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BAUCUS BEGINS SENATE STEPS TO ADVANCE KOREA FTA AT HEARING

Finance Chairman Lauds Administration's Commitment to Expand U.S. Beef Access in Korea

Washington, DC – Senate Finance Committee Chairman Max Baucus (D-Mont.) began steps to advance Senate consideration of the U.S.-Korea Free Trade Agreement (FTA) today at a Finance Committee hearing. Baucus, who recently [secured a crucial commitment from the Obama Administration to take important steps to expand access for U.S. beef in Korea](#), reiterated at today's hearing that Congress must pass Trade Adjustment Assistance (TAA) in tandem with the pending Korea, Colombia and Panama FTAs.

"Korea's market holds tremendous potential for U.S. jobs and our economy, and Korean consumers' increased appetite for U.S. beef offers opportunities for ranchers in Montana and across the U.S.," said Baucus. **"While pursuing these opportunities, we have continued our long fight for strong, science-based trade rules around the world and have taken important steps forward in our efforts to further open the Korean market for American ranchers. Earlier this month, I secured commitments from the Administration to favorably consider a request from the beef industry for additional resources to promote U.S. beef in Korea, which will help educate and increase confidence among Korean consumers about the safety and quality of U.S. beef, and to request consultations with South Korea to discuss full application of the beef protocol, leading us toward increased U.S. beef exports that help support jobs here at home. And just as we fought long and hard to address Korea's scientifically unjustified restriction on U.S. beef, we will continue our fight for a robust, long-term extension of Trade Adjustment Assistance to help American workers adapt to global competition and increased trade."**

Baucus introduced [legislation in November 1999](#) to authorize the negotiation of a U.S.-Korea FTA, but had withheld support for the trade agreement due to concerns about unjustified and unscientific barriers for U.S. beef in the Korean market. At today's hearing, Baucus noted his support for the trade agreement had been conditioned on better access for American beef in Korea, noting that increased access to the Korean market would provide leverage for U.S. beef access across the region, including China and Japan. Baucus asked Deputy U.S. Trade Representative (USTR) Demetrios Marantis to detail how the agreement would help increase U.S. beef sales to Korea. The FTA will phase out in the next 15 years the 40 percent tariff on U.S. beef and allow ranchers in Montana and across the country to build on the recent impressive growth in U.S. beef sales to Korea, which grew by 140 percent last year.

Earlier this month, as part of the commitment Baucus secured from the Administration for important steps to expand access for U.S. beef in Korea, the U.S. Department of Agriculture (USDA) announced it has provided additional funding that will be dedicated to promote U.S. beef sales in Korea. USDA has awarded an additional \$1 million of Market Access Program (MAP) funds this year to the U.S. Meat Export Federation (USMEF) that will be used to promote U.S. beef sales in Korea. In addition, USDA welcomed a new initiative from USMEF to implement a five-year market promotion strategy for U.S. beef in Korea. USMEF has requested an additional \$10 million of USDA market promotion funds for this initiative in its Unified Export Strategy for 2012. USMEF's proposal reinforces and supports the Administration's efforts to remove market access barriers to U.S. beef in Korea, and USDA stated it would favorably consider requests that focus on these priorities.

[Baucus also received a commitment from U.S. Trade Representative Ron Kirk](#) that the Administration will request consultations with Korea on the full application of the 2008 U.S.-Korea beef protocol once the Korea FTA enters into force. The protocol, a separate agreement from the FTA, addresses import health requirements that affect market access for U.S. beef and beef products. These consultations are part of Baucus's continued efforts to increase opportunities for U.S. beef exporters. During a Senate Finance Committee hearing on March 9, 2011, [Baucus told USTR Kirk consultations with Korea are needed](#) to develop a plan to fully open Korea's market to all ages and all cuts of U.S. beef. Baucus has also asked for additional funding to promote U.S. beef in Korea.

At today's hearing, Baucus also reiterated [his support for Trade Adjustment Assistance \(TAA\)](#), saying TAA must be passed in tandem with the pending FTAs with Korea, Colombia and Panama. Baucus has been a longtime champion of the TAA program, which expired on February 13, 2011. Baucus is working with his colleagues in the House and Senate as well as the Administration to pass a package of trade measures including the pending FTAs and a robust, long-term extension of TAA for all eligible groups. In 2009, Baucus led the effort in Congress to pass the most significant expansion and reform of the TAA program, including new performance measures, since it was created in 1962. TAA provides extended income support and job training to workers, firms, ranchers, farmers and communities that experience job loss because of increased imports or factory shifts abroad and also helps prevent layoffs entirely by assisting trade-distressed companies retool and become more competitive.

The Finance Committee has sole jurisdiction over international trade. Watch today's hearing and view witness testimony on the Committee website at <http://finance.senate.gov/hearings>.

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