

Gutierrez, Congressional Delegation Visit Latin American Trading Partners

A three-day visit to Colombia, Panama, and Peru allowed participants to see how access to the U.S. market is bringing economic prosperity and solutions to social unrest to those key trading partners.

BY MARIA CAMERON

The hillside neighborhood of Santo Domingo in Medellín, Colombia, was for many years physically cut off from the economic life of the city and the scene of drug-fueled gang wars. But a recent Saturday-morning visit to the *barrio* by a U.S. delegation led by Secretary of Commerce Carlos M. Gutierrez, in the company of Medellín's mayor, Sergio Fajardo, and other Colombian officials, was a sign of the remarkable changes that have

come about in the past several years in one of the most destitute corners of Latin America.

Stepping onto the Metrocable, the new cable car system that links Santo Domingo to Medellín's city center, the officials traveled for several stops and visited the city's prestigious new public library, *la biblioteca España*. At the library, they spent more than an hour speaking with 28 former guerrillas who were participating in a city-run program to integrate them into mainstream society. It was evidence, as Mayor Fajardo noted, of an "intervention with social meaning."

Fours Days, Three-Countries

The Colombia visit was part of a bipartisan congressional delegation to Colombia, Panama, and Peru on September 13-15, 2007. The trip gave participants a chance to ask questions and to raise concerns with these U.S. trading partners about the pending U.S. free trade agreements (FTAs). During the trip, the delegation heard directly from government officials and from representatives of business, labor, and civil society organizations in each country on the critical role the FTAs will play in promoting democracy and



On September 15, 2007, during a visit to Medellín, Colombia, Secretary of Commerce Carlos M. Gutierrez (left) met with Mayor Sergio Fajardo (right) to discuss the rejuvenation of Santo Domingo, a once violent and poverty-stricken area of the city. The visit was part of a three-day tour of Latin American countries that have pending FTAs with the United States. (U.S. Department of Commerce photo)

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positive social change. The delegation also heard from businesses and workers on how the FTAs will create opportunities to fight poverty, to create jobs, and to spur economic growth.

Opportunities in Panama

The first stop, on September 13, was in Panama, where the delegation met with President Martín Torrijos and members of his cabinet to discuss the economic benefits of the FTA for both countries. The delegation learned how the FTA will enhance opportunities for U.S. businesses to compete for the Panama Canal's \$5.25 billion planned expansion. The FTA will put U.S. companies on an equal footing with Panamanian companies in bidding on covered government procurement contracts.

Panama and the United States signed the U.S.–Panama Trade Promotion Agreement on June 28, 2007, and Panama's National Assembly overwhelmingly voted in favor of it on July 11, 2007. The United States is Panama's largest trading partner, with bilateral trade reaching nearly \$3.1 billion in 2006, an increase of 24 percent over 2005. With 2006 exports to Panama of \$2.7 billion and imports of \$378 million, the United States continues to maintain a large trade surplus with Panama.

Strong Economic Growth in Peru

On September 14, the delegation traveled to Lima, Peru. The participants met with President Alan García and heard from members of the Peruvian business community, local labor leaders, students, and workers about the economic and employment conditions in Peru and the positive effects they expect to see from the U.S.–Peru Trade Promotion Agreement. The delegation also visited Servicio Nacional de Adiestramiento en Trabajo Industrial (SENATI), a public–private partnership that provides professional education and vocational training to Peru's poor. In 2006, SENATI served more than 300,000 Peruvians by providing them with skills needed to enter the formal job market.

Peru and the United States signed the U.S.–Peru Trade Promotion Agreement on April 12, 2006, and the Peruvian Congress approved it in June of that year. Peru has one of the strongest economies in the Andean region, with an average growth in gross domestic product of more than 5 percent annually during the past six years. In a region that suffers from frequent instability, Peru has demonstrated a commitment to economic reform and democratic principles.

The United States is Peru's main trading partner, accounting for 23.3 percent of Peru's exports and supplying 16.4 percent of the country's imports in 2006. Bilateral trade has more than doubled during the past decade, from \$3 billion in 1996 to \$8.8 billion in 2006.

