



# Committee On Finance

Max Baucus, Ranking Member

---

**NEWS RELEASE**

<http://finance.senate.gov>

FOR IMMEDIATE RELEASE

Tuesday, April 11, 2006

Contact:

Carol Guthrie  
(202) 224-4515

## **BAUCUS WELCOMES CHINA'S STEPS ON BEEF; TRADE ISSUES**

*Senator Calls Tentative Steps Prelude to Visit by President Hu*

*Washington, DC* – U.S. Senator Max Baucus (D-Mont.), Ranking Member of the Senate Finance Committee, expressed cautious optimism at steps taken today by China to address certain U.S.-China trade issues. China agreed to make progress on beef, intellectual property, and other issues at the U.S.-China Joint Commission on Commerce and Trade (“JCCT”) – held today between senior U.S. and China trade officials.

**“I am encouraged by China’s willingness to take steps to end its WTO-illegal and non-science based ban on U.S. beef,”** stated Baucus. **“We’re not there yet, but I view today’s commitment as a critical first step.”**

China agreed today to negotiate an agreement with the United States that will lead to resumption of beef imports into China. China originally banned U.S. beef in December 2003 after a cow found in Washington State tested positive for BSE.

Since that time, Senator Baucus has been at the forefront of efforts to convince China to lift the ban. Baucus personally raised the issue with China’s Premier Wen Jiabao and other senior Chinese leaders on a trip to Beijing in January 2006. And last week, Senator Baucus urged Vice Premier Wu Yi to lift the beef ban -- and address other bilateral trade irritants -- in a series of letters that he sent individually and with 16 other members of the Senate Finance Committee.

**“I am encouraged that China agreed to make progress on other issues, notably by taking steps to reduce software piracy, join the WTO Government Procurement Agreement, and eliminate barriers in key services markets.”** said Baucus.

On intellectual property, China will now require its computer companies to pre-install non-pirated software on its computers. It also agreed to implement a mechanism to track the use of legal software in the government and state-owned enterprises. China also agreed to begin negotiations to join the WTO Government Procurement Agreement by the end of 2007.

--more--

**“The actions taken by China today are welcome, and I congratulate Ambassador Portman and his staff for their hard work. But these steps are only a prelude to addressing the unhealthy dynamic that has developed in U.S.-China trade,”** noted Baucus. **“On his visit to Washington next week, President Hu has a unique opportunity to demonstrate China’s leadership as a responsible member of the international community by taking further steps to put our relationship on a better footing,”** continued Baucus.

Yesterday, in a speech to the Council on Foreign Relations in New York (<http://finance.senate.gov/press/Bpress/2005press/prb041006.pdf>), Baucus outlined the steps the United States and China should take to reduce the \$202 billion deficit that the United States has with China.

**“We are at a dangerous point in our economic relationship with China,”** said Baucus. **“Washington and Beijing must take bold action to correct the fundamental imbalances that characterize our trade ties – including addressing China’s undervalued currency and America’s negative savings rate.”**

###