INTERNATIONAL TRADE ADMINISTRATION

June 2007

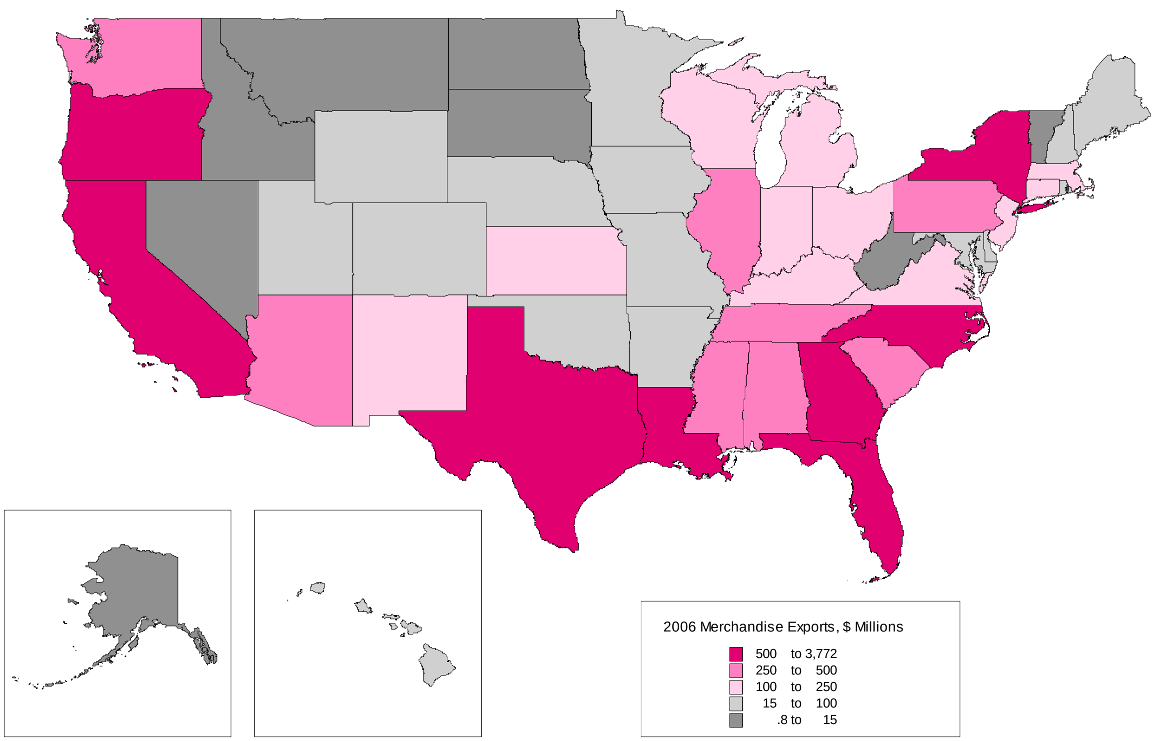
CAFTA-DR: A State Export Overview

U.S. Exports to the CAFTA-DR Region are on the Rise

U.S. merchandise exports to the CAFTA-DR region totaled $19.6 billion in 2006, an increase of 16.3 percent from 2005. The free trade agreement first entered into force between the United States and El Salvador on March 1, 2006, followed by Honduras and Nicaragua on April 1, 2006, Guatemala on July 1, 2006, and the Dominican Republic on March 1, 2007. Costa Rica has yet to ratify CAFTA-DR, although the country is currently preparing for a public referendum on the agreement. The CAFTA-DR region has proven to be a significant market for many individual states within the United States.

Twenty-seven of the fifty states recorded 2006 export shipments to the CAFTA-DR region valued in excess of $100 million. Of these, nine states each posted 2006 export values to the CAFTA-DR market of more than $500 million.

