

This section of the FEDERAL REGISTER contains documents other than rules or proposed rules that are applicable to the public. Notices of hearings and investigations, committee meetings, agency decisions and rulings, delegations of authority, filing of petitions and applications and agency statements of organization and functions are examples of documents appearing in this section.

## DEPARTMENT OF AGRICULTURE

### Commodity Credit Corporation

#### Announcement of the Emerging Markets Program

**AGENCY:** Commodity Credit Corporation, USDA.

**ACTION:** Notice.

**SUMMARY:** The Commodity Credit Corporation is inviting private sector proposals for the 2003 Emerging Markets Program.

**DATES:** All proposals must be received by 5 p.m. Eastern Standard Time, March 10, 2003. Announcements of funding decisions for the EMP are anticipated in early July 2003.

**FOR FURTHER INFORMATION CONTACT:** Marketing Operations Staff, Foreign Agricultural Service, U.S. Department of Agriculture, Room 4932 South, STOP 1042, 1400 Independence Ave., SW., Washington, DC 20250-1042, phone: (202) 720-4327, fax: (202) 720-9361, e-mail: [emo@fas.usda.gov](mailto:emo@fas.usda.gov).

#### SUPPLEMENTARY INFORMATION:

##### Introduction

The Commodity Credit Corporation (CCC) announces that proposals are being accepted for participation in the 2003 Emerging Markets Program (EMP). The purpose of the EMP is to assist U.S. organizations, public and private, to improve market access and to develop and promote U.S. agricultural products and/or processes in low to middle income countries that offer promise of emerging market opportunities. This is to be accomplished by providing, or paying the costs of, approved technical assistance activities in those emerging markets. The EMP is administered by the Foreign Agricultural Service (FAS).

The Act defines an emerging market as any country that the Secretary of Agriculture determines:

(1) Is taking steps toward a market-oriented economy through the food,

agriculture, or rural business sectors of the economy of the country; and

(2) Has the potential to provide a viable and significant market for United States agricultural commodities or products of United States agricultural commodities.

Because funds are limited and the range of potential emerging market countries is worldwide, proposals for technical assistance activities will be considered which target those countries with: (1) Per capita income less than \$9,265 (the current ceiling on upper middle income economies as determined by the World Bank [World Development Indicators]); and (2) population greater than 1 million. Proposals may address suitable regional groupings, e.g., the islands of the Caribbean Basin.

##### Authority

The EMP is authorized by section 1542 of the Food, Agriculture, Conservation and Trade Act of 1990, as amended.

##### Eligible Applicants, Commodities, and Activities

Any United States agricultural or agribusiness organization, university, or state department of agriculture is eligible to participate in the EMP. Proposals from research and consulting organizations will be considered if they provide evidence of substantial participation by the U.S. industry. U.S. market development cooperators may seek funding to address priority, market specific issues and to undertake activities not suitable for funding under other FAS marketing programs, e.g., the Foreign Market Development Cooperator (Cooperator) Program and the Market Access Program (MAP).

All agricultural products, except tobacco, are eligible for consideration. Proposals which include multiple commodities are also eligible.

Only technical assistance activities are eligible for reimbursement. Following are examples of the types of activities that may be funded:

—Projects designed specifically to improve market access in emerging foreign markets. Examples: activities intended to mitigate the impact of sudden political events or economic and currency crises in order to maintain U.S. market share; responses to time-sensitive market opportunities;

—Marketing and distribution of value-added products, including new products or uses. Examples: food service development; market research on potential for consumer-ready foods or new uses of a product;

—Studies of food distribution channels in emerging markets, including infrastructural impediments to U.S. exports; such studies should be specific in their focus and may include cross-commodity activities which address specific problems. Examples: grain storage handling and inventory systems development; distribution infrastructure development;

—Projects that specifically address various constraints to U.S. exports, including sanitary and phytosanitary issues and other non-tariff barriers. Examples: seminars on U.S. food safety standards and regulations; assessing and addressing pest and disease problems that inhibit U.S. exports;

