



PNTR isn't for Russia – It's for US

PNTR is a critical step towards ensuring that the United States benefits from Russia's WTO Accession.

PNTR matters for U.S. interests – not for Russia. Permanent Normal Trade Relations ("PNTR") makes permanent the trade status Russia has had for more than a decade in the United States – it effectively grants Russia the same access to the U.S. market as all of our other trading partners. It does NOT constitute any "special treatment" for Russia. Rather, PNTR is far more important to US (U.S. manufacturers, service providers and agricultural interests seeking access to Russia's market). It is only with Congressional approval of PNTR that the United States can have guaranteed access to the many market opening and transparency commitments that form part of Russia's WTO commitments.

What is Jackson-Vanik and is it still relevant? Back in the 1970s, when the Soviet Union had restrictive emigration policies preventing Jews from leaving its territory, Congress passed the Jackson-Vanik amendment to the Trade Act of 1974. This provision required the U.S. President to review the Soviet Union's emigration policies before extending most-favored nation (MFN or NTR) access to the U.S. market. Jackson-Vanik's purpose in terms of Russia has been fulfilled: Russia terminated its exit fees on Jewish emigrants in 1991, today Russian Jews freely emigrate to Israel and elsewhere, and there is visa-free travel between Russia and Israel. Since 1992, the United States has certified annually that Russia complies with the amendment's provisions and has conferred NTR to Russia.

Why is it important to remove Jackson-Vanik for Russia and what does it have to do with Russia's WTO accession? WTO rules do not permit WTO members to restrict their trade with other WTO members -- a basic tenet of the WTO is "unconditional" free trade. Jackson-Vanik is a "condition" in our trade with Russia. Graduating Russia from Jackson-Vanik and making NTR permanent ("PNTR") will ensure that U.S. businesses and farmers have access to all the trade concessions and commitments Russia has made in order to join the WTO. Many of these concessions were won by U.S. negotiators. Since no other WTO member has a law similar to Jackson-Vanik on its books, voting for PNTR is essential to maintain the competitiveness of U.S. business and agricultural interests in Russia.

PNTR is about U.S. getting access to lower Russian trade barriers – we don't change a change a single U.S. tariff or market protection. Unlike an FTA, PNTR does not require any tariff reductions or market liberalization on the part of the United States. Rather, PNTR is a must-have law to ensure that the Russian market stays open to U.S. firms and farmers once Russia becomes a WTO member and that we can redress concerns we have about the application of Russia's commitments.

PNTR keeps the U.S. competitive. Today, more and more U.S. companies view Russia as a lucrative market where they need to be present and doing business. A vote for Russia PNTR is a vote for U.S. job creation and economic growth. Without Russia PNTR, U.S. firms potentially will be forced to sit it out while our competitors in Russia conclude lucrative deals. It makes no sense for the United States to lose access to one of the largest economies in the world over an outdated law.

Don't shut the door to opportunities for U.S. business and agricultural interests in Russia. Support Russia PNTR.