

## Letter to Congressional Leaders on Trade With Mongolia June 24, 1991

*Dear Mr. Speaker: (Dear Mr. President:)*

In accordance with section 407 of the Trade Act of 1974 (Public Law 93-618, January 3, 1975; 88 Stat. 1978), as amended (the "Trade Act"), I am transmitting a copy of a proclamation that extends nondiscriminatory treatment to the products of the Mongolian People's Republic. I also enclose the text of the "Agreement on Trade Relations Between the Government of the United States of America and the Government of the Mongolian People's Republic," including exchanges of letters that form an integral part of the Agreement, which was signed on January 23, 1991, and which is included as an annex to the proclamation.

The Agreement will provide a non-discriminatory framework for our bilateral trade relations, and thus strengthen both economic and political relations between the United States and the Mongolian People's Republic. Conclusion of this Agreement is an important step we can take to provide greater economic benefits to both countries. It will also give further impetus to the progress we have made in our overall diplomatic relations since last year.

I believe that the Agreement is consistent with both the letter and the spirit of the Trade Act. It provides for mutual extension of nondiscriminatory tariff treatment, while seeking to ensure overall reciprocity of economic benefits. It includes safeguard arrangements to ensure that our trade with the Mongolian People's Republic will grow without causing disruption to the U.S. market and consequent injury to domestic firms or loss of jobs for American workers.

The Agreement also confirms and expands for American businesses certain basic rights in conducting commercial transactions both within the Mongolian People's Republic and with Mongolian nationals and business entities. Other provisions include those dealing with settlement of commercial disputes, financial transactions, and government commercial offices. Through this Agreement, the Mongolian People's Repub-

lic also undertakes obligations to modernize and upgrade very substantially its protection of intellectual property rights. Once fully implemented, the Mongolian intellectual property regime will be on a par with that of our principal industrialized trading partners. This Agreement will not alter U.S. law or practice with respect to the protection of intellectual property.

On January 23, 1991, I waived application of subsections (a) and (b) of section 402 of the Trade Act to the Mongolian People's Republic. I determined that this waiver will substantially promote the objectives of section 402, and, pursuant to section 402(c)(2) of the Trade Act, notified the Congress that I have received assurances that the emigration practices of the Mongolian People's Republic will henceforth lead substantially to achievement of those objectives.

I urge that the Congress act as soon as possible to approve the "Agreement on Trade Relations Between the Government of the United States of America and the Government of the Mongolian People's Republic" and the proclamation extending nondiscriminatory treatment to products of the Mongolian People's Republic by enactment of a joint resolution, referred to in section 151 of the Trade Act.

Sincerely,

GEORGE BUSH

*Note: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Dan Quayle, President of the Senate. The letter was released by the Office of the Press Secretary on June 25. The Agreement on trade relations and the exchange of letters between U.S. and Mongolian officials were printed in the "Federal Register" of June 28. The related proclamation on trade with Mongolia is listed in Appendix E at the end of this volume.*