



# The Americas Update

## January 2004

### Export News

**Argentina-** IMPORTS showed a sharp increase at the end of 2003. Capital goods and consumer goods imports increased. Analysts attribute the increase to the recovering economy and low tariffs on capital equipment. According to Camilo Tiscornia, economist of the Ferreres Group, this rise is due to the strengthening of the Argentine economy. Argentine Minister of Economy Roberto Lavagna stated that this 0% import duty extension granted to Argentina would help local industry modernize and refurbish itself, a task that has become highly expensive since the devaluation of the local currency in 2002. This tariff elimination applies only to imports of new equipment. A New Common Regime for capital goods imports from countries outside the trade zone will start January 1<sup>st</sup>, 2006 (IMI 12/03).

**Barbados-** The GOVERNMENT OF BARBADOS (GOB) through the Barbados Investment and Development Corporation strongly encourages foreign direct investment in Barbados, particularly in those productive industries that create jobs and earn foreign currency. Special incentive packages govern the Hotel Industry, Manufacturing, and Offshore Business Services (IMI 12/03).

**Brazil-** ON DECEMBER 22, 2003 the Minister of Industry and Development together with the president of CAMEX – Camara de Comércio Exterior (International Trade Chamber), announced a reduction of 1.5 percent on the TEC – Tarifa Externa Comum (the Mercosur Common External Tariff or the equivalent to HTS). With this reduction, basically all products imported into Brazil will pay 1.5 percent fewer duties, beginning in January 2004.

There are plenty of reasons for international investors to pay attention to investment opportunities in Brazil, especially those in infrastructure projects that are on the government's list of priorities for the next four years (the Plano Plurianual, 2004-2007.) These projects are estimated at US\$ 120 billion.

Projects include the re-channeling of the São Francisco River, estimated at US\$ 3 billion, the upgrading of 100 thousand kilometers of highways, and the construction of hydroelectric power stations, estimated at US\$ 10 billion. More than five thousand kilometers of natural gas pipes will be installed. Other investments in transportation, energy, housing, and sanitation are also essential. Good examples are: completion of the Suape Port, creation of new access to Santos Port, completion of the Fernão Dias and Régis

Bittencourt highways, the enlargement of the Goiás-São Paulo highway, and the Rio de Janeiro belt way (IMI 12/03).

**Canada-** 2010 WINTER OLYMPICS in Vancouver, the largest city in Canada's western province of British Columbia (B.C.), will host the 2010 Olympic Winter Games. Over TWO BILLION DOLLARS of Olympic related projects are planned for the Vancouver greater metropolitan area and the nearby ski resort of Whistler.

The U.S. Commercial Service office in Vancouver can arrange appointments for U.S. companies with B.C. businesses to initiate or increase exports to western Canada. For additional information regarding details about the projects listed above, as well as feedback for opportunities in the British Columbia market overall, please contact:

Cheryl Schell, Commercial Specialist  
U.S. Consulate General  
1095 West Pender Street Vancouver, B.C. V6E 2M6  
Tel: 604 642-6679, Fax: 604 687-6095, e-mail:  
[Cheryl.schell@mail.doc.gov](mailto:Cheryl.schell@mail.doc.gov)

CANADA'S ENVIRONMENTAL MARKET, valued at US\$10 Billion, offers huge opportunities for American firms. U.S. environmental companies interested in initiating or expanding exports to Canada should consider participating in Globe 2004, Canada's premier environmental exhibition & conference. For more information on the Globe 2004 options, please contact Cheryl Schell, Commercial Specialist, U.S. Commercial Service Vancouver, Canada Tel (604) 642-6679, Fax: (604) 687-6095 or [cheryl.schell@mail.doc.gov](mailto:cheryl.schell@mail.doc.gov). Also, please see Trade Events below (IMI 12/03).

