

U.S. wheat industry says it supports Colombia, Peru FTA's

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WASHINGTON, D.C., U.S. — The U.S. Wheat Associates (USW) announced on March 15 that a team of four wheat producers from Idaho, Minnesota, Nebraska and Washington state are currently representing its board of directors on a two-week tour of Latin America to meet with important buyers, millers and traders. The team's first stop in Colombia reinforced the importance of the U.S./Colombia Free Trade Agreement (FTA), currently awaiting action in both countries.

"Getting this FTA in place is essential for the wheat industry," said USW President Alan Tracy. "Our board team reports that America's official trade relationship with Colombia has fostered an environment of economic and political stability and has the potential to become a regional foreign policy success story. We encourage on-going efforts to move implementing legislation to the Hill in time for them to be considered under TPA."

The USW noted that the U.S. wheat industry has strongly supported the Colombia FTA, as well as a separate FTA with Peru that is also awaiting action. The industry believes these free trade agreements are good for U.S. agriculture, good for the U.S. wheat industry and help strengthen positive relationships with important neighbors in the Western Hemisphere.

U.S. growers have been losing wheat market share in Colombia and Peru to Argentina and Canada for several years, with declining sales of 50% in just the last year. The FTAs will help to level the competitive playing field by ensuring U.S. wheat immediate duty-free access to these markets upon implementation. Once the agreements are fully ratified, USW said it expects these two markets to purchase about U.S.\$400 million of U.S. wheat annually, up from the current pace of about \$200 million per year.

"Free trade agreements are very important for our industry and we look forward to working with Congress to finalize the Colombia and Peru agreements," said Daren Coppock, chief executive officer of the National Association of Wheat Growers. "Colombia and Peru are crucial destinations for U.S. wheat exports and valuable trading partners."