

Advisory Committees Provide U.S. Exporters with a Voice in the Trade Policy Process

The federal government and U.S. business community are looking to reinvigorate U.S. exports in 2010. They have an opportunity to reap mutual benefits by sharing their knowledge of trade policy and industry needs through Industry Trade Advisory Committees.

BY ARASH MASSOUDI

It's no great secret that 2009 was a challenging year for U.S. companies. The global downturn caused by the international financial crisis reverberated across the U.S. economy. Credit tightened and businesses confronted difficult times. As we ring in 2010, companies are cautiously optimistic that the economy is moving out of the recession.

Hoping to expand U.S. exports by leveraging a weak dollar, many U.S. companies are looking to actively engage with Industry

Trade Advisory Committees (ITACs) to provide advice to the U.S. government on multilateral, bilateral, and regional trade negotiations and other trade-related policy matters that can better position their industry sectors for a new year of commercial success.

16 Committees, Quarterly Meetings

The ITACs, which are jointly administered by the Department of Commerce and the Office of the U.S. Trade Representative, are unique forums for industry executives and business representatives that help them advance their understanding of trade issues and share their perspectives on policy formulation.

The ITAC framework comprises 16 committees (see chart on page 2). They meet independently on at least a quarterly basis, and the sectors represented in the different ITACs include both manufacturing and services. This structure includes industries that play a variety of roles in the U.S. economy.

In their work, the ITACs discuss and consider trade barriers, U.S. trade policy, and the negotiation of trade agreements, providing



Industry Trade Advisory Committee (ITAC) 2, covering automotive equipments and capital goods, meeting on December 15, 2009, in Washington, D.C. The Commerce Department and the Office of the U.S. Trade Representative are recruiting new members for all 16 of the ITACs, which provide vital input into the formulation of U.S. trade policy. (U.S. Department of Commerce photo)

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Advisory Committees

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—Michael Masserman, director of the Office of Advisory Committees, Department of Commerce

government officials with forward-looking opinions on the development of U.S. trade policy. Both the government and industry benefit from the partnership. “Working with ITAC members is a great opportunity for the government to obtain critical insight from industry experts across the country,” notes Michael Masserman, director of the Office of Advisory Committees at the Department of Commerce.

Small Business Input Sought

A new policy has made federally registered lobbyists ineligible for service on advisory boards and commissions. This modification has the potential to give small and medium-sized enterprises a more prominent voice in advising the government on trade policy. To that end, the Office of Advisory Committees at the Department of Commerce is looking to add new companies to the various ITACs.

Experience in a World Forum

Companies that participate in ITACs provide a practical public service that improves the develop-

INDUSTRY TRADE ADVISORY COMMITTEES (ITACs)

The 16 committees that provide input on U.S. trade policy

ITAC 1	aerospace equipment
ITAC 2	automotive equipment and capital goods
ITAC 3	chemicals, pharmaceuticals, health/science products and services
ITAC 4	consumer goods
ITAC 5	distribution services
ITAC 6	energy and energy services
ITAC 7	forest products
ITAC 8	information and communications technologies, services, and electronic commerce
ITAC 9	non-ferrous metals and building materials
ITAC 10	services and finance industries
ITAC 11	small and minority business
ITAC 12	steel
ITAC 13	textiles and clothing
ITAC 14	customs matters and trade facilitation
ITAC 15	intellectual property rights
ITAC 16	standards and technical trade barriers

ment of trade policy. Jeffrey Ruffner, president and chief executive officer of MSE Technologies in Butte, Montana, and a member of the Small and Minority Business ITAC since 2001, has directly experienced

that service. “Although foreign trade is only a part of my business, I believe it is the future, and my time is well served as a member of an ITAC,” said Ruffner.

Chosen by lot for one of two available slots designated for his ITAC, Ruffner spent several days this past November in Geneva, Switzerland, with the U.S. delegation to the World Trade Organization (WTO).

