

NATIONAL FOREIGN TRADE COUNCIL, INC.

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October 15, 2007

The Honorable Christopher P. Carney
U.S. House of Representatives
416 Cannon House Office Building
Washington, DC 20515-3810

Dear Congressman Carney:

I am writing on behalf of the National Foreign Trade Council (NFTC) and its 300 members to urge you to approve the U.S.-Peru Trade Promotion Agreement (PTPA), which is expected to come before the full House and Senate in the very near future. We also urge prompt action on the equally important free trade agreements with our Latin American neighbors and allies in Colombia and Panama, as well as our pending FTA with Korea.

These trade agreements are in the clear economic and national interest of the United States. They are comprehensive, commercially meaningful and will create major new trading opportunities for both sides in goods, services and agriculture. Importantly, the United States currently provides preferential duty-free access for most imports from the Andean countries, and the FTAs will reverse this trend by creating similar preferential access for US exporters. With respect to Peru, for example, their average tariff rates of 12-25% will be eliminated on the majority of US exports upon entry into force of the agreement. The U.S. International Trade Commission has estimated the PTPA will increase US exports to Peru by \$1.1 billion and will add \$2.1 billion per year to US GDP.

Aside from important economic benefits from the PTPA, there are fundamental foreign policy issues at stake, both in terms of helping Peru develop in an economically sustainable manner and by deepening ties with an important ally and friend in a region that is being confronted by strong anti-American forces led by Venezuelan President Hugo Chavez. It would be an enormous set back for the United States and its relations with Latin America if the Congress fails to approve the FTAs with Peru, Colombia and Panama.

For all of these reasons and more, we urge you to support these vitally important trade agreements, beginning with PTPA, as soon as possible.

Sincerely,

A handwritten signature in black ink, appearing to read "W. A. Reinsch", is written over a light blue horizontal line.

William A. Reinsch
President