



Colombia FTA Facts

Office of the United States Trade Representative
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U.S. Business and Agriculture Support The U.S. - Colombia Free Trade Agreement

“Together, our free trade partners accounted for nearly half of our exports, but only \$100 million of our \$37 billion January deficit – with notable trade balance improvements in NAFTA and CAFTA. Legislators opposing the Colombia and other pending trade agreements have got it entirely wrong. It’s amazing how they hold on to the myth that these agreements are the problem rather than the solution when it comes to the trade balance. Stalling these agreements is hurting our export and job prospects while preventing legislators from offering solutions to the real problems U.S. manufacturers face.”

- NAM Press Release: Frank Vargo, Vice President for International Economic Affairs, National Association of Manufacturers, March 11, 2008

“The agreement [Colombia TPA] will strengthen our economic ties with and promote greater political stability in Colombia, benefiting our two nations and the hemisphere. Colombia’s government is on the right track on labor and other issues, and its people support this trade agreement.... As a strong ally, Colombia deserves our continued economic and political backing. This can be demonstrated by Congress taking up and passing Colombia Trade Promotion Agreement implementing legislation as soon as possible in 2008.”

- An Open Letter to Congress from numerous U.S. agricultural businesses and organizations, An Advertisement in Roll Call, January 28, 2008

“The Congressional Hispanic Conference is pleased to continue to work for passage of our country’s Free Trade Agreements with Colombia and Panama. These Agreements would increase U.S. exports, create new jobs, and spur economic growth.”

- Resident Commissioner Luis Fortuno, Congressional Hispanic Conference Press Release, January 28, 2008

“An issue that the President made clear in his address is the importance of passing Free Trade Agreements with Colombia and Panama. I am a strong supporter of free trade with free and democratic nations. Not only does it strengthen our allies in the region, but also it creates jobs and economic opportunities for many in the U.S.”

- Rep. Mario Diaz-Balart, Congressional Hispanic Conference Press Release, January 28, 2008

“I am grateful for the President’s support of free trade agreements with Colombia, South Korea, and Panama. Those agreements would greatly benefit the United States by stimulating our economy and promoting the political stability of some of our closest friends. These agreements would level the playing field for American businesses, would incorporate responsible labor and environmental protections, and would cultivate our partnerships with key democratic allies.”

- Rep. Lincoln Diaz-Balart, Congressional Hispanic Conference Press Release, January 28, 2008

“We must also continue to help our friends and allies, such as Colombia, by doing all we can to assure that a free trade deal with our Colombian allies is approved by this Congress. We cannot and will not turn our back on our friends.”

- Rep. Ileana Ros-Lehtinen, Congressional Hispanic Conference Press Release, January 28, 2008

“We urge Congress to strengthen American engagement and solidify American ties by approving the U.S.-Colombia Trade Promotion Agreement (TPA) as expeditiously as possible during the 100th Congress.”

- Emergency Committee for American Trade, An advertisement in The Hill, December 11, 2007

“The Peru and Colombia FTAs... go well beyond the DR-CAFTA and other trade agreements in providing immediate benefits to U.S. farmers, ranchers, and agribusinesses that will create thousands of new U.S. jobs. Many U.S. food and agricultural products will become eligible for duty free treatment in Colombia and Peru immediately upon entry into force of the FTAs, and virtually all U.S. products will receive duty free treatment over specified phase-in periods. According to the American Farm Bureau the Peru and Colombia Trade Promotion Agreements will increase U.S. farm exports by \$1.39 billion. USDA estimates for every million dollars of agricultural exports 13.4 jobs are created. Therefore, once fully implemented the Peru and Colombia agreements will provide over 18,000 new jobs due to increased agricultural exports.”

- The Agriculture Coalition for Latin American Trade (42 food and agriculture organizations), Open Letter to Congress, July 18, 2007

“The U.S.-Colombia Trade Promotion Agreement (CTPA) significantly expands opportunities for U.S. companies in the second largest South American market. CTPA demonstrates to other developing countries that commitments to liberalization and internal economic reform are necessary for economic development, higher standards of living, and global competitiveness.”

