



Alliance of the Ports of Canada, the Caribbean, Latin America and the United States

AMERICAN ASSOCIATION OF PORT AUTHORITIES

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Hearing on the Pending Free Trade Agreements

with Colombia, Panama, and South Korea and the Creation of U.S. Jobs

Thank you for the opportunity to submit this statement for the hearing record. Founded in 1912, AAPA is an alliance of the leading public ports in the Western Hemisphere. Our testimony today reflects the views of our U.S. members, which are state and local public agencies located along the Atlantic, Pacific, and Gulf coasts, the Great Lakes, and in Alaska, Hawaii, Puerto Rico, Guam, and the U.S. Virgin Islands.

The American Association of Port Authorities (AAPA) is pleased to submit these comments on behalf of its U.S. member public port authorities regarding the pending Free Trade Agreements (FTAs) with Colombia, Panama, and South Korea. AAPA is in strong support of the FTAs, as expanding free and fair trade opportunities through new agreements opens up new avenues for increased exports and greater national prosperity.

Founded in 1912, AAPA represents virtually all major public port authorities and agencies in the United States. AAPA members are public entities mandated by law to serve public purposes, primarily the facilitation of waterborne commerce and the consequent generation of local and regional economic growth. The Association has consistently supported strengthening the international trading system through bilateral and multilateral negotiations.

For centuries, seaports have served as a vital economic lifeline for America by bringing goods to people and providing the crucial link for access to the global marketplace for American farmers and manufacturers. Over 13 million U.S. jobs are related to the cargo moving through America's ports and international trade accounts for over 25% of our Gross Domestic Product (GDP). Importantly, in light of the current economic and employment challenges, each \$ 1 billion in additional exports creates 15,000 jobs.

Trade policies that enhance and facilitate, rather than hinder, international trade advance our nation's position in the global marketplace and promote economic activity and jobs here at home. Colombia, Panama, and South Korea represent a tremendous opportunity for increased economic activity to benefit the United States. The U.S. International Trade Commission (ITC) estimates that the three pending trade

agreements would combine to increase U.S. exports by at least \$13 billion (a one percent increase in overall exports) thereby creating more than 200,000 American jobs.

For more than three years, FTAs with Colombia, Panama, and South Korea have languished in Congress. These FTAs are critical to creating a level playing field between the U.S. and the involved countries. Most Colombian exports already enjoy tariff-free access to the U.S. market. Delaying these agreements any further will lead to lost opportunities for U.S. exporters. Canada and the European Union are already moving ahead with trade agreements with Colombia at the time of this hearing. As the United States economy finds its strength again, it is critical that trade policies not place U.S. goods at a disadvantage in the global marketplace.

With broad bipartisan support for these agreements in the House and Senate, AAPA urges Congress to sign the pending FTAs with Columbia, Panama and South Korea into law as soon as possible. These agreements will strengthen the U.S. economy, increase American export opportunity and create badly needed American jobs.

AAPA applauds the leadership of both Chairman Camp and Ranking Member Levin in bringing their efforts to bear on this important issue. Thank you for the opportunity to express support for the swift approval of the pending FTAs with Columbia, Panama and South Korea.