



USMCA Georgia State Fact Sheet

Georgia's Trade with the World¹

- In 2019, Georgia exported \$41.3 Billion in goods to the world.
- In 2019, Georgia was the 12th-largest state exporter of goods in the United States.
- In 2016, 181,731 U.S. jobs were supported by goods exported from Georgia.²
- In 2018, 15,010 companies exported goods from Georgia- 88 percent were small and medium-sized companies.³

Georgia's Trade with Canada and Mexico

Georgia's Rank in Exports to Canada and Mexico

In 2019, Georgia was the 17th-largest exporter of goods to Mexico and Canada.

Ranks of Canada and Mexico as Destinations for Georgia Exports

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

Statewide Statistics and Top Export Product Categories⁴

- In 2019, Georgia exported \$9.5 Billion to Canada and Mexico, accounting for 23 percent of Georgia's total exports to the world.
 - Georgia exported \$6 Billion to Canada, 15 percent of Georgia's exports to the world.

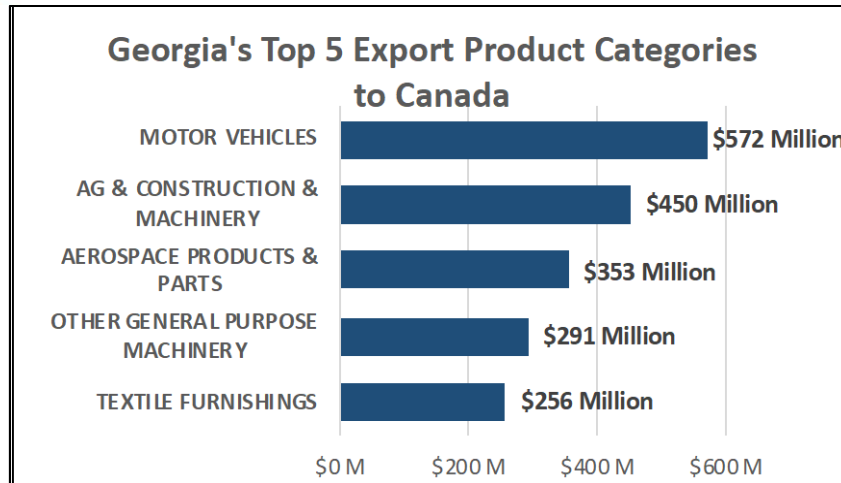
¹All trade data used in this report reflect the data published by June 15, 2020 from the U.S. Census Bureau, as compiled by the International Trade Administration's Trade Policy Information System (TPIS).

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:

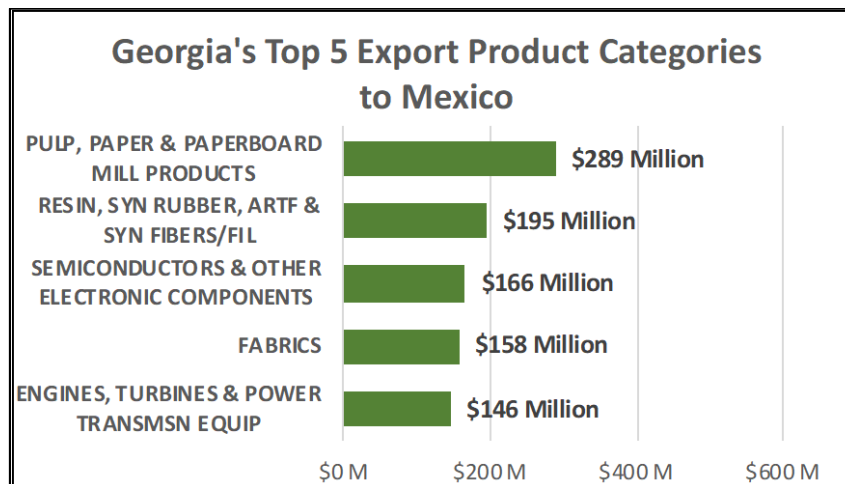
<https://www.trade.gov/mas/ian/employment/>

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.



- Georgia exported \$3.5 Billion to Mexico, 9 percent of Georgia’s exports to the world.



Metropolitan Statistics⁵

- Georgia’s Top Metropolitan Exports to Canada and Mexico 2018
 - Atlanta-Sandy Springs-Alpharetta **\$7.1 Billion**
 - Top Products: Transportation Equipment Manufacturing; Computer And Electronic Product Manufacturing; Machinery Manufacturing; Paper Manufacturing; Chemical Manufacturing
 - Chattanooga **\$1.0 Billion***⁶

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.

⁶ An asterisk (*) notes if the Metropolitan Area is shared with one or more other states.



