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Upcoming Events

BUYERS MISSIONS

[Winter Fancy Food Show Buyers Mission](#)
San Francisco, CA
January 14-17, 2012

[Northeast Buyers Mission](#)
Philadelphia, New York, Boston
February 18-20, 2012

[AFFI Frozen Food Buyers Mission](#)
San Diego, CA
February 18-20, 2012

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International Newsletter

4th QUARTER



November 2011

North Dakota Indonesia & Vietnam Trade Mission

The North Dakota Trade Office (NDTO) and Agriculture Commissioner Doug Goehring will lead 12 companies on an eight-day trade mission to Indonesia and Vietnam beginning Nov. 30.

The delegation, which includes North Dakota value-added agriculture companies, commercial businesses and higher education officials, will work to expand North Dakota's presence in the Asia-Pacific markets.

"Our goal is to capture greater market share in each of the industries that will be represented during this mission, in both Indonesia and Vietnam," said NDTO Executive Director Dean Gorder. "Both countries are key in the Asia-Pacific market, which continues to be an important export destination, both for North Dakota and the country as a whole."

The first stop on the trade mission will be in Jakarta, Indonesia; the second portion of the trip will be focused in Ho Chi Minh City, Vietnam.

North Dakota companies participating in the mission include Brushvale Seed, SK Foods, Richland Organics, JB Global, SB&B Foods, SunOpta, Unity Seed, JM Grain, North Dakota Mill, Healthy Oilseeds, Cherrington Enterprises and Dickinson State University.

"Vietnam was our number 50 trading partner 10 years ago; now it is number 15, while Indonesia has more than doubled its imports from North Dakota in just the past few years," said Agriculture Commissioner Doug Goehring. "Although both countries are already valued trading partners, we believe North Dakota can supply much more of the products they want."

Indonesia is Southeast Asia's largest economy and a top-ten market for U.S. agricultural products as well as a top 30 market overall for U.S. products. North Dakota exports to Indonesia have increased from \$1.8 million to \$4.6 million since 2005. Year-to-date, exports from North Dakota to Indonesia have increased 84 percent.

A true emerging market, Vietnam's economic growth rate has been the highest in the world in recent years, expanding at an average of 7.2 percent per year during the last decade. Since the U.S.-Vietnam Bilateral Trade Agreement (BTA) was signed in 2001, trade between the two countries has increased \$2.9 billion in 2002 to \$18.6 billion in 2010. North Dakota exports to Vietnam have increased from \$141,118 in 2005 to approximately \$625,750 today.

New Free Trade Agreements Will Benefit ND Producers



Agriculture Commissioner Doug Goehring predicts North Dakota will be a big winner with the passage of the new trade agreements with South Korea, Columbia and Panama.

“Most American products exported to these countries will become duty-free immediately on implementation of the agreements,” Goehring said Tuesday. “This translates into increased export opportunities for North Dakota agricultural products, such as wheat, soybeans and pulse crops.”

Implementing legislation was signed Monday by President Obama.

Goehring said North Dakota exports to Colombia and South Korea are estimated to reach \$11 million and \$12 million, respectively. The agreement

with Panama lifts tariffs on 87 percent of U.S. goods to that country.

“South Korea now has a \$250 per-ton markup on soybean imports and a 40 percent tariff on beef imports,” Goehring said.

“Panama has an average tariff of 15 percent on agricultural imports, but that figure can reach as high as 260 percent.”

Goehring said Colombia’s complex tariff system can impose levies as high as 248 percent on wheat and barley, 150 percent on soybeans, 194 percent on some corn products and 60 percent on dry peas, beans and lentils.

“Obviously, the removal of these tariffs and duties will go far in leveling the playing field for our farm exports to these

countries,” Goehring said. “The benefits to American agriculture could be incalculable.”

Goehring said companies interested in learning more about exporting to Colombia, Panama and South Korea or want to know about upcoming trade activities in these countries should contact the Fargo office of the North Dakota Department of Agriculture at 701-239-7211.

North Dakota’s total agricultural exports, estimated at \$3.3 billion in 2010, support an estimated 27,700 on-farm and off-farm jobs, and are an important contribution to the North Dakota farm economy.

Tariff schedules for the three countries can be found at:

www.fas.usda.gov/scripts/wtopdf/wtopdf_frm.asp

<http://export.gov/FTA/ftatarifftool/index.asp>

Learn More on these FTAs:



[Overview of US-Panama Agreement](#)
[How the Trade Agreement Will Benefit North Dakota](#)



[Overview of US-Colombia Agreement](#)
[How the Trade Agreement Will Benefit North Dakota](#)



[Overview of US-Korea Agreement](#)
[How the Trade Agreement Will Benefit North Dakota](#)

Commissioner Goehring Awards Specialty Crop Grants



Agriculture Commissioner Doug Goehring has awarded 10 grants totaling more than \$640,000 to promote the development and cultivation of specialty crops in North Dakota.

