

# Export Mississippi

A Newsletter of the U.S. Export Assistance Center-Jackson, MS



Volume 3, Issue 6

March 2011

## INCOTERMS® 2010



Published by the International Chamber of Commerce (ICC), Incoterms are widely used in commercial transactions worldwide. Incoterms, an abbreviation for International Commercial Terms, are an official set of rules that define the risks and costs for sellers and buyers in international trade by determining a specified place and time for delivery of goods. A new set of Incoterms became effective on January 1, 2011. In addition to providing a set of rules for the interpretation of commonly used trade terms, Incoterms® 2010 accomplish the following:

- ◆ Significantly revises Group D;
- ◆ Reduces the terms from 4 groups to 2 groups— Any mode terms (DDP, DAP, DAT, CPT, CIP, FCA, EXW) and maritime terms (FOB, FAS, CFR, CIF);
- ◆ Reduces the number of terms from 13 to 11;
- ◆ Facilitates both domestic and international usage; and
- ◆ Clarifies ambiguities (e.g. the ship's rail).

Moreover, Incoterms® 2010 offer additional guidance, which assists traders in selecting the most appropriate Incoterm for each transaction. The revised terms also outline rules regarding the use of electronic procedures; detail information on security-related clearance for shipments; and offer advice with respect to domestic trade. To learn more, please visit [www.export.gov/faq/eg\\_main\\_023922.asp](http://www.export.gov/faq/eg_main_023922.asp).

**Is your business prepared for the NEW changes? Attend a half-day seminar on the key revisions of Incoterms® 2010!**

**INCOTERMS® 2010 Seminar Series**

**March 8, 2011**

**Community Development Foundation**

**Tupelo, MS**

The Mississippi World Trade Center, Mississippi Development Authority and the Mississippi Export Assistance Center are delighted to announce the Incoterms® 2010 seminar series. This half day seminar will review the key provisions in the new edition of Incoterms and what these changes mean for users. Attendees will receive a complimentary copy of Incoterms® 2010 (which codifies terms such as Ex-works, FCA, FOB and CIF) and is used by large and small businesses trading across borders all over the world. It provides businesses with the confidence and certainty to operate in unfamiliar markets/legal jurisdictions, with suppliers and buyers of containerized trade.

**Cost:** \$75.00 per person. Includes a copy of the Incoterms® 2010 book (retail value of \$60). For more information, please call Ann Atkins at 601-353-0909 or email [aatkins@mswtc.org](mailto:aatkins@mswtc.org).

### Who We Are:

The Mississippi U.S. Export Assistance Center is part of the U.S. Department of Commerce's U.S. & Foreign Commercial Service (CS). The CS's mission is to assist small-to-medium sized businesses with exporting their products and services worldwide. To learn more, visit [www.buyusa.gov/jackson](http://www.buyusa.gov/jackson).

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# THE MS-DEC'S CORNER



## NEWS UPDATE

### HOW THE EU'S VALUED ADDED TAX (VAT) IMPACTS U.S. COMPANIES

The U.S. Commercial Service has published a report that provides an overview of the EU's Value Added Tax (VAT) rules following the replacement of the Sixth EU Directive by the VAT Directive (Directive 2006/112/EC) on January 1, 2007. The report addressed how the VAT rules impact U.S. exporters of goods and services to the EU. Understanding VAT rules can seem daunting for U.S. exporters. It is a complex area with multiple rules and exceptions. While the guidelines are set at EU level, the Member States have flexibility in implementing, administering, and enforcing the rules. Therefore, VAT rates are likely to differ in each Member State (although they are currently within a 15-25% band), and Member States may apply reduced rates for specific goods and services or temporary derogations. This report focuses on the basic set of principles that will help U.S. companies understand the VAT system. To read the report, please click [here](#).

### Ex-Im Bank Global Access for Small Business

#### Visit the new interactive website!

Ex-Im Bank provides financing assistance for the export of U.S. goods and services to international markets. For more information about Ex-Im Bank and the services it can provide you and your firm please visit <http://www.exim.gov/smallbusiness/>.

