## **Export News for Florida**

From the Florida U.S. Export Assistance Centers U.S. Commercial Service, U.S. Department of Commerce January 2006 Edition



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#### 1. IOMA Presents Six Main Export Issues Facing Managers Today

Results of a recent IOMA "Managing Exports and Imports" survey graphically reveal how much the compliance challenges and burdens facing importers and exporters have grown recently. IOMA asked hundreds of international trade professionals at a range of companies coast-to-coast to tell them which issues managers are faced with in managing their global supply chains – and keeping them compliant with U.S. export-import laws.

The survey reveals that a significant number of these managers are already dealing with six major challenges – most of which have appeared on the scene in just the last few years. These are: the Automated Export System (AES); the "Reasonable Person Standard" in exports; the "U.S. Principal Party at Interest" (USPPI); "Deemed Exports"; the Importer Self Assessment (ISA) program; and Sarbanes-Oxley (SOX) requirements. If you'd asked a group of trade pros these questions five years ago, they probably wouldn't have know what you were talking about.

For more information on these six compliance issues or how to respond to them, <u>click here</u> (http://www.floridaexporter.com/external\_news.php?id=133). More information on IOMA can be found at http://www.ioma.com.

#### 2. APEC Face and Fraud – by Neal Asbury, Greenfield World Trade

In his article APEC Face and Fraud, Mr. Neal Asbury gives a brief history of the APEC (Asia-Pacific Economic Corporation.) to the APEC summit that took place on November 18<sup>th</sup> and 19<sup>th</sup>. He discusses what was and was not done to rebalance the American Trade deficit and to end unfair trade practices in the region, especially agricultural subsidies.

To read the entire text of "APEC Face and Fraud", <u>click here</u>. (http://www.floridaexporter.com/external\_news.php?id=132)

\* Mr. Asbury is a member of our Florida District Export Council. He writes opinion articles for tothepointnews.com. Please note that this article does not reflect the views and opinions of the U.S. Department of Commerce or the Florida District Export Council.

### 3. China to Cut Import Tariffs on 100 Product Categories

As you may know, China cut import tariffs on more than 900 products and lowered the general level of import tariffs to 9.9 percent as of January 1, 2005. On December 14, 2005, Xinhua Agency released the news that China will further cut import tariffs on more than 100 categories of products as of January 1, 2006, including vegetable oil, raw chemical materials, automobiles and parts. Since China has fulfilled most of its tariff reduction obligations, the latest plan will not have a big impact on China's overall tariff level. China's overall level of import tariffs will remain at 9.9 percent in 2006. The average import tariff will be 15.2 percent for farm produce and 9.0 percent for industrial goods. In 2006, China will abolish tariffs and quota management of soybean oil, palm oil and rapeseed oil. China started collecting specific export tariffs on six kinds of textile products from January 1, 2005. As of January 1, 2006, China will stop collecting export tariffs on textile goods.

#### 4. Beware of Credit Card Payments for International Sales

Recently, the USEACs have learned of an increase in the attempted use of credit cards by some foreign buyers to pay for major export shipments, not just small, one time purchases via the Internet. Some of these buyers request that the exporter divide the payment among several credit cards, which may or may not be under the purchaser's name or company's name. Please know that payment by credit card can be cancelled long after you have shipped the goods, leaving you with an unpaid bill and often no way to recover the product. Wire transfer is your best option for payment from an unknown foreign buyer, or call the nearest USEAC to receive information on export financing to reduce your risk.

#### 5. EU's Binding Tariff Information System

The European Union has created the Binding Tariff Information (BTI) system as a tool to assist exporters to obtain the correct tariff classification for goods they intend to export to the EU. Binding Tariff Information is issued on request to economic operators by the customs authorities of the Member States. It is valid throughout the Union, regardless of the Member State that issued it. The main benefit to the holder is legal certainty with regard to tariff classification. This is important as tariff classification is the basis for determining customs duties, export refunds and the application of other related legal provisions (e.g. import/export certificates). Please see <a href="http://europe.eu.int/comm/taxation\_customs/common/databases/ebti/index\_en.htm">http://europe.eu.int/comm/taxation\_customs/common/databases/ebti/index\_en.htm</a> for detailed information on the procedure your company should follow. The application form is also available on this site.

