



NCMA



December 4, 2007

The Hon. Max Baucus
Chairman
Committee on Finance
U.S. Senate
Washington, DC 20510

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

Dear Chairman Baucus and Senator Grassley:

Our organizations have communicated with you several times in the past year to indicate the strong support of the entire U.S. textile and apparel supply chain for the Andean trade partnership. We are writing to you today to restate the support.

Specifically, we are asking your assistance in ensuring that the U.S./Peru Trade Promotion Agreement and U.S./Colombia Trade Promotion Agreements are quickly

considered and approved by the U.S. Congress. In addition, we urge that the Andean Trade Preference program, which is currently set to expire in less than three months on February 29, 2008, is quickly extended for at least a year so that there is no break in duty free coverage.

As you may know, the textile and apparel sector is one of the largest manufacturing and wholesale employers in the United States - and still employs more than 500,000 U.S. workers.

Increasingly, those jobs are dependent upon exports. About \$16.7 billion worth of textile and apparel products were exported in 2006. About 50 percent of those exports are destined for Mexico, Central America, and the Andean region, where many of these products are incorporated into finished garments and brought back to the United States.

These export markets function primarily because we provide duty free access for their textile and apparel products that incorporate U.S. yarns, fabrics, fibers, and other textile inputs.

The Andean region remains an important and growing market for U.S. textile exports. Unfortunately, the overall prospects of this market remain troubled. Because of recurring threats over the loss of duty free access for that region, many U.S. apparel importers have begun to shift their business elsewhere. Over the last 12 months, U.S. apparel imports from the region have dropped by more than 11 percent.

This has translated into a 17 percent drop in U.S. textile and apparel exports to the region – the first decline in more than 3 years.

The long term solution lies in the U.S./Peru and U.S./Colombia TPAs, which provide a permanent two-way duty free partnership between the U.S. and Andean textile and apparel producers. But this long term stability cannot be realized if the U.S. does not quickly approve these agreements. Moreover, we face a short term crisis with the imminent expiration of the existing preference programs, on which much of the current partnership is presently based.

Time is of the essence if we hope to retain a strong and economically vibrant textile and apparel industry in this country by ensuring a strong trade relationship with our partners in Peru and Colombia. Please help us by ensuring approval of the U.S./Peru and the U.S./Colombia Trade Promotion Agreements soon and by taking action this year to extend the Andean Trade Preferences Act.

Thank you for your time and consideration in this matter.

Sincerely,

American Apparel & Footwear Association (AAFA)
American Fiber Manufacturers Association (AFMA)
Carpet and Rug Institute (CRI)
Georgia Traditional Manufacturers Association (GTMA)

INDA, Association of the Nonwoven Fabrics Industry
National Cotton Council (NCC)
National Council of Textile Organizations (NCTO)
National Retail Federation (NRF)
North Carolina Manufacturers Association (NCMA)
Retail Industry Leaders Association (RILA)
Sewn Products Equipment & Suppliers of the Americas (SPESA)
South Carolina Manufacturers Alliance (SCMA)



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November 5, 2007

The Honorable
United States House of Representatives
Washington, DC 20515

Dear Representative :

The National Cotton Council is the central trade organization representing the U.S. cotton industry. Free trade agreements and preferential trading arrangements between the United States and countries in this hemisphere have been helpful to the U.S. cotton and textile industries as they have helped spur the development of efficient, beneficial trading partnerships between the U.S. cotton industry and cut-and-sew apparel operations in Mexico, the Caribbean, Central America and Andean countries. The Council strongly supports enactment of legislation implementing the Peru Free Agreement in order to provide additional opportunities for the U.S. cotton and textile industries to expand trading relationships in this hemisphere.

The Peru Free Trade Agreement, as well as a similar agreement for Colombia, offer great opportunities for U.S. cotton producers and for U.S. textile and apparel manufacturers. Apparel imports from China and other Asian countries continue to exert significant competitive pressure on the U.S. textile industry. Beneficial trading arrangements with countries in this hemisphere provide the best opportunity for U.S. firms to supply competitive apparel manufacturers with U.S. yarn and fabric – keeping jobs in the United States that might otherwise be lost. Expansion of these opportunities is critical to maintaining any significant U.S. yarn and textile manufacturing capacity.

These agreements contain strong rules of origin that will help ensure their benefits will flow to the parties and not third countries.

We would appreciate your support of the Peru Free Trade Agreement. We also urge you to support the Colombian Free Trade Agreement. Please do not hesitate to contact us if we may be of assistance in this matter.

