



# News Release

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## **SBA CHIEF TO JOIN COMMERCE SECRETARY, CONGRESSIONAL DELEGATION ON COLOMBIA VISIT**

### *Focus is on Advancing U.S. – Colombia Free Trade Agreement*

**WASHINGTON** – SBA Administrator Steve Preston will join Commerce Secretary Carlos Gutierrez, Labor Secretary Elaine Chao and a high-level U.S. Congressional delegation on a trip to Colombia February 29-March 2, to demonstrate the impact of passing the pending U.S.-Colombia Free Trade Agreement (FTA).

Colombia is a significant market with great potential for American small businesses, comprising \$1.7 billion of their revenue in 2005. Small and medium-sized enterprises (SMEs) account for 35 percent of the value of U.S. exports to Colombia, whereas they account for nearly 30 percent of the value of U.S. exports in the global marketplace. However, the current playing field is not level. More than 90 percent of Colombian exports to the U.S. enter duty-free, while most U.S. exports to Colombia face tariffs.

“One immediate way to increase the competitiveness of small businesses is by passing the pending Colombia FTA, which will eliminate tariffs on U.S. exports, strengthen intellectual property protections, and reduce excessive paperwork, licensing and inspection requirements,” said Preston. “Furthermore, this agreement will advance the social and economic strides that Colombia has made, while promoting partnership between our countries.”

“Colombia’s government and people have remained diligent in their efforts to advance freedom and hope in their country,” Gutierrez said. “The U.S.-Colombia Trade Promotion Agreement would remove tariffs that U.S. goods and agriculture currently face when entering Colombia’s growing market. This agreement will allow Colombia to continue on the path of progress by lifting economic opportunity in the region.”

Exports now account for a larger percentage of U.S. GDP than at any other time in history which means that expanding free trade is crucial for America’s long-term economic health. Small businesses play a big part of that growth. The number of SMEs grew more than twice as fast as the number of large company exporters, between 1992 and 2003.

“Small businesses are essential to America’s economy, generating two-thirds of the new jobs and accounting for half of non-farm GDP,” said Preston. “While the opportunities for expansion in new markets are vast, the majority of small businesses that export only do so in one overseas market. It is vital we support their growth by breaking down barriers to entering emerging markets, such as Colombia.

“I look forward to working with members of Congress to demonstrate the significant benefits of two-way trade for small businesses and encourage them to expeditiously approve the Colombia FTA.”

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