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United States Senate

COMMITTEE ON FINANCE

WASHINGTON, DC 20510-6200

KOLAN DAVIS, STAFF DIRECTOR AND CHIEF COUNSEL
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February 28, 2005

The Honorable Peter F. Allgeier
Acting United States Trade Representative
Winder Building, 600 17th Street, N.W.
Washington, D.C. 20508

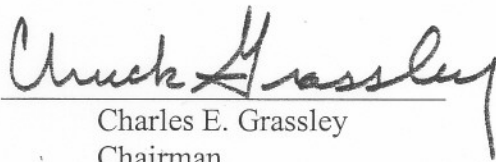
Dear Ambassador Allgeier:

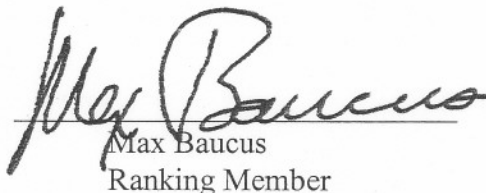
In assuming your new responsibilities as Acting United States Trade Representative, we ask that you ensure that USTR will continue to address diligently two issues with respect to our trade relations with Japan. First, we request that USTR continue to coordinate with other federal agencies in taking the steps necessary to resume our exportation of U.S. beef products to Japan. As you know, this issue is of the utmost importance to producers in Iowa, Montana, and throughout the United States. Moreover, Japanese consumers will benefit from the resumption of exports of U.S. beef to Japan. Achieving a science-based resolution to this issue as soon as possible is thus important to both our nations' interests.

Second, we request that USTR continue to press for a level playing field in Japan's life insurance market. Your agency has been particularly vigilant in pursuing the key issues with the Japanese government. However, the effort to privatize Japan Post, which carries with it an historic opportunity to remove Japan Post's special advantages, is entering a critical phase that will demand even more intense focus than before on the part of our government officials. We ask that USTR continue to articulate that the current situation with regard to Kampo does not constitute a level playing field and that further introductions of new or modified products that compete with the private sector raise serious issues with regard to Japan's international trade obligations. As the dialogue between Prime Minister Koizumi's government and the Diet on reform of Japan Post proceeds, we trust that the inter-agency team will continue to call for a standstill on new products until equal footing is achieved in the Japanese market.

We remain keenly interested in the outcome of USTR's efforts and those of the other agencies involved in resolving these issues, and are closely monitoring the situation. We wish you every success in assuming your new responsibilities, and look forward to hearing from you as developments warrant.

Sincerely,


Charles E. Grassley
Chairman


Max Baucus
Ranking Member