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BAUCUS APPLAUDS COMMITTEE PASSAGE OF JOBS BILL ESTABLISHING PERMANENT NORMAL TRADE RELATIONS WITH RUSSIA

Committee Also Approves Bills Strengthening Customs Enforcement, Aiding Citrus Growers and Textile Manufacturers, Strengthening Trade Ties with Africa and Central America, and Extending Import Sanctions against Burma

Washington, DC – Senate Finance Committee Chairman Max Baucus (D-Mont.) today applauded the Committee’s unanimous approval of his bill establishing permanent normal trade relations (PNTR) with Russia and removing Russia from the 1974 Jackson-Vanik amendment. Chairman Baucus’s bill will enable U.S. businesses to create jobs here at home by capitalizing on Russia’s growing market. The legislation supports and creates thousands of U.S. jobs across every sector of the American economy, including manufacturing, agriculture and services, by helping double U.S. exports to Russia within five years.

“We took a major step forward today to seize this opportunity to boost U.S. exports to Russia and create the jobs we need here at home. All this boils down to one thing: jobs,” Baucus said. **“Russia will formally be a member of the WTO next month, so that is Congress’s deadline for passing PNTR. There is no time to waste – America risks being left behind. If Congress misses that deadline, American farmers, ranchers, workers and businesses will lose out to the other 154 members of the WTO that already have PNTR with Russia. American workers will lose the jobs created to China, Canada and Europe when Russia, the world’s seventh largest economy, joins the WTO and opens its market to the world. This is an opportunity to create jobs we can’t pass up.”**

Russia’s legislature today approved an agreement to join the World Trade Organization (WTO), so Russia will formally become a WTO member in 30 days. As part of the “accession” process, Russia will lower tariffs and increase market access for foreign businesses from countries with which it has permanent normal trade relations. Congress must pass legislation establishing PNTR by the time Russia joins the WTO for U.S. farmers, ranchers, workers and businesses to see the full economic benefits of the deal.

Annual U.S. exports to Russia currently total \$9 billion per year, and they will double within five years if Congress passes PNTR. Russia is already the world’s seventh-largest economy, and it could surpass Germany and Japan by 2040, meaning the long-run gains of increased exports there would be even greater.

Unlike a free trade agreement, the United States will not provide any market access benefits, lower any U.S. tariffs, or make other changes to its trade laws as a result of Russia’s WTO accession. PNTR simply allows U.S. farmers, ranchers, workers, and businesses to take advantage of Russia’s concessions. These include: additional market access for U.S. service providers; improved intellectual property enforcement; higher quotas for U.S. beef, poultry and pork producers; decreased domestic agriculture subsidies; consistent science-based sanitary and phytosanitary (SPS) measures; and new dispute settlement tools to enforce WTO rules. The bill also extends PNTR to Moldova.

Chairman Baucus also applauded the Finance Committee's approval of three other proposals: a modified version of the Enforcing Orders and Reducing Customs Evasion (ENFORCE) Act; a proposal to establish, renew, or modify the Citrus, Cotton and Wool Trust Funds; [and a proposal to amend provisions](#) of the African Growth and Opportunity Act (AGOA) and the Dominican Republic-Central America-United States Free Trade Agreement (CAFTA-DR) and to reauthorize and renew Burma sanctions.

“Customs evasion can take different forms, such as mislabeling products or submitting fraudulent documents, but its goal is always the same: to conceal an import’s true country of manufacturing to evade legitimate import duties. These practices rob our government of hundreds of millions of dollars in duty revenue, and they deny U.S. producers relief from unfair trade,” Baucus said. **“The Citrus, Cotton and Wool Trust Funds will help American growers and manufacturers by combating threats to their businesses and leveling the playing field for their products. Extending the ‘third country fabric’ provision of the African Growth and Opportunity Act will help ensure U.S. retailers have the certainty they need to help their businesses succeed and grow and stem the tide of job losses in Africa. And by reauthorizing the import sanctions on Burma for three years, we encourage the Burmese government to undertake reforms and continue making positive political steps forward.”**

The ENFORCE Act, which the committee passed by voice vote and was originally sponsored by Senators Ron Wyden (D-Ore.) and Olympia Snowe (R-Maine), enhances the enforcement of antidumping and countervailing duty orders by requiring U.S. Customs and Border Protection to conduct timely investigations of alleged evasion and take action to apply the correct duties. Antidumping and countervailing duty orders help protect American jobs by imposing duties on imports of foreign goods that are unfairly priced or subsidized, and that undercut U.S. businesses.

The bill to create a Citrus Trust Fund, to renew and modify the Cotton Trust Fund, and to modify and extend the Wool Trust Fund also passed by voice vote. The Citrus Trust Fund would provide scientific research and technical assistance to combat citrus diseases and pests. The Cotton and Wool Trust Funds support American textile and clothing manufacturers by ensuring they compete on a level playing field with their foreign competitors.

Finally, the Committee approved a [bill to extend a key provision of the African Growth and Opportunity Act](#) (AGOA) and make non-controversial technical changes to the Dominican Republic-Central America-United States Free Trade Agreement (CAFTA-DR) textiles and apparel provisions. That bill would also reauthorize import sanctions against Burma for three years, while preserving the Administration's right to waive or terminate those sanctions.

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