### EX-IM BANK'S 2011 CONFERENCE Washington, DC March 31- April 1



Join over 1,000 trade finance lenders, export credit insurance brokers, international buyers of U.S. goods and services and U.S. exporters in a variety of trade sessions. To register please visit [www.cmpinc.net/eximbank/2011/registration.aspx](http://www.cmpinc.net/eximbank/2011/registration.aspx).

### M CHINA CUSTOMS REGULATIONS

**A** The General Administration of Customs of China (GAC) issued Announcement No.33 with respect to strengthening the management on the import and export of samples and advertising materials. Effective January 1, 2011, GAC will strictly implement the regulatory declaration and requirements.

#### **T** Important Changes in China's Customs

**O** Indicating Importer and Exporter Customs Registration Number ("CR Number"), China Customs Registration Number (CR#), is only applied to express delivery shipments, like UPS, FedEx, DHL etc. All importers and exporters in China will be required to register with Customs authorities for an importer or exporter Customs Registration Code (CR Code), or engage with an agent who has the CR Code and is authorized to act as the importer or exporter of record for their shipments. This CR code is to be indicated on customs declaration forms of all shipments, except for documents and personal effects.

#### **H** Harmonized System Codes ("HS Code")

All shipments, with the exception of documents, being exported from/imported into China will require a Harmonized System Code (HS Code) to be indicated on customs declaration forms. The provision of the HS code, along with an accurate and detailed goods description in the supporting documents, will help expedite HS classification and ultimately clearance of the goods. Failure to provide this information on your customs documentation may result in clearance process delays by Customs in China. For more information, visit [www.export.gov/china](http://www.export.gov/china).

### EX-IM: DELEGATED AUTHORITY TRAINING FOR LENDERS New Orleans April 8

Lenders who complete the program will be certified for the Export Working Capital program. To learn more, visit [www.exim.gov/seminars/index.cfm](http://www.exim.gov/seminars/index.cfm).

## MARKET OF THE MONTH: SOUTH AFRICA



Rich in diverse cultures, people, and natural heritage, South Africa is a country of about 50 million people. Enjoying remarkable macroeco-

nomomic stability and a pro-business environment, South Africa is a logical and attractive choice for U.S. companies to enter sub-Saharan Africa. The country covers 1.22 million square kilometers and is the world's largest producer of platinum, vanadium, chromium and manganese.

South Africa is the most advanced, broad-based and productive economy in Africa, and had a gross domestic product (GDP) of \$287.2 billion in 2009 and is expected to grow by about three percent in 2011. South Africa accounted for 31 percent of Sub-Saharan Africa's GDP in 2010. The South African economy is characterized by standards similar to those found in developed countries. Its service sector is well established and growing, and the economy is increasingly well managed with slow but steady industrial productivity gains. The banking system is stable and was largely immune to the worldwide financial crisis. The country boasts a well-developed physical infrastructure comparable to OECD standards. South Africa has a sophisticated financial sector with well-developed financial institutions and a stock exchange in Johannesburg (JSE) that ranks among the top bourses in the world.

Recently, South Africa has seen rapid increases in both inbound and outbound Foreign Direct Investment (FDI). The United States is the largest portfolio investor in South Africa and the second largest source of foreign direct investment (FDI) in South Africa, after the U.K. (Total U.S. FDI is \$5.7 billion with total portfolio investment in South Africa at the end of 2008 amounting to \$41 billion.)

The mature nature of the South African economy is reflected in the mix of economic sectors: primary (including agriculture, fishing and mining) at 7 percent; secondary (manufacturing, construction and utilities) at 20 percent; and tertiary (trade, transport and services) at 73 percent. In addition, tourism was expected to experience continuing growth given its prominence on the world stage with the 2010 World Cup.

