Grow Your Exports to the Caribbean and Central America Webinar
Great Lakes St. Lawrence Governors & Premiers

- More than 30 years of collaboration among the region’s chief executives:
  - Chair: Wisconsin Governor Tony Evers
  - Vice Chair: Ohio Governor Mike DeWine

- Growing the region’s economy and protecting the world’s greatest freshwater system
Great Lakes St. Lawrence Governors & Premiers

Award-Winning Project Portfolio

**Economy**
- Promoting SME Exports
- Growing Strong Clusters
  - Maritime Transportation
  - Tourism
  - Cruising
- Attracting Foreign Investment

**Environment**
- Managing Sustainable Water Use
- Restoring and Protecting the Great Lakes St. Lawrence
GSGP Trade Missions

PROVEN RESULTS

1,000+ companies assisted per year
$1.06 billion in 2016-2021 export sales
32+ trade missions

Abu Dhabi, Argentina, Australia, Brazil, Chile, Czech Republic, Colombia, Dubai, Germany, India, Indonesia, Mexico, New Zealand, Peru, Poland, Romania, South Africa, Qatar, Québec, Tanzania, Thailand, Turkey, Vietnam, UAE and the United Kingdom
Recipient of 2020 President’s “E” Award for Export Service

The President’s “E” Award is the highest recognition any U.S. entity can receive for making a significant contribution to the expansion of U.S. exports.
Introductions

40 + countries across the English, French and Spanish Caribbean/Central America

71.5 million people

Over USD 57 billion in imports from the Caribbean & Central America for 2019.

DR imports were 9.2 billion for 2019

GSGP, Caribbean Trade Office (CTO) Staff Presence
Introductions

GSGP, Caribbean Trade Office (CTO) Members
Introductions

Richard Zurba  Kemi Linton  Juan Millan
Executive Director  Director, Caribbean  Director, CARD

GSGP, Caribbean Trade Office (CTO) Key Contacts
Presentation Outline

• Overview of Caribbean Markets

• Key Development Trends

• Sector Specific Trends

• Regional Distribution, Shipping and Logistics
The CARIBBEAN/CENTRAL AMERICA REPRESENTATION
Overview of Caribbean/Central American/DR Market

Long historical trading relationship with the USA through the:

• Caribbean Basin Economic Recovery Act 1984 (CBERA)


• Haitian Hemispheric Opportunity through Partnership Encouragement Act 2008 (HOPE)

• Haiti Economic Lift Program 2010 (HELP)

• Dominican Republic-Central America-USA Free Trade Agreement (CAFTA-DR)
### Overview of Caribbean/Central American/DR Market

<table>
<thead>
<tr>
<th>REGION</th>
<th>USA GOODS EXPORTS (2019)</th>
<th>USA GOODS IMPORTS (2019)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Caribbean</td>
<td>$26.5 billion</td>
<td>$11.3 billion</td>
</tr>
<tr>
<td>Central America</td>
<td>$31.4 billion</td>
<td>$20.8 billion</td>
</tr>
</tbody>
</table>

Source: (http://tse.export.gov/)
Overview of Caribbean/Central American/DR Market

- Caribbean Diaspora in the USA
- Familiarity with USA Brands, Taste, Culture
- Imports from the USA have been beneficial due to proximity and quality.
- High food imports & linkages with the tourism sector
- High tourist destination, approximately 50% USA.
- Regulatory environment open to USA products.
Bahamas summary

• Total imports from Great Lakes states: **82 million dollars**

• **Main states:** New York, Illinois, Pennsylvania, Ohio

• **Main products:** machinery, vehicles, iron and steel.
Barbados summary

• Total imports from Great Lakes states: **36 million dollars**

• **Main states**: New York, Illinois, Pennsylvania, Ohio

• The imports really concentrate in two categories: nuclear reactors and machinery and essential oils and cosmetics

• **Main products**: Nuclear reactors, electric machinery, essential oils and cosmetics, chemical products.
Belize summary

- Total imports from Great Lakes states: 17 million dollars
- Main states: Illinois, Ohio, Pennsylvania
- Imports are very concentrated: they come mostly from the three main states.
- Main products: Vehicles, nuclear reactors, machinery, meat.
Jamaica summary

• Total imports from Great Lakes states: **132 million dollars**

• Main states: Illinois, New York, Ohio, Pennsylvania

• In the food category the main imports are prep cereal, flour, starch or milk and bakers wares.

