**THE COUNCIL OF STATE GOVERNMENTS**

**RESOLUTION ON EXPORT PROMOTION**

## Resolution Summary

The Obama administration has recently unveiled plans for a National Export Initiative (NEI), designed to double U.S. exports over five years by expanding the budgets of the Foreign Commercial Service and Foreign Agricultural Service and by promoting greater interagency cooperation in marketing American products and services overseas. According to a 2006 study by the World Bank, each $1 spent by a nation on export promotion results on average in a $40 increase in exports.

This resolution calls on the administration to work with the states to ensure the new initiative builds upon and enhances the existing investments that states have made in export promotion through their own economic development agencies. It is modeled on a similar resolution passed by CSG's affiliated organization of state economic development leaders, The State International Development Organizations (SIDO).

## Additional Resources

- National Export Initiative: http://www.whitehouse.gov/the-press-office/executive-order-national-export-initiative
- World Bank Export Promotion Agencies findings: http://siteresources.worldbank.org/INTEXPCOMNET/Resources/Lederman,_Export_Promotion_Agenices_What_Works_and_What_Doesnt.pdf
- SIDO: http://www.sidoamerica.org/About-Us.aspx

## CSG Management Directive

- Share CSG's collective support of increased export promotion with key oversight committees in Congress and with relevant interlocutors at the Department of Commerce.

## THE COUNCIL OF STATE GOVERNMENTS

## RESOLUTION ON EXPORT PROMOTION

**WHEREAS,** President Obama has issued the National Export Initiative (NEI) by executive order, to enhance and coordinate Federal efforts to facilitate the creation of jobs in the United States through the promotion of exports, and to ensure the effective use of Federal resources in support of these goals;

**WHEREAS,** combined the 50 states spend over $80,000,000 annually on trade promotion programs and employ approximately 1,000 trade specialists;

**WHEREAS,** fiscal challenges have moved state economic development agencies to restructure the trade promotion services they offer to businesses, resulting in the closure of 70 overseas offices (down nearly 29% from 2008); and

**WHEREAS,** state economic development agencies are responsible for attracting Foreign Direct Investment (FDI) and rely heavily on comprehensive state-level FDI data collection from the Bureau of Economic Analysis (BEA), and funding for this service was cut from the BEA budget in 2009.

**NOW, THEREFORE BE IT RESOLVED,** that The Council of State Governments urges strategic and priority NEI funding allocation for the U.S. Foreign Commercial Service to reopen previously closed international offices and to provide that all international Commercial Service offices have adequate staff to service clients with 45 days of request;

**BE IT FURTHER RESOLVED,** that The Council of State Governments supports the reinstatement of BEA funding for the collection of FDI statistics at the state level and advocates for the added annual collection of service-sector import/export statistics at the state level; and

**BE IT FURTHER RESOLVED,** that The Council of State Governments urges greater federal-state collaboration and consistency in trade promotion programs throughout the U.S.

Adopted this ______ Day of May, 2010 at CSG's 2010 Economic Summit of the States in New York City, NY.

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| Governor M. Michael Rounds, SD<br>CSG President | Senate President David L. Williams, KY<br>CSG Chairman |