



## LATIN AMERICA TRADE COALITION

April 8, 2011

The Honorable John Boehner  
Speaker  
U.S. House of Representatives  
Washington, D.C. 20515

The Honorable Harry Reid  
Majority Leader  
U.S. Senate  
Washington, D.C. 20510

The Honorable Nancy Pelosi  
Democratic Leader  
U.S. House of Representatives  
Washington, D.C. 20515

The Honorable Mitch McConnell  
Republican Leader  
U.S. Senate  
Washington, D.C. 20510

Dear Speaker Boehner and Leaders Reid, Pelosi, and McConnell:

The Latin America Trade Coalition — one of the largest trade coalitions in history with more than 1,200 U.S. business groups, agricultural organizations, chambers of commerce, and companies that directly employ more than 10 million American workers — applauds the announcement by President Obama and Colombian President Juan Manuel Santos that the United States has reached agreement with Colombia on further labor and judicial reforms that will open the door for Congressional consideration of the long-pending U.S.-Colombia Trade Promotion Agreement. We are also pleased that the government of Panama is now taking the final steps that will allow consideration of the U.S.-Panama Trade Promotion Agreement. Once implementing legislation for these agreements is sent to Congress in the weeks ahead, we urge you to give your swift approval.

These vital trade agreements will support and create American jobs by leveling the playing field for U.S. goods and services. Today, nearly all imports from Colombia and Panama enter the U.S. market duty free, but these countries continue to impose tariffs on our farm and manufactured goods exports that often soar into the double digits. These accords will eliminate these tariffs and other barriers U.S. exporters face and create new opportunities for the sale of American products. In addition, they will open services markets; secure the intellectual property of many U.S. inventors, researchers, and creators; protect U.S. investment and the jobs they create in the United States; and guarantee enforceable protections for worker rights and the environment.

The benefits of these accords will be substantial. U.S. exports to Colombia and Panama have tripled in the past seven years, underscoring the dynamism of these markets. More than 20,000 U.S. companies export their products to these two markets, and 86 percent of these are small and medium-sized businesses. Many more such firms could seize the benefits of exporting to these countries once the agreements sweep aside the high tariffs and other trade barriers, such as quotas and licensing fees, that deter many of America's smaller companies from exporting.

As President Obama has stated, "If America sits on the sidelines while other nations sign trade deals, we will lose the chance to create jobs on our shores." Indeed, a recent study by the U.S. Chamber of Commerce shows that tens of thousands of American workers will lose their jobs if the United States fails to implement these agreements. The Canada-Colombia Free Trade Agreement will enter into force by July 1, and implementation of the European Union-Colombia Free Trade

Agreement is expected in the near future. Panama, too, has signed trade agreements with Canada, the EU, and other countries.

If we delay, farmers, manufacturers, and service providers in Canada, Europe, and elsewhere will secure preferential access to the Colombian and Panamanian markets that will allow them to undercut their U.S. competitors. In fact, this threat is already unfolding. Largely as a result of Colombia's earlier trade accord with Mercosur, U.S. farmers have already seen their share of Colombia's agriculture market fall to about one-quarter today from about three-quarters just two years ago.

The geostrategic importance of the agreements is also profound. In the case of Colombia, the trade agreement will help lock in improvements in rule of law over the past decade. Colombia has seen violence fall to its lowest level in a generation; tens of thousands of insurgents have demobilized as extremist groups have lost legitimacy; and the number of Colombians enrolled in school and the health care system has risen sharply. This remarkable progress is the result of the hard work of many brave Colombians as well as a bipartisan U.S. policy of support for Colombia that dates from the 1990s. The Andean Trade Preference Act has played an important part in this progress, and it should be renewed immediately pending the trade agreement's entry into force.

In similar fashion, the agreement with Panama will strengthen the century-old U.S.-Panama partnership. From the time of the canal's construction, the United States and Panama have made common cause on issues from security to commerce. The canal's expansion presents significant opportunities for U.S. companies stemming from one of the largest public works project in the world since China's Three Gorges Dam. With a remarkable one-third of its population speaking English fluently and a fully dollarized economy, Panama is a good friend and partner of the United States. The trade agreement will help Americans and Panamanians get even more benefits from these longstanding ties.

We thank the many members of Congress whose strong support has cleared a path for these trade agreements, which will create and support good American jobs, level the playing field for U.S. goods and services, and reaffirm our ties to these close U.S. allies. We pledge to work tirelessly with you to make the case for their swift approval.

Respectfully,

The Latin America Trade Coalition

cc: The Members of the United States Congress

*A full list of the more than 1,200 companies, business and agricultural associations, and chambers of commerce that comprise the Latin America Trade Coalition is available at [www.latradecoalition.com](http://www.latradecoalition.com)*