

October 25, 2007

Dear Member of Congress:

The 50 undersigned organizations, representing U.S. farmers, ranchers, meat processors, food producers and exporters, urge you to approve the U.S.-Peru Trade Promotion Agreement (PTPA). The agreement is expected to move to the House and Senate floors in the coming weeks.

The PTPA provides immediate duty-free access to Peru's market for two-thirds of our farm and food products, including high quality beef, wheat, soybeans, whey, cotton, corn oil, corn gluten feed and meal, apples, pears, peaches, cherries, almonds, frozen french fries, cookies, distilled spirits and breakfast cereals. PTPA opens the market for the remainder of U.S. agricultural products by the end of a transition period.

The U.S. market is already open to most products from Peru on a duty-free basis under the Andean Trade Preferences Act, which Congress overwhelmingly approved. The PTPA ensures our ability to compete fairly in the Peruvian market with the country's other trading partners, including Argentina, Brazil, Chile, Colombia, Cuba, the European Union and Mexico. Peru already has signed free trade agreements or is in the process of negotiating free trade agreements with these countries.

The PTPA offers our exporters greater opportunities in a dynamic and growing market. It will ensure that the Peruvian economy – and Peru's demand for our high quality food products – continues to expand. Additionally, it solidifies our friendly ties with an important regional ally, establishing a more stable footing for our ongoing trade relations.

U.S. agricultural exports to Peru include wheat, feed grains, cotton, oilseeds and products, rice, and dairy products. Consumer-oriented food exports have been growing, with the U.S. representing Peru's fourth largest supplier. The United States will see increased prospects for a wide range of other high value U.S. food products, including cheese and whey, snack foods, pet foods, fresh and processed fruits and juices and wine.

U.S. meat exports have enjoyed only modest success in the Peruvian market. This is expected to change under the PTPA not only because of the rapid removal of tariffs on most meat, livestock and poultry products but also because of the important commitments Peru has made on sanitary and phyto-sanitary barriers. As part of the PTPA, Peru agreed to recognize the U.S. meat inspection system as "equivalent" to its own and to permit imports from plants approved by the USDA Food Safety Inspection Service.

The exports generated by this trade agreement will have a positive affect on the bottom line of U.S. farmers and ranchers. The American Farm Bureau Federation estimates the Peru Trade Promotion Agreement will increase U.S. farm exports by \$705 million. Additionally, USDA estimates that for every million dollars of agricultural exports, 13.4 jobs are created. Therefore, when fully implemented, the PTPA will provide more than 9,000 new jobs from increased agricultural exports.

This agreement establishes a level playing field that many members of Congress have argued should be a fundamental goal of our trade agreements. We urge Congress to provide U.S. food and agriculture the same trade benefits that it already has extended to farmers and ranchers in Peru. The PTPA provides such reciprocal trade benefits and will generate U.S. exports, create U.S. jobs and enhance the economic well-being of U.S. farming communities.

Please support the U.S.-Peru Trade Promotion Agreement!

Sincerely,

American Cotton Shippers' Association  
American Farm Bureau Federation  
American Feed Industry Association  
American Frozen Food Institute  
American Meat Institute  
American Seed Trade Association  
American Soybean Association  
Blue Diamond Growers  
California Table Grape Commission  
Commodity Markets Council  
Corn Refiners Association  
Distilled Spirits Council of the United States  
Grocery Manufacturers/Food Products Association  
International Dairy Foods Association  
National Association of Wheat Growers  
National Barley Growers Association  
National Black Farmers Association  
National Cattlemen's Beef Association  
National Chicken Council  
National Confectioners Association  
National Corn Growers Association  
National Cotton Council  
National Cottonseed Products Association  
National Grain and Feed Association  
National Grange  
National Milk Producers Federation  
National Oilseed Possessors Association  
National Pork Producers Council  
National Potato Council  
National Renderers Association  
National Sorghum Producers  
National Sunflower Association  
National Turkey Federation  
North American Equipment Dealers Association  
North American Export Grain Association

North American Millers' Association  
Northwest Horticultural Council  
Pet Food Institute  
Produce Marketing Association  
Sweetener Users Association  
The Fertilizer Institute  
U.S. Apple Association  
U.S. Canola Association  
U.S. Dairy Export Council  
U.S. Wheat Associates  
U.S. Hide, Skin and Leather Association  
U.S.A. Dry Peas and Lentil Council  
U.S.A. Poultry & Egg Export Council  
U.S.A. Rice Federation  
Western Growers Association