After being briefed by the U.S. delegates on the major issues at the WTO talks, Ruffner gained a stronger comprehension of the trade climate and conditions in countries such as Brazil, China, and India. “[Those countries] are the future of international business,” he noted. Reflecting on his experiences in Geneva, Ruffner acknowledged that he became more aware of the impediments to trade that often stall international business, and he described his public service advisory role as “tremendously refreshing.”

Knowledge of the Regulatory Environment

Another ITAC member, Liam Weston, senior program manager at Ball Aerospace and Technologies

in Boulder, Colorado, also said he benefits from his involvement with his advisory committee, the Aerospace ITAC. As head of international and commercial business development, Weston, during his nine years of participation, has examined important trade issues to his industry and has contributed to discussions that benefited key decision makers in setting U.S. trade policy.

Satellites are the primary product manufactured and sold by Ball. (One particular line of satellites was sold to the company that provides the images for Google Earth.) But sales of satellites are highly regulated because of the critical technological components involved in their production. “The ITACs serve as a vital forum for us to learn about the regulations that affect our products,” noted Weston.

For companies looking to rebound in 2010, the ITACs undoubtedly will continue to play an influential role in advising the U.S. government on U.S. trade policy.

Arash Massoudi is a confidential assistant to the under secretary in the International Trade Administration.

For More Information

The Department of Commerce and the Office of the U.S. Trade Representative are recruiting new members for all of the ITACs for the new term beginning in February 2010. Candidates for ITAC membership must represent a U.S. entity that trades internationally or represents members that trade internationally. The criteria used in selecting members are: representation of their respective sponsoring U.S. entity's interests on trade matters; ability to carry out the goals of section 135(a) of the Trade Act of 1974, as amended; and ensuring that the committees are balanced in terms of points of view, demographics, geography, and entity size.

ITAC members must be U.S. citizens who are not full-time employees of a government entity, registered with the Department of Justice under the Foreign Agents Registration Act, or federally registered lobbyists. For more information on the ITACs, visit the International Trade Administration's Web site at www.trade.gov/itac or call (202) 482-3268.

Learning to Partner: How U.S. Companies Can Succeed in Saudi Arabia

The United States has enjoyed a mutually beneficial commercial relationship with Saudi Arabia for many years. But the U.S. share of the Saudi market has been shrinking for the past decade. Amer Kayani, a senior commercial officer in the U.S. and Foreign Commercial Service, talks about some of the strategies that U.S. firms can use to succeed in this market.



Amer Kayani (center), the Commerce Department's senior commercial officer in Saudi Arabia, with Saudi delegates attending Power-Gen, an energy trade show that was held in Las Vegas, Nevada, this past December. (U.S. Department of Commerce photo)

Amer Kayani has been posted in Saudi Arabia since 2008. His previous tours of duty with the U.S. and Foreign Commercial Service have included Egypt, Pakistan, and Turkey. He recently spoke with Doug Barry of the Trade Information Center about commercial opportunities for U.S. exporters in Saudi Arabia.

Barry: You've spent most of your professional life in Egypt, Pakistan, and Turkey. What made you choose those not-so-easy markets?

Kayani: They are fascinating in terms of business opportunities because they are all emerging economies. As a result, there are a lot more opportunities that come your way than in a developed country. If I were posted in a developed country, I would have a hard time figuring out what to do there.

Barry: Some people might say "Yes, there are opportunities in Saudi Arabia, but the images I see in the news lead me to think there are security risks." How would you respond to that?"

Kayani: The United States has engaged in trade with Saudi Arabia since 1945. The two countries have a very, very close relationship. Today, there are tens of thousands of Americans who are living in Saudi Arabia with their families doing business. They represent U.S. companies, work for Saudi companies, or work for multinationals. There are more U.S.-educated PhDs employed by the Saudi government than by our own government. So this is not a group of people who are out to get us or hate us. To the contrary, they actually love everything that America represents in terms of business, technology, and education. They are interested in doing business with us.