Decreased Civil Strife in Colombia

The highlight of the trip was the stop in Medellín, Colombia, on September 15. Medellín was once South America's most violent city, but it is now enjoying a renaissance of security and economic growth, which reflects the reforms of President Álvaro Uribe.

During discussions with Uribe, the delegation was provided with an impressive list of examples that show the success his government has achieved in combating narco-terrorism and in reducing the overall level of violence. In 2006, the combination of eradication and interdiction removed 500 metric tons of cocaine from the market, depriving terrorist groups of \$850 million in funds to buy arms and to mount attacks.

Between 2002 and 2006, violent crime and terrorism in Colombia dropped by nearly half, and, in what was once the kidnapping capital of the world, abductions have dropped 76 percent over the same period. Colombia's economic growth has averaged more than 5 percent annually since 2002, and poverty has declined from 60 percent in 2000 to 45 percent in 2006.

Colombia and the United States signed the U.S.–Colombia Trade Promotion Agreement on November 22, 2006, and the Colombian Congress approved it in July 2007. The United States is Colombia's chief

“ The Colombia, Panama, and Peru FTAs will . . . anchor long-standing U.S. ties with vital regional allies . ”

70 EVENTS IN 30 STATES HIGHLIGHT BENEFITS OF TRADE

In the six weeks from late August to early October 2007, senior Commerce Department officials spoke at 70 events in 30 states to highlight the benefits of open markets and free trade to U.S. businesses and workers.

One such event took place on September 27, in Reserve, Louisiana, when a group of officials met with senior managers of Dredging Supply Company Inc. The company, founded in 1989, designs and manufactures a variety of dredges that are used in river, sand, and lake dredging. It operates out of a 16-acre facility that employs about 100 people, and it is a world leader in the production of portable dredges. In 2003, the company won an Export Achievement Award from the Department of Commerce for its successful sales efforts in Chile. The company recently exported dredging equipment to Dubai and Nigeria. According to company officials, more than 40 percent of its products are exported.

"Dredging Supply Company's vigorous growth over the past decade, partially fueled by its successful expansion into international sales, is an example of the vital role that exports play in the U.S. economy," remarked Walter M. Bastian, deputy assistant secretary of commerce for the Western Hemisphere, after the visit. "Free trade agreements, like those currently pending with Peru, Colombia, Panama, and South Korea, will help lower barriers to sales in large and growing international markets for American businesses."



The Dredging Supply Company of Reserve, Louisiana, received a visit on September 27, 2007, from Commerce Department and congressional officials. Standing in front of one of the company's portable dredges are (from left to right): Erin Butler Mueller, commercial officer at the U.S. Export Assistance Center in New Orleans, Louisiana; Bob Wetta, vice president of marketing and sales of Dredging Supply Company; Barney D. Arceneaux, district director of the office of Rep. Charlie Melancon; and Walter M. Bastian, deputy assistant secretary of commerce for the Western Hemisphere. (U.S. Department of Commerce photo)

trading partner, accounting for 39.5 percent of Colombia's exports and supplying 26 percent of the country's imports in 2006. Bilateral trade has more than doubled during the past decade, from \$5 billion per year in the early 1990s to approximately \$16 billion in 2006. After Canada and Mexico, Colombia is the largest export market for U.S. farm products in the Western Hemisphere.

Bilateral Trade Equity

The Colombia, Panama, and Peru FTAs will strengthen freedom and democracy in each country by securing the rule of law and by increasing transparency. The agreements will also anchor longstanding U.S. ties with vital regional allies that form the front line of defense against groups that are fighting for a return to the failed, antidemocratic path of the region's past.

The United States currently allows more than 90 percent of imports from those three countries to enter

duty-free under unilateral preferences programs, whereas U.S. exporters face tariffs and other trade barriers. The FTAs will open important markets to U.S. exporters by eliminating tariffs on 80 percent of industrial goods immediately on entry into force and by phasing out the remaining tariffs over time.

The agreements, noted Gutierrez in recent remarks to the National Foreign Trade Council in Washington, D.C., "will level the playing field for U.S. exporters, create better-paying jobs for Americans, and provide new opportunities for American innovators and entrepreneurs."

