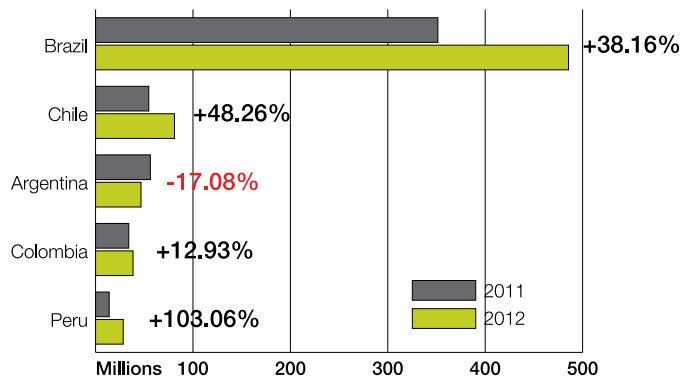




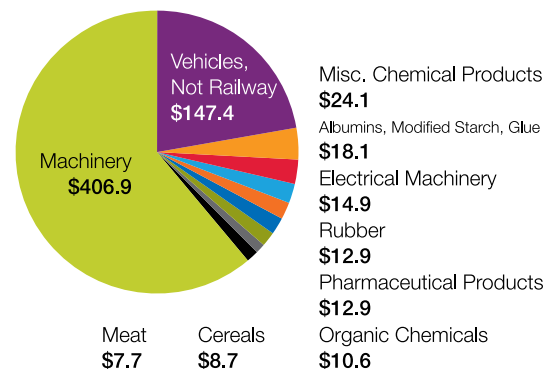
Iowa export news

Exports of Iowa manufactured and value-added goods to South America reached nearly \$726 million in the period between January to August 2012. This is 31 percent greater than the same period in 2011.

Growth rate in Iowa's Top Five South American Markets (January Through August)



Iowa's Exports to Top Five South American Markets in Millions



The Iowa Economic Development Authority (IEDA) has coordinated trade missions to four of the top five South American markets in the last year and a half, including trade missions to Colombia and Peru in July 2011. In July 2012, Governor Terry E. Branstad led a mission to Brazil and Chile. In a teleconference from Santiago during the mission, Governor Branstad and IEDA Director Debi Durham said the delegation was well-received and that they were impressed by the prospects for collaboration in economic areas of mutual interest — particularly agricultural and value-added production, renewable energy, advanced manufacturing and cultural exchanges.

The IEDA works with in-country partners on trade missions to conduct specific research into the markets represented by participating Iowa companies. As a result, companies have one-on-one pre-qualified appointments during the mission whether they are seeking to develop or expand direct export sales, locate distributors or agents, conduct market research or have other goals.

A common factor with three of these markets is their Free Trade Agreements with the United States. Iowa exports to Chile have grown nearly 500 percent since the U.S.-Chile Free Trade Agreement entered into force January 2004. Chile has risen from Iowa's 27th largest export market in 2003 to 19th in 2011. Iowa exports to Peru have risen over 10 percent just since the U.S.-Peru Trade Promotion Agreement entered into force February 2009. The U.S.-Colombia Trade Promotion Agreement has only been in force since May 15 of this year, but Iowa's exports from January to August 2012 are up 13 percent over the same time period in 2011.

For more information on exporting to South America, contact Peggy Kerr at 515.725.3143 or peggy.kerr@iowa.gov.

Iowa Meat Trade Mission to Korea and Japan

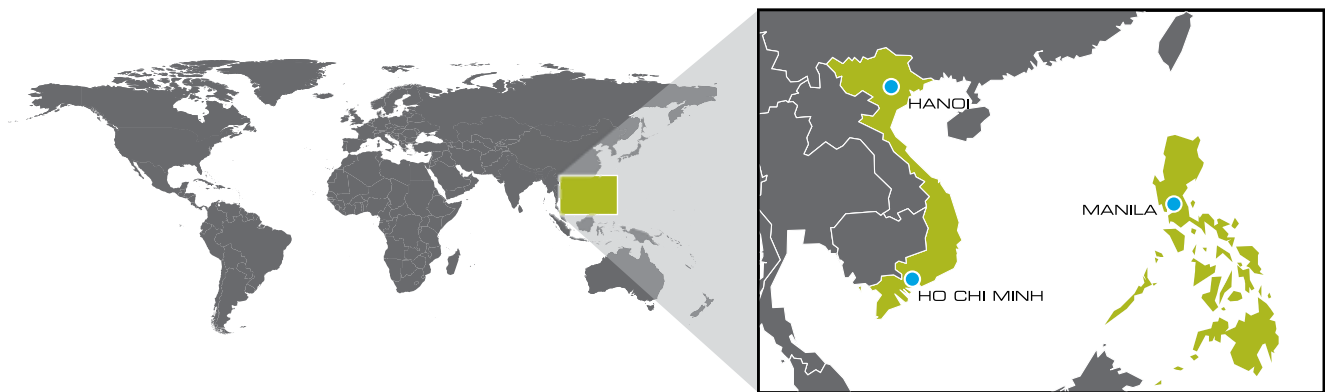
(December 8-15, 2012)

