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MARKET ACCESS CONDITIONS FOR POLISH PRODUCTS TO THE US MARKET IN THE CONTEXT OF THE TRANSATLANTIC TRADE AND INVESTMENT PARTNERSHIP

Introduction

The negotiations on the conditions of the Transatlantic Trade and Investment Partnership which aim at the creation of the global biggest free trade area started in mid-2013. The objective of the agreement is to create new workplaces and to stimulate the economic growth in the EU countries and the US. The removal of the barriers in the international trade of goods and services as well as the capital flow between the parties should result in closer economic relations between the parties and the stimulation of their economies.

The aim of the article is to present the conditions for the access of Polish goods to the US market in the light of the TTIP agreement which is being negotiated. The article characterizes the most important assumptions, objectives and the scope of the agreement. It presents the changes within the commodity structure of the Polish exports to the USA in 2010-2014, i.e. in the period directly before the time when the decision was made to increase the economic cooperation and in the course of the negotiations. The last part of the article aims at the presentation of the significance of trade policy instruments, mainly the tariff ones, which restrict the access of Polish goods to the US market.

1. The assumption, objectives and scope of TTIP

When commencing the TTIP negotiations in 2013, the EU and the US made one more attempt to strengthen the economic relations and create a well developed area of free trade¹.

¹ Previous attempts to increase the trade and economic cooperation between the EU and the US were started in 1990s. They included such projects as New Transatlantic Market (NTM) or Transatlantic Free Trade Area (TAFTA). More i.a. in: T. Paszewski, *Perspektywy transatlantycznej strefy wolnego handlu*, [in:] J.M. Fiszer, P. Olszewski, B. Piskorski, A. Podraza (ed.), *Współpraca transatlantyczna. Aspekty polityczne, ekonomiczne i społeczne*, ISP PAN, Fundacja im. K. Adenauera, Warszawa 2014, pp. 135-136; M. Grącik-Zajaczkowski, *Unia Europejska i Stany Zjednoczone w Światowej Organizacji Handlu*, SGH, Warszawa 2010, pp. 124-160; B. Baran, *Znaczenie porozumienia transatlantycznego dla konkurencyjności UE*, [in:] K. Opolski, J. Górski (ed.), *Perspektywy i wyzwania integracji europejskiej*, UW WNE, Warszawa 2014, pp. 182-183; M. Smith, *The EU and*

The agreement may lead to the formation of the vastest world economy area in which trade is liberalized. Moreover, it may also become an instrument that counterbalances the increasingly developing cooperation between the US and the Pacific region and reacts against the US decreasing presence in the EU². What is more, the document is to be an example of a complex agreement that covers several areas of cooperation beyond trade liberalization. There are three basic areas in the agreement under negotiations:

- the facilitation of the access to markets and the removal of restrictions (the elimination of duties, tariffs and other measures of trade protection, the rules of origin, the elimination of restrictions as regards trade in services, equal treatment, the recognition of professional qualifications, overcoming the investment barriers on home markets of both parties)
- regulations aiming at the restriction of non-tariff barriers, e.g. the endeavor to harmonize the regulations regarding the EU and US standards, including the phytosanitary issues, technical standards, the cohesion of regulations, the removal of investment barriers, the removal of administrative and bureaucracy– related obstacles,
- a further development and the creation of new areas of cooperation, e.g. sustainable growth, including labor standards and law, environmental protection, public procurement market, intellectual property protection, the sector of small and medium-sized business, trade and competition, the aspects of trade in natural resources, capital flow, e-trade, data transfer and the settlement of disputes.

Prior to the negotiations a High-Level Group for Development and Employment was established in 2011, which developed the recommendations for the ways of the improvement of economic relations between the EU and the US. In February 2013, the intention was announced to conclude an agreement on a deeper free trade area, and internal procedures that lasted till the end of June 2013 were started to enable the commencement of the negotiations. The EU started work on the development of the negotiating directives (the mandate) for the

the United States, [in:] J. Gower (ed.), *The European Union. Handbook*, Fritzy Dearborn Publishers, Chicago-London, 2002, Second Ed., p. 321..

