

February 14, 2011

The Honorable Barack Obama
President of the United States
The White House
Washington, DC 20500

Dear Mr. President:

Many of the undersigned food and agriculture organizations first declared their support for the Colombia and Panama free trade agreements (FTAs) in 2007. Four years of trade benefits for U.S. farmers, ranchers and food processors have now been forfeited by our inaction on these agreements, and competitor countries have taken advantage of this lapse to grab U.S. market shares. It is time to bring this situation to an end.

We greatly appreciate Ambassador Kirk's recent statement to Congress that the Administration is committed to intensifying negotiations with Colombia and Panama and to resolving the issues that have prevented you from submitting the implementing legislation to Congress. We urge you to direct U.S. negotiators to move forward with these efforts as quickly as possible.

Colombia and Panama each have undertaken important changes in policies to correct problems identified by members of Congress. There is little debate that those governments have worked hard to address U.S. concerns. We believe that a strong and mutually beneficial relationship between our respective nations may well advance legitimate U.S. objectives in these areas more than continuing to withhold approval of the FTAs. At some point, the current approach could cause us to lose not only the trade agreements but the friendships of those important regional allies.

As you know, each agreement will provide important new market access benefits to U.S. food and agricultural exports that will in turn create U.S. jobs and strengthen rural economies. Many U.S. food and agricultural products will become eligible for duty-free treatment in those countries immediately upon entry into force of the agreements, and virtually all will receive duty-free treatment over specified phase-in periods.

According to the American Farm Bureau Federation, the U.S.-Colombia FTA would result in U.S. agricultural export gains of more than \$815 million per year at full implementation, and the Panama FTA would add another \$195 million. This extra \$1 billion in exports would generate 6,000-8,000 new jobs here at home. But we are already several years behind in implementing the agreements, and those jobs are going elsewhere.

Colombia is on the verge of implementing FTAs with Canada and the European Union, and other major agricultural exporting countries, such as Argentina and Brazil, already have preferential access to that market. Our share of that market in wheat, feed grains and other products is certain to plummet unless we act promptly to correct these

inequities. According to USDA, the U.S. share of Colombia's total agricultural imports has already fallen from almost 44 percent in 2007 to 27 percent in 2009.

Mr. President, implementation of these agreements, along with the Korea FTA, will significantly advance your effort to double U.S. exports over five years. On the other hand, because these countries are negotiating agreements with some of our main competitors, the failure to implement the agreements will be a real set-back to that objective. Once again, we urge you to move forward rapidly to finalize the FTAs and submit the implementing bills as soon as possible.

Sincerely,

American Farm Bureau Federation
American Feed Industry Association
American Frozen Food Institute
American Meat Institute
American Peanut Product Manufacturers, Inc.
American Seed Trade Association
American Soybean Association
Animal Health Institute
Blue Diamond Growers
California Table Grape Commission
Commodity Markets Council
Corn Refiners Association
Distilled Spirits Council of the United States
Grocery Manufacturers Association
Idaho Barley Commission
International Dairy Foods Association
National Association of State Departments of Agriculture
National Association of Wheat Growers
National Barley Growers Association
National Cattlemen's Beef Association
National Chicken Council
National Confectioners Association
National Corn Growers Association
National Council of Farmer Cooperatives
National Grain and Feed Association
National Meat Association
National Milk Producers Federation
National Oilseed Processors Association
National Pork Producers Council
National Potato Council
National Renderers Association
National Sorghum Producers
National Sunflower Association
National Turkey Federation

North American Equipment Dealers Association
North American Export Grain Association
Northwest Horticultural Council
Produce Marketing Association
Sweetener Users Association
U.S. Apple Association
U.S. Canola Association
U.S. Dairy Export Council
U.S. Livestock Genetics Export, Inc.
U.S. Wheat Associates
United Egg Association
United Egg Producers
USA Dry Pea & Lentil Council
USA Poultry & Egg Export Council
USA Rice Federation
Western Growers Association

cc: The Honorable Ron Kirk, U.S. Trade Representative
The Honorable Tom Vilsack, U.S. Secretary of Agriculture