



FOR IMMEDIATE RELEASE

March 1, 2011

Contact: Scott Mulhauser/Erin Shields

(202) 224-4515

## **BAUCUS: PRESIDENT'S TRADE AGENDA FAILS TO ADVANCE PENDING FTAS**

*Finance Chairman Calls for Specific Plan and Timeline on Colombia, Panama FTAs, Progress on South Korea Beef Issue*

**Washington, DC** – Senate Finance Committee Chairman Max Baucus (D-Mont.) criticized the President's 2011 Trade Agenda, released today, for failing to address Korea's continued unjustified restrictions on U.S. beef as well as the Agenda's lack of a timeline or specific steps to complete the Colombia and Panama Free Trade Agreements (FTAs). Baucus [met with Colombian President Juan Manuel Santos](#) and [other senior government officials](#) last week in Colombia to discuss the loss of U.S. market share in this key market and to examine ways to continue to improve labor rights there. Baucus lauded the President's commitment to working with Congress to secure a long-term reauthorization of Trade Adjustment Assistance (TAA) and extension of expired trade preference programs, which Baucus has long championed.

**"If we want to meet the President's stated goal of doubling U.S. exports by 2015, the Administration needs to act now to resolve the outstanding issues with the Colombia, Panama and Korea Free Trade Agreements and send these agreements to Congress,"** said Baucus. **"It is time to develop a roadmap for increased market access for U.S. beef in Korea. And American ranchers, farmers and businesses can't afford to lose any further ground in the booming Colombian and Panama markets. Colombia has made significant progress reducing violence, protecting human rights and improving labor conditions in Colombia, but this work must continue. The Administration needs to quickly resolve all outstanding issues so Congress can approve all three free trade agreements as soon as possible this year and help create more jobs here at home. I welcome the Administration's support for TAA, which is essential to helping U.S. workers and building strong bipartisan support for the trade agreements."**

Last month, Baucus and Finance Committee Ranking Member Orrin Hatch (R-Utah) [sent a letter](#) to United States Trade Representative Ron Kirk urging him to quickly address outstanding issues and lay out a plan so that Congress can approve the Colombia and Panama Free Trade Agreements (FTAs). In the letter, the Senators called on Ambassador Kirk to identify at a March 9 Committee hearing any additional steps that Panama or Colombia should take and to provide an expeditious timetable for moving the agreements through Congress.

Baucus [has been a leader in Senate efforts](#) to pass the Colombia FTA to expand access to the Colombian market for ranchers, farmers and businesses in the United States. More than 10,000 U.S. companies, most of which are small businesses, export to Colombia and would benefit from increased access to that market. Since 2002, Colombia has reduced the homicide rate of union members by 90 percent. The homicide rate of union members is now six times lower than the homicide rate of the general population in Colombia. And Colombia has strengthened labor rights, including by making it easier for workers to form unions and bargain collectively. But Baucus has emphasized that more work remains. He called on the United States and Colombia to quickly develop a plan that builds on the tremendous progress to date so that the FTA can be approved as soon as possible this year.

The United States already has programs that permit most Colombian exports to the United States to receive duty-free treatment, so the FTA would level the playing field for ranchers, farmers and businesses in Montana and across the United States. The Colombia FTA is particularly critical to U.S. agricultural producers. Historically, Colombia has been a top export market for U.S. wheat producers, but despite its advantages, the United States is already losing its share of the Colombian wheat market to Argentina and Canada. The U.S. share of the Colombian wheat market has already dropped from 73 percent in 2008 to 43 percent in 2010, and U.S. farmers could lose the entire market if the FTA is not approved soon. The Colombia FTA would also benefit U.S. manufacturing firms by immediately eliminating duties on 80 percent of exports to Colombia, with the remainder eliminated over time.

Baucus has been a long-time champion of the TAA program, which expired on February 13, 2011. Baucus is working with his colleagues in the House and Senate to extend TAA for all eligible groups. In 2009, Baucus led the effort in Congress to pass the most significant expansion and reform of the TAA program, including new performance measures, since it was created in 1962. TAA provides extended income support and job training to workers, firms, ranchers, farmers, and communities that experience job loss because of increased imports or factory shifts abroad and also helps prevent layoffs entirely by assisting trade-distressed companies retool and become more competitive.

Baucus has also been strong supporter of the Andean Trade Preference Act (ATPA) and the Generalized System of Preferences (GSP). Both programs give developing countries duty-free access to the U.S. market for certain products, helping those developing economies grow and emerge from poverty. ATPA, which Congress established in 1991 to encourage Andean countries to diversify their economies away from illicit drug production, provides Colombia and Ecuador with duty-free benefits on a wide range of products. The expiration of this program comes at a particularly difficult time for Colombia, where heavy rains have caused flooding and landslides that have killed more than 250 people, severely damaged agricultural crops and public infrastructure, and resulted in total economic losses of \$5 billion. The GSP program covers a variety of products from almost 130 developing and least developed countries.

###