



U.S. SENATE COMMITTEE ON

Finance

SENATOR CHUCK GRASSLEY, OF IOWA - CHAIRMAN

<http://finance.senate.gov>

For Immediate Release

Friday, May 21, 2004

Grassley Asks Chile, South Africa, and Thailand to Help Advance
Agricultural Trade Negotiations at the WTO

WASHINGTON – Sen. Chuck Grassley, chairman of the Committee on Finance, today urged Chile, South Africa, and Thailand to encourage the G-20 group of developing countries to make a viable agricultural market proposal in the current Doha Development Agenda negotiations of the World Trade Organization (WTO).

The text of Grassley’s letters to representatives of Chile, South Africa, and Thailand follows.

May 21, 2004

His Excellency Andrés Bianchi
Chilean Ambassador to the United States
Embassy of Chile
1732 Massachusetts Avenue, N.W.
Washington, D.C. 20036

Dear Ambassador Bianchi:

I am writing with regard to the current Doha Development Agenda negotiations of the World Trade Organization (WTO). I would like to provide you with my views as to how the Group of 20 (G-20) developing countries, of which Chile is a member, could become more effective in helping WTO members reach a final agreement in these negotiations.

I am certain that you share my view that a successful conclusion of the WTO negotiations would greatly benefit both the United States and Chile. With this in mind, I am concerned that the G-20 countries have yet to offer a proposal on agricultural market access that will lead to broad trade liberalization for all members of the WTO. Indeed, the Fifth WTO Ministerial Conference in Cancún collapsed last September in large part due to the inflexible negotiating positions of the G-20 countries.

Given our experience of working together to conclude the U.S.-Chile Free Trade Agreement, I know that you and your government are committed to trade liberalization. For this reason, I am disappointed that Chile remains associated with the G-20, a group which has yet to make a reasonable market access proposal for agricultural liberalization. I hope that in the coming days Chile will work actively to encourage the G-20 countries to make constructive suggestions as well as meaningful concessions on agricultural market access in order to move the WTO negotiations forward. If the G-20 fails to make a viable offer in these negotiations, I would question its continued utility as a negotiating bloc.

I appreciate your attention to this matter of importance to both our countries. I would be pleased to discuss this issue with you in greater detail.

Sincerely,

Charles E. Grassley
Chairman

May 21, 2004

Mr. Chirachai Punkrasin
Chargé d'Affaires of the Royal Thai Embassy
1024 Wisconsin Avenue, N.W., Suite 401
Washington, D.C. 20007

Dear Mr. Punkrasin:

I am writing with regard to the current Doha Development Agenda negotiations of the World Trade Organization (WTO). I would like to provide you with my views as to how the Group of 20 (G-20) developing countries, of which Thailand is a member, could become more effective in helping WTO members reach a final agreement in these negotiations.

I am certain that you share my view that a successful conclusion of the WTO negotiations would greatly benefit both the United States and Thailand. With this in mind, I am concerned that the G-20 has yet to offer a proposal on agricultural market access that will lead to broad trade liberalization for all members of the WTO. Indeed, the Fifth WTO Ministerial Conference in Cancún collapsed last September in large part due to the inflexible negotiating positions of the G-20 countries.

Given the fact that the United States is currently negotiating a free trade agreement (FTA) with Thailand, I am concerned that the lack of an offer by the G-20 calls into question Thailand's commitment to the trade liberalization process. Without such a commitment, continued negotiations of a U.S.-Thailand FTA might not be productive. Moreover, when the U.S.-Thailand FTA is

completed, I am confident that you will encourage me in my position as Chairman of the Senate Finance Committee to help advance it through the Senate, and a demonstrated commitment of Thailand to trade liberalization at the WTO would make this task much easier. I hope that in the coming days Thailand will work actively to encourage the G-20 countries to make constructive suggestions as well as meaningful concessions on agricultural market access in order to move the WTO negotiations forward. If the G-20 fails to make a viable offer in these negotiations, I would question its continued utility as a negotiating bloc.

I appreciate your attention to this matter of importance to both our countries. I would be pleased to discuss this issue with you in greater detail.

Sincerely,

Charles E. Grassley
Chairman

May 21, 2004

Her Excellency Barbara Joyce Mosima Masekela
Ambassador of South Africa to the United States
Embassy of South Africa
3051 Massachusetts Avenue, N.W.
Washington, D.C. 20008

Dear Ambassador Masekela:

I am writing with regard to the current Doha Development Agenda negotiations of the World Trade Organization (WTO). I would like to provide you with my views as to how the Group of 20 (G-20) developing countries, of which South Africa is a member, could become more effective in helping WTO members reach a final agreement in these negotiations.

I am certain that you share my view that a successful conclusion of the WTO negotiations would greatly benefit both the United States and South Africa. With this in mind, I am concerned that the G-20 has yet to offer a proposal on agricultural market access that will lead to broad trade liberalization for all members of the WTO. Indeed, the Fifth WTO Ministerial Conference in Cancún collapsed last September in large part due to the inflexible negotiating positions of the G-20 countries.

Given the fact that the United States is currently negotiating a free trade agreement (FTA) with South Africa and other nations of the South African Customs Union (SACU), I am concerned that the lack of an offer by the G-20 calls into question South Africa's commitment to the trade

liberalization process. Moreover, when the U.S.-SACU FTA is completed, I am confident that you will encourage me in my position as Chairman of the Senate Finance Committee to help advance it through the Senate, and a demonstrated commitment of South Africa to trade liberalization at the WTO would make this task much easier. I hope that in the coming days South Africa will work actively to encourage the G-20 countries to make constructive suggestions as well as meaningful concessions on agricultural market access in order to move the WTO negotiations forward. If the G-20 fails to make a viable offer in these negotiations, I would question its continued utility as a negotiating bloc.

I appreciate your attention to this matter of importance to both our countries. I would be pleased to discuss this issue with you in greater detail.

Sincerely,

Charles E. Grassley
Chairman