

United States Senate

WASHINGTON, DC 20510

January XX, 2008

The Honorable Max Baucus
Chairman
Committee on Finance
U.S. Senate
Washington, DC 20510

The Honorable Charles Grassley
Ranking Member
Committee on Finance
U.S. Senate
Washington, DC 20510

Dear Chairman Baucus and Ranking Member Grassley:

We are writing on behalf of constituents in the U.S. textile and apparel industry to seek a long-term renewal of the Andean Trade Preferences Act (ATPA). We hope that such a renewal can be approved by Congress on an expedited basis in the next few weeks.

As you know, the ATPA is currently scheduled to expire on February 29, 2008 – less than two months from now. Over the past few years, the Andean region has emerged as an important market for the U.S. textile and apparel industry. Keeping the preference program intact, and ultimately replacing that program with the more permanent, more comprehensive, and reciprocal trade promotion agreements we have already negotiated with two of the Andean countries – Peru and Colombia – is a key to the long-term success of this market for the U.S. industry.

Through the ATPA, Andean apparel companies are able to export garments to the United States duty free provided those articles contain U.S. content. This duty free access creates a powerful incentive to use U.S. fibers, yarns, and fabrics in the Andean region. Indeed, from 2003 to 2006, U.S. textile exports to the Andean region increased by more than \$50 million – a 40 percent expansion.

Unfortunately, the short-term, last minute extensions of the Andean program – last year it was extended for 8 months about 2 hours before it was scheduled to expire – created business uncertainties that have discouraged companies from sourcing Andean garments. As a result, orders of Andean made apparel have declined and Andean orders of U.S. textiles have declined as well. Exports of textile mill products to the Andean region for the first nine months of 2007 are down more than 17 percent when compared to the same period in 2006.

Please help us help our constituents by ensuring that the Andean program is renewed now for a long enough period to ensure predictability and smoother business planning. While we believe these programs cannot serve as a substitute for the trade promotion agreements with Peru, Colombia, and hopefully the other Andean countries, they are absolutely essential to ensure continuity of the regional textile and apparel partnership until these agreements can be fully implemented.

Thank you for your attention to this urgent matter.

Sincerely,

A handwritten signature in blue ink that reads "Elizabeth Dole". The signature is written in a cursive, flowing style.

United States Senate

WASHINGTON, DC 20510

January 16, 2008

Dear Colleague:

The Andean Trade Preference Act (ATPA) - a popular trade preference program with the four Andean nations of Bolivia, Colombia, Ecuador, and Peru - is expiring on February 29, 2008, in just under two months.

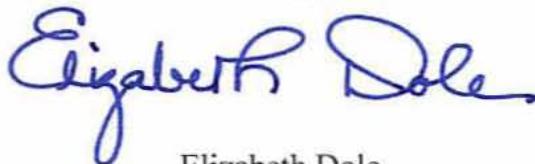
The program was created in 1990 and has been extended several times since then. It was most recently extended in June of last year when the Senate approved an eight month extension by unanimous consent.

In the nearly two decades that the program has been in existence it has advanced important economic and foreign policy goals with the Andean region. By establishing a healthy trade based partnership with these four Andean countries, the ATPA has fostered stability throughout the region, promoted economic growth, and supported the development of democratic institutions. Through this program we have seen the region shift from a dependency on the illicit narcotics trade while improving human and workers rights. Since 2002, when it was expanded to include apparel products, the ATPA has served as an important market for U.S. yarn and fabric exports.

Unfortunately, these successes will be undermined if we allow this program to expire at the end of next month. Expiration of the ATPA will cause severe disruption throughout the region - including Peru, where a newly approved Trade Promotion Agreement will have still not entered into force. Please help avert this problem by joining me in co-signing the attached letter to Senate Finance Committee Chairman Baucus and Ranking Minority Member Grassley to urge quick passage of legislation to extend the ATPA program.

If you would like to join me in signing the letter or if you have any questions, please contact Robbie Boone in my office at (4-6342) by close of business Friday, January 25.

Sincerely,



Elizabeth Dole
U.S. Senate