• Main products: Nuclear reactors, electric machinery, food and vehicles.
Trinidad & Tobago summary

• Total imports from Great Lakes states: 178 million dollars


• Main products: Nuclear reactors, electric machinery, medical instruments and food.
Key Business Trends

• Technology and digital services/other professional services

• Infrastructural development/Construction

• Maritime sector development

• Tourism and linkages across sectors

• Food security: Agriculture, Agri-tech, Food

• Sustainable development, Renewable Energy/energy efficiency, waste management
Sector Specific Trends

• Guyana: oil and gas and major infrastructural development projects

• Organisation of East Caribbean States (OECS): Blue economy/port development, construction and digital services/e-commerce, retail, innovation

• CARICOM/CA: Food and Fast Moving Consumer Goods, Retail, Health Products, Agri-tech, Infrastructure, Construction, Tourism & Hospitality, Port/Maritime sector

U.S. exported over US$2 billion in U.S. consumer-oriented foods to the Caribbean Basin in 2018, a growth of 4% from the prior year. (www.foodexport.org)
Regional Distribution, Shipping and Logistics

- Regional distribution, local distributors, end-users
- Weekly shipping routes
- Similar border clearance procedures
- Supply chain disruptions and impact on the region
Trade between the USA and the Caribbean has been built on:

• Reliability

• Trusted brands, product quality

• Proximity-weekly shipping routes

• Experience

• Cultural Proximity
CENTRAL AMERICA + REPÚBLICA DOMINICANA = CARD
Total population 65 million!
Total GDP 420.3 billion USD!
Central American migration to the USA

- The Great Lakes states in the USA are home to **480,000 migrants** from Central America.
- The most important location in Great Lakes is the New York metro area (48%).

<table>
<thead>
<tr>
<th>State</th>
<th>Migrants</th>
</tr>
</thead>
<tbody>
<tr>
<td>New York</td>
<td>282,072</td>
</tr>
<tr>
<td>Illinois</td>
<td>62,524</td>
</tr>
<tr>
<td>Pennsylvania</td>
<td>36,201</td>
</tr>
<tr>
<td>Ohio</td>
<td>29,700</td>
</tr>
<tr>
<td>Indiana</td>
<td>20,765</td>
</tr>
<tr>
<td>Minnesota</td>
<td>20,207</td>
</tr>
<tr>
<td>Michigan</td>
<td>18,331</td>
</tr>
<tr>
<td>Wisconsin</td>
<td>10,269</td>
</tr>
</tbody>
</table>
GDP growth

- Strong growth predicted after covid
- Remittances reached $34B during the pandemic: 10% increase

<table>
<thead>
<tr>
<th>País</th>
<th>2019</th>
<th>2020a</th>
<th>2021b</th>
</tr>
</thead>
<tbody>
<tr>
<td>Costa Rica</td>
<td>2,1</td>
<td>-4,5</td>
<td>3,0</td>
</tr>
<tr>
<td>El Salvador</td>
<td>2,4</td>
<td>-8,6</td>
<td>3,5</td>
</tr>
<tr>
<td>Guatemala</td>
<td>3,8</td>
<td>-2,5</td>
<td>3,5</td>
</tr>
<tr>
<td>Honduras</td>
<td>2,7</td>
<td>-8,0</td>
<td>4,5</td>
</tr>
<tr>
<td>Nicaragua</td>
<td>-3,9</td>
<td>-4,0</td>
<td>1,3</td>
</tr>
<tr>
<td>Panamá</td>
<td>3,0</td>
<td>-11,0</td>
<td>5,5</td>
</tr>
<tr>
<td>República Dominicana</td>
<td>5,1</td>
<td>-5,5</td>
<td>5,0</td>
</tr>
<tr>
<td>Promedio CARDc</td>
<td>3,2</td>
<td>-6,1</td>
<td>4,2</td>
</tr>
</tbody>
</table>

2021 growth 4.2% (CARD average)
Several regional integration treaties and initiatives since 60’s.