Maria Cameron is the desk officer for Panama and Venezuela in the Market Access and Compliance unit of the International Trade Administration.

For More Information

For more information on how the free trade agreements with Columbia, Panama, and Peru will benefit specific states and industries, visit www.tradeagreements.gov.

Vietnam Visit Highlights Information and Communication Technologies

A September meeting in Hanoi inaugurated the U.S.–Vietnam information and communication technologies commercial dialogue.

BY CORA DICKSON



U.S. and Vietnamese officials at the inaugural meeting of the Information and Communication Technologies Commercial Dialogue in Hanoi, Vietnam, on September 18, 2007. (U.S. Department of Commerce photo)

On September 18, 2007, an important commercial dialogue between the United States and Vietnam was successfully launched when representatives of the two governments held the inaugural meeting of the Information and Communication Technologies (ICT) Commercial Dialogue in Hanoi. The dialogue aims to enhance trade and investment in the ICT sector, and the exchange included a meeting between representatives of U.S. and Vietnamese industry, a public workshop, a joint government–industry session, and bilateral consultations between the two governments.

The dialogue was cochaired by the Vietnamese Ministry of Information and Communications. The U.S. government delegation was led by Jamie

Estrada, deputy assistant secretary for manufacturing at the International Trade Administration (ITA), and included Ambassador David Gross, U.S. coordinator for international communications and information policy at the Department of State; Jonathan McHale, deputy U.S. trade representative for telecommunications; Meredith Atwell Baker, deputy administrator of the National Telecommunications and Information Administration; and representatives from the U.S. Agency for International Development and the U.S. Trade and Development Agency. Approximately 20 representatives from U.S. software, information technology, and telecommunications firms also attended, along with 25 representatives from Vietnamese companies and industry associations.

“This meeting in Hanoi is the first of what we hope to be a series of meetings between our two governments on ICT issues over the next several years,” said Estrada. “By bringing together industry and government leaders from both the United States and Vietnam, we expect to have a very constructive dialogue about how to enhance trade and investment in the information and communication technology industry.”

Study Highlights Market Challenges

In his remarks to the dialogue participants, Estrada presented highlights from a study recently published by the ITA, *Vietnam: The Next Frontier for Trade in Asia—Key Issues for the Information and Communications Technology Sector* (see sidebar). Based on industry analysis conducted by ITA’s Office of Technology and Electronic Commerce, the report identifies six areas that could become obstacles to U.S. businesses contemplating doing business in Vietnam’s ICT sector. Those areas are telecommunications infrastructure development, network security, skills and training, software piracy, electronic commerce, and government procurement. Bilateral engagement on those issues can enable Vietnam’s ICT sector to continue its strong growth by generating trade and investment.

Expanding Commercial Relationship

The dialogue builds on the expanding relationship between Vietnam and the United States in the rapidly developing ICT sector. In November 2007, Secretary of Commerce Carlos M. Gutierrez is scheduled to lead a trade mission to Vietnam. The mission will highlight export opportunities for U.S. businesses, including those that specialize in ICT products and services. The mission is the first of its kind to Vietnam. In 2006, U.S. companies exported nearly \$93 million in ICT products to Vietnam.

Spring 2008 Meeting

At the end of the dialogue’s first meeting, the two governments agreed to organize capacity-building activities and to continue exchanging views on ICT issues. The next meeting of the dialogue is tentatively scheduled for spring 2008.

Cora Dickson is an international trade specialist with the Manufacturing and Services unit of the International Trade Administration.

“IS VIETNAM READY?”

Vietnam: The Next Frontier for Trade in Asia—Key Issues for the Information and Communications Technology Sector, a recent report published by ITA, looks at the challenges and opportunities for U.S. businesses contemplating doing business in that country. Here is an excerpt:

Vietnam has taken the spotlight from its Asian neighbors as a new frontier for information and communications technology (ICT) trade. In 2006, Vietnam was second only to China for its economic growth rate in the region. Eager to reap the benefits of integration with the global economy, Vietnam made commitments to further open its markets as part of its [World Trade Organization] accession in January 2007. High-profile and large-scale ICT investments from the United States and from neighboring Asian countries have brought Vietnam out from under the radar. But is Vietnam really ready to become the next Malaysia or to challenge the mammoth ICT industries of China or India?