“Specialty crops, such as vegetables and fruits, are increasingly important in North Dakota, as more consumers look to local food sources, especially for fresh produce,” Goehring said. “These grants will help boost production and sales of these crops, ensuring North Dakota producers play a larger role in the ‘go local’ movement.”

Specialty crops are defined in law as “fruits and vegetables, tree nuts, dried fruits and horticulture and nursery crops, including floriculture.”

Goehring said organizations and agencies receiving grants include the following:

· Foundation for Agricultural & Rural Resources Management & Sustainability (FARRMS): \$26,500 for

increasing fruit and vegetable production to supply North Dakota farm and school programs

· National Sunflower Association: \$76,160 for eliminating sunflower rust in confection sunflower through aggressive breeding and isolate identification

· North Dakota Farmers Market and Growers Association: \$25,500 for increasing farmers market viability through training and vendor recruitment

· Northarvest Bean Growers Association: \$61,000 for product and market development of North Dakota specialty crop foods

· Williston Ag Diversification Group: \$85,340 to enhance the competitiveness of specialty potato variety Mondak Gold (MNI5620) and evaluate multi-state potato breeding lines for processing and fresh specialty markets.

· North Dakota Department of Agriculture: \$99,010 to continue the Going Local North Dakota Initiative to develop local foods infrastructure

· North Dakota State University: \$204,416 for four projects, including:

· \$55,612 for development, agronomic performance, and quality testing of slow darkening pinto beans

· \$50,516 to partner with the State Seed Department to gain a marketing advantage for North Dakota seed potatoes by demonstrating they are free of the potato virus PVYntn

· \$61,114 to partner with the University of Minnesota to develop nitrogen management practices to reduce acrylamide levels in processed potato products

The North Dakota Department of Agriculture (NDDA) administers the program with funds provided by the Agricultural Marketing Service of the U.S. Department of Agriculture. The funds were appropriated in the 2008 Farm Bill. North Dakota was allocated \$641,925.69. NDDA received 25 grant applications totaling \$1,328,174.

www.agdepartment.com

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BUYERS MISSIONS

[Pet Food Buyers Mission](#)
Orlando, FL

February 28-March 1, 2012

[Natural Products Expo West Buyers Mission](#)
Anaheim, CA
March 8-11, 2012

FOOD SHOW PLUS!

[Food Show PLUS! at ISM](#)
Cologne, Germany

January 29-February 1, 2012

[Food Show PLUS! at Japan's Supermarket Trade Show](#)
Tokyo, Japan

February 1-3, 2012

[Food Show PLUS! at Gulfood](#)
Dubai, UAE

February 19-22, 2012

FOCUSED TRADE MISSIONS

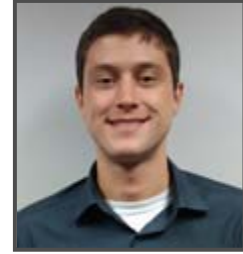
[Focused Trade Mission to India for Food Service](#)

India
March 10-14, 2012

[Focused Trade Mission to Vietnam for Retail Products](#)

HCM City, Vietnam
April 22-26, 2012

Food Export Welcomes Paul Weiss!



Paul Weiss is the new Outreach and Customer Service (OACS) Coordinator for Food Export - Midwest. Paul is based out of the Chicago office. He is dedicated to seeing North Dakota food and agricultural companies take advantage of the increasing global demand for their quality products to grow their businesses.

He will be working in conjunction with Stephanie Sinner of the North Dakota Department of Agriculture to achieve this goal. They will be working with ND exporters in 2012 on utilizing Food Export—Midwest programs for expanding export sales.

Paul began his tenure with Food Export in September after earning his bachelor's degree in Agriculture Economics with a focus on international trade. Paul has a passion for international trade and understands the benefits it can provide to the US agricultural sector.

You can reach out to Paul at (312) 334-9221 or pweiss@foodexport.org. He can help on any Food Export—Midwest related questions you may have.

Branded Program 2012 Enrollment

Funds are still available for the 2012 Branded Program year. Funds are allocated on a first-come, first-serve basis, so sign up for the Branded Program today!

Food Export-Midwest's Branded Program works to help small businesses through the financial requirements of the export process. This program provides a 50% cost reimbursement for qualifying international marketing activities. To qualify for reimbursement, products must meet regional requirements. Activities covered may include

package modifications, advertising, exhibition fees, and more. The program runs from January 1st to December 31st and allows for a minimum request level of \$2,500 and a maximum of \$300,000.

