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)

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LOUISIANA’S PRIMARY EXPORTS TO CUBA INCLUDE FOOD AND AGRICULTURAL PRODUCTS

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

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<td>311--Food Manufactures</td>
<td>63,336.6</td>
<td>68,660.9</td>
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<td>68,260.3</td>
<td>27,033.6</td>
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<td>76,679.7</td>
<td>54,868.1</td>
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<td>111--Agricultural Products</td>
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<td>90,512.9</td>
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<td>325--Chemicals</td>
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<td>990--Special Classification Provisions</td>
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<td>326--Plastics &amp; Rubber Products</td>
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<td>322--Paper</td>
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<tr>
<td>312--Beverages &amp; Tobacco Products</td>
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</table>
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)**

Source: International Trade Administration (US Dept. of Commerce)
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)

- Other: 24%
- Wheat: 13%
- Corn: 11%
- Rice: 10%
- Soybean Oil: 5%
- Soybean Meal: 8%
- Poultry Meat & Products: 14%
- Dairy Products: 10%
- Feed & Fodder: 5%
U.S. Agricultural Exports to Cuba

FY 2005 - $326 million
- Soybean Oil: 4%
- Soybean Meal: 5%
- Dairy Products: 7%
- Soybeans: 11%
- Rice: 11%
- Corn: 15%
- Wheat: 16%
- Other: 11%
- Poultry Meat & Products: 20%

FY 2014 - $300 million
- Soybeans: 10%
- Soybean Meal: 25%
- Corn: 9%
- Other: 7%
- Poultry Meat & Products: 49%

Source: FAS Global Agricultural Trade System
U.S. Market Share Declines

Total Cuban Ag. Imports (Right Axis)

Market Share (Left Axis)

Source: FAS Global Agricultural Trade System
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
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

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 km²)

$62 Billion in Capital Investment since 2008
91,000 New Direct and Indirect Jobs since 2008
$84 Billion in Total Trade in 2015
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 Total U.S. Exports to FTA Countries*

- Grains and Feeds
- Dairy
- Poultry
- Beef
- Pork
- Fruits and Vegetables

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.
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<td>Panama TPA</td>
<td>2012</td>
<td>$493.7</td>
<td>$653.2</td>
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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 DECREASES 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 - 17 cent 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.