Barry: Why aren't more Americans applying for visas and going to Saudi Arabia?

Kayani: The number of U.S. companies and Americans coming into the kingdom has increased substantially over the past year or two. But between 2001 and 2008, there was a pattern of disengagement. As a result, the United States lost market share. For example, today the United States has about 14 percent of the Saudi import market. China has about 11 percent. But in 2001, China's share was negligible, less than 1 percent. There is a similar picture if you look at export growth. Between 2002 and 2008, Chinese exports to Saudi Arabia grew 645 percent. South Korea's grew close to 400 percent. India's was at a similar level. But U.S. exports grew only 200 percent.

Barry: How do we get back market share?

Kayani: By visiting Saudi Arabia and partnering with Saudi companies. This is a new business model that U.S. exporters need to look at. In the old days, U.S.

companies would come in and sell. If it was a long-term project, they would put somebody in Dubai or Abu Dhabi or Bahrain or Cairo, and a senior vice president would come over once or twice a month, look over the project, and leave. That business model no longer works.

Barry: How do you facilitate this partnering? How can U.S. companies without experience in Saudi Arabia take advantage of the services that you offer?

Kayani: An exporter needs to identify its niche and find out exactly where it is going to be competitive. A company can certainly go on its own, set up business, and sell directly. However, we strongly recommend that exporters find a strong, reputable business partner. The U.S. and Foreign Commercial Service can help. We have three offices: Dhahran, Jeddah, and Riyadh. And this is what we do—we match U.S. companies with potential Saudi counterparts.

Barry: Do Saudis purchase online or look for potential suppliers there?

Kayani: Compared to other countries, Internet penetration is low here—about 25 percent. Broadband penetration is even lower—in the single digits. But Saudis, per capita, are the largest spenders on information technology in the Gulf region. Forty-seven percent of all Saudi Internet users also shop online. So, yes, there are opportunities for online business.

Barry: Is there an entrepreneurial culture there?

Kayani: Absolutely. It is a trading society. Saudis have been trading for thousands of years; they made their living through caravans. So if anyone thinks that they can beat a Saudi in negotiations across the table, it is wishful thinking.

Barry: Is it also wishful thinking to believe in the importance of engaging with people we might have unformed or negative views of? More than business and profits, is there a greater benefit to changing perceptions on both sides?

Kayani: Interpersonal relationships are the key in this part of the world. People still need to meet face to face. It is much harder to dislike or hate people when you know them personally. And if you have developed and generated goodwill among Saudis through this interaction, I think the future will look much brighter for both sides.

For More Information

For more information on doing business in Saudi Arabia, including links to numerous resources and the most recent Country Commercial Guide, visit the Department of Commerce's Middle East and North Africa Business Information Center Web site at www.export.gov/middleeast (click on "Saudi Arabia" in the country listing). The U.S. and Foreign Commercial Service's post in Saudi Arabia also maintains a Web site at www.buyusa.gov/saudiarabia/en, which includes direct links to in-country staff members and to exporter services and upcoming events. For general questions about exporting, contact the Trade Information Center, tel.: 1-800-USA-TRAD(E) (1-800-872-8723); www.export.gov.

“ An exporter needs to identify its niche and find out exactly where it is going to be competitive. ”

—Amer Kayani,
senior commercial
officer in
Saudi Arabia

Foreign-Trade Zones Record Increase in Shipments

According to the newly released annual report of the Foreign-Trade Zones Board, the shipment of goods through U.S. foreign-trade zones (FTZs) continued to grow despite the recent economic downturn that began in 2007. In fiscal year 2008, the combined value of shipments into general-purpose zones and subzones totaled nearly \$693 billion, compared with \$502 billion the previous year. This reflects, at least in part, fluctuations in the prices of commodities such as oil that often pass through FTZs. That figure has grown from \$157 billion in 1998 (see chart on page 7).

