



# TRADE ?

- Trans-Pacific Partnership, CUBA, CAFTA, NAFTA, Tri-National Trade, CHINA, EUROPE



# Economic Value of US Agriculture

- Economic output of over \$177.2 Billion
- Contributed over \$835 Billion to GDP (4.8%)
- Food accounts for 12.6 percent of American household's expenditures
- The overall contribution to GDP is larger when you consider forestry, fishing, food services, beverages, textiles, tobacco, leather products, apparel etc.

# Agricultural Employment

- Ag and its related industries provide 9.3 percent of total US jobs; 17.3 million full and part time jobs.

Direct on-farm over 2.6 million jobs.

Related industries over 14.7 million jobs.

Food and beverage establishments 11.4 million jobs.

# Value of Ag Exports

- 2017 US Ag Exports forecast at over \$ 133 Billion. Imports at \$ 113.5
- Louisiana Produced Ag Exports over
- \$ 8.3 Billion.
- Net trade surplus \$ 19.5 B.

Handcrafted For  
Louisiana Trade Mission to Cuba  
JULY 12-17, 2016  
"Bridging Cuba & Louisiana in the 21st Century"









# LOUISIANA LEADS ALL US STATES IN EXPORTS TO CUBA OVER THE LAST DECADE

US State Exports to Cuba, 2006-2015 (Millions of USD)

Rank	State	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	Total 2006-2015
1	Louisiana	140.5	173.3	250.3	181.0	120.1	112.3	176.5	144.9	88.8	14.3	1401.9
2	Virginia	25.9	32.6	40.7	56.9	32.4	64.5	66.4	38.5	25.0	41.6	424.6
3	Florida	36.4	42.0	52.8	29.6	28.6	50.0	71.0	39.2	38.6	34.8	423.0
4	Georgia	16.8	15.4	45.8	42.7	61.4	16.8	36.4	27.6	64.8	30.9	358.7
5	Texas	57.8	57.8	96.2	54.3	1.5	6.7	0.1	0.1	0.1	0.1	274.8
6	Connecticut	0.0	0.0	32.8	66.5	56.6	36.1	0.0	0.0	0.0	0.0	192.0
7	Mississippi	0.2	0.4	5.8	47.4	18.6	17.9	21.9	53.7	19.2	0.5	185.7
8	Alabama	8.6	3.0	14.1	7.7	3.8	8.8	41.9	27.4	32.9	26.7	174.8
9	Minnesota	11.5	21.1	51.9	5.3	1.1	0.0	0.0	0.3	0.2	0.5	91.9
10	North Carolina	1.2	3.3	17.7	17.4	12.5	10.8	12.9	0.2	9.8	5.4	91.1
11	Iowa	2.5	0.9	0.0	1.1	0.0	15.0	26.3	7.1	1.9	0.0	54.7
12	Nebraska	3.3	18.9	21.1	1.3	2.9	0.0	0.0	0.0	0.0	0.0	47.5
13	Illinois	1.3	5.6	8.3	9.4	2.2	3.0	2.7	5.3	3.1	3.4	44.3
14	Arkansas	1.4	1.4	0.0	4.8	12.6	0.1	0.0	0.0	4.5	12.6	37.3
15	Missouri	4.8	0.4	9.0	1.8	0.0	0.0	0.1	4.7	0.0	0.0	20.8

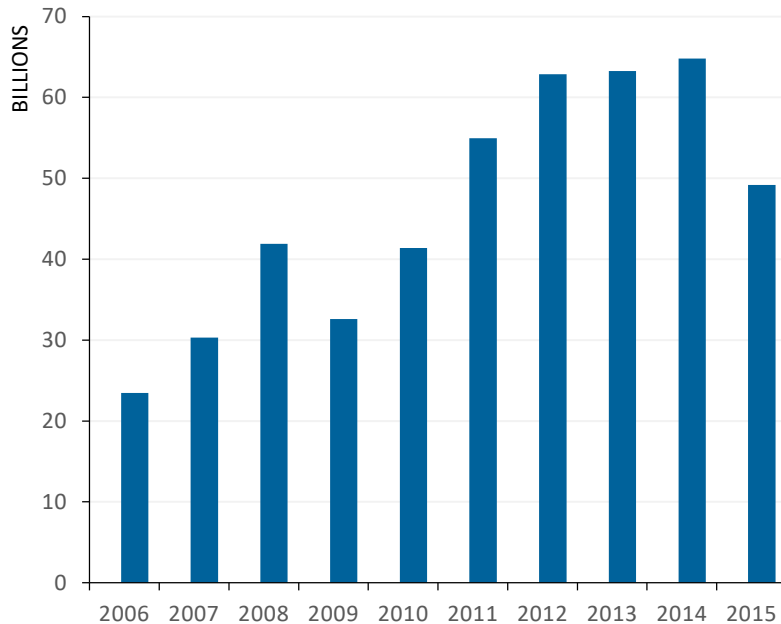
# LOUISIANA'S PRIMARY EXPORTS TO CUBA INCLUDE FOOD AND AGRICULTURAL PRODUCTS

**Louisiana Exports to Cuba, 2006-2015** (Thousands of USD)

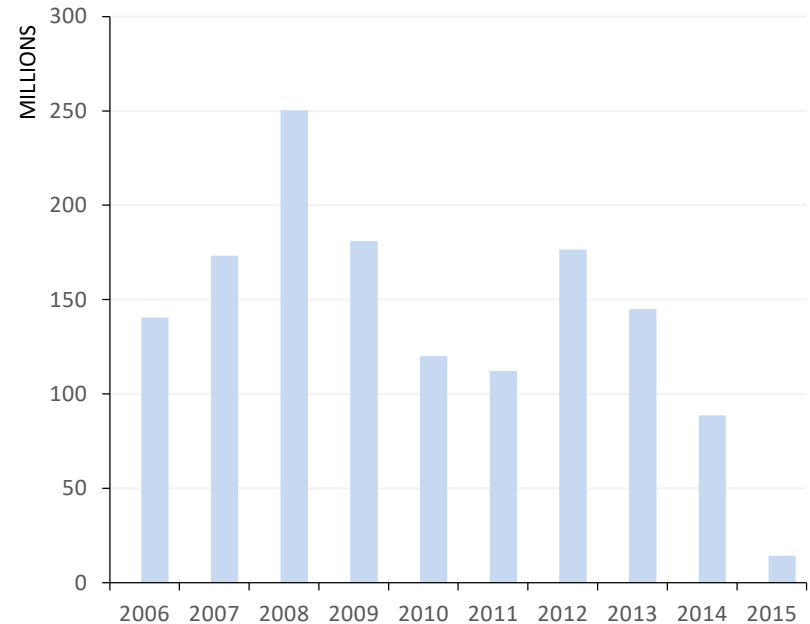
Top Exports by NAICS Code	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
311--Food Manufactures	63,336.6	68,660.9	43,395.4	68,260.3	27,033.6	17,252.4	38,716.1	76,679.7	54,868.1	6,436.9
111--Agricultural Products	76,882.7	90,512.9	185,766.5	99,124.0	69,852.4	71,834.8	110,386.3	57,956.5	33,902.9	4,882.5
325--Chemicals	0.0	0.0	4,203.3	0.0	0.0	0.0	0.0	0.0	0.0	3,005.7
990--Special Classification Provisions	72.7	363.6	0.0	148.9	0.0	0.0	0.0	75.8	0.0	0.0
339--Miscellaneous Manufactured Commodities	0.0	0.0	143.7	0.0	0.0	75.1	0.0	0.0	0.0	0.0
326--Plastics & Rubber Products	0.0	115.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
322--Paper	128.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
314--Textile Mills Products	105.3	38.2	0.0	0.0	169.2	0.0	0.0	0.0	0.0	0.0
312--Beverages & Tobacco Products	0.0	13,578.9	16,803.9	13,489.0	23,010.2	23,127.2	27,349.3	10,187.8	0.0	0.0

