



**TRADE PROMOTION AGREEMENTS WITH
PERU, PANAMA AND COLOMBIA:
A GOOD DEAL FOR U.S. RETAILERS and CONSUMERS!**

Wal-Mart Stores, Inc. is proud to serve as one of the corporate co-chairs of the Latin America Trade Coalition. The coalition represents nearly 600 U.S. companies, businesses, associations and chambers of commerce. We believe that the pending trade promotion agreements with Peru, Panama and Colombia are strong commercial agreements with the potential to significantly enhance retail operations in the years to come, and bring consumers more choices at lower prices. We urge swift passage of these key agreements.

Specifically, the agreements will:

Make permanent duty free treatment of exports from Peru, Colombia and Panama to the United States

Wal-Mart Stores, Inc. imports fruits, vegetables, flowers and apparel duty-free under the Andean Trade Promotion and Drug Eradication Act, the Caribbean Basin Initiative and the Generalized System of Preferences. While these programs are beneficial both to the exporting nations and consumers in the United States, a history of short-term renewals of the preference programs have diminished their value. Creating permanent, two-way trade agreements for all exports from these nations will create the necessary certainty for U.S. investment to thrive and enhance the predictability of sourcing for retailers. At the same time, this ensures that U.S. consumers will enjoy greater choices in shopping for products at lower costs.

Eliminate barriers to retail investment abroad

Under the terms of the trade promotion agreements, there will be substantial new market access for U.S. services, including retail, distribution and wholesale services. Retailers will benefit from the removal of barriers in other markets that currently inhibit the movement of products among manufacturers, wholesalers, retailers, and consumers. Intellectual property rights provisions will ensure the concept brands of the franchise companies are protected. Retailers working with transportation, telecommunications, financial, computer and other service providers may be able to improve and streamline the supply chain to better serve consumers in the United States and throughout the hemisphere. In certain markets, barriers to foreign direct investment in retail will be gradually lifted, enabling retailers to enter previously closed markets. This will enable U.S. retailers to expand our service as an export platform for U.S. goods.