OKLAHOMA INTERNATIONAL TRADE BULLETIN

301 N.W. 63rd Street, Suite 330
Oklahoma City, OK 73116
(405)608-5302 Fax: (405)608-5302

700 N. Greenwood Ave., Suite 1400
Tulsa, OK 74106
(918)581-7650 Fax: (918)581-6263

900 N. Stiles Ave.
Oklahoma City, OK 73104
(405)815-6552 Fax: (405)815-5199

A joint newsletter of the Oklahoma Department of Commerce and the U.S. Department of Commerce

Volume XXVIII, Number 8 June 2011

Executive-led Trade Mission to South Africa

The United States Department of Commerce, International Trade Administration, U.S. Commercial Service is organizing a Trade Mission to South Africa September 19-23, 2011, to help U.S. firms find business partners and sell equipment and services in Johannesburg and Cape Town, South Africa.

Where?
Johannesburg and Cape Town, South Africa

When?
September 19-23, 2011

What?
The South Africa Trade Mission will provide U.S. participants with first-hand market information, one-on-one meetings with business contacts, including potential agents, distributors and partners so they can position themselves to enter or expand their presence in the South African market. South Africa, with its well developed business and financial sector, its indigenous multinational enterprises, substantial foreign investment, and well developed infrastructure, is often seen as the point of access to develop markets throughout Sub-Saharan Africa. Subject to prior consultation and confirmations, mission participants will have the opportunity to explore contacts with local firms active in the region and will have the option of extending their stay for additional business development activities in South Africa or meetings in neighboring countries.

Who?
Targeted sectors are:
-Sustainable and Efficient Energy Technologies, Equipment and Products
-Productivity Enhancing Agricultural Technologies and Equipment
-Skills Development

Although focused on the sectors above, the mission also will consider participation from companies in other appropriate sectors as space permits.

Why?
South Africa represents the largest economy and most sophisticated and diversified industrial and services sectors in Sub-Saharan Africa. Recent reports show the economy recovering well from the recent global recession. Sectors such as energy, health care, agriculture, vehicles, processed foods, and others are poised for solid growth in South Africa. The country also stands to benefit from rapid growth anticipated in many of its Sub-Saharan African trading partners, where South African-based companies have strong market prospects. 2010 trade figures for January to September show growth in trade of over 40 percent above corresponding 2009 levels and indicate a strong recovery in US exports to the country.

Apply by
July 18, 2011, 11:59 PM. Applications received after 11:59 PM on July 18, 2011, will be considered only if space and scheduling constraints permit. For more information or to register, please click here.

European Union: EU Marking, Labeling and Packaging

The first step in investigating the marking, labeling and packaging legislation that might apply to a product entering the EU is to draw a distinction between what is mandatory and what is voluntary. Some EU legislation refers only to the former, and vice versa; some legislation refers to both. In addition, decisions related to mandatory marking, labeling and/or packaging requirements may sometimes be left to individual member states. Finally, voluntary marks and/or labels are used as marketing tools in some EU member states. This report is focused primarily on the mandatory marks and labels seen most often on consumer products and packaging, which are typically related to public safety, health and/or environmental concerns.

It also includes a brief overview of a few mandatory packaging requirements, as well as more common voluntary marks and/or labels used in EU markets. It is also important to distinguish between marks and labels. A mark is a symbol and/or pictogram that appears on a product or its respective packaging. These range in scope from signs of danger to indications of methods of proper recycling and disposal. The intention of such marks is to provide the end-user with information concerning safety, health, energy efficiency and/or environmental issues relating to the use or consumption of a product. Labels, on the other hand, appear in the form of written text or numerical statements, which may be required but are not necessarily universally recognizable. Labels typically indicate more specific information about a product, such as measurements, or an indication of materials that may be found in the product (such as in textiles or batteries).

For further details about EU marking, labeling, and packaging, please click here.

