April 4, 2008

The Honorable Nancy Pelosi
Speaker of the House of Representatives
Washington, DC 20515

Dear Madam Speaker:

Last May, several of us stood with you in the Capitol to announce an agreement to restore a bipartisan consensus on trade. Through good faith negotiations and under your leadership, we reached an agreement that addressed many long-standing concerns regarding the treatment in our free trade agreements of labor and environment protections and intellectual property rights, among other matters. Consistent with the spirit of the May 10 agreement, the Administration and Congress worked together in advancing the United States-Peru Trade Promotion Agreement, which was approved by both Houses of Congress last fall with overwhelming bipartisan support.

Over the past year, we have continued and intensified our efforts to work directly with you and other Members of Congress to identify a path forward for the United States-Colombia Trade Promotion Agreement. In addition to the private conversations you have had with several members of the President's Cabinet, the Administration has made broad and comprehensive efforts to reach an agreement with the House and Senate leadership on a package for Congress to consider and approve the Colombia free trade agreement (FTA). These efforts reflect our on-going commitment to working with Congress to meet fully the terms of Trade Promotion Authority (TPA) – from consultations before and during the negotiations, to the content of the agreement itself. The Administration's efforts, however, have exceeded the requirements of TPA. Since last August, the Administration has completed more than 400 contacts with Members of Congress concerning the Colombia FTA, and more than 408 Members of Congress have been invited to join trips to Colombia led by Cabinet members. To date, 55 Members of Congress have traveled to Colombia on Administration-sponsored trips to see first hand the progress in Colombia, with other Members having traveled there on their own.

In seeking to identify an agreed path forward for the Colombia FTA, the Administration's efforts have been guided by three objectives you identified in conversations with several of us that need to be met before the Colombia FTA would have the necessary support to pass the House of Representatives. They are: (1) a strong, bipartisan vote on the legislation to implement our FTA with Peru; (2) a solid Trade Adjustment Assistance (TAA) reauthorization package; and (3) progress on labor violence and impunity in Colombia. As noted above, the first objective was satisfied by the strong bipartisan votes on the Peru FTA last year.

With respect to TAA, the President has made clear his desire to sign legislation reforming and reauthorizing the program. While international trade benefits the vast majority of Americans, it is undeniable that trade can have a negative impact on some of our citizens. The federal government has an obligation to assist those negatively impacted by trade to gain the skills that will enable them to be productive and successfully re-enter the workforce. Several of us have spoken with you about TAA legislation, and at your direction we have reached out to Chairman Rangel. The Administration is also actively engaged with Senators Baucus and Grassley to identify a robust reauthorization package. We look forward to working in the same cooperative and productive spirit with the appropriate leaders in the House of Representatives to identify mutually agreeable legislation that can be signed by the President.

We also take very seriously the importance of timely and effective solutions to concerns regarding labor violence and impunity. The Government of Colombia has engaged actively to address these concerns, and we have already seen concrete evidence of sustained results. Since 2002, kidnappings are down 83 percent, homicides are down 40 percent, and terrorist attacks are down 76 percent. Homicides of trade unionists declined by over 79 percent between 2002 and 2007. Meanwhile, the number of trade unionists enrolled in the Ministry of Interior and Justice's (MOIJ) protection program has increased, with more than 9,400 individuals, one-fifth of whom are trade unionists, taking advantage of this protection.

The Government of Colombia, with the assistance of the United States, is continuing to work to further reduce the level of violence in Colombia and to ensure that those responsible for violence are quickly brought to justice. To speed prosecutions of those responsible for violent crimes, the Prosecutor General's Office will hire this year 72 new prosecutors and more than 110 investigators into the Human Rights Unit. These additions are part of the increase of 2,100 staff that will be added to the Prosecutor General's Office in 2008 and 2009. To support these additional personnel and their activities, Colombia has increased the budget for the Prosecutor General's Office by $40 million this year, bringing it to a total outlay of $526 million for the Office.

A free and stable Hemisphere is in our national interest and has been a bipartisan tenet of our national security policy for generations. The strategic importance of Colombia to security in this Hemisphere was recognized by President Clinton in his support for an emergency supplemental appropriation in 2000 to provide funding for Plan Colombia. This Administration has continued to stand with Colombia as it confronts violence, terror and drug-traffickers. Beginning with President Clinton in 1999, the United States has provided nearly $6 billion in support to Colombia, making it the largest recipient of U.S. assistance in the Western Hemisphere. One of the central means for promoting stability and reducing violence in Colombia has been the demobilization of over 45,000 paramilitaries and guerrillas since President Uribe took office in 2002. The FTA will contribute to the Colombian Government's ability to integrate them and others into the legitimate economy.

Moreover, Congress' approval of the Colombia FTA will send a clear message of support to a strong democratic ally, particularly given the continuing assault on the Government of Colombia by narco-terrorists and the recent provocative actions by an increasingly aggressive

Venezuela. Further delay in considering the FTA, or a rejection of the FTA, would embolden those in the Hemisphere advancing discredited economic populism, send a strong signal to our allies in the region and throughout the world that we cannot be counted on to support them, and weaken our national security.

The Colombia FTA will have important economic benefits for U.S. exporters, making them more competitive in one of our largest export markets in the Hemisphere. Currently, 91 percent of Colombia's exports enter the United States duty-free as a result of our trade preferences. However, our farmers, ranchers, manufacturers and workers face significant duties when exporting their products to Colombia. With exports being more important than ever to our Nation's economic growth (accounting for over 12 percent of our GDP in 2007), we should be seeking to gain more favorable access to the 95 percent of the world's population that lives outside of the United States. Under your leadership, this Congress has voted twice to extend trade preferences to Colombia and other Andean nations that allow nearly all of Colombia's exports to enter the United States without duty. It is only appropriate that American businesses, farmers, ranchers, and workers should have the same advantage when exporting products to Colombia.

As a number of us had indicated to you in recent weeks, had we been able to reach agreement on a process for a vote on the agreement before the August recess, we would have worked to complete discussions on TAA reform before transmitting the implementing bill. Because no such process has been agreed, we will need to transmit that bill in order to assure a vote this year, even as the TAA discussions continue. We remain hopeful that discussions on TAA can be completed as Congress begins its consideration of the legislation to implement the Colombia FTA. The President is committed to signing a strong bipartisan TAA bill.

Colombia is a strong ally that is committed to advancing democracy, protecting human rights, and promoting economic opportunity in the region. The Colombian people and the American businesses, farmers and workers who would benefit from increased access for our exports to the Colombian market deserve a vote by Congress on this vital agreement.

Sincerely,

Secretary Condoleezza Rice
Department of State

Secretary Henry M. Paulson, Jr.
Department of the Treasury

Secretary Edward T. Schafer
Department of Agriculture

Secretary Carlos M. Gutierrez
Department of Commerce

Secretary Elaine L. Chao
Department of Labor

Ambassador Susan C. Schwab
United States Trade Representative

cc: The Honorable Steny H. Hoyer, The Honorable John A. Boehner, The Honorable James E. Clyburn, The Honorable Roy Blunt