



10 TOP OVERLOOKED FACTS ABOUT TRANSATLANTIC TRADE



U.S. CHAMBER OF COMMERCE
International Affairs



Europe Is by Far America's Largest Trading Partner

Together, the United States and the European Union account for nearly half of global economic output, with each producing more than \$16 trillion in GDP. Total U.S.-EU commerce—including trade in goods and services and sales by foreign affiliates—tops \$6.5 trillion annually and employs 15 million Americans and Europeans.

Source: U.S. Bureau of Economic Analysis, Johns Hopkins University Center for Transatlantic Relations.

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The Scale of Transatlantic Investment Is Already Vast

Companies headquartered in EU Member States have invested \$1.6 trillion in the United States and directly employ more than 3.5 million Americans. Similarly, U.S. firms have invested \$2.1 trillion in the EU—a sum representing more than half of all U.S. investment abroad. It's also nearly 40 times as much as U.S. companies have invested in China.

Source: U.S. Bureau of Economic Analysis (2011 data).



America and Europe Share Common Values

The United States and the Member States of the European Union are strong democracies with an enduring commitment to civil liberties and the rule of law. We uphold similar social, labor, and environmental standards in our laws and regulations. These shared values and strong institutions provide a firm foundation for our economic partnership.

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The Transatlantic Partnership Promises Growth and Jobs

To capitalize on these robust ties, the United States and the EU are pursuing a comprehensive and ambitious Transatlantic Trade and Investment Partnership (TTIP). This agreement will eliminate tariffs; liberalize services, investment, and procurement; and promote regulatory cooperation to ensure high levels of health, safety, and environmental protection while cutting unnecessary costs.

Source: Office of the U.S. Trade Representative.



Eliminating Trade Barriers Could Bring Huge Benefits

The sheer volume of transatlantic commerce is so large that eliminating today's relatively modest trade barriers could bring big benefits. According to one study, the TTIP would boost U.S. exports to the EU by \$300 billion annually, add \$125 billion to U.S. GDP each year, and increase the purchasing power of the typical American family by nearly \$900—with similar benefits for Europeans.

Source: Centre for Economic Policy Research.

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Regulatory Cooperation Would Cut Costs, Enhance Competitiveness

Companies selling their products on both sides of the Atlantic incur high costs complying with both U.S. and European regulations, even when they are very similar. For example, U.S. automakers run crash tests to comply with U.S. safety regulations but must do so a second time to comply with EU standards—and vice versa. Mutual recognition of these regulations would save consumers up to 7% on each car or truck.

Source: Johns Hopkins University Center for Transatlantic Relations.



Together, the U.S. and the EU Can Raise Global Standards

With a combined GDP of more than \$32 trillion, the sheer size of the transatlantic economy will incentivize other countries to look to standards set in the TTIP. Accordingly, the United States and the EU should establish a high bar in such areas as protecting intellectual property, cultivating the digital economy, and combating trade and investment protectionism.

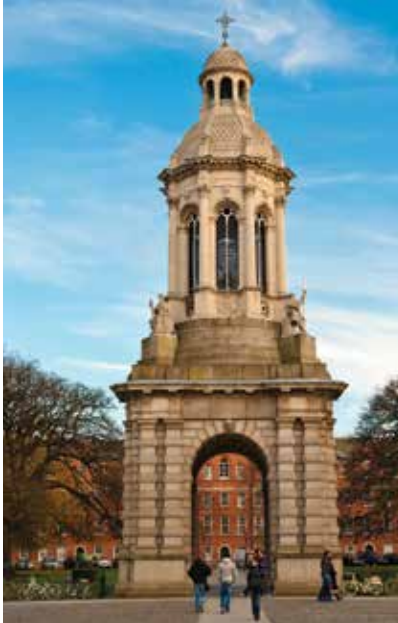
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Americans Support Closer Trade Ties to Europe

Americans agree that increased trade with the EU would be good for the United States by a two-to-one margin (58% to 28%), according to a Pew survey. Gallup reports Americans have grown more positive toward trade generally, with 57% viewing trade as “an opportunity for economic growth”—the most positive reading in 20 years.

Source: Pew Research Center for the People and the Press, Gallup.



Many Other Nations Are Pursuing Trade Pacts with the EU

The EU has 28 free trade agreements in force with such countries as Mexico, South Africa, and South Korea. It has concluded negotiations for an additional 9 agreements with Central America, Colombia, Singapore, Ukraine, and others. Negotiations are under way with Canada, India, Japan, Malaysia, Thailand, Vietnam, and the Mercosur bloc. Without a trade agreement in place with the EU, U.S. workers and companies could be put at a disadvantage in the giant European marketplace.

Source: European Commission.

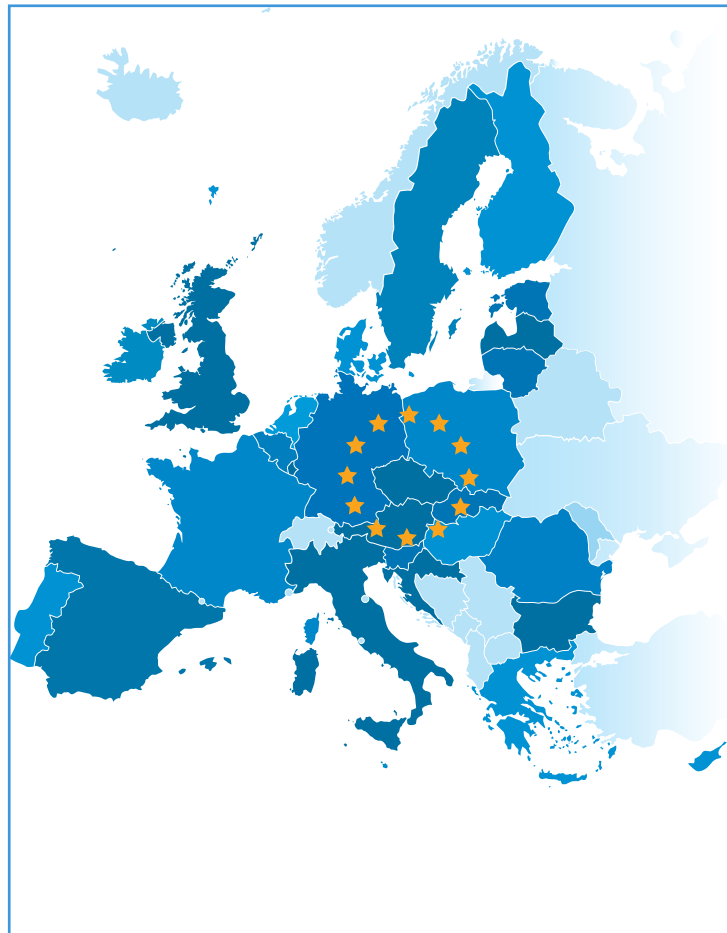
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TTIP Offers Benefits to Other Countries as Well

TTIP would not benefit the United States and the EU at the expense of other nations. In fact, liberalizing transatlantic trade would increase GDP in the rest of the world by as much as \$130 billion, according to a CEPR study. In addition, some analysts believe the TTIP could jump-start negotiations at the World Trade Organization just as the North American Free Trade Agreement and the creation of the Asia-Pacific Economic Cooperation forum provided a new impetus for global trade talks 20 years ago.

Source: Centre for Economic Policy Research.



The Chamber is delighted to serve as the secretariat for the Business Coalition for Transatlantic Trade.



For more information please visit:
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U.S. CHAMBER OF COMMERCE

International Division

1615 H Street, NW | Washington, DC 20062-2000
www.uschamber.com