—Assessments and follow up activities designed to improve country-wide food and business systems, to reduce trade barriers, to increase prospects for U.S. trade and investment in emerging markets, and to determine the potential use for general export credit guarantees for commodities, facilities and services. Examples: product needs assessments and market analysis; assessments for using facilities credits to address infrastructural impediments;

—Projects that help foreign governments collect and use market information and develop free trade policies that benefit American exporters as well as the target country or countries. Examples: agricultural statistical analysis; development of market information systems; policy analysis; and,

—Short-term training in broad aspects of agriculture and agribusiness trade that will benefit U.S. exporters, including seminars and training at trade shows designed to expand the potential for U.S. agricultural exports by focusing on the trading system. Examples: retail training; marketing seminars; transportation seminars; training on opening new or expanding existing markets.

The program funds technical assistance activities on a project-by-project basis. EMP funds may not be

used to support normal operating costs of individual organizations, nor as a source by which to recover prior expenses from previous or ongoing projects. Ineligible activities include restaurant promotions; branded product promotions (including labeling and supplementing normal company sales activities intended to increase awareness and stimulate sales of branded products); advertising; administrative and operational expenses for trade shows; and the preparation and printing of brochures, flyers, posters, etc., except in connection with specific technical assistance activities such as training seminars. Other items excluded from funding are contained in the 2003 Program Guidelines.

### Project Suitability and Qualification Requirements

The underlying premise of the EMP is that there are distinctive characteristics of emerging agricultural markets that necessitate or benefit significantly from U.S. governmental assistance before the private sector begins to develop these markets through normal corporate or trade promotional activities. The emphasis is on marketing opportunities where there are risks that the private sector would not normally undertake alone. The EMP is intended to supplement, not supplant, the efforts of the U.S. private sector, and it complements the efforts of other FAS marketing programs. Once a market access issue has been addressed by the EMP, further market development activities may be considered under other programs such as GSM-102 or GSM-103 Export Credit Guarantee programs, the Facility Guarantee Program, the Supplier Credit Guarantee Program, the MAP, or the Cooperator Program.

The following marketing criteria will be used to determine the suitability of projects for funding under the EMP:

1. Low U.S. market share and significant market potential.

- Is there a significant lag in U.S. market share of a specific commodity in a given country or countries?

- Is there an identifiable obstacle or competitive disadvantage facing U.S. exporters (e.g., competitor financing, subsidy, competitor market development activity) or a systemic obstacle to imports of U.S. products (e.g., inadequate distribution, infrastructure impediments, insufficient information, lack of financing options or resources)?

- What is the potential of a project to generate a significant increase in U.S. agricultural exports in the near- to

medium-term? (Estimates or projections of trade benefits to commodity exports, and the basis for evaluating such, must be included in EMP proposals.)

2. Recent change in a market.

- Is there, for example, a change in a sanitary or phytosanitary trade barrier; a change in an import regime or the lifting of a trade embargo; or a shift in the political or financial situation in a country?

### Application Requirements and Process

It is highly recommended that any organization considering applying to the program first obtain a copy of the 2003 Program Guidelines. These guidelines contain information on requirements that a proposal must include in order to be considered for funding under the program, along with other important information.

Requests for the 2003 Program Guidelines and additional information may be obtained from the Marketing Operations Staff at the address above. The guidelines are also available at the following URL address: <http://www.fas.usda.gov/mos/em-markets/em-markets.html>. To assist FAS in making determinations regarding funding, applications should be no longer than ten (10) pages and include the following information: (a) Date of proposal; (b) name of organization submitting proposal; (c) organization address, telephone and fax numbers, and tax ID number; (d) primary contact person; (e) full title of proposal; (f) target market(s); (g) description of problem(s), *i.e.*, constraint(s), to be addressed by the project such as inadequate knowledge of the market; insufficient trade contacts; lack of awareness by foreign officials of U.S. products and business practices; infrastructure, financing, and regulatory impediments or other non-tariff barriers; (h) project objectives; (i) performance measures—benchmarks for quantifying progress in meeting the objectives; (j) rationale—explanation of the underlying reasons for the project proposal and its approach, the anticipated benefits, the current conditions in the target market(s) affecting the intended commodity or product, and any additional pertinent analysis; (k) clear demonstration that successful implementation will benefit a particular industry as a whole, not just the applicant(s); (l) explanation as to what specifically could not be accomplished without federal funding assistance and why participating organization(s) are unlikely to carry out the project without such assistance; (m) specific description of activity(ies) to be undertaken; (n) time line(s) for

