



## Upcoming NDDA Events

### **Minneapolis Gift Mart (UMAGA)**

August 12 - 15

### **Pride of Dakota Holiday Showcases Grand Forks**

November 4 - 5

### **Minot**

November 11 - 12

### **Fargo**

November 18 - 19

### **Bismarck, ND**

December 2 - 3

## International Trade Shows

### **August 24 - 27**

Expopan Food  
Show Plus!

*Mexico City, Mexico*

### **August 27 - 31**

Western Canadian  
Focused Trade Mission

*Calgary and*

*Vancouver, Canada*

# *North Dakota Department of Agriculture* **International Update**

August 2006

## **Johnson Confident about Cuba Agreement**

The recent illness of Cuban President Fidel Castro and the temporary transfer of power to his brother, Raul, have made news headlines around the world. This change in leadership in Cuba is not expected to affect North Dakota's agreement with Cuba for them to purchase \$20 million of agricultural products.



Commissioner  
Roger Johnson

"I'm very confident the Cubans will honor their agreement with us," Commissioner Johnson says. "They are likely to maintain a valuable trading relationship with the United States, especially when our own federal government is trying hard to discourage any contacts."

Last November, Johnson signed a memorandum of agreement with Cuba for \$20 million in new sales. More than \$8 million has been purchased by Alimport, the Cuban government buying agency. More than \$11 million remains to be purchased this year.

At the end of 2005, North Dakota had sold more than \$21 million in agriculture products to Cuba. Peas accounted for more than 75 percent of the sales. Other commodities sold included wheat, durum, pasta and beans.

The North Dakota Department of Agriculture is currently waiting for visa approval for a Cuban delegation to visit the state in September. On this visit, they will review phytosanitary issues relating to the purchase of North Dakota potatoes.

Commissioner Johnson has been a leader in promoting the sale of agricultural products to Cuba. Since 2002, he has made five visits to the island with numerous North Dakota companies to promote and sell North Dakota products.

"Our trade with Cuba is still small, but growing," says Johnson. "I believe it is important to build a stronger foundation in this relationship, not only for the present benefits, but also in anticipation of the day when full trade is re-established between our two countries. North Dakota has much to offer Cuba."

### **Sept. 12 - 14**

FISA Food Show Plus!

*Sao Paulo, Brazil*

### **Sept. 14 - 20**

Middle East Focused

Trade Mission

*Dubai & Kuwait*

### **Sept. 26 - 29**

World Seafood Moscow

Food Exhibition

*Moscow, Russia*

### **Oct. 3 - 5**

Conxemar 2006

Seafood Show

*Vigo, Spain*

### **Oct. 4 - 6**

Health Ingredients Food  
Show Plus!

*Tokyo, Japan*

## **Domestic Trade Shows & Events**

### **Sept 30 - Oct 7**

World Dairy Expo

Buyer's Mission

*Madison, WI*

### **October 5 - 7**

Natural Products Expo -  
East

*Baltimore, MD*

### **October 8 - 1**

National Association of  
Convenience Stores

*Las Vegas, NV*

## **Japan Imports U.S. Beef Again**

The last newsletter included an article on the Japanese beef ban. As of July 31, 2006, the Japanese government ended its ban on American beef. Japan now allows imports of U.S. beef from cattle 20 months of age or younger from 35 U.S. beef processing centers that were inspected by Japanese officials. The ban had been in place since January 2006 over concerns of bovine spongiform encephalopathy (BSE).

The Japanese were the top buyer of American beef before the first ban was established in December 2003. The Japanese lifted their ban last December, but renewed it in January 2006 after the discovery of backbone material in a meat shipment from New York.

The Japanese ended their ban one week after Agriculture Secretary Mike Johanns announced reductions in the BSE testing program. The program will reduce testing from two hundred thousand to forty thousand. This new number is still ten times the level suggested by the World Animal Health Organization.

News reports indicate that the first shipments of beef could reach Japan in mid-August. The U.S. now hopes to open the South Korean market for American beef.

## **Doha Talks Suspended**

The Doha Development Agenda negotiations are suspended due to disagreements between key players in the agreement. WTO Director, General Pascal Lamy, told the leaders that they will head to a "time out" until progress can be made. Heads of the delegations involved all agree that this will be a setback for countries involved with the negotiations.

Lamy reached the conclusion to suspend the negotiations after talks among the six major members broke down on Sunday, July 23. Ministers from the United States, Australia, Brazil, the European Union, India, and Japan had met in Geneva to try to follow up on instructions from the St. Petersburg Summit.

The main problem occurred when the parties could not agree on two agriculture legs of the triangle of issues - market access and domestic support. The six leaders were not able to move on to the third leg - non-agricultural market access (NAMA) - due to the conflict with the first two issues.

Lamy recommended that countries be given time to reflect on the situation: "Time out to review the situation. Time out to examine available options. Time out to review positions," he said.

Lamy also warned of the dangers of having "Time out" as a possible lost opportunity to integrate more vulnerable members into international trade; a negative signal on the world economy with the possible resurgence of protectionism.

### October 15 - 16

International West Coast  
Seafood Show  
*Las Angeles, CA*

### October 20 - 24

Produce Marketing  
Association  
*San Diego, CA*

### November 8 - 10

SAFE Americas Food &  
Beverage Show & Conf.  
*Miami, FL*

### November 12 - 14

Private Label  
Manufacturers' Assoc.  
*Chicago, IL*

### November 14 - 15

Kosherfest  
*New York, NY*

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Stressing that movement has to come from the members involved, Lamy stressed that it is up to them to choose to make progress or not.