**Chile-** CREDIT INSURANCE OPPORTUNITIES continue to grow for U.S. companies in Chile. Credit insurance premiums in Chile are set to grow 30 percent this year reaching US\$15.6 million, compared to last year. Credit insurance premiums have increased an average of 34 percent during the last two years (2000/2001) and have been the fastest-growing insurance segment over the last five years in Chile (IMI 12/03).

**Mexico-**FEDERAL COMMISSION OF ELECTRICITY announced, in the Diario Oficial (Official Gazette) dated December 30, 2004, an international public tender that includes optic fiber cables, digital multiplexors, and digital hierarchy communications access nodes (IMI 01/23/2004).  
<http://www.buyusainfo.net/info.cfm?id=122969&keyx=EFFFE2D07B603FB442CCF0053290E145&dbf=imi1&loadnav=no>

## Trade Events



[Register: Attend Conference](#)

[Register: Attend Exhibits](#)

[Register: To Exhibit](#)

[Register: USA Seminar Series](#)

**EXPO COMM MEXICO 2004** is a U.S. Department of Commerce certified trade show. In its 13th year, it is Mexico's leading telecom, IT, wireless, networking and Internet technologies exhibition and conference. For more information, contact: The U.S. Commercial Service, U.S. Embassy in Mexico encourages U.S. companies interested in market opportunities in Mexico to participate in the USA Pavilion and Product Literature Center at EXPO COMM MEXICO 2004, February 10 to 13.

To Register Click: [Exhibitors](#)  
[Exhibit Attendees](#)  
[Conference Attendees](#)

To request a letter of invitation for EXPO COMM Mexico 2004 please contact:  
Blanca Pastor: [blancapastor@ejkrause.com](mailto:blancapastor@ejkrause.com)

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|--|---|
| <b>GLOBE 2004   YR8</b><br>8 <sup>TH</sup> BIENNIAL TRADE FAIR & CONFERENCE ON<br>BUSINESS & THE ENVIRONMENT - VANCOUVER<br><b>March 31 – April 2</b><br>CONVENTION & EXHIBITION CENTRE, VANCOUVER, CANADA | <b>GLOBE Awards</b><br>Applications<br>due February 6, 2004 |
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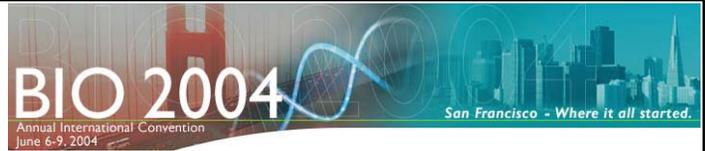
**GLOBE 2004** is the 8th event in a series of biennial conferences and trade fairs on the business of the environment. From March 31st to April 2nd, GLOBE 2004 will bring together government decision makers, corporate executives, and environmental technology innovators from around the world to discuss current trends and showcase technology solutions for the world's environmental problems.

To Register Click: <http://www.globe2004.com/>

### The GLOBE Foundation of Canada

World Trade Center  
Suite 504 - 999 Canada Place  
Vancouver, British Columbia  
Canada V6C 3E1

(604) 775-7300 (North America)  
(604) 666-8123 (Fax)  
1-800-274-6097 (Toll-Free)



The **BIO** Annual Convention is the largest trade event for the U.S. biotech industry and has drawn strong interest from Japanese industry representatives.

### BIO Conventions & Conferences

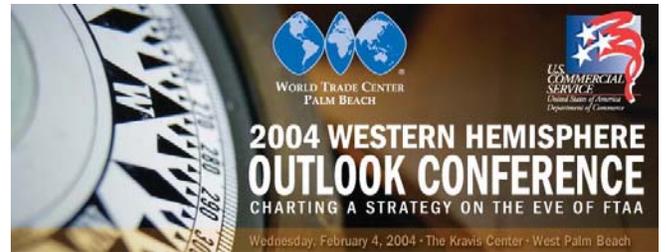
Phone: (202) 962-6655

Fax: (202) 589-2545

E-mail: [bio2004@bio.org](mailto:bio2004@bio.org)

