



U.S. Pork Producers Support the Colombia Trade Promotion Agreement

- The Colombia Trade Promotion Agreement (CTPA) negotiated between the United States and Colombia, once fully implemented, will significantly benefit U.S. pork producers. Under the terms of CTPA, 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.
- In addition to the favorable market access provisions, significant sanitary and technical issues have been resolved. In a letter dated February 26, 2006, the Colombian government confirmed that it shall recognize the meat inspection system of the United States as equivalent to its own meat inspection system.
- In 2007, the United States was able to ship only \$8.5 million in pork to Colombia. U.S. pork exports to Colombia will increase significantly when the current barriers to trade are eliminated.
- Most consumers in Colombia are currently at an income level that does not allow them to consume meat on a regular basis. Prosperity created by a free trade agreement will create millions of new customers for U.S. meat and other agricultural products.
- Live hog prices are positively impacted by the introduction of new export markets. According to Iowa State University economist Dermot Hayes, the Colombia agreement, when fully implemented, will cause live U.S. hog prices to be **\$1.63** higher than would otherwise have been the case. That means that the profits of the average U.S. pork producer will expand by 14 percent, based on 2005 data.
- The Colombia TPA will correct an inequity that exists between U.S. exporters of agricultural and industrial products and Colombian exporters. While 90 percent of Colombian products currently shipped to the United States are free from tariffs, most U.S. exports face significant tariffs or other restrictions in Colombia. This inequity is due in part to the Andean Trade Preference and Drug Eradication Act (ATPDEA), which Congress recently extended by an overwhelming majority. Passage of the Colombia TPA is the only way to resolve this inequity and provide fair trade with Colombia.
- **CONGRESS MUST ACT NOW!** U.S. pork producers cannot benefit from the Colombia TPA until Congress approves the trade deal.

The Global Voice for the U.S. Pork Industry