

INTERNATIONAL TRADE

U.S. Trade policies have the potential to severely impact American vinyl-related businesses.

THE ASK

- Reassert congressional oversight of U.S. trade policies that could disrupt global supply chains and harm American businesses, including the vinyl industry, and reestablish certainty with trading partners.
- Support continued U.S. membership in NAFTA. Ensure any modernization efforts do no harm to mature industries that rely on the agreement and the access to North American markets.

THE WHY

- International trade is essential for the vinyl industry and a more sustainable U.S. and global economy. With abundant supplies of our two main feedstocks, salt and natural gas, vinyl products are among the most sustainable exports produced in the U.S. With environmentally and socially preferred domestic manufacturing technology and a near-endless supply of raw materials, the U.S. is positioned to be a significant polyvinylchloride (PVC) net export leader for many years to come.
- The vinyl industry is committed to addressing sustainable development across our industry, targeting the specific areas where we can make the most impact. With 10 billion people expected to live on the planet by 2050 and the underlying need to do more with less in light of depleting natural resources, vinyl is a material of choice for the many market segments served by the industry.

THE FACTS

- Over 1.1 billion pounds of vinyl is recycled annually with over 100 vinyl recyclers in the U.S. and Canada.
- About 1/3 of the vinyl polymer produced in the U.S is exported to foreign trading partners, including Canada and Mexico

BACKGROUND

U.S. vinyl manufacturers rely on international trade to grow their businesses, which create and maintain jobs here at home. In fact, U.S. vinyl resin manufacturers are net exporters to America's largest trading partners, contributing to an industry trade surplus with Canada, Mexico, and China. 16 billion pounds of vinyl resin are produced in the U.S. annually. U.S. vinyl resin exports are expected to grow by more than 30% by 2019. These factors must be given careful consideration as the Trump Administration and Congress work to renegotiate trade deals.

Policy makers must consider the potential impact of rule changes on successful and mature American businesses and their supply chains. Entire industries have developed under the current trade rules and any renegotiation is likely to affect the supply chains of many industries.

By expanding exports through favorable trade policies, the U.S. will create more well-paying domestic jobs and a more sustainable society. While America boasts the largest single domestic consumer market, ninety-five percent of the world's consumers live outside our borders. Manufacturers here need policies and trade

agreements in place that help us reach these consumers. To grow domestically, U.S. product manufacturers must compete successfully in an increasingly challenging global economy.

Contrary to populist talking points, well-negotiated trade agreements eliminate tariffs, reduce regulatory obstacles, lower service barriers, and increase transparency. They also increase competitiveness by instituting stronger intellectual property rights protection and establishing enforceable labor and environmental obligations. Trade agreements incorporating such provisions create a more level playing field for U.S. manufacturers, enabling them to compete fairly with other in-country and international product manufactures.

PVC EXPORTS AND IMPORTS (IN 2016 DOLLARS)

Raw PVC – Not Mixed with Other Substances			
	Imports	Exports	Surplus/Deficit
Canada	137,733,420	374,770,139	237,036,719
China	32,262	206,153,200	206,120,938
Mexico	12,982,628	199,636,977	186,654,349

Rigid PVC Pipe			
	Imports	Exports	Surplus/Deficit
Canada	41,231,145	52,281,280	11,050,135
China	12,100,341	2,033,635	-10,066,705
Mexico	3,633,596	29,741,291	26,107,695