

Trade News

Volume 11, Issue 8

August 2007



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Update on Recent Trade Promotion and Free Trade Agreements

U.S.-Colombia Trade Promotion Agreement (TPA) - On June 28, 2007, the United States and Colombia reached agreement on amendments to the United States-Colombia TPA, reflecting the bipartisan agreement between the Bush Administration and Congressional leadership. The TPA establishes a stable legal framework for U.S. investors operating in Colombia. All forms of investment are protected under the Agreement. U.S. investors will enjoy the right to establish, acquire and operate investments in Colombia in an equal footing with local investors. Investor protections will be backed by a transparent, binding international arbitration mechanism. Over eight percent of U.S. exports of consumer and industrial products to Colombia will become duty-free immediately, with remaining tariffs phased out over 10 years.

U.S.-Korea Free Trade Agreement (KORUS-FTA) - The United States and Korea signed the KORUS-FTA on June 30, 2007, to build on an already strong bilateral trade and investment relationship. Korea is the 12th-largest economy in the world. Korea is already the 7th-largest export market for U.S. products and services and our seventh-largest trading partner, with bilateral trade topping \$75 billion in 2006. Korea is uniquely positioned between Japan and China to be a springboard for U.S. economic interests in Asia. The KORUS-FTA will open Korea's broadcast market by allowing U.S. companies to invest up to 100 percent in this market within three years and allowing 100 percent investment in the telecommunications market within two years. It will also open significant economic opportunities for U.S. services exports, including express delivery, legal, education, health and environmental services, where the United States is highly competitive.

U.S. - Peru Trade Promotion Agreement (TPA) - The United States and Peru reached an agreement on amendments to the U.S.-Peru TPA, derived from the bipartisan trade agreement between the Bush Administration and Congressional leadership, on June 25, 2007. This comprehensive trade agreement will eliminate tariffs and other barriers to goods and services and expand trade between the United States and Peru. Once the agreement goes into effect, Peru will remove barriers to trade in services, provide a secure, predictable legal framework for U.S. investors operating in Peru, provide for effective enforcement of labor and environmental laws, protect intellectual property, and provide an effective system to settle disputes. In 2006, two-way goods trade with Peru was over \$8.9 billion. U.S. goods exports to Peru in 2006 were \$2.9 billion, an increase of almost 90 percent over the last five years. The Peru Trade Promotion Agreement offers an opportunity to further expand U.S. exports to a region that is already seeing high export growth rates. Peru is home to almost \$4 billion in U.S. investment.

U.S. - Panama Trade Promotion Agreement Signed - On June 28, the U.S.-Panama Trade Promotion Agreement was signed and now awaits Congressional approval. The United States had a goods trade surplus with Panama of \$2.3 billion in 2006, and is Panama's largest trading partner. Total goods trade between the United States and Panama was \$3.1 billion in 2006. Panama is a growing market for U.S. products. U.S. goods exports to Panama increased 25 percent from 2005 to 2006. Panama is predominantly a services-based economy, with services accounting for about 80 percent of economic activity. The Panama Canal is the focal point of Panama's economy, with much of the country's economic activity tied to the canal's infrastructure and to the logistics and financing of international shipping. The trade agreement will provide U.S. exporters significant opportunities to participate in the \$5.25 billion expansion plan for the Panama Canal, which is due to begin in 2008 and is expected to be completed by 2014. For additional information, visit: http://www.ustr.gov/assets/Document_Library/Fact_Sheets/2007/asset_upload_file642_13064.pdf.



Websites Provide Free Market Research Reports and Regional Business Information - The U.S. Department of Commerce offers U.S. companies free access to their Market Research Library (MRL) containing a wide variety of country and industry sector information from around the world. U.S. Commercial Service and State Department experts stationed at diplomatic posts worldwide compile the reports, which can vary in length from just a few pages to comprehensive Country Commercial Guides of 100 pages or more. Access is free, but a brief one-time registration is requested. Market research can be searched by country, industry, keyword, type of report, and date. Go to <http://www.export.gov/mrktresearch/index.asp> to access the MRL.

