

U.S. DEPARTMENT OF COMMERCE

International Trade Administration

AGENCY: Department of Commerce

ACTION: Notice

Mission Statement

Executive-Led Trade Mission to Colombia and Panama

November 15-18, 2010

MISSION DESCRIPTION

The United States Department of Commerce, International Trade Administration, U.S. and Foreign Commercial Service is organizing a Trade Mission to Bogotá and Cartagena, Colombia and Panama City, Panama, November 15-18, 2010, to be led by a senior Commerce official. The mission will focus on helping U.S. companies launch or increase their export business in these promising markets. It will also help participating firms gain market information, make business and industry contacts, and solidify business strategies, towards the goal of increasing U.S. exports to the two markets. The mission will include business-to-business matchmaking appointments with local companies, as well as market briefings and networking events. The mission will be comprised of U.S. firms representing a cross section of U.S. industries with growing potential in the target markets, including, but not limited to the following sectors: building products; computers; components and peripherals; construction equipment; electrical power systems; security and safety equipment; telecommunications equipment; and travel and tourism services.

COMMERCIAL SETTING

Colombia

Colombia ranks solidly with the group of progressive, industrializing countries worldwide that have diversified agriculture, resources, and productive capacities. Despite the global economic crisis, Colombia's economic prospects are positive. Currently, it is the fifth largest market for U.S. exports in the region, after Mexico, Brazil, Venezuela, and Chile, and is ranked 26th as a market for U.S. exports globally. Since the election of President Alvaro Uribe in May 2002 (and subsequent re-election in 2006), Colombia has become one of the most stable economies in the region. Improved security, sound government policies, steady economic growth, moderate inflation and a wide range of opportunities make it worthwhile for U.S. exporters to take a serious look at Colombia.

Infrastructure development has fueled the growth of U.S. exports to Colombia, including opportunities generated by highway, hotel and housing construction in Bogotá and coastal cities such as Cartagena, San Andres, and Santa Marta. Developing the oil and gas industry and sea and river ports are also key priorities for the Uribe administration. An expanding list of emerging best prospects sectors includes computers and components, safety and security, and tourism, among others.

Colombia's increasingly democratic and transparent government and its traditional acceptance of U.S. and international standards, and U.S. brands provide a solid foundation for U.S. firms seeking to do business there. The U.S.-Colombia Trade Promotion Agreement (TPA), signed in November 2006 and pending Congressional approval, would offer tremendous benefits to U.S. exporters. Upon entry into force, (following Colombia's steps to ensure implementation of its obligations), the TPA would provide immediate duty-free entry for 80 percent of U.S. consumer and industrial exports to Colombia, with remaining tariffs phased out over the next 10 years. The TPA would also open the market for remanufactured goods and provide greater protection for intellectual property rights (IPR).

Bogotá, the capital of Colombia, generates approximately 30 percent of the country's total gross domestic product (GDP). Bogotá offers diverse business opportunities in almost all economic sectors. Cartagena is the fifth largest city in Colombia concentrating business opportunities in ports, tourism, oil refinery and industries such as chemical plants, cement and beverages.

Panama

Panama has historically served as the crossroads of trade for the Americas. Its strategic location, bridging two oceans and two continents, has made Panama not only a maritime and air transport hub, but also an international trading, banking, and services center. Trade liberalization and privatization over the last several years, along with the hemispheric movement toward free trade agreements (the U.S.-Panama FTA is also pending), stand to increase Panama's regional and global prominence. Panama's dollar-based economy offers low inflation in comparison with neighboring countries, and zero foreign exchange risk. Its regulatory regimes are generally business friendly. Its government is stable, democratic, and reform minded, and actively seeks foreign investment in all sectors, especially services, tourism and retirement properties. The United States is Panama's most important trading partner, claiming about 30 percent of the import market.

Panama's economy is based on a well-developed services sector, which accounts for about 80 percent of its gross domestic product (GDP). After reaching about nine percent in 2008, economic growth slowed to an estimated 4-6 percent in 2009 in light of global economic conditions and their impact on Panama's service-based economy. The country's major services sectors include the Panama Canal, banking, the Colon Free Zone, insurance, container ports, and flagship registry. The assembly and manufacturing sectors of Panama's economy remain severely underdeveloped, with manufacturing and mining accounting for roughly 14 percent of GDP, and agriculture, forestry and fisheries making up the balance.

