Wisconsin Agricultural Products Export highlights

With half of the calendar year data in, we find that the impact of COVID19 on the economies of our 136 export partners did not affect exports as severely as we had expected. However, year to date June 2020, exports of Agriculture, Food and Forestry products to Canada are down 16.7% and to Mexico are down 29.7%. Mexico, formerly our number two trading partner, is now behind Canada, China, Japan and Korea. The trade war prior to signing of the USMCA agreement and a severe recession brought on by the impact of COVID19 are the main contributing factors.

Export of our top five product categories shows a decline in three of the top five products, making up nearly 43% of the total. Dairy and prepared cereals are up while the other three categories of Food Preparations, Prepared Fruit and Vegetables and Wood are all down. The return of the swine herd in China has helped to boost export of dairy products. The Phase 1 agreement with China and the passage of the USMCA between the US, Mexico and Canada helped to mitigate losses.

The effects of retaliatory tariffs from Canada, Mexico, China and the EU are still being felt. The table below, from WISERTrade shows declines in Canada, China and Mexico with Europe still showing growth in 2018. By 2019 all four markets had a net loss of 39.0%. As efforts to establish agreements have taken hold and despite the challenges from COVID19, the decline is currently at 9.7%.

Wisconsin Export of Agricultural, Food and Forestry Products under retaliatory tariffs:

<table>
<thead>
<tr>
<th>Country/Region</th>
<th>2017 Full Year $(millions)</th>
<th>2018 Full Year $(millions)</th>
<th>2019 Change Year %</th>
<th>2019 Full Year $(millions)</th>
<th>2020 YTD July $(millions)</th>
<th>2020 YTD July Change %</th>
</tr>
</thead>
<tbody>
<tr>
<td>China</td>
<td>$104</td>
<td>$101</td>
<td>-2.70%</td>
<td>$77</td>
<td>$54</td>
<td>4.70%</td>
</tr>
<tr>
<td>Canada</td>
<td>$227</td>
<td>$228</td>
<td>-31.70%</td>
<td>$113</td>
<td>$109</td>
<td>-3.60%</td>
</tr>
<tr>
<td>Mexico</td>
<td>$84</td>
<td>$88</td>
<td>-31.70%</td>
<td>$52</td>
<td>$33</td>
<td>8.80%</td>
</tr>
<tr>
<td>EU</td>
<td>$134</td>
<td>$162</td>
<td>21.00%</td>
<td>$111</td>
<td>$38</td>
<td>-27.2%</td>
</tr>
<tr>
<td>Total</td>
<td>$549</td>
<td>$579</td>
<td>5.5%</td>
<td>$353</td>
<td>$234</td>
<td>-9.7%</td>
</tr>
</tbody>
</table>
Many international trade shows have been rescheduled, and international travel is severely restricted. The International Agribusiness Center team continues to help companies maintain and grow their international business, through virtual trade shows and missions, grant to support e-commerce projects along with other programs and consulting services. While nothing replaces the benefit of face-to-face meetings and visiting your customers, we are doing everything possible to help Wisconsin Agriculture Food and Forestry companies grow their international business.

For other export highlights, visit: https://datcp.wi.gov/Pages/Growing_WI/ExportStatistics.aspx

**New U.S. Dairy Sanitary Certificate to China**

Changes to the dairy sanitary certificate to China go into effect on October 13, 2020. Companies can include up to 6 plants with 6 products each on the new certificate. For more information, visit the USDA Agricultural Marketing Service (AMS) website.

**New Reports**

DATCP Weekly Country Reports: DATCP has been authoring several weekly reports on global market activities since the onset of the COVID-19 pandemic. To view these, visit, https://datcp.wi.gov/Pages/Growing_WI/InternationalAgribusiness.aspx

Food Export Country Profiles: Access in-depth research and data to gain market intelligence on specific countries to determine if the market is the right fit for your products. Visit, https://foodexport.org/get-started/country-market-profiles/

**Educational Webinars for Food Companies**

Take advantage of recorded webinars and videos that provide exporter intelligence, some include:

1. Selecting and Managing Distributors During COVID-19
2. An Update on Labeling in Requirements in Mexico
3. Adapting Payment Terms and Financing during COVID-19
4. Dynamics of USMCA Origin Certification

For access to these webinars and more, click here. Please note: a Food Export account is required to access recorded webinars. New to Food Export? Follow this link

**Upcoming Events**

**Interzum Cologne 2021**

**Dates/Location:** May 4-7, 2021

**Cost:** $500 for a shared booth space
Deadline: December 30, 2020

Interzum is the world’s leading trade fair for furniture production and design. Every two years the most innovative products, new technological developments and state-of-the-art materials are showcased at this world class industry event. Furniture manufacturers, interior designers, architects, products developers, consultants around the world all gather in Cologne, Germany to seek the latest trends. Wisconsin forestry businesses are encouraged to take advantage of this state-sponsored event to meet and network in front of large potential international buyers.

Contact: Jennifer Lu / jennifer.lu@wisconsin.gov / 608-224-5102

Virtual Trade Mission to Japan

Dates: December 1-18, 2020

Cost: $300 each participating company

Deadline: November 6, 2020

The virtual trade mission, scheduled between December 1st to 11th, 2020, will connect Wisconsin exporters with potential partners and customers in Japan virtually, in front of your computer without the cost of travel and traveling time. As with other DATCP led trade missions, a market briefing will be presented to all the participants. A local trade representative will conduct the search for your potential customers to best fit your business profile and requirement of potential partners. In addition, translation services will be provided during the virtual meetings.

Contact: Jennifer Lu / jennifer.lu@wisconsin.gov / 608-224-5102