



Committee On Finance

Max Baucus, Ranking Member

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BAUCUS URGES PERSISTENCE, PROGRESS AT WTO'S HONG KONG MINISTERIAL

*Senator Says Doha Round Must End with Meaningful Market Access
for U.S. Farmers and Ranchers*

Washington, DC – U.S. Senator Max Baucus (D-Mont.), Ranking Member of the U.S. Senate Finance Committee, urged trade negotiators to seek whatever progress is possible on key issues – particularly agriculture – at the Sixth Ministerial Conference of the World Trade Organization (WTO) beginning Tuesday in Hong Kong. The Ministerial comes at an important point in the Doha "Round" of talks, which are designed to free up trade in agriculture, industrial goods, services, and other areas.

“Although the prognosis for Hong Kong is not good, world trade negotiators should do whatever they can now to move the Doha round of trade talks forward,” commented Baucus. **“I urge negotiators in Hong Kong not to be distracted by efforts to obscure the critical importance of meaningful cuts in agriculture tariffs from our trading partners to level the playing field.”**

Progress in the Doha Round hinges on forward movement in agriculture. **“The key to success are gains in agricultural trade,”** commented Baucus. **“Enhanced market access in agriculture offers the most promise, not just to U.S. farmers and ranchers, but to the overall development goals of the Round.”**

According to the World Bank, 93 percent of the global benefits from removing distortions in agriculture would come from reductions in agriculture tariffs. In October, the United States released a proposal to make significant reductions in trade-distorting domestic support payments in exchange for deep cuts in agricultural tariffs in the European Union, Japan, Korea, India, and other countries.

“Whether the discussion is had this week or not, the bottom line remains: U.S. farmers cannot be expected to make any concessions while European and other farmers continue to hide behind a wall of protective tariffs and non-tariff barriers,” Baucus said. Agriculture tariffs average 12 percent in the United States compared to 31 percent in the European Union, 51 percent in Japan, 66 percent in Korea, and 114 percent in India.

Baucus continued, **“I cannot support any agreement unless U.S. farmers and ranchers are made whole. That will involve major concessions on the part of our trading partners. It will also involve domestic choices that we in Congress – not trade negotiators in Hong Kong – must make to ensure that overall farm support remains at levels that will allow farming and ranching families in Montana and across the United States to maintain their way of life and continue to produce the safe and affordable food supply upon which we all depend.”**

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