



Transatlantic Trade and Investment Partnership (T-TIP)

Opportunities for New Mexico



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 New Mexico's Industries

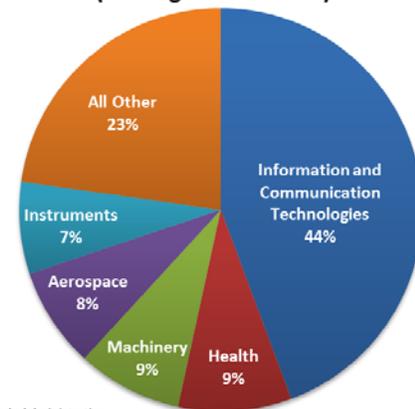
Information and Communication Technologies (ICT)

The ICT sector accounted for **44 percent** of New Mexico's total exports to the EU between 2012 and 2014. During that same period ICT product exports to the EU from New Mexico averaged **\$172 million** annually. The EU currently has tariffs on ICT products as high as 14 percent. New Mexico 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.

Machinery

The machinery sector accounted for **9 percent** of New Mexico's total exports to the EU between 2012 and 2014. During that same period machinery product exports to the EU from New Mexico averaged **\$33 million** annually. The EU currently has tariffs on machinery products as high as 9.7 percent. New Mexico companies would likely benefit from reduced tariffs in this sector as a result of the agreement.

New Mexico's Top Goods Exports to the EU
(Average 2012-2014)



Source: International Trade Administration

High-tech Instruments

The high-tech instruments sector accounted for **7 percent** of New Mexico's total exports to the EU between 2012 and 2014. During that same period high-tech instrument exports to the EU from New Mexico averaged **\$29 million** annually. The EU currently has tariffs on high-tech instruments as high as 14 percent. New Mexico companies would likely benefit from reduced tariffs in this sector as a result of the agreement.

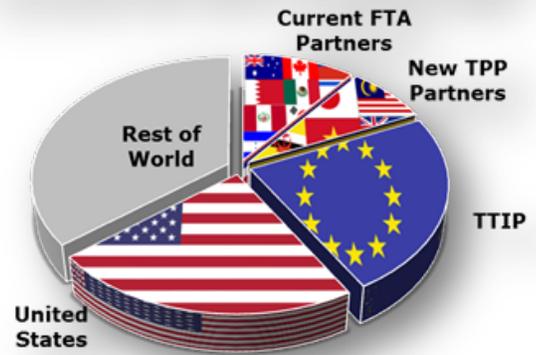
Exports Sustain Thousands of New Mexico Businesses including SMEs

A total of 1,343 companies exported from New Mexico locations in 2013. Of those, 1,108 (82.5 percent) were small and medium-sized enterprises with fewer than 500 employees. Small and medium-sized firms generated nearly one-third (30.2 percent) of New Mexico's total exports of merchandise in 2013.

New Mexico exported \$396 million annually in goods to the EU (2012-2014 average). New Mexico's goods exports to the EU increased by 137 percent from 2012 to 2014. During this period, 13 percent of New Mexico'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 New Mexico's exports. Exports from New Mexico 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.

With TTIP & TPP, the United States & its trade agreements partners will account for 64% of global GDP



How Past FTAs Have Benefitted New Mexico

The United States currently has free trade agreements in force with **20 countries**, which accounted for **\$2.7 billion (71 percent)** of New Mexico's exports in 2014. During the past 10 years (2005-2014), exports from New Mexico to these markets grew by **261 percent**, with NAFTA, Israel, Australia, Morocco, and Colombia showing the largest dollar growth during this period.

In Their Own Words: T-TIP Comments

The Consumer Electronics Association

"The TTIP has the potential to significantly promote and enhance trade in the important consumer electronics industry sector to the benefit of businesses and consumers in the United States and Europe."

Telecommunication 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.

Prepared by Trade Policy and Analysis, International Trade Administration, U.S. Department of Commerce.

Sources include resources from the U.S. Department of Commerce's International Trade Administration, Bureau of the Census, and Bureau of Economic Analysis, as well as the International Monetary Fund's World Economic Outlook.