Below are the notes from the International Trade Committee Meeting and I have attached the presentation we went over. Let me know if you need anything else. Thanks!

EGSA Spring Conference  
Meeting held: March 4, 2019 @3:30pm  
Meeting attendees: 17

World Economic Overview:
- Fairly steady for projected growth  
- Common theme: US/China trade war & Brexit affect the world economy  
- USA has had some big ups last year from the tax policy, still forecasting same growth in 2019, but 2020 might be a different story  
- Global economy down slightly from original forecast  
- Germany & Turkey are surprisingly down which is affecting much of Europe  
- Emerging economies – “down” to 6.3% because slowdown in economy has taken place faster than anticipated  
- Latin America forecast up to 2.0%, but still down from earlier projections because of weak Venezuela and Mexico  
- Argentina  
  - New gov’t plans took longer than initially expected  
  - Already eroding economy made things worse, direction of economy has the right intent but it is too damaged to take off before hitting the ground again  
  - Still lots of heavily subsided programs that won’t be fixed until after the next election cycle  
  - Interest rates are at 35% - which means business development is way down  
  - Dollar went from 20 to 40, no one can spend money, 4% inflation in February only  
- Venezuela & Mexico came down a lot more than originally anticipated, uncertainty around what the Mexican president is going to do now that he’s elected  
- Middle East down a bit from lower oil prices, US put sanctions back on Iran  
- Commodities  
  - Oil prices are down to $55 from $70, expected to be around $60 for forecast  
  - Metals & Agricultural are down because China is subdued  

USMCA – the new NAFTA  
- Agreement settled and announced 9/18/2018 but has not gone through the US congress yet  
- Not really a free trade agreement, because of tariffs with no resolution on steel or aluminum tariff  
  - Affects the power gen industry because many generators are manufactured in Mexico  
- Automotive rules must have an average of $16/hr, which is very high for Mexico, so many factories will probably become more automated. Base rate for workers changed about a month ago and some factories are struggling to implement it, Mexican president ran on raising the minimum wage  
- 16 year deal, but can be revisited after 6 years

Gold Key Service  
- Inexpensive way to get contacts within certain areas of the world to figure out logistics – Gold Key Service will set up the meetings for you and provide all logistics  
- Grant money through SBA, US small businesses can get grants to finance these services
• Enhances salesforce with in-country experts, tell them target customers and they’ll get a list of businesses lined up and provide drivers & translators for all meetings
• The program uses US employees that are based in other countries, in embassy of whatever country you’re looking to do business in
• Great way to network and get to know customers in another country
• More details for customer sites, the better the service will work for you
• Go to the website for more information and how to sign up

Next meeting ideas
• Logistics in different areas around the world
• Specific look at other countries – India, Vinay from Koel Americas offered to do a deep dive on the power industry in India
  o Genset & Diesel engines have a 15% tariff
  o Prime Minister’s election is in April, current PM is more shrewd than Trump, India elections happen over 2 months because of 800m voters
• Import/export data in terms of generators
  o Market sized in different global regions - Latin America specifically
  o Countries that have plants vs countries that buy product
  o Ask Tyler or Marilyn from Power Systems Research to show data in a small presentation
• Different duties for all different Latin America countries
  o In-depth look at the different customs and how to get products through customs quicker
  o Resources to help figure out the customs
  o Custom brokers can help, but have to ship product through the agents
  o Shipping within one country when another country owns the plant and the end user is in the country
  o Certification requirements for customs