

## U.S. - Colombia Trade Promotion Agreement Open Markets for a Stronger Future

- Colombia has already enjoyed almost complete access to the U.S. market through unilateral trade preferences but U.S. goods entering Colombia face substantial trade barriers. Passage of the U.S. – Colombia Trade Promotion Agreement (TPA) levels the playing field for U.S. businesses by providing access to the Colombian market that does not currently exist. This can only help the U.S. economy.
- Colombia is the largest South American export market for U.S. agricultural goods and the U.S. – Colombia TPA would eliminate duties on high quality beef, soybeans, wheat and cotton from the United States, among many additional U.S. goods.
- U.S. competitiveness depends on the continuing expansion of markets. Delays in passing the U.S. – Colombia TPA will set the U.S. back while global competitors such as Canada and the European Union negotiate and sign agreements with traditional U.S. trading partners such as Colombia. This allows foreign competitors an advantage over U.S. producers.
- Trade preferences have succeeded in developing the Colombian economy. However, the lack of permanence inhibits further growth and provides uncertainty to investors. Making the terms of the preference programs permanent and reciprocal will encourage greater foreign direct investment and bring increased stability to the Colombian economy.
- The alternative markets created by the U.S. – Colombia TPA would contribute to the fight against narcotics trafficking and help spread the rule of law to previously ungovernable regions by providing increased opportunities in a formal and legal economy.
- Products being exported from Colombia to the U.S. are complementary rather than competitive. Many U.S. exports to Colombia are manufactured, while Colombia exports commodities such as precious metals. In regards to agricultural goods, many Colombian exports such as coffee and bananas are generally not produced in the United States and U.S. goods such as wheat and barley are largely not grown in Colombia.
- Increased trade cooperation will lead to further economic reforms, transparency in the public sector, and help develop anti-corruption mechanisms leading to a stronger democracy.
- Failure to pass the TPA lends legitimacy to regional critics of the U.S., and will be capitalized upon by nations unfriendly to the U.S. to further polarize the hemisphere contrary to U.S. economic and security interests.
- The threat of regional instability can be effectively addressed by supporting true democracies, friendly to the U.S., that have embraced free-market principles. Colombia has been one of the staunchest allies in Latin America and trade cooperation can only serve to strengthen these ties.