# LOUISIANA HAS SEEN RAPID GROWTH IN ITS WORLDWIDE EXPORTS, THOUGH EXPORTS TO CUBA HAVE DECLINED

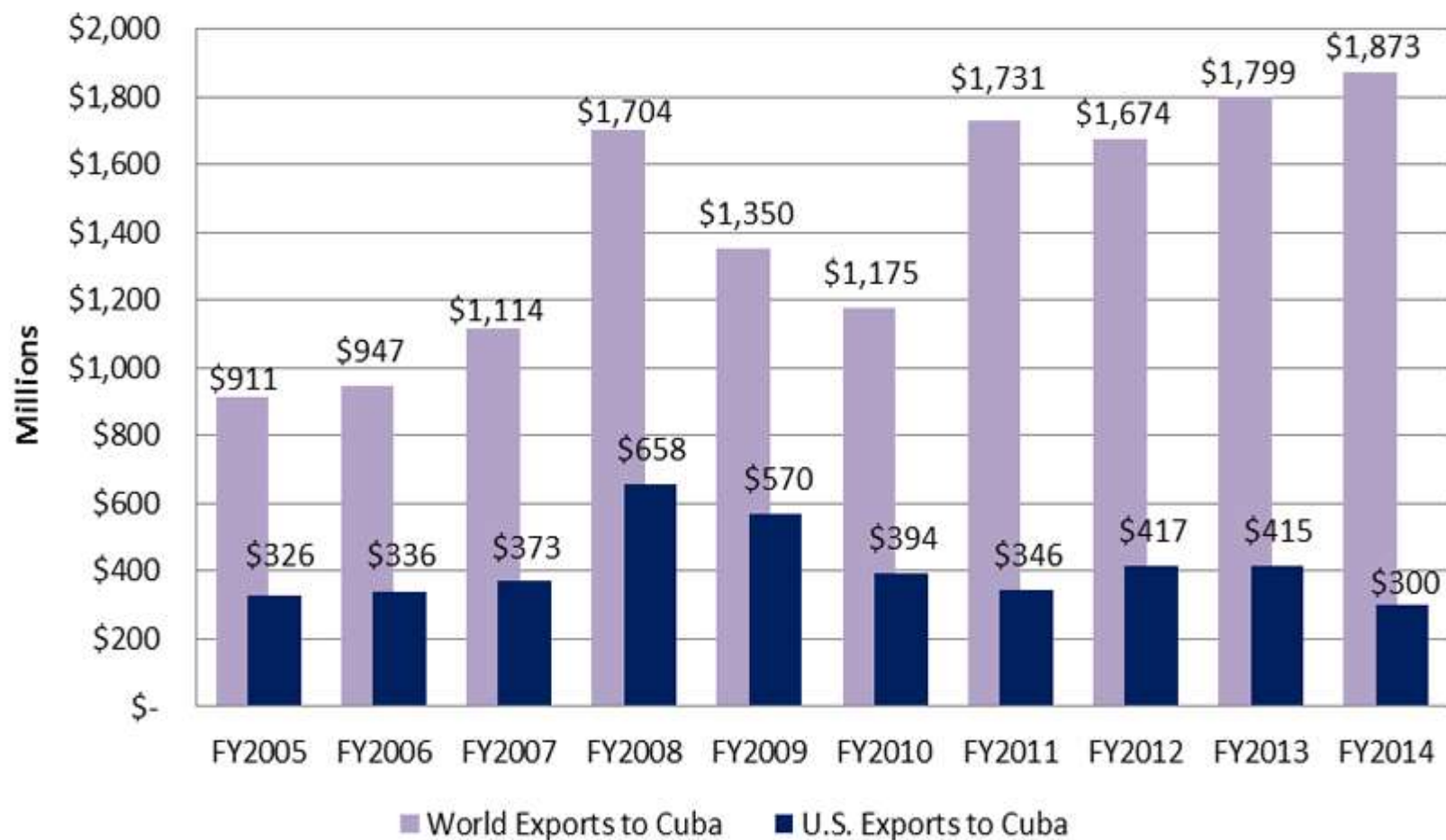
**Total worldwide exports from Louisiana**  
2006-2015 (USD)