FTZs are secure facilities where foreign merchandise can be warehoused or manufactured before the payment of customs duties. Duties are deferred on merchandise that ultimately enters into the U.S. market, and merchandise that is later reexported is exempt from duties.

The Foreign-Trade Zones Act of 1934 established FTZs and created the U.S. Foreign-Trade Zone program to expedite and encourage international trade during the Great Depression. More than 75 years later, the program continues to grow and evolve as a recognized way of encouraging and retaining U.S.-based trade and activity that is consistent with all U.S. trade obligations. Changes in the program have maintained its goal of expediting trade and encouraging activity in the United States that could otherwise be done abroad.

According to the board's report, 164 FTZ projects were fully active during 2008, with subzones operating in more than 100 of them. Exports to foreign countries from facilities operating under FTZ procedures totaled \$40 billion. There were approximately 330,000 employees at some 2,500 firms that operated under FTZ procedures.

The FTZ program is housed within the Department of Commerce's Import Administration and includes provisions to guard against circumvention of unfair trade remedies or other U.S. trade policies. The program not only benefits U.S. operations, but also supports local economic development and provides an additional layer of import security through an in-depth partnership and oversight by U.S. Customs and Border Protection.

The board's latest report is available on the Web at www.trade.gov/ftz.

Enforce Trade Rules, Reduce Energy Imports, Says Manufacturing Council

The Manufacturing Council, a federal advisory committee to the secretary of commerce, met on December 15, 2009, to deliberate and adopt a series of recommendations to Secretary of Commerce Gary Locke. The council was responding to a request for specific recommendations on how to create manufacturing jobs and how to revitalize the U.S. manufacturing sector,

"We believe the two most important actions the administration can take to create manufacturing jobs are to reduce our dependence on imported

oil and to enforce existing trade rules with China,” said the council in its message to Locke.

The council recommended that the administration consider several strategies to reduce dependence on foreign sources of oil. Those strategies include improving the fuel efficiency of vehicles, instituting wider use of alternative fuels, and developing and increasing domestic energy sources.

The council noted that China now accounts for 40 percent of the U.S. trade deficit and more than 60 percent of the U.S. trade deficit in manufacturing. It urged the administration to take a number of steps regarding trade with China. “Correcting this imbalance will require acting to eliminate Chinese

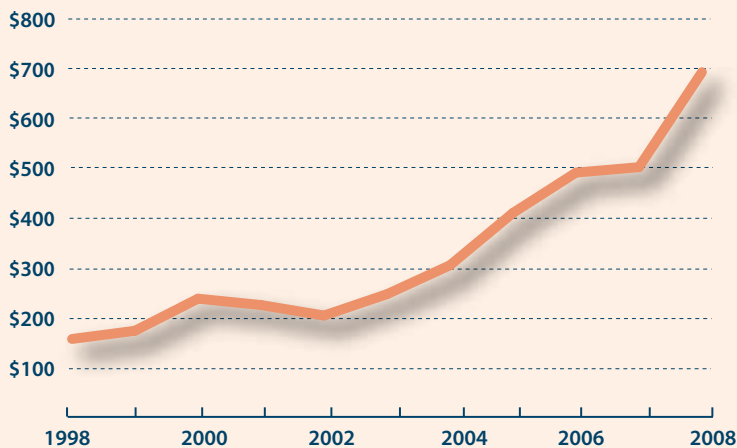
currency manipulation; eliminate subsidies to Chinese manufacturing firms; and eliminate barriers to U.S. exports into China, including business cost disadvantages faced by U.S. manufacturers.”

The Manufacturing Council comprises up to 15 private-sector executives who reflect a balance of U.S. manufacturing industry sectors, geographic locations, and business size. More information about the council, as well as the full text of the council’s recent recommendations, is available on the Web at www.manufacturing.gov/council.

