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Building on the Successes of Free Trade in Central America

A four-day visit to Central America by Under Secretary of Commerce Christopher A. Padilla in February was an opportunity to observe the benefits of free trade between the United States and the region.

BY PIERCE NIXON

U.S. trade with Central America has been growing recently, thanks in part to the U.S.–Central America–Dominican Republic Free Trade Agreement (CAFTA-DR). On February 25–28, 2008, Under Secretary of Commerce Christopher A. Padilla visited three CAFTA-DR members—Costa Rica, Honduras, and Nicaragua—to discuss the status of the agreement and to view the benefits that have been realized since its adoption.

Under Secretary of Commerce Christopher A. Padilla (left) and Costa Rican President Oscar Arias (right) in San José, Costa Rica, on February 28, 2008, during Padilla's four-day visit to Central America. The two officials discussed the final steps that Costa Rica must take to fully implement CAFTA-DR. (U.S. Department of Commerce photo)

Final Steps to Implementation

In August 2004, Costa Rica, the Dominican Republic, El Salvador, Guatemala, Honduras, Nicaragua, and the United States signed CAFTA-DR. The agreement has been implemented on a rolling basis as the signatories meet the agreement's commitments.

On March 1, 2006, El Salvador became the first CAFTA-DR member to enjoy free trade with the United States. Honduras and Nicaragua followed suit on April 1, 2006; Guatemala on July 1, 2006; and the Dominican Republic on March 1, 2007.

CAFTA-DR requires member states to implement the agreement within two years after it took effect on March 1, 2006. Despite approving CAFTA-DR in a public referendum in October 2007, Costa Rica is still the only signatory to have not yet implemented the agreement. On February 28, 2008, the other CAFTA-DR signatories agreed to give Costa Rica an extra seven months—until October 1, 2008—so its legislature can complete the implementing process.

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INTERNATIONAL TRADE ADMINISTRATION

Increased Trade

Since the adoption of CAFTA-DR, regional trade has increased dramatically, creating a boon for U.S. exporters. In 2007, the United States exported $22.4 billion to CAFTA-DR countries, a 14.4 percent increase from 2006. The U.S. trade surplus with those countries also enjoyed a dramatic increase, growing from about $1 billion in 2006 to almost $3.7 billion in 2007. That increase reversed a U.S. trade deficit of nearly $1.2 billion in 2005, the year before CAFTA-DR.

Investment, Social Development

Closer trade relationships in Central America have created an attractive environment for U.S. investors in the region. From 1997 to 2006, Costa Rica received twice as much foreign direct investment from U.S. investors than from the rest of the world combined, accounting for $1.6 billion in 2006. Also that year, U.S. direct investment in Nicaragua totaled $261 million.

While businesses are enjoying success, citizens of CAFTA-DR countries are realizing the social benefits that increased trade can bring. "CAFTA-DR is an example of how free trade agreements can boost U.S. exports and also improve the quality of life for our partners in the Western Hemisphere," Padilla noted in a statement made before his departure.

U.S. firms have made significant contributions to projects in the region that support economic prosperity, social development, and environmental conservation. In 2006, for example, Merck donated hundreds of thousands of doses of much-needed medicines to local charities, such as the Catholic Medical Mission Board. Other popular recipients of U.S. corporate philanthropy include projects that support environmental protection and education.

U.S. EXPORTS TO CAFTA-DR COUNTRIES
Merchandise exports reported in 2007 (billions of dollars)

Costa Rica:	$4.58
Dominican Republic:	$6.09
El Salvador:	$2.31
Guatemala:	$4.08
Honduras:	$4.46
Nicaragua:	$0.89
Total:	**$22.41**

Source: U.S. Department of Commerce, Bureau of the Census.

Strengthening Ties

One major goal of Padilla's recent visit was to strengthen the trade and investment relationship between the United States and Central America, as well as to ensure the completion of CAFTA-DR.

Padilla began his trip in Honduras. He visited the capital city of Tegucigalpa on February 25 and the main business city of San Pedro Sula on February 26. He then traveled to Nicaragua on February 27, visiting the capital city of Managua. Padilla attended a trade show of leading Nicaraguan exporters and addressed the American Chamber of Commerce of Nicaragua, where he outlined many of the benefits that CAFTA-DR has brought to the country and the region. He also met with President Daniel Ortega and other senior Nicaraguan officials to discuss the importance of a sustained commitment by Nicaragua to a free market economy and to free trade.

