

THE RUSSIA AND MOLDOVA JACKSON-VANIK REPEAL ACT OF 2012
SECTION-BY-SECTION SUMMARY
PREPARED BY THE COMMITTEE ON WAYS AND MEANS

Section 1: Short Title and Table of Contents

**TITLE I: PERMANENT NORMAL TRADE RELATIONS
FOR THE RUSSIAN FEDERATION**

Section 101: Findings

Section 101 states that Russia allows its citizens to freely emigrate and has been found to be in full compliance with the freedom of emigration requirements under title IV of the Trade Act of 1974 since 1994. Russia has received normal trade relations (NTR) since concluding a bilateral trade agreement with the United States in 1992. The Ministerial Conference of the World Trade Organization (WTO) invited Russia to accede to the WTO on December 16, 2011.

Section 102: Termination of Application of Title IV of the Trade Act of 1974 to Products of the Russian Federation

Section 102 would authorize the President to determine that title IV of the Trade Act of 1974 should no longer apply to Russia and to proclaim the extension of NTR treatment to the products of Russia. The effective date of the extension of NTR treatment to the products of Russia is to be no sooner than the effective date of Russia's accession to the WTO. The application of title IV of the Trade Act of 1974 to Russia would terminate on the effective date of the extension of NTR treatment to the products of Russia.

**TITLE II: TRADE ENFORCEMENT MEASURES RELATING TO
THE RUSSIAN FEDERATION**

Section 201: Reports on Implementation by the Russian Federation of Obligations as a Member of the World Trade Organization and Enforcement Actions by the United States Trade Representative

Section 201(a) would require the United States Trade Representative (USTR) to report annually to the Senate Finance Committee and the House Ways and Means Committee on Russia's implementation of its obligations as a member of the WTO, in particular with respect to obligations relating to sanitary and phytosanitary (SPS) issues and intellectual property protection. USTR's report would also cover Russia's progress on acceding to and implementing the WTO Information Technology Agreement and the WTO Agreement on Government Procurement. To the extent that USTR believes that Russia is not fully implementing a WTO agreement or making adequate progress in acceding to the above agreements, USTR would be required to include in the report its plans for addressing those situations. In preparing the report, USTR must provide an opportunity for public comment, including by holding a public hearing.

Section 201(b) would require USTR to report within 180 days, and annually thereafter, to the Senate Finance Committee and the House Ways and Means Committee on enforcement actions taken by USTR to ensure full compliance by Russia with its WTO obligations.

Section 202: Promotion of the Rule of Law in the Russian Federation to Support United States Trade and Investment

Section 202(a) would require USTR and the Secretary of State to report annually on measures they have taken and results achieved to promote the rule of law in Russia and to support U.S. trade and investment by strengthening investor protections in Russia, including the negotiation of a new bilateral investment treaty; advocating for U.S. investors in Russia, including by promoting the claims of U.S. investors in the Yukos Oil Company; encouraging all parties to the OECD Anti-Bribery Convention, including Russia, to fully implement their commitments; promoting corruption-free customs, tax, and judicial authorities in Russia; and increasing cooperation between the United States and Russia to expand the capacity for civil society organizations to monitor, investigate, and report on suspected incidents of corruption.

Section 202(b) would require the Secretary of Commerce to establish and maintain a hotline and secure website to allow U.S. entities to report instances of bribery and corruption in Russia that could affect them and to request U.S. assistance relating to corruption issues in Russia. The Secretary of Commerce would also be required to report annually to the Senate Finance Committee and the House Ways and Means Committee on the instances of bribery, attempted bribery, and other forms of corruption reported through the hotline and website; a description of the regions where those instances are alleged to have occurred; a summary of U.S. actions taken in response to requests; and a description of the efforts to inform U.S. entities of the availability of assistance through the hotline and website. The identities of those reporting are not to be included in the report.

Section 203: Reports on Laws, Policies, and Practices of the Russian Federation that Discriminate Against United States Digital Trade

Section 203 would amend section 181 of the Trade Act of 1974 by requiring that the annual National Trade Estimate Report on Foreign Trade Barriers issued under section 181 include a description of Russian laws, policies, and practices that deny fair and equitable market access to U.S. digital trade.

Section 204: Efforts to Reduce Barriers to Trade Imposed by the Russian Federation

Section 204 would require the USTR to pursue the reduction of Russian barriers to U.S. exports through efforts to negotiate a bilateral agreement with Russia that would recognize U.S. SPS measures as equivalent to Russian SPS measures, and through efforts to obtain Russia's acceptance of an action plan to provide greater protections for intellectual property rights than those provided under the WTO Agreement on Trade-Related Aspects of Intellectual Property Rights.

TITLE III: PERMANENT NORMAL TRADE RELATIONS FOR MOLDOVA

Section 301: Findings

Section 301 states that Moldova allows its citizens to freely emigrate and has been found to

be in full compliance with the freedom of emigration requirements under title IV of the Trade Act of 1974 since 1997. Moldova acceded to the WTO on July 26, 2001.

Section 302: Termination of Application of Title IV of the Trade Act of 1974 to Products of Moldova

Section 302 would authorize the President to determine that title IV of the Trade Act of 1974 should no longer apply to Moldova and to proclaim the extension of NTR treatment to the products of Moldova. The provision would terminate the application of title IV of the Trade Act of 1974 to Moldova on the date of the President's proclamation.