² E. Czarny, J. Menkes, K. Sledziwska, *Umowa o Partnerstwie Handlowo-Inwestycyjnym między Stanami Zjednoczonymi i Unią Europejską jako narzędzie międzynarodowej współpracy gospodarczej*, „International Business and Global Economy”, Instytut Handlu Zagranicznego Uniwersytetu Gdańskiego, Gdańsk 2014, No.33, p. 204

European Commission³. The negotiations that started in July 2013 were scheduled to be completed in October 2014. However, the deadline was not met. There were 10 negotiating rounds till September and the next one is due in October 2015. Both parties are interested in the acceleration of the process in all negotiating areas and, consequently, they are planning more intensive contacts between the negotiating teams with the aim to solve the problems and agree on technical issues between subsequent sessions

Table 1. The scope of TTIP negotiations in subsequent rounds

Specification	2013			2014				2015												
	7-12. July	11-15. Nov	16-21. Dec	10-14. March	19-23. May	13-18. July	29.IX-3 Oct	02-06. Feb	20-24. April	13-17. July										
Market Access	Identification of the areas of common positions Determination of the full scope of negotiation areas in line with the objective of the agreement																			
Trade in Goods												X	X	X				X	X	X
<i>Trade in services, setting up new businesses, e-trade</i>											X	X	X	X	X	X	X	X		P
Public Procurement												X	X			X		X	X	
Rules of Origin														X				X		X
Regulatory Co-operation																				
<i>Regulatory Coherence</i>											X			X	X	X	X	X	P	X
<i>Technical Barriers to Trade (TBsT)</i>											X	X	P	X	X	X	X	X	X	X
Sanitary and Phytosanitary Measures (SPS)												X	X			X	P	X	X	X
Regulations in specific industries:																				
<i>chemicals</i>											X			X	X	X	X	X	X	X
<i>cosmetics</i>											X			X	X		X	X	X	X
<i>engineering</i>												X				X	X	X	X	X
<i>medical devices</i>											X	X	X	X			X	X	X	X
<i>pesticides</i>											X			X	X		X	X	X	X
<i>information and communication technology (ICT)</i>											X	X	X	X			X	X	X	X
<i>pharmaceuticals</i>											X	X	X	X	X		X	X	X	X
<i>textiles</i>														X	X		X	X	X	X
<i>vehicles</i>											X			X	X	X	X	X	X	X
Trade rules																				
<i>Sustainable development</i>		X	X	P	X			X												
<i>Energy and raw materials</i>	X	X	X			X	X	X	X	X										
<i>Customs and trade facilitation (CFT)</i>		X	P	P	X		X	X	X	X										
<i>Small and medium-sized enterprises (SMEs)</i>				X	P	X	X	X		X										

³ Directives for the negotiation on the Transatlantic Trade and Investment Partnership between the European Union and the United States of America, Council of the European Union, Brussels, 9 October 2014 (after declassification)

<http://data.consilium.europa.eu/doc/document/ST-11103-2013-DCL-1/pl/pdf>, (accessed: September 2015).

Investment protection		X	X						
<i>Competition</i>			X	P		P			X
<i>Intellectual Property (IP) and Geographical Indications (Gis)</i>					X		X	X	P
<i>Dispute settlementów (GGDS)</i>				P		X		X	X

X - open negotiations; P – written proposal subject to negotiations; italics indicate chapters in which general assumptions of the issues under negotiations were presented by the EU

Source: Author's research based on Press releases and EC reports from subsequent negotiation rounds, <http://trade.ec.europa.eu/doclib/press/index.cfm?id=1230>, (accessed: September 2015)

All 24 negotiation areas have been assigned to 3 basic pillars. Every negotiation round covers several issues that are included in particular TTIP chapters. The European Commission developed and published written proposals for the terms of the agreement and presented its position as regards particular chapters under negotiations concerning regulatory cooperation⁴ and the principles of trade (Table 1).