Anchoring growth is the \$5.25 billion multi-year Panama Canal expansion program already underway. While the global credit crunch threatens a number of big-ticket residential, commercial and tourism projects, select investment and construction continues, with approximately \$1 billion slated for improvements in electrical generation and port facilities. Panama has potential for growth in the areas of electric power generation, health care services, port services, land development, road construction, water distribution and purification, telecommunications, and tourism.

MISSION GOALS

This trade mission is designed to help U.S. firms initiate or expand their exports to Colombia and Panama by providing business-to-business introductions and market access information.

MISSION SCENARIO

The mission will stop in Bogotá, and Cartagena, Colombia, and Panama City, Panama. In each city, participants will meet with pre-screened potential buyers, agents, distributors, and other business partners. They will also attend market briefings by U.S. Embassy officials, as well as networking events offering further opportunities to speak with local business and industry decision-makers.

PROPOSED MISSION TIMETABLE

Monday, November 15, 2010, Bogotá, Colombia

Market briefing
Matchmaking appointments
Networking reception

Tuesday, November 16, 2010, Bogotá and Cartagena, Colombia

Travel to Cartagena
Matchmaking appointments

Wednesday, November 17, 2010, Cartagena, Colombia and Panama City, Panama

Morning matchmaking appointments and/or site visits
Late afternoon travel to Panama

Thursday November 18, 2010, Panama City, Panama

Market Briefing
Matchmaking appointments
Networking reception

PARTICIPATION REQUIREMENTS

All parties interested in participating in the Executive-led Trade Mission to Colombia and Panama must complete and submit an application package for consideration by the Department of Commerce. All applicants will be evaluated on their ability to meet certain conditions and best satisfy the selection criteria as outlined below. A minimum of seven U.S. companies and maximum of 15 companies will be selected to participate in the mission from the applicant pool. U.S. companies already doing business with Colombia and Panama as well as U.S. companies seeking to enter these countries for the first time may apply.

Fees and Expenses:

After a company has been selected to participate on the mission, a payment to the Department of Commerce in the form of a participation fee is required. The participation fee will be \$4,440 for large firms and \$3,550 for a small or medium-sized enterprise (SME).¹ The fee for each additional firm representative (large firm or SME) is \$450. Expenses for travel, lodging, most meals, and incidentals will be the responsibility of each mission participant. The same fee structure applies to representatives of U.S.-based firms stationed in Colombia, Panama, or neighboring countries.

¹ An SME is defined as a firm with 500 or fewer employees or that otherwise qualifies as a small business under SBA regulations (see http://www.sba.gov/services/contracting_opportunities/sizestandardtopics/index.html). Parent companies, affiliates, and subsidiaries will be considered when determining business size. The dual pricing reflects the Commercial Service's user fee schedule that became effective May 1, 2008 (see <http://www.export.gov/newsletter/march2008/initiatives.html> for additional information).

Conditions for Participation:

- An applicant must submit a completed and signed mission application and supplemental application materials, including adequate information on the company's products and/or services, primary market objectives, and goals for participation. If the Department of Commerce receives an incomplete application, the Department may reject the application, request additional information, or take the lack of information into account when evaluating the applications.
- Each applicant must also certify that the products and services it seeks to export through the mission are either produced in the United States, or, if not, marketed under the name of a U.S. firm and have at least 51 percent U.S. content of the value of the finished product or service.

Selection Criteria for Participation:

Selection will be based on the following criteria, listed in decreasing order of importance:

- Suitability of the company's products or services for the Colombian and Panamanian markets
- Applicant's potential for business in Colombia and Panama, including likelihood of exports resulting from the mission
- Consistency of the applicant's goals and objectives with the stated scope of the trade mission

Referrals from political organizations and any documents containing references to partisan political activities (including political contributions) will be removed from an applicant's submission and not considered during the selection process.

TIMEFRAME FOR RECRUITMENT AND APPLICATIONS

Mission recruitment will be conducted in an open and public manner. Outreach will include publication in the Federal Register, posting on the Commerce Department trade mission calendar

(<http://www.ita.doc.gov/doctm/tmcal.html>) and other Internet web sites, press releases to general and trade media, broadcast fax, notices by industry trade associations and other multiplier groups, and publicity at industry meetings, symposia, conferences, and trade shows.

Recruitment will begin immediately and conclude no later than Friday, September 17, 2010. The U.S. Department of Commerce will review all applications immediately after the deadline. We will inform applicants of selection decisions as soon as possible after September 17, 2010. Applications received after the deadline will be considered only if space and scheduling constraints permit.

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