"American companies have made new and long-term investments, creating jobs and new opportunities for thousands of Nicaraguans," said Padilla in his speech in Managua. "If the world hears that Nicaragua is committed to democracy and free markets, the world will come here to invest and help Nicaragua grow."

On February 28, Padilla traveled to San José, Costa Rica, where he met with President Oscar Arias and senior government leaders and urged swift

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Commercial Dialogues: Paving the Way for Better Trade Relations

The U.S.–Brazil Commercial Dialogue's working group on franchising is an example of how trade relations can develop by pragmatic means

BY JANE SIEGEL

To improve U.S. export competitiveness and market access, the Department of Commerce has organized and led bilateral commercial dialogues with several U.S. trading partners, including, most recently, Brazil, India, and Vietnam. The dialogues provide an excellent opportunity for the United States and its trading partners to explore one another's regulatory systems and business climate and to achieve by pragmatic means what might otherwise develop into a trade dispute.

One such dialogue was launched with Brazil in June 2006. That dialogue has already focused on several key aspects of the commercial relationship, including business facilitation, investment, intellectual property rights, and standards.

Franchising Focus of New Working Group

A recent development in the U.S.–Brazil dialogue was the establishment of a working group on franchising. Franchising is an important element in the economies of both countries and is a subset of the distribution services sector. The United States and Brazil are, respectively, the world's largest and sixth-largest markets for franchising, according to the International Franchise Association of the United States (IFA). The domestic benefits of franchising include the ability to efficiently start up a business, to make an up-front investment in reliable brands, and to stimulate entrepreneurial and managerial talent. For emerging economies, franchising can also provide a development boost.

Rio de Janeiro, Brazil (iStock)

Joint White Paper

To advance the objectives of the franchising working group, the Commerce Department and Brazil's Ministry for Development and International Commerce agreed to write a white paper on franchising. This study, which will be completed in summer 2008, will research and describe the best franchising practices from around the world. It will also address sensitive issues, such as legal frameworks, protection of intellectual property, and trade policy, as they affect franchising. The focus on best practices will enhance competitiveness and improve market access in Brazil for U.S. companies.

Involvement of Business Community

Because of a memorandum of understanding promoted by the Commerce Department between the IFA and its Brazilian counterpart, the Associação Brasileira de Franchising (Association of Brazilian

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U.S. Foreign-Trade Zones Offer Flexibility in a Changing Environment

Recent innovations implemented by the U.S. Foreign-Trade Zones program are helping to ensure that this dynamic program responds to the needs of U.S. exporters in today's marketplace.

BY PIERRE DUY AND ELIZABETH WHITEMAN

FTZs, such as this one in Honolulu, Hawaii, allow U.S. companies to remain competitive in the world market by allowing foreign components that are used by U.S. manufacturers to be stored duty-free, among other customs benefits. (U.S. Foreign-Trade Zones Board photo)

Companies large and small—in industries ranging from oil refining and shipbuilding to chemicals and electronics—turn to the U.S. Foreign-Trade Zones (FTZ) program to maximize the international competitiveness of their U.S. operations.

Operating in an FTZ provides several customs benefits for U.S. facilities. Imported merchandise can be brought into an FTZ, stored or manufactured, and reexported without payment of duty. Duty is deferred on any merchandise that is ultimately for sale in the United States. Also, with FTZ Board approval, duty can be reduced if the duty rate on a finished product manufactured in an FTZ is less than the duty rate on the imported components. This type of savings may be important to retaining domestic production when key manufacturing components are produced only overseas. FTZ operators may also qualify for other customs benefits, such as weekly entry or direct delivery procedures.

74 Years of Facilitating Trade

The Foreign-Trade Zones Act of 1934 created the FTZ program. The FTZ Board has the power to designate specific locations within the United States where foreign goods can be stored in duty-free status under the supervisions of U.S. Customs and Border Protection.

Over the years, the FTZ program has evolved to encompass manufacturing and other operations at multiple-user ports and industrial parks (or general-purpose zone sites), as well as at the individual facilities of participating companies (or subzones). Changes in the program maintain the program's goal of expediting trade and encouraging activity in the United States that might otherwise be done abroad.

New Procedures Simplify Participation

In 2004, as part of the Commerce Department's Manufacturing Initiative, the FTZ Board reexamined its procedures and recognized that small and medium-sized enterprises (SMEs) were facing hurdles to using the program. As a result, a number of improvements were made to upgrade and simplify access to FTZ procedures. For example, old-style application guidelines were replaced with a more straightforward question-and-answer format, the FTZ Board's Web site was redesigned to provide more information, and outreach and application counseling were significantly extended and enhanced.