**Total Cuban exports from Louisiana**  
2006-2015 (USD)



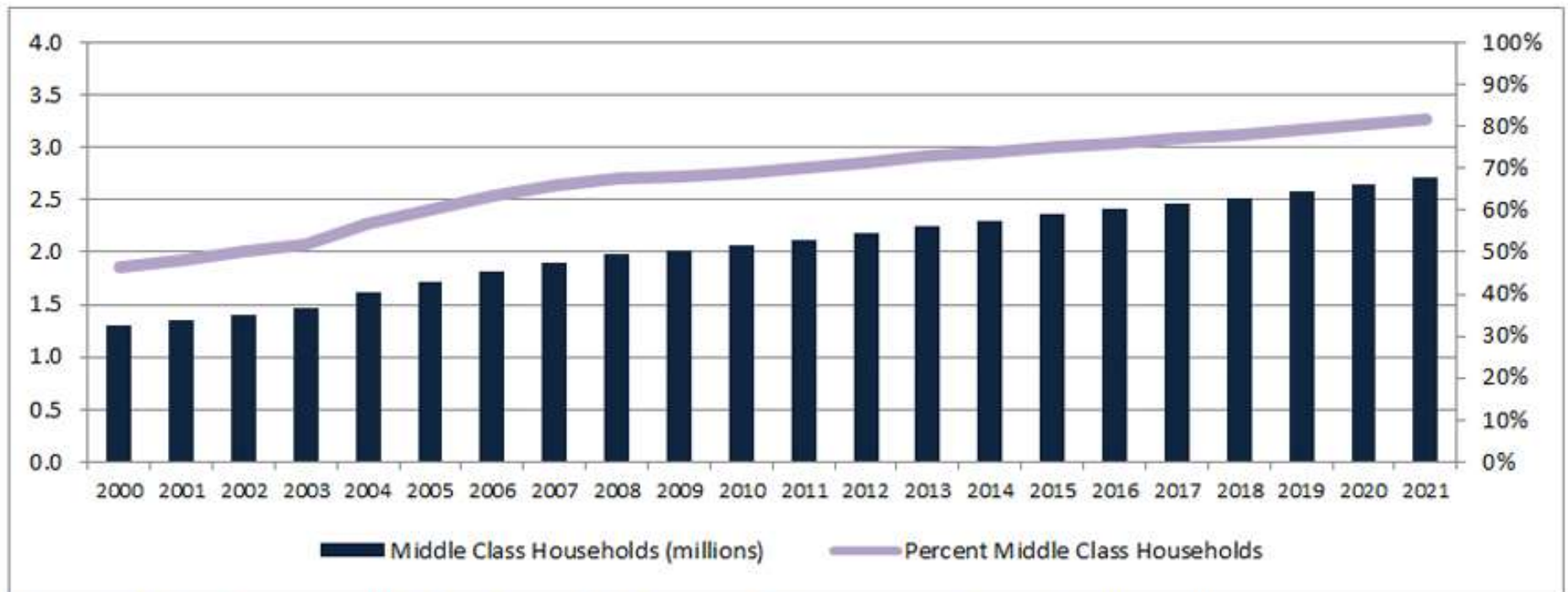
## World and U.S. Agricultural Exports to Cuba – 2005-2014 (FY)



