

105TH CONGRESS
1ST SESSION

S. 1327

To grant normal trade relations status to the People's Republic of China on a permanent basis upon the accession of the People's Republic of China to the World Trade Organization.

IN THE SENATE OF THE UNITED STATES

OCTOBER 28, 1997

Mr. ROTH (for himself, Mr. HAGEL, Mr. THOMAS, Mr. KERRY, and Mr. AKAKA) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To grant normal trade relations status to the People's Republic of China on a permanent basis upon the accession of the People's Republic of China to the World Trade Organization.

1 *Be it enacted by the Senate and House of Representa-
2 tives of the United States of America in Congress assembled,*

3 **SECTION 1. FINDINGS.**

4 Congress makes the following findings:

5 (1) The People's Republic of China is currently
6 engaged in negotiations to accede to the World
7 Trade Organization (referred to in this Act as the
8 “WTO”).

23 (4) The People's Republic of China is the
24 world's 10th largest trading country. It is the fastest
25 growing major economy not currently subject to the

1 obligations, disciplines, and market access commitments of the WTO.

3 (5) It is in the interest of the United States to
4 secure the People's Republic of China's membership
5 in the WTO in order to ensure that—

6 (A) the markets of the People's Republic
7 of China are significantly opened to United
8 States trade and investment;

9 (B) the People's Republic of China assumes the market-oriented disciplines of the
10 WTO; and

12 (C) trade disputes with the People's Republic of China will be resolved within the multilateral resolution mechanisms provided by the
13 14 WTO.

16 (6) Opening the markets of the People's Republic of China also represents the surest means of reducing the current imbalance in United States trade
17 18 with the People's Republic of China.

20 (7) Because the People's Republic of China is a nonmarket economy, it is subject to title IV of the
21 22 Trade Act of 1974, which permits the extension of normal trade relations status for 1-year periods. Unless the People's Republic of China is specifically removed from the limitations of title IV of the Trade
23 24 25

1 Act of 1974, the People's Republic of China will not
2 receive unconditional most-favored-nation trade
3 treatment from the United States.

4 (8) In the absence of any reservation or deroga-
5 tion, the United States is obligated, under the agree-
6 ment establishing the WTO and agreements con-
7 cluded under the auspices of the WTO, to confer un-
8 conditional most-favored-nation trade treatment to
9 every other WTO member.

10 SEC. 2. TERMINATION OF APPLICATION OF TITLE IV OF
11 THE TRADE ACT OF 1974 TO THE PEOPLE'S
12 REPUBLIC OF CHINA UPON THE PEOPLE'S
13 REPUBLIC OF CHINA'S ACCESSION TO THE
14 WTO.

15 On the date on which the People's Republic of China
16 becomes a member of the WTO, to the extent consistent
17 with the United States' consent to the protocol of acces-
18 sion, the provisions of title IV of the Trade Act of 1974
19 shall cease to apply to that country and products of the
20 People's Republic of China shall be afforded nondiscrim-
21 inatory treatment.