Contributors to this section include Elizabeth Whiteman of the Import Administration and Marc Chittum and Michael Masserman of the International Trade Administration’s Manufacturing and Services unit.

FOR FOREIGN TRADE ZONES, A DECADE OF GROWTH

Value of shipments to general-purpose zones and subzones, fiscal years 1998–2008 (billions of dollars)



Source: U.S. Foreign-Trade Zone Board.

January 2010

International Trade Calendar

January 7-10

International Consumer Electronics Show

Las Vegas, Nevada

www.export.gov/eac/show_detail_trade_events.asp?EventID=29055

This event is the world's largest trade show for consumer electronics technology. This year, it is expected to have more than 2,000 exhibitors, who will be showcasing 20,000 products spanning 30 different categories. Representatives from the Department of Commerce will be available to assist U.S. companies with any export-related questions and to help match U.S. sellers with international buyers. For more information, contact Vidya Desai of the USFCS, tel.: (202) 482-2311; e-mail: vidya.desai@mail.doc.gov.

January 13

European Green Industries Market Briefing

www.export.gov/eac/show_detail_trade_events.asp?EventID=30010

This Webinar will bring together representatives from FedEx, the National Association of Manufacturers, and the USFCS to brief participants on the green industry sectors of Europe. It will include tips on finding buyers, distributors, and agents who can help crack those markets. It will also include a presentation on a FedEx trade mission in April to France, Germany, Italy, the Nordic countries, and the United Kingdom that has been certified by the USFCS. For more information, contact James Golsen of the USFCS, tel.: (901) 598-9574; e-mail: james.golsen@mail.doc.gov.

January 13-16

Heimtextil 2010

Messe Frankfurt, Germany

www.export.gov/eac/show_detail_trade_events.asp?EventID=29725

This show will feature an extensive international range of home textile and industry service products. The USFCS in Frankfurt is supporting U.S. firms visiting or exhibiting at the show by conducting a promotional campaign in Germany and around the world. It will also be providing information to U.S. exhibitors on the protection and enforcement of intellectual property rights. For more information, contact Catherine Mayer of the USFCS, tel.: +49 (69) 7535-3159; e-mail: catherine.mayer@mail.doc.gov.

January 15

Webinar: Exporting to Central America

Wheeling, West Virginia

www.export.gov/eac/show_detail_trade_events.asp?EventID=29855

This Webinar will gather experts from Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, and Panama to discuss the many opportunities available in Central America. The United States exported \$24 billion worth of goods to the region in 2008. It offers many advantages for companies doing business there, including relatively low tariffs, few import restrictions, and standards in line with those of the United States. For more information, contact Leslie Drake of the USFCS, tel.: (304) 347-5123; e-mail: leslie.drake@mail.doc.gov.

January 18-21

World Future Energy Summit 2010

Abu Dhabi, United Arab Emirates

www.export.gov/eac/show_detail_trade_events.asp?EventID=29601

This event will bring together some of the world's leading innovators, educators, scientists, venture capitalists, and experts in renewable energy. It is expected to draw more than 20,000 attendees and more than 600 exhibitors, with an exhibition space that exceeds 45,000 square meters. For more information, contact Mark Wells of the USFCS, tel.: (202) 482-0904; e-mail: mark.wells@mail.doc.gov.

January 19-24

IMM—The International Furnishing Show

Düsseldorf, Germany

www.export.gov/eac/show_detail_trade_events.asp?EventID=29255

This show is one of the world's largest furniture trade fairs. It will feature furniture, kitchen and bathroom equipment, floor coverings, home textiles, wall coverings, lighting, and many other product categories. U.S. exhibitors will be featured on the official USFCS Web site in Germany to generate additional business leads, and introductions will be offered to international trade specialists in the United States for follow-up counseling. For more information, contact Klaus Jonas of the USFCS, tel.: +49 (211) 737-767-50; e-mail: klaus.jonas@mail.doc.gov.