27 States Exported $100 Million or More to CAFTA-DR Markets in 2006



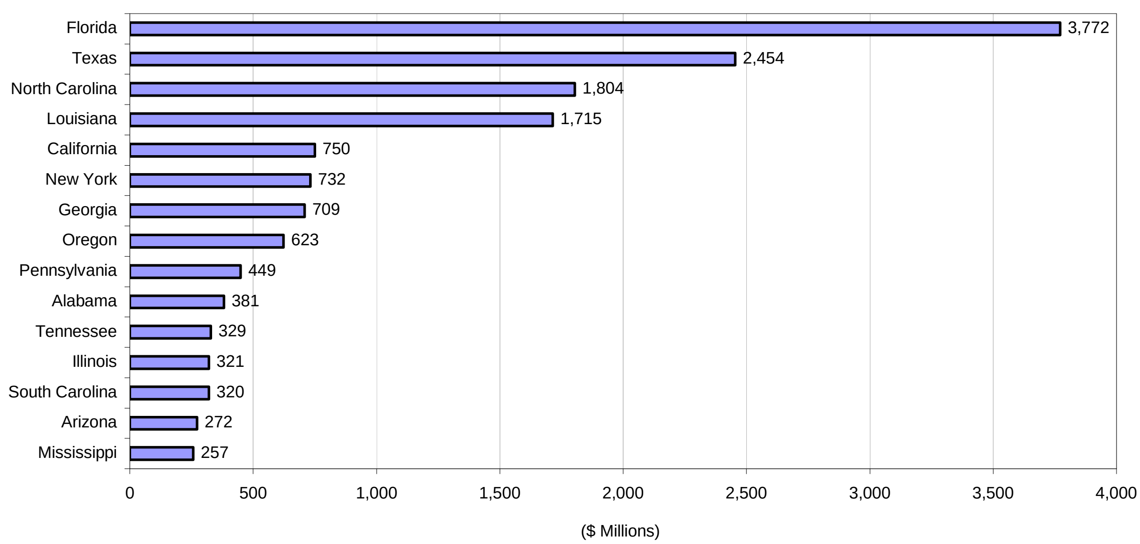
The CAFTA-DR region, as an export destination, represented the largest market for the state of Florida in 2006. In addition, CAFTA-DR was the second largest export market for North Carolina, fifth largest for both Louisiana and Mississippi, seventh largest for Georgia, and eighth largest for New Mexico and Alabama.

Florida was the largest state exporter to the CAFTA-DR region in 2006, shipping $3.8 billion worth of merchandise (19 percent, or almost one-fifth, of the U.S. total to the region). Florida was followed by Texas ($2.5 billion, or 13 percent of the U.S. total), then by North Carolina ($1.8 billion, or 9 percent of the U.S. total), Louisiana ($1.7 billion, or almost 9 percent), and California, New York and Georgia, each with over $700 million, or nearly 4 percent each of the U.S. total.

In dollar terms, Texas' exports to the CAFTA-DR region grew the most of any states' in 2006 compared to 2005, increasing by $495 million. Other states that had the largest dollar increases were Florida (up $459 million in 2006), Louisiana (up $352 million), Oregon (up $340 million), New York (up $180 million), North Carolina (up $159 million), and Arizona (up $113 million).

In percentage terms, several states with modest 2005 base values had the fastest growth to the CAFTA-DR countries in 2006, led by Hawaii (up 2,377 percent), Alaska (1,487 percent), Wyoming (208 percent), and South Dakota (158 percent). Other states with substantial percentage increases in 2006 include: Kansas (121 percent), Oregon (120 percent), Washington (88 percent), Arizona (72 percent), Colorado (59 percent), Nevada (51 percent), Nebraska (48 percent), New Hampshire (45 percent), Idaho (37 percent), Rhode Island (37 percent), Iowa (36 percent), and New York (33 percent).

Leading State Exporters to CAFTA-DR in 2006



Note: All state export data in this report are based on the Census Bureau's Origin of Movement (OM) series. This series allocates exports to states based on transportation origin, i.e., the state from which goods began their journey to the port (or other point) of exit from the United States. The transportation origin of exports is not always the same as the location where the goods were produced. Thus, conclusions about "export production" in a state should not be made solely on the basis of the OM state export figures.