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Contact: Communications Office (Baucus), 202-224-4515

Julia Lawless/Antonia Ferrier (Hatch), 202-224-4515

Jim Billimoria (Camp), 202-226-4774

Josh Drobynyk (Levin), 202-225-4961

## **BAUCUS, HATCH, CAMP, LEVIN CALL ON USTR TO HOLD RUSSIA TO HIGH STANDARD IN WTO NEGOTIATIONS TO PROMOTE U.S. JOBS, ECONOMY**

*Trade Committee Leaders Call for Protection of U.S. Intellectual Property Rights, Commitment from Russia to Join the Information Technology Agreement and Address Agriculture and Autos Investment Issues in Russia's WTO Accession*

**Washington, DC** – Senate Finance Committee Chairman Max Baucus (D-Mont.) and Ranking Member Orrin Hatch (R-Utah), with House Ways and Means Chairman Dave Camp (R-Mich.) and Ranking Member Sander Levin (D-Mich.) urged U.S. Trade Representative Ron Kirk to insist that Russia meet a high standard to promote U.S. jobs and ensure a level playing field for U.S. businesses and workers in the negotiations for Russia's accession to the World Trade Organization (WTO). The Chairmen and Ranking Members of the committees with jurisdiction over international trade expressed concern regarding:

- Russia's protection of intellectual property rights, which are critical to U.S. industry and jobs;
- Recent reports questioning Russia's commitment to join the Information Technology Agreement (ITA), one of the most successful WTO agreements, providing duty free treatment to a vast array of information and communications technology (ICT) products, with tremendous benefits to the innovative U.S. high tech sector as well as the many U.S. industries that use ICT to enhance their productivity and competitiveness at home and abroad;
- Russia's actions blocking market access for U.S. agricultural products through unscientific health and safety requirements; and
- Russia's auto investment regime's impact on U.S. autos and auto parts companies, and their workers.

**"We are writing to urge you to insist that Russia meet a high standard in the ongoing negotiations regarding Russia's accession to the World Trade Organization,"** the Committee leaders wrote to Ambassador Kirk. **"While we recognize that Russia has made progress in opening its economy since 1991, the accession should address the serious problems that remain."**

The full text of the letter is below.

October 29, 2011

Ambassador Ron Kirk  
United States Trade Representative  
Office of the United States Trade Representative  
600 17th Street NW  
Washington, DC 20508

Dear Ambassador Kirk:

We are writing to urge you to insist that Russia meet a high standard in the ongoing negotiations regarding Russia's accession to the World Trade Organization (WTO). While we recognize that Russia has made progress in opening its economy since 1991, the accession should address the serious problems that remain.

As you know, both Houses of Congress must vote to remove Russia from Title IV of the Trade Act of 1974 before the United States can expect to enjoy the full benefits of Russian membership in the WTO. A high standard accession package will be essential to ensuring support for granting Russia permanent normal trade relations by removing it from Title IV.

We have numerous concerns regarding Russia's protection of intellectual property rights (IPR). Intellectual property is critical to U.S. industry and jobs. We believe it is vitally important for potential members of the WTO to demonstrate that they are not only willing to agree to strong protection of intellectual property, but that they also possess the will and the ability to enforce these rights. Unfortunately, Russia's standard of IPR protection has fallen short of these standards.

We are also deeply concerned about recent reports questioning Russia's commitment to join the Information Technology Agreement (ITA), a commitment the United States negotiated with Russia as part of the bilateral agreement we reached in 2006. The ITA is one of the most successful WTO agreements, providing duty free treatment to a vast array of information and communications technology (ICT) products, with tremendous benefits to the innovative U.S. high tech sector as well as the many U.S. industries that use ICT to enhance their productivity and competitiveness at home and abroad. The United States has consistently pursued a policy of requiring both new WTO candidates and free trade agreement partners to join the ITA.

We urge you to ensure that Russia fulfills its commitment to join and participate fully in the ITA without delay, as well as all other commitments made as part of the accession process. We know that many are eager for Russia to join the WTO as soon as possible, but for the sake of U.S. companies and workers, we must ensure that the deal achieves our high standards.

We must also emphasize the importance of ensuring that Russia is prepared, and willing, to comply with the Sanitary and Phytosanitary (SPS) Agreement. Russia's track record in this area has not been good. It has blocked market access for certain U.S. agricultural products through unscientific health and safety requirements, and it has provided little or no guidance about how to comply with these requirements. Russia's actions have directly blocked U.S. exports and created significant uncertainty for U.S. exporters. Russia must also commit to lower its tariff and quota barriers to U.S. agriculture products.

Finally, we are also concerned about Russia's autos investment policy. We urge that you ensure that Russia's autos investment regime, as well as any agreement negotiated between Russia and the European Union related to that regime, not disadvantage our autos or auto parts companies or workers.

There are many challenges to be negotiated, the totality of which will determine Congressional support for Russia's WTO accession. Russia's protection of intellectual property, commitment to join the ITA, satisfactory commitments on agriculture and SPS issues, and commitment to address problematic investment policies, will be significant considerations.

Sincerely,

Max Baucus  
Chairman  
Senate Committee on Finance

Orrin Hatch  
Ranking Member  
Senate Committee on Finance

Dave Camp  
Chairman  
House Committee on Ways and Means

Sander Levin  
Ranking Member  
House Committee on Ways and Means

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