Source: FAS Global Agricultural Trade System, Global Trade Atlas

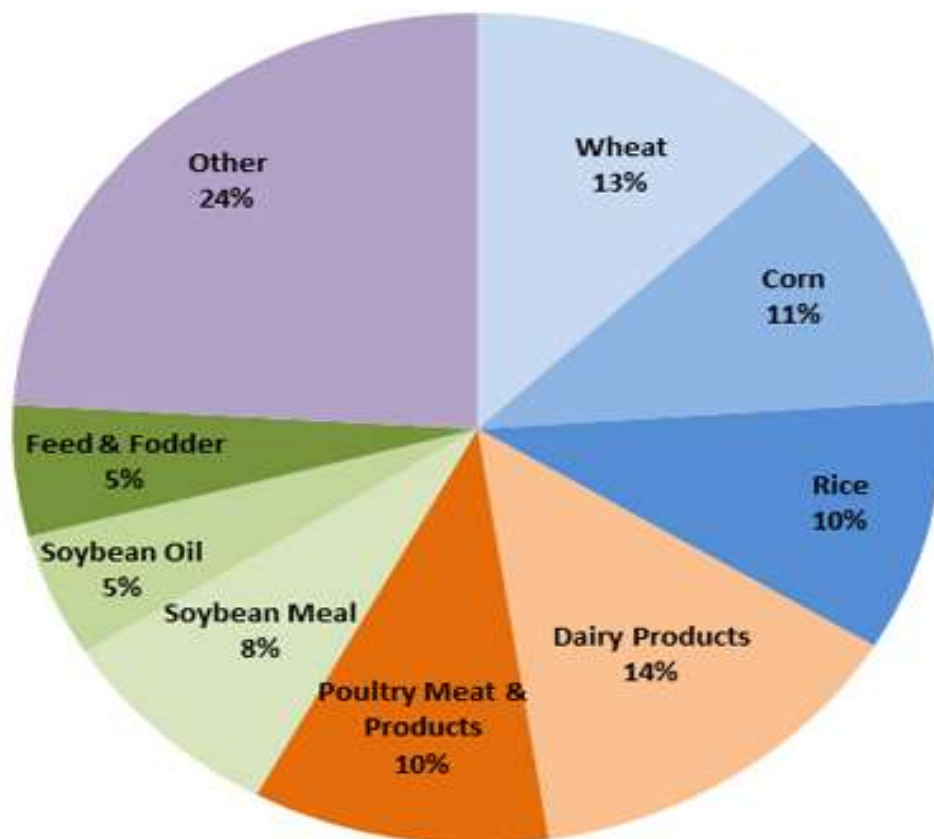


### Cuban Growth Outlook – Middle Class (Households by income greater than \$20,000)

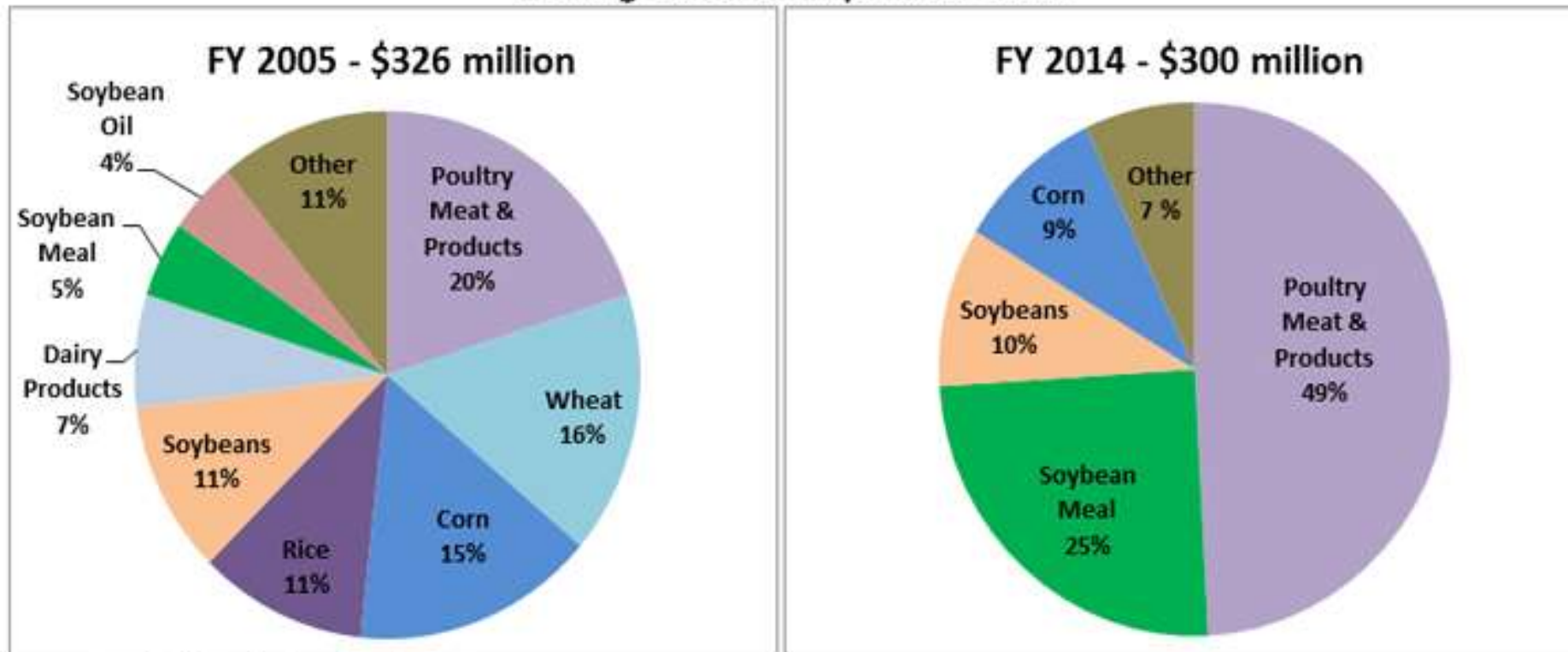


Source: IHS Inc. - Income Distribution: Households by Income Bracket (constant 2005 U.S. PPP dollars)

**World Agricultural Exports to Cuba, FY 2014**  
(\$1.9 billion total)

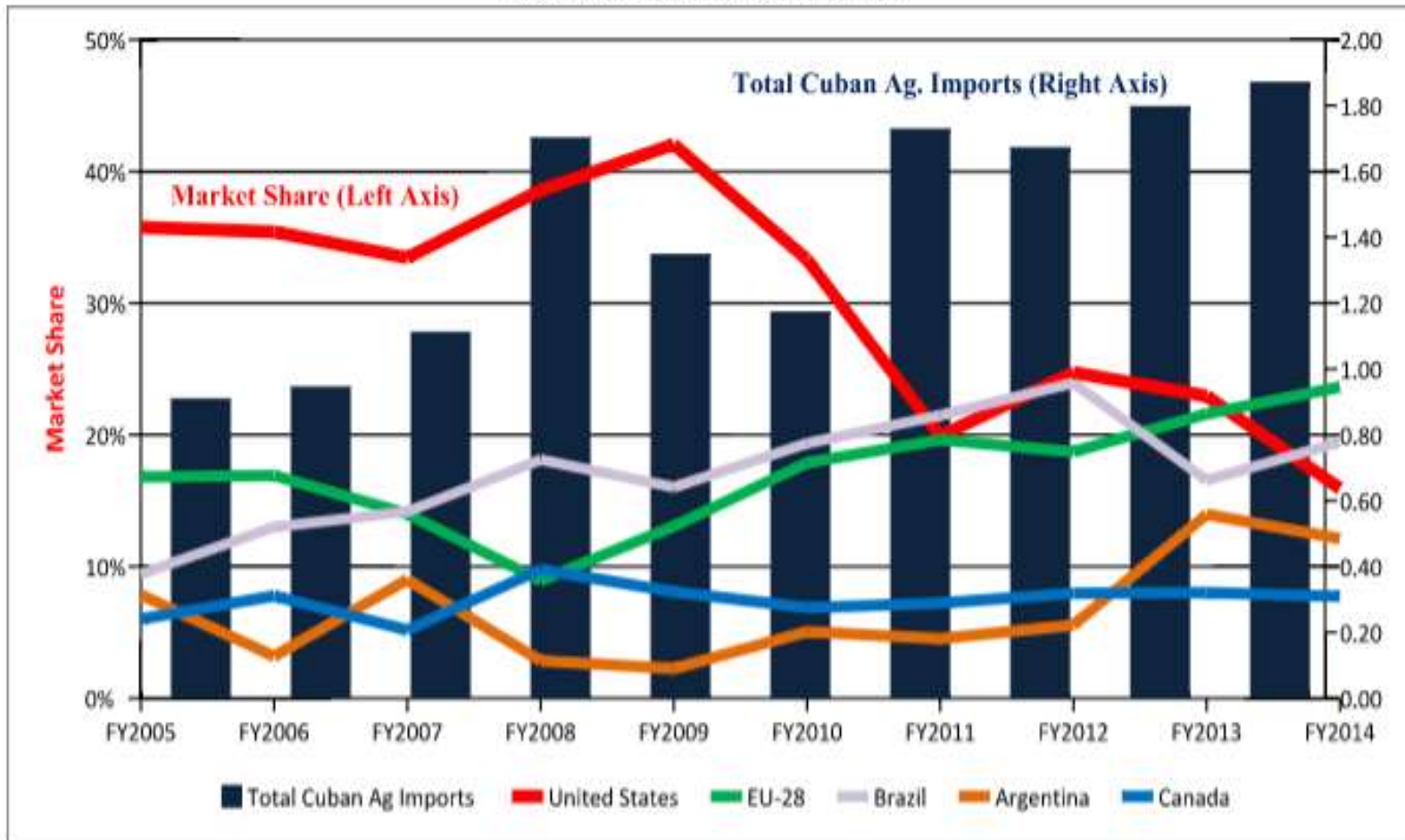


## U.S. Agricultural Exports to Cuba



Source: FAS Global Agricultural Trade System

## U.S. Market Share Declines



Source: FAS Global Agricultural Trade System











































































**TOTAL: \$5.91B**























# White House Meetings

- November 16, 2016, NASDA officers met in the Roosevelt room in the West Wing with Sec Vilsack, USTR Secretary Michael Froman and USTR Deputy Secretary Darci Vetter.
- December 15, 2016 Eisenhower Executive Office Building, White House Complex.
- April 11, 2017, Eisenhower Exec Complex with Dir Scott Pruitt, Ray Starling
- May 18, 2017 USDA- Sec. Sonny Perdue
- June 8, 2017 WH Infrastructure Summit



- 115TH CONGRESS
- 1ST SESSION **H. R. 442**
- To lift the trade embargo on Cuba, and for other purposes.
- IN THE HOUSE OF REPRESENTATIVES
- JANUARY 11, 2017
- Mr. EMMER (for himself, Ms. CASTOR of Florida, Mr. BEYER, Mr. SANFORD,
- Ms. LEE, Mr. POCAN, Mr. AMASH, Mr. CRAWFORD, Mr. MCGOVERN, and
- Mr. POE of Texas)

- 115TH CONGRESS
- 1ST SESSION **S. 472**
- To lift the trade embargo on Cuba, and for other purposes.
- IN THE SENATE OF THE UNITED STATES
- FEBRUARY 28, 2017
- Mr. MORAN introduced the following bill; which was read twice and referred



