

FOIA MARKER

This is not a textual record. This is used as an administrative marker by the Clinton Presidential Library Staff.

Folder Title:

China (September to October 1999, POTUS - Jiang Bilateral at APEC, New Zealand) [11]

Staff Office-Individual:

National Economic Council-Lee, Malcolm

Original OA/ID Number:

CF 1177

Row:	Section:	Shelf:	Position:	Stack:
23	5	6	1	V

Withdrawal/Redaction Sheet

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. draft	Agenda for Informal Deputies Meeting on China. (9 pages)	10/19/1999	P1/b(1)
002a. paper	Treasury Non-Paper: Military Audit Legislation (2 pages)	10/18/1999	P1/b(1)
002b. report	Report of the Interagency Policy Group on Military Audit Legislation. (6 pages)	10/18/1999	P1/b(1)
003a. email	Malcolm Lee to Lael Brainard, Melissa Green, and Sharon Yuan. Subject: China WTO: Powell Phone Call. (1 page)	10/07/1999	P1/b(1)
003b. email	White House Situation Room to Johannes Binnendijk, Antony Blinken, Leslie Davidson et al. Subject: Secretary's October (2 pages)	10/07/1999	P1/b(1)
004a. memo	For the President from Samuel Berger and Gene Sperling. Subject: China WTO - Next Steps. (3 pages)	10/30/1999	P1/b(1)
004b. draft	Letter to Zhu Rongji. (2 pages)	10/30/1999	P1/b(1)
004c. paper	Package for Concluding a Bilateral WTO Agreement (2 pages)	10/30/1999	P1/b(1)
004d. list	Side-by-Side Analysis of Chinese and U.S. Positions (14 pages)	10/30/1999	P1/b(1)

COLLECTION:

Clinton Presidential Records
National Economic Council
Malcolm Lee
OA/Box Number: CF 1177

FOLDER TITLE:

China (September to October 1999 - Jiang Bilateral at APEC, New Zealand) [11]

2010-1024-F

vz1857

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

P1 National Security Classified Information [(a)(1) of the PRA]
P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
P3 Release would violate a Federal statute [(a)(3) of the PRA]
P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

b(1) National security classified information [(b)(1) of the FOIA]
b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. draft	Agenda for Informal Deputies Meeting on China. (9 pages)	10/19/1999	P1/b(1)

COLLECTION:

Clinton Presidential Records
National Economic Council
Malcolm Lee
OA/Box Number: CF 1177

FOLDER TITLE:

China (September to October 1999 - Jiang Bilateral at APEC, New Zealand) [11]

2010-1024-F
vz1857

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

P1 National Security Classified Information [(a)(1) of the PRA]
P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
P3 Release would violate a Federal statute [(a)(3) of the PRA]
P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

b(1) National security classified information [(b)(1) of the FOIA]
b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

DEPARTMENT OF THE TREASURY
WASHINGTON

Facsimile Transmittal

From

Office of Multilateral Development Banks (OASIA/IDB)

1500 Pennsylvania Avenue, N.W.

Room 3501 NY

Washington, D.C. 20220

(Fax # 202-622-1228)

Date: 10/19/99Page 1 of 9 Page(s)

To:

Sonal Shah

Tel. #

FAX #

9290

From:

Sheela

Comments:

① pgs 1-2: nonpaper from Tim to Brainerd requesting Deputies meeting this week.

② the interagency report on mil audit to see Summers. He approved all but Nigeria - he will take final position on Nigeria at later date.

Thanks

Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
002a. paper	Treasury Non-Paper: Military Audit Legislation (2 pages)	10/18/1999	P1/b(1)

COLLECTION:

Clinton Presidential Records
National Economic Council
Malcolm Lee
OA/Box Number: CF 1177

FOLDER TITLE:

China (September to October 1999 - Jiang Bilateral at APEC, New Zealand) [11]

2010-1024-F
vz1857

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

P1 National Security Classified Information [(a)(1) of the PRA]
P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
P3 Release would violate a Federal statute [(a)(3) of the PRA]
P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

b(1) National security classified information [(b)(1) of the FOIA]
b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
002b. report	Report of the Interagency Policy Group on Military Audit Legislation. (6 pages)	10/18/1999	P1/b(1)

COLLECTION:

Clinton Presidential Records
National Economic Council
Malcolm Lee
OA/Box Number: CF 1177

FOLDER TITLE:

China (September to October 1999 - Jiang Bilateral at APEC, New Zealand) [11]

2010-1024-F
vz1857

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

P1 National Security Classified Information [(a)(1) of the PRA]
P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
P3 Release would violate a Federal statute [(a)(3) of the PRA]
P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

b(1) National security classified information [(b)(1) of the FOIA]
b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
003a. email	Malcolm Lee to Lael Brainard, Melissa Green, and Sharon Yuan. Subject: China WTO: Powell Phone Call. (1 page)	10/07/1999	P1/b(1)