Many promising signs are pointing U.S. firms in Vietnam’s direction. The U.S.–Vietnam trade relationship has steadily grown since a bilateral trade agreement entered into force in 2001. Tariffs on ICT products are reaching their lowest point ever, while the favorable investment climate in certain industrial parks has encouraged the U.S. semiconductor and electronic component sector to establish packaging and testing facilities in Vietnam. As Vietnam’s economy grows and as Vietnamese consumers start to enjoy advanced ICT services and technologies, U.S. companies are positioned to satisfy the increased demand.

The full report is available on the Web at www.ita.doc.gov/media/Publications/.

Trade, Intellectual Property Rights Issues Discussed with Algerian and Tunisian Officials

U.S. officials made a five-day visit to Algeria and Tunisia on September 7–12, 2007, to encourage economic engagement. Elizabeth Dibble, principal deputy assistant secretary of state, and Holly Vineyard, deputy assistant secretary of commerce, led the delegation. The delegation also included representatives from the Treasury Department and the Office of the U.S. Trade Representative.

“We were very pleased with the warm reception we received in Algeria and Tunisia and with the quality of the discussions we had,” said Vineyard. “I am encouraged by the commitment of both governments to economic reform and continuing close relations with the United States.”

The purpose of the visit was to pursue total economic engagement with government leaders and private-sector representatives. In both countries, the delegation met with senior government officials, including the prime minister, foreign minister, and economic ministers, as well as representatives of U.S. and local businesses.

In Algeria, government leaders emphasized their country’s commitment to eventual accession to the World Trade Organization, but they acknowledged problems with the banking system and seemed open to undertaking reforms in the financial sector. “Enforcement of intellectual property rights,” noted Vineyard, “also remains a challenge in Algeria, although awareness of the issue is increasing.”

In Tunisia, the delegation heard about the government’s bold long-term economic goals, which include doubling state revenue within 10 years and maintaining a consistent annual growth rate of 6 to 7 percent. Tunisian officials expressed enthusiasm about undertaking trade and investment framework agreement talks with the United States. They believe

the talks are the best venue for discussing bilateral economic issues. Vineyard also raised intellectual property rights issues with Tunisian officials, noting that effective protection and enforcement serves to attract investment.

Sustainable Manufacturing Focus of Gathering

On September 27, 2007, U.S. manufacturers discussed the challenges and benefits of sustainable manufacturing at a one-day event held at the U.S. Department of Commerce in Washington, D.C. The event, “Enhancing U.S. Competitiveness through Sustainable Manufacturing: A Public–Private Dialogue,” gathered key leaders and stakeholders in the field. It was an opportunity for the Department of Commerce to receive input from individual stakeholders on the industry’s most pressing sustainable manufacturing challenges, and to find ways for the public and private sectors to work together to address them.

The Manufacturing and Services unit of the International Trade Administration organized the event, which included more than 75 participants from government, industry, and trade associations. The featured speakers included Steve Hellem, director of the Global Environmental Management Initiative; David Love, director of industrial solutions at Johnson Controls; and Alex Folk, center operations manager of the Manufacturing Extension Partnership at the National Institute of Standards and Technology and manager of the Green Suppliers Network.

For purposes of the event, sustainable manufacturing was defined as the creation of manufactured products using processes that are nonpolluting, that conserve energy and natural resources, and that are economically sound and safe for employees, neighboring communities, and consumers.

“The dialogue was informative, insightful, and important,” noted Jack McDougale, deputy assistant

secretary of commerce for industry analysis. "The input provided by the participants was extremely valuable and will help the Department of Commerce support the sustainable manufacturing industry."

Aside from presentations from the featured speakers, attendees participated in breakout sessions that focused on soliciting individual views on three topics: (1) profiting from sustainable manufacturing practices; (2) cost-effective implementation of sustainable manufacturing technologies; and (3) U.S. government programs, policies, and resources that support sustainable manufacturing.

More information about the sustainable manufacturing conference, potential next steps in the initiative, and updates about a possible follow-up event are available on the Web at www.trade.gov/competitiveness/sustainablemanufacturing/index.asp.

