

Central American Ambassadors Promote Benefits of Trade Agreement with U.S.

The California Chamber of Commerce hosted five ambassadors representing the nations included in the proposed U.S.-Central American Free Trade Agreement (CAFTA) at an International Luncheon Forum on March 8.

The ambassadors traveled through California this week to promote the approval of the U.S.-CAFTA by Congress.

Trade Agreement

The CAFTA was signed on May 28, 2004 in Washington, D.C. U.S. Trade Representative Robert Zoellick signed on behalf of the United States. Trade ministers from Costa Rica, El Salvador, Guatemala, Honduras and Nicaragua signed on behalf of their countries.

On August 5, 2004, representatives from the United States and the Dominican Republic signed an agreement formally including the Dominican Republic in the agreement.

When the agreement is implemented, more than 80 percent of U.S. exports will be able to enter the Dominican Republic and CAFTA countries duty-free, with all products having duty-free access in 10 years.

The six nations represented by the

CAFTA will be the second largest U.S. export market in Latin America, behind Mexico. The United States exported nearly \$11 billion in goods to the five Central American countries included in CAFTA in 2003 — more than U.S. exports to Russia, India and Indonesia combined.

Two-way trade between the United States and the CAFTA-5 was more than \$23 billion. With the Dominican Republic added to the CAFTA-5, total two-way trade increases to \$32 billion. The U.S.-Dominican Republic-Central American Free Trade Agreement is awaiting U.S. Congressional approval.

CAFTA Ambassadors

The Central American ambassadors are on a nationwide tour in coordination with the U.S. Chamber of Commerce to promote the U.S.-CAFTA, and the benefits it will provide all the nations involved.

At the California Chamber luncheon, John Murphy of the U.S. Chamber noted that the free trade agreement will provide the United States and the participating nations with new economic growth, new money for employees and new jobs.

The U.S. Chamber is accompanying

the ambassadors on their trip through California, one of many tours the group is making to promote the free trade agreement. The U.S. Chamber is also leading a coalition of businesses throughout the country that is working for congressional approval of the U.S.-CAFTA.

Ambassador Tomás Duenas of Costa Rica was the first to discuss the numerous benefits of the U.S.-CAFTA.

“Trade is an indispensable element of growth,” Duenas told the 125 guests attending the California Chamber-hosted luncheon. “The U.S.-CAFTA is giving the opportunity to develop. More than a free trade agreement, this is a development commitment.”

Ambassador Jose Guillermo Castillo of Guatemala spoke to the audience about the benefits the free trade agreement will have on the agricultural industry.

“This creates a huge opportunity for agriculture,” said Castillo. “Through new products, jobs are created and development will continue in our region. The U.S.-CAFTA will bring opportunity for local business and international investment.”

Ambassador Antonio León Rodrí-

See Central: Page 6



From left: Ambassador Salvador Stadthagen of Nicaragua; Ambassador Mario Canahuati of Honduras; Cassandra Pye, deputy chief of staff to Governor Arnold Schwarzenegger; Ambassador Rene Antonio León Rodríguez of El Salvador; California Chamber President Allan Zaremberg (standing); John Murphy, U.S. Chamber; Ambassador Jose Guillermo Castillo of Guatemala; Barry Sedlik, undersecretary, Business, Transportation and Housing Agency; Ambassador Tomás Duenas of Costa Rica.



Central American Ambassadors Promote Benefits of Trade Agreement

From Page 3

guez of El Salvador addressed attendees regarding the benefits the U.S.-CAFTA will have on labor in the participating countries.

“This will benefit the U.S. economy, agriculture and the entertainment industry,” said Rodriguez. “The CAFTA will raise labor standards and bring about a commitment to labor rights. The number one right of CAFTA will be the right to have a job.”

Ambassador Mario Canahuati of Honduras commented on the impact the U.S.-CAFTA will have on the textile industry

in the United States and abroad.

“The U.S.-CAFTA is an instrument of commerce, but an instrument of development,” said Canahuati. “This will move us forward... so small businesses can participate and gain sustainable development, giving opportunity and creating more jobs.”

The Ambassador Salvador Stadthagen of Nicaragua concluded the event by speaking about the overall benefits of the U.S.-CAFTA for Central American countries.

“This is essential for stability in our region,” said Stadthagen. “Providing us

with economic development.”

International Breakfast

The California Chamber also hosted the Central American ambassadors in Los Angeles on March 11 at an International Breakfast.

For more information on U.S.-CAFTA or other U.S. free trade agreements, visit the International Relations section at www.calchamber.com.

For information on the coalition of businesses in support of the U.S.-CAFTA, visit www.uscafta.org.

Staff Contact: Susanne Stirling