Business Roundtable Emergency Committee for American Trade National Association of Manufacturers National Foreign Trade Council United States Council for International Business U.S. Chamber of Commerce

October 8, 2009

The Honorable Charles Rangel Chairman Committee on Ways and Means U.S. House of Representatives Washington, DC 20515

The Honorable Dave Camp Ranking Member Committee on Ways and Means U.S. House of Representatives Washington, DC 20515 The Honorable Max Baucus Chairman Committee on Finance U.S. Senate Washington, DC 20510

The Honorable Charles Grassley Ranking Member Committee on Finance U.S. Senate Washington, DC 20510

Dear Chairman Rangel, Chairman Baucus, Ranking Member Camp, and Ranking Member Grassley:

We are writing to urge your support for extending the Andean Trade Preference Act (ATPA) with respect to Peru and Colombia before its expiration on December 31, 2009. Originally established in 1992, ATPA was created to foster legitimate development alternatives to narco-trafficking in the Andean countries of Colombia, Peru, Ecuador, and Bolivia and create a stronger and more vibrant commercial relationship. Since that time, ATPA has been renewed and expanded on a strongly bipartisan basis several times.

ATPA has produced important economic opportunities and diversification in the Andean region and strong economic relationships between the United States and Peru and Colombia. ATPA has been vital to sustain hundreds of thousands of jobs in the formal private sector of those countries.

ATPA is not, however, a substitute for the stronger and more reciprocal relationship that the United States is seeking to forge with Colombia through the implementation of the U.S.-Colombia Trade Promotion Agreement, as we now have with Peru. We urge the prompt approval of the Colombia agreement by the U.S. Congress this year. Even if such approval is accomplished, the Colombia trade agreement will not enter into force until after the expiration of ATPA, creating a gap in the trading relationship that could undermine anti-narcotics efforts and result in a substantial loss of opportunities in Colombia and the United States. Given co-production between the United States, Colombia and Peru, it is vital that ATPA be extended for both Colombia and Peru before the end of the year.

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At the same time, there are serious concerns about the continued deterioration in the basic rule of law occurring in Ecuador and Bolivia. The President's June 30, 2009 report to Congress on Ecuador's and Bolivia's ATPA eligibility noted several issues of serious concern, as does the U.S. Department of State's 2009 Investment Climate Statements with respect to Ecuador and Bolivia. Other international reports continue to highlight similar problems. We urge Congress and the Administration not to reward these countries through the ATPA renewal. If Congress does extend the ATPA with respect to these countries, it should be a short, six-month extension and should provide ATPA benefits only to products from non-state dominated sectors.

We appreciate your consideration of our views and look forward to working with you in support of the renewal of ATPA with Colombia and Peru as soon as possible.

Sincerely,

John Castellani President

Business Roundtable

John Engler President

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William A. Reinsch

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