Other Commerce Department websites offer specialized information on major trading areas such as Russia and the Newly Independent States, China, and the Middle East and North Africa. To view these sites, go to <http://www.bisnis.doc.gov> (Russia / NIS), <http://www.export.gov/china/> (China), and <http://www.export.gov/middleeast/> (Middle East / North Africa). Most of the Commercial Service's foreign offices also maintain their own sites in English and the local language. These sites offer country-specific information and can usually be found using the following format: <http://www.buyusa.gov/NAMEOFCOUNTRYHERE/>. For example, <http://www.buyusa.gov/china>. If you have any questions, please contact your local U.S. Commercial Service Office (see page 1 for contact information.)

Harmonized Tariff Schedule Update - Although the Harmonized Tariff Schedule of the United States is updated every five years, recent changes were implemented, in part, to bring the U.S. in line with the World Customs Organization recommendations. The changes will affect product reclassifications for both importer and exporters, especially those companies in the information technology sector whose products fall into Chapter heading 83 through 97. The changes will affect certain Customs and Census Bureau reporting obligations. Exporters are urged to seek guidance from their customs brokers and/or freight forwarders to determine the impact of the change. To view the official 2007 Harmonized Tariff Schedule of the United States, go to: <http://www.usitc.gov/tata/hts/bychapter/index.htm>.

Addressing Trade Barriers in Vietnam - The implementation of the U.S.-Vietnam Bilateral Trade Agreement (BTA) in December 2001 opened up a new era for U.S. companies doing business in Vietnam. Since then, bilateral trade has skyrocketed from \$1.5 billion in 2001 to \$9.7 billion in 2006, when Vietnamese exports to the United States were almost 8 times greater than U.S. exports to Vietnam. Vietnam's accession to the WTO, along with its healthy economic growth, at 7.8% in 2006, is expected to spur trade growth at an even faster pace. Through the Commerce Trade Agreements Compliance Program, Market Access and Compliance (MAC) staff can help U.S. exporters receive the full benefits of the BTA. For questions or issues that have come up while exporting to Vietnam, please visit www.trade.gov/tcc or contact your local U.S. Department of Commerce Export Assistance Center.

2007 Export Yellow Pages Now Available - Created through a partnership with the U.S. Department of Commerce, The Export Yellow Pages™ and The U.S. Trade Assistance Directory, this publication gives U.S. businesses a simple and convenient way to establish contacts, increase sales and conduct global business with international buyers. The 2007 Export Yellow pages highlights the goods and services of U.S. companies interested in export business and provides an on-line search capability available in 11 languages. It also provides accessibility to an on-line network that attracts prospective international buyers of goods and services. **Free Basic Company Listings – Registration is Free** to all U.S. businesses who want a basic ad profile in the print and online directory. Affordable enhanced packages that provide additional listing opportunities to achieve even greater success are also available. For more information, go to <http://www.theexportyellowpages.com>.

EXCON - Construction Event Catalog Show, Oct 07 - Lima Peru - Formerly known as ExpoVivienda, EXCON 2007, is the 12th edition of the leading **building, heavy construction, raw materials and finished products, hardware, environmental engineering and construction-related mining** international tradeshow in Peru. Sponsored by the Peruvian Chamber of Construcion (CAPECO), the show will take place on October 02 - 07, 2007 at the Jockey Plaza Convention Center in Lima, Peru. The U.S. Commercial Service will have a booth at EXCON 2007 to represent U.S. firms through a catalog/literature exhibition and will actively promote U.S. products, gather and qualify **sales leads**, send participants a report after the show, and assist in any follow-ups. Information and required forms are available at <http://www.buyusa.gov/peru/en/119.html>.

Registration deadline is September 4. According to the Peru's National Statistics Institute (INEI), the CON sector grew in average 11.3% during 2005-2006. An 18% increase is anticipated in the foreseeable future (2007-2008). Sanitation, road, mining, and hydrocarbon required infrastructure projects would continue to drive the demand for CON equipment in Peru. Peru has the 55th largest economy in the world and its GDP grew 6.7% in 2005. With a current estimated market of over US\$250 million and almost one quarter of the local import market share, U.S. products are well positioned to take advantage of the new opportunities in Peru.