- Coalition of Services Industries, CSI Fact Sheet, July 18, 2007

“The United States Hispanic Chamber of Congress, the largest advocate for America’s 2 million Hispanic-owned businesses, urges that you support the Panama, Peru, and Colombia Trade Agreements. The approval of these three trade agreements, which were formulated under a historic and precedent setting fair trade framework, and the need to negotiate similar agreements with Bolivia and Ecuador are of vital interest to securing our nation’s long term economic and diplomatic strength in the Western Hemisphere.... The primary beneficiaries of these three agreements will not be huge multinationals but small and medium sized companies with an average of less than 100 employees. Over 80 percent of current U.S. exporters to Peru, Panama, and Colombia are small and Medium Enterprises (SMEs).”

- Michael Barrera, President & CEO, United States Hispanic Chamber of Commerce, USHCC Open Letter to Congress, July 17, 2007

“Our organization... views the [Peru, Colombia and Panama] trade agreements as vital to building relationships with important strategic allies of the United States in a region where anti-American sentiment has increased in recent years. We also feel strongly that the trade pacts, by shoring up the

market economies and democratic institutions of these countries, would further efforts to combat poverty and promote human rights in the region.”

- Moisha Smith, President and Daniel S. Mariaschin, Executive Vice President, B'nai B'rith International, Letter to U.S. Representative Joe Crowley, July 17, 2007

“Because the U.S. wheat industry exports nearly half the crop it produces every year, increasing access to every market, large or small, is important. Nearly 30 percent of those exports flow to our neighbors in the Western Hemisphere. Yet we are losing market share in South America to competitors such as Argentina that reap the benefits of the Mercosur agreement granting preferential or duty-free access. Approved FTAs with Peru and Colombia will eliminate import duties on U.S. wheat, and we estimate that will help bring in incremental sales of \$200 million per year to wheat growers, wheat industry stakeholders and their communities.”

- Joint statement of NAWG First Vice President David Cleavinger and U.S. Wheat Associates Chairman Ron Suppes, July 16, 2007

“Under your leadership, the trade agenda took important steps forward in recent months, beginning with the release in May of the ‘New Trade Policy for America.’ Despite concessions that are difficult for some U.S. industries, the vast majority of the business community has rallied to support this new approach to trade agreements so that America’s trade agenda can continue to move forward and U.S. business and workers can remain competitive.... Now, though, it is time to move quickly to review and approve the pending TPAs so that U.S.-based manufacturers, farmers, ranchers, and service providers, who currently face formidable barriers to their exports to Peru, Colombia, and Panama, can expand their exports to these markets.... In the case of Colombia, delay plays into the hands of those who do not support democracy, economic development, and social progress. Few countries in the world have advanced so rapidly in recent years as Colombia. President Alvaro Uribe is the most popular elected leader in the Americas today because of his successful record of reducing violent crime, generating economic opportunities, investing in social programs, controlling narco-trafficking, and protecting human rights. To defer consideration of the U.S.-Colombia agreement will do nothing to advance this positive agenda; on the contrary, it has a much greater likelihood of undermining Colombia’s dramatic recent progress.”

- Latin America Trade Coalition, Letter to Chairmen and Ranking Members of the Senate Committee on Finance and House Committee on Ways & Means, July 12, 2007

“Now is the time for Congress to vote on the Peru, Colombia and Panama TPAs. These three agreements would increase U.S. agricultural exports by nearly \$1.5 billion once fully implemented.... Passage of the Peru and Colombia TPAs would provide U.S. agriculture the same open access to Peru and Colombia as those countries have in our market under ATPDEA. Congress’s quick passage of the Peru, Colombia and Panama TPAs will help demonstrate to U.S. farmers and ranchers that Congress is committed to promoting U.S. agricultural trade.”

- Bob Stallman, President, American Farm Bureau Federation, Letter to House Democratic Leadership, July 12, 2007

“Central and South America are vital trading partners for the United States. In terms of high-tech goods, the United States held a \$14 billion trade surplus with the region in 2006, nearly 25 percent larger than it was in 2000. We need to continue to open markets with our southern neighbors by enacting the pending Free Trade Agreements with Colombia, Panama, and Peru and by working with other countries in the region to lower barriers to trade.”

- Rob Mulligan, Senior Vice President International, AeA, AeA Press Release, June 13, 2007

“The Northwest Horticultural Council supports passage of the U.S.-Colombia Trade Promotion Agreement.... Colombia, a country of 41 million people, agreed to reduce its tariffs on apples, pears and cherries to zero immediately upon enactment of the agreement. Currently tariffs are 15 percent. Colombia does not pose an import threat to our industry and there are no current phytosanitary barriers preventing the export of our products to Colombia. During the 2004 season apple exports to Colombia increased 217% (to 359,313 cartons) from the previous season in large part due to Colombia raising its tariff on Chilean apples (and pears) from zero to 15%, where it currently remains.”

