

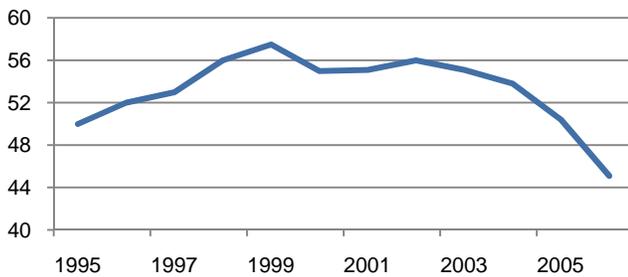


U.S.-COLOMBIA TRADE: A PARTNERSHIP TO PROSPERITY

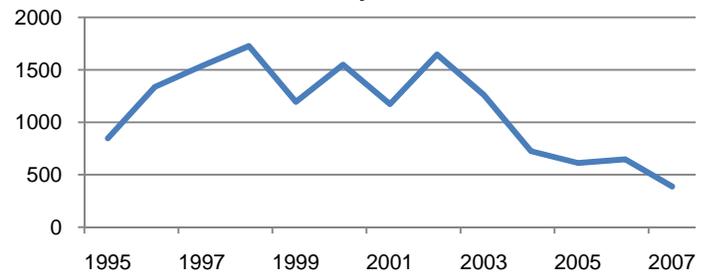
Mutually Reinforcing – National Security & Economic Prosperity

- The U.S.-Colombia Trade Promotion Agreement (CTPA) will deliver economic opportunity to Colombians through sustained economic growth, increased investment, new employment, and anti-corruption reforms.
- The historic U.S.-Colombia partnership is yielding real results in Colombia's stability:
 - Violence in Colombia has plummeted – homicides down 40% in last 5 years.
 - Over 9,400 individuals benefit from Colombia's Protection Programs (a fifth are trade unionists).
 - In 2008, the Government of Colombia increased the budget for the Prosecutor General's Office by \$40 million – more than half will fund the Justice and Peace and Human Rights Units in pursuit of justice for victims of violence.

Poverty Rates Declining
% of Colombians below the poverty line



Terrorism Falling
of attacks against Colombians—down 76% in 5 years

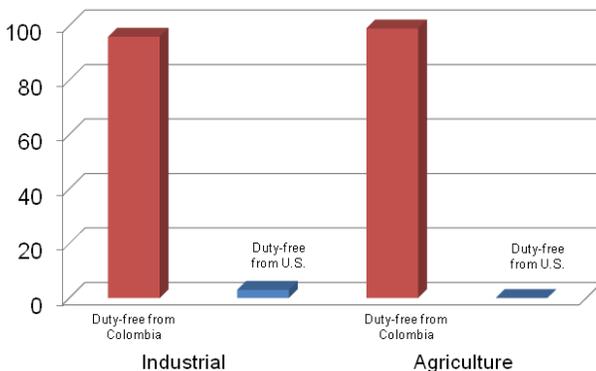


SOURCE: U.S. Department of State

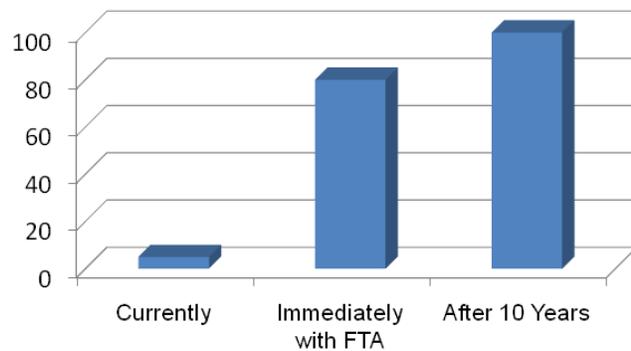
Graduating the Relationship: One-way Preferences to a Two-way Partnership

- 91 percent of Colombia's exports to the United States enter duty-free under unilateral trade preference programs, while U.S. exports to Colombia face an average tariff exceeding 11 percent.
- The CTPA levels the playing field for U.S. manufacturers, farmers, and service workers by opening up Colombia's market.