The aim of the proceedings is to accelerate the negotiations, inform the other party on the EU expectations regarding the issues under negotiation and its proposals on the preliminary regulations of some cooperation conditions. Particular parts of the agreement are being developed by special groups of the EU and US experts. In order to ensure the transparency of the agreement, the European Commission provides information on the course of the negotiations on a regular basis and it consults the emerging problems with trade associations, consumer organizations and business representatives.

From the point of view of the current negotiations, the scope of TTIP will go beyond the areas regulated by the WTO codes and the structure of the agreement will resemble the agreement between the EU and South Korea, which came into force in mid-2011⁵, as well as the agreement with Canada, which is now under legislative review⁶. Thus, TTIP will have a mixed character and it will go beyond free trade issues where the EU has competencies. The entry into force of the agreement will require the ratification by all member-states, apart from the usual procedure that is applied in the case of trade agreements⁷.

⁴ For that purpose the European Commission also developed a document that includes a review of the EU positions on the subject. Cf. *Transatlantyckie Partnerstwo Handlowo-Inwestycyjne (TTIP) a regulacje. Przegląd*, Komisja Europejska, 10.02.2015,

http://trade.ec.europa.eu/doclib/docs/2015/march/tradoc_153249.pdf, (Accessed: September, 2015)

⁵ Free trade agreement between the European Union and its Member States, of the one part, and the Republic of Korea, of the other part, Official Journal of the EU L127, 14.05.2011, Vol.54

⁶ *Consolidated CETA Text*, published on 26 September, 2014,

http://trade.ec.europa.eu/doclib/docs/2014/september/tradoc_152806.pdf, (Accessed: September 2015)

⁷ EU trade agreements are negotiated by the European Commission which cooperates with the EU Council and the European Parliament which finally accepts the agreement. The decision on signing the agreement is voted in the EU Council.

In the course of the current negotiations, problems emerge concerning the regulation of the access to the market, mainly of the agricultural products⁸, and the issues of public procurement. However, it does not mean that there are no disputes regarding the liberalized trade of manufactured goods. The presentation of the existing tariff and non-tariff barriers will be preceded by a short analysis of the Polish exports to the US.

2. Commodity composition of Polish exports to the US in 2010-2014

The study on the commodity structure of the exports will make it possible to identify the most important groups of products in the trade between Poland and the US. The research was conducted with the application of the Standard International Trade Classification and the Broad Economic Categories mandate that is also used in the research of international trade and enables the grouping of products by their application and dividing them into primary, intermediate and final goods

Table 2. Structure of the exports structure from Poland to the US by SITC sections in 2010-2014 (%)

SITC sections	2010	2011	2012	2013	2014
Food and live animals (section 0)	7.52	5.33	6.41	4.79	6.44
Beverages and tobacco (section 1)	1.60	1.41	1.62	1.23	1.11
Crude materials, inedible, except fuels (section 2)	0.38	0.34	0.61	0.62	0.61
Mineral fuels, lubricants and related materials (section 3)	3.37	8.64	4.37	11.51	8.22
Animal and vegetables, fats and waxes (section 4)	0.01	0.01	0.01	0.01	0.01
Chemicals and related products (section 5)	6.01	5.29	5.77	4.26	3.84
Manufactured foods classified chiefly by material (section 6)	15.67	18.17	11.73	9.75	11.91
Machinery and transport equipment (section 7)	47.96	43.82	52.84	52.04	49.71
Miscellaneous manufactured articles (section 8)	17.49	16.96	16.62	15.79	18.15
Commodities and transactions not classified elsewhere in the SITC (section 9)	0.00	0.04	0.04	0.00	0.00
Total	100.00	100.00	100.00	100.00	100.00

Source: Author's computations based on the EUROSTAT data, <http://appsso.eurostat.ec.europa.eu/nui/show.do>, (Accessed: September, 2015)

