

August 2016 Volume 54 Number 4 Article # 4TOT4 Tools of the Trade

Extension Resources for International Trade

Abstract

With the opening of additional trade partnerships, the reduction of global transportation and communication costs, and the increase in demand for U.S. agricultural products and services, international trade is an area of great importance to more and more Extension clients and stakeholders. This article provides information about the primary organizations and agencies that have state offices that can assist Extension educators. Links to comprehensive online resources with customizable worksheets and tools are also furnished.

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Introduction

With new trade agreements, continued decreases in global communication and transportation costs (U.S. Small Business Administration, n.d.), and increased demand for U.S. agricultural products and services (U.S. Department of Agriculture [USDA] Economic Research Service, 2015), international trade is an area of increasing importance for Extension clientele and, thus, Extension personnel (Youmans, 2005). Considering that over 80% of the world's buying power is outside the United States (Thomas, 2015), many businesses in agriculture and other industries look to foreign markets as they seek to expand their marketing opportunities.

Recent changes in trade regulations make it easier for entrepreneurs, farmers, and other business owners to sell their products globally (Office of the U.S. Trade Representative, 2015). For instance, the Trans-Pacific Partnership (TPP), a trade agreement between Australia, Brunei, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore, United States, and Vietnam that was concluded in October 2015 (USDA Foreign Agriculture Service, 2015), eliminates tariffs on most U.S. food and agricultural products (Office of the U.S. Trade Representative, 2015). As an example, Japan will eliminate tariffs on over 50% of U.S. farm exports. The TPP is expected to provide significant opportunities for U.S. food and agricultural exports and lead to increases in farm income and agricultural job growth (USDA Foreign Agriculture Service, 2015).

Extension is a market-driven organization that is responsive to contemporary issues and has an established relationship with agricultural and related industries (Bull, Cote, Warner, & McKinnie, 2004). Therefore, it stands

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to reason that as many agriculture-related businesses look to take advantage of international market opportunities, they will turn to their Extension educators.

Assisting clients with the international exporting process does not require one to be a trade specialist. There are a number of human and digital resources available to guide even those with no international trade experience. By connecting clients with the experts in your area, providing them with relevant education, and making them aware of financial resources they can use to get started, you can serve a valuable role in the process.

There are two steps that will prepare you to answer the initial questions your clients or other stakeholders may have. One is to know the major organizations/agencies that provide international trade expertise. The other is to become familiar with the primary comprehensive online resources.

International Trade Organizations/Agencies

In this section, I describe four of the major organizations/agencies that provide resources to U.S. businesses related to international trade and promotion. Their services are complementary, and their state affiliates or coordinators often work closely together. I recommend that you identify the state-level individuals associated with each one. These people can be great partners for you and your clients.

- U.S. Department of Commerce. Through its International Trade Administration (ITA) and the ITA's trade promotion arm, U.S. Commercial Service, the Department of Commerce provides a broad spectrum of trade information and resources (U.S. Department of Commerce, 2015a). The U.S. Commercial Service is in over 100 U.S. cities and more than 75 countries (U.S. Department of Commerce, 2015b). ITA is organized into the following three units:
 - Global Markets,
 - Industry and Analysis, and
 - Enforcement and Compliance (U.S. Department of Commerce, 2015a).
- USDA Foreign Agriculture Service (FAS) Regional Trade Group. Each state is part of a state regional trade group supported by the USDA FAS. These groups provide education and training services, financial support, programmatic coordination for trade shows and buying missions, financial support for marketing campaigns, and export market analysis through the FAS Market Access Program (USDA Foreign Agriculture Service, n.d.-b) and other marketing and development programs (USDA Foreign Agriculture Service, n.d.-a). The groups are
 - Food Export USA Northeast,
 - Food Export Association of the Midwest USA,
 - Southern U.S. Trade Association, and
 - Western U.S. Agricultural Trade Association (USDA Foreign Agriculture Service, n.d.-b).
- World Trade Center Association. Many states have a world trade center association that serves to encourage the development of international trade and economic development. The world trade center association

members provide a number of services related to exporting and international economic development (World Trade Center Associations, 2015).

• U.S. Small Business Administration (SBA). The SBA's Office of International Trade manages the State Trade and Export Promotion program, which provides financial assistance to small businesses in order to increase the number of U.S. small businesses that are exporting as well as to increase the dollar value of small businesses already exporting. All 50 states are eligible (U.S. Small Business Administration, 2015).

Online Resources

In this section, I present easy-to-access resources that provide basic to detailed information for a wide range of levels of trade expertise. Worksheets and other interactive tools beneficial for export planning are also available at these sites.

- Export.gov (<u>https://www.export.gov/welcome</u>). Export.gov is a comprehensive online resource that combines the resources of multiple U.S. government organizations and is managed by the previously mentioned U.S. Commercial Service (Export.gov, 2015c). Export.gov provides tools, such as export readiness assessment, for companies in the beginning stages of exporting (Export.gov, 2015a) to resources for international trade expansion for businesses already exporting (Export.gov, 2015b).
- Small Business Administration's Export Planner Guide for Your Small Business
 (<u>https://www.sba.gov/exportbusinessplanner</u>). This downloadable planner provides a wealth of information as
 well as customizable worksheets, including information and tools related to planning, marketing, finance,
 transportation, documentation, and more (U.S. Small Business Administration, n.d.).
- U.S. Trade Representative—Trans Pacific Partnership (<u>https://ustr.gov/tpp/</u>). This resource provides information about the TPP, including specific sections on agriculture and benefits to the agricultural sector and a specific chapter devoted to sanitary and phytosanitary measures (Office of the U.S. Trade Representative, 2015).

Conclusion

Extension has a long history of educating farmers and other clients on the emerging issues, technologies, and resources that will contribute to successful communities and families. International trade is a contemporary issue relevant to today's Extension stakeholders. The resources described here serve as a primer for Extension educators as they meet these emerging needs.

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