

CHAMBER OF COMMERCE  
OF THE  
UNITED STATES OF AMERICA

R. BRUCE JOSTEN  
EXECUTIVE VICE PRESIDENT  
GOVERNMENT AFFAIRS

1615 H STREET, N.W.  
WASHINGTON, D.C. 20062-2000  
202/463-5310

February 8, 2011

TO THE MEMBERS OF THE U.S. HOUSE OF REPRESENTATIVES:

The U.S. Chamber of Commerce, the world's largest business federation representing the interests of more than three million businesses and organizations of every size, sector, and region, urges you to support legislation to extend through July 1 the Andean Trade Preference Act (ATPA) and the Trade and Globalization Adjustment Assistance Act of 2009, known as Trade Adjustment Assistance (TAA), both of which will expire on February 12. While the Chamber has concerns relating to the continued eligibility of Ecuador for benefits under ATPA, we believe that on balance this bill is squarely in the interests of American workers and companies.

Tens of thousands of American workers and hundreds of American companies depend on ATPA, which lowers the cost of industrial inputs and boosts the competitiveness of U.S. manufacturers. The program also fosters legitimate development alternatives to narco-trafficking and sustains hundreds of thousands of jobs in the Andean countries, particularly in Colombia. These jobs tend to pay above-average wages and often serve as a gateway for workers to enter the formal sector. Colombia's cut flower industry, for example, sustains roughly 400,000 jobs, half in Colombia and half in the U.S. transportation, distribution, and retail industries.

Given Ecuador's ongoing pattern of failure to respect the rule of law, private property, and the sanctity of contracts, the Chamber urges Congress to press the Administration to evaluate whether Ecuador is complying with the statute's eligibility criteria on the fair treatment of U.S. companies, which is a concern raised by the U.S. Department of State in recent years. The Chamber urges Congress to support an annual review mechanism for Ecuador on these issues.

The bill would also extend the Trade and Globalization Adjustment Assistance Act of 2009. Bicameral, bipartisan negotiations produced the modernized TAA legislation, and it offers more flexible training opportunities so workers can transition into new careers. The Chamber continues to have concerns relating to the merit staffing issue and is pleased that a delay in the merit staffing rulemaking was agreed in December.

The bill does not extend the Generalized System of Preferences (GSP), which expired on December 31. GSP is a three-decade old program that has provided duty-free treatment to selected goods imported from more than 130 developing countries. Approximately three-quarters of U.S. imports using GSP are raw materials, parts and components, or machinery and equipment used by U.S. companies to manufacture goods in the United States for domestic

consumption or for export. In this fashion, GSP boosts the competitiveness of U.S. manufacturers and lowers the cost of consumer goods for American families. A Chamber study found that moving GSP imports from the docks to the retail shelves supports tens of thousands of U.S. jobs. The Chamber urges Congress to renew this program as soon as possible.

The Chamber appreciates your consideration and looks forward to working with you on renewal of ATPA, TAA, and GSP.

Sincerely,

A handwritten signature in black ink, appearing to read "R. Bruce Josten". The signature is fluid and cursive, with the first name "R." being a simple flourish, "Bruce" written in a clear cursive, and "Josten" written in a more complex cursive style.

R. Bruce Josten