### Lead Sectors for U.S. Export and Investment:

In general, the best prospects for exports are in capital goods, though opportunity exists in a wide range of consumer products and services as well. Of particular note are:

- Electrical Power Systems;
- Telecommunication Services;
- Aviation;
- Automotive Components;
- Transportation, Infrastructure, and Civil Construction;
- Franchising;
- Renewable Energy;
- Safety/Security Equipment;
- Pollution Control Equipment;
- Mining Equipment;
- Medical Equipment and Healthcare Services;
- Telecommunications Equipment;
- Information Technology;
- Agricultural Equipment; and
- Training Systems.

U.S. firms entering this market must contend with a typically mature and competitive market with well-established, with competition from Europe, India, and, increasingly, China. A trade agreement with the European Union enables many European products to enter South Africa duty-free and at lower rates than U.S. products. The Commercial Service offices in Johannesburg and Cape Town offer many services designed to assist U.S. firms in developing their market entry strategies and to facilitate export assistance in South Africa. For a detailed description of these services, please visit: [www.buyusa.gov/southafrica/en/servicestouscompanies.html](http://www.buyusa.gov/southafrica/en/servicestouscompanies.html).

#### **Upcoming Events for South Africa:**

- Energy Indaba: March 1-3, 2011, Johannesburg
- Green Building Council: October 2011, Cape Town
- NAMPO Agricultural Equipment Show: May 17-20, 2011, Bothaville

#### **Upcoming International Buyers Programs:**

- International Home and Housewares Show: Chicago, March 6-8, 2011
- International Franchise Expo: Washington, DC, April 1-3, 2011
- National Restaurant and Hotel-Motel Show: May 21-24, 2011

# Trade Events

## 2011 WORLD TRADE CONFERENCE

### THE UNITED ARAB EMIRATES:

### GATEWAY TO THE MIDDLE EAST AND NORTH AFRICA

May 2-3, 2011

Marriot's Grand Hotel, Point Clear, AL

Over the past decade, the U.A.E. has experience remarkable economic growth. As the lead market in the Middle East/North Africa region for U.S. exports, U.S. exports grew from \$2.3 billion in 2000 to \$12.1 billion in 2009.

During the conference, seminars, and meetings will highlight opportunities, challenges, and aspects of doing business in the U.A.E. Export markets are not only vital to economic development but also to your company's growth. This year's conference will feature business leaders and officials from Washington, Dubai, and our region to help U.S. firms:

- ◆ Identify new export opportunities with the U.A.E.,
- ◆ Obtain the resources necessary to succeed in the U.A.E.,
- ◆ Develop market entry strategies, and
- ◆ Facilitate one-on-one meetings with Commercial Service representatives.

**Conference Registration Rate:** \$175.00

**Hotel Accommodations:** Call 1-800-544-9933 and use the group code WDT.

**Register:** Visit [www.mobilechamber.com](http://www.mobilechamber.com) (Calendar of Events).

## SALES MISSIONS TO THE MAQUILADORA INDUSTRY

Juarez, Mexico: **April 6-7**

Ciudad Chihuahua, Mexico: **May 17-18**

Promote your company to the maquiladora material buyers and learn about supplying products to the Mexican assembly plant during these 2 missions. Cost will be \$650 to Juarez and \$750 to Ciudad Chihuahua and . For more details, please contact Robert Queen at [Robert.Queen@trade.gov](mailto:Robert.Queen@trade.gov).

## CHILE CONSTRUYE 2011

May 11-14

Santiago, Chile



The Chilean government has launched an ambitious project with \$45 billion to be spent on construction between 2010-2013. Please contact Rodrigo Bastidas at [rb@kallman.com](mailto:rb@kallman.com) for more information.

## WEBINAR: SHIPBUILDING PROCUREMENT OPPORTUNITIES IN BRAZIL

April 27, 2011 (10:00—11:30 CT)

### Your Computer!

To register, click [here](#).