- Top Products: Transportation Equipment Manufacturing; Machinery Manufacturing; Chemical Manufacturing; Food Manufacturing; Paper Manufacturing

Savannah **\$411 Million**

- Top Products: Transportation Equipment Manufacturing; Paper Manufacturing; Crop Production; Chemical Manufacturing; Machinery Manufacturing

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

Georgia's top export sectors to Canada and Mexico in 2019 include Transportation Equipment (Aerospace), Machinery, and Chemicals.⁷

Transportation Equipment (Aerospace)

Georgia is home to many aerospace companies. In 2019, the transportation sector⁸ employed 54,712 workers in 436 establishments. Chatham (Savannah), Troup, and Hall (Gainesville) counties have the largest number of employees in the transportation equipment sector. While Georgia's transportation sector is dominated by aerospace, the state also has automobile manufacturing and service providers including Kia Motors, General Motors and Honda.⁹ USMCA maintains duty-free access to Mexico and Canada for originating transportation equipment. The aerospace industry¹⁰ reported the importance of USMCA's continued duty-free treatment of originating aerospace-related items between Canada, Mexico, and the United States as vital to the competitiveness and success of the United States' aerospace sector. The aerospace industry¹¹ supports the Customs and Trade Facilitation chapter's standardization of customs regimes to increase efficiency and enhance capacity and performance of U.S. companies and their supply chains. The aerospace industry¹² also fully supports the Intellectual Property chapter's requirement for governments to establish criminal, civil and administrative procedures and remedies to combat trade secret theft, a significant problem for U.S. aerospace companies. USMCA's rules of origin, strict labor and environmental standards, and provisions designed to combat non-market practices – such as currency manipulation – are designed to incentivize additional transportation equipment investment and production in Georgia and to ensure producers and workers in the state can compete on a more-level playing field with their Mexican and Canadian counterparts.

Machinery

⁷ 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.

⁸ Transportation sector defined as NAICS 336 and includes the motor vehicle and aerospace industries.

⁹ Alliance of Automobile Manufacturers autoalliance.org

¹⁰ Industry Trade Advisory Committee 1 – Aerospace Equipment Report Regarding USMCA: <https://ustr.gov/sites/default/files/files/agreements/FTA/AdvisoryCommitteeReports/ITAC%201%20REPORT%20-%20Aerospace%20Equipment.pdf>

¹¹ Ibid.

¹² Ibid.



Georgia is home to many machinery companies. In 2019, there were 714 machinery manufacturing¹³ establishments with 21,997 employees. Hall (Gainesville), Gwinnett, and Cobb counties have the largest number of employees in the machinery sector. USMCA maintains duty-free access to Mexico and Canada for originating machinery and remanufactured goods for Georgia’s machinery manufacturing companies and contains strong rules of origin protections to ensure that tariff preferences go to companies in the USMCA countries. USMCA also goes beyond any past trade agreement by including important new provisions that will help reduce costs and bring greater predictability to the border for shipments of machinery. At the same time USMCA will ensure customs administrations have the necessary tools to enforce the law. Industry¹⁴ reported support for the following provisions included in the Intellectual Property chapter: civil and criminal courses of legal action to protect trade secrets, protection of industrial designs, and equal treatment of digital and physical goods. Industry¹⁵ also supports the Small and Medium-Sized Enterprises (SMEs) provisions to enhance SMEs ability to participate in the benefits and opportunities created by USMCA. As stated in Georgia’s trade statistics, 88 percent of companies that exported goods from Georgia in 2018¹⁶ were small and medium-sized companies.

Chemicals

Georgia is to numerous chemical¹⁷ companies. In 2019, there were 763 chemical establishments with 22,381 workers. Gwinnett, Fulton (Atlanta), and Cobb counties have the largest number of employees and establishments in the chemicals sector. USMCA adopted chemical reaction rules to determine origin for most chemical products. 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.

¹³ Machinery sector defined as NAICS 333 for machinery manufacturing.

¹⁴ Industry Trade Advisory Committee 2 – Automotive Equipment and Capital Goods Report Regarding USMCA: <https://ustr.gov/sites/default/files/files/agreements/FTA/AdvisoryCommitteeReports/ITAC%202%20REPORT%20-%20Automotive%20Equipment%20and%20Capital%20Goods.pdf>

¹⁵ Ibid.

¹⁶ Census’ Exports by State of the Origin of Movement, Number of Exporting Companies, and Value for Small and Medium Sized Companies in 2018 was the latest data published by June 25, 2020.

¹⁷ Chemical sector defined as NAICS 325 for chemical manufacturing.