Members shared the disappointment and frustration on the negotiations. Some blamed the deadlock on inadequate offers to make significant cuts in domestic support in agriculture, while others blamed it on market access offers that would not produce increases in trade. Several-blamed the it on the rich countries' demands for improved market access that would put subsistence farmers in poor countries at risk instead of rich countries tackling the distortions of their own countries.

Several members said fingers should not be pointed at individuals, but that the failure was a collective effort on behalf of all the parties involved.

## MIATCO Programs Available to Companies

The Mid-America International Agri-Trade Council (MIATCO) offers a variety of programs and services to help exporters of Midwestern food and agricultural products begin or expand their international sales. These programs range from Exporter Education in which exporters receive information about exporting to Buyers' Missions in which exporters are able to meet with representatives from foreign markets about their product. Here is a full list of MIATCO's services offered to companies:

### Food Export Helpline<sup>sm</sup>

MIATCO provides Midwestern companies with customized, one-on-one assistance on a wide variety of export-related topics. Whether it's a quick question about exporting or long-term assistance, MIATCO's Food Export Helpline can be of service.



### Export Essentials Online

U.S. food companies can learn the complex steps of exporting and how to integrate all the elements of the export transaction at their own pace with these online education modules. A demo and the costs can be accessed on the [Export Essentials Online Homepage](#).

### AgExportLinks

AgExportLinks offers food and agricultural firms simplified access to a nationwide database of qualified, export service providers such as trading companies, export marketing companies, freight forwarders, international bankers, export brokers and more. The database is accessible free of charge.

### Buyers' Missions

MIATCO-sponsored Buyers' Missions allow companies to meet potential overseas customers in person. These meetings take place within the U.S. and enable companies to receive information on markets abroad and feedback on products.

#### Agriculture Commissioner

Roger Johnson

#### Executive Services Program Manager

Ken Junkert

#### Marketing Services

Chuck Fleming

Sara Wagner

Stephanie Fox

The North Dakota  
Department of Agriculture  
is an equal-opportunity  
employer and provider.



### Food Show PLUS!<sup>sm</sup>

MIATCO sponsors Food Show PLUS!<sup>sm</sup> where companies can exhibit their products to representatives of foreign markets. Food Show PLUS!<sup>sm</sup> provides the technical and logistical assistance you need to be a better prepared and more effective exhibitor.

### Trade Leads

MIATCO receives leads, which are disseminated to interested companies, from buyers all over the world. Companies interested in receiving these leads are asked to contact [MIATCO](#) or [Stephanie Fox](#) at the North Dakota Department of Agriculture.

### Market Builder

Exporters who are looking to secure their product in an international market, find new distributors or importers, and receive valuable feedback about their product, can now use the assistance of the Market Builder service.

### Branded Program

The Branded Program is cost-share funding program that provides financial assistance to Midwestern food and agricultural exporters. Companies can use this money for promotional expenses when marketing their products internationally.

### Trade Missions

Companies are able to travel to foreign countries to examine the market within that country. The companies are able to receive market analysis for their product, meet with buyers, and take retail and supermarket tours while in that country.

## NEWS BRIEFS



### GEMS Program Available to Exporters

The North Dakota Department of Agriculture has access to MIATCO's Global Export Market System (GEMS). GEMS is a database designed to generate product specific trade statistics. This is an excellent resource for agriculture or food-based companies needing to conduct initial market research or to get answers to product specific questions. To see what GEMS can do for you or to receive a *free GEMS* market report, please contact [Stephanie Fox](#) (701.328.4763).

### Vietnamese Company Purchases U.S. Corn

A Vietnamese company has purchased U.S. corn. The sale was revealed by the U.S. Grains Council after returning from the Joint Officer's Mission to Vietnam and China recently. The 5,000 metric-ton purchase was made by Lai Thieu, a

private company with three feed mills in Vietnam. The company currently imports U.S. distiller's dried grains with solubles and U.S. soybean meal.

## **India WTO Offer**

Kamal Nath, India's trade chief, outlined what he says is a last offer in struggling global commerce talks at a one-on-one session with the World Trade Organization's top official, WTO Director General Pascal Lamy. While Nath refused to speak in detail about his meeting with Lamy, it appears that India is not proposing a major compromise to boost the talks, which have foundered because of disagreements between rich and poor countries on opening up their markets.

## **Canada Eases Restrictions on Cattle, Beef Imports from U.S.**

Canada has relaxed BSE-related import restrictions on American animals and animal products imposed after a case of mad cow disease was confirmed in Washington State in 2003. Canada will not allow imports of breeding animals born after January 1, 1999, the Canadian Food Inspection Agency says. The prohibition on meat products is now limited to those from which specified risk materials such as brain and spinal tissue have not been removed. Products from animals that have not been slaughtered in an approved method also will remain blocked. Bans on goats and sheep, as well as products from those animals, remain in place until a policy for a resumption in trade is developed.

## **North Dakota Ranks in Leading International Exporting States in Fiscal Year 2005**

USDA reports that North Dakota ranks in the top ten U.S. state international exporters for 2005. It comes in ninth among the states, taking in almost two billion dollars for the year. In individualized categories, North Dakota was number two in wheat, only behind Kansas, and is number one in sunflower seed and oil. The top ten states' ranking is as follows: California, Iowa, Texas, Illinois, Minnesota, Nebraska, Kansas, Washington, North Dakota, and Indiana.