



U.S. SENATE COMMITTEE ON

Finance

SENATOR CHUCK GRASSLEY, OF IOWA - CHAIRMAN

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Grassley Asks President for Vietnam Trade Agreement by June 1

WASHINGTON – Sen. Chuck Grassley, chairman of the Committee on Finance, today asked President Bush to submit the U.S.-Vietnam Trade Agreement to Congress by June 1. Grassley said the submission would allow Congress to carefully review the trade agreement at the same time it considers another key decision on trade with Vietnam.

“I hope to see quick consideration of the Vietnam trade agreement,” Grassley said. “This agreement will give U.S. farms and businesses significant new opportunities to trade with Vietnam. It makes sense to review this agreement with a related time-sensitive decision on congressional consideration of the annual waiver for Vietnam.”

The Jackson-Vanik amendment of 1974 requires the President to certify that a country permits free emigration before the country can participate in various trade support programs, or the President can waive the emigration requirement on the grounds that the waiver will promote U.S. emigration values.

Each year, the President must submit to Congress by June 3 his decision to continue waivers of the amendment for individual countries where he determines the waiver will substantially promote freedom of emigration. Congress then has the opportunity to disapprove the overall authority or withhold it for an individual country through a joint resolution of disapproval, which must pass both chambers before Sept. 1. If Congress does not vote to disapprove, the authority is automatically renewed.

However, Vietnam is among a few countries that do not have normal trade relations with the United States. Others include Afghanistan, Cuba, Laos, North Korea, Serbia and Montenegro. To have normal trade relations with Vietnam under Jackson-Vanik, Congress must not disapprove of the presidential waiver of the Jackson-Vanik amendment for Vietnam, and Vietnam must have a bilateral trade agreement with the United States. The signing of the U.S.-Vietnam trade agreement on July 13, 2000, opened the door to normal trade relations for Vietnam, subject to presidential waiver and annual renewal.

Following is the text of the letter:

May 22, 2001

The President
The White House

Washington, D.C. 20500

Dear Mr. President:

I am writing to urge you to submit the U.S.-Vietnam Bilateral Trade Agreement (BTA) to the Congress for consideration by June 1, 2001. Submitting this important and historic agreement to Congress by this date would allow Congress to consider it at the same time it considers the President's decision to renew the waiver of the Jackson-Vanik amendment for Vietnam.

As you know, Vietnam is covered by the provisions of the 1974 Jackson-Vanik amendment. The Jackson-Vanik amendment created a very specific process on how such agreements will be considered. I believe it is important for the Vietnam BTA to be considered under these pre-established procedures. These procedures would allow for a vote within a specified time frame, increasing the likelihood of quick approval of the agreement this year.

More importantly, congressional consideration of the agreement at this time is also in the interest of the United States. This agreement, one of the most comprehensive bi-lateral trade agreements the U.S. has ever negotiated, will provide U.S. agriculture and business with significant new opportunities within the Vietnamese market. I have heard from many of my colleagues on the importance of this agreement. I believe a strong bi-partisan vote on this agreement will lay the groundwork for broader cooperation, and more progress, on the other important trade initiatives we have before us.

Thank you for considering my views, and I look forward to working with you in moving this agreement through the Senate.

Sincerely,

Charles E. Grassley