Transcript\_Cuba Press Conference

This transcript is a guide to the audio recording only. Please reference the <u>audio recording</u> for direct quotes.

00:00:00:00 - 00:00:28:01

Speaker: Megan McDonald, Sr. Director, NASDA International Trade Programs

Buenas tardes, mi nombre es Megan with NASDA. Thank you for being here today. Mi Espanol es muy mal, so I will speak in English. So we are here today representing the National Association of State Departments of Agriculture.

00:00:28:03 - 00:00:58:19

Speaker: Megan

And we have a special guest with us from the U.S. Poultry Egg Export Council. So to start, we will have everybody from our delegation introduce themselves and the state they are from. And we just ask that when you ask a question, please introduce yourself and who you are affiliated with.

00:01:15:11 - 00:01:47:20

Speaker: Members

Good afternoon. My name is Amanda Beal. I'm the commissioner of the Maine Department of Agriculture, Conservation and Forestry.

Good afternoon. Bryan Hurlburt, Commissioner for the Connecticut Department of Agriculture.

Good afternoon. My name is Christy Clark. I am the director for the Montana Department of Agriculture.

Good afternoon. I'm Dr. Mike Strain, Louisiana Commissioner of Agriculture and Forestry.

Good afternoon. I'm Ted McKinney. I'm the chief executive officer of NASDA, the National Association of State Department of Agriculture.

I am Hugh Weathers, commissioner of Agriculture from my home state of South Carolina.

My name is Don Lamb. I'm the director of agriculture for the state of Indiana.

Good afternoon. I'm Thom Petersen. I serve as the commissioner of the Minnesota Department of Agriculture.

00:03:12:26 - 00:03:40:05

Megan

So first, we will ask our CEO, Ted McKinney, to tell a little bit about our trip here and why we are here.

Ted McKinney

Well, thank you, Megan. First, who is NASDA?

00:03:40:07 - 00:04:22:28

Ted McKinney

NASDA is 107 year old industry Association based in Washington, DC. Its members are the secretaries, directors and commissioners of agriculture from all 50 states and four U.S. territories. In our words, commissioner, secretary and director is about the same position. It's the leader of the State Agriculture Department. We are nonpartisan, meaning we have Democratic Party representatives and Republican Party representatives. But it's amazing how agriculture brings people together because you cannot tell people's political stripes.

00:04:55:14 - 00:05:28:09

**Ted McKinney** 

Speaker: NASDA CEO Ted McKinney

It helps us get things done in the US. This is the first time to Cuba for most of us, except for Dr. Strain, who was here a few years ago.

00:05:28:12 - 00:05:57:12

Speaker: NASDA CEO Ted McKinney

We're thrilled to be here. We came on our own volition. We chose to come here and we're pleased that we're here with the full support of the US government, notably the US Department of Agriculture and the U.S. State Department.

00:05:57:19 - 00:06:26:22

Speaker: NASDA CEO Ted McKinney

The reason we're here is simply to make friends, develop contacts and see if we can't break open some opportunities for trade, friendship and exchange.

00:06:26:22 - 00:06:58:25

Speaker: NASDA CEO Ted McKinney

We are not here to negotiate. That's not our role. But at the same time, when you become friends, you identify places that might buy or sell. To us, it's a two way trade. Then we have opportunities.

00:06:58:27 - 00:07:43:21

Speaker: NASDA CEO Ted McKinney

We have visited with many different types of people and they include many in the Cuban federal government, academia or university types, and certainly farmers and people from the cooperatives and the SMEs or the mid and small size businesses.

00:07:43:24 - 00:08:20:19

**Ted McKinney** 

We are certainly encouraged with opportunities in the future for trade. The onset of these new SMEs and co-ops per a federal law passed by the Cuban government may, repeat, may open up some opportunities. And we wanted to be here to witness firsthand how that's going.

00:08:20:21 - 00:08:54:29

**Ted McKinney** 

And in closing, I'll remind you that in the U.S. states, the State Departments of Agriculture don't buy and trade commodities. That's done by the private sector. So when we're done, we intend to go back and share with the federal government, the other state governments, private industry and farmers what we witnessed here.