January 20

Webinar: Where in the World Are the Best Markets for Your Products?

St. Louis, Missouri

www.export.gov/eac/show_detail_trade_events.asp?EventID=29998

Companies that are interested in expanding their international sales but are unsure how to target appropriate markets should consider participating in this Webinar. Cosponsored by PNC Bank, it is the first in a series of six Webinars hosted by the U.S. Export Assistance Center in St. Louis, Missouri. For more information, contact Kristi Wiggins of the USFCS, tel.: (314) 425-3345; e-mail: kristi.wiggins@mail.doc.gov.

January 27-February 1

Taipei International Book Exhibition

Taipei, Taiwan

www.export.gov/eac/show_detail_trade_events.asp?EventID=29326

This event is Asia's largest publishing industry show. In 2009, it had more than 650 exhibitors and 500,000 visitors. The USFCS is organizing a U.S. pavilion at the exhibition, which is expected to feature more than 300 U.S. publishers. The USFCS office in Taiwan will also be providing a range of value-added services. For more information, contact Dawn Bruno of the USFCS, tel.: (212) 809-2647; e-mail: dawn.bruno@mail.doc.gov.

January 28

Leveraging Your Web Site for International Sales

New York

www.export.gov/eac/show_detail_trade_events.asp?EventID=29975

This breakfast seminar will help local firms learn about tools and best practices that they can use to more effectively market their products and services locally and internationally. Among other topics, it discusses Web 2.0 and Google tools for small businesses, search engine optimization strategies, localization versus internationalization of Web site content, and international online payments options. For more information, contact Jetta DeNend of the USFCS, tel.: (212) 809-2644; e-mail: jetta.denend@mail.doc.gov.

Here is a selected list of international trade events of interest, including ITA-sponsored events, and 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.

On The Horizon

February 2-4

Integrated Systems Europe

Amsterdam, Netherlands

www.export.gov/eac/show_detail_trade_events.asp?EventID=29580

This event is one of the largest and most influential trade shows in Europe for the audiovisual systems and electronic integration technology markets. It attracts representatives from a broad spectrum of industries, including architects, staging managers, residential integrators, educational technology managers, content creators, and hotel and leisure professionals. In 2009, the show attracted more than 500 exhibitors and 25,000 attendees from about 100 countries. For more information, contact Graylin Presbury of the USFCS, tel.: (202) 482-5158; e-mail: graylin.presbury@mail.doc.gov.

February 3-6

MADE Expo 2010

Milan, Italy

www.export.gov/eac/show_detail_trade_events.asp?EventID=29196

This show will focus on doors, windows, and the "building envelope" (roofing, facades, and other areas). It will also feature waterproofing, insulation, and environmental engineering technologies, renewable energies, urban furnishings, and many other categories that offer technological solutions for new construction and rebuilding. It represents an opportunity for U.S. firms in the green-building and sustainable construction sectors to promote their products and services to European buyers. In 2009, this show attracted 1,739 exhibitors and 200,126 visitors. For more information, contact Federico Bevini of the USFCS, tel.: +39 (02) 6268-8520; e-mail: federico.bevini@mail.doc.gov.

February 4-7

Education and Careers Expo 2010

Hong Kong

www.export.gov/eac/show_detail_trade_events.asp?EventID=29341

This show is an annual international forum for educational institutions, commercial organizations, government bodies, and professional associations to disseminate the most up-to-date information on education and career opportunities to students and the working public of Hong Kong. In 2009, more than 500 exhibitors participated, and the show attracted more than 160,000 visitors. It consistently receives strong media attention and is one of the most popular education shows for recruiting local students in Hong Kong. For more information, contact Sam Dhir of the USFCS, tel.: (202) 482-4756; e-mail: sam.dhir@mail.doc.gov.



