



National U.S.-Arab Chamber of Commerce  
الغرفة التجارية العربية الأمريكية الوطنية

## U.S.- ARAB CHAMBER SUPPORTS “ACCESS 2013” FORUM PROMOTING TRADE OPPORTUNITIES IN MENA REGION

*Under Secretary of Commerce Sánchez Says Promoting Exports  
Needs to be Part of Every U.S. Company’s Business Plan*

*NUSACC CEO Highlights Regional “Paradigm Shift” Toward  
Identifying U.S. Products With Best Value for Money*

SAN DIEGO, CALIFORNIA -- The U.S. Department of Commerce this week held its annual ACCESS conference – highlighting U.S. export opportunities in Africa, the Middle East, and South Asia – and the National U.S. – Arab Chamber of Commerce (NUSACC) was there to play a support role. In addition to promoting ACCESS to NUSACC’s membership and serving as the event’s Silver Sponsor, the U.S.-Arab Chamber moderated a panel on “North Africa and the Middle East in Transition.”

“ACCESS gives NUSACC members an opportunity to meet in one place with U.S. commercial officers from all over the region, which is one of the reasons why our Chamber sees great value in this gathering every year,” said David Hamod, NUSACC’s President & CEO, who represented the Chamber at ACCESS 2013. “This is especially important for Small & Medium-sized Enterprises (SMEs), who may want to ‘test the water’ without committing the time and resources necessary to enter the MENA market full force.”



The Honorable Francisco Sánchez, Under Secretary of Commerce, emphasizes the importance of exports to the U.S. economy.



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The ACCESS 2013 International Trade Forum opened with keynote speeches by: William Bold, Vice President at Qualcomm; Dr. Nancy Marlin, Provost at San Diego State University; Rear Admiral Dixon Smith, Commander of the U.S. Navy Region Southwest; Hon. Bob Filner, Mayor of San Diego. Partnering with the U.S. Commercial Service this year was San Diego State University's Center for International Business Education & Research.

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Under Secretary of Commerce for International Trade Francisco Sánchez, who delivered a keynote address, highlighted the vital role played by U.S. exporters. "Exports are more important than ever before," he said, "The rules of the game have changed, and American business must go global in order to compete."

Sánchez noted that 95 percent of the world's consumers are outside the United States and that according to the International Monetary Fund (IMF), 85 percent of the world's economic growth through the year 2018 will be outside the USA. With this in mind, he suggested, "Promoting exports needs to be part of every business plan."

The Under Secretary discussed President Obama's National Export Initiative (NEI), which aims to double U.S. exports and create two million new jobs by the end of next year. The United States is making important progress toward achieving these goals, he said, pointing out that U.S. exports last



Photo credit for this and other photos of the MENA Panel: San Diego State University CIBER and V-CUBE

Participants in the "North Africa & the Middle East in Transition" panel include: (left to right) David Hamod, President and CEO, NUSACC; Walt Koenig, SCO, Afghanistan; Christian Reed, SCO, Iraq; Ann Bacher, SCO, Egypt; Sanford Owens, SCO, Jordan; Jane Kitson, SCO, Morocco; Robert Starbuck, CEO, Migrate MENA; & Matt Tirman, Managing Director, Strategic Social.

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year exceeded \$2.2 trillion and generated nearly ten million jobs. . . 1.3 million more jobs than in 2009. The U.S. Department of Commerce has helped more than 17,000 U.S. firms in recent years, he said, and over half of the companies that the Commerce Department assisted last year with exporting created new-to-market sales.

With respect to the target markets of ACCESS 2013, said Sánchez, “We cannot afford to ignore the importance of Africa, the Near East, and South Asia. The people and governments of this region are building for the future.”

Concluded Under Secretary Sánchez, “Exports are vital to strengthening your business, strengthening the economy, and strengthening our nation as a whole.”

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The two-day conference featured a variety of panel discussions, business-to-business (B2B) networking opportunities, and one-to-one meetings between U.S. commercial officers and American exporters. In addition to regional panel discussions, industry-specific panels focused on aerospace & defense, water & energy, ports & security, healthcare, education & franchising, and information & communications technologies (ICT).



David Hamod, NUSACC President & CEO, explains factors driving the new economic landscape of the MENA.

In the discussion on “North Africa and the Middle East in Transition,” NUSACC’s David Hamod led off the panel by drawing attention to an apparent paradox. “On the one hand, war or the Arab Spring or both have contributed to upheaval and instability in the region,” he noted. “On the other hand, U.S. exports to this part of the world are roughly doubling every four years, and our Chamber estimates that American goods and services shipped to the MENA region will grow to nearly \$170 billion by the end of 2015. How can we explain this apparent paradox?”