00:08:55:01 - 00:09:27:00

**Ted McKinney** 

And we're grateful to all who have hosted us. We were able to visit yesterday evening with the president, which was very meaningful to all of us.

00:09:27:00 - 00:10:00:15

**Ted McKinney** 

It was a very good discussion and we've had the similar good discussions with so many others. So we're grateful to all who are here or perhaps listening with the federal government who hosted us. Thank you.

00:10:00:15 - 00:10:27:03

Mike Strain

First of all, I want to thank you for your kind hospitality. And for allowing us to visit. And for me, this is my third visit since 2016.

00:10:27:06 - 00:10:57:20

Mike Strain

In 2016, I led a delegation of our farmers, our businesspeople, our ports, and then came back a month later with our governor and our head of economic development and all of those involved in education and in agricultural production.

00:10:57:20 - 00:11:39:05

Mike Strain

We visited also with your ministers and we signed memorandums of understanding, dealing with trade, the ports, with education, and also with a continuance for our ability to exchange ideas and science and agriculture. So I chose to return because at that time we were just beginning to have those conversations about the SMEs and the co-ops and new ways of doing business.

00:11:39:08 - 00:12:18:18

Mike Strain

And from that point in 2016, we have markedly increased our ability to trade with Cuba from the state of Louisiana. Our purpose is to have a first hand on the ground understanding of the changes and what's going on and how we can facilitate moving forward together.

00:12:18:21 - 00:12:54:05

Mike Strain

So from my state, we export a great deal of rice, poultry and grains. And as we have done business with Cuba over 200 years. Thank you.

00:12:54:05 - 00:13:05:26

(Question from Reporter) Translator

To relax the restrictions of the US embargo and promote relations, further relations.

00:13:05:29 - 00:13:33:29

Ted McKinney

Thank you for the question. It would not be the role of State Departments of Agriculture to pursue that kind of thing. But what we will do is share, as we had promised, with the US government and with industry and with other states that could not be here.

00:13:34:02 - 00:13:58:11

Ted McKinney

This positive atmosphere that we feel and have felt the last three days.

00:13:58:11 - 00:14:37:00

Translator

Andrea Rodriguez AP. From what you from what you refer to, what you can do is to take to make a number of suggestions to the federal government, for example, about the improvement or possible improvement of relations between the two countries.

00:14:37:06 - 00:15:03:24

Translator

Andrea Rodriguez AP. I would like to know specifically what kind of suggestions you would make. What is it that could actually be said to the government?

**Ted McKinney** 

Well, we'll just tell our story about each of the visits that we have had and they have been positive. I would say clear in a way, the emergence of the private sector. "SMEs", I think you call it small and mid-sized businesses.

00:15:03:25 - 00:15:32:19

**Ted McKinney** 

Some cooperatives offer a great deal of opportunity for trade now. And so we will update. And let me repeat, it was the U.S. government that supported, with great encouragement, our coming here. So we

liked that receptivity and we'll see what happens. But we are encouraged with what we heard and what we're seeing, and we hope that continues. I think it presents great opportunities.

00:16:05:14 - 00:16:36:00

**Hugh Weathers** 

Let me add another comment to that answer. When we met with President Diaz-Canel, we said to him that the initiatives he is taking will gain the attention of the world of commerce.

00:16:36:00 - 00:17:11:21

**Hugh Weathers** 

And that was further told to me by a major poultry exporter from my state of South Carolina who has noticed the improved business transaction speed or efficiency within the last few months. So in the statement we made to him on the ground, we would say anecdotally we have we're seeing it.

00:17:29:13 - 00:18:06:23

Amanda Beal

In Maine, we have a very diversified portfolio of agricultural products. We grow potatoes and wild blueberries. We have maple syrup and many other products. We're also investing in the value added production so that we can create more products that would be of interest perhaps to other markets that are improved.

00:18:06:26 - 00:18:49:02

Amanda Beal

And what I will say is that the businesses that I spoke to in Maine before I came here have expressed an interest in not only selling, in potentially selling products to Cuba. But they really want to build and build on relationships and to help support Cuba in its schools, around food security and other important goals, and especially supporting these emerging SMEs and the markets that they have to serve as well.

