

Doing Business with the USA



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Current Trade Patterns

- Existing trade as a guide to opportunities
 - U.S. data show bilateral trade in 2010 totaled \$50.3 million
 - Moldovan data indicate \$93.8 million
 - Discrepancies
- Trade in 2010 with neighboring countries
 - U.S.-Romanian trade at \$1.7 billion
 - U.S.-Ukrainian trade at \$2.4 billion

U.S. Trade Data

- \$37.9 million in U.S. exports in 2010 to the Republic of Moldova (+42%)
- Top exports:
 - Food Manufactures (+15%)
 - Agricultural Products (up from low level)
 - Computer and Electronic Products (+83%)
 - Machinery, except Electrical (+244%)
 - Chemicals (-37%)
 - Transportation Equipment (-15%)

Republic of Moldova Data

- \$61.8 million in U.S. exports in 2010 to the Republic of Moldova
- Top Imports from the United States:
 - Poultry meat/parts (+261%)
 - Soybeans (up from low level)
 - Clothing (up from low level)
 - Pharmaceuticals/medications (-3%)
 - Automobiles (-44%)
 - Tractors (+188%)

U.S. Trade Data

- \$12.4 million in Moldovan exports in 2010 to the United States (+52%)
- Top exports:
 - Apparel Manufacturing Products (+10%)
 - Beverages & Tobacco Products (+65%)
 - Leather & Related Products (+283%)
 - Textile Mills Products (+111%)
 - Food Manufactures (+9%)
 - Miscellaneous Manufactured Commodities (+56%)

Republic of Moldova Data

- \$32 million in Moldovan exports in 2010 to the United States
- Top Exports to the United States
 - Cigarettes & tobacco products (+204%)
 - Sunflower seeds (+263%)
 - Barley (+112%)
 - Wheat & mixed grains (-11%)
 - Brandy, liquors and other alcohols (+41%)
 - Wine (+27%)
- Growth Areas
 - Coats/jackets; processed/canned vegetable products; natural honey

Armenia, Macedonia and Moldova

- Landlocked countries with similar size of population and economic histories
- Gross domestic product
 - Armenia - \$8.8 billion
 - Macedonia - \$9 billion
 - Republic of Moldova - \$5.3 billion
- Comparison to U.S.-Ukrainian/Romanian trade

Top Six Imports from the USA

- Armenia (\$113.3 million): Minerals and Ores; Transportation Equipment; Machinery, except Electrical; Food Manufactures; Computer and Electronic Products; Chemicals
- Macedonia (\$33.6 million): Food Manufactures; Computer and Electronic Products; Machinery, except Electrical; Transportation Equipment; Chemicals; Electrical Equipment, Appliances and Components

Top Six Exports to the USA

- Armenia (\$75.5 million): Primary Metal MFG; Beverages and Tobacco Products; Food Manufactures; Chemicals; Apparel Manufacturing Products; Machinery, except Electrical
- Macedonia (\$36.9 million): Agricultural Products; Apparel Manufacturing Products; Food Manufactures; Beverages and Tobacco Products; Used or Second-Hand Merchandise; Primary Metal MFG

Generalized System of Preferences (GSP)

- Provides preferential duty-free entry of goods into the United States -- a competitive edge
- Excludes certain goods, especially apparel, textiles and most footwear and leather items
- Goods imported directly from Moldova or via a bill of lading from another country
- Goods must be grown, produced or manufactured in Moldova
- Importer must request duty-free treatment
- Requires Congressional reauthorization

Moldova & GSP

- Primary Moldovan goods already benefitting from GSP:
 - Grape wine, including sparkling
 - Vegetables, prepared or preserved
 - Plastic stoppers, lids, caps
 - Flags and certain textile articles
- Goods eligible, but not claiming:
 - Grape wine
 - Plastic products for purses/pockets
 - Glass components of lamps and light fixtures

Conclusions

- Expand on areas where trade is working
- Growth in Moldovan imports of consumer goods & electronics as well as machinery
- Expansion of exports of apparel/textiles, alcoholic and tobacco products, leather goods
- Take advantage of GSP benefits
- Consider new opportunities
 - Trade shows
 - Commercial News