Trade Remedy Issues Discussed with Mexican Officials

On October 3 and 4, 2007, Joseph Spetrini, deputy assistant secretary of the Import Administration (IA), and other IA staff members held a series of meetings in Washington, D.C., with Hugo Perezcano, head of Mexico's trade remedies administering authority in the Secretaría de Economía. The meetings were held to compare notes on a number of cutting-edge issues confronting both Mexico and the United States that involve antidumping and countervailing duty (antisubsidy) trade remedies.

The meetings, which followed up on a successful exchange in Mexico City in July 2007, helped both sides to move forward on bilateral concerns stemming from prior antidumping actions and to develop common ground on problems facing both countries, such as the effective application of trade remedy rules to imports from China. The meetings also provided an opportunity for IA officials

to discuss with Mexican technical experts the U.S. position in ongoing rules negotiations at the World Trade Organization.

For several years, IA has conducted numerous similar exchanges with foreign trade remedy administrators that range from major users of trade remedies to developing countries just establishing their practice. The exchanges benefit U.S. bilateral and multilateral trade relationships and improve the ability of the government to assist U.S. exporters who find themselves subject to foreign trade remedy investigations.



November 1–5

Index 2007**Dubai, United Arab Emirates**www.indexexhibition.com

Manufacturers of furniture and interior-related products should consider participating in this event because there is a huge demand for those products throughout the Middle East. Manufacturers of products with U.S. content that represents 51 percent of the value of the finished goods can participate in the U.S. pavilion. For more information, contact Mary Lynn Landgraf of the Office of Textiles and Apparel (OTEXA), tel.: (202) 482-7909; e-mail: mary-lynn.landgraf@ita.doc.gov.

November 7–10

Defense and Security 2007**Bangkok, Thailand**www.asiandefense.com

Defense and Security 2007 is held every two years and attracts military procurement officials. This year's event will provide U.S. manufacturers with exceptional opportunities for sales and networking. The USFCS Bangkok office is coordinating its support with the show organizer, and staff members will offer market-entry counseling and more. For more information, contact William Corfitzen of the USFCS, tel.: (202) 482-0584; e-mail: william.corfitzen@mail.doc.gov.

November 7–9

FIBCA 2007**Lima, Peru**www.fexpe.com

With Peru's recent elimination of tariffs on capital goods, FIBCA (Feria Internacional de Bienes Capital) 2007 will be an excellent opportunity for U.S. manufacturers to make sales. There is an active Export–Import Bank program in Peru that can help finance purchases of capital equipment, and the bank plans to run seminars concurrently with the fair. For more information, contact William Corfitzen of the USFCS, tel.: (202) 482-0584; e-mail: william.corfitzen@mail.doc.gov.

November 8

Using Finance as an Export Marketing Tool**Portsmouth, New Hampshire**www.buyusa.gov/newengland/portsmouth.html

This three-hour morning program is designed to assist exporters interested in learning more about the variety of trade finance tools available through the federal government and partnering private lenders. Speakers will include representatives of the Export–Import Bank, Small Business Administration, and UPS. For more information, contact Justin Osowski of the USFCS, tel.: (603) 433-0505; e-mail: justin.osowski@mail.doc.gov.

November 8–9

Franchising China 2007**Shanghai, China**www.franchisecina.com

Retail spending and tourism are forecast to reach record levels as China hosts the 2008 Summer Olympics in Beijing and the 2010 Shanghai World Expo. Those events are also expected to contribute to the rapid growth in China's franchise market. Exhibitors at this two-day show will come from the food, education, training, business services, and other franchise industry sectors. For more information, contact Graylin Presbury of the USFCS, tel.: (202) 482-5158; e-mail: graylin.presbury@mail.doc.gov.

November 11–15

Dubai Airshow**Dubai, United Arab Emirates**www.dubaiairshow.org/airshow07

The Commerce Department has organized a Product Literature Center for this show. Participating companies will have their brochures on display in a staffed booth. Visitors will be asked to fill out an information sheet, and the resulting sales leads will be forwarded to the participating companies. The deadline has passed for participation in this event. For more information on future such events, contact Diane Mooney of the USFCS, tel.: (206) 553-5615, ext. 236; e-mail: diane.mooney@mail.doc.gov.

