



News Release

Gordon H. Smith

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**SMITH INTRODUCES LEGISLATION LEADING TO VIETNAM JOINING
THE WTO**

Approval Will Reduce Export Tariffs on Oregon Agriculture Products

U.S. Senator Gordon Smith (R-OR) and U.S. Senator Max Baucus (D-MT) have introduced legislation that will grant Vietnam, an important Oregon trading partner, Permanent Normal Trade Relations (PNTR) status and lead to its entry into the World Trade Organization (WTO). Once a member of the WTO, Vietnam will drastically reduce tariffs on all U.S. exports, including Oregon agriculture products.

“As a businessman, I’ve seen how trade can raise standards of living both in America and around the world,” Smith said. “International commerce creates new growth opportunities for our manufacturers and agricultural producers, and WTO membership for Vietnam will help ensure that everyone’s playing by the same rules. It will mean the virtual elimination of tariffs on important Oregon crops and open a market of 83 million new customers.”

A grant of PNTR is a promise not to treat imports from one country more harshly than those from another country. A section of U.S. law known as the Jackson-Vanik amendment prohibits a country from being granted PNTR status if they are or were communist. The United States typically terminates a country’s Jackson-Vanik status and grants that country PNTR when it joins the World Trade Organization (WTO). Senator Smith’s legislation would lead to Vietnam joining the WTO.

On May 31, Vietnam and the United States completed their bilateral market access agreement, one of the steps in Vietnam joining the WTO. Vietnam hopes to become a WTO member before it hosts the Asia-Pacific Economic Cooperation (APEC) summit in Hanoi in November, which President Bush and other APEC leaders are planning to attend.

U.S. Senators John McCain (R-AZ), John Kerry (D-MA), Chuck Hagel (R-NE), Richard Lugar (R-ID), Lisa Murkowski (R-AK), and Tom Carper (D-DE), joined Senators Smith and Baucus as original co-sponsors. In the House of Representatives, Congressmen Jim Ramstad (R-MN), Mike Thompson (D-CA), and twenty other House members introduced a companion bill that grants PNTR to Vietnam, making permanent what was formerly called “most-favored nation” trade status. The Senate version of Vietnam-PNTR is expected to be referred to the Senate Committee on Finance, of which Senator Smith is a member.

In December of 2005 Senator Smith led a congressional delegation to Vietnam to discuss economic and trade issues with the Vietnam President Tran Duc Luong.

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