São Paulo, Brazil (iStock)

Featured Trade Event

Trade Winds Forum— The Americas

April 25-30, 2010

São Paulo, Brazil

www.buyusa.gov/northcarolina/tradewindsbrazil.html

One of the most profitable and important regions in the world for U.S. exports is the Americas. In 2008, Canada and the countries in Central and South America imported more than \$525 billion of U.S. merchandise, an increase of 11 percent over 2007. For companies new to exporting to the Americas, or those looking to tap into new export markets, the Trade Winds Forum, the signature event of the U.S. and Foreign Commercial Service (USFCS), is the ideal launching point to expand into the region.

This year's event will be held in Brazil, a leading U.S. trade partner and one of the strongest economies in South America. U.S. commercial officers from 16 countries, representing 38 markets, will be participating. Those specialists will be available for private consultations with participating companies and for potential spin-off "Gold Key" matchmaking services offered by the USFCS. Participants will also have the opportunity to learn about energy, World Cup, and Olympics opportunities during targeted programs in Rio de Janeiro.

The cost to participate in the event is \$2,850, with a reduced rate of \$1,950 for small and medium-sized enterprises that have fewer than 500 employees. The fee covers the Trade Winds business conference, prearranged consultations with senior commercial officers, prearranged business-to-business meetings with Brazilian businesses, and networking luncheons and receptions for one company representative.

Participants will be responsible for travel and lodging expenses, as well as some meals and incidentals. Applications must be received by January 25, 2010. For more information, visit the event's Web site or contact Judy Kornfeld of the USFCS, tel.: (703) 235-0330; e-mail: judy.kornfeld@mail.doc.gov; or Shannon Christenbury, tel.: (704) 333-4886; e-mail: shannon.christenbury@mail.doc.gov.



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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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Fact-Finding Mission Looks at Ways to Facilitate U.S.–Peru Trade

This past November, a delegation from Peru visited Florida and was shown how identifying best practices in customs procedures and supply-chain logistics can facilitate bilateral trade.

BY JUDY LAO



The cargo terminal of the Port of Miami, Florida. Customs procedures at the port were the focus of a recent visit to Florida by Peruvian customs officials and business representatives. (photo © Port of Miami/Daniel Cowan)

Customs clearance procedures and supply-chain logistics can often be the Achilles' heel of any well-thought-out and otherwise well-executed exporting venture. This past November, an important effort to ease those potential roadblocks and to smooth trade between Peru and the United States was undertaken when a weeklong fact-finding mission from Peru visited south Florida.

Representatives from the Peru–American Chamber of Commerce and the Florida Foreign Trade Association led the fact-finding mission, which included 20 representatives from Peru's Customs Administration and from the Peruvian private sector. The delegates were met in Florida by representatives from several federal agencies, local government officials, and more than 30 U.S. businesses and

private-sector organizations. The International Trade Administration's Market Access and Compliance unit and the U.S. Export Assistance Center in south Florida contributed to the mission by coordinating visits with U.S. businesses and by highlighting U.S. export opportunities.

Continuation of Earlier Efforts

The mission was inspired by a customs workshop held in Lima, Peru, in July 2009. (See the September 2009 issue of *International Trade Update*.) That workshop focused on bringing the Peruvian and U.S. public and private sectors together to identify customs clearance best practices in order to maximize trade opportunities under the U.S.–Peru trade promotion agreement (TPA), which was signed in 2006 and entered into force in February 2009. A key recommendation from the workshop was to arrange an opportunity for Peruvian customs officials to learn about U.S. customs procedures.

Port Procedures Reviewed

One of the highlights of the fact-finding mission was a presentation to the delegates by the U.S. Customs and Border Protection (CBP) on customs clearance procedures at the Port of Miami and the Miami International Airport's trade and cargo operation centers. The presentation focused on imports and exports of goods, CBP bonds, bonded warehouses, agriculture and cargo inspections, and general procedures under the Customs–Trade Partnership against Terrorism.

