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Wheat Industry Praises Progress on U.S.-Colombia FTA

Following is a joint statement from National Association of Wheat Growers President Wayne Hurst, a wheat grower from Burley, Idaho, and U.S. Wheat Associates Chairman Don Schieber, a wheat grower from Ponca City, Okla.:

"The U.S. wheat industry is very pleased to hear the announcement today from President Barack Obama's Administration that the United States and Colombia have successfully negotiated a way forward on our pending free trade agreement (FTA). This is a critical step toward being able to compete on a level playing field in one of the largest wheat markets in South America. Without this FTA, U.S. wheat farmers face a potential loss of sales currently valued at about \$100 million per year.

"This advancement is the result of hard work by parties in both the United States and Colombia. Specifically, we want to thank President Obama and his administration's efforts to overcome points of contention in the original agreement. Colombian President Juan Manuel Santos, the Colombian government and its people, especially the Colombian wheat milling industry, deserve praise for their efforts to make this agreement possible. We thank the many U.S. wheat industry leaders who have worked tirelessly to support the agreement. Members of Congress who have come out in support of the FTA also deserve credit for their role in moving the agreement forward.

"U.S. wheat producers need this FTA to compete in the Colombian market on the basis on quality and supply with wheat from other countries. Argentine wheat enjoys trade preferences under the Mercosur agreement. Canada and Colombia have ratified a separate FTA that will eliminate import tariffs on Canadian wheat and most other agricultural goods likely by July of this year. When that happens, the existing tariff and price band system applied to U.S. wheat imports will, in effect, make Canadian wheat significantly cheaper than U.S. wheat. As a result, Colombian millers who want to keep buying U.S. wheat would be forced buy more wheat from Canada because of the significant tariff disadvantage alone. The U.S.-Colombia FTA would remove that barrier.

"There is more work to be done before that happens. We encourage the Obama Administration to prepare and submit the FTA to the House of Representatives for a ratification vote as soon as possible. Assuming Congress and the Colombian legislature ratify the agreement, several months will be needed before the FTA is implemented. The National Association of Wheat Growers and U.S. Wheat Associates will continue to work to encourage rapid approval of the U.S.-Colombia FTA and FTAs with South Korea and Panama."

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