November 14–15

Telemobility Forum 2007**Milan, Italy**www.telemobilityforum.com

Telemobility Forum 2007 is Italy's most important event devoted to satellite navigation, location-based services, and telematics. Excellent opportunities exist for U.S. companies offering innovative products and services. The event will include programs of specialized conferences and exhibits. For more information, contact Nicoletta Postiglione of the USFCS, tel.: +39 (02) 02-6268-851; e-mail: nicoletta.postiglione@mail.doc.gov.

November 14–17

MEDICA**Düsseldorf, Germany**www.medica.de

MEDICA is the world's largest medical trade fair. OTEXA will be sponsoring a U.S. business information office at the show, with the participation of up to 10 qualified U.S. manufacturers and suppliers of medical textiles and related products. For more information, contact Laurie Mease of OTEXA, tel.: (202) 482-2043; e-mail: laurie.mease@mail.doc.gov.

November 29–

December 1

Maroc Sourcing**Casablanca, Morocco**www.amith.org.ma/marocsourcing

About 250 exhibitors are expected at this show, which is targeted at international suppliers of fabrics, accessories, and finishing materials for the textile and apparel industries. OTEXA is organizing a U.S. pavilion at this show and will arrange matchmaking appointments for U.S. sellers. For more information, contact Kim Bang Nguyen of OTEXA, tel.: (202) 482-4805; e-mail: kim.nguyen@mail.doc.gov.

On The Horizon

December 5

CAFTA-DR Competitiveness Forum: Tools of Trade and Finance

Exton, Pennsylvania

www.buyusa.gov/philadelphia/271.html

The U.S.–Central America–Dominican Republic free trade agreement (CAFTA-DR) opens many opportunities for U.S. businesses. This four-hour morning seminar, sponsored by the USFCS and M&T Bank, will look at strategies that are essential to business success in the region. Regional trade experts and financial advisers will also be on site to answer questions from attendees. For more information, contact Robert McEntire of the USFCS, tel.: (202) 482-4493; e-mail: robert.mcentire@mail.doc.gov.

December 7

BIS Essentials of Export Controls Austin, Texas

www.buyusa.gov/austin/events.html

This program is an intensive, one-day event that covers the key information that exporters need to know to comply with the U.S. Export Administration Regulations. Counselors and other professionals from the Commerce Department's Bureau of Industry and Security (BIS) will cover the major elements of the U.S. export control system for commercial exports. This fast-paced program is ideal for those with busy schedules. For more information, contact Karen Parker of the USFCS, tel.: (512) 916-5939; e-mail: karen.parker@mail.doc.gov.

December 11–13

Power-Gen 2007

New Orleans, LA

<http://pgi07.events.pennnet.com/fl/index.cfm>

This show is the electric power generation industry's largest event of its kind in the United States. It will feature a multitrack conference program and a curriculum of preconference courses. The world's largest power exhibition will be held concurrently with the conference and will showcase thousands of products, technologies, and services. For more information, contact Kevin Haley of the USFCS, tel.: (202) 482-6434; e-mail: kevin.haley@mail.doc.gov.



January 8–18, 2008

Clean-Energy Trade Mission

Beijing, Guangzhou, and Hong Kong, China
(January 8–13)

Kolkata and Bangalore, India (January 14–18)

www.export.gov/cleanenergymission

China and India, two powerhouse economies, are seeking to diversify their energy sources while reducing carbon emissions from sustained economic growth. This trade mission is organized by the Department of Commerce and will visit five cities in those two countries. It will be an especially valuable opportunity for U.S. exporters offering clean-energy and energy-efficiency technologies—such as renewable energy, clean coal, distributed generation, and biofuels—to make contacts and sales.

Businesses can apply to participate in the full mission or choose just one country. The price to participate in the full mission is \$3,500 per company (\$1,500 for each additional company representative), and the fee for participating solely in either the China or India portion of the mission is \$1,750 per company (\$750 for each additional company representative).