implementation of the project, including start and end dates (start dates should be after July 15, 2003); (o) information on whether similar activities are or have previously been funded with USDA sources in target country/countries (e.g., under MAP and/or Cooperator Program); (p) detailed line item activity budget. Regarding the budget, cost items should be allocated separately to each participating organization. Expense items constituting a proposed activity's overall budget (e.g., salaries, travel expenses, consultant fees, administrative costs, *etc.*), with a line item cost for each, should be listed, clearly indicating which items are to be covered by EMP funding, which by the participating U.S. organization(s), and which by third parties (if applicable). Cost items for individual consultant fees should show calculation of daily rate and number of days. Cost items for travel expenses should show number of trips, destinations, cost, and objective for each trip.

Qualifications of applicant(s) should be included as an attachment.

This notice is complemented by concurrent notices announcing other foreign market development programs administered by the FAS including the MAP, the Cooperator Program, the Section 108 Foreign Currency Program, and the Quality Samples Program. For 2003, EMP applicants have the opportunity to utilize the Unified Export Strategy (UES) application process, an online system which provides a means for interested applicants to submit a consolidated and strategically coordinated single proposal that incorporates funding requests for any or all of these programs. Applicants are not required to use the UES, but are strongly encouraged to do so because it reduces paperwork and expedites the FAS processing and review cycle.

Applicants planning to use the online system must contact the Marketing Operations Staff at (202) 720-4327 to obtain site access information. The Internet-based application, including step-by-step instructions for its use, is located at the following URL address: <http://www.fas.usda.gov/cooperators.html>. A "Help" file is available to assist applicants with the process. Applicants using the online system are strongly urged to provide a printed or diskette version of each proposal (using Word or compatible format) to one of the following addresses:

Hand Delivery (including FedEx, DHL, UPS, etc.): Marketing Operations Staff, Foreign Agricultural Service, U.S. Department of Agriculture, Room 4932-

South, 1400 Independence Avenue, SW., Washington, DC 20250-1042.

U.S. Postal Delivery: Marketing Operations Staff, Foreign Agricultural Service, U.S. Department of Agriculture, STOP 1042, 1400 Independence Ave., SW., Washington, DC 20250-1042.

### Allocation of Funds

In general, all qualified proposals received before the application deadline will compete for EMP funding. The limited funds and the range of emerging markets worldwide in which the funds may be used preclude CCC from approving large budgets for individual projects. While there is no minimum or maximum amount set for EMP-funded projects, most are funded at a level of less than \$500,000 and for a duration of one year or less. Multi-year proposals may be considered in the context of a strategic detailed plan of implementation. Funding in such cases is normally provided one year at a time, with commitments beyond the first year subject to interim evaluations.

In general, priority consideration will be given to proposals that identify and seek to address specific problems or constraints in rural business systems or food and agribusiness systems in emerging markets through technical assistance activities to expand or maintain U.S. agricultural exports. Priority will also be given to those proposals that include the willingness of the applicant to commit its own funds, or those of the U.S. industry, to seek export opportunities in an emerging market. The percentage of private funding proposed for a project will, therefore, be a critical factor in determining which proposals are funded under the EMP. Proposals will also be judged on their ability to provide benefits to the organization receiving EMP funds and to the broader industry which that organization represents.