Hamod suggested four possible explanations.

First, paraphrasing King Abdullah II of Jordan, Hamod said, “Turbulence creates opportunities.” The new economic landscape of the MENA region will create winners and losers, Hamod noted. “Those





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who adapt to change best are likely to emerge as winners,” he suggested, “and those who are the most resistant to change will likely be losers. Thankfully, U.S. companies are pretty good at identifying winners.”

Second, U.S. companies provide good value, Hamod said. “U.S. products and services are widely considered to be the best in the world,” he noted, “but we are rarely the cheapest. The MENA region is in the middle of a paradigm shift: moving away from buying ‘cheap’ (but short-lived) and moving toward buying ‘value for money’ over the long-term. In this environment, the Arab world places great trust in American goods and services.”

Third, “Business Never Stops,” Hamod said. In the old days, when the economy suffered, he suggested, MENA projects could be mothballed for years on end or canceled outright. No leaders can afford to do this any more, Hamod said, for a single reason: youth. “With youth constituting two-thirds of the Arab world and growing fast,” Hamod posited, “governments need to stay ahead of the curve. As the Arab Spring has taught us, leaders who fail to respond to the dreams and aspirations of Arab youth do so at their own peril.”

Finally, Hamod suggested, the Arab world likes Americans. “Contrary to portrayals in many media, there is a great deal of mutual respect between Arabs and Americans,” Hamod said. “Americans tend to be uncomplicated, and we’re known to speak candidly and plainly. These ‘what you see is what you get’ qualities are appreciated in the Arab world.” The same applies to American business practices, Hamod said, which are known to be “above board and not under the table” and U.S. management systems, which emphasize technology transfer, knowledge transfer, and capacity-building through training.”



VIP Lunch guests include: (left to right) The Honorable Donald E. Booth, U.S. Ambassador to Ethiopia; Josh Rice, General Manager, Technology Office, Worldwide Public Sector, Microsoft; (standing) Richard Swanson, Network Director, U.S. & Foreign Commercial Service, International Trade Administration; Hon. Francisco Sánchez, Under Secretary of Commerce for International Trade, U.S. DOC; David Hamod, President & CEO, NUSACC; Tom Bliss, Pacific Division Manager, Freight Forwarding, United Parcel Service; John F. McKenzie, Partner, Global Law Firm of Baker & McKenzie.



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Hamod concluded, “Despite these advantages, winning business in the Arab world will not be a cakewalk. This is one of the most dynamic and most unconventional regions of the world, and competition from all over the globe is fierce.”

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Most of the panel discussion – which largely did not include countries in the Arabian Gulf or in the Levant – revolved around presentations by U.S. Commercial Service Officers. These presentations are summarized below.

## Afghanistan



Edward Walter Koenig  
III, SCO, U.S Embassy  
Afghanistan

Walt Koenig, Senior Commercial Officer in Afghanistan, said, “After over 30 years of conflict, Afghanistan is experiencing a resurgence in the private sector that is creating greenfield opportunities across virtually all industries.” Construction and real estate are booming, he suggested, and telecommunications – with cell phone coverage extending to 85 percent of the population – is attracting the largest amount of foreign direct investment (FDI). Agriculture and extractive industries are doing very well, Koenig said, as is franchising, which plays an instrumental role in job creation.

## Iraq

“Although Iraq remains a challenging place for U.S. companies, there are solid opportunities for firms willing to make a long-term commitment to the market,” said Christian Reed, Commercial Counselor at the U.S. Embassy in Baghdad. Reed noted that Iraq is ranked #165 in the World Bank’s annual report on ease of doing business, and Iraq is ranked #169 in corruption, according to Transparency International. Moreover, he said, some U.S. companies are having trouble finding qualified Iraqis for the workplace because so many of the nation’s best educated citizens have left the country.



Christian Reed, SCO,  
U.S. Embassy Iraq

Despite these challenges, Reed suggested, Iraq’s economy has been growing at an average annual rate of 9 percent, the fastest in the Middle East. Oil production is up 55 percent, the second highest in OPEC, he said, and electricity has grown 165 percent in the past decade. More than ten years ago, he noted, there were no U.S. vehicles in Iraq, yet Iraqis purchased more than 25,000 U.S. cars in 2012



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alone. Reed concluded, "Continued investment by the Government of Iraq to increase oil production is generating significant opportunities in the hydrocarbon sector. Safety and security equipment and services, as well as medical equipment and supplies, are also areas where we see strong growth."

