Congress of the United States
Washington, DC 20515

April 6, 2006

The Honorable Robert J. Portman
United States Trade Representative
Office of the U.S. Trade Representative
600 17th Street, NW
Washington, DC 20508

Dear Mr. Ambassador:

We are writing to express our concerns regarding the U.S.-Peru Free Trade Agreement (FTA). As you know, time is running short to develop solutions to address outstanding concerns and have the agreement approved by Congress this year. The 90-day period for congressional review expires today, and the Administration has stated that it expects to sign the agreement this week.

A key outstanding issue for us relates to labor standards. As noted in the recent U.S. State Department Country Report on Human Rights Practices, Peru is a nation with "serious problems" in a number of areas related to labor rights.

The easiest, most effective way to address the problems in Peru's labor laws that have been identified by the U.S. State Department and the International Labor Organization ("ILO") would be to accept President Toledo's offer to include in the FTA enforceable provisions requiring compliance with basic ILO standards. The agreement also could provide for a reasonable transition period for such compliance and substantial technical assistance.

If an approach that honors President Toledo's proposal is adopted, we would work with the Administration on a major aid package to ensure that Peru is able to implement both the overall agreement, and in particular the commitments on compliance with basic ILO labor standards, in the most effective manner to ensure that the agreement brings broad based benefits to the people of Peru and the United States. Such a package would include bilateral aid, including funding for an ILO monitoring program comparable to the one implemented in Cambodia, and multilateral and regional aid, which could be developed in coordination with President Moreno at the Inter-American Development Bank and President Wolfowitz at the World Bank.

Finally, we note that negotiating such an agreement is fully consistent with negotiating guide posts set out in the Trade Act of 2002. Those guide posts have been applied as a floor rather than a ceiling. Basic labor standards should be no exception.

We look forward to working with you on this issue.

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Sincerely,

The Honorable Jeff Bingaman

The Honorable Charles B. Rangel

The Honorable James M. Jeffords

The Honorable Benjamin L. Cardin

The Honorable Ron Wyden

The Honorable Sander M. Levin

The Honorable Charles E. Schumer

The Honorable John Lewis

The Honorable Richard E. Neal

The Honorable Xavier Becerra

The Honorable Earl Pomeroy

The Honorable Stephanie Tubbs Jones

The Honorable John B. Larson

The Honorable Rahm Emanuel

The Honorable John F. Kerry

The Honorable Mike Thompson