⁸ More in A. Hajdukiewicz, *Kwestie dotyczące rolnictwa w negocjacjach Transatlantyckiego Partnerstwa w dziedzinie Handlu i Inwestycji*, „Biznes międzynarodowy w gospodarce globalnej”, Instytut Handlu Zagranicznego UG, Gdańsk 2014, nr 33, pp. 288-295

The exports from Poland to the US was dominated by machinery and transport equipment (section 7) and other manufactured articles (sections 6 and 8) as it is the case with the Polish trade between EU and non-EU countries. The three groups accounted for approx. 80% of the Polish exports to the US. The share of other commodity groups was much lower. In comparison to 2010, the share of agricultural products and chemicals exported to the US in 2014 was insignificantly lower, approx. 1 pp and approx. 2 pp, respectively. However, the share of the exported mineral fuels, lubricants and related materials increased by about 5 pp. Minerals had the lowest share (below 1 pp) , (see table 2) .

A high trade balance reflects the existence of beneficial trends in the trade between Poland and the US.

Table 3. Trade balance between Poland and the US in 2010-2014 (EUR million)

SITC sections	2010	2011	2012	2013	2014
Food and live animals (section 0)	31.114	56.323	70.809	-41.068	147.880
Beverages and tobacco (section 1)	22.172	19.083	16.509	12.324	1.156
Crude materials, inedible, except fuels (section 2)	-92.758	-101.610	-126.955	-106.404	-109.616
Mineral fuels, lubricants and related materials (section 3)	-232.514	-36.447	-7.531	344.603	252.837
Animal and vegetables, fats and waxes (section 4)	-1.307	-0.692	-0.374	-0.189	-0.097
Chemicals and related products (section 5)	-107.873	-122.061	-97.615	-103.314	-167.219
Manufactured foods classified chiefly by material (section 6)	124.927	231.164	42.321	73.255	139.678
Machinery and transport equipment (section 7)	50.316	166.086	-14.407	258.009	218.082
Miscellaneous manufactured articles (section 8)	160.273	241.140	244.028	360.564	420.545
Commodities and transactions not classified elsewhere in the SITC (section 9)	-0.089	-12.237	-20.226	-16.672	-17.115
Total	-45.740	440.686	106.560	781.109	886.131

Source: <http://appsso.eurostat.ec.europa.eu/nui/show.do>, (accessed: September 2015).

In the period under investigation a surplus of exports over the imports can be observed as regards commodity groups that play an important role in the trade with the US. (sections 6 and 8, as well as section 7 – except for 2012) and agricultural and food products (except for 2013). A trade deficit occurred in 2010-2014 only in the case of raw materials, fuels and energy products (in 2013 and 2014 in the latter section the value of exports from Poland to the US exceeded the imports so a trade surplus was noted). Chemical products (table 3) are a commodity group in which trade deficit frequently occurred. The changes in the structure of the exports and imports of products to/from the US indicate that, despite the existing barriers

in foreign trade, the products from Poland find customers on the American market, Moreover, the surplus of the exports over the imports in the trade balance testifies to the fact that the situation of Polish products is improving and that they can be competitive on the US market.

The next part of the article presents the research on the exports structure by economic use

Table 4. Commodity structure of the exports from Poland to the US by BEC classification in 2010-2014 (in %)