In this webinar, speakers will present on the revitalization of Brazil's shipbuilding industry and the tremendous opportunities it offers for U.S. firms and suppliers. As the 7th largest economy (by GDP-purchasing power parity) in the world, Brazil offers vast maritime commercial opportunities.

In efforts to increase Brazil's ship exports, the Brazilian government has plans to invigorate its shipbuilding industry by building a new, powerful structure for the industry. Each year an estimated 4,600 ships sail along Brazil's coastline where no modern repair facilities are available; this offers numerous opportunities for U.S. suppliers to naval, offshore construction and repair facilities. Join this webinar to hear directly from key decision makers from Atlantico Sul Shipyard (Brazil's largest shipbuilder) and lead experts from Suape on shipbuilding procurement opportunities in Brazil.

## TRADE WINDS FORUM — MEXICO AND THE AMERICAS

April 6-12, 2011

Mexico City, Mexico

*A Business Development Conference & Official U.S. Department of Commerce Trade Mission*

### Why Mexico and the Americas?

The Americas, comprised of more than 20 countries, is the United States' fastest growing regional trading partner, with bilateral trade with region reaching \$522 billion last year. Mexico in particular is our third largest trading partner worldwide, with bilateral trade with surpassing \$305 billion.

As a neighboring country, a stable democracy, and a member of the North American Free Trade Agreement (NAFTA), Mexico is a natural market for U.S. exporters. Additionally, abundant market opportunities for U.S. exporters exist across industry sectors, including automotive parts, IT/ telecom, housing and construction, electric power generation, medical equipment, safety and security, education services, environmental technologies, packaging equipment, logistics/ transportation, and agribusiness.

*Read more on page 5.*

# Trade Conferences, Missions, and Webinars

U.S. COMMERCIAL SERVICE

## TRADE WINDS FORUM—THE AMERICAS

BUSINESS DEVELOPMENT CONFERENCE AND OFFICIAL  
U.S. DEPARTMENT OF COMMERCE TRADE MISSION  
MEXICO CITY, MEXICO - APRIL 6-12, 2011

If you are new to the Americas or are looking to tap into new markets, our signature **Trade Winds Forum** is the ideal launching point for expansion throughout the region.

Participating companies will enjoy:

- ◆ Admission to all conference sessions—substantive market intelligence and entry strategies
- ◆ Customized business-to-business meetings with pre-screened companies in Mexico's most industrialized cities—Mexico City, Guadalajara & Monterrey
- ◆ Pre-arranged consultations with commercial attachés from across North, Central, and South America
- ◆ Access to high visibility business networking events with leading industry and government officials

To learn more and to register, visit [www.buyusa.gov/northcarolina/tradewindsmexico.html](http://www.buyusa.gov/northcarolina/tradewindsmexico.html).

### U.S. AEROSPACE SUPPLIER AND INVESTMENT MISSION Montreal, Canada May 2-4

Participants will receive market briefings, networking opportunities and most importantly, pre-scheduled, pre-screened one-on-one meetings with Canadian aerospace companies. Visit: [www.export.gov/eac/show\\_detail\\_trade\\_events.asp?EventID=30428&InputType=EVENT](http://www.export.gov/eac/show_detail_trade_events.asp?EventID=30428&InputType=EVENT).

### EVERGREEN BUILDING PRODUCTS ASSOCIATION Shanghai, China May 16-20

Organized for U.S. building materials, suppliers, architects and designers. For details, visit: [www.ep.org](http://www.ep.org).

### FREE! WEBINARS: EXPORT BASICS

#### January 2011—July 2011

Beginning January 2011, the Commerce Department's Trade Information Center is offering a series of free one hour webinars on the basics of exporting as part of the National Export Initiative.