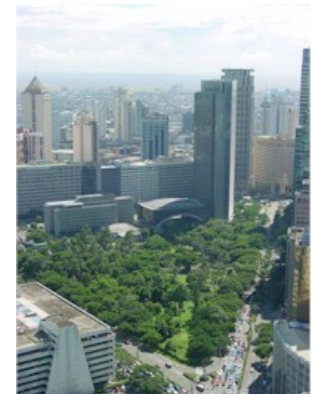


U.S. Commercial Service Teams Up with Google and UPS - The Department of Commerce's U.S. Commercial Service recently announced a new initiative to work with **Google** to boost international sales from small and medium-sized U.S. businesses. The agreement will help educate exporters on how to best optimize their web-based international marketing strategies, and increase their ability to source and sell internationally. By linking with the U.S. Commercial Service, Google can provide additional resources to its small and medium-sized exporter customers, beyond its broad portfolio of Internet marketing services. For more information, please visit: http://www.export.gov/articles/pr_google.asp. The U.S. Commercial Service also recently announced a new initiative with **UPS** to grow exports from U.S.-based small- and medium-sized enterprises. The agreement is designed to provide firms an array of both public and private sector resources to make exporting even simpler. By linking with the U.S. Commercial Service, UPS can provide additional resources to its small- and medium-sized exporting clients, beyond its broad portfolio of shipping services. For more information, please visit: http://www.export.gov/articles/usps_pr.asp.

Market of the Month: The Philippines

This is a great time to look at export opportunities in the Philippines, the current Chair of the Association of Southeast Asian Nations (ASEAN) and host of the recently concluded Leaders' Summit. The Philippines is a market where American products and services are well known and trusted, owing to the very close relationship between the U.S. and the Philippines over the past 100 years.

The Philippines is an archipelago of 7,107 islands. It stretches from the south of China to the northern tip of Borneo. It is centrally located in an incredibly dynamic ASEAN region. The country is divided into three geographical areas: Luzon, Visayas, and Mindanao than contain vast natural resources including timber, petroleum, nickel, cobalt, silver, gold, salt, and copper.



With 91 million inhabitants, the Philippines is the world's fourth largest English-speaking nation, and the 14th largest labor force in the world. The country has over a hundred ethnic groups and a wide diversity of religions, cultures, and languages. Go to <http://www.buyusa.gov/philippines/en/marketofthemonth.html> to learn more about opportunities in the Philippines.

Made in the USA Trade Exposition in Egypt - January 2008 - The U.S. Commercial Service post in Cairo, Egypt has partnered with the American Chamber of Commerce in Egypt and a local event organizer to host the first "Made in the USA" trade exposition in Egypt. The exhibition, which will be held in Cairo January 17-19, 2008, will feature products from American companies already in Egypt as well as new-to-market companies. "Made in the USA" will offer unprecedented access and exposure for American firms interested in entering or expanding in Egypt and the region. Detailed information on the expo is available at: <http://www.madeintheusa-cairo.com>.

Environmental Technologies Team Newsletter - The Summer Issue of the U.S. Commercial Service's Environmental Technologies Team Newsletter has been posted to our South Carolina website. Go to <http://www.buyusa.gov/southcarolina/industryspecificnewsletters.html> to access a copy.

Development Projects Funded by Asian Development Bank - In an ongoing effort to engage more US companies in ADB funded projects, the Asian Development Bank Commercial Service Liaison Office is now distributing on a monthly basis valuable information for companies interested in consulting and procurement opportunities. They have compiled an *International Market Insight* (IMI) report, which is a compilation of development projects funded by the Asian Development Bank (ADB). Its purpose is to alert U.S. firms about new consulting service opportunities funded by ADB Technical Assistance (TA) programs. ADB uses Technical Assistance to prepare and implement major projects and support their advisory and regional activities among the bank's developing member countries. In 2006, a total of 260 TA projects, worth over \$241 million, including 234 new projects and 26 supplementary projects were approved by ADB. In addition, their *Foreign Government Tender* report augments the regular monthly IMI reports, giving U.S. exporters advance notice of government tenders within the ADB region. The focus of this report is on national procurement initiated both in advance, as well as ongoing ADB procurement and recruitment of consultants for projects financed by the ADB. To request copies of these reports, send an email to Office.Columbia@mail.doc.gov.



Upcoming South Carolina Trade Missions

Explore Your Opportunities Down Under!

2007 Trade Mission to Australia - October 22-26, 2007

Join us as we visit Brisbane, Queensland, in South Carolina's Sister-State, and Sydney, the Business Capital of Australia. **The U.S. Commercial Service and the South Carolina Department of Commerce**, in cooperation with **The Export Consortium** and the **S.C. District Export Council**, invite your participation in this Mission to our friends Down Under.