- 115TH CONGRESS
- 1ST SESSION **H. R. 574**
- To lift the trade embargo on Cuba, and for other purposes.
- IN THE HOUSE OF REPRESENTATIVES
- JANUARY 13, 2017
- Mr. SERRANO introduced the following bill; which was referred

- 115TH CONGRESS
- 1ST SESSION **S. 1286**
- To lift the trade embargo on Cuba.
- IN THE SENATE OF THE UNITED STATES
- MAY 25, 2017
- Ms. KLOBUCHAR (for herself, Mr. ENZI, Mr. LEAHY, Mr. FLAKE, Mr. DURBIN,
- Mrs. GILLIBRAND, Ms. WARREN, Mr. WHITEHOUSE, Mrs. SHAHEEN,
- Ms. STABENOW, Mr. BENNET, Mr. MURPHY, Mr. PAUL, and Mr KING) introduced the following bill; which was read twice and referred

- 115TH CONGRESS
- 1ST SESSION **H. R. 2966**
- To lift the trade embargo on Cuba, and for other purposes.
- IN THE HOUSE OF REPRESENTATIVES
- JUNE 20, 2017
- Mr. RUSH introduced the following bill; which was referred to the Committee















# LOUISIANA IS A TRADE & INVESTMENT LEADER STRATEGICALLY LOCATED AT THE CONFLUENCE OF THE MISSISSIPPI RIVER AND THE GULF OF MEXICO



**\$62 Billion**  
in Capital Investment  
since 2008



**91,000**

New Direct and Indirect  
Jobs since 2008



**\$84 Billion**  
in Total Trade  
in 2015

**Population:** 4,670,724

**Unemployment Rate:** 6.1%

**Gross Domestic Product (GDP):** \$251.7 billion

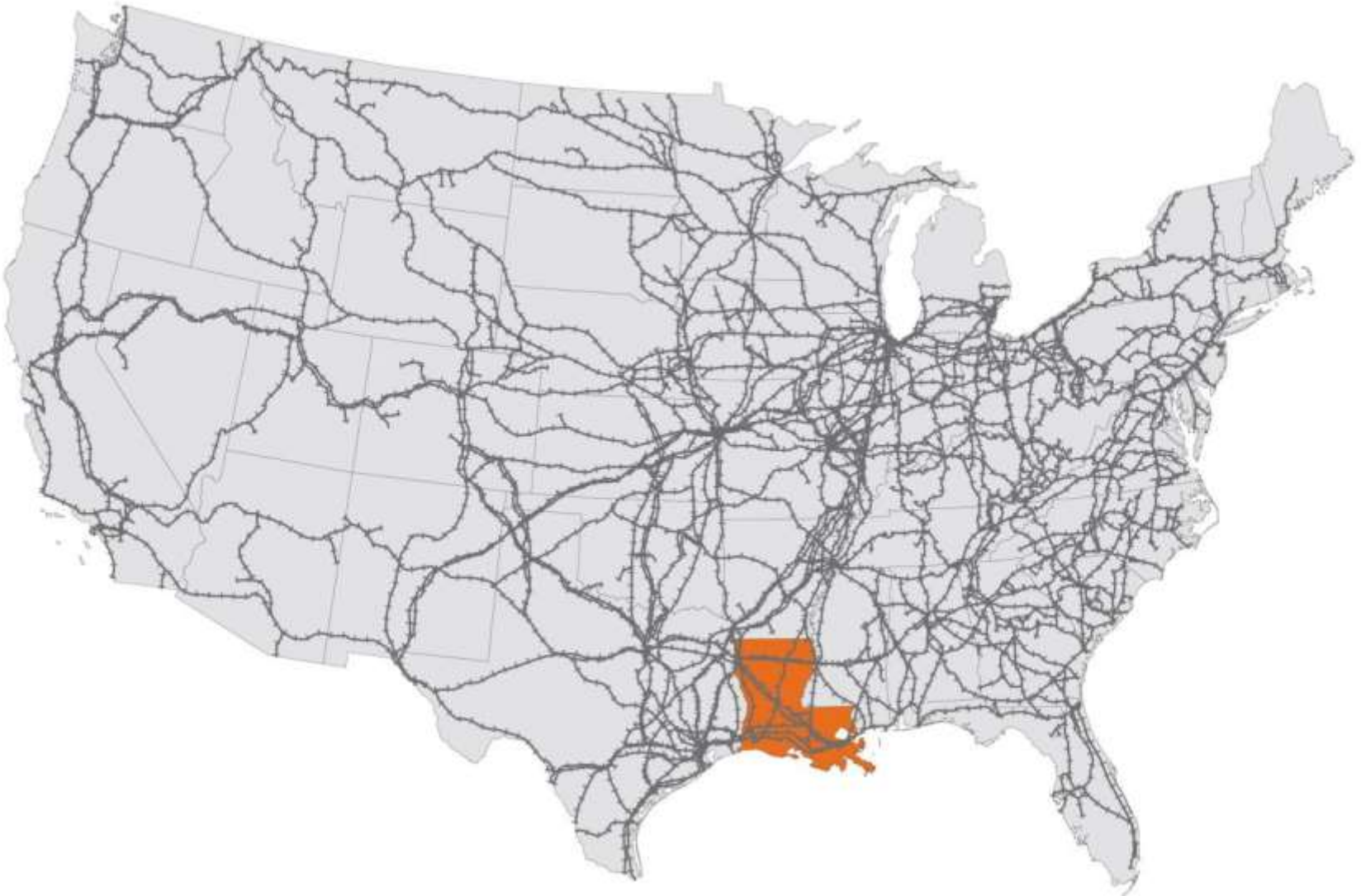
**Per capita income:** \$42,287

**Governor:** John Bel Edwards

**Capital:** Baton Rouge

**Area:** 51,843 sq miles (135,382 km<sup>2</sup>)

## LOUISIANA IS WELL-CONNECTED TO THE US: RAIL





# LOUISIANA IS ONE OF TWO SITES IN THE U.S. WHERE ALL SIX OF NORTH AMERICA'S CLASS-ONE RAILROADS CONVERGE



## LOUISIANA IS WELL-CONNECTED TO THE US: HIGHWAYS



# WHY LOUISIANA AGRICULTURE & FORESTRY?

- Integrated river/deepwater port system
- Port of South Louisiana is the largest tonnage port in the U.S.
- Primary export cargoes: poultry, corn, animal feed, wheat, soybeans, rice, yarn, and forestry products.