The biggest change was a new application process designed to provide manufacturers, especially SMEs, with faster access to FTZ procedures so they could respond to quickly changing industry conditions. The new process—temporary/interim manufacturing (T/IM) authority—allows any company in an FTZ to request manufacturing authority similar to recent FTZ Board approvals and to benefit from a rapid, 75-day processing time. To facilitate applications, a searchable database of recent approvals is available on the FTZ Board's Web site.

Quick approval of T/IM authority enables a manufacturer to respond to a new opportunity or to begin production under FTZ procedures while awaiting permanent authority from the FTZ Board. Permanent authority can be requested at the same time as T/IM authority, and a single application form eliminates any extra burden.

Supporting U.S. Manufacturing

The advantages offered by FTZ procedures and the new T/IM authority can provide real benefits to U.S.–based manufacturers that are competing with foreign manufacturers. For example, Perkins Shibaura Engines LLC, a joint venture between Perkins Engines (a Caterpillar company) and IHI Shibaura Machinery Co. Ltd., established a new diesel engine manufacturing facility that has 130 employees within an FTZ in Griffin, Georgia.

The Perkins Shibaura plant produces three- and four-cylinder engines for the U.S. market and for export to Latin America and Canada. To reduce production costs at the facility and to make U.S. production feasible, the company sought the use of FTZ procedures—specifically T/IM authority—to reduce its customs duty costs by up to $500,000 per year. T/IM authority was subsequently granted and will help equalize the facility's customs costs with Perkins Shibaura's overseas plants. Company officials say that the savings may ultimately help expand the U.S. plant's capacity to 60,000 engines per year.

The ABCs of FTZs: A Snapshot of Foreign-Trade Zones (FTZs)

Number of FTZs and Subzones: more than 500

States with Foreign-Trade Zones: 50

Value of merchandise handled by FTZs: $490 billion

Employment at active FTZs: 340,000

Exports from FTZs: $30 billion

Domestic status of incoming FTZ shipments: 60%

Source: U.S. Foreign-Trade Zone Board. Data are for fiscal year 2006.

After almost 75 years, FTZs continue to "expedite and encourage foreign commerce," thereby fulfilling the legislative mandate that established them in 1934.

Pierre Duy and Elizabeth Whiteman are staff analysts for the Foreign-Trade Zone Board.

For More Information

The FTZ Board comprises the secretaries of commerce and treasury, with one alternate member from each agency. The board's professional staff is headed by an executive secretary. Each year, the FTZ Board publishes a report to Congress on its activities. The 68th report, which covers fiscal year 2006, was recently published and is available on the FTZ Board's Web site at *www.trade.gov/ftz*.

Commerce Resources for Small and Medium-Sized Exporters Highlighted at Event

More than 30 representatives from federal agencies and private-sector organizations met on January 24, 2008, at the Department of Commerce in Washington, D.C., to discuss federal resources that are available to assist U.S. small and medium-sized exporters. The Interagency Network of Enterprise Assistance Providers (INEAP) sponsored the meeting.

William (Woody) G. Sutton, the Commerce Department's assistant secretary for manufacturing and services, was one of the featured speakers. In his remarks, Sutton highlighted some of the valuable resources that the International Trade Administration's Manufacturing and Services unit offers to U.S. businesses. "Our resources include industry analysis and data, such as TradeStats Express and the recently released Metro Export data series, as well as hosting advisory committees, such as the Industry and Trade Advisory Committees that help formulate U.S. policy in trade and commercial negotiations," noted Sutton.

Other sessions included presentations on the Department of Commerce's Market Development Cooperator Program, federal export assistance and financing programs, and programs offered by the Federation of International Trade Associations. INEAP was started in January 2006 and includes more than 100 members from 13 government agencies, 12 ancillary organizations, and 43 programs. INEAP's monthly meetings, with representatives from various federal technical assistance programs, are a valuable opportunity for exchanging information across organizational boundaries to leverage public–private resources and to promote innovative activities that help accelerate domestic economic development. For more information about INEAP, visit its Web site at *www.ineap.nist.gov/ineap/home.ineap.*

William (Woody) G. Sutton (center), the Commerce Department's assistant secretary for manufacturing and services, with Judith Rivera and LaVensus Jones of the U.S. Export–Import Bank at a meeting of the Interagency Network Enterprise Assistance Providers on January 24, 2008. The group met to discuss federal resources that are available to assist U.S. small and medium-sized exporters. (U.S. Department of Commerce photo)

Campaign Promoting U.S. Higher Education Opportunities Extended to India

An initiative to promote higher education opportunities in the United States for students from India—called the U.S. Electronic Education Fair for India—was launched recently by the U.S. Department of Commerce and its partners in the private sector. The initiative is an extension of a campaign launched in 2006 that was targeted at Chinese students (see December 2006 issue of *International Trade Update*).

