

Chapter 8

Agricultural Export and Finance Programs

AGRICULTURAL EXPORT PROGRAMS

Outreach and Exporter Assistance/Foreign Agricultural Service (FAS)/U.S. Department of Agriculture (USDA)

The first point of contact for information on exporting agricultural products is the Office of Outreach and Exporter Assistance, which provides basic export counseling and directs inquiries to the appropriate USDA office for additional assistance. Extensive information on export assistance programs and foreign market data is also available through the FAS home page.

Contact: Office of Outreach and Exporter Assistance, (202) 720-7420 or (202) 720-9509; fax (202) 205-9728 or (202) 690-2489; e-mail: tapo@fas.usda.gov or outreach@fas.usda.gov; home page: www.fas.usda.gov.

AgExporter/Foreign Agricultural Service(FAS)/U.S. Department of Agriculture (USDA)

AgExporter is a monthly magazine for U.S. agricultural producers and food processors, exporters, trade organizations, state departments of agriculture, and businesses selling farm and consumer-ready food products overseas. It provides tips on exporting, descriptions of markets with the greatest sales potential, and information on export assistance available from the USDA. A one-year subscription costs \$44 (\$55 for subscribers overseas).

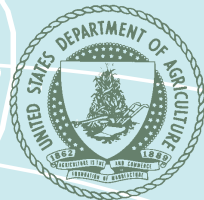
Contact: To obtain a sample copy of *AgExporter*, contact the FAS Information Division at (202) 720-7115; e-mail info@fas.usda.gov; or visit <http://ffas.usda.gov/info/agexporter/agexport.html>.

AgExport Connections/Foreign Agricultural Service (FAS)/U.S. Department of Agriculture (USDA)

AgExport Connections manages four basic services that are available to exporters of U.S. food, farm, forest, and seafood products:

- ◆ **Trade Leads** are foreign trade inquiries that the FAS offices transmit electronically to the USDA. They are made available to U.S. exporters via e-mail. Trade leads are also available through trade publications and state departments of agriculture and trade development centers.

Contact: Sharon Claggett, (202) 690-3416; e-mail: sharon.claggett@fas.usda.gov.



◆ **Buyer Alert** is a biweekly newsletter that can introduce your food, farm, forest, and seafood products to foreign buyers at only \$15 per announcement. Advertisements for up to five products may be submitted for each announcement. *Buyer Alert* announcements are transmitted electronically to FAS offices, which distribute the newsletter to more than 20,000 potential buyers in 65 countries.

Contact: Linda Conrad, (202) 690-3421; fax (202) 690-4374; e-mail: linda.conrad@fas.usda.gov.

◆ **Foreign Buyer Lists** contain detailed contact information on more than 23,000 importers of food, farm, forest, and seafood products in 85 countries. Lists may be ordered by product or country at a cost of \$15 each.

Contact: Sharon Claggett, (202) 690-3416; e-mail: sharon.claggett@fas.usda.gov.

◆ **U.S. Supplier Lists** may be used to source U.S. food, farm, forest, and seafood products for export. Nearly 3,500 firms are included in this database, which is also made available to foreign buyers through FAS offices overseas. Lists may be ordered by product at a cost of \$15 each.

Contact: Linda Conrad, (202) 690-3421; fax (202) 690-4374; e-mail: linda.conrad@fas.usda.gov.

◆ **The AgExport Action Kit** provides information to U.S. businesses on the export programs available from AgExport Connections. The information is designed to put exporters of food, farm, forest, and seafood products in contact with foreign buyers. To receive a free copy of the Action Kit, call (202) 720-7103.

Contact: AgExport Connections, (202) 720-7103; fax (202) 690-4374; home page: www.fas.usda.gov/agexport/exporter.html.

National Agricultural Library (NAL)/U.S. Department of Agriculture (USDA)

The NAL is a repository of information on agricultural marketing and trade. NAL staff respond to inquiries with customized assistance by combining in-depth knowledge of the library's resources, state-of-the-art technology, and networking. NAL staff also assist users in accessing the library's on-line systems and Web sites: ISIS (Integrated System for Information Services) and AGRICOLA (Agricultural On-line Access database).

Contact: NAL Service Desk, (301) 504-5755; fax (301) 504-6110; e-mail: agref@nal.usda.gov; National Agricultural Library home page: www.nal.usda.gov. ISIS and AGRICOLA home page: www.nal.usda.gov/ag98.

Economic Research Service (ERS)/U.S. Department of Agriculture (USDA)

The Economic Research Service provides in-depth economic analyses on agricultural economies, trade policies of foreign countries, world agricultural trade and development issues, and their linkages with the U.S. food and fiber economy. The ERS analyzes how factors influencing demand (population, income, and tastes), production variables (inputs and technology), foreign governments' commercial policies and programs (price controls, environmental and food safety laws, and tariffs), macroeconomic conditions (exchange rates and debt), and major events (for example, China's accession to the WTO) affect countries' agricultural production, consumption, and trade; international food and fiber prices; and U.S. food and fiber competitiveness. The ERS widely disseminates information and analyses on international agricultural trade, food aid, and development through regional and commodity reports, bulletins and updates, periodicals, and electronic databases.

Contact: John Dunmore, deputy director, Market and Trade Economics Division, (202) 694-5204; fax (202) 694-5792; e-mail: jdunmore@ers.usda.gov; home page: www.ers.usda.gov.

