

109TH CONGRESS
2^D SESSION

S. RES. 459

Expressing the sense of the Senate regarding United States participation and agreement in the Doha Development Round of the World Trade Organization.

IN THE SENATE OF THE UNITED STATES

MAY 2, 2006

Mr. BAYH submitted the following resolution; which was referred to the Committee on Finance

RESOLUTION

Expressing the sense of the Senate regarding United States participation and agreement in the Doha Development Round of the World Trade Organization.

Whereas in 2001, World Trade Organization members launched the Doha Development Agenda, a new round of multilateral trade negotiations with a core objective of increasing market access for nonagricultural products, such as industrial goods;

Whereas Ministers of World Trade Organization members agreed in the Doha Declaration that the aim of the non-agricultural market access (NAMA) negotiations is to reduce or eliminate industrial tariffs, with an emphasis on high tariffs and nontariff barriers;

Whereas, at the 2005 World Trade Organization Ministerial in Hong Kong, members renewed this commitment by agreeing to adopt a tariff-cutting formula geared toward the reduction or elimination of high tariffs;

Whereas, at the 2005 World Trade Organization Ministerial in Hong Kong, members agreed once again to reduce or eliminate trade-distorting nontariff barriers, and to focus on liberalization in certain sectors;

Whereas, at the 2005 World Trade Organization Ministerial in Hong Kong, members agreed to establish by April 30, 2006, the formulas or approaches (commonly referred to as “modalities”) for tariff reductions and that time frame has now been extended;

Whereas manufactured goods account for over 70 percent of world merchandise trade and 87 percent of the United States total merchandise exports;

Whereas substantial differences in average bound industrial tariff rates among World Trade Organization members have caused vast inequities in the multilateral trading system, placing American companies and workers at a disadvantage;

Whereas the United States has a simple average bound tariff rate of 3.2 percent for industrial goods with 38.5 percent of industrial tariff lines providing for duty-free treatment;

Whereas foreign tariffs on industrial goods are significantly higher than United States rates, and countries with high industrial tariff rates provide few, if any, duty-free tariff treatment;

Whereas many countries that maintain high industrial tariffs are benefiting under the United States Generalized Sys-

tem of Preferences (GSP), a program granting duty-free treatment to specified products that are imported from more than 140 designated countries and territories;

Whereas in 2005, the United States annual deficit for trade in goods reached a new high of \$782,100,000,000;

Whereas the United States share of global industrial goods trade has shrunk over the past decade, and 3,000,000 domestic manufacturing jobs have been lost since June 2000;

Whereas producers of industrial goods, particularly manufacturers, are critical to the health of the United States economy;

Whereas greater access to foreign markets will generate economic growth, raise wages, bolster research and development, and increase standards of living; and

Whereas international trade can be a dynamic engine for economic growth and job creation, provided that America's entrepreneurs and innovators are afforded nondiscriminatory treatment in the global economy: Now, therefore, be it

1 *Resolved*, That it is the sense of the Senate that the
2 United States should not be a signatory to any agreement
3 or protocol with respect to the Doha Development Round
4 of the World Trade Organization negotiations unless—

5 (1) a NAMA agreement would lead to a signifi-
6 cant reduction or elimination of the substantial in-
7 equities in the average level of industrial tariff rates
8 of all World Trade Organization members;

1 (2) substantial increases in market access and
2 United States exports are achieved through reduc-
3 tions in average tariff rates applied to manufactured
4 goods;

5 (3) sectoral tariff agreements are included that
6 would result in a significant number of countries
7 eliminating tariffs on products and in sectors that
8 would increase United States exports; and

9 (4) real new market access is achieved through
10 the dismantling of nontariff barriers, and particu-
11 larly in sectors of primary importance to American
12 manufacturers.

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