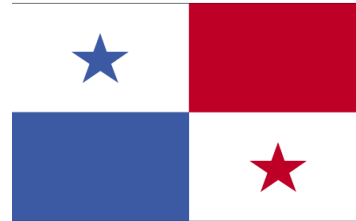


CENTRAL AMERICA TRADE MISSION – FEBRUARY 5-11, 2012



Guatemala



Panama

The International Trade Office of the Iowa Economic Development Authority (IEDA) will lead a trade mission to Guatemala City, Guatemala and Panama City, Panama February 5-11, 2012. The Central America Free Trade Agreement (CAFTA) and the recently approved Panama Free Trade Agreement are creating opportunities for Iowa companies to grow their exports in Central America. In 2010, Iowa exports to Guatemala grew by 21 percent and 217 percent to Panama to reach more than \$39 million.

This mission will include a meat group, grain group and individual manufacturing companies. The meat group will focus on pork and beef and is open to all meat companies with plants in Iowa. We will be partnering with the US Meat Export Federation to arrange meat meetings. The grain group will focus on corn and soybeans and is open to all grain companies with facilities in Iowa. Manufacturing companies will have their own individual meeting schedules.

Space is limited for trade mission participation. The deadline for application is **December 15, 2011**. Read further for more information or contact Mark Fischer at 515.725.3140 (mark.fischer@iowa.gov).

Market Information

Guatemala



Guatemala is the northernmost country in Central America with Mexico to the north and west, Belize and the Atlantic Ocean to the east, Honduras and El Salvador to the southeast and the Pacific Ocean to the south.

The United States is Guatemala's main trading partner. Guatemalan GDP reached an estimated USD 41.3 billion in 2010 and exports from the United States to Guatemala increased by 15 percent to USD 4.4 billion. For the five year period that the Dominican Republic-Central America-United States Free Trade Agreement (CAFTA-DR) has now been in force (2006-2010), U.S. exports to Guatemala grew by 57 percent, the largest increase among all the CAFTA-DR countries. Export growth is expected to continue in 2011 and beyond.

U.S. products and services enjoy strong name recognition in Guatemala, and U.S. firms have a good reputation in the Guatemalan marketplace. It is estimated that more than one third of all Guatemalan imports come from the United States. With a population of around 14 million, it is the largest country in Central America and accounts for more than one-third of the region's GDP. The capital, Guatemala City, has a population of almost 3 million and features first-class hotels and restaurants.

Under CAFTA-DR, about 92 percent of U.S. industrial and consumer goods enter Guatemala duty-free, with the remaining tariffs scheduled to be phased-out by 2015. Nearly all textile and apparel goods that meet the agreement's rules of origin are now traded duty-free and quota-free.

Under CAFTA-DR, about 89 percent of U.S. agricultural exports now enter Guatemala duty-free. Guatemala will eliminate its remaining tariffs on nearly all agricultural products by 2020.

The Guatemalan market is competitive. Guatemalan businesspeople are price sensitive and expect good after-sales service and support. They are accustomed to doing business with U.S. firms and many Guatemalans travel regularly to the United States and speak English.

The Guatemalan economy expanded rapidly over several years, until the global recession in 2009. Remittances, almost entirely from the U.S., are an important source of foreign income. In 2010, Guatemalans living in the United States sent an estimated USD 4.1 billion in remittances, which accounts for approximately 11 percent of GDP.

During 2010, exports of traditional agricultural products (sugar, bananas, cardamom, and coffee) performed well, in addition to non-traditional agricultural exports, such as prepared food, vegetables, and fruits. Tourism has also developed significantly and should continue to grow.

Additional Guatemala information is available at:

[Country Commercial Guide – Guatemala](#)

[Guatemala – leading sectors for U.S. products](#)

[FAS Exporter Guide – Guatemala](#)

[FAS Retail Sector – Guatemala](#)

[FSIS Export Library for Guatemala](#)

Panama



Panama has historically served as the crossroads of trade for the Americas. Its strategic location as a land bridge between two oceans and the meeting of two continents has made Panama not only a maritime and air transport hub, but also an international trading, banking and services center. Panama's global and regional prominence is being enhanced by recent trade liberalization and privatization. Panama's dollar-based economy offers low inflation in comparison with neighboring countries and zero foreign exchange risk. Its government is stable and democratic and actively seeks foreign investment.

Panama's economy is based primarily on a well-developed services sector, accounting for about 75 percent of GDP. Services include the Panama Canal, banking, the Colon Free Zone, insurance, container ports, and flagship registry. Panama is currently engaged in the Panama Canal expansion project.

The U.S. is Panama's most important trading partner, with about 30 percent of the import market, and U.S. products enjoy a high degree of acceptance in Panama. However, international competition for sales is strong across sectors.