Japan is Iowa's most important export market for Iowa meat suppliers. In 2011, Iowa exporters shipped \$586 million in meat products to Japan and \$196 million in meat products to Korea. High disposable income, embracement of technology, desire to improve the diet and an appreciation for high quality, safe products creates demand for Iowa meat products in Japan. An outbreak of foot-and-mouth disease in Korea led to a big increase in U.S. exports in 2011, but the Korea Free Trade Agreement is creating long-term opportunities for Iowa suppliers. Contact Mark Fischer at 515.725.3140 or **mark.fischer@iowa.gov** if you are interested in participating.

Iowa Trade Mission to Vietnam and the Philippines

(February 22 – March 2, 2013)

Vietnam and the Philippines are burgeoning markets for U.S. products. This spring companies will have the opportunity to launch or accelerate sales in these markets by joining IEDA on a joint trade mission focused on meat and manufactured goods exports to the region. Mission participants will travel to Hanoi, Ho Chi Minh City and Manila the week of February 24, 2013, to provide unique opportunities in dynamic target markets and connect companies with key business and governmental contacts.



A few things you should know:

- Vietnam and the Philippines have a combined population of nearly 200 million people.
- The south Asian markets are growing at over eight percent per year and are eager for quality products, innovative technologies and new business opportunities.
- The U.S. and Vietnam have a bilateral trade agreement and are parties to the Trans-Pacific Partnership Free Trade Agreement.

Who should participate? Anyone with quality products who wishes to expand into these fast growing markets. The fee to participate is \$3,000 which includes:

- Market research
- Commercial briefings
- Assistance in one-on-one meetings with local officials and business leaders
- Advice and experience navigating cultural and language differences

Expenses for travel, lodging and most meals and incidentals are the responsibility of each participant. Don't miss this tremendous opportunity. Applications to attend this trade mission are due November 30, 2012. Questions? Meat exporters, please contact **mark.fischer@iowa.gov** or 515.725.3140. Manufactured goods exporters, please contact **joseph.rude@iowa.gov** or 515.783.4948.

Iowa Trade Mission to Honduras, El Salvador, Mexico

(March 17-23, 2013)

The Central America Free Trade Agreement (CAFTA) is creating opportunities for Iowa companies to increase their exports to Central America, while Mexico continues to be a driver in south of the border meat exports. In 2011, Iowa companies exported \$167 million in pork and \$11.4 million in beef to Honduras, El Salvador and Mexico. Mexico is the second largest economy in Latin America and also the second largest market for Iowa exports with nearly \$2.2 billion exported in 2011 (more than 19 percent of total Iowa exports). Iowa exports to the CAFTA-Dominican Republic (DR) region have increased over 250 percent since the implementation of the free trade agreement in 2006.

This mission is open to ALL industry sectors. One-on-one, pre-qualified appointments will be arranged in each location for participating companies — whether they are seeking to develop or expand direct export sales, locate distributors or agents, conduct market research or have other goals. This mission will explore new opportunities and will also be used to recruit meat buyers to travel to Iowa to meet with suppliers. For more information or to participate, meat processors and exporters should contact Mark Fischer at 515.725.3140 or mark.fischer@iowa.gov and manufacturers should contact Peggy Kerr at 515.725.3143 or peggy.kerr@iowa.gov.

international documentation training, West Des Moines

(April 4, 2013 - 8:30 a.m. – 4:30 p.m.)

IEDA will host an International Documentation Training presented by Allocca Enterprises, Inc. on April 4, 2013. How many times have you filled out a document not knowing what all the required fields meant and copied it from a prior document simply because that has always been how things are done? Have you ever been told that your shipment is “stuck” in customs because of a lack of information or a document is missing or not filled out correctly? How many times has your company been charged for unnecessary “documentation” fees or held up on a shipment because the documents needed corrections? If you want to make sure you are filling things out correctly or have questions, problems or delays due to documentation, this training program is a must.

IEDA's co-sponsors, Iowa Farm Bureau Federation and Center for Industrial Research and Service (CIRAS), will host the event at their headquarters in West Des Moines. Details will be available shortly. Contact Peggy Kerr at 515.725.3143 or **peggy.kerr@iowa.gov** with any questions.





WINDPOWER 2013, Chicago, Illinois

(May 5 – 8, 2013)

"All the Major Players in the Wind Energy Industry Attend and Exhibit at WINDPOWER."