Trade Shows and Missions/Foreign Agricultural Service (FAS)/U.S. Department of Agriculture (USDA)

The USDA Trade Show Office offers U.S. food and beverage exporters a choice of programs to satisfy their marketing needs. Programs include fully sponsored trade shows, sales missions, and endorsed shows in both leading and emerging markets worldwide. Fully sponsored trade shows consist of a package of services, including a fully appointed booth, shipping of product samples, and educational programs. Sales missions include guaranteed appointments with potential buyers, orientation to the market, and translation services. In addition, the USDA Trade Show Office provides information on the promoters of other international food and beverage shows.

Contact: USDA Trade Show Office, (202) 690-1182; fax (202) 690-4374; home page: www.fas.usda.gov/agexport/tsinfo.html.

Rural Business-Cooperative Service/U.S. Department of Agriculture (USDA)

This program researches cooperative involvement in international trade and provides trade-related technical assistance to U.S. farmer-owned cooperatives.

Contact: Tracey Kennedy, International Trade Program, (202) 690-1428; fax (202) 690-2723; e-mail: tracey.kennedy@usda.gov.

AGRICULTURAL TECHNICAL ASSISTANCE

Shipper Assistance/Agricultural Marketing Service (AMS)/U.S. Department of Agriculture (USDA)

The Office of Shipper and Exporter Assistance (SEA) provides new and experienced agricultural exporters with the information they need to get their products overseas, on time, in good condition, and at the lowest cost. SEA staff members also conduct export transportation seminars to teach new or prospective agricultural exporters how to transport their high-value or value-added food products overseas. These seminars, held throughout the country, cover an array of transportation issues such as finding a freight forwarder, selecting transportation options, packaging, container loading, and temperature management.

Contact: Jim Caron or other SEA staff, (202) 690-1304; fax (202) 690-3616; e-mail: jim.caron@usda.gov; home page: www.ams.usda.gov/tmd/tmdsea.htm.

Transportation Publications and Resource Guidance/U.S. Department of Agriculture (USDA)

The Transportation Publications and Resource Guidance Center provides publications and guidance to help agricultural exporters efficiently use transportation resources and maintain product quality in transit. A weekly grain transportation newsletter, monthly ocean container freight rate bulletin, a 10-year database of ocean freight costs for international grain shipments, and special reports are also available.

Contact: Jim Caron or other SEA staff, (202) 690-1304; fax (202) 690-3616 or (202) 690-1340; e-mail: jim.caron@usda.gov; home page: www.usda.gov/ams/titlepag.htm.

AGRICULTURAL FINANCE AND GRANT PROGRAMS

Export Credit Guarantee Programs/U.S. Department of Agriculture (USDA)

The Commodity Credit Corporation (CCC) administers a variety of export credit guarantee programs that provide U.S. exporters and bankers protection against default on repayment of credit extended for an export sales transaction. The programs cover both political and commercial default. U.S. exporters benefit by being able to make a sale that might not be made without a payment guarantee. With a CCC guarantee,

U.S. bankers can extend more attractive rates of interest for longer periods than commercial terms. Importers benefit by being able to negotiate better-than-commercial rates of interest and longer periods for repayment with their banks.

◆ The **Export Credit Guarantee Program (GSM-102)** and the **Intermediate Export Credit Guarantee Program (GSM-103)** underwrite credit extended by the private banking sector in the United States (or, less commonly, by a U.S. exporter) to approved foreign banks using dollar-denominated, irrevocable letters of credit to pay for food and agricultural products sold to foreign buyers. GSM-102 covers credit terms up to three years. GSM-103 covers longer credit terms up to 10 years. Under GSM-102/103, the CCC does not provide financing, but guarantees payments due from foreign banks.

Contact: L.T. McElvain, (202) 720-6211; fax (202) 720-0938; e-mail: mcelvain@usda.gov; home page: www.fas.usda.gov.

◆ The **Supplier Credit Guarantee Program (SCGP)** provides a guarantee, in the event of an importer's default, on a portion of a U.S. exporter's open account receivable. U.S. exporters can purchase coverage for agricultural commodities or product sales where short-term credit has been extended directly to the importer. The payment obligation of the importer must be evidenced by a signed promissory note as prescribed by the CCC. While the SCGP emphasizes high-value or value-added agricultural commodities, any agricultural product may be considered.

Contact: Penny Stevenson, 202-720-8639; fax (202) 720-0938; e-mail: stevensonp@fas.usda.gov; home page: www.fas.usda.gov.

◆ The **Facility Guarantee Program (FGP)** provides credit guarantees for the sale of manufactured goods and services to enhance and establish agribusiness-related facilities overseas that primarily handle, store, distribute, or process U.S. agricultural products and commodities. The FGP assists importers in acquiring needed manufactured goods and services while protecting exporters from most of the risk of nonpayment by foreign banks.

Contact: Joyce Estep, (202) 720-0581; fax (202) 690-0251; e-mail: estep@fas.usda.gov; or Program Planning, Development and Evaluation Division, (202) 720-4221; home page: www.fas.usda.gov

Market Access Program (MAP)/Foreign Agricultural Service (FAS)/U.S. Department of Agriculture (USDA)

The MAP uses funds from the USDA's Commodity Credit Corporation to help U.S. producers, exporters, private companies, and other trade organizations finance both brand and generic promotional activities for U.S. agricultural, fish, and forestry products. The MAP encourages the development, maintenance, and expansion of commercial export markets for these products. Activities financed include consumer promotions, market research, technical assistance, and trade servicing. Agricultural trade organizations, cooperatives, state departments of agriculture, and small businesses may submit applications for participation. The deadline date is published annually in the *Federal Register*.

Contact: Marketing Operations Staff, (202) 720-4327; fax (202) 720-9361; home page: www.fas.usda.gov/mos/programs/mapprog.html.