

EXECUTIVE OFFICE OF THE PRESIDENT
THE UNITED STATES TRADE REPRESENTATIVE
WASHINGTON, D.C. 20508

NOV 19 2006

H.E. German Gref
Minister
Ministry of Economic Development and Trade
of the Russian Federation

Dear Minister Gref:

I have the honor to acknowledge the receipt of your letter of this date which reads as follows:

“I have the honor to confirm the following understandings reached between the Government of the Russian Federation and the Government of the United States of America on agricultural biotechnology during the course of our bilateral negotiations on Russia’s Accession to the World Trade Organization (WTO):

The Russian Federation and the United States of America (hereinafter, “the Parties”) agree on the following provisions, with a view to facilitating trade between the Parties while preserving each Party’s right to protect human, animal or plant life or health in its territory and respecting each Party’s regulatory systems and processes for risk assessment and policy development, provided that policies and measures are based on science, are transparent and in accordance with WTO Agreements.

The Russian Federation shall:

1. Maintain an interim biosafety, risk assessment-based, approval and registration system for products of modern biotechnology used for cultivation, food, feed, processing, and import. This system will be science-based, transparent, predictable, and consistent with the WTO Agreement on Application of Sanitary and Phytosanitary Measures (SPS Agreement) to enable the use and trade of such products until a permanent biosafety regulatory system for products of modern

D
11-19-06

biotechnology is complete and operational. In accordance with the SPS Agreement, the Russian Federation shall provide the United States with an opportunity to comment on the interim approval and registration system of products of modern biotechnology during the implementation of the interim system, and shall take those comments into account.

2. Register, by 15 November 2006, all pending product applications which to date have received a favorable science-based risk assessment for registration.

3. Establish and implement a permanent biosafety regulatory system for products of modern biotechnology which is science-based, transparent, predictable, and consistent with the WTO SPS Agreement. The permanent biosafety regulatory system will cover products derived from modern agricultural biotechnology and intended for cultivation, food, feed, processing, and import. In accordance with the SPS Agreement, the Russian Party shall provide the U.S. Party with an opportunity to comment on the permanent approval and registration system of products of modern biotechnology prior to and during the implementation of the system, and shall take those comments into account.

4. Each year, not later than 15 September, the Parties will consult on the status of applications for re-registration of products whose registration expires during that year.

5. When implementing its law on labeling for products of modern biotechnology, the Russian Federation will ensure that the regime will be transparent, predictable, and consistent with WTO provisions. Consistent with the WTO Agreement, the Russian Party shall provide the U.S. Party the opportunity to comment on the labeling regime prior to and during the implementation of the regime, and shall take those comments into account.

D
11-19-06

H.E. German Gref
Page Three

Further, within 120 days of the signature of this letter, the Parties will develop an ongoing bilateral consultative mechanism comprised of their competent authorities to discuss issues of regulatory development on agricultural biotechnology.

I have the honor to request that you confirm that your government shares these understandings. I have the further honor to propose that this letter and your letter of confirmation in reply shall constitute an agreement between our two governments.

Please accept the assurances of my deepest respect.”

I have the honor to confirm that my government shares these understandings and that your letter and this letter of confirmation in reply constitute an agreement between our two governments.

Please accept the assurances of my deepest respect.

A handwritten signature in cursive script, appearing to read "Susan C. Schwab".

Susan C. Schwab