#### Export Basics Webinar Series Schedule for next 3 months

- Improving Your Cultural Intelligence (March 16)
- Taking Advantage of NAFTA (March 30)
- Cashing in with Freed Trade Agreements (April 13)
- Export Filing Requirements (April 27)
- Using eCommerce and Social Networking to Increase International Sales (May 11)
- Using Export Data to Find Markets and Price Your Products (May 18)
- Financing Your Exports and Getting Paid (May 25)

For details on the complete series, see:

[www.export.gov/articles/eg\\_main\\_022213.asp](http://www.export.gov/articles/eg_main_022213.asp).

#### THE NATIONAL EXPORT INITIATIVE



Learn more at [www.export.gov](http://www.export.gov).

2011  
ASIA/PACIFIC BUSINESS OUTLOOK  
March 28-29 • Los Angeles



### ASIA/PACIFIC BUSINESS OUTLOOK CONFERENCE 300 PARTICIPANTS, 60 SESSIONS, 14 ECONOMIES, 2 DAYS, 1 EVENT!

University of Southern California, Los Angeles, CA  
March 28-29

Access 14 markets in two days--APBO is the premier event to expand your Asia/Pacific Business knowledge, contacts and profits! APBO 2011 brings the experts to you. U.S. exporters will meet with senior commercial officers (SCOs) from throughout the East Asia Pacific region and India at one venue. The **Secretary of Commerce, Gary Locke**, will also be speaking at the event. The SCOs from American embassies and consulates will speak in small-group workshops and be available for private one-on-one consultations with U.S. exporters participating in APBO. For details, contact your trade specialist or visit: <http://www.apboconference.com/>.

## Trade Missions

Department of Commerce (DOC) Trade Missions offer a proven cost-effective tool for helping U.S. companies learn first-hand about global markets. DOC recruits U.S. companies whose goal is to export their products and services. These U.S. companies travel together as a delegation on a trade mission where they attend market briefings, participate in site visits and networking receptions, and have one-on-one business matchmaking appointments with pre-screened potential buyers, agents, distributors, and joint venture partners. Trade Missions offer access, clout and the prestige of being part of a U.S. government trade delegation. DOC Trade Missions gain the attention of local/national government representatives, business leaders, and media in international markets. Trade Missions help U.S. companies open markets, leverage opportunities in strategic industries, and expand U.S. trade relationships with our traditional trading partners, as well as in promising emerging global markets.



For more information about upcoming trade mission for Mississippi firms, please contact the [MS USEAC](#). For a comprehensive calendar of worldwide trade events supported by one or more U.S. government agencies to help U.S. companies export, visit [www.export.gov](http://www.export.gov).

## Trade Lead

### Jamaica: Agricultural Value Chain Consulting Opportunity

A General Procurement Notice announcement has been released that Jamaica has received funding from the Inter-American Development Bank (IADB) and will soon start spending funds. Each "component" described in the notice will become one or more Specific Procurement Notices announcing competition for particular contracts. Total project size is \$15 million, but the individual contracts will be smaller. The general objective of the program is to increase the competitiveness of the agricultural sector. For a link to the full notice, click [here](#). For additional details, please contact David Royce at [David.Royce@trade.gov](mailto:David.Royce@trade.gov).

**Export Mississippi** is a publication Mississippi U.S. Export Assistance Center.



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### COMMERCIAL NEWS USA SCHEDULE FOR 2010

Each issue of *Commercial News USA* (CNUSA) reaches an estimated 400,000 readers worldwide in 176 countries. Published 6 times a year, please find below the special focus sections schedule. In addition to special focus sections, each issue of the magazine includes sections for advertisers from all industry sectors. Special distribution is planned for key industry trade shows in both the U.S. and around the world.

March-April	Franchising, Safety/Security & Wireless Communications	
May-June	Business Services, Hotel/Restaurant/ Food Processing, Information Technology, International Education	
July-Aug	Consumer Products, Electronics, and Environmental	
Sept-Oct	Automotive, Manufacturing/Industrial Products	
Nov-Dec	Consumer Electronics, Health/Beauty, Medial Equipment	

For advertising information and to view current and past issues, visit <http://www.thinkglobal.us/>.