**General Treaty of Central American Economic Integration:**
- Free trade for 99% of the goods of Central American origin
- Common tariffs for third-country goods
- SIECA is the authority that oversees the implementation of this treaty

**Customs union:** next step in the integration. Guatemala and Honduras started a customs union in 2017, which El Salvador joined in 2018.
Multilateral funds

- International cooperation provides opportunities to work in Central America
  - Important role of USAID (with EU, Japan, etc.)
  - Foreign cooperation funds involve higher compliance requirements
International cooperation

- The US government has announced a **4-year strategy** addressing **migration** from Central America (Guatemala, Honduras, El Salvador)

- **4 billion USD** investments in Central America.

- **Public-private partnership**
World-class ports

Freight (TEU) in main ports (2019)

<table>
<thead>
<tr>
<th>Country</th>
<th>Port</th>
<th>TEU (2019)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Guatemala</td>
<td>Quetzal</td>
<td>507,810</td>
</tr>
<tr>
<td></td>
<td>Barrios</td>
<td>420,827</td>
</tr>
<tr>
<td></td>
<td>Santo Tomás</td>
<td>565,389</td>
</tr>
<tr>
<td>El Salvador</td>
<td>Acajutla</td>
<td>249,472</td>
</tr>
<tr>
<td>Honduras</td>
<td>Cortés</td>
<td>643,856</td>
</tr>
<tr>
<td></td>
<td>Castilla</td>
<td>110,000</td>
</tr>
<tr>
<td></td>
<td>San Lorenzo</td>
<td>36,851</td>
</tr>
<tr>
<td>Nicaragua</td>
<td>Corinto</td>
<td>167,798</td>
</tr>
<tr>
<td>Costa Rica</td>
<td>Caldera</td>
<td>298,175</td>
</tr>
<tr>
<td></td>
<td>Limón - Moin</td>
<td>218,688</td>
</tr>
<tr>
<td></td>
<td>TCM</td>
<td>1,011,703</td>
</tr>
<tr>
<td>Panamá</td>
<td>Balboa</td>
<td>1,762,417</td>
</tr>
<tr>
<td></td>
<td>PSA</td>
<td>873,361</td>
</tr>
<tr>
<td></td>
<td>Colón</td>
<td>784,252</td>
</tr>
<tr>
<td></td>
<td>Manzanillo</td>
<td>2,313,346</td>
</tr>
<tr>
<td></td>
<td>Cristóbal</td>
<td>975,213</td>
</tr>
<tr>
<td></td>
<td>TOTAL</td>
<td>10,939,158</td>
</tr>
</tbody>
</table>
Roads and airports

6,525 km

ROADS

Estadísticas aeroportuarias (2019)

<table>
<thead>
<tr>
<th>País</th>
<th>Aeropuerto</th>
<th>Año</th>
<th>Volumen de carga (ton)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Guatemala</td>
<td>La Aurora</td>
<td>2019</td>
<td>70,845</td>
</tr>
<tr>
<td>El Salvador</td>
<td>Monsenor Oscar Arnulfo Romero y Gallardo</td>
<td>2018</td>
<td>92,777</td>
</tr>
<tr>
<td>Honduras</td>
<td>Toncontín</td>
<td>2018</td>
<td>19,972</td>
</tr>
<tr>
<td>Nicaragua</td>
<td>Augusto César Sandino</td>
<td>2017</td>
<td>25,639</td>
</tr>
<tr>
<td>Costa Rica</td>
<td>Juan Santa María</td>
<td>2019</td>
<td>92,072</td>
</tr>
<tr>
<td>Panamá</td>
<td>Tocumen</td>
<td>2019</td>
<td>121,205</td>
</tr>
</tbody>
</table>

TOTAL 422,510

Fuente: SIECA
Connectivity and infrastructures

- Coordinated border management program

- Customs modernization
  - RFID technology
  - Automated cameras

- DUCA: single customs document for trade

- Regional logistics plan
Costa Rica summary

• Total imports from Great Lakes states: 929 million dollars

• Precision equipments like optic, photo, medical and surgical from Minnesota, and electronics from Indiana are the highest exports.

