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Agricultural Outlook Forum
U.S. Department of Agriculture

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Foreign Trade and the National Export Initiative

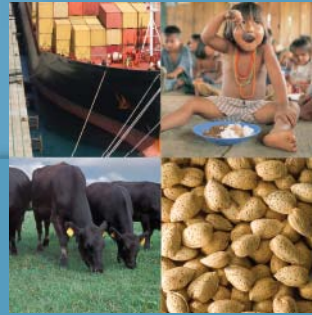
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Foreign Trade and the National Export Initiative

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National Export Initiative

- **What is NEI?**
 - 5-year Obama Administration initiative announced in 2009 State of Union
 - Whole-of-government interagency effort
 - Focused on economic opportunities and jobs
- **Goal**
 - Double U.S. exports by end of 2014, supporting 2 million additional jobs



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How is NEI Different?

- **Specific, quantifiable goal: Double**
 - \$3.14 trillion by end of 2014 (1.57 trillion in 2009)
- **Fixed period of time: 5 calendar years**
 - End of calendar year 2014
- **Whole-of-government approach:**
 - coordination, synergy
 - domestic and overseas
- **Special focus on SMEs**



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2010 Ag Exports (calendar year)

- **Record-high ag exports of \$115.8 billion**
 - 18% increase over calendar 2009
 - Doubling requires 15% annual growth each year for 5 years
 - Total US goods and services exports increased 17% in 2009
- **Top 3 Ag Markets in 2009:**
 - China, \$17.5 billion
 - Canada, \$16.9 billion
 - Mexico, \$14.6 billion



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U.S. Ag Trade Trends (fiscal year)

Higher prices for grains, soybeans and cotton combined with reduced competition and strong demand lead to record exports.





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NEI Strategy

- **Administration's strategy focuses on**
 1. Improving trade advocacy and export promotion efforts
 2. Increasing access to credit
 3. Removing trade barriers
 4. Enforcing trade rules
 5. Pursuing policies at the global level to promote strong, sustainable, balanced growth



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USDA's Focus

- **Export programs** -- promotions, financing, technical assistance, trade missions and trade shows
- **Challenging trade barriers; improving market access**
 - KORUS, Colombia, Panama
 - TPP, WTO DDA
 - Maintaining existing access; preventing regulatory barriers
- **Stakeholder outreach, coordination and partnership**
- **Advocacy and Leadership** – high-level Administration officials as advocates; NEI National Small Business Tour
- **Adequate resources** – FY 2012 Budget Request



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Why It Matters

- **Opportunities are enormous**
 - 95% of world's consumers are outside the US
 - Many developing economies growing rapidly
 - With a growing middle class, diets shift
- **Significant costs to inaction**
- **Benefits of diversifying customer base / risk management**
- **Jobs and economic expansion**
 - every \$1 billion exports is supported by over 8,000 jobs and generates an additional \$1.4 billion in economic activity