



# Trade Delivers

Office of the United States Trade Representative  
Benefits of Trade – July 2006

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## ***Real Results: Leveling the Playing Field***

### **U.S. Brings New Members in to Rules-Based Trading System**

There is significant value to having other countries as part of the rules-based global trading system. The World Trade Organization currently has 149 members. Having countries play by the rules reduces red tape, reduces corruption, and provides greater certainty and transparency for exporters, importers, and consumers. It is in this forum that we can best hold countries accountable to their commitments.

- Completed Saudi Arabia Accession to the World Trade Organization.
- Completed Ukraine and Vietnam bilateral market access agreements, actively participated in ongoing multilateral negotiations for both countries. U.S. Congress approved PNTR for Ukraine by unanimous consent in the Senate and a strong bipartisan vote in the House. A Congressional vote on PNTR for Vietnam is likely this year.
- Ongoing negotiations with Russia on bilateral market access agreement.

### **U.S. Uses all Tools to Hold Trading Partners Accountable**

Our goal is to seek the best possible outcome for American workers, manufacturers and farmers. If we can't achieve a successful resolution through negotiation, we will pursue litigation through WTO dispute resolution. Our trading partners must follow the commitments they make in trade agreements.

#### **Cases Filed:**

- Airbus: Pressed forward with the largest WTO case ever on EU subsidies for Airbus.
- Auto parts: Filed case against China's discriminatory charges on auto parts. Joined in this effort by the European Union and Canada.
- Rice: Filed a case against Turkey's unfair restrictions on U.S. rice exports.
- Corn: Filed a case against Canada's provisional antidumping and countervailing duties on U.S. grain corn.

#### **Recent Successes:**

- Softwood Lumber: Reached tentative agreement with Canada over two-decade long dispute over the trade of softwood lumber.
- Kraft Linerboard: China revoked unfair antidumping duties on U.S. kraft linerboard (used to make boxes) after U.S. stated intent to file a WTO case, benefiting paper mills and tens of thousands of workers in 14 states, according to the American Forest and Paper Association. China is the second largest market for U.S. kraft linerboard

- Beverage Tax: WTO affirmed that Mexico's 20 percent tax on beverage made with high-fructose corn syrup were discriminatory and should be removed. The same tax didn't apply to soft drinks made with Mexican cane sugar.
- Geographical Indications: Won WTO case against an EC regulation that discriminated against the protection of U.S. food names in Europe.
- Rice: Won a WTO case against Mexico's antidumping duties on U.S. rice and several provisions of Mexico's antidumping and countervailing duty laws.
- Apples: Won WTO case against Japan's restrictions on imports of U.S. apples and secured removal of these restrictions.
- Wheat: Canada removed several restrictions on U.S. wheat exports after U.S. successfully challenged them in a WTO case.
- Textiles: Egypt removed discriminatory textile tariffs after the U.S. filed a formal WTO case.
- Telecom: In response to a successful WTO challenge, Mexico removed anti-competitive rules which drove up the cost of international calls, saving American and Mexican families millions of dollars on their telephone bills.