To apply, visit the trade mission's Web site. Early applications are encouraged because registration is limited to 25 companies. The deadline for receipt of applications is November 5, 2007. For more information about the mission, contact Justin Rathke, tel.: (202) 482-7916; e-mail: cleanenergymission@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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Advocating for U.S. Commercial Interests at the Multilateral Development Banks

The Commerce Department's liaison officers at the five multilateral development banks help U.S. companies compete for procurements at those institutions.

BY MALCOLM BURKE



Artist's rendition of a coal-mine methane development project at Jincheng, Shanxi Province in China. The project is funded with a loan from the Asian Development Bank (ADB). Caterpillar Inc., of Peoria, Illinois, worked with both the Commerce Department's Advocacy Center and Ken Reidbord, senior commercial officer at the ADB, to win significant building equipment and machinery tenders for the project. Caterpillar's sales are estimated to be about \$50 million, with \$40 million in U.S. export content. The project is scheduled for completion in December 2007. (Image courtesy of SCS Engineers)

Each year, the largest multilateral development banks (MDBs)—the World Bank, the Asian Development Bank, the African Development Bank, the Inter-American Development Bank, and the European Bank for Reconstruction and Development—provide about \$50 billion in public- and private-sector development financing to emerging markets. Those development projects result in thousands of procurement contracts for everything from consulting services to the supply of manufactured goods. Although the potential for U.S. exporters, lenders, and other businesses is

enormous, many U.S. firms miss out on those lucrative opportunities because they lack the necessary information about the projects and are unfamiliar with the tendering procedures of the MDBs.

Congressional Directive

In recognition of the vast potential of the development projects and risk mitigation products funded by those banks, Congress mandated in the Omnibus Trade and Competitiveness Act of 1988 the placement of Commerce Department representatives at each of the five MDBs. The liaison officers

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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.

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Monterey: (831) 641-9850

Newport Beach: (949) 660-1688

Oakland: (510) 273-7350

San Rafael (North Bay): (415) 485-6200

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Rochester: (585)-263-6480

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Greensboro: (336) 333-5345

Raleigh: (919) 281-2750

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Pittsburgh: (412) 644-2800

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San Juan (Guaynabo): (787) 775-1992/1974

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Providence: (401) 528-5104

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Multilateral Development Banks

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work out of the Advocacy Center and are ready to assist U.S. companies in their pursuit of lucrative business opportunities at the banks. Those individuals, typically senior commercial officers of the U.S. and Foreign Commercial Service, have unique access to information and to decision-makers at the respective banks, and they are effective advocates for U.S. commercial interests at the institutions.

The MDB liaisons conduct outreach to U.S. businesses by providing information on the status of particular projects, by giving insight into future bank priorities and initiatives, by providing appropriate assistance with respect to commercial disputes, and by generally seeking to ensure equal treatment for U.S. companies. The liaisons also promote the risk mitigation strategies for emerging market activities developed by the banks and counsel companies on how to effectively compete for procurement opportunities.

Ensuring Equal Access at the World Bank

The liaisons can also help U.S. businesses in other ways. One example is the World Bank network of Private Sector Liaison Offices (PSLOs). The U.S. liaison officer working at the World Bank noted that, although there are 93 PSLOs in 72 countries, including

eight in Canada, there are none in the United States. By working with the World Bank's Office of External Affairs, the liaison officer was able to facilitate the issuance in June 2007 of a request for proposals (RFP) for the creation of a PSLO in Chicago. RFPs for additional offices in the United States will be released in the near future. The establishment of PSLOs in the United States will give U.S. businesses access to the same level of service from the World Bank that those of other donor nations have long enjoyed.

Booklets Offer Guidance

U.S. businesses are advised to begin exploring the opportunities at these institutions by visiting the Web sites of each MDB, by acquainting themselves with the procedures and goals of the various institutions, and by carefully reviewing a series of booklets recently published by the Advocacy Center on how to do business with the MDBs. The booklets contain contact information for the liaison offices and more information concerning the MDBs. They are available online at www.export.gov/advocacy/mdbs.html.

Malcolm Burke is the associate director of the Department of Commerce's Advocacy Center.

International Trade UPDATE

available on the Web at www.trade.gov