Commodity groups	2010	2011	2012	2013	2014
Primary goods	0.37	0.28	0.62	0.69	0.81
111. Food and beverages, primary, mainly for industry	0.01	0.01	0.07	0.06	0.34
210. Industrial supplies, primary, not elsewhere specified	0.36	0.27	0.55	0.63	0.47
310. Fuels and lubricants, primary	0.00	0.00	0.00	0.00	0.00
Intermediate goods	51.56	57.77	53.29	60.97	56.29
Semi-finished goods	21.72	29.87	19.71	24.24	22.63
121. Food and beverages, processed, mainly for industry	1.51	0.98	0.79	0.71	0.21
220. Industrial supplies, processed, not elsewhere specified	16.86	20.24	14.52	12.00	14.19
321. Fuels and lubricants, processed, motor spirit	0.00	0.00	0.00	0.00	0.00
322. Other fuels and lubricants, processed	3.35	8.65	4.40	11.53	8.23
Parts and accessories	29.84	27.90	33.58	36.73	33.66
420. Parts and accessories of capital goods (except transport equipment)	9.33	9.65	10.48	8.86	10.91
530. Parts and accessories of transport equipment	20.51	18.25	23.10	27.87	22.75
Final goods	47.93	41.67	45.94	38.18	42.76
Consumption	27.77	23.61	23.74	19.54	22.57
112. Food and beverages, primary, mainly for household use	0.17	0.27	1.06	0.27	0.31
122. Food and beverages, processed, mainly for household consumption	8.80	6.31	6.70	5.52	6.67
510. Transport equipment, and parts and accessories thereof, passenger motor cars	0.02	0.02	0.02	0.02	0.01
522. Non industrial transport equipment	0.04	0.02	0.15	0.02	0.10
610. Consumer goods, durable	9.14	8.12	6.93	6.63	7.93
620. Consumer goods, semi-durable	5.25	5.07	4.46	3.83	4.09
630. Consumer goods, non-durable	4.35	3.80	4.42	3.25	3.46
Capital	20.16	18.06	22.2	18.64	20.19
410. Capital goods (except transport equipment)	11.94	10.60	14.26	11.60	12.61
521. Other industrial transport equipment	8.22	7.46	7.94	7.04	7.58
Goods not elsewhere specified	0.14	0.28	0.15	0.16	0.14
700. Goods not elsewhere specified	0.14	0.28	0.15	0.16	0.14
Total	100.00	100.00	100.00	100.00	100.00

Source: classification by BEC, <http://appsso.eurostat.ec.europa.eu/nui/show.do>, (Accessed: September 2015).

The exports, like the imports between Poland and the US, was dominated by intermediate goods, which include semi-finished products, parts and accessories. In 2010, their

share accounted for 51.5% of the total exports value and by 2014 it increased by almost 5 pp. However, in comparison to 2013, there was a slight decrease in the supply of this group of products. Parts and accessories to transport equipment accounted for about 40% of the intermediate goods sold to the US. This group also plays a significant role in the imports. Its substantial share both in the exports and imports not only reflects the existence of significant bonds in the motor industry between Poland and the US but it also is the evidence of a high degree of the production concentration and internationalization, with the consideration of relatively low share of transport equipment in trade. As regards semi-finished products, Poland sold mainly processed industrial supplies, with a lesser share of fuels and lubricants. The share of final goods accounted for 40% of the Polish exports, with the exception of 2013. Initially consumer goods dominated over capital goods (by about 7.5% in 2010) , in this group but in the last year of the period under investigation the figure was approx 2%. The share of the third group of products – primary goods – in the exports from Poland to the US was insignificant (table 4).

On the one hand, the commodity structure of the Polish exports to the US indicates an increasing cooperation between the manufacturing industries of Polish and American entities (the dominating share of intermediate goods), but on the other, it seems that it is less advanced in comparison to non-EU countries in total. Thus, the situation testifies to the significant differences in the economic development between Poland and the US⁹.

3. Protection of the US market in the course of TTIP negotiations

The access of foreign products to the American market is restricted by customs duties and non-tariff instruments. Particularly, the latter group of instruments is troublesome in the trade between countries. In 2013, the average tariff on the goods imported to the US amounted to 3.4%, and for agricultural goods the average level was higher – 5.3% , while for non-agricultural goods it was lower – 3.1%¹⁰.

⁹ The share of intermediate and final goods in the commodity structure of the exports to non-EU countries differed significantly from the exports to the US. The structure of the total exports to all non-EU countries was dominated by final goods (over 50%) More on the subject: B. Pera, *Skutki akcesji Polski do Unii Europejskiej dla struktury polskiego handlu zagranicznego*, [in:] S. Wydymus, A. Hajdukiewicz (ed.), *Liberalizacja handlu a protekcjonizm. Korzyści i zagrożenia dla wymiany handlowej Polski*, Difin, Warszawa 2015, pp. 212.-215

¹⁰ *World Tariff Profiles 2014*, WTO ITC UNCTAD, Geneva 2014, s. s. 169
https://www.wto.org/english/res_e/publications_e/world_tariff_profiles14_e.htm

With the aim to protect the US market, two main groups of foods were differentiated – agricultural and non-agricultural products (including fish, fish products and industrial products) and particular customs duties were assigned to them.

