



December 3, 2007

Dear Senator:

On behalf of the American Forest & Paper Association (AF&PA), I am writing to urge your support for the U.S. – Peru Trade Promotion Agreement (PTPA) when it is considered by the full Senate. AF&PA and its member companies have consistently supported trade agreements that provide for expanded access to foreign markets, including the trade agreements with Chile, Singapore, and Australia, as well as CAFTA/DR.

AF&PA is the national trade association of the forest and paper industry and represents more than 200 member companies and related associations that engage in or represent the manufacturers of pulp, paper, paperboard, and wood products. The forest products industry accounts for more than 6 percent of total U.S. manufacturing output, employs over one million people, and ranks among the top 10 manufacturing employers in 42 states with an estimated payroll exceeding \$50 billion. Sales of the paper and forest products industry top \$230 billion annually in the U.S. and export markets.

The PTPA is beneficial to all facets of our industry. For paper and paperboard, the largest category of our industry's product exports to Peru, 86 percent of exports will receive duty-free treatment immediately upon implementation of the agreement. Tariff elimination will put U.S. producers on a more level playing field with suppliers from Chile and Brazil, who already benefit from preferential tariff entry to the Peruvian market.

The agreement also contains environmental provisions which maintain legal and proper harvesting, protecting market access for American companies who practice sustainable forestry. The PTPA, and its associated Annex on Forest Sector Governance, contained within the Environment Chapter of the Agreement, will improve Peru's forestry practices and make progress towards eliminating illegal logging, associated illegal border trade, and the use of illegally obtained timber in the manufacturing of forest products.

AF&PA and our member companies support the PTPA and urge Congress to support legislation to implement it. The agreement will lower trade barriers for paper and wood products and will promote the sustainable development and management of environmental resources and protected areas.

Best Regards,

Donna A. Harman  
President and Chief Executive Officer