# TRANS-PACIFIC PARTNERSHIP

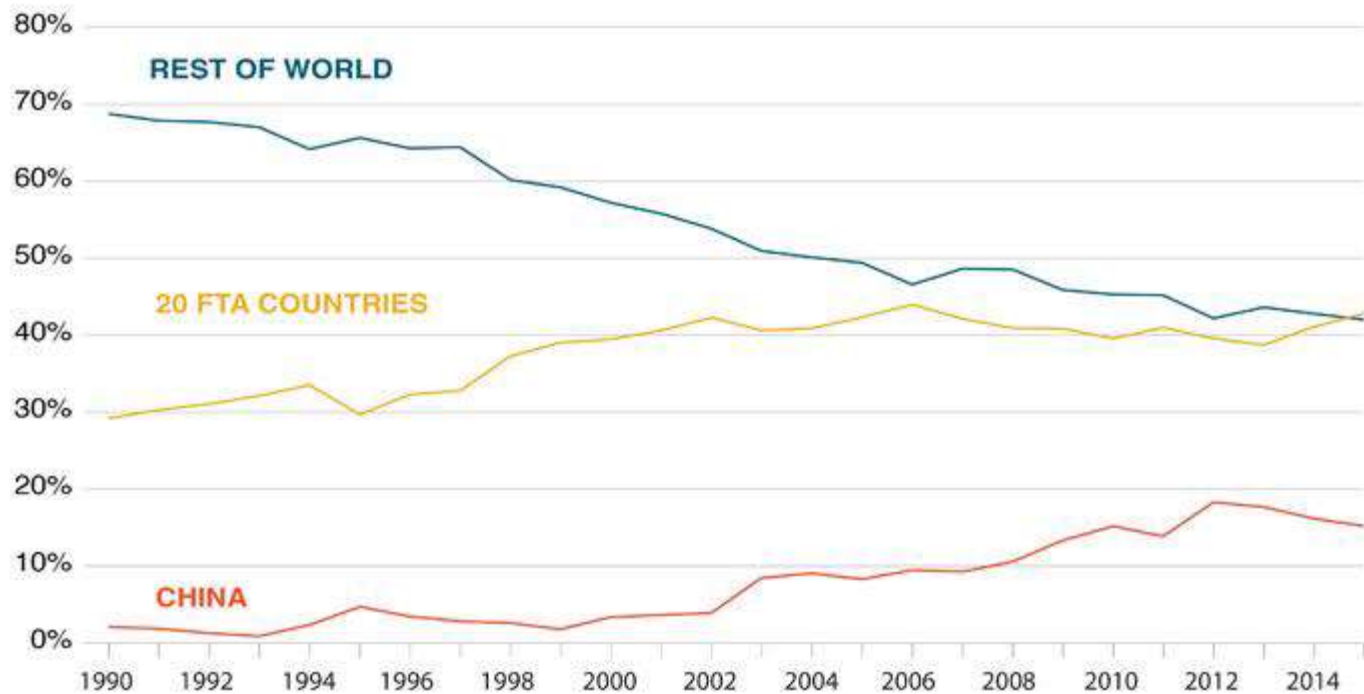
- Australia, Brunei, Canada, Chile, Malaysia, Mexico, New Zealand, Peru, Singapore, Vietnam, Japan, United States
- 40% of Global GDP
- \$ 5.3 billion net increase in exports,
- \$ 4.4 billion net increase in farm income
- 40, 100 new U.S. jobs

# TRANS-PACIFIC PARTNERSHIP

- LOUISIANA NET EXPORTS TO INCREASE \$56.9M
- Rice, Soybeans, Beef, Processed foods.
- Louisiana Net Cash to increase \$94M
- 430 New Jobs



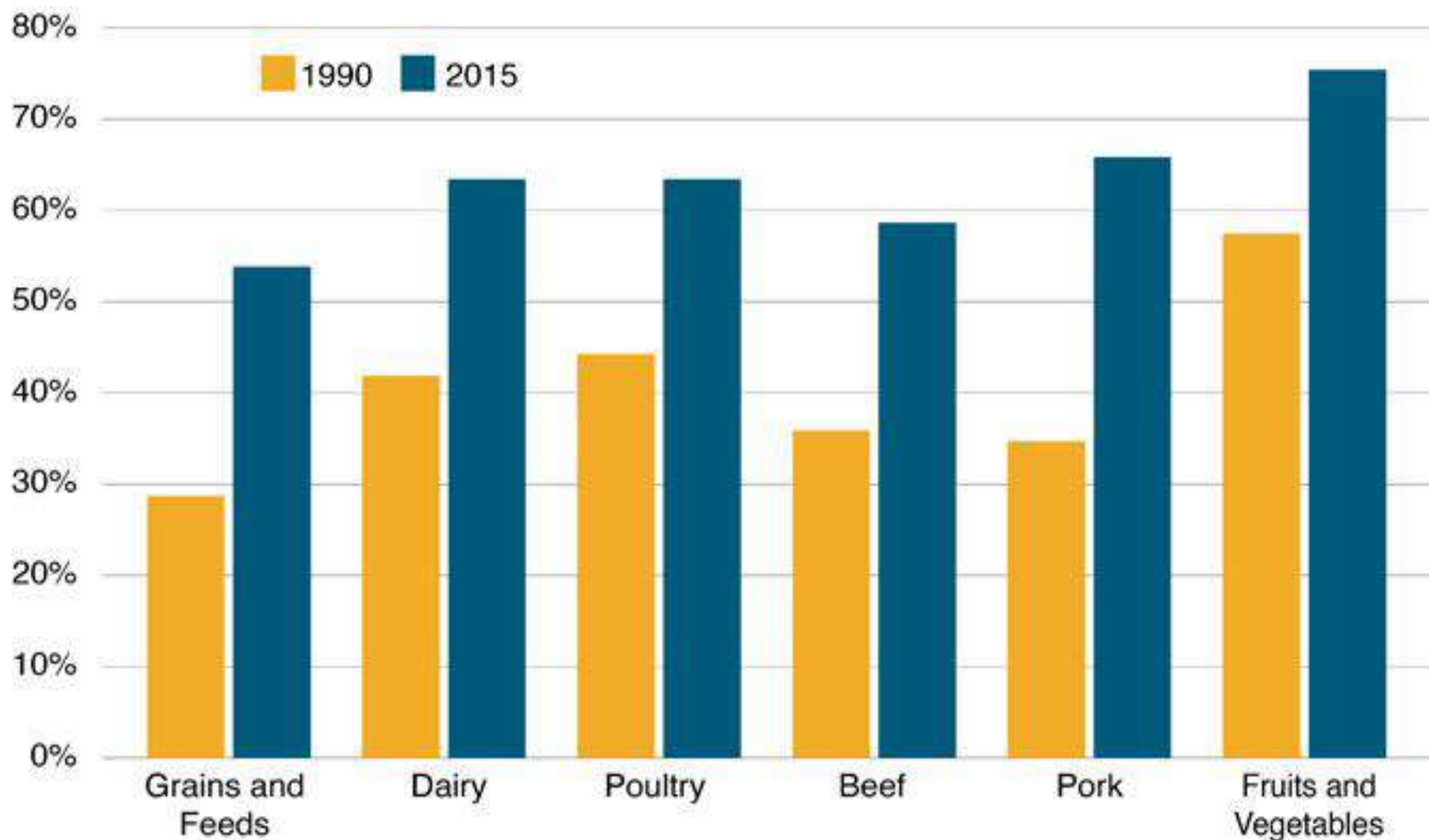
## Share of U.S. Agricultural Exports by Destination