Doing Business in Belgium

Belgium is divided ethnically into the Dutch-speaking Flemings and French-speaking Walloons, the 70,000 residents of the eastern German cantons, and the residents of the bilingual capital of Brussels. With a total of 10.6 million people, the population density is the second highest in Europe, after the Netherlands, and is heavily reliant on international trade for its prosperity. The country boasts tremendous infrastructure and is regarded as an ideal hub for European transit and distribution. The cosmopolitan nature of Belgium and its mix of Germanic and Latin cultures make it an ideal European test market for American products and services. The Belgian market is small enough that a huge European-wide commitment to a new product is not necessary, yet diverse and competitive enough that it offers a representative sample of potential buyers and competitors. Belgium per capita GDP ranks among the world's highest with a total of 383 billion US dollars in 2009. The U.S. ranks as Belgium's 5th principal trading partner; with Belgium ranked 18th for largest U.S. trading partner. Bilateral trade was worth over $45 billion for the year 2009. Last but not least, the capital, Brussels, is home to the headquarters of the European Union (EU) and of the North Atlantic Treaty Organization (NATO), as well as hundreds of international institutions, associations and multinational corporations.

For more information about doing business in Belgium, please click here.

When Should A North American Free Trade Agreement (NAFTA) Certificate Of Origin Be Completed?

A NAFTA Certificate of Origin should only be completed for products exported to Canada or Mexico that meet the NAFTA rules of origin of production in the NAFTA countries. Inclusion of products that do not qualify is *illegal* and subject to fines and penalties.

Elimination of Canadian and Mexican duties assessed on U.S. products is one of the major ways that NAFTA assists U.S. companies. To ensure that the benefits of tariff removal accrue to NAFTA products, and not to Non-NAFTA products, NAFTA includes tough rules of origin. Only products that meet the NAFTA rules of origin are eligible for the preferential duty rates.

Under NAFTA, products that qualify under the rules of origin will have zero duties when traded between the U.S. and Canada, and will have low or zero tariffs when traded between the U.S. and Mexico. An importer must submit to customs a NAFTA Certificate of Origin completed by the exporter in order to be eligible for preferential tariff rates.

By filling out a NAFTA Certificate of Origin, a shipper is certifying that the covered goods meet the rules of origin, and therefore, qualify for preferential rates

If the product does not qualify for NAFTA tariff preferences, the Certificate must *not* be completed, as the product is then usually subject to the Most Favored Nation (MFN) tariff rate, rather than the NAFTA rate.

For more information about the NAFTA Certificate of Origin, please click here.

Market Opportunities in Brazil

There are few, if any, sectors in Brazil that do not have excellent short term opportunities. Certain sectors of the Brazilian market have experienced higher than average growth, such as air transportation, telecom, oil and gas, and mining. Brazil will spend billions in infrastructure development of its roads, railroads, ports, and airports as well as in stadiums as it prepares for the World Cup in 2014 and the Olympics in 2016. Other promising areas for U.S. exports and investment include the following: agriculture, agricultural equipment, building and construction, electrical power, safety and security devices, environmental technologies, nuclear power, retail and transportation.

The Brazilian national oil company Petrobras' expansion may represent the largest global business opportunity in the oil & gas sector between the years 2011-20. The offshore pre-salt oil deposits discovered in 2006 and 2007 are estimated to exceed 60 billion barrels in probable or recoverable reserves, and could place Brazil among the world's top ten oil-producing countries. Petrobras anticipates that it will invest $224 billion in exploration and development between 2011 and 2015.

Brazil is targeting nuclear energy as an area for expansion in order to diversify its energy matrix and keep up with increased demand in a growing economy. The Brazilian government intends to open a competitive bidding process in mid-to-late 2011 to construct four 1000MV nuclear reactors. This area offers substantial opportunity for government cooperation and commercial sales for U.S. companies.

