



State of
North Dakota
Office of the Governor

John Hoeven
Governor

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cc: Vango
Padilla

February 22, 2005

The Honorable Robert B. Zoellick
United States Trade Representative
600 17th Street, N.W.
Washington, DC 20508

Dear Ambassador Zoellick,

Thank you for your recent letter discussing North Dakota's participation in free trade agreements (FTAs). The State of North Dakota has taken into consideration the FTAs, with Panama and the Andean countries. We recognize that the many of the new agreements are consistent with our state's current practice, in regards to government procurement. We are also aware that the government purchases are restricted to amounts over \$477,000 for goods and services and \$6.75 million for construction contracts. Furthermore, we are conscious to the fact that North Dakota can exclude certain state procurements from the agreement.

I am unable to establish enough potential gain for North Dakota businesses and exporters to justify our state's participation in the FTAs discussed in your letter. Therefore, North Dakota finds that the FTAs would not benefit us in the areas of sub-federal government procurements and will decline participation in government procurement agreements as they pertain to the FTAs with Panama and the Andean countries.

Sincerely,

John Hoeven
Governor

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