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BAUCUS PRAISES EXTENSION OF ANDEAN TRADE PREFERENCES ACT

Senator affirms program's benefits in key Latin American region

Washington, DC – Senate Finance Committee Chairman Max Baucus (D-Mont.) praised an extension of the Andean Trade Preferences Act (ATPA) passed unanimously by the Senate this afternoon. The ATPA program provides four Andean countries – Colombia, Peru, Ecuador, and Bolivia – duty-free access to the U.S. market for a variety of products. This will help to reduce poverty and to develop economies across Latin America. Baucus pledged to continue monitoring the program and to reassess the preferences granted to each country at the end of the eight-month extension.

“A strong and prosperous relationship with Latin America is in the best interest of the American people and of the American economy,” said Baucus. **“I’m pleased that the Senate has voted to continue providing the opportunities for growth and development to emerging markets to the south. I plan to keep my eye on this program to ensure that it works effectively for American businesses as well as for our developing trading partners.”**

Baucus placed a statement of support for ATPA into the Congressional Record. The text follows here:

“Today, the Senate has taken an important step in our relationship with Latin America. Following House action last night, the Senate unanimously approved an eight month extension of the Andean Trade Preference Act (“ATPA”). Our action today prevents these key trade preferences from expiring abruptly this weekend. More importantly, it underscores the value that United States places on strong economic engagement with our partners in the Andean region.

“The Andean Trade Preference Act provides duty-free access to certain products from Colombia, Peru, Ecuador, and Bolivia. These preferences ensure that hundreds of thousands of workers in these countries can find legal and meaningful employment in their own countries – workers who might otherwise find jobs in coca fields or in other illicit industries. By doing so, the Andean trade preferences enable the United States to continue to promote economic and political stability in a key region of Latin America.

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“ATPA and other preference programs are not a one-way street. I hear repeatedly from American businesses and consumers how these preference programs benefit the United States. Specifically, ATPA provides numerous U.S. companies with a source of high-quality, duty-free inputs for their products. American companies then pass these benefits on to American consumers in the form of lower costs and greater product diversity.

“While I welcome this extension, I do not wish to minimize legitimate concerns that some of my colleagues have about the program, especially those relating to protection of U.S. investment. ATPA provides a framework for addressing these concerns and finding the solutions. To benefit from these preferences, beneficiary countries must protect foreign investment. They must afford worker rights. They must uphold key intellectual property rights. And they must meet counternarcotics requirements. Because of these provisions, ATPA is one of the best diplomatic tools America has in Latin America.

“Today we took an important step in passing an eight month extension of ATPA. But eight months is not a lasting solution. Rather, it is a stepping stone toward a possible longer term extension for ATPA beneficiaries, as circumstances warrant. Eight months from now, some countries may still need these preferences; others may not. During the time, I will closely monitor whether ATPA beneficiary countries live up to their end of the bargain and abide by the requirements of the program. If they do, I will work hard to secure a longer extension. The United States and the Andean region will be better for it.”

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