The Colon Free Zone (CFZ), the second largest in the world after Hong Kong, is a vital trading and transshipment center serving the region and the world. CFZ imports – a broad array of luxury goods, electronic products, clothing, and other consumer products – arrive from all over the world to be resold, repackaged, and reshipped. Because of this product mix, U.S. market share is somewhat lower in the CFZ than in Panama. Hong Kong is the CFZ's biggest supplier, while Colombia and Ecuador are the two largest destinations for exports from the CFZ.

Consumer attitudes and many brand preferences are similar to the U.S. U.S. television, radio and magazines are all available and popular in Panama. Panamanians frequently travel to the U.S. for vacation, medical treatment, study and business. Their buying patterns and tastes are similar to those of U.S. consumers.

U.S. goods and services enjoy a reputation for high quality and are highly competitive. Panama boasts the highest per capita GDP in the region at an estimated USD 16,235 in 2010. However, income distribution is highly skewed toward a relatively small, consumer goods-oriented, economically powerful class. This class enjoys a very high level of disposable income. They prefer high quality trend-setting goods.

The expansion of the Panama Canal – a USD 5.25 billion project that will double capacity and allow passage of post-Panamax vessels – was approved in a national referendum in 2006 and started in 2007. The Government of Panama sees this project as essential to maintaining its stature in global transport and hopes to complete it in 2014.

Additional market background information is available at:

[Doing business in Panama](#)

[Top U.S. prospects in Panama](#)

[FAS Exporter Guide - Panama](#)

[FAS Foodservice HRI Report - Panama](#)

[FSIS Export Library for Panama](#)

Trade Mission Details

Sectors: There will be a meat group itinerary open to the pork and beef sectors. Individual meat companies/exporters are invited to participate and will have some individual appointments with buyers. There will be a grain group itinerary open to corn, soybean and co-products sectors. Individual grain companies/exporters are invited to participate and will have some individual meetings. Manufacturing companies are also invited to participate and will have individual appointment schedule. Product analysis will be conducted to determine appropriateness of each mission destination prior to finalizing participation.



Itinerary: Participants will arrive in Guatemala City on Sunday afternoon/evening, February 5, 2012. Sunday evening will be orientation and briefing. Monday and Tuesday will be group or individual meetings. Participants will fly to Panama City Wednesday morning. Panama meetings will be Wednesday afternoon, Thursday and Friday. Participants depart for the U.S. on Saturday, Feb. 11.

Basic Mission Fee: \$3,000 per participating Iowa company which includes individualized in-country business appointment schedules, interpreters, group ground transportation, reasonable ground transportation expenses for business appointments, briefings and hosted meals, pre- and post-mission assistance, on-site support while in Guatemala and Panama, pre-mission business briefing and complete mission planning.

STEP Export Trade Assistance Program (ETAP Funding): Through ETAP, the International Trade Office will reimburse up to 75 percent of an Iowa company's eligible direct expenses to exhibit at a qualified trade show/mission taking place outside the United States, up to \$4,000 per pre-approved event. Companies can access these funds up to three times for events October 31, 2011 to September 30, 2012. Details and application information can be viewed at [ETAP](#).

Estimated Mission Expenses:

Download the summary of mission costs as well as potential ETAP reimbursement for eligible Iowa companies: [\[PDF: 138k\]](#)

Passport/Visa Requirements: A valid passport is required for U.S. citizens traveling to Guatemala and Panama. A visa is not required for U.S. citizens.



General Travel Information:

The following web sites provide links to international travel and health information.

[U.S. Department of State](#)
[Centers for Disease Control and Prevention](#)

Travel Insurance and Travel Health Insurance

U.S. medical insurance plans often do not provide coverage for health costs when traveling abroad, let alone allow for emergency expenses such as medical evacuation. Many companies offer supplemental policies. Resources for international medical emergency services, health insurance and health information are available upon request.

Application Information

The deadline for trade mission application is **December 15, 2011**.

1. Mission Application. [\[MS Word: 273k\]](#)
2. Participation Fee of \$3,000
Checks payable to IEDA Foundation. Invoice available upon request
3. ETAP Application Information, if applicable [Click here](#).
4. Traveler Information Sheet [\[MS Word: 27k\]](#) - [\[PDF: 19k\]](#)
5. Brief (2-3 paragraph) company/product description for use in a promotional brochure
6. Electronic version of relevant marketing materials, company web site, etc.

Submit application materials via e-mail and/or mail to:

Mark Fischer
Iowa Department of Economic Development
200 East Grand Avenue
Des Moines, IA 50309

Contact Mark Fischer at 515.725.3140 (mark.fischer@iowa.gov) with any questions.

[Return to International Events](#)