² Chemical sector defined as NAICS 325 for chemical manufacturing.