NATIONAL FOREIGN TRADE COUNCIL, INC.

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The Honorable Eliot L. Engel U.S. House of Representatives Washington, DC 20515

Dear Representative Engel:

On behalf of the members of the National Foreign Trade Council (NFTC), I am writing to thank you for your leadership in introducing H.R. 1837, the "U.S. – Paraguay Partnership Act of 2009" and in support of this initiative to include Paraguay as a beneficiary of the Andean Trade Promotion Act (ATPA). The NFTC, organized in 1914, is an association of some 300 U.S. businesses engaged in all aspects of international trade and investment and comprised of companies representing a broad cross section that drive the U.S. economy.

The ATPA was first established to foster legitimate development alternatives to narco-trafficking and create stronger commercial relationships which alleviate poverty with countries in the region who share our vision. The program has been an important tool to promote economic opportunity and growth within the hemisphere.

As the second poorest country in South America behind Bolivia, Paraguay stands to benefit from trade preferences with the United States, by allowing Paraguayan products to compete with similar products from other countries in the region which already enter the U.S. duty free. Increased trade with the U.S. would also help to diversify Paraguay's economy, providing economic alternatives to Paraguayan citizens forced into illicit activities for survival.

Along with the privilege of trade preferences come important responsibilities. Fernando Lugo, as the first Paraguayan President to break the hold of one party's 60 year control of the Presidency, has taken an independent approach to foreign relations, and is already an important U.S. ally who deserves support.

Finally, the NFTC strongly supports longer term and earlier extensions of trade preference programs to create the environment of certainty and transparency necessary to assure success. Thank you for your longstanding support of long term extensions to trade preference programs and the inclusion of Paraguay in the ATPA.

Sincerely,

William A. Reinsch

President