Source: USDA-FAS Global Agricultural Trade System (GATS)



## Share of Total U.S. Exports to FTA Countries\*



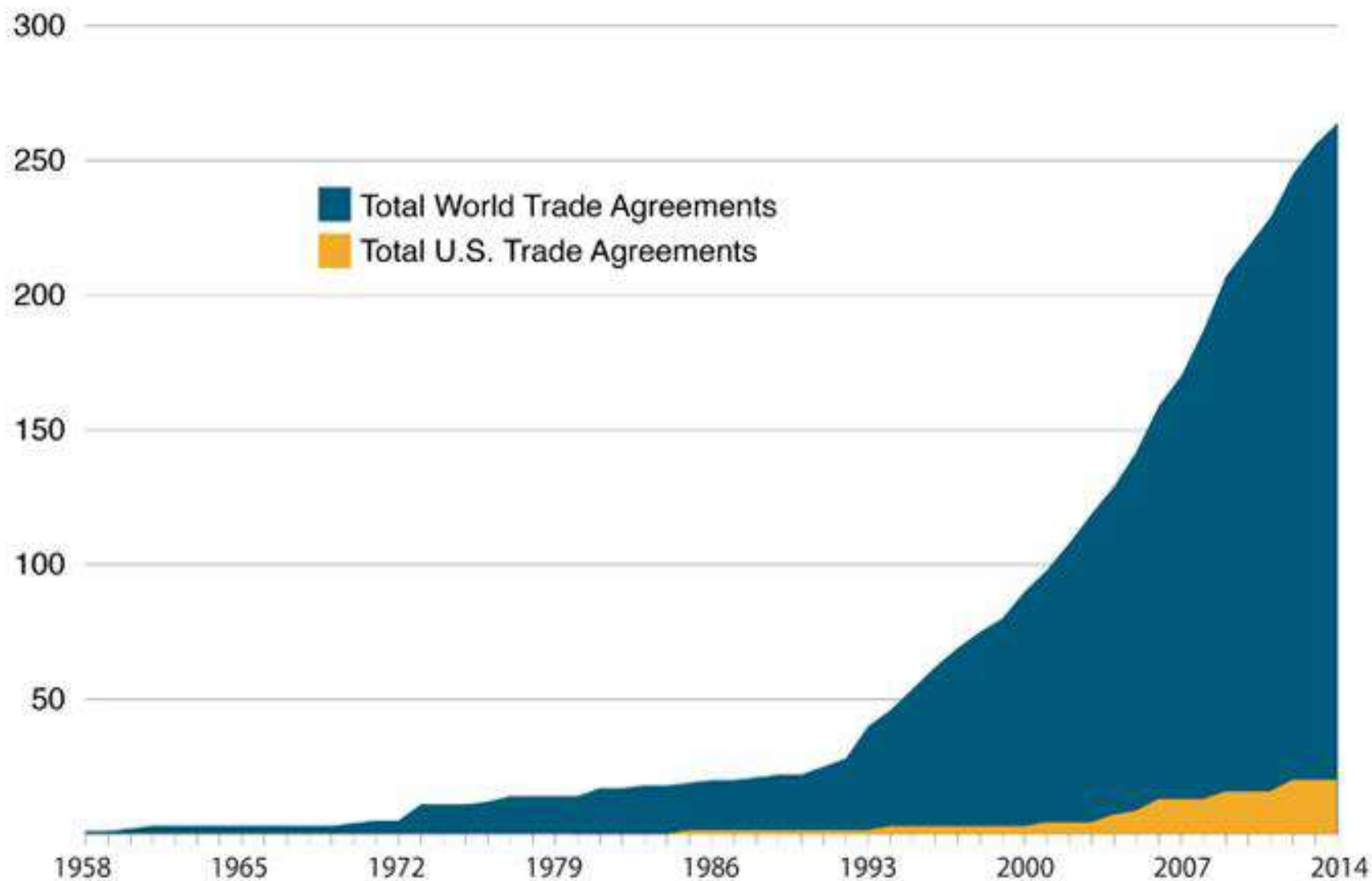
Source: USDA-FAS Global Agricultural Trade System (GATS)

\*Share of exports to the 20 FTA partners in 1990 vs. share of exports to same countries in 2015.

### U.S. Agricultural Exports, Pre-FTA vs. 2015

Trade Agreement	Year of Implementation	U.S. Exports Year Prior to Implementation (million US)	Current (2015) U.S. Exports (million US)
Israel FTA	1985	\$308.8	\$464.1
NAFTA	1994	\$8,928.6	\$38,564.8
Canada	1989	\$2,019.0	\$20,869.1
Mexico	1994	\$3,618.6	\$17,695.6
Jordan FTA	2001	\$95.4	\$237.2
Chile FTA	2004	\$144.1	\$810.5
Singapore FTA	2004	\$266.3	\$674.4
Australia FTA	2005	\$410.2	\$1,413.8
Morocco FTA	2006	\$164.4	\$307.0
Bahrain FTA	2006	\$14.8	\$60.4
CAFTA-DR	2006-09	\$1,883.5	\$4,167.2
Guatemala	2006	\$455.3	\$1,073.2
Honduras	2006	\$248.7	\$586.8
El Salvador	2006	\$238.6	\$497.7
Nicaragua	2006	\$125.1	\$219.7
Dominican Rep.	2007	\$629.0	\$1,132.1
Costa Rica	2009	\$608.0	\$657.7
Peru TPA	2009	\$424.5	\$1,063.6
Oman FTA	2009	\$76.8	\$63.5
KORUS	2012	\$6,976.3	\$6,038.9
Colombia TPA	2012	\$1,123.4	\$2,420.7
Panama TPA	2012	\$493.7	\$653.2

## Standing Still is Falling Behind



Source: World Trade Organization (WTO)



# USDA-ERS

- Global GDP- 3% /YR
- US GDP- 2.15/YR
- DEVELOPED/INDUSTRIAL NATIONS GDP- 1.85/YR
- DEVELOPING NATIONS GDP- 4.5%/YR
- CHINA GDP- 5.3%/YR
- INDIA GDP- 7.5%/YR
- AFRICA/MIDDLE EAST GDP- 3.65/YR

# USDA-ERS

- GLOBAL POPULATION DECREASING BY .2%
- TO AN AVERAGE OF 1% PER YR THROUGH 2016.
- 83% OF WORLD POPULATION LIVING IN DEVELOPING COUNTRIES THROUGH 2026.