Brazil is one of the largest IT markets within the emerging economies. IT end-user spending in Brazil is expected to grow to $134 billion in 2014. The largest share of spending will be on telecom equipment, representing 72% of the market, followed by IT services at 13.3%, and computing hardware at 11.9%.

In the years leading up to the 2016 Olympic Games in Rio de Janeiro, Brazil will host several international sporting events, including the 2011 World Military Games, the 2011-2012 Pan-American Maccabi Games, the 2013 soccer Confederations Cup, and the 2014 soccer World Cup. The Government of Brazil expects to invest $106 billion in the preparations for these events. These investments, which will include outlays for infrastructure, construction, transportation systems, port improvements, public security, and airport infrastructure upgrades, will present significant commercial opportunities for U.S. companies. Most of the major infrastructure upgrades will be carried out through Public-Private Partnerships under Brazil's Growth Acceleration Program.

For more information about market opportunities in Brazil, please click here.

Dual Use Export Licenses

The Bureau of Industry and Security (BIS) of the U.S. Department of Commerce is responsible for regulating the export of most commercial items, often referred to as "dual-use" items which are those having both commercial and military or proliferation applications. Relatively few exports of dual-use items require obtaining an export license from BIS prior to shipment.

Dual use export licenses are required in certain situations involving national security, foreign policy, short-supply, nuclear non-proliferation, missile technology, chemical and biological weapons, regional stability, crime control, or terrorist concerns. The license requirements are dependent upon an item's technical characteristics, the destination, the end-use, and the end-user, and other activities of the end-user. Even if a license is not required, there may be additional requirements you must satisfy prior to exporting. Before shipping your product, make sure you understand the concept of dual use and the basic export control regulations, including end-user and end-use based controls.

For further details about dual use export licenses, please click here.

Doing Business in Turkey

Turkey's rapidly expanding economy, political and economic stability, and the possibility of EU membership has attracted the attention of a variety of American companies. US exports to Turkey have grown in most of the past ten years. The U.S. exported over $ 7 billion in 2009 and over $10 billion in 2010 to Turkey, an over 40% year on year increase. That trend is expected to continue. In the past few years Turkish exports to the United States have stagnated, hovering at about $4 billion per year. Over 250 American firms now have offices in Turkey. Turkey's financial sector is stronger than that of many other countries, in part due to a series of reforms in the wake of the 2001 financial crisis, which left Turkish banks better leveraged than many of their U.S. and European counterparts. However, banks here remain hesitant to extend trade and project credit.

U.S. exporters have excellent medium-term prospects in this diverse market. Perhaps the most important sector for the next decade will be energy. Electricity demand had been growing at 8 percent a year, and will continue to grow, albeit at a slower rate. Turkey realizes it must prepare for continued economic recovery by adding now to its generating capacity to meet that demand. U.S. suppliers and service companies should look into the sector as it relates to electricity and gas distribution, power generation and renewable energies (wind and hydro, particularly). Among many other sectors where opportunities exist are: telecommunications services and equipment; safety and security equipment and services; automotive aftermarket, medical equipment, and higher education services where Turkey sends the largest number of students among all European countries – around 12,000 each year – to U.S. colleges and universities.

For more information about doing business in Turkey, please click here.

What is FAS - The Foreign Agricultural Service?

The Foreign Agricultural Service (FAS) of the U.S. Department of Agriculture (USDA) works to improve foreign market access for U.S. products. FAS operates programs designed to build new markets and improve the competitive position of U.S. agriculture in the global marketplace. FAS bears the primary responsibility for USDA's overseas activities -- market development, international trade agreements and negotiations, and the collection and analysis of statistics and market information.

For more information on FAS' mission and activities, visit About FAS on the FAS Web site.

August 2011 Calendar of Events

Date:	Event:	Contact:
August 2, 2011	Minority and Women's Breakfast Metro Tech Economic Development Center	capccokc@coxinet.net