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H. CON. RES. 213

IN THE SENATE OF THE UNITED STATES

AUGUST 31, 1998

Received and referred to the Committee on Finance

CONCURRENT RESOLUTION

Expressing the sense of the Congress that the elimination of restrictions on the importation of United States agricultural products by United States trading partners should be a top priority in trade negotiations.

Whereas on a level playing field, United States producers are the most competitive suppliers of agricultural products in the world;

Whereas United States agricultural exports reached a level of \$57,000,000,000 in 1997, compared to a total United States merchandise trade deficit of \$198,000,000,000;

Whereas the future well-being of the United States agricultural sector depends, to a large degree, on the elimination of trade barriers and the development of new export opportunities throughout the world;

Whereas increased United States agricultural exports are critical to the future of the agricultural, rural, and overall economy of the United States;

Whereas the opportunities for increased agricultural exports are undermined by unfair subsidies provided by trading partners of the United States, and by various tariff and nontariff trade barriers imposed on highly competitive United States agricultural products;

Whereas the Foreign Agricultural Service estimates that United States agricultural exports are reduced by \$4,700,000,000 annually due to the unjustifiable imposition of sanitary and phytosanitary measures that deny or limit market access to United States products;

Whereas Asian markets account for more than 40 percent of United States agricultural exports worldwide, but the financial crisis in Asia has caused a severe drop in demand for U.S. agricultural products and a consequent drop in world commodity prices;

Whereas multilateral trade negotiations under the auspices of the World Trade Organization and the Asia Pacific Economic Cooperation Forum and trade negotiations for a Free Trade Area of the Americas represent significant opportunities to reduce and eliminate tariff and nontariff trade barriers on agricultural products;

Whereas negotiations for country accessions to the World Trade Organization, particularly China, present important opportunities to reduce and eliminate these barriers;

Whereas the United States is currently engaged in a number of outstanding trade disputes regarding agricultural trade;

Whereas disputes with the European Union regarding agriculture matters involve the most intractable issues between the United States and the European Union, including—

- (1) the failure to finalize a veterinary equivalency program, which jeopardizes an estimated \$3,000,000,000 in trade in livestock products between the United States and the European Union;
- (2) the ruling by the World Trade Organization that the European Union has no scientific basis for banning the importation of beef produced in the United States using growth promoting hormones, and that the European Union must remove by May 13, 1999, its import ban on beef produced using growth promoting hormones;
- (3) the failure to use science, as in the beef hormone case, which raises concerns about the European Union fulfilling its obligations under the WTO Agreement on the Application of Sanitary and Phytosanitary Measures;
- (4) the promulgation by the European Union of regulations regarding the use of specified risk materials for livestock products which have a disputed scientific basis and which serve to impede the

importation of United States livestock products, despite the fact that no cases of bovine spongiform encephalopathy (mad cow disease) have been documented in the United States;

(5) the ruling by the World Trade Organization in favor of the United States that the European import regime restricting the importation of bananas violates numerous disciplines established by the General Agreement on Tariffs and Trade and the General Agreement on Trade in Services, and that the European Union must be in full compliance with the decision of the World Trade Organization by January 1, 1999;

(6) the hindering of trade in products grown with the benefit of biogenetics through a politicized approval process that is nontransparent and lacks a basis in science; and

(7) continuing disputes regarding European Union subsidies for dairy and canned fruit, and a number of impediments with respect to wine: Now, therefore, be it

1 *Resolved by the House of Representatives (the Senate*
2 *concurring), That it is the sense of the Congress that—*

10 (4) the President should develop a trade agenda
11 which actively addresses agricultural trade barriers
12 in multilateral and bilateral trade negotiations and
13 steadfastly pursues full compliance with dispute set-
14 tlement decisions of the World Trade Organization;

22 (6) because of the significance of the issues
23 concerning agricultural trade with the European
24 Union, the United States Trade Representative
25 should not engage in any trade negotiation with the

1 European Union if the Trade Representative deter-
2 mines that such negotiations would undermine the
3 ability of the United States to achieve a successful
4 result in the World Trade Organization negotiations
5 on agriculture set to begin in December 1999; and

6 (7) the President should consult with the Con-
7 gress in a meaningful and timely manner concerning
8 trade negotiations in agriculture.

Passed the House of Representatives August 4,
1998.

Attest:

ROBIN H. CARLE,

Clerk.