The centerpiece of the India campaign is a Web site, *www.namastestudyusa.com*, that offers information on all aspects of higher education in the United States, including programs of study, financial aid, and visas. The site also features a number of videos that describe the experiences of Indian students in the United States and that were broadcast on television in India as part of the campaign. In addition to the television programming, the site also features the winning submissions from a related student video contest sponsored by the Department of Commerce.

As part of this partnership, accredited U.S. institutions were invited to purchase space on the Chinese and Indian Internet landing pages to increase their visibility and to provide more information about the institutions. (The Chinese site is located at *www.liuxueusa.cn)*

Thus far, 68 universities from 29 states and the District of Columbia have participated in activities related to the promotional campaigns in China and India. A small data sample collected from institutions that participated in the 2006 China television programming shows an average increase of more than 25 percent in Chinese applications for fall 2007, as well as an increase of more than 20 percent in enrollments from China for that same period.

The U.S. higher education community and the U.S. Department of Commerce jointly fund the program. Also, the program was the beneficiary of a major gift from Educational Testing Service's Test of English as a Foreign Language (TOEFL).

Ministers Meet in Mexico in Preparation for New Orleans Summit

The ministers responsible for security and prosperity from Canada, Mexico, and the United States met in Los Cabos, Mexico, on February 27–28, 2008, to examine the progress of the Security and Prosperity Partnership (SPP) of North America in preparation for the upcoming North American Leaders' Summit scheduled for April 21–22, 2008, in New Orleans, Louisiana.

In the meeting, the ministers reiterated their commitment to the SPP, which was launched in 2005 at a meeting hosted by President George W. Bush in Waco, Texas (see March 2007 issue of *International Trade Update*).

"This year marks the 15th anniversary of the implementation of the North American Free Trade Agreement," noted the ministers in a statement released at the close of the two-day meeting. "NAFTA has been a tremendous success.... The SPP builds on this dynamic relationship by providing Canada, Mexico, and the United States a partnership to build a safer, more secure and economically dynamic North America, while respecting the sovereignty, laws, unique heritage, and culture of each country."

During the meeting, the ministers examined the progress made in five priority areas: (a) global competitiveness, (b) safe food and products, (c) energy and environment, (d) smart and secure borders, and (e) emergency management and preparedness. The ministers also met with representatives of the North American Competitiveness Council.

Two senior officials from each country attended the meeting. Carlos M. Gutierrez, the secretary of commerce, and Michael Chertoff, secretary of homeland security, represented the United States. Eduardo Sojo, secretary of economy, and Juan Mouriño, secretary of interior, represented Mexico. And Jim Prentice, minister of industry, and Stockwell Day, minister of public safety, represented Canada.

For more information on the SPP, visit its Web site at *www.spp.gov*.

Calendar

April 2008

Here is a selected list of international trade events of interest, including ITA-sponsored events, as well as a selection of upcoming international trade fairs. The U.S. and Foreign Commercial Service (USFCS) maintains a comprehensive listing of industry shows at *www.export.gov*

April 2–4

ISC West 2008

Las Vegas, Nevada
www.iscwest.com

This show features security technology for urban and public spaces, marketplaces and commercial properties, and residences. In 2007, roughly 26,000 security professionals attended. For more information, contact Ahmed Khayyat of the USFCS, tel.: +966 (1) 488-3800, ext. 4441; e-mail: *ahmed.khayyat@mail.doc.gov.*

April 3

Doing Business in Greece Webinar

www.export.gov/eac/show_detail_trade_events.asp?EventID=27581

This one-hour Webinar will look at best prospects for U.S. exporters in Greece and explain the basics of doing business there. There is a $35 fee to participate. For more information, contact Dusan Marinkovic of the USFCS, tel.: (317) 582-2300; e-mail: *dusan.marinkovic@mail.doc.gov.*

