

Trade Notes...

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Good "Squid Marks" in China

The fourth China National Fisheries and Seafood Expo in Beijing attracted seafood buyers, processors and traders galore from all over China, as well as many overseas participants. Companies at the U.S. pavilion sold some 4,000 metric tons of squid worth over \$2.5 million. One U.S. company reported that it sold 50 containers—or 1,000 metric tons—of squid at the show.

Estimated total sales as a result of the show are anticipated to exceed \$30 million over the next 12 months. ATO Shanghai supported U.S. exhibitors with an on-site information booth.

Pet Products Show Provides Opportunity

"KoPet 2000," an international dog and pet fair in Seoul in December 2000, was only the second such show ever held in Korea. It attests to the expanding affluence of Korean consumers as their interest in owning pets continues to grow.

While major pet food producers like Purina and Vitakraft (a German company) participated, the show also featured a surprising array of U.S. boutique dog products like organic barley "Tia Chips" from California, an electrolyte replenishment drink "K-9 Quencher" from Vermont, and even edible dog "cigars" made of grains from "Bow Wow Bistro" of Florida.

Reference Price System for U.S. Poultry Eliminated in Romania

Romania lifted its reference price system for U.S. and EU poultry. The reference prices were used to determine import tariffs, which cost U.S. exporters between \$15 and \$20 million in lost sales over the past two years.

Under the reference price system, a fixed price, rather than an actual invoice price, is used to calculate the duty of a product. The reference price system was adopted by Romania in August 1998 to control low-priced imports from Asian and Middle Eastern countries. Adoption of the reference price system resulted in a dramatic drop in imports. In 1999, Romania imported 3,594 tons of U.S. poultry meat, down from 15,846 tons in 1998.

Mexico Remains Hot Market for U.S. Agriculture

Exports of U.S. agricultural products to Mexico were on target to break the \$7 billion mark and establish a new record. Leading the rally were consumer-ready product exports that were projected to reach \$2.7 billion, up 33 percent from FY2000. Big winners in this category are: processed fruits and vegetables, up 87 percent; fruit and vegetable juices, up 86 percent; pet food, up 86 percent; snack foods, up 67 percent; red meats, up 65 percent; and fresh vegetables, up 63 percent. Outside this pace-setting category, U.S. cotton and peanut exports also showed impressive increases of 88 and 44 percent, respectively, over FY2000.

USDA Donates Surplus for Global Food for Education Initiative

Under the Global Food for Education Initiative, USDA will donate surplus U.S. agricultural commodities for school feeding and pre-school nutrition projects in developing countries. School feeding programs help assure that children attend school, improve childhood development and achievement, and contribute to more self-reliant, productive societies.

In the first-year pilot program for fiscal year 2001, USDA's Commodity Credit Corporation is committing \$300 million for U.S. commodities and transportation. Commodities will be donated under the authority of the Section 416(b) program. USDA-approved projects will be conducted through the UN World Food Program, private voluntary organizations and eligible foreign governments.