

Lawmakers' Letter Balks At Russian WTO Entry

By The Moscow Times

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WASHINGTON — A bipartisan group of U.S. lawmakers raised fresh concerns Friday about Russia's prospective entry into the World Trade Organization, which the United States and other countries could agree to this week.

Members of the U.S. Congressional High-Tech Caucus, made up of lawmakers concerned about technology issues, said they were worried that Russia was backing away from a commitment it made in 2006 to join the Information Technology Agreement as part of its WTO accession.

The ITA, which now covers 70 countries, eliminated tariffs on many high-technology goods.

Russia's participation "is critical for ensuring that U.S. high-tech exports have competitive and guaranteed tariff-free access to the growing Russian market," the 23 lawmakers said in a letter to U.S. Trade Representative Ron Kirk.

"Not doing so would have significant commercial implications for American export companies as well as the U.S. firms doing business in Russia that use American-made IT [information technology] products," the lawmakers said.

The Obama administration says Russia told the WTO's ITA Committee on Oct. 24 that it would start the process of joining the ITA in order to finish by the time it becomes a WTO member.

However, a U.S. industry official said companies would still like a binding written commitment from Russia that it will join the information technology pact.

The lawmakers' letter came on the same day that President Barack Obama and other world leaders meeting in France said in a joint statement that they "look forward to welcoming Russia as a WTO member by the end of the year."

Last week, top Republicans and Democrats on the U.S. House of Representatives Ways and Means Committee and the Senate Finance Committee urged Obama to insist that Russia join the ITA pact and address other agriculture, auto and intellectual property rights concerns before being let into the WTO.

The Technology CEO Council — which includes the heads of Dell, Micron Technology, Motorola Solutions, Xerox, Intel, IBM, Applied Materials and EMC — wrote Obama on Oct. 21 to express concern about the matter.

"While Russia has agreed to reduce its tariffs on some IT products to zero as part of its accession to the WTO, it is essential for the [Obama] administration to recognize this commitment is not as comprehensive as the commitments in the ITA," the executives said.

Members of a WTO working party are expected to sign off on the terms of Russia's entry next Thursday, setting the stage for global trade ministers to give their approval in December, some 18 years after Moscow began talks to join.

Russia, the biggest economy not yet in the WTO, still would have to enact certain reforms before its entry would be final.

The Ministerial Declaration on Trade in Information Technology Products was concluded by 29 participants at the Singapore Ministerial Conference in December 1996, according to the World Trade Organization web site. The number of participants has grown to 70, representing about 97 percent of world trade in information technology products. The ITA provides for participants to completely eliminate duties on IT products covered by the agreement. Developing–nation participants have been granted extended periods for some products.

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