Sincerely,

A handwritten signature in black ink that reads "Alfred John Maguire III". The signature is written in a cursive style.

A. John Maguire, III
Senior Vice President – Washington Operations

July 18, 2007

Dear Member of Congress:

The 42 undersigned food and agricultural organizations are writing with regard to the recent action by the Congress to extend the Andean Trade Preferences Act (ATPA) which provides duty free access into the United States for most products from Bolivia, Colombia, Ecuador, and Peru. We urge the Congress to expeditiously pass the Colombia and Peru Trade Promotion Agreements so that our members may benefit from duty free treatment of our exports to these nations.

The special tariff benefits extended by the Congress to these four Andean nations have allowed these countries to ship most products duty free to the United States. For Peru, 98 percent of its products exported to the United States were shipped duty free in 2006. For Colombia, 92 percent of its products were shipped duty free; for Bolivia 91 percent; and, for Ecuador 93 percent. The concessions made by Congress will create and maintain jobs in Bolivia, Colombia, Ecuador, and Peru, helping millions of workers and families in these countries.

The overwhelming level of support in Congress since the ATPA's inception in 1991 underscores that the United States benefits, both economically and politically, from this tariff preference program. The recent vote in the House of Representatives to extend the program was 365 to 59, with every member of the Ways and Means Committee and with the entire House leadership, both Democratic and Republican, voting in support of this duty free program. In the Senate, the bill passed by *unanimous consent*. Furthermore, and certainly worthy of note, the business and labor communities joined in support of the extension.

We urge Members to consider the additional benefits that would convey, even more visibly and directly, to U.S. farmers, ranchers, workers and businesses by the implementation of the free trade agreements (FTAs) with Colombia and Peru. The value to the United States of the ATPA pales in comparison with the value of these FTAs. The ATPA offers U.S. exporters no reciprocal market access in the beneficiary countries, whereas both FTAs provide important new market access benefits that will stimulate U.S. exports, create U.S. jobs, and strengthen rural economies. Moreover, the Colombia and Peru FTAs go far beyond the DR-CAFTA and other trade agreements in addressing labor and environmental issues. The Colombia and Peru FTAs incorporate the May 10 bipartisan trade agreement which address longstanding congressional concerns regarding labor, the environment, and other issues.

The Peru and Colombia FTAs also go well beyond the DR-CAFTA and other trade agreements in providing immediate benefits to U.S. farmers, ranchers, and agribusinesses that will create thousands of new U.S. jobs. Many U.S. food and agricultural products will become eligible for duty free treatment in Colombia and Peru immediately upon entry into force of the FTAs, and virtually all U.S. products will receive duty free treatment over specified phase-in periods. According to the American Farm Bureau the Peru and Colombia Trade Promotion Agreements will increase U.S. farm exports by \$1.39 billion. USDA estimates for every million dollars of agricultural exports 13.4 jobs are created. Therefore, once fully implemented the Peru and Colombia agreements will provide over 18,000 new jobs due to increased agricultural exports.

If the one way trade flows associated with the ATPA are good for America, the two way trade flows resulting from implementation of the free trade agreements with Peru and Colombia will be much better. We urge you to expeditiously consider and pass the Peru and Colombia Trade Promotion Agreements.

Sincerely,

American Cotton Shippers Association
American Feed Industry Association
American Frozen Food Institute
American Meat Institute
American Seed Trade Association
American Soybean Association
California Table Grape Commission
Commodity Markets Council
Corn Refiners Association
Distilled Spirits Council of the United States
Grocery Manufacturers/Food Products Association
International Dairy Foods Association
National Association of Wheat Growers
National Barley Growers Association
National Cattlemen's Beef Association
National Chicken Council
National Corn Growers Association
National Cotton Council
National Cottonseed Products Association
National Grain and Feed Association
National Milk Producers Federation
National Oilseed Processors Association
National Pork Producers Council
National Potato Council
National Sorghum Producers
National Sunflower Association
National Turkey Federation
North American Equipment Dealers Association
North American Export Grain Association
North American Millers' Association
Northwest Horticultural Council
Sweetener Users Association
The Fertilizer Institute
U.S. Apple Association
U.S. Canola Association
U.S. Dairy Export Council
U.S. Hide, Skin and Leather Association
United Egg Association
United Egg Producers
USA Dry Peas and Lentil Council
USA Poultry & Egg Export Council
USA Rice Federation