00:18:49:05 - 00:19:30:11

Bryan Hurlburt

In Connecticut, we grow some of the finest tobacco in the world used for cigars.

00:19:30:13 - 00:20:01:21

Bryan Hurlburt

Clearly, I think everybody in this room understands what the connection and potential could be if you put those two great markets, farms, manufacturers together. There's a growing interest in high quality cigars on a great market share and great market opportunity for Connecticut. Our tobacco is known internationally.

00:20:01:23 - 00:20:52:19

Bryan Hurlburt

The Connecticut seed and Connecticut wrapper, Broadleaf Tobacco, is known and marketed internationally. And I do believe that a Connecticut Cuban cigar would do very well. So here on this trip to understand the market opportunities, the potential relationships. we know that relationships take time to build.

00:20:52:21 - 00:21:22:11

Bryan Hurlburt

It takes an effort to understand each other. And this is the first very important step in our relationship.

00:21:22:13 - 00:21:48:00

Bryan Hurlburt

And I'll just close with this, we have received a very warm welcome from everybody we have met with. We've had terrific conversations that have been very informative, very frank about the challenges, about the opportunities. And so this trip was a great investment in time. And I think in the future of the relationship.

00:21:48:00 - 00:22:27:23

**Christy Clark** 

Good afternoon again, Christy Clark, state of Montana. For those of you that may not be familiar with where Montana is, it is very far north. We border Canada. We are a state that is largely an export state. And although we have put a lot of effort into adding value to those exports before they leave the state, much of them leave in the form of a raw commodity.

00:22:27:26 - 00:23:13:26

Christy Clark

Our wheat is used to make the finest breads and pasta. Our barley is malted into some of the finest beer and spirits from around the world. We are largely a beef grazing state and we export a lot of beef genetics.

00:23:13:29 - 00:23:42:25

**Christy Clark** 

There's a lot of opportunity for other herds to be improved by the genetics that have been well founded in the state of Montana.

00:23:42:25 - 00:24:16:24

**Christy Clark** 

We have found this trip to be very interesting. I think the research and the understanding that we have gained has been very, very valuable. We have we recognize I personally recognize that we have a long ways to go. But agriculture is often known as the great communicator. And I think our presence here is an indication that we're interested and that we're listening. So thank you.

00:24:22:15 - 00:25:04:00

Translator

It is known that the United States a few years ago issued permits for direct sales of certain agricultural products in Cuba. Would that be a way for your organization to promote further business with the country?

Ted McKinney

So Don, you take a cut, if others want to they can cut in.

00:25:18:23 - 00:25:45:20

Don Lamb

I'll take a cut at that. The answer I believe the answer is yes, if it's the way I understand it and what's happened in the last really 2 to 3 years there with the SMEs and the way that that has been opened up

for us to make those trades. That's been a very positive thing. So if that's what your question is around, if that could be extended and expanded and do more of that, then the answer is yes.

00:25:45:20 - 00:26:20:09

Don Lamb

That's another positive step towards making some of these trades.

**Hugh Weathers** 

Food can build relationships. It does it around our tables at home, around the restaurant table.

00:26:20:12 - 00:26:52:12

**Hugh Weathers** 

And as farmers, our business is food and it is feeding people. But as leaders of agriculture from our states, it is our responsibility to help our private enterprise.

00:26:52:13 - 00:27:23:09

**Hugh Weathers** 

Analyze those transactions and how it impacts their bottom line, not only tomorrow, but ten years from tomorrow. So our job is to convey the messages that we've heard here.

00:27:32:08 - 00:27:54:19

Thom Petersen

And Minnesota has a long history of working to establish a relationship with Cuba from our 2002 visit by then Governor Jesse Ventura, to our lieutenant governor leading the delegation in 2017.

00:27:54:19 - 00:28:45:00

Thom Petersen

Our current senator Amy Klobuchar actually is the author of the Freedom to Export to Cuba Act. And our governor works very closely with her. And Minnesota is a top producer of agricultural commodities, whether that's being number two in pork production, number one in turkey production, we're in the top

five in corn and soybean production, all very important things, whether that's animal feed or products that we could be looking to market here.