A performance report detailing the results of each project supported with EMP funds must be submitted to the Marketing Operations Staff at the address above. Because public funds are used to support EMP projects, these reports will be made available to the public. Complete final financial reports are to accompany performance reports.

### Closing Date for Applications

The deadline for all applications to the EMP is 5 p.m. Eastern Standard Time, March 10, 2003. Announcements of funding decisions for the EMP are anticipated in early July 2003.

Signed at Washington, DC, on January 8, 2003.

**Kenneth J. Roberts,**

*Acting Administrator, Foreign Agricultural Service, and Vice President, Commodity Credit Corporation.*

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## DEPARTMENT OF AGRICULTURE

### Commodity Credit Corporation

#### Announcement of the 2003/2004 Market Access Program

**AGENCY:** Commodity Credit Corporation, USDA.

**ACTION:** Notice.

**SUMMARY:** The Commodity Credit Corporation is inviting proposals for the 2003/2004 Market Access Program.

**DATES:** All applications must be received by 5 p.m. eastern standard time, March 10, 2003.

**FOR FURTHER INFORMATION CONTACT:** Marketing Operations Staff, Foreign Agricultural Service, U.S. Department of Agriculture, Room 4932-S, STOP 1042, 1400 Independence Ave., SW., Washington, DC 20250-1042, (202) 720-4327.

#### SUPPLEMENTARY INFORMATION:

##### Introduction

The Commodity Credit Corporation (CCC) announces that applications are being accepted for participation in the 2003/2004 Market Access Program (MAP). The MAP is designed to create, expand and maintain foreign markets for United States' agricultural commodities and products through cost-share assistance. Financial assistance under the MAP will be made available on a competitive basis and applications will be reviewed against the evaluation criteria contained herein. The MAP is administered by the Foreign Agricultural Service (FAS).

Under the MAP, the CCC enters into agreements with eligible participants to share the costs of certain overseas marketing and promotion activities. MAP participants may receive assistance for either generic or brand promotion activities. The program generally operates on a reimbursement basis.

##### Authority

The MAP is authorized under section 203 of the Agricultural Trade Act of 1978, as amended. MAP regulations appear at 7 CFR part 1485.

### Eligible Applicants

To participate in the MAP, an applicant must be: a nonprofit U.S. agricultural trade organization, a nonprofit state regional trade group (*i.e.*, an association of State Departments of Agriculture), a U.S. agricultural cooperative, a State agency, or a small-sized U.S. commercial entity (other than a cooperative or producer association).

### Application Process

To be considered for the MAP, an applicant must submit to the FAS information required by the MAP regulations set forth in 7 CFR part 1485. Incomplete applications and applications which do not otherwise conform to this announcement will not be accepted for review.

The FAS administers various other agricultural export assistance programs including the Foreign Market Development Cooperator (Cooperator) Program, Cochran Fellowships, the Emerging Markets Program (EMP), the Quality Samples Program (QSP), the Section 108 Foreign Currency Program, the Technical Assistance for Specialty Crops (TASC) program and several Export Credit Guarantee programs. Organizations which are interested in applying for MAP funds are encouraged to submit their requests using the Unified Export Strategy (UES) format. The UES allows interested entities to submit a consolidated and strategically coordinated single proposal that incorporates requests for funding and recommendations for virtually all the FAS marketing programs, financial assistance programs, and market access programs. The suggested UES format encourages applicants to examine the constraints or barriers to trade which they face, identify activities which would help overcome such impediments, consider the entire pool of complementary marketing tools and program resources, and establish realistic export goals. Applicants are not required, however, to use the UES format.

Organizations can submit applications in the UES format by two methods. The first allows an applicant to submit information directly to the FAS through the UES application Internet Web site. The FAS highly recommends applying via the Internet, as this format virtually eliminates paperwork and expedites the FAS processing and review cycle. Applicants also have the option of submitting electronic versions (along with two paper copies) of their applications to the FAS on diskette.

Applicants planning to use the Internet-based system must contact the