

# United States-Peru Trade Promotion Agreement Implementation Act

*President Bush Signs Legislation Approving U.S.-Peru Free Trade Agreement, Calls On Congress To Approve Pending Agreements With Colombia, Panama, And South Korea*

Today, President Bush signed into law H.R. 3688, the **United States-Peru Trade Promotion Agreement Implementation Act**. Last year, Peru's economy expanded by more than 7.5 percent, and over the past three years, trade between the U.S. and Peru has more than doubled to nearly \$9 billion. Implementing the free trade agreement with Peru will expand this trade even more and create new opportunities for citizens in both nations. Congress needs to continue on this path by approving agreements with Colombia, Panama, and South Korea.

- **The U.S.-Peru free trade agreement will create new opportunities in the United States.** Once implemented, the agreement will immediately eliminate duties on about 80 percent of U.S. consumer and industrial goods sold in Peru, and will eliminate all remaining duties within 10 years. It will also immediately eliminate duties on more than two-thirds of U.S. agricultural exports to Peru and eliminate most of the remaining duties over the following 5 to 15 years.
- **The people of Peru will also benefit from new opportunities created by the U.S.-Peru free trade agreement.** The agreement locks in access for Peruvian businesses to the largest market in the world. With more U.S. products available in their country, Peruvians will benefit from more choices and lower prices. By removing barriers to U.S. services and investment, the agreement will also help create a secure, predictable legal framework that will help attract U.S. investors.

**The U.S.-Peru Trade Promotion Agreement Implementation Act was passed with broad, bipartisan support.** In May 2007, the Administration and Congress came together on a bipartisan approach to free trade agreements, under which enforceable labor and environmental provisions were included in pending free trade agreements. This is the approach applied to the agreement with Peru, and this agreement shows the American people that Congress and the Administration are working together and following a bipartisan way forward on trade.

- **The President urges Members of Congress to continue on this path as they consider agreements with two other important partners in the region – Colombia and Panama.** It is vital that Congress send a strong message that the United States is committed to advancing freedom and prosperity in our neighborhood and approve these agreements with strong bipartisan majorities.
- **Congress also needs to move forward with a bill to approve the free trade agreement with South Korea.** This agreement will create jobs and opportunity on both sides of the Pacific and strengthen a democratic ally.

## Colombia

**For the sake of America's economy and security, Congress should promptly approve the vital free trade agreement with Colombia.** Both houses of the Colombian legislature have expressed overwhelming support for the trade agreement with the United States. Now they are waiting to see if we will hold up our end of the deal.

**The Colombia free trade agreement will help about 8,000 U.S. companies that export to Colombia find new buyers and be able to compete in Colombia on a level playing field for the first time in history.** Once implemented, this agreement will immediately eliminate tariffs on more than 80 percent of American exports of industrial and consumer goods, and it will provide significant new duty-free access for American agricultural commodities.

**Colombia has proven itself worthy of America's support.** In recent years, Colombia's democratically elected president has taken courageous steps to stop drug traffickers, rein in paramilitary groups, and enforce the law. Since 2000, kidnappings, terrorist attacks, and murders in Colombia have all dropped substantially, while convictions have increased and Colombia has extradited hundreds of drug traffickers and terrorists for prosecution in the United States.

- **President Uribe has responded decisively to concerns over violence and impunity in Colombia, particularly attacks**

**on trade unionists.** President Uribe has established an independent prosecutors unit to investigate and punish homicides against labor unionists. He has allowed the International Labor Organization to station a permanent representative in Bogotá. He has also worked to help create an economy in which Colombians have better alternatives to a life of violence and drugs – including the new jobs and economic opportunities that would come from a trade agreement with the United States.

**Colombia is our fifth largest trading partner in Latin America.** Colombia's economy is strong and grew by 6.8 percent last year. Colombia is the largest market for U.S. agriculture exports in South America.

### Panama

**In 2006, Panama and the United States exchanged almost \$3 billion worth of goods – nearly 50 percent more than just four years ago.** Panama has one of the fastest-growing economies in Central America, with a growth rate of more than eight percent last year.

**The U.S.-Panama free trade agreement will build on this vibrant trade relationship, immediately eliminating tariffs on 88 percent of U.S. industrial and consumer goods exports to Panama.** It will provide significant new duty-free access for American farmers and ranchers, and create opportunities for American businesses to participate in the Panama Canal expansion project. It will also provide new market access for U.S. service suppliers, including in Panama's key financial services sector.

### South Korea

**The President will continue to work closely with Congress to approve a landmark free trade agreement with South Korea.** This agreement will create jobs and opportunities on both sides of the Pacific, and would strengthen our relationship with a democratic ally in a critical part of the world. The President urges Congress to act quickly to approve this agreement.

**The U.S.-Korea Free Trade Agreement (KORUS FTA) is the most commercially significant bilateral free trade agreement the United States has concluded in over 15 years.** South Korea is the 11th largest economy in the world, with an annual GDP of nearly \$1 trillion. The KORUS FTA will open a growing market of 49 million consumers to the full range of U.S. goods and services, from autos to telecommunications services. The U.S. International Trade Commission estimates the reduction of Korean tariffs on goods alone would add \$10-12 billion to annual U.S. GDP.

### Breaking Down Barriers To Trade And Investment At The Global Level

**The Administration will continue working through the Doha Round of trade negotiations to break down trade barriers at the global level.** A successful conclusion to the Doha Round would open up markets for American goods, crops, and services. The Doha Round also represents an historic opportunity to help millions of people climb out of poverty and despair.

**Expanding trade advances the deepest values and the economic interests of the United States.** Opening markets has helped expand democracy, strengthen the rule of law, and lift hundreds of millions out of poverty. Open markets also contribute to America's prosperity – exports now account for a larger percentage of our GDP than at any other time in our history, which means that trade is a key driver of our economic growth. Exports also support higher-paying jobs for our workers. Over the 12 months ending in October, U.S. exports increased more than 13 percent.