**- Northwest Horticultural Council, NHC Policy Position
(<http://www.nwhort.org/nhpublic/ColombiaFTA.html>), May 25, 2007**

“Urgency has brought together a unified response from the U.S. textile and apparel industry supply chain organizations. It is vital to the Andean and American economies that the U.S. - Colombia and U.S./Peru trade agreements be approved as soon as possible. Those agreements will provide our industry with permanent, reciprocal and immediate duty-free access for ALL apparel and textiles. Now that congressional leaders and the Bush administration have agreed on a bipartisan trade policy framework, we need to move immediately to secure approval of the pending Andean trade promotion agreements. Moreover, the existing duty-free program with the Andean region needs to be maintained until those agreements can take full effect.”

**- Kevin M. Burke, President and CEO, American Apparel & Footwear Association (AAFA),
AAFA Press Release, May 11, 2007**

“Getting this FTA in place is essential for the wheat industry. Our Board Team reports that America’s official trade relationship with Colombia has fostered an environment of economic and political stability and has the potential to become a regional foreign policy success story.”

- Alan Tracy, President, U.S. Wheat Associates, USW Press Release, March 15, 2007

“[T]he Colombia and Peru Trade Promotion Agreements are widely viewed as being the best ever negotiated on behalf of U.S. agriculture. Many U.S. food and agricultural products will become eligible for duty-free treatment in these countries immediately upon entry into force of the agreements, and virtually all will receive duty-free treatment over specified phase-in periods.”

**- The Agriculture Coalition for Latin American Trade (42 food and agriculture organizations),
Open Letter to Congress, February 20, 2007**

“This [Colombian] agreement is a critical building block of U.S. hemispheric engagement. With it, the United States gains additional access to global markets for U.S. products, while ensuring that we continue to build the strategic relationship with one of our most important hemispheric allies. Rapid passage of the agreement will be an important signal to the rest of the hemisphere of U.S. reliability and partnership.”

**- Susan Segal, President and CEO, Council of the Americas,
COA Press Release, November 22, 2006**

“Colombia is a growing market for U.S. goods and services, and this FTA will fortify our existing trade partnership by expanding opportunities for the U.S. business community and American workers. We congratulate negotiators from both countries for working to achieve a successful outcome. Today’s signing is proof of that hard work. While this agreement will open markets and benefit the many U.S. companies with operations, facilities or interests in trade with Colombia, it will also bring increased stabilization and economic growth to Central and South America.”

**- Bill Reinsch, President, National Foreign Trade Council, NFTC Press Release,
November 22, 2006**

“The FTA is a policy priority for the U.S. business community, including the burgeoning Hispanic American business community, which is uniquely positioned to build and benefit from a stronger two-way trading relationship between the U.S. and Colombia. We are pleased with the signing and now look to Congress to ratify the FTA as soon as possible.”

- Anne Alonzo, Senior Vice President, National Foreign Trade Council and Co-Chair of the Hispanic Alliance for Free Trade, NFTC Press Release, November 22, 2006

“Colombia and Peru represent important and growing export markets for U.S. textile products, totaling nearly \$200 million a year. These FTAs are essential if the Peru and Colombia markets are to continue to grow and we urge Congress to quickly pass implementing legislation for these agreements. At \$16 billion a year in exports, the U.S. textile industry is the third largest exporter of textile products in the world. These exports depend on trade agreements like the Colombia and Peru FTAs which ensure that FTA partners, not Asian exporters, are the true beneficiaries of these agreements.... The Peru and Colombia FTAs are key components in making the Western Hemisphere a competitive alternative to Asia. With 2.2 million textile and apparel workers in the NAFTA, CAFTA and Andean region, textile producers in the United States and apparel manufacturers in the larger region have integrated their production lines. These FTAs will create the necessary predictability and stability that is needed to help ensure this region remains viable.”