Join the Iowa Economic Development Authority's booth at WINDPOWER 2013. WINDPOWER Conference & Exhibition is the largest, annual wind-focused exhibition in the world - featuring nearly 1,000 exhibitors. This event is the place to see products and services, learn industry brand names, network with leading industry decision makers and generate numerous high-quality business leads.

WINDPOWER® is the focal point for wind professionals to network with and learn from industry leaders and experts, and to discover the latest in industry products and services. All industry peers – and competitors – will be at WINDPOWER 2013; it's where serious wind professionals convene to strengthen their companies, find solutions to business challenges and reconnect with colleagues and friends. For more information and assistance in exhibiting in the Iowa Pavilion at WINDPOWER 2013, contact Brian Crowe at 515.725.3114 or brian.crowe@iowa.gov or Kathy Hill at 515.725.3141 or kathy.hill@iowa.gov.

Africa Trade Mission

(May 2013)

Planning is underway for a trade mission to Africa. The trip will include South Africa, with the possibility of an optional visit to the NAMPO Agricultural Show. All industry sectors are invited to participate. Iowa exports to South Africa grew by 30 percent in 2011 and are up nearly 130 percent for the period from January to August 2012. The World Bank's June Global Economic Prospects indicated that sub-Saharan Africa is one of the fastest growing developing regions in 2011. South Africa accounts for over one third of the region's GDP. But, resource rich economies such as Ghana, Mozambique, Nigeria and Congo, as well as non-resource rich economies, such as Rwanda and Ethiopia, grew by seven percent or more in 2011. A Business Insider's study of the report found that 16 of the 29 countries with the highest growth projections for 2013 and 2014 are in Africa. Contact Peggy Kerr at 515.725.3143 or peggy.kerr@iowa.gov to discuss your experience and markets of interest in Africa.

EMO HANNOVER 2013 - the world of metalworking

(September 16 – 21, 2013)

www.emo-hannover.de/home

EMO Hannover 2013 is the absolute leading trade fair for the metalworking sector. Exhibitors represent an unequalled width and depth of products and services throughout all production areas, from machine tools to precision tools, automation components to customized systems.

Expand your export markets throughout Western, Central and Eastern Europe, the Middle East and beyond by exhibiting at EMO Hannover. It's not too soon to consider your participation, booth space and travel arrangements.

EMO exhibitor sectors include:

- Machine tools for cutting, splitting and milling
- Sheet metal, wire and tube working machines, metal forming machine tools
- Machine tools for thermal, electro-chemical and other processes
- Surface finishing technology, thin-film processes
- Software for entire manufacturing technology area
- Control systems
- Components for flexible automation
- CAD/CAM
- Quality management systems
- Robotics and automation
- Material flow and storage technology
- Industrial electronics, sensor and diagnostic technology
- Precision tools, diamond tools, measuring tools
- Metal forming machine tools
- Machines and systems for tool and mould construction, rapid prototyping, model construction
- Instrumentation and control technology
- Coolants, lubricants
- Welding, cutting, hardening, heating
- Mechanical, hydraulic, electrical and electronic accessories for manufacturing technology

A well-coordinated, pre-show marketing campaign can make all the difference. Let IEDA's International Trade Office in Frankfurt assist you in preparing for EMO 2013.

The fee for comprehensive trade show marketing is \$500 per country.* This service is targeted at Iowa companies planning to exhibit at European trade shows and includes:

- one-on-one consultation with the Iowa company to develop a profile of people/ companies to be targeted
- a customized database of qualified contacts in the target market
- a direct mail campaign prior to the show to potential distributors, agents and end-users (letter on state of Iowa letterhead, including a company brochure and booth number)
- a list of pre-qualified companies interested in doing business with your company
- up to ten hours of post show follow up assistance

**Export Trade Assistance Program (ETAP) funds will be available to eligible companies based on funding availability.*

For further information contact Kathy Hill at 515.725.3141 or kathy.hill@iowa.gov.



Agri Technica - Hanover, Germany

(November 12 – 16, 2013)

www.agritechnica.com

SAVE THE DATE – Agri Technica, the world's leading international exhibition for agricultural machinery and equipment, will be held again in November 2013. Booth space goes quickly, so it's not too early to consider participation. Agri Technica's proximity to central and eastern Europe and the Middle East assures a varied and diverse visitor audience. Not only can companies showcase products and services, but participants can also gather the latest information about trends and topics of current interest by industry.

Agri Technica 2011 facts:

- 419,212 visitors from 83 countries (Including 97,676 international visitors)
- exhibition area of over one million square feet
- 2,704 exhibitors from 47 countries

Let IEDA's International Trade Offices in Des Moines and Frankfurt assist in preparation for exhibition at Agri Technica, provide on-the-ground help during the trade show and follow-up assistance after the show.

Export Trade Assistance Program (ETAP) funds will be available to eligible companies based on funding availability.

