



Committee On Finance

Max Baucus, Ranking Member

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BAUCUS WELCOMES LAUNCH FOR NEGOTIATIONS FOR FREE TRADE AGREEMENT WITH KOREA

*Senator Says Agreement Must Fully Open Market for U.S. Beef,
Lower Barriers for U.S. Automobiles*

Washington, DC – U.S. Senator Max Baucus (D-Mont.), Ranking Member of the Senate Finance Committee, today joined U.S. Trade Representative Rob Portman and Korean Trade Minister Kim to launch negotiations for a U.S.-Korea Free Trade Agreement (FTA). If concluded, such an agreement would be the largest trade agreement the United States has negotiated in 15 years. Baucus first called for FTA negotiations with Korea in 1999 and has long championed free trade agreements with commercially meaningful trading partners, particularly those in Asia.

“As our seventh largest trading partner and sixth largest agricultural market, Korea is a critical destination for Montana and U.S. exporters – so a free trade agreement has enormous potential,” said Baucus. **“For too long, the United States has pursued politically-motivated trade agreements with very small countries of little economic significance that create few jobs at home. I applaud Ambassador Portman for re-energizing U.S. trade policy and focusing on markets like Korea that really matter to U.S. exporters.”**

Baucus noted a number of key sticking points that must be considered during negotiations. Korea originally closed its borders to U.S. beef following the discovery of a dairy cow with BSE in Washington state in December 2003. Just last month, Korea re-opened its market to boneless beef from cattle under 30 months old. But Korea’s market remains closed to bone-in beef, despite clear evidence of its safety. Korea also maintains a network of non-tariff barriers in its auto sector that limit foreign cars to only two percent of the domestic market.

“Korea must liberalize its agriculture market, fully open its market to our beef exports, and be willing to level the playing field on products from automobiles to pharmaceuticals,” said Baucus. **“But a successful U.S.-Korea FTA can anchor our economic and political partnership with Asia and benefit American workers, farmers, ranchers, and businesses as well. I look forward to working closely with Ambassador Portman to make sure that an FTA with Korea is the best it can be.”**

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