According to NUSACC trade data, exports of U.S. goods and services to Iraq are expected to grow to \$15.99 billion by the end of 2015.

### Egypt



Ann Bacher, SCO,  
U.S. Embassy Egypt

The "facts on the ground" are more encouraging than media accounts of Egypt would have Americans believe, according to Ann Bacher, Senior Commercial Officer in Egypt. She highlighted the fact that the United States is the world's second largest investor in Egypt (after the UK) and that some of the region's best profit margins can be found among consumer goods in Egypt. She said that Coca-Cola, for example, serves 40 nations from its regional headquarters in Cairo.

Bacher, who also provided brief overviews of Libya and Lebanon, said, "Don't discount markets in North Africa that present challenges. Let the Commercial Service of the U.S. Embassies help you to identify opportunities and partners to get into these markets." She concluded, "Enter now and benefit from early entry. Local business will reward your willingness to be in the market through good times and bad."

According to NUSACC trade data, exports of U.S. goods and services to Egypt are expected to grow to \$15.37 billion by the end of 2015.

### Jordan

"Jordan is an excellent market in the energy and Information & Communications Technology sectors, as well as an increasingly important destination for medical tourism," said Sanford Owens, Senior Commercial Officer in Jordan. . ICT is now responsible for 14 percent of Jordan's GDP, noted Owens, and three-quarters of the online content in the Arab world is being created in Jordan. In energy, he said, Jordan plans to satisfy 15 percent of its energy needs by 2015 through alternative energy sources.



Sanford Owens,  
SCO, U.S. Embassy  
Jordan



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The Free Trade Agreement with the United States means zero tariffs, said Owens, which helps to explain why bilateral trade between Jordan and the USA has grown 600 percent over the past ten years. In that respect, Owens suggested, “Jordan punches well above its weight.”



The thriving tourist industry is a leading driver for Jordan's economy, supported by a stable business environment.

Owens highlighted Jordan's desire to position itself as a hub for projects in Iraq and neighboring Gulf Cooperation Council (GCC) nations. He concluded, “Jordan finds itself in the enviable position of having a very stable business environment from which to explore business opportunities throughout the region.”

According to NUSACC trade data, exports of U.S. goods and services to Jordan are expected to grow to \$2.99 billion by the end of 2015.

## Morocco

“I was particularly pleased to meet Small and Medium-sized Enterprises (SMEs) in the water sector, a best opportunity sector for U.S. industry,” noted Jane Kitson, Senior Commercial Officer who overs Morocco, Algeria, and Tunisia. “Both Morocco and Algeria are in need of water management, filtration, desalination and transport technologies, an area where U.S. technology is advanced and competitive.”

All of these nations want to diversify away from Europe, Kitson suggested, and they are looking to grow their relationship with the United States. Morocco is the only nation in Africa that enjoys a Free Trade Agreement with America, she said, and Morocco's direct shipping line to the United States (nine days) gives Morocco certain comparative and competitive advantages. Couple this with Morocco's recent commitments – dedicating \$9 billion to solar development, growing the port at Tangier to be the largest in the Mediterranean by 2015, and devising a security system to protect the nation's 3,500-kilometer coastline – and Morocco emerges as a very attractive business destination for U.S. exporters, she concluded.



Jane Kitson, SCO,  
U.S. Embassy  
Morocco





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According to NUSACC trade data, exports of U.S. goods and services to Morocco are expected to grow to \$6.57 billion by the end of 2015.

The “North Africa and the Middle East in Transition” also featured two private sector representatives: Robert Starbuck, CEO of Migrate MENA, and Matt Tirman, Managing Director of Strategic Social.

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This year’s ACCESS conference attracted 250 participants to San Diego/Del Mar from across the United States and around the world, the largest ACCESS Forum ever. San Diego is home to the 11th Naval District Headquarters, Marine Corps Base Camp Pendleton, Naval Air stations and a Naval Submarine Base. Manufacturing, particularly in the areas of shipbuilding and repair, industrial machinery and computers, metals production, and the manufacture of toys and sporting goods now overshadow the military and defense endeavors. Previous ACCESS Forums have taken place in Minneapolis (2010), Houston (2011), and Scottsdale (2012), and NUSACC has been actively involved in each.

With this in mind, Under Secretary of Commerce Francisco Sánchez offered thanks to NUSACC for its continuing support for this annual event. “We thank the National U.S. – Arab Chamber of Commerce for serving as a Silver Sponsor of ACCESS 2013,” he said, “and for being a valued partner of the U.S. Department of Commerce for so many years.”



The military/defense industry is San Diego's second largest economic sector, bringing more than \$13 billion into the local economy annually.