

108TH CONGRESS
2D SESSION

H. R. 4780

To require the United States Trade Representative to pursue a complaint of anti-competitive practices against certain oil exporting countries.

IN THE HOUSE OF REPRESENTATIVES

JULY 8, 2004

Mr. DEFazio introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To require the United States Trade Representative to pursue a complaint of anti-competitive practices against certain oil exporting countries.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. FINDINGS.**

4 Congress makes the following findings:

5 (1) Gasoline prices have risen 80 percent since
6 January, 2002, with oil recently trading at more
7 than \$40 per barrel for the first time ever.

8 (2) Rising gasoline prices have placed an inordi-
9 nate burden on American families.

1 (3) High gasoline prices have hindered and will
2 continue to hinder economic recovery.

3 (4) The Organization of Petroleum Exporting
4 Countries (OPEC) has formed a cartel and engaged
5 in anti-competitive practices to manipulate the price
6 of oil, keeping it artificially high.

7 (5) Six member nations of OPEC—Indonesia,
8 Kuwait, Nigeria, Qatar, the United Arab Emirates
9 and Venezuela—are also members of the World
10 Trade Organization.

11 (6) The agreement among OPEC member na-
12 tions to limit oil exports is an illegal prohibition or
13 restriction on the exportation or sale for export of a
14 product under Article XI of the GATT 1994.

15 (7) The export quotas and resulting high prices
16 harm American families, undermine the American
17 economy, impede American and foreign commerce,
18 and are contrary to the national interests of the
19 United States.

20 **SEC. 2. ACTIONS TO CURB CERTAIN CARTEL ANTI-COM-**
21 **PETITIVE PRACTICES.**

22 (a) DEFINITIONS.—

23 (1) GATT 1994.—The term “GATT 1994” has
24 the meaning given such term in section 2(1)(B) of

1 the Uruguay Round Agreements Act (19 U.S.C.
2 3501(1)(B).

3 (2) UNDERSTANDING ON RULES AND PROCE-
4 DURES GOVERNING THE SETTLEMENT OF DIS-
5 PUTES.—The term “Understanding on Rules and
6 Procedures Governing the Settlement of Disputes”
7 means the agreement described in section
8 101(d)(16) of the Uruguay Round Agreements Act
9 (19 U.S.C. 3511(d)(16)).

10 (3) WORLD TRADE ORGANIZATION.—

11 (A) IN GENERAL.—The term “World
12 Trade Organization” means the organization
13 established pursuant to the WTO Agreement.

14 (B) WTO AGREEMENT.—The term “WTO
15 Agreement” means the Agreement Establishing
16 The World Trade Organization entered into on
17 April 15, 1994.

18 (b) ACTION BY PRESIDENT.—

19 (1) IN GENERAL.—Notwithstanding any other
20 provision of law, the President shall, not later than
21 15 days after the date of enactment of this Act, ini-
22 tiate consultations with the countries described in
23 paragraph (2) to seek the elimination by those coun-
24 tries of any action that—

1 (A) limits the production or distribution of
2 oil, natural gas, or any other petroleum prod-
3 uct,

4 (B) sets or maintains the price of oil, nat-
5 ural gas, or any petroleum product, or

6 (C) otherwise is an action in restraint of
7 trade with respect to oil, natural gas, or any pe-
8 troleum product,
9 when such action constitutes an act, policy, or prac-
10 tice that is unjustifiable and burdens and restricts
11 United States commerce.

12 (2) COUNTRIES DESCRIBED.—The countries de-
13 scribed in this paragraph are the following:

14 (A) Indonesia.

15 (B) Kuwait.

16 (C) Nigeria.

17 (D) Qatar.

18 (E) The United Arab Emirates.

19 (F) Venezuela.

20 (c) INITIATION OF WTO DISPUTE PROCEEDINGS.—

21 If the consultations described in subsection (b) are not
22 successful with respect to any country described in sub-
23 section (b)(2), the United States Trade Representative
24 shall, not later than 60 days after the date of enactment
25 of this Act, institute proceedings pursuant to the Under-

1 standing on Rules and Procedures Governing the Settle-
2 ment of Disputes with respect to that country and shall
3 take appropriate action with respect to that country under
4 the trade remedy laws of the United States.

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