To Register Click:

<http://www.bio.org/events/2004/req/index.asp>



The **2004 Western Hemisphere Outlook Conference** will deliver a series of concurrent sessions and presentations designed to:

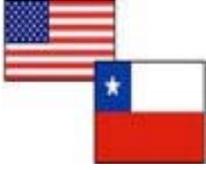
- Evaluate your current strategy (regardless of it's level of detail).
- More clearly define your international business objectives.
- Offer regional and industry insight and recommendations that you can apply to your business immediately.
- Connect you directly with the US Commercial Service experts in the exact markets where you want to be.

Registration will cost \$95.00 for all workshops, registration materials, market reports, breakfast and luncheons, breaks, cocktail reception, and parking.

[Click here to register](#)

For more information contact Morgan Criddle at (561) 712-1443 or by E-mail at [outlook@wtcpalmbeach.com](mailto:outlook@wtcpalmbeach.com)

## Country Spotlight Chile



The U.S.-Chile Free Trade Agreement entered into force on January 1, 2004. At that time, more than 85% of two-way trade in consumer and industrial goods became duty free. Duties on other products will gradually be phased out over a 12-year period.

In order to take advantage of the benefits for U.S. goods under this agreement, exporters will need to understand how to determine that their goods are [originating](#) or qualify for preferential duty treatment under the U.S.-Chile FTA Rules of Origin.

Some may find the concept of qualifying one's goods to be a complicated one. U.S. exporters will find information [here](#) to help guide them through the process. Users of this site should keep in mind that only the U.S.-Chile FTA text itself and the customs regulations of Chile that may be issued to implement the Agreement are definitive.

Lower duty rates are certainly not the only benefit provided by the U.S.-Chile Free Trade Agreement. The agreement also contains commitments by both countries on many non-tariff issues including; [intellectual property rights](#), [services](#), [investment](#), [temporary entry of business/technical persons](#), and [telecommunications](#).

Under the U.S.-Chile FTA, Chile is obligated to adopt stronger protection and enforcement provisions for copyrights, trademarks, patents, and trade secrets. Chile is also required under the agreement to remove restrictive regulatory barriers in place for U.S. service providers. These changes, among others, will provide U.S. businesses with a more accessible and more easily navigable Chilean market.

The U.S.-Chile FTA will eliminate tariffs on U.S. and Chilean goods over a ten-year period for industrial goods and a twelve-year period for agricultural products. However, over 85% became duty-free immediately upon implementation of the FTA.

### To determine when your product can enter Chile duty-free:

1) It is first necessary to obtain the [appropriate HS number](#) for your product.

2) With this number it is then possible to check the [Chilean tariff schedule](#), which is found in Annex 3.3 to Chapter Three of the FTA to find out at what rate the duties on your product will be reduced. The U.S.-Chile FTA tariff schedules code each line item with a letter, indicating the staging by which the current tariff for each item is reduced and ultimately eliminated. The schedules also note the base rate of customs duty, which is used to determine the starting point and interim rate at each stage of reduction for an item. For purposes of eliminating duties, interim stage rates shall be rounded down, at least to the nearest tenth of a percentage point. (See [Sample Calculations](#) below.)

For importing goods from Chile to the United States, you would check the [U.S. tariff schedule](#), which is also located in Annex 3.3 to Chapter Three.

**Information Source: Market Access and Compliance and Trade Information Center**

## Useful Websites



TENDERS AND PROCUREMENT OPPORTUNITIES  
DATA BASE:

<http://www.dgmarket.com/>

The link above takes you to the dgMarkets, affiliated with the World Bank. This database allows your company to search North and South America by country or by region for Tender or Procurement opportunities. Specific rules, exceptions, and restrictions apply and are made known through the website. This database also allows for wider searches that include other regions of the world.