#### 6. Industry Opportunities for U.S. Companies

If your company is involved in the ICT, Safety/Security or Environmental sector, ready to export to Europe but not sure in what market to start, **Quicktake** is the service you need! **Quicktake** is a new, **FREE** service for qualified American companies where twenty-five market specialists across Europe quickly review your product's export potential in their respective markets. In ten business days, you will receive a survey that covers: current demand, future demand, competition and next steps. Go to <a href="http://www.buyusa.gov/europe/qt\_preregistration.html">http://www.buyusa.gov/europe/qt\_preregistration.html</a> to pre-register and learn more about the service.

# 7. Mark Your Calendars!! The Florida District Export Council Presents Export University

The Florida District Export Council, in conjunction with FedEx, the other USCS and other partners, will present the first course in its "Export University, International Trade Education Organized by the Florida District Export Council" series on Thursday, March 2, 2006. The location is to be announced.

Export University is a series of courses on exporting designed to help Florida companies begin an export initiative, and to gain increasing skills and innovativeness in their international sales. Export University will begin on March 2, 2006 with an "Export 101" course. This course is designed for new-to-export firms that would like expert advice on the export basics. Topics to be covered include: Organizing for Export, Building an Overseas Infrastructure, Considerations for Managing International Sales Orders, Shipping Your Product, and Growing the Business. This seminar is ideal for marketing and sales management and staff; import/export operations personnel, purchasing, logistics, and anyone with a responsibility for import/export functions.

Please look for updates on this exciting new series at <a href="http://www.floridaexporter.com">http://www.floridaexporter.com</a>.

#### 8. Florida Pavilion at Farnborough 2006

Enterprise Florida (EFI) is organizing a Florida Pavilion at Farnborough 2006. Farnborough 2006 promises to be a great show, simply because Farnborough International is one of the world's most prestigious aerospace business events. It is definitely a show that you do not want to miss, as it is the showcase for aerospace equipment and technology, and is the perfect venue for the world's civil and military aerospace suppliers and their customers to meet, discuss, finalize, and announce their business transactions. For more information on the Florida Pavilion at Farnborough, please contact Ken Cooksey at Enterprise Florida (850-922-8832; <a href="kcooksey@eflorida.com">kcooksey@eflorida.com</a>).

In addition, Governor Bush will lead his next full-scale trade and business development mission to the United Kingdom from July 15-21. Governor Bush and EFI will lead a delegation of business owners, economic developers, and elected officials to pursue new international trade and business development opportunities in London and Edinburgh. The mission, which coincides with the Farnborough Air Show, also will provide members of the Florida delegation the chance to explore international business opportunities in the aviation industry. For more information please contact EFI's Ivan Barrios at (305/569-2650 ibarrios@eflorida.com).

#### 9. Market of the Month – The River Plate Region



The River Plate region, composed of Argentina and Uruguay, offers a strategic location for trade with MERCOSUR (South American Common Market) and the rest of Latin America. Argentina and Uruguay are long-standing stable democracies with robust economic growth, and competitive, skilled and highly educated labor forces. U.S. companies will encounter excellent opportunities to do business successfully in both countries.

Best prospects for U.S. companies include Agricultural Products and Machinery, Electric Power Systems, Industrial Chemicals, Food Processing and Packaging Equipment and Parts, Medical Equipment and Supplies, Information Technology, Mining Machinery and Equipment, Telecommunication Services, and many more.!

Learn more about opportunities in the River Plate Region today!:

http://www.export.gov/comm\_svc/press\_room/marketofthemonth/RiverPlateRegion/riverplatereg ion.html.

#### 10. **Online Resources**

Click here (http://www.floridaexporter.com/external\_news.php?id=134) to view this month's online resources, including:

- Medjet Assistance
- > New Russia IPR Toolkit
- Canadian Government Procurement Opportunities
  EU Fact Sheet Profiles