- Cass Johnson, President, National Council of Textile Organizations, NCTO Press Release, October 19, 2006

“The United States and Colombia are not just economic partners, but allies in the war against terror and narcotics. That's why it may be the most important bilateral relationship in the hemisphere, and it's time for our economic relationship to reflect the bond of friendship. Let's do away with temporary, unilateral preferences and establish a foundation that is mutually beneficial, reciprocal and permanent. It's time to eliminate all trade and investment barriers between our two countries. The first day the U.S.-Colombia Trade Promotion Agreement goes into effect, Colombia's \$200,000-plus duty on each large off-highway truck made in the United States will be completely eliminated. Caterpillar products will be more competitive in Colombia, which in turn will help Colombian customers be more competitive in the world. The agreement will also enhance the rule of law and bolster implementation of internationally recognized worker's rights. It will strengthen protection and enforcement of U.S. trademarks, patents and copyrights, creating new opportunities for innovation and creative industries in Colombia.”

- Tom Gales, Vice President for Latin America, Caterpillar Inc., Caterpillar Press Release, October 5, 2006

“The American Farm Bureau Federation [AFBF] board of directors voted today to support the U.S.-Colombia Trade Promotion Agreement. AFBF economic analysis shows the total increase in U.S. farm exports could exceed \$690 million annually after full implementation of the agreement. The Colombia TPA allows the United States to compete with Colombia's other trading partners that are currently supplying a large percentage of the country's food and fiber market through other preferential trade agreements. The TPA also provides balance by providing U.S. products with the same duty-free access already enjoyed by Colombian products exported to the United States. The Colombia TPA will greatly increase exports of a wide range of farm products and have a positive effect on the overall American agricultural sector. In all, this agreement helps further our goal of establishing greater worldwide market access for U.S. farmers.”

- Bob Stallman, President, American Farm Bureau Federation, Farm Bureau Press Release, October 4, 2006

“The completion of a free trade agreement (FTA) between the United States and Colombia in February provides improved access for U.S. rice to that South American country. This agreement represents a great achievement for negotiators and the U.S. rice industry because Colombia had sought to minimize access for U.S. rice, and it was one of the last agricultural items to ‘close’ in the negotiations.”

- Robert Cummings, Vice President for International Policy, USA Rice Federation, USA Rice Update, April 2006

“ECAT welcomes the conclusion of a trade agreement with Colombia which covers all sectors and subsectors of trade and investment and will provide substantial new market access opportunities for many U.S. consumer and industrial goods, farm products, and services and for U.S. investment. Colombia, like Peru, represents an important economic as well as strategic partner in the region.”

- Cal Cohen, President, Emergency Committee for American Trade, ECAT Press Release, March 2, 2006

“GMA commends the U.S. negotiators for concluding this comprehensive agreement with Colombia. Under the accord, 50,000 tons of sugar will be allowed to enter duty-free annually into the U.S. While we are disappointed that the high U.S. tariff will remain on sugar, we are pleased that the Office of the U.S. Trade Representative resisted calls for exclusion of this commodity.

- Sarah Thorn, then-Senior Director of International Trade, Grocery Manufacturers Association, GMA Press Release, February 28, 2006

“Pork was one of the most controversial sectors in the talks. Nevertheless, [then-] U.S. Trade Representative Rob Portman and USDA Secretary Mike Johanns and their staffs came through with a fantastic deal for U.S. pork producers. We are very excited about this agreement because it will provide significant new export opportunities to 43 million consumers in Colombia. Under the terms of the deal, the tariffs on some pork and pork products will be eliminated immediately while the tariffs on others will be phased out over a five-year period.”

- Don Buhl, President, National Pork Producers Council and a pork producer from Tyler, Minnesota, NPPC Press Release, February 27, 2006

“In late February, the U.S. concluded negotiations with Colombia on a free trade agreement that would eliminate Colombia's import duty of 15 percent for U.S. apples upon enactment. A 15 percent apple import duty would remain in effect for other non-Andean countries, including Chile, a major U.S. competitor. Colombia does not presently have SPS import restrictions that impede U.S. apple exports. Colombia was the thirteenth largest export market for U.S. apple exports in 2005. Exports more than doubled from 2004 to 2005, increasing from 216,784 boxes to 558,966 boxes with a value of \$2.4 million and \$6.4 million, respectively. With a population of 41 million, the Colombian market offers additional export growth potential for the U.S. apple industry with elimination of its 15 percent import duty. This free trade agreement offers immediate open market access to U.S. apple exports upon implementation. US Apple urges Congress to approve the U.S.-Colombia Free Trade Agreement in order to expand U.S. apple export opportunities.”

- U.S. Apple Association; Issue Paper