The Peruvian delegates recognized the value of the presentation in facilitating future trade between

continued on page 12

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.

ALABAMA

Birmingham: (205) 731-1331

ALASKA

Anchorage: (907) 271-6237

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Monterey: (831) 641-9850

Newport Beach: (949) 660-1688

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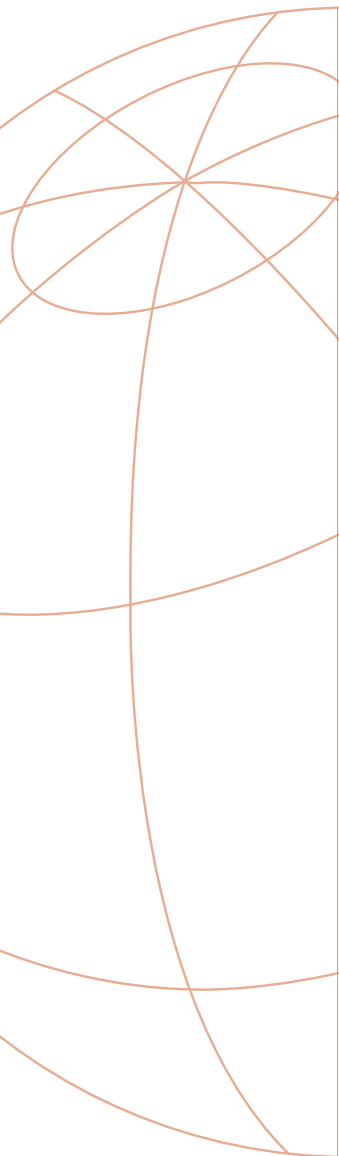
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Fact-Finding Mission

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Peru and the United States, which in 2008 totaled \$12 billion in two-way trade (\$6.2 billion in U.S. exports to Peru). One delegate, Oscar Vasquez of Peru's Trade Ministry, noted that "understanding the U.S. customs system allows our government to consider implementing similar approaches that better facilitate international trade and comply with security standards."

Local Involvement

During the mission, the Peruvian delegates also met with representatives from several U.S. businesses and local port authorities to learn about the international trade services provided by the companies and to discuss private-sector supply-chain logistics.

One local official who participated in the mission, Cameron Benson, city manager of Hollywood, Florida, noted that "the city of Hollywood views the opportunity to reach out to foreign trade groups as a win-win situation. Visitors get a chance to learn about new approaches to international trade, and the city of Hollywood gets an opportunity to showcase the trade services it can provide to international businesses and potentially attract investment."

Helping bring foreign governments together with U.S. local officials and private-sector representatives will be critical to maximizing the benefits of the U.S.-Peru TPA.

Bilateral Collaboration Is Key

The initiatives undertaken in line with the commitments of the TPA to showcase best practices in customs facilitation demonstrate that countries can be more successful at implementing best practices—and achieving efficient customs processes—when they can build collaborative relationships with the private sector.

Workshop participant Ralph Puga, president of the Florida Foreign Trade Association, echoed that sentiment. "Collaboration places the responsibility of success on all participants, eases financial burden, and increases the potential for all participants to learn from a wider audience about trade and investment opportunities."

The future of the U.S.-Peru trading relationship will largely rely on the success of such collaborations.

Judy Lao is an international trade specialist with the International Trade Administration's Market Access and Compliance unit.

For More Information

The International Trade Administration has an ongoing commitment to facilitate exporters' access to the Peruvian market under the terms of the U.S.-Peru trade promotion agreement. To learn more about exporting to Peru, visit the U.S. government's export portal at www.export.gov or contact the Trade Information Center at 1-800-USA-TRAD(E) (1-800-872-8723). For more information on the customs fact-finding mission, contact Judy Lao, tel.: (202) 482-1536; e-mail: judy.lao@trade.gov.

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