June 19, 2012

The Honorable John Boehner Speaker of the House U.S. House of Representatives Washington, DC 20515

The Honorable Nancy Pelosi Minority Leader U.S. House of Representatives Washington, DC 20515 The Honorable Harry Reid Majority Leader United States Senate Washington, DC 20510

The Honorable Mitch McConnell Minority Leader United States Senate Washington, DC 20510

Dear Speaker Boehner, Majority Leader Reid, Minority Leader Pelosi, and Minority Leader McConnell:

The signatories to this letter are former United States Trade Representatives. We have served in this position under four former U.S. Presidents, Democratic and Republican, including Presidents Ronald Reagan, George H.W. Bush, Bill Clinton, and George W. Bush. We are writing to share our united belief that timely action on legislation to graduate Russia from the Jackson-Vanik amendment and to establish Permanent Normal Trade Relations (PNTR) with Russia is in the national interest of the United States.

Russia is now the largest economy outside the World Trade Organization (WTO). It is the world's 9th largest economy and roughly one-fifth of its 142 million people are part of a rapidly growing middle class. Russia's accession to the WTO will give American workers, farmers, and businesses a significant new opportunity to expand their exports to Russia and help strengthen U.S.-Russia commercial relations. It is estimated that U.S. exports of goods and services to Russia could double—from \$11 billion in 2011 to \$22 billion in 2017.

Unfortunately, the United States will not be able to fully realize these benefits until Congress passes legislation graduating Russia from the Jackson-Vanik amendment and permanently granting Russia PNTR. Until Congress takes this step, the United States – alone among all WTO Members – will not have the ability to enforce the market opening, intellectual property rights and other WTO commitments that Russia has made.

To be specific, Russia will join the WTO – with or without U.S. approval – on or before August 22. At that time, 150+ other WTO members will enjoy the benefits and protections offered by Russia's WTO accession. The question for the United States now is whether we will join this group by granting PNTR, thereby allowing our workers, farmers, and firms to reap the benefits

of Russia's WTO membership, or will we deny PNTR and handicap our exporters at the very time our country needs increased exports to support jobs and economic growth. If Congress does not pass this legislation, Russia will still become a member of the WTO, but U.S. exporters will be placed at a significant disadvantage relative to their foreign competitors in the Russian market.

When we served as USTR, we each pursued the core U.S. trade and investment objectives of: (1) reducing tariffs on U.S. industrial and agricultural exports; (2) reducing barriers on U.S. services providers; (3) ensuring adequate and effective intellectual property protection for our innovative industries; (4) promoting global standards that are science-based, especially for U.S. agricultural exports; and (5) promoting transparency. We believe that Russia's WTO accession agreement furthers each of these policy objectives. U.S. legislation is, however, needed to lock in Russia's commitments in each of these areas so that they might benefit and be enforceable for U.S. market participants.

For these reasons, we respectfully urge you to act on legislation to graduate Russia from the Jackson-Vanik amendment and establish PNTR with Russia before the August Congressional recess. Timely Congressional action is the essential next step to ensuring that American workers, farmers and businesses will be competitive in the Russian market.

Sincerely,

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