00:28:45:02 - 00:29:24:28

Thom Petersen

We also are home to some large corporations that you might be familiar with, whether that's General Mills or Cargill or co-ops, some of the largest co-ops like CHS or Land O'Lakes.

00:29:24:28 - 00:29:56:09

Thom Petersen

I really appreciate what I have learned here this week. In looking at the business structure that is now set up, that I can come back and advise our governor on the opportunities – and our companies and our coops – on what those opportunities are.

00:29:56:12 - 00:30:30:15

Thom Petersen

Trade is about relationships and it might not be a deal we are going to make tomorrow. It might be two years from now. But I think that we are able to lay the groundwork for that and going forward, I'm very excited about that. And I appreciate the hospitality and the welcome that we've received here.

00:30:30:15 - 00:30:49:24

**USAPEEC - Ernesto Baron** 

Thank you, Ted. Thank you. Members of the press, as Ted mentioned, we are already in the market. And as you all know, we already export quite a bit of high quality, low cost poultry to Cuba.

00:30:49:24 - 00:30:59:13

**Ernesto Baron** 

However, as USAPEEC, we don't just want to increase our exports into the market. We want to grow together.

00:30:59:13 - 00:31:22:25

Ernesto Baron

Specific with these new actors, the first one is in the area of tourism. I think we can identify new products that can enter the market, that can help increase your offering and help develop even more your tourism sector.

00:31:22:28 - 00:31:41:22

**Ernesto Baron** 

The second one is in the processing sector. I think we could use some of our poultry as raw material to help process and develop new products, not only for the Cuba market, but that can be exported to the rest of the world.

00:31:41:24 - 00:31:59:19

**Ernesto Baron** 

So I look forward to future visits and try to develop these.

00:31:59:19 - 00:32:32:18

Translator

Commissioner Petersen was talking about the legislative initiative by Senator Klobuchar. Would the association stand behind this new legislation in Congress?

**Ted McKinney** 

We have a policy that indicates the support of trade just about anywhere.

00:32:32:20 - 00:32:47:19

**Ted McKinney** 

So unless it's changed or amended, we like the idea.

00:32:47:19 - 00:33:09:09

**Hugh Weathers** 

I'll make it easy for you. Yes. We have poultry. We have the best peaches grown in the United States. And no better time of year than the hot summer to enjoy those. But no better way to enjoy a great baseball game or soccer game than with peanuts and South Carolina grows some of the best peanuts in the eastern United States.

00:33:09:09 - 00:33:25:01

**Hugh Weathers** 

So easy poultry, peaches and peanuts.

00:33:25:01 - 00:34:11:15

Mike Strain

New Orleans music and jazz. You hear music. But we also export poultry, corn, rice, beans, cotton, seafood. And as importantly as in all of our states, we have some of the preeminent research stations in the world. That put information directly from the science into the field. And in Louisiana and sugar cane, rice and sweet potatoes.

00:34:25:07 - 00:34:57:24

Don Lamb

Indiana's being on corn, soybeans, pork, poultry, eggs. But we're number one in popcorn, which beats a peanut any day.

00:34:57:27 - 00:35:21:28

Don Lamb

The one thing I'll add to that is you can see, most of us are farmers. We've come from a farm or grew up on a farm. So a really important part of this visit for us was also meeting with your producers.

00:35:22:03 - 00:35:50:23

Don Lamb

Because we do understand what it's like to try to grow food and then market. So those relationships being strengthened is a really important part of this whole puzzle for us.

00:35:50:23 - 00:36:16:22

**Ted McKinney** 

You can tell we love each other and we have fun. But there's a strong commitment. It is a very short relationship if only selling goes one way. We mean what we say, that we want to open and be receptive to things that Cuba farmers and processors wish to sell.

## 00:36:16:24 - 00:36:43:11

## Ted McKinney

We're very serious about that. So thank you. Thank you. Again, we're happy and available. thank you.