

EXECUTIVE OFFICE OF THE PRESIDENT
THE UNITED STATES TRADE REPRESENTATIVE
WASHINGTON, D.C. 20508

The Honorable Rick Perry
Governor of Texas
Office of the Governor
P.O. Box 12428
Austin, TX 78711

DEC - 3 2004

Dear Governor Perry: *Rick*

I wanted to thank you again for your recent commitments to cover your state government procurement under our free trade agreements (FTAs) with Australia, Morocco, and the Central American countries. I appreciate your support of our efforts to expand trade opportunities for U.S. exporters.

The Administration is now in the process of negotiating new trade agreements with Panama and the Andean countries of Colombia, Ecuador, and Peru. We have new opportunities in the government procurement area. I am seeking your permission to offer these trading partners the same coverage of procurement that you have already agreed to provide under the FTAs with Australia, Morocco, and the Central American countries, as well as under the World Trade Organization Government Procurement Agreement (GPA).

Offering state-level coverage in the new FTAs will ensure that the United States can obtain similarly advantageous coverage from our new trading partners and that your suppliers gain access to the sub-central procurement negotiated in the new agreements. In addition, participation in the FTAs also increases competition for government procurement contracts, lowering the costs of government.

Importantly, your agreement would not represent additional commitments to change your current government procurement practices. The procurement provisions will provide the same basic obligations set out in the GPA and FTAs, and, like these agreements, will apply only to larger government purchases (over \$477,000 for goods and services and over \$6.725 million for construction contracts).

I want to extend my personal appreciation for your consideration of my request, and I hope to be able to count on your continued support. My office will contact you next week. Should you have any questions, please call Jean Heilman Grier, Senior Procurement Negotiator, at (202) 395-9476 or email jean_grier@ustr.eop.gov.

*Rick,
I hope you & your team
can continue to help us
with our trade with
Latin America!
RB*

Sincerely,

Bob

Robert B. Zoellick