

The Office of the United States Trade Representative

Home / Document Library / Letters to Congress / 2002 / 11/13/02 | House Letter

USTR Zoellick Notifies Congress of Intent To Initiate Free Trade Negotiations With Australia

11/13/2002

The Honorable J. Dennis Hastert
Speaker
U.S. House of Representatives
Washington, DC 20515

Dear Mr. Speaker:

At the direction of the President, I am pleased to notify the Congress that the President intends to initiate negotiations for a free trade agreement (FTA) with Australia 90 days from the date of this letter. This notification is in accordance with section 2104(a)(1) of the Trade Act of 2002 (Trade Act).

As you are aware, the Administration is committed to concluding trade agreements that open markets to benefit our farmers, workers, businesses, and families. With the Congress' continued assistance, we can further advance America's trade interests.

We believe the United States has much to gain in pursuing a negotiation with Australia. Two way trade has grown significantly in the past decade, totaling more than \$19 billion in 2001. The increased access to Australia's market that an FTA would provide would further boost trade in both goods and services, enhancing employment opportunities in both countries. An FTA also would encourage additional foreign investment between the United States and Australia, adding to the many jobs that the significant investment flows between the two countries currently support. In addition, an FTA would result in greater business integration, especially in the information technology sector, increasing efficiency and the competitiveness of U.S. industry.

We plan to use our negotiations with Australia to strengthen these commercial ties and address barriers that U.S. exports face today. We recognize that an FTA with Australia is of particular interest and concern to the U.S. agriculture community. Making progress on a number of issues of concern to U.S. agriculture will be essential for the successful conclusion of these negotiations. In this regard, we will work hard to facilitate the export of U.S. food and agricultural products to the Australian market and to address the full range of issues facing U.S. agriculture exports. As an example, several U.S. agriculture interests have raised serious concerns about Australia's use of sanitary and phytosanitary (SPS) measures as a means of restricting trade. We have held extensive and detailed discussions with Australia on SPS issues throughout the past year to discuss these concerns. We have made progress on specific issues, including the opening of the Australian market to U.S. table grapes. In addition, we and Australia have agreed that SPS measures must be based on science and be fully transparent. We fully intend to continue these discussions on SPS issues even as we move forward with FTA negotiations.

In the light of the concerns that U.S. agriculture interests have raised and in accordance with the requirements of the Trade Act, we are immediately requesting a report from the U.S. International Trade Commission on sensitive agricultural products. In addition, we will consult closely with Congress and the U.S. agriculture community in developing our positions on