



# USMCA Hawaii State Fact Sheet

## Hawaii's Trade with the World<sup>1</sup>

- In 2019, Hawaii exported \$0.5 Billion in goods to the world.
- In 2019, Hawaii was the 50th-largest state exporter of goods in the United States.
- In 2016, 3,232 U.S. jobs were supported by goods exported from Hawaii.<sup>2</sup>
- In 2018, 791 companies exported goods from Hawaii- 86 percent were small and medium-sized companies.<sup>3</sup>

## Hawaii's Trade with Canada and Mexico

### Hawaii's Rank in Exports to Canada and Mexico

In 2019, Hawaii was the 50th-largest exporter of goods to Mexico and Canada.

### Ranks of Canada and Mexico as Destinations for Hawaii Exports

In 2019, Canada was Hawaii's eighth-largest export destination and Mexico was the twenty-seventh largest export destination.

### Statewide Statistics and Top Export Product Categories<sup>4</sup>

- In 2019, Hawaii exported \$17 Million to Canada and Mexico, accounting for 4 percent of Hawaii's total exports to the world.
  - Hawaii exported \$16 Million to Canada, 4 percent of Hawaii's exports to the world.

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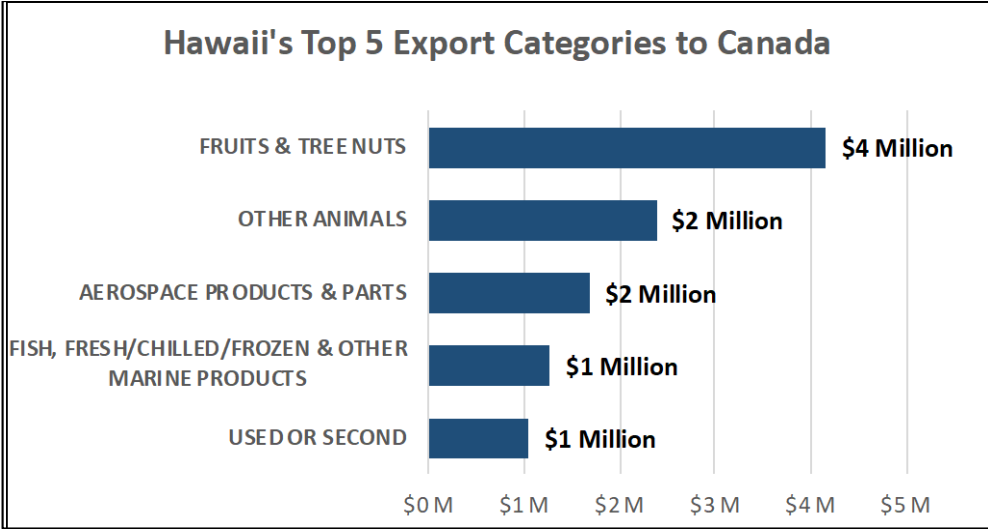
<sup>1</sup>All trade data used in this report reflect the data published by June 15, 2020 from the U.S. Census Bureau, as compiled by the International Trade Administration's Trade Policy Information System (TPIS).

<sup>2</sup> 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:

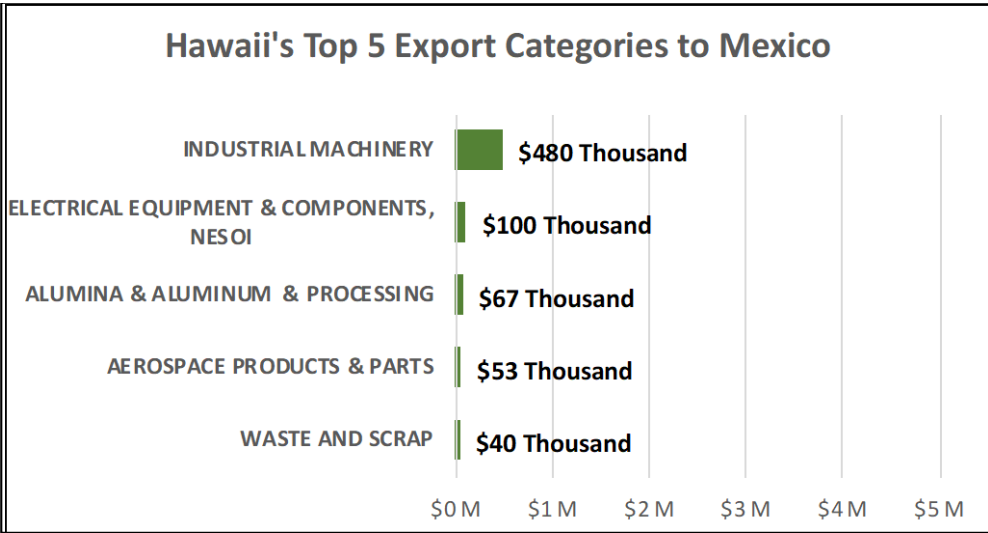
<https://www.trade.gov/mas/ian/employment/>

<sup>3</sup> 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

<sup>4</sup> Top export product categories reflected under the 2017 North American Industry Classification System (NAICS) at the 4-digit level of detail, compiled by TPIS.