Table 5. MFN customs duties for products imported to the US (in 2013)

Product type	Customs duty (in %)								Non-ad valorem duties
	0	(0; 5>	(5; 10>	(10;15>	(15;25>	(25;50>	(50;100>	>100	
	Tariff lines and imports value (in %)								
Agricultural goods									
MFN applied duties	30.8	45.8	12.4	4.6	3.0	1.5	0.4	0.8	41.4
Imports*	41.0	36.2	12.5	7.0	1.7	0.7	0.6	0.2	4.0
Non-agricultural products (Fish industry and industrial foods)									
MFN applied duties	50.6	24.9	16.3	4.7	1.7	0.4	0.0	0.0	3.1
Imports*	48.9	40.2	6.2	0.9	3.1	0.7	0.0	0.0	0.0

* - data on the share of the imports refer to 2012

Source: Author's research based on *World Tariff Profiles 2014*, WTO ITC UNCTAD, Geneva 2014, p. 169, https://www.wto.org/english/res_e/publications_e/world_tariff_profiles14_e.htm, (accessed: September 2015)

Together with the increase of customs duties, the number of tariff lines¹¹ and the value of the related imports decreased. That occurred mainly in the case of products whose customs duties did not exceed 5% and also in the group with tariff lines subject to zero-duties. Generally, the customs duties did not exceed 10% in the case of almost 90% of tariff lines. In the group of industrial and fish products, there were over 50% of tariff lines with zero-duties, and only for 6.8% of products classified by HS the customs duty was over 10%. It should be noted, that in the group of agricultural products, specific and mixed customs duties were applied to over 40% of tariff lines (table 5).

The further part of the article considers average customs duties for product groups within agricultural and industrial products.

Table 6. Average and maximum duties and their significance to the imports to the US, by product groups¹² (in %, for 2013)

Product group	Average duty	Duty free tariff lines	Maximum duty
Agricultural products			
Live animals and Animals products	2.3	30.8	26
Dairy products	20.5	0.3	93
Fruit, vegetables, plants	4.7	21.1	132
Coffee, tea	3.1	53.5	25

¹¹ In 2013, the US trade included 11 602 classified tariff lines, out of which 1682 belonged to agricultural products and the remaining 9920 were defined as non-agricultural.

¹² Particular HS 2012 headings and subheadings assigned to product groups are given in *World Tariffs Profiles 2014*, WTO ITC UNCTAD, Geneva 2014, pp. 28-29

Cereals	3.1	20.1	56
Oilseeds, fats and oils	7.3	25.9	164
Sugar and sugar confectionery	11.7	2.7	34
Beverages and tobacco	18.9	26.2	350
Cotton	3.6	38.3	13
Other agricultural products	1.1	61.0	74
Non-agricultural products (Fish and industrial products)			
Fish and fish products	0.8	84.6	35
Minerals and metals	1.6	64.2	38
Petroleum	1.2	0.0	9
Chemicals	2.8	40.9	7
Wood and paper	0.5	89.8	16
Textiles	7.9	16.4	34
Clothing	11.6	2.6	32
Leather, footwear, etc.	3.7	42.0	60
Non-electrical machinery	1.2	67.1	10
Electrical machinery	1.4	57.7	15
Transport equipment	2.3	65.4	25
Manufactures, not elsewhere specified	2.2	46.5	39

Source: Author's research based on : World Tariff Profiles 2014, WTO ITC UNCTAD, Geneva 2014, s. 169, https://www.wto.org/english/res_e/publications_e/world_tariff_profiles14_e.htm, (Accessed: September 2015)

Industrial products had lower duties than the products from the group of agricultural goods. In the both product categories there were items with extremely high duties, particularly in the case of products that were specially protected on the domestic market. As regards the access of imported goods to the American market with zero-duties, the most protected sectors in the group of non-agricultural products were: petrol and petrochemical products, textiles and clothing. In the case of agricultural products such as cotton, coffee, tea and other agricultural and food products, the share of products with a zero-duty was the highest. (table 6)

An overall characteristics of customs duties imposed on products exported by all countries to the US will make it possible to assess the position of Polish goods.