April 3–4

Export Controls Seminar—Singapore

Singapore
www.export.gov/tradeevents/exp_licensing_seminars.asp

This seminar is designed for companies with an interest in U.S. export control laws and related regulations. It will feature speakers from the U.S. Department of Commerce's Bureau of Industry and Security. For more information, contact Hawcheng Ng of the USFCS, tel.: +65 6476-9037; e-mail: *hawcheng.ng@mail.doc.gov.*

April 7–8

Access Africa Summit 2008

Lisbon, Portugal
www.export.gov/eac/show_detail_trade_events.asp?EventID=26168

Demand for infrastructure development, consumer goods, technology, and agricultural equipment is growing in Portuguese-speaking countries in Africa. This two-day seminar will focus on the trade and investment links through Portugal that can be leveraged for increased access to those countries. For more information, contact Ana Vila of the USFCS, tel.: +351 (21) 770-2532; e-mail: *ana.vila@mail.doc.gov.*

April 7–13

High Point Market—Spring

High Point, North Carolina
www.highpointmarket.org

The High Point Market, a semiannual event, is the largest trade show for the furniture and home furnishings industry. Recent shows have attracted 2,600 exhibitors from 110 countries, with a trade attendance of about 85,000 (of whom 10 percent are international buyers). For more information, contact Eugene Quinn of the USFCS, tel.: (202) 482-0578; e-mail: *eugene.quinn@mail.doc.gov.*

April 11–13

International Franchise Expo

Washington, D.C.
www.export.gov/eac/show_detail_trade_events.asp?EventID=26816

Hundreds of top franchise companies are expected at this show, which covers a vast array of industries and offers a broad range of investment levels. Six symposia will be offered on a variety of franchising topics and industry trends, such as owning a single unit, acquiring an area development venture, and operating a master license. For more information, contact Amanda Ayvaz of the USFCS, tel.: (202) 482-0338; e-mail: *amanda.ayvaz@mail.doc.gov*.

April 16–17

Complying with U.S. Export Controls

Chicago, Illinois
www.export.gov/eac/show_detail_trade_events.asp?EventID=27453

This two-day program will cover the information exporters need to know to comply with U.S. export control requirements on commercial goods as specified in the Export Administration Regulations. For more information, contact Jeffrey Graber of the USFCS, tel.: (312) 353-7711; e-mail: *jeffrey.graber@mail.doc.gov*.

April 18

Export Logistics

Austin, Texas
www.buyusa.gov/austin/events.html

This seminar will examine how to make arrangements to move your product into foreign markets, and it will look at required export documents and licenses. For more information, contact Karen Parker of the USFCS, tel.: (512) 916-5939; e-mail: *karen.parker@mail.doc.gov*.

April 21–24

Defense Services Asia

Kuala Lumpur, Malaysia
www.dsaexhibition.com

This four-day show will focus on the security needs of Asian governments. It will feature products from 600 defense companies from more than 40 countries, and government guests from more than 60 countries are expected to attend. For more information, contact Desmond Cheng of the USFCS, tel.: +60 (3) 2168-4868; e-mail: *desmond.cheng@mail.doc.gov.*

On The Horizon

May 5–8

Offshore Technology Conference 2008

Houston, Texas

www.otcnet.org

This conference is the world's foremost event for the development of offshore resources in drilling, exploration, production, and environmental protection. It ranks among the largest 200 trade shows held annually in the United States. It is also among the 10 largest meetings in terms of attendance, with more than 2,000 companies from more than 110 countries participating in the exhibition. For more information, contact Pam Plagens of the USFCS, tel.: (713)-209-3106; e-mail: *pam.plagens@mail.doc.gov*.

May 12–16

SVIAZ/Expo Comm 2008

Moscow, Russia

www.export.gov/eac/show_detail_trade_events.asp?EventID=27329

This event is the leading show for telecommunications and information technology equipment manufacturers and service providers looking to meet buyers from Russia and the Commonwealth of Independent States. A U.S. pavilion will include 50 U.S. exhibitors. About 675 exhibitors and 30,000 attendees are expected during this five-day event. For more information, contact William Corfitzen of the USFCS, tel. (202) 482-0584; e-mail: *william.corfitzen@mail.doc.gov*.

May 31–June 4

International Pow Wow 2008

Las Vegas, Nevada

www.tia.org/powwow/future_dates.html

This show is the travel industry's premier international marketplace and the largest generator of Visit USA travel. During three days of intensive, prescheduled business appointments, international delegates will meet with targeted suppliers from more than 1,000 U.S. travel organizations from every U.S. region and market segment. For more information, contact Juan Carlos Ruiz of the USFCS, tel.: +52 (55) 5140-2654; e-mail: *juancarlos.ruiz@mail.doc.gov*.

