The U.S. and the EU

Building On Our Economic and Strategic Partnership

The United States and the European Union (EU) share fundamental values of freedom, democracy, human rights, and respect for law. We work together to advance energy security, address global climate change, and promote economic development. We cooperate on counterterrorism and security issues. A growing transatlantic economy supports our ability to address jointly global challenges and to promote global development and prosperity.

T-TIP

The Transatlantic Trade and Investment Partnership

In his 2013 State of the Union Address, President Barack Obama announced his intention for the United States to negotiate a Transatlantic Trade and Investment Partnership with the EU. T-TIP would be different from any trade agreement the United States has ever negotiated, and could forge one of the largest economic partnerships in the world, It would reinforce our strong shared vision of economic opportunity that has existed since the days of the Marshall Plan. This is a chance to create a 21st century agreement that builds upon our transatlantic partnership and provides global leadership on trade policy.

Facts about Transatlantic Trade and Investment

While trade with emerging economies like China is growing, 43 of the 50 U.S. states in 2013 still exported more to Europe than to China -- and by a wide margin. For example, California exported 73% more to Europe than to China in 2013.

But the size of the U.S.- EU foreign direct investment (FDI) is even bigger than the amount of transatlantic trade. Of the $4.7 trillion that the United States currently has invested globally as of 2013, over half ($2.4 trillion) was invested in EU member states. Conversely, the EU invested $1.7 trillion of its global FDI stock in the United States last year. The UK, Netherlands, Germany and France have made the largest investments, creating jobs and improving the lives of citizens on both sides of the Atlantic.

Transatlantic foreign direct investment also drives the services sector. Sales of services by U.S. majority-owned firms in the EU countries totaled $555 billion in 2011, and sales of services by EU majority-owned firms in the United States were $410 billion.

And investments in Central and Eastern Europe are just as important to the health of the transatlantic economy. American investment stock in Poland rose from $1 billion in 1995 to $12 billion in 2011.

Transatlantic trade and investment is essential to EU member states' economies. In Ireland, the gross output of American companies operating there (including in the high tech and life sciences industries) represented over one quarter of Irish GDP in 2012, boosting the quality of life for Irish citizens as the country emerges from economic crisis.

A large part of transatlantic trade is comprised of intra-company transfers – companies moving supplies and services back and forth across the Atlantic to serve each market. In the transatlantic market, investment fuels trade.

The transatlantic economy is vibrant, complex and interdependent, generating approximately half of global GDP. T-TIP seeks to build upon this strong foundation to improve efficiencies for small, medium and large business, and increase choice for consumers, while maintaining high standards of environmental, health, safety and protections on both sides of the Atlantic. It is a recipe for success in the 21st century global economy.

€$ T-TIP U.S. Economic Relationship

The U.S.-EU economic relationship is one of the largest and most complex in the world, generating an estimated goods and services trade flow of about 1.06 trillion dollars in 2013, or about $2.9 billion a day. U.S. and EU trade with other countries represents about 30 percent of total global trade. Together we have over 800 million consumers in a market with a combined Gross Domestic Product (GDP) of over 34 trillion dollars or 25.8

$460 BILLION

in goods and private services were exported from the U.S. to the EU in 2013. The EU exported $509 billion in goods and private services to the United States.

13 MILLION

jobs in the United States and the EU are supported by trade and investment between the two markets

"America and Europe have done extraordinary things together before. And I believe we can forge an economic alliance as strong as our diplomatic and security alliances."
-President Barrack Obama

Transatlantic Trade & Investment Partnership
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