For more information contact Kathy Hill at 515.725.3141 or kathy.hill@iowa.gov.

claiming a value added tax refund

IEDA's International Trade Office recently received the following inquiry, and the Frankfurt office assisted in the response.

Question: *How do I claim my VAT (value added tax) refund for trade shows that I exhibited at in Germany and the Netherlands?*

Germany

The German VAT can be reclaimed at the German Federal Central Tax Office. There are minimum amounts (Euro 500 or Euro 1,000) and time limits to reclaim a refund.

- VAT refunds by the Federal Central Tax Office (BZSt)

Source: www.steuerliches-info-center.de/EN/AufgabenDesBZSt/Umsatzsteuerverguetung/umsatzsteuerverguetung_node.html

Foreign businesses can apply to the BZSt for a VAT refund. The application must be made on a form and within a certain period. Information on the conditions governing applications, application forms with notes on completion, memoranda and a list of frequently-asked questions (FAQs) can be found at: www.steuerliches-info-center.de/EN/AufgabenDesBZSt/Umsatzsteuerverguetung/Unternehmer_Drittstaaten/unternehmerDrittstaaten.html?nn=45430

Netherlands

For the Netherlands, the minimum amounts to reclaim VAT are Euro 50 or Euro 400 depending on the time period. The Dutch authority to submit a VAT refund request is the Belastingdienst: www.belastingdienst.nl/wps/wcm/connect/bldcontenten/belastingdienst/business/vat/

General VAT Information

The following link directs you to Deloitte's "European VAT refund guide 2012" which describes the process and requirements for all European Countries in detail.

www.deloitte.com/assets/Dcom-Belgium/Local%20Content/Articles/EN/Services/Tax/VATRefundGuide2012-GTCEurope.pdf

There are a number of organizations and companies that specialize in VAT refund Services – for example:

- The German American Chamber of Commerce in New York provides VAT refund services to U.S. companies. Further information and contacts are available at: www.gaccny.com/en/services/legal-services/german-vat-refund-service/
- Taxback Group (<http://vat.taxback.com/>) is a global VAT service company that was recommended by a U.K. conference organizer to conference attendees.

These are just two of many companies offering VAT refund service.

free trade agreement update

The U.S. Trade Representative announced the U.S.-Panama trade agreement entry into force date as of October 31, 2012. For more information on U.S. Free Trade Agreements, visit www.ustr.gov/trade-agreements/free-trade-agreements

reports

State of Iowa China Representative Office

The state of Iowa China Representative Office issues a monthly agricultural update. Access these reports at the following link: www.repiowachina.com/english/list.php?id=44

State of Iowa Mexico Representative Office

The state of Iowa Mexico Representative Office has a blog on current trade, business, politics and life in Mexico. Access this blog at the following link: www.bdp-americas.com/blog/

Educational Calendar

The IEDA educational calendar can be accessed at the following link:

<http://iowaeconomicdevelopment.com/calendar/displaycalendar.aspx?id=121>

agriculture transportation infrastructure

Submitted by: Mike Steenhoek, Executive Director, Soy Transportation Coalition

U.S. agriculture can accurately be described as ‘attaching a garden hose to a fire hydrant’. The good news is that U.S. farmers are increasingly productive, and we have a growing base of customers around the world. However, if we do not have a transportation system that can accommodate this increased production and deliver it to these customers in a cost-effective manner, farmer profitability will be diminished.

A recent study funded by the soybean checkoff offers warning that underinvestment in the U.S. transportation infrastructure, coupled with increased investment among our competitors, could significantly erode our competitive advantage in the international marketplace.

The study, “Farm to Market – A Soybean’s Journey,” was commissioned to develop a more precise understanding of how U.S. soybeans and other agricultural products – both nationally and on a state by state basis – are transported to customers and the obstacles to efficiency and profitability that these transportation challenges may present.

According to the study, between now and the year 2020/2021, U.S. soybean planted acreage is projected to increase 11.5 million acres and yield an additional 1.1 billion bushels. Over the same period, China is expected to double its volume of soybean imports from 1.9 billion to 3.9 billion bushels. As a result, demand for rail carloadings of U.S. soybeans is projected to increase by 36 percent and barge loadings is expected to increase by 55 percent.

The study highlights many of the inadequacies of the transportation infrastructure that serves U.S. agriculture. America’s locks and dams are increasingly dilapidated and in need of major repair. Significant dredging of ports and shipping channels must occur to maintain ability to export. Railroads, an increasingly critical mode of transportation for agriculture, will likely not keep pace with the needs of expanding soybean production. Finally, America continues to devote minimal resources to upgrading our highways and bridges to a standard that 21st century agriculture requires.

The full results of the study can be accessed at www.soytransportation.org.

Established in 2007, the Soy Transportation Coalition is comprised of eleven state soybean boards, the American Soybean Association, and the United Soybean Board.

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