# Commodity Prices 12/16

- DOW 21,414.18
- Corn- \$ 3.90
- Wheat- \$ 5.19
- Beans- \$ 9.99
- Cotton- \$ .682
- Sugar- \$ .286 Brn
- Rice- \$ 11.92
- Ethanol- \$ 1.60      Euro- 1.140
- Oil - \$ Brent Crude \$ 46.9 WTI \$ 44.33
- Feeder Cattle \$1.15-1.45





# INCREASED DEMAND FOR FARM LOANS

- U.S. FARM DEBT TO INCREASE 6.3%
- NET INCOME DECREASESD 55% SINCE 2013 TO \$56B.
- USDA-FSA LOAN DEMANDS - \$5.6B
- Dec 11, CR provisions to fund FSA rising loan and guarantees.

# State Issues

- SB 166, 172,206- Eliminate tax exemptions for Ag Credit.
- SB 226- Undedication of Taxes
- SB 105- Exemption of Ag fuel
- HB 221- Exemption of Pollution Control Equip
- HB 629- Exemption of Polyroll Tubing
- HB 641- La rural jobs tax credit
- HB 655- Service Taxes

# State Issues

- HCR1- Special session- Dept payment from dedicated funds
- HB 431- Cooperative Marketing Associations
- HB 553- ½ cent sales and 7 cent fuel tax
- HB 563- Minimum Corporate Tax
- HB 628- CAT Tax
- HB 632- 17cent fuel tax
- HB 666 – Margin Tax
- SB 256- Produce safety rule



# Federal Regulatory Reform

- Executive order January 30, 2017:  
Reducing regulation and controlling  
regulatory costs
- Executive order Feb 27, 2017 :Enforcing the  
Regulatory Reform Agenda





- Cooperative Federalism
- Enhanced Federalism Consultations
- Improved Economic Analysis
- Enhanced Public Participation
- Greater Transparency
- Increased State Flexibility
- Utilization of Best Available Science
- Improve Rural Stakeholder Outreach



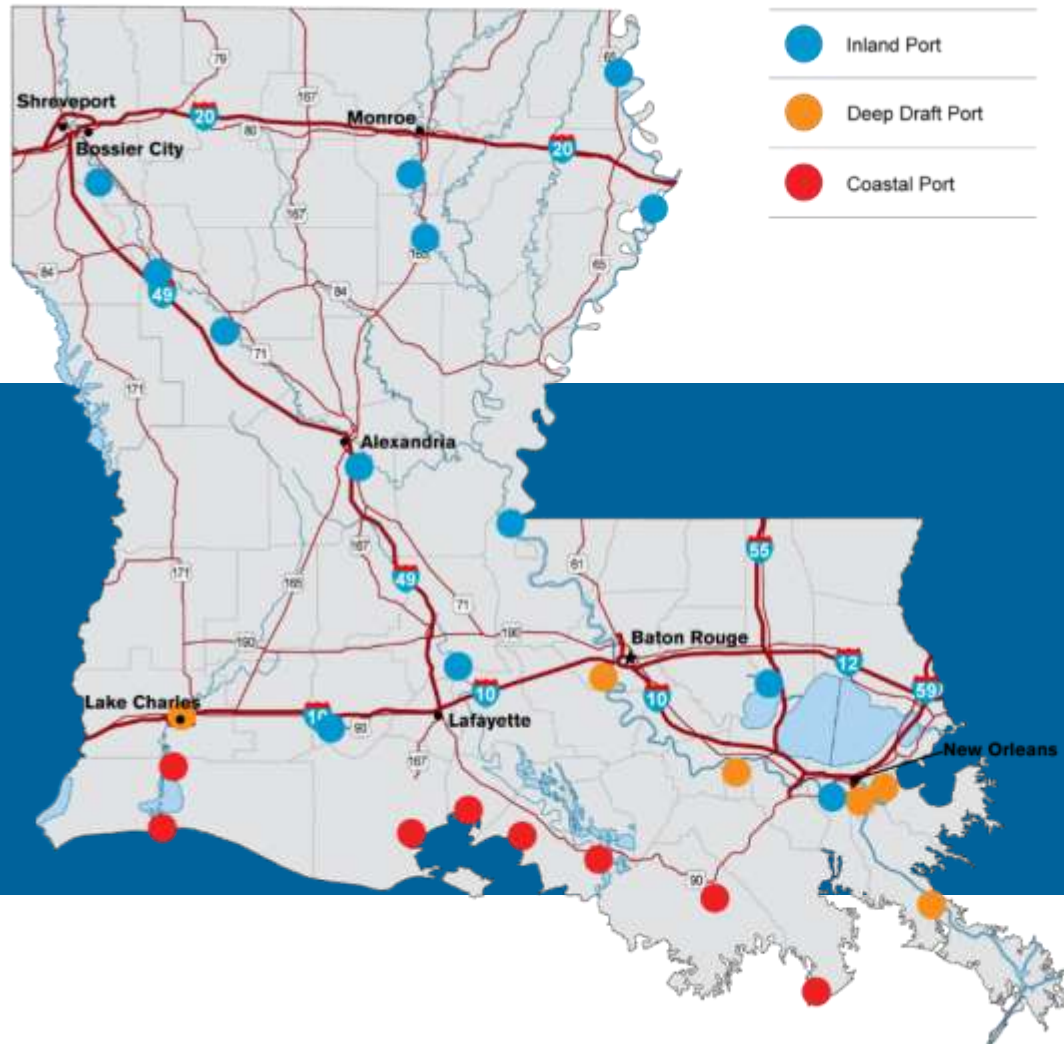
- PREDICTABLE
- TRANSPARENT
- SCIENCE BASED
- COOPERATIVE FEDERALISM- COEQUAL PARTNERS
- ALL REGULATIONS NOT SPECIFICALLY DELEGATED TO FEDERAL GOVT ARE RESERVED FOR THE STATES.





# CUBA & LOUISIANA

# LOUISIANA HAS UNSURPASSED ACCESS TO GLOBAL MARKETS



Home to an extensive port system, Louisiana is the gateway to 38 interior states through the Mississippi River System and to worldwide markets through the Gulf of Mexico.