• Main products: industrial, like precision equipment, electric equipment and electronics, machinery, plastics.

• Main suppliers: Minnesota, Indiana, Illinois.
Dominican R. summary

- Total imports from Great Lakes states: **1.217 billion dollars**

- Diversity of products. The two most important ones, oil and tobacco, are exported only from Pennsylvania and represent 29% of the total exports.

- **Main products:** oil, tobacco, precious stones, machinery and equipment.

- **Main states:** Pennsylvania, New York, Illinois
El Salvador summary

• Total imports from Great Lakes states:
  169 million dollars

• Diversity of exports, distributed between different states. Textiles and aircraft from New York are the highest item.

• Main suppliers: New York, Illinois, Ohio

• Main products: machinery, textiles, food and vehicles
Guatemala summary

- Total imports from Great Lakes states: **470 million dollars**

- **Main states**: Illinois, Pennsylvania, New York, Ohio.

- **Main products**: machinery, vehicles, textiles, unclassified.

<table>
<thead>
<tr>
<th>State</th>
<th>IL</th>
<th>PA</th>
<th>NY</th>
<th>OH</th>
<th>WI</th>
<th>IN</th>
<th>MI</th>
<th>MN</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>106</td>
<td>100</td>
<td>86</td>
<td>85</td>
<td>30</td>
<td>24</td>
<td>23</td>
<td>15</td>
</tr>
</tbody>
</table>
Honduras summary

• Total imports from Great Lakes states: **326 million dollars**

• Imports are diverse, coming from different states and involving a variety of products.

• **Main states:** Indiana, Illinois, Pennsylvania

• **Main products:** electronics, meat, plastics, machinery.
Nicaragua summary

- Total imports from Great Lakes states: 60 million dollars
- Main products: meat, machinery, textiles, electronics
Panama summary

• Total imports from Great Lakes states:

  374 million dollars

• Panama is the only country with high pharma imports, mainly from Indiana.

• **Main states**: Illinois, Pennsylvania, Ohio, Indiana, New York

• **Main products**: pharma, machinery, vehicles, electronics
Final tips

- It is a promising market: agri-business, tourism or near-shoring,

- With their own challenges corruption, insecurity, market differences…

- Hard to find a partner that covers both CA and DR

- Long sales process and based on personal relations and more casual style…

  - it takes time but CARD is worth the ride!
Q & A

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  • Email: gsgp@gsgpcto.net

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GSGP Trade Mission to South Korea & Japan 2022

Multi-Sector Trade Mission
February 21-25, 2022

Each mission participant will receive a customized schedule of B2B meetings to meet with prospective customers and business partners.

Mission Costs:
In-Person Participation Fee: US $1,500 per company (additional company participant $500)
Includes group ground transport, networking events, briefing and logistical assistance.

Brief Market Research & Customized Appointment Setting Fee*: South Korea US $2,970  Japan US $4,000
* Grant funding is available in many States to offset from 50-75% of mission costs.

Registration Deadline: December 15, 2021
http://www.gsgp.org/projects/international-trade/trade-missions/

Postponed
Israel Trade Mission

May 15-19, 2022

- Multi-Sector Trade Mission to Israel
- Mission Participation Fee US $1,500 per company (each additional participant $500)
- Appointment Setting Fee US $3,200 IL, MI, OH, PA Complimentary

**Mission registration deadline: February 18, 2022**

- Grant funding is available in many States to offset travel costs and mission fees.

Questions?