Table 7. Average and maximum duties and their significance to the exports from Poland to the US by product groups¹³ (in %, for 2013)

Product group	Average customs duty	Weighted average duty	Tariff lines share		
			objętych cłem	Duty free	Specific duty
All products	3.45	1.43	51.14	41.25	1.29
By final use					
Primary goods	3.32	1.26	28.73	41.44	0.00
Intermediate goods	2.79	1.10	48.79	45.81	1.05
Capital goods	1.13	0.50	38.08	61.07	0.49

¹³ Particular HS 2012 headings and subheadings assigned to product groups are given in *World Tariffs Profiles* 2014, WTO ITC UNCTAD, Geneva 2014, pp. 28-29

Consumer goods	5.20	3.01	60.81	28.65	1.71
By HS-based aggregated product groups¹⁴					
Animals and animal products	4.53	3.54	51.77	12.06	0.00
Vegetable products	2.78	3.48	34.78	25.6	0.00
Foodstuffs	7.23	2.91	46.98	18.53	5.17
Mineral products	0.33	0.01	13.33	86.67	0.00
Fuels	4.54	6.63	16.67	11.11	66.67
Chemicals	2.31	1.34	50.74	47.59	0.00
Plastics and products thereof	3.08	2.28	68.28	31.72	0.00
Raw hides, skins, leather and furs	5.51	0.76	85.29	13.73	0.00
Wood and Wood products	1.03	0.79	26.52	72.17	0.00
Textiles	9.85	6.98	81.75	12.73	0.15
Footwear and headgear	8.82	6.82	71.81	14.09	3.36
Stone, glass	4.13	5.34	66.05	32.47	0.00
Metals	1.97	1.18	47.79	50.20	1.20
Machinery and equipment	1.18	0.64	38.89	60.70	0.33
Transport equipment	1.33	0.33	38.34	61.66	0.00
Manufactures not elsewhere specified	1.76	0.27	43.22	51.54	3.62

Source: World Integrated Trade Solution (WITS), <http://wits.worldbank.org>, (Accessed: September 2015)

The significance of tariff instruments in foreign trade, which also include customs duties, is decreasing. However, as it can be concluded from table 7, they still restrict the access of Polish products to the US market. From the point of view of the final use of the products, the most advantageous sales conditions are offered to the group of capital products, while the most numerous consumption goods are imposed with the highest duty. When considering the HS system, customs duties protected mostly the access to the market of textile products and the products from the raw hides and leather section. Moreover, in the Polish exports to the US, almost 70% of the tariff lines regarding glass, ceramics and plastics were subject to customs duty, while mineral products, wood and wood products sold on the American market were usually duty-free. Specific tariffs, which appear sporadically in the trade of the remaining products, were applied to almost 2/3 of the tariff lines of products that were classified as fuels (table 7). The liberalization of duties may be beneficial both to the EU, Poland including, and to the US. As regards the exports to the US of products that are considered sensitive, the reduction of customs duties may involve transitional periods and market protection clauses. The

¹⁴ The products from the above product groups were classified in the following HS sections: Animals and animal products (sections 01-05); Vegetable products (sections 06-15); Foodstuffs (sections 16-24); Mineral products (sections 25-26), Mineral products (section 27), Chemicals (sections 28-38); Plastics and products thereof (sections 39-40); Raw hides, skins, leather and products thereof (sections 41-43); Wood and wood products (sections 44-49); Textiles and clothing (sections 50-63); Footwear, headgear and other parts (sections 64-67); Stones, glass, products thereof and ceramic products (sections 68-71); Metals (sections 72-83); Machines and equipment (sections 84-85); Transport equipment (sections 86-89), Manufactures not elsewhere specified (sections 90-99).

differences in product classifications in particular groups made a more comprehensive analysis impossible.