Current % of Duty-Free U.S.-Colombia Trade



% of Duty-free U.S. Exports Into Colombia



Providing U.S. Exporters Permanent Access to a Booming Regional Market

- U.S. merchandise exports to Colombia exceeded \$8.5 billion in 2007, a 28 percent increase from 2006. Colombia now ranks as our 26th largest export market.

- In 2007, U.S. farmers and ranchers shipped \$1.2 billion in agricultural goods to Colombia, up 41 percent in a single year, making Colombia the largest export market for U.S. farm products in the Hemisphere outside of NAFTA.

Ensuring Hemispheric Competitiveness in the Global Market

- The FTA offers U.S. exports a permanent competitive advantage in the Colombian market.
- Our market share in Colombia is falling—in 2007, U.S. merchandise held a 26.5 percent share of Colombia's import market, a steady decline from 28.3 percent in 2005 and 34.4 percent in 2001.
- Already, U.S. products are losing market share to competitors with whom Colombia has free trade agreements, such as Mexico, Argentina, and Brazil. U.S. products also face increasing competition from Colombia's other fast-growing partners such as China and South Korea.

Hemispheric Support for the U.S.-Colombia TPA

Our NAFTA Partners Support the CTPA

“In my view, Colombia needs its democratic friends to lean forward and give them a chance at partnership and trade with North America. I am very concerned that some in the United States seem unwilling to do that. What message does that send to those who want to share in freedom and prosperity? ... If the U.S. turns its back on its friends in Colombia, this will set back our cause far more than any Latin American dictator could hope to achieve.”

— *H.E. Stephen Harper, **Prime Minister of Canada**, speech to Council on Foreign Relations, September 25, 2007*

“In the last 20 years, many countries in Latin America have made notable advances toward the...improvement of the quality of life of their inhabitants. The United States of America has supported these processes... I believe the implementation of these agreements would be of the greatest benefit [for Peru, Colombia, and Panama], for the United States, and for good relations between your country and Latin America.”

— *H.E. Felipe Calderón Hinojosa, **President of Mexico**, letter to Speaker Pelosi, October 15, 2007*

Our CAFTA-DR Partners Support the CTPA

“Mexico, Chile, and the countries of Central America and the Dominican Republic today benefit from the valuable development tool of a free trade agreement with the United States. Three additional countries — Colombia, Panama and Peru — also signed free trade agreements with the United States ... We consider that it would be greatly beneficial for those countries, for the United States, and for good relations between your country and Latin America, that those free trade agreements be ratified.”

— *H.E. Elías Antonio Saca, **President of El Salvador**; H.E. Manuel Zelaya, **President of Honduras**; and H.E. Oscar Berger, then **President of Guatemala**, letter to Speaker Pelosi, October 3, 2007*

“With humility and profound respect, I would like to suggest the importance of the U.S. Congress ratifying these agreements [with Peru, Colombia, and Panama], thinking not only in the benefits they would bring to the Latin American nations I have mentioned — benefits that would be considerable — but also of the benefits they would bring to the people of the United States...”

— *H.E. Oscar Arias, **President of Costa Rica** and Nobel Peace Prize laureate, letter to Speaker Pelosi October 10, 2007*

Chile Supports the CTPA

“Three years after our bilateral trade agreement came into force, the evaluation of its effects made by my Government, as well as the one of the Chilean public opinion, is clearly positive.... I would also like to emphasize that regarding environmental and labor issues, we are closely working with the authorities of your country in projects oriented to improve the quality as well as to strengthen the enforcement of our laws and regulations, in order to reach international standards.... I am certain that the respective approvals by the Congress of your country of the free trade agreements between the United States and ... Colombia ... will benefit those countries as well as the rest of the American continent, whose common aspiration is to advance along the path of economic and social development in peace, freedom, and democracy. These approvals will also be beneficial for relations between the United States and Latin America, since they will stimulate trade and exchanges, as well as the global economic and political relations.”

— *H.E. Michelle Bachelet Jeria, **President of Chile**, letter to Speaker Pelosi April 23, 2007*