Trade 101: A Legislators Guide to Trade

Labor and Economic Development Committee
National Conference of State Legislatures
2011 Legislative Summit

William A. Ramos
Director of Intergovernmental Affairs
Office of the Secretary
U.S. Department of Commerce
“So tonight, we set a new goal: We will double our exports over the next five years, an increase that will support two million jobs in America.”

President Obama  
State of the Union  
January 27, 2010
The President’s Export Council includes representatives from the Private Sector, Labor, and Members of Congress. It is coordinated by the Trade Promotion Coordinating Committee (TPCC), chaired by the Secretary of Commerce.
Increase access to export financing

Promote policies that lead to economic growth

Reduce trade barriers

Improve trade advocacy and trade promotion

Robustly enforce trade rules
U.S. GOVERNMENT
EXPORT ASSISTANCE SERVICES

Trade Advocacy and Promotion

Access to Export Financing

Reducing Trade Barriers and Enforcing Trade Laws
The U.S. Government is **strategically located** to counsel U.S. businesses domestically and help them operate internationally.

### Online and by phone
- [www.export.gov](http://www.export.gov)
- 1-800-USA-TRADE

### In your community
- U.S. Export Assistance Centers (USEACs) in 107 locations in 49 states include trade specialists
  - U.S. Commercial Service, and
  - SBA and Ex-Im Bank partners where possible
- District Export Councils (DECs)
- Small Business Development Centers (SBDCs)
- SCORE Association “Counselors to America’s Small Business” is a nonprofit association comprised of 11,500 volunteer business counselors throughout the United States.

### In markets overseas
- U.S. Commercial Service – offices in 77 countries
- Foreign Agricultural Service (FAS) in over 100 countries
- Partnership with the State Department to represent commercial interests in all countries
TRADE ADVOCACY & PROMOTION

- **Trade Missions**: Expand overseas alongside a U.S. government delegation
- **Trade Shows**: Increase sales through International Buyer Program
- **Market Development Cooperator Program**: Establish a public-private partnership with ITA
- **“Gold Key” and Customized Business Matchmaking**: Affordable consulting services
The U.S. Government will advocate on behalf of its corporations and promote foreign direct investment into the United States.

SelectUSA

Promotes and supports foreign direct investment in the United States, contributing to U.S. job creations, innovation and competitiveness.

Advocacy Center

Leveling the playing field abroad for U.S. industry as they compete against foreign firms for specific international contracts or other U.S. export opportunities.
TRADE ADVOCACY & PROMOTION

The U.S. Department of Agriculture

www.export.gov/fas
www.fas.usda.gov
www.foodexport.org
<table>
<thead>
<tr>
<th>Loan Programs</th>
<th>Description</th>
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<tbody>
<tr>
<td>Export Express Program</td>
<td>The Export Express loan program provides working capital and/or fixed asset financing for companies that will begin or expand exporting including trade show participation and translation of product literature.</td>
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<td><strong>500,000 maximum.</strong></td>
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<tr>
<td>Export Working Capital Program</td>
<td>The Export Working Capital Program provides financing to support export orders or the export transaction cycle, from purchase order to final payment including raw materials, inventories, and labor costs.</td>
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<td><strong>$5 million maximum</strong></td>
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<tr>
<td>International Trade Loan Program</td>
<td>The International Trade Loan Program provides long-term financing to support companies that are expanding because of growing export sales or have been adversely impacted by imports and need to modernize to meet foreign competition.</td>
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Mission: Create and sustain jobs by increasing U.S. export sales
• Self-sustaining agency; no cost to taxpayers
• 85% of transactions for small business

Export-Finance Solutions to Grow Small Business Sales:

Export Credit Insurance
• protects against the risk of nonpayment of foreign receivables
• enables exporters to extend credit terms to international customers

Working Capital Loan Guarantees
• supplements loans that exceed SBA limits
• covers 90% of the loan

Buyer Financing (insurance and loan guarantees)
• provides competitive interest rates and terms
• covers 100% of the eligible financed amount
REDUCING TRADE BARRIERS & ENFORCING TRADE LAWS

- **Trade Agreements Compliance Program**
  - Reduce or eliminate foreign government-imposed trade barriers that obstruct market access abroad

- **Protect Intellectual Property**
  - Find resources to protect and enforce intellectual property rights
  - Utilize country-specific IPR toolkits

- **Relief from Unfair Trade Practices**
  - Provide companies a reliable mechanism to seek relief from unfair trade practices that hinder competitiveness

- [tcc.export.gov](http://tcc.export.gov)
- [www.stopfakes.gov](http://www.stopfakes.gov)
- [www.trade.gov/ia](http://www.trade.gov/ia)
OPENING MARKETS THROUGH TRADE AGREEMENTS

Pending Trade Agreements with Korea, Colombia, and Panama

• The new trade agreement with South Korea will support at least 70,000 American jobs.
• The U.S. International Trade Commission estimates that the reduction of Korean tariffs and tariff-rate quotas on goods alone would add around $10 billion to annual merchandise exports to Korea.

Trans-Pacific Partnership (TPP)

• The TPP negotiations aim to achieve a high-quality, Asia-Pacific regional trade agreement that will increase U.S. exports to some of the world’s most dynamic and growing markets, and support well-paying jobs here in the United States.
# FEDERAL SERVICES FOR MINNESOTA

<table>
<thead>
<tr>
<th>U.S. Export Assistance Center</th>
<th>U.S. Small Business Administration</th>
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<tbody>
<tr>
<td>100 North 6th Street, Suite 210-C, Butler Square Building</td>
<td><strong>612-370-2324</strong></td>
</tr>
<tr>
<td>Minneapolis, MN 55403</td>
<td><strong><a href="http://www.sba.gov/about-offices-content/2/3122">www.sba.gov/about-offices-content/2/3122</a></strong></td>
</tr>
<tr>
<td><strong>U.S. Commercial Service</strong></td>
<td><strong><a href="http://www.buyusa.gov/minnesota">www.buyusa.gov/minnesota</a></strong></td>
</tr>
<tr>
<td><strong>612-348-1638</strong></td>
<td><strong>U.S. Small Business Administration</strong></td>
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<tr>
<td>University of St. Thomas</td>
<td><strong>Export-Import Bank</strong></td>
</tr>
<tr>
<td>46 South 11th Street, Minneapolis, MN 55403</td>
<td><strong>Midwest Regional Office</strong></td>
</tr>
<tr>
<td>651-962-4500</td>
<td>200 West Adams St, Suite 2450, Chicago, IL 60606</td>
</tr>
<tr>
<td><strong><a href="http://www.stthomas.edu/business/centers/sbdc">www.stthomas.edu/business/centers/sbdc</a></strong></td>
<td><strong>312-353-8081</strong></td>
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<td><strong><a href="http://www.exim.gov/contact/con_chi.cfm">www.exim.gov/contact/con_chi.cfm</a></strong></td>
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<td><strong>Minnesota District Export Council</strong></td>
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