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**BAUCUS WELCOMES WTO CHALLENGE AGAINST CHINESE  
FINANCIAL RULES**

*Action Is Critical To Reversing Discriminatory Financial Services Regulations*

**Washington, DC** – Senate Finance Committee Chairman Max Baucus (D-Mont.) today welcomed the U.S. Trade Representative’s decision to request World Trade Organization (WTO) dispute settlement consultations with China over treatment of foreign financial information services suppliers. The dispute focuses on a Chinese regulation forcing U.S. financial services information companies to deal with their domestic Chinese clients only through a government-designated distributor.

**“American companies in China need more open markets, not government-mandated middlemen,”** said Baucus. **“This case is right for American companies, right for the integrity of WTO rules, and right for the future of the Chinese economy. China’s regulation is outside the rules of the WTO, and will actually keep China from developing the strong and modernized financial services market that it needs.”**

The case filed today addresses a 2006 regulation that precludes foreign providers of financial information services from contracting directly with or providing financial information services directly to domestic Chinese clients. Foreign companies must instead operate through an affiliate designated by Xinhua, the Chinese state news agency that also acts as the regulator for foreign news agencies. The USTR request triggers a 60 day consultation period during which parties will try to resolve the dispute. If they are unable to do so, WTO rules permit the United States to request the establishment of a WTO arbitral panel to hear the case.

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