Market of the Month

Sub-Saharan Africa

Sub-Saharan Africa, with a burgeoning consumer base of 650 million people, political stability, and economic reforms, has market potential that is growing. Economic growth in the region is projected to accelerate in 2008 to 6.7 percent, the highest in a decade, while Africa's oil-exporting countries will likely see their economies expand by 10 percent or more.

Total U.S. trade with sub-Saharan Africa increased 10 percent in the first half of 2007 from the same period in 2006, as both exports and imports grew. U.S. exports increased by 30 percent, to $6.7 billion, driven mainly by increases in parts for oil field equipment, vehicles and parts, aircraft, wheat, platforms for offshore oil drilling, non-crude oil, and medical equipment. Of the top five African destinations for U.S. products, exports to South Africa rose by 8 percent and those to Nigeria rose by 42 percent. As the markets in sub-Saharan Africa continue to show substantial growth and potential, Ghana, Nigeria, and South Africa stand out as particularly advantageous destinations for U.S. exporters seeking to leverage business opportunities in this region.

The U.S. commitment to trade with Africa was underscored by the enactment of the African Growth and Opportunity Act (AGOA) in 2000. The act created tangible incentives for African countries to implement economic and commercial reform policies. Measures taken to conform to AGOA's eligibility provisions—including poverty reduction, elimination of trade barriers, and support for the rule of law—contribute to better market opportunities and stronger commercial partners in Africa for U.S. companies. Since 2000, the act has been already helped forge stronger commercial ties between Africa and the United States, while helping integrate Africa into the global economy. It currently applies to 38 countries in the region.

This text has been adapted from "Market of the Month," a regular feature of the U.S. government's export portal, Export.gov. To read a longer version, with detailed information on countries such as Ghana, Nigeria, and South Africa, go to www.export.gov/articles/Africa_MOM.asp.

INTERNATIONAL TRADE ADMINISTRATION

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For more information and news, visit ITA's Web site at *www.trade.gov* or contact the Office of Public Affairs, International Trade Administration, 1401 Constitution Avenue NW, Washington, DC 20230; tel.: (202) 482–3809.

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Franchising, or ABF), Brazil and the United States also agreed to help engage the franchise business communities. For example, representatives of the ABF recently attended the IFA annual conference in Orlando, Florida, on February 9–12, 2008. The Commerce Department used the conference to advance work on the joint paper with its Brazilian counterparts. The Commerce Department's assistant secretary for manufacturing and services, William (Woody) G. Sutton, also attended the conference and held discussions with many top U.S. franchise companies.

Explaining U.S. Federal and State Regulations

The Commerce Department has put Brazilian franchise companies in touch with legal and business experts in the U.S. franchising market to help them understand the U.S. federal system. The Federal Trade Commission, for example, requires that a prospective franchisee receive disclosure documents from the franchisor before investing. Those disclosures are required by federal law and must be made before a transaction. In addition, 15 U.S. states have their own disclosure and registration requirements.

As with other ongoing commercial dialogues and their working groups, this commitment by the United States and Brazil to continued dialogue on specific areas of their commercial relationship—such as franchising—will, ultimately, enhance market access for both parties to their respective markets.

Jane Siegel is an international trade specialist in the Manufacturing and Services unit of the International Trade Administration.

U.S. Export Assistance Centers

U.S. Export Assistance Centers (USEACs) are located in more than 100 cities throughout the United States. They are supported by five federal agencies, and serve as one-stop shops that provide small and medium-sized businesses with hands-on export marketing and trade finance support. For more information, visit the U.S. government's export portal, *www.export.gov.*

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passage of several bills needed for that country's full inclusion in CAFTA-DR. Among the bills, Costa Rican legislators are working on measures that would protect intellectual property rights and make adjustments to the telecommunications industry so the country will conform to the agreement.

Extending Success to Peru, Colombia

An immediate goal for CAFTA-DR is the inclusion of Costa Rica. But CAFTA-DR can also exemplify the success of free trade agreements as tools for strengthening economies and for promoting democracy in other regions. Many hope that CAFTA-DR's accomplishments will be repeated by the recently approved free trade agreement between the United States and Peru and the pending free trade agreements with Colombia, Panama, and South Korea—countries that have seen increases in U.S. trade over the past several years.

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