- Hawaii exported \$1 Million to Mexico, 0.2 percent of Hawaii’s exports to the world.



Metropolitan Statistics<sup>5</sup>

- Hawaii’s Top Metropolitan Exports to Canada and Mexico 2018
  - Urban Honolulu **\$13 Million**

<sup>5</sup> 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.



- Top Products: Petroleum And Coal Products Manufacturing; Transportation Equipment Manufacturing; Food Manufacturing; Computer And Electronic Product Manufacturing; Miscellaneous Manufacturing
- Kahului-Wailuku-Lahaina **\$1 Million**
  - Top Products: Machinery Manufacturing; Beverage And Tobacco Product Manufacturing; Miscellaneous Manufacturing; Food Manufacturing; Apparel Manufacturing

### **USMCA Will Benefit Hawaii's Top Export Sectors to Canada and Mexico**

Hawaii's top export sectors to Canada and Mexico in 2019 include Food Manufacturing, Fishing, and Computer and Electronic Products.<sup>6</sup>

#### **Food Manufacturing**

Hawaii is home to several food manufacturing<sup>7</sup> companies. Food manufacturing is the largest manufacturing sector in Hawaii. In 2019, there were 368 food manufacturing establishments with 6,534 employees. Honolulu, Hawaii, and Maui and Kalawao counties have the largest number of employees and establishments. USMCA contains an annex on proprietary food formulas which requires each Party to protect the confidentiality of such information in the same manner for both domestic and imported products. For the first time in a trade agreement, USMCA contains a chapter on good regulatory practices that promotes transparency and accountability in development and implementation of regulations. USMCA also has a chapter on sanitary and phytosanitary (SPS) provisions, which requires the Parties to agree to increase transparency in SPS measures, advance science-based decision making, and work together to enhance compatibility of SPS measures between them.

#### **Fishing**

Hawaii is home to many fishing, hunting and trapping companies.<sup>8</sup> In 2019, there were 63 fishing, hunting and trapping establishments with 111 employees. USMCA's Environment chapter contains the most comprehensive set of enforceable environmental obligations of any previous U.S. trade agreement, including obligations to combat trafficking in fish to enhance the effectiveness of customs inspections and strengthen law enforcement networks to stem such trafficking. The chapter includes prohibitions on some of the most harmful fisheries subsidies, such as those that benefit vessels or operations involved in illegal, unreported, and unregulated (IUU) fishing. The environment provisions include new protections for marine species, such as prohibitions on shark-finning and commercial whaling. In addition, the Environment chapter incorporates the first-ever articles to improve air quality, prevent and reduce marine litter, and ensure appropriate procedures for environmental impact assessments.

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<sup>6</sup> 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.

<sup>7</sup> Food manufacturing defined as NAICS 311 for food manufacturing.

<sup>8</sup> Fishing, hunting and trapping sector is defined a NAICS 114 for fishing, hunting and trapping.



### Computer and Electronic Products

Hawaii is home to many leading computer and electronic products manufacturing companies. In 2019, there were 12 computer and electronic product companies in Hawaii employing 199 employees. Honolulu county has the largest number of employees and establishments in the computer and electronic product<sup>9</sup> sector. USMCA maintains duty-free access to Mexico and Canada for originating technology equipment for Hawaii's technology manufacturing companies. Industry<sup>10</sup> appreciates the Market Access provision to be able to export and import for repair since many products are designed to be modular and swappable in case of malfunction in the technology sector. Industry<sup>11</sup> supports the provision to prohibit unnecessary restrictions on remanufactured imports because the technology sector seeks to prolong the useful life of goods through repair, refurbishment, and reuse. Industry<sup>12</sup> acknowledges USMCA's new mechanism in the Information and Communication Technology (ICT) Equipment Annex to protect intellectual property in cryptographic products as a significant achievement. Industry<sup>13</sup> approves the new Digital Trade chapter, which contains the strongest disciplines on digital trade of any international agreement, providing a firm foundation for the expansion of trade and investment in innovative electronic products and services. For the first time in a trade agreement, the Intellectual Property chapter includes protections against the misappropriation of trade secrets and requires a minimum term of protection for industrial designs of at least 15 years.

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<sup>9</sup> Computer and electronic products sector defined as NAICS 334 for computer and electronic product manufacturing.

<sup>10</sup> Industry Trade Advisory Committee 8 – Digital Economy Report Regarding USMCA:

<https://ustr.gov/sites/default/files/files/agreements/FTA/AdvisoryCommitteeReports/ITAC%208%20REPORT%20-%20Digital%20Economy.pdf>

<sup>11</sup> Ibid.

<sup>12</sup> Ibid.

<sup>13</sup> Ibid.