This S.C. International Trade Coalition event will feature US Embassy-screened Gold Key Service business appointments with qualified representatives, agents, and distributors in both markets for the **low fee of \$1500**. On January 1, 2005, Australia entered into the Free Trade Agreement with the United States (AUSFTA), which provided major benefits for both countries immediately through the removal of tariffs, and, longer term, is phasing in opening of additional markets. South Carolina exports to Australia totaled \$364 million in 2006!

NOTE: Deadline for registering to participate is Mid August! For details, contact Phil Minard, U.S. Commercial Service - Charleston, at 843-746-3404, phil.minard@mail.doc.gov or Melissa McLeod, S.C. Department of Commerce, Columbia, 803-737-2164, mmcleod@sccommerce.com or visit <http://www.buyusa.gov/southcarolina/australia.html>.

Tap China's Emerging, Dynamic Markets!

S.C. Trade Mission to China - November 1 - 11, 2007

Did you know...

The economies of China's second-tier cities:

- are growing at an average rate of **11%** annually
- account for **53.5%** of the country's imports
- are responsible for **19%** of China's total output
... all while accounting for only **8%** of China's total population!



The **U.S. Commercial Service** and the **S.C. Department of Commerce**, in cooperation with **The Export Consortium**, are currently planning a trade mission to **China, November 1-11, 2007**. The purpose of this mission is to introduce S.C. companies to the emerging markets in two of China's second-tier cities, **Chongqing** and **Tianjin**.

Chongqing is one of six comprehensive industrial bases established by the Chinese Government in the early 1950s. While the city has a long history in the manufacture of automobiles, motorcycles, aircraft parts, metallurgy equipment, chemicals and pharmaceuticals, Chongqing has diversified its manufacturing capacity during the last decade to include mechanical and electrical equipment, information technology products, meters and instruments. With a population of 32 million, it is the **largest city in all of China and the world!** Go to <http://www.buyusa.gov/china/en/chongqing.html> to learn more about Chongqing.

Located just 75 miles southeast of Beijing, **Tianjin** is **China's third largest city** and one of the fastest growing economies in the country. One of only four municipalities that are directly administered by the central government, Tianjin is being groomed by national planners to become one of the key industrial and distribution hubs of North-Central China. Tianjin lies at the crossroads of six national highways as well as seven expressways and is home to the sixth largest port in China. To read more about Tianjin, go to <http://www.buyusa.gov/china/en/tianjin.html>.

One-on-one appointments with potential agents, distributors, etc. will be arranged for all mission members in **Chongqing** and **Tianjin**. In addition, members will have the opportunity to network with Chinese business and government leaders during stops in **Shanghai** and **Beijing**. For additional details, go to <http://www.buyusa.gov/southcarolina/china.html> and submit the mission interest form. Spaces are limited, so we encourage you to request information as soon as possible..

Trade Calendar for South Carolina

September 25th -- Save the date for . . .

INTRODUCTION TO EXPORTING



When? September 25, 2007 - 9:00 a.m. until 4 p.m.

Where? Continuing Education Building, Room 113, Midlands Technical College - Harbison Campus

Who Should Attend? Companies new to exporting or wanting to refresh some skills.

This full day workshop will be taught by **Dan Holt, U.S. Small Business Administration**, and will cover the following topics:

- Risk Recognition
- Classifying Product for Export
- Means of Payment
- Introduction the Letters of Credit
- Introduction to Credit Insurance
- Pricing and Business Planning
- Introduction to Government Resources

Cost? The fee is \$80.00 and includes box lunch and beverages.

How Do I Register? Go to: <http://www.buyusa.gov/southcarolina/introtoexporting.html>

Co-sponsors: The U.S. Commercial Service-Columbia, the U.S. Small Business Administration, and the S.C. District Export Council.

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Doing Business Overseas: Developing an Anti-Corruption Program Suited to Your Small or Medium-Sized Business - Wednesday, September 26, 2007 - Washington, DC

OPIC and CLDP of the U.S. Department of Commerce will sponsor a one-day workshop that will highlight important components for anti-corruption compliance programs for SMEs. Leading government and industry experts will review regulations and best practices, present material, facilitate discussions and answer questions regarding the nuts and bolts of designing and implementing effective anti-corruption policies and programs. This **free event** will take place at Hotel Washington and lunch will be served. **Spaces are limited.** To register or for more information contact: Joe Sandillo, CLDP International Program Specialist at 202-482-9007 or jsandillo@doc.gov.