Products imported to the US are not only subject to customs duties but also to non-tariff instruments, which are frequently more effective in restricting the access of foreign products to the domestic market. They may result from the state's trade policy but also they are justified by other social objectives such as the security and health of the society or environmental protection. Numerous non-tariff instruments including technical barriers to trade and sanitary standards imply that new regulations are being introduced to protect the market.

Table 8. Non-tariff instruments applied to Polish products exported to the US (as of 30.06.2015)

Measures	Poland	WTO countries
Anti dumping	2	297
Import licencing	15	15
Quantitative restrictions	31	31
Safeguards	10	10
Sanitary and phytosanitary	2739	2762
Special safeguards	173	173
Technical barriers to trade	1200	1200
Tariff- rate quotas	52	52
Export subsidies	13	13

Source: Author's research based on Integrated Trade Intelligence Portal <http://i-tip.wto.org/goods/Forms/MemberView.aspx?mode=modify&action=search>, (accessed: September 2015).

It can be concluded from the above table that the non-tariff instruments that restrict the access of Polish products to the US market are mainly regulatory in character and result from the introduction of various bureaucratic barriers which – apart from antidumping measures – apply to all WTO countries. The antidumping measures are applied only in the exports of selected steel products. Their application to the products imported from Poland may indicate to the fact that the EU is treated as one entity and not in terms of particular countries. All non-tariff instruments that are applied concern products of sensitive industries, raw materials and materials of strategic significance to the economy and agricultural goods. The most detailed and numerous regulations included in technical, sanitary and phytosanitary standards are subject to TTIP negotiations. According to the negotiations, there are plans to lift most of the trade barriers after the agreement comes into force as such solution may result in the limitation of negative effects. Moreover, the elimination or limitation of the trade barriers, particularly of

the non-tariff ones, may result in a further improvement of the situation of Polish products on the US market.

Summary

The attempts to liberalize and reduce the existing barriers that have been made by the EU and the US since early 1990s were not successful and did not result in a deeper cooperation. The TTIP negotiations that were started in 2013 and which aim at the creation of a free trade area and the elimination of barriers in the trade in products and services as well as other restrictions that impede mutual business relations, go beyond the conditions regulated within the WTO. The agreement under negotiations will determine the conditions for the access to the markets and provide numerous detailed regulations to support trade.

The structure of the Polish exports to the US market is dominated by industrial goods but one should bear in mind that the exports includes also agricultural and food products. In terms of the economic use, the intermediate products, including parts and accessories and semi-finished goods, prevail over final goods.

The access of Polish products to the US market is limited both by tariff and non-tariff instruments. It can be concluded from the above analysis that - considering the final use of the products - the best terms of sales are offered to capital products and the highest customs duties apply to consumption goods. In the HS system approach, the most protected products on the American market are the ones that belong to the following product groups; textiles, clothing, raw hides, glass, ceramics and plastics. The reduction of tariffs may influence the position of the Polish products on the US market. The most commonly applied non-tariff instruments that protect the American market are technical, sanitary and phytosanitary standards, which are regulatory in character and introduce administrative barriers. They are frequently the most efficient instruments to restrict the access to the market when compared to tariff instruments.

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Summary

The aim of the article is to present the conditions for the access of Polish goods to the US market in the light of the TTIP agreement which is being negotiated. The article characterizes the most important assumptions, objectives and the scope of the agreement. It presents the changes within the commodity structure of the Polish exports to the USA in particular SITC sections and BEC groups in 2010-2014. The last part of the article aims at the presentation of the significance of trade policy instruments, mainly the tariff ones, which restrict the access of Polish goods to the US market.