

# Transatlantic Trade and Investment Partnership (TTIP)

*Creating Jobs, Boosting Exports, and Investing in the Economy of Tomorrow*

The EU-U.S. transatlantic economy represents the largest economic relationship in the world, accounting for nearly 30 percent of global merchandise trade, about 40 percent of world trade in services, and nearly half of global GDP. In 2011, European investment in the U.S. accounted for 70 percent of total FDI in the United States, and Europe's investment flows to the U.S. were seven times larger than those to China.

## Did you know?

### ✓ Two-Way Trade

27 out of 50 U.S. states had record-breaking trade flows with the European Union in 2012.

### ✓ Jobs

The transatlantic economy employs up to 15 million workers on both sides of the Atlantic.

### ✓ Investment

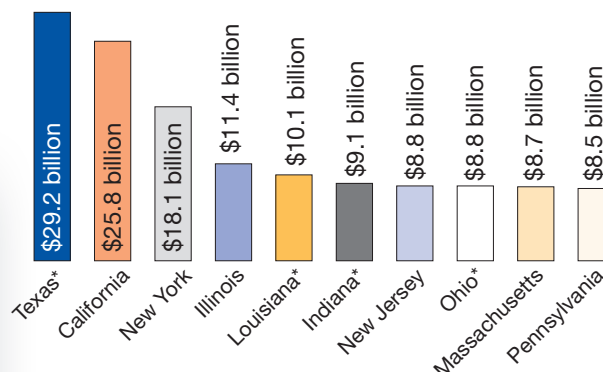
European investment in the United States was \$1.8 trillion in 2011. Nearly 70 percent of total foreign investment in the U.S. comes from Europe.

### ✓ U.S. Company Profits

U.S. affiliate income earned in Europe was \$214 billion in 2012—a record high.

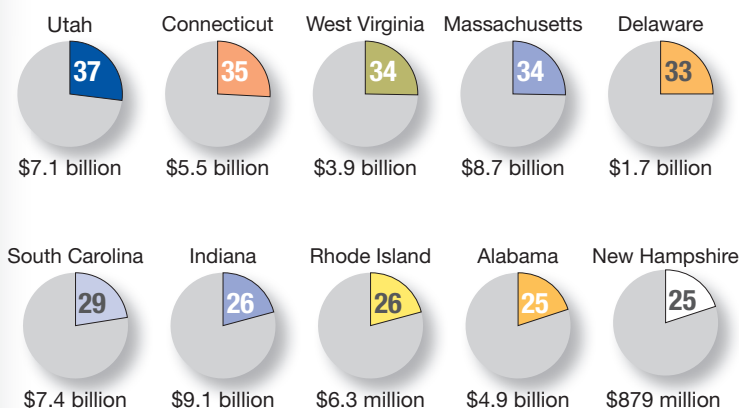
## Top Ten State Exporters to the European Union by Value

Value of Exports to the EU (2012)



## Top Ten States by EU Export Intensity

### Percentage of State's Exports Destined for the EU (2012)



\*Record Breaking Year for Exports to EU

Source: U.S. Department of Commerce

## TTIP: The EU and the U.S. Working Together to Spur Jobs, Growth, and the Economic Recovery

The Transatlantic Trade and Investment Partnership (TTIP) aims to increase trade and investment between the EU and the U.S. by unleashing the untapped potential of a truly transatlantic marketplace. The agreement is expected to create jobs and growth by delivering better reciprocal access to the U.S. and EU markets, achieving greater regulatory compatibility between the EU and the U.S., and paving the way for setting global standards.

Negotiations launched in July 2013, with the goals of eliminating duties and other restrictions on trade in goods; freeing up commercial services; and providing the highest possible protection, certainty, and level playing field for American and European investors. Removing unnecessary regulatory constraints on trade and facilitating customs procedures are also key areas of interest.

Sources: U.S. Department of Commerce; IMF; *The Transatlantic Economy* 2013



# TTIP Fact Sheet

**The EU-U.S. trade relationship is already the biggest in the world, and delivers enormous benefits to both the EU and the U.S.**

- Together, the EU and the U.S. account for nearly half of world GDP and 30 percent of world trade.
- Every day, the EU and the U.S. trade goods and services worth \$2.7 billion; transatlantic commercial sales are valued at approximately \$6.65 trillion each year.
- The transatlantic economy employs 15 million workers on both sides of the Atlantic.
- The EU is the world's largest trading bloc, accounting for almost one-fifth of global trade, and the world's largest economic body, with EU Member States comprising more than one-quarter of the entire global economy.
- Ninety-eight percent of trade between the EU and the U.S. is dispute-free.

**A future trade and investment agreement between the world's two most important economic powers will give a strong boost to economies and create jobs on both sides of the Atlantic.**

- An independent study shows significant gains both for the EU and the U.S. if an ambitious agreement is fully implemented.
  - U.S. GDP would increase by around 0.4%; EU GDP would increase by around 0.5%.
  - Consumers would benefit by approximately \$871 per year in additional disposable income for a family of four in the U.S.
- On average, tariffs imposed between the EU and the U.S. are low (approximately 4%). However, since the negotiations will aim to eliminate nearly all import duties on industrial and agricultural goods, the volume of trade is so big that this will result in millions of dollars in savings.
- Tackling regulatory issues, or “behind-the border” measures where diverging rules create obstacles, is an essential point. Reconciling differing but duplicative technical regulations, standards, and certifications will remove red tape and reduce needless costs of production.

**TTIP could have a major positive impact on the multilateral trading system and the rest of the world.**

- TTIP could help re-energize negotiations in Geneva by sending a clear signal of the joint willingness of the EU and the U.S. to open markets and tackle complex regulatory issues.
- TTIP will contribute to the development of global rules in areas where we have not been able to agree so far at the multilateral level. This is potentially a unique laboratory for filling the gaps in the multilateral rulebook and developing regulatory solutions that can be a basis for subsequent work at the multilateral level.
- An independent study assessing the impact of TTIP shows that it will have a positive economic spillover effect and that liberalizing trade between the EU and the U.S. could increase GDP in the rest of the world by an estimated \$109 billion.



Read more about TTIP:  
<http://ec.europa.eu/trade/policy/in-focus/ttip/>

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