To learn more about this program or submit your pre-qualification worksheet, visit Food Export-Midwest's [website](#). If you have further questions, you can also view an [instructional webinar](#) about the Branded Program or call our office at (701)239-7211 to set up a one-on-one meeting to discuss how this program can benefit your company.

NDDA in Farm and Ranch Guide Series

Farm and Ranch guide completed a three-part series highlighting the efforts and success of the North Dakota Department of Agriculture's Trade and Market Development Division and their efforts in promoting North Dakota exporters. You can find all three articles on the Farm and Ranch Guide website.

www.farmandranchguide.com



NDDA Website Update

The North Dakota Department of Agriculture's website has been updated! Now, information about department events, news, programs, and opportunities are even more easily accessible.

Check out the new website !

www.agdepartment.com



Features

Feature Markets: Indonesia & Vietnam

Vietnam and Indonesia are a part of the six countries that participate in the Association of Southeast Asian Nations (ASEAN). In 2009, 96%, or \$6.2 billion in U.S. food and agricultural exports were sent to this region. As these countries become more and more developed, there is an ever growing demand for Western-style food products. Indonesia's hotel and restaurant industry is becoming more urbanized, now serving both local and international cuisines. This urbanization has necessitated Indonesian dependence on imports from the United States. Additionally, Indonesia is home to the world's largest Muslim population. Therefore, agricultural exports produced according to halal requirements

are the best sellers. The best market prospects for Indonesia include fresh fruit, frozen French fries, frozen vegetables, confectionery, and snack foods. Snacking is a part of Indonesian culture, and continues to be a burgeoning market.

Vietnam is one of the ASEAN fastest growing economies. The country's government is continually opening its door to more free trade. Income levels and economic growth are rising in Vietnam, enabling consumers to spend more on high-quality food products. The retail sector in Vietnam is becoming ever more sophisticated, with the best product prospects being dairy, frozen meat, poultry, snack foods, and confectionary.

In 2010, North Dakota exporters sent over \$2 million of dried, shelled peas to Indonesia. Other products exported included wheat, oil seeds, and millet. In the same year, the top product North Dakota exporters sent to Vietnam was soybeans, exporting \$169,000 of beans.

Food Export-Midwest country profiles of Indonesia and Vietnam are available at the following: [Vietnam](#); [Indonesia](#).



Business Etiquette Tips for Vietnam & Indonesia

When in Vietnam...

- The Vietnamese generally shake hands both when greeting and when saying good-bye. Shake with both hands, and bow your head slightly to show respect. Bow to the elderly who may not extend their hand.
- Vietnamese women are more inclined to bow their head slightly than to shake hands.
- When dining in Vietnam the host may serve guests, but will usually just invite everyone to begin helping themselves.
- Food is placed on dishes in the center of the table from which each person helps him/herself.
- People in Vietnam are generally quite punctual and expect foreigners to be the same. However, they are flexible and accommodating when situations occur such as traffic delays and other situations.

When in Indonesia...

- When meeting for the first time shake hands and give a slight nod. After the first meeting, and handshake is not necessary; a slight bow or nod of the head is sufficient. Only shake the hand of an Indonesian woman if she initiates the greeting.
- Indonesians prefer extended business interactions. An initial meeting may last 45-60 minutes without accomplishing much. After this amount of time, the visitor should initiate leaving.
- Insisting on a written contract is a breach of trust to Indonesians, although many understand a Westerner's need for such documents. A contract should be viewed as a guideline rather than a statement of duties and responsibilities.
- Any business discussions at social event should be initiated by Indonesians.

For more information on cultural business etiquette visit: <http://www.ediplomat.com>

Food Ingredients-China 2012 Booth Space Now Available

Booth space is now available for Food Ingredients-China which will take place on March 28-30, 2012 in Shanghai, China. This year the show will be hosted in the new, Shanghai World Expo Center. Each year over 1000 exhibitors from over 20 countries attend the show and this year, the show is officially endorsed by the United States Department of Agriculture. This endorsement will open up eligibility for additional amenities to exhibitors during the show.

Food Export-Midwest will offer Food Show PLUS! services at the show, the cost of which is included in the \$3900 show fee. Additionally, \$3600 of the fee is eligible for Branded Program reimbursement. The booth package includes a booth with electricity and furniture, signage, and shipping for product samples. Food Show PLUS! services include one-on-one meetings with buyers, market briefings, product research, translation of materials, and more.

If you're interested, please register online today at www.foodexport.org or call Stephanie at (701)239-7211.

The following products are in high demand for the show and regional buyers:

- Bakery ingredients
- Beans
- Beverage concentrates
- Dried fruits
- Flavors
- Healthy/natural ingredients
- Milk products
- Oils/fats/fat replacers
- Seeds and nuts
- Soya products
- Spices
- Starch
- Sweeteners
- Thickeners
- Other processed foods



Doug Goehring

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