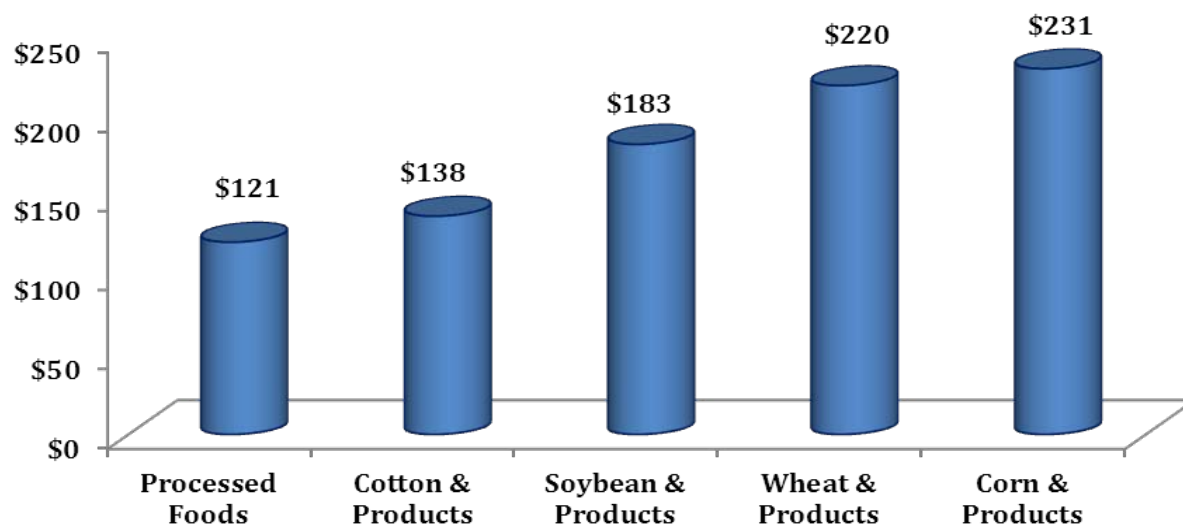


Colombia – An Important Market for U.S. Agriculture

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Colombia is the United States' second largest market in South America for agricultural exports – accounting for \$1.1 billion in 2011. Key U.S. agricultural exports to Colombia include corn, wheat, soybeans, cotton & products and processed foods. Colombia's agricultural exports are highly complementary and primarily include bananas and tropical fruits not grown in the United States.

Key Agricultural Exports to Colombia, 2011 USD Millions



Source: Department of Commerce, U.S. Census Bureau, Foreign Trade Statistics

U.S. Farmers and Ranchers to Benefit from Expanded Access, Tariff Elimination

While most Colombian agricultural products enter the United States duty free, U.S. agricultural exports do not receive the same preferential access. For example, Colombian bananas enter the U.S. market duty free, but U.S. apples are taxed at 15 percent when entering the Colombian market.

The U.S.-Colombia Free Trade Agreement (FTA) will help to level the playing field for U.S. farmers and ranchers by **immediately eliminating tariffs on more than 70 percent of U.S. agricultural products**, including a variety of fruit, vegetable, meat and processed food products.

"U.S. wheat producers need this FTA to compete in the Colombian market on the basis on quality and supply with wheat from other countries."

- U.S. Wheat Associates Chairman Don Schieber, April 6, 2011

The FTA will also eliminate Colombia's use of a price band system, which currently affects more than 150 products. Elimination of the system will ensure that Colombia will not impose tariffs on U.S. agricultural exports as high as those permitted by the World Trade Organization (WTO), which range between 15 and 388 percent. U.S. agricultural exporters will reap the following benefits:

- **Barley** – Colombia is a growing export market for U.S. barley producers. When the FTA enters into force, tariffs on barley and barley products, which range from 20 to 30 percent, will be eliminated immediately.
- **Corn** – U.S. yellow corn exports will immediately receive duty-free access to the Colombian market when the FTA enters into force. U.S. white corn exports will receive duty-free access to the Colombian market over the course of 12 years.
- **Cotton** – In 2011, the U.S. exported \$138 million worth of cotton to Colombia. The FTA will immediately eliminate Colombian tariffs on all U.S. cotton exports.
- **Soybeans and Related Products** – U.S. exporters currently face tariffs of five to 20 percent on soybeans, soybean meal and soybean flour. With the FTA, those tariffs will be eliminated immediately.
- **Wheat** – In 2011 the U.S. exported \$220 million of wheat to Colombia. U.S. wheat exports currently face a price band system, with tariffs ranging from 30 to 40 percent. With the FTA, Colombian tariffs on wheat will be eliminated immediately.
- **Poultry** – In 2011, U.S. poultry exports to Colombia totaled \$22 million. Currently, Colombia's tariffs on poultry and related products range between five and 20 percent. With the FTA, most of these tariffs will be eliminated immediately, and all will be phased out within 10 years.



“As a result of delays in approving the pending FTA, the U.S. has lost market share to competitors in Colombia. In 2010, U.S. soybean product exports to Colombia were valued at \$103 million, down 64 percent from 2008.”

- American Soybean Association
President Alan Kemper, April 6, 2011



“This is an important market for U.S. farmers and we do not want to watch this market slip away to our largest competitors. America's corn producers stand ready to produce enough corn to meet the increasing global demands for food, feed, fuel and fiber.”

- National Corn Growers Association
President Bart Schott, April 6, 2011

- **Pork** – Last year, U.S. pork producers exported \$27.3 million worth of pork and pork products to Colombia, and faced an average tariff of 20 to 30 percent. With the FTA, Colombia will phase out the bulk of these tariffs within five years, and the remainder within 10 years.

"We are very excited about this agreement because it will provide significant new export opportunities for U.S. pork producers. We're grateful to the administration for finalizing the Colombia FTA...and urge lawmakers to approve it before their August recess."

- National Pork Producers Council
President Doug Wolf, April 6, 2011

The U.S. agriculture community is active in its support of the FTA, as the agreement will help to increase commodity exports, supporting hundreds of thousands of agriculture-related jobs across America.