COLLECTION:

Clinton Presidential Records
National Economic Council
Malcolm Lee
OA/Box Number: CF 1177

FOLDER TITLE:

China (September to October 1999 - Jiang Bilateral at APEC, New Zealand) [11]

2010-1024-F
vz1857

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

P1 National Security Classified Information [(a)(1) of the PRA]
P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
P3 Release would violate a Federal statute [(a)(3) of the PRA]
P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

b(1) National security classified information [(b)(1) of the FOIA]
b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
003b. email	White House Situation Room to Johannes Binnendijk, Antony Bliken, Leslie Davidson et al. Subject: Secretary's October (2 pages)	10/07/1999	P1/b(1)

COLLECTION:

Clinton Presidential Records
National Economic Council
Malcolm Lee
OA/Box Number: CF 1177

FOLDER TITLE:

China (September to October 1999 - Jiang Bilateral at APEC, New Zealand) [11]

2010-1024-F
vz1857

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

P1 National Security Classified Information [(a)(1) of the PRA]
P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
P3 Release would violate a Federal statute [(a)(3) of the PRA]
P4 Release would disclose trade secrets or confidential commercial or
financial information [(a)(4) of the PRA]
P5 Release would disclose confidential advice between the President
and his advisors, or between such advisors [(a)(5) of the PRA]
P6 Release would constitute a clearly unwarranted invasion of
personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed
of gift.
PRM. Personal record misfile defined in accordance with 44 U.S.C.
2201(3).
RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

b(1) National security classified information [(b)(1) of the FOIA]
b(2) Release would disclose internal personnel rules and practices of
an agency [(b)(2) of the FOIA]
b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
b(4) Release would disclose trade secrets or confidential or financial
information [(b)(4) of the FOIA]
b(6) Release would constitute a clearly unwarranted invasion of
personal privacy [(b)(6) of the FOIA]
b(7) Release would disclose information compiled for law enforcement
purposes [(b)(7) of the FOIA]
b(8) Release would disclose information concerning the regulation of
financial institutions [(b)(8) of the FOIA]
b(9) Release would disclose geological or geophysical information
concerning wells [(b)(9) of the FOIA]

Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
004a. memo	For the President from Samuel Berger and Gene Sperling. Subject: China WTO - Next Steps. (3 pages)	10/30/1999	P1/b(1)

COLLECTION:

Clinton Presidential Records
National Economic Council
Malcolm Lee
OA/Box Number: CF 1177

FOLDER TITLE:

China (September to October 1999 - Jiang Bilateral at APEC, New Zealand) [11]

2010-1024-F
vz1857

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

P1 National Security Classified Information [(a)(1) of the PRA]
P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
P3 Release would violate a Federal statute [(a)(3) of the PRA]
P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

b(1) National security classified information [(b)(1) of the FOIA]
b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
004b. draft	Letter to Zhu Rongji. (2 pages)	10/30/1999	P1/b(1)

COLLECTION:

Clinton Presidential Records
National Economic Council
Malcolm Lee
OA/Box Number: CF 1177

FOLDER TITLE:

China (September to October 1999 - Jiang Bilateral at APEC, New Zealand) [11]

2010-1024-F

vz1857

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

P1 National Security Classified Information [(a)(1) of the PRA]
P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
P3 Release would violate a Federal statute [(a)(3) of the PRA]
P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

b(1) National security classified information [(b)(1) of the FOIA]
b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
004c. paper	Package for Concluding a Bilateral WTO Agreement (2 pages)	10/30/1999	P1/b(1)

COLLECTION:

Clinton Presidential Records
National Economic Council
Malcolm Lee
OA/Box Number: CF 1177

FOLDER TITLE:

China (September to October 1999 - Jiang Bilateral at APEC, New Zealand) [11]

2010-1024-F

vz1857

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

P1 National Security Classified Information [(a)(1) of the PRA]
P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
P3 Release would violate a Federal statute [(a)(3) of the PRA]
P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

b(1) National security classified information [(b)(1) of the FOIA]
b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
004d. list	Side-by-Side Analysis of Chinese and U.S. Positions (14 pages)	10/30/1999	P1/b(1)

COLLECTION:

Clinton Presidential Records
National Economic Council
Malcolm Lee
OA/Box Number: CF 1177

FOLDER TITLE:

China (September to October 1999 - Jiang Bilateral at APEC, New Zealand) [11]

2010-1024-F
vz1857

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

P1 National Security Classified Information [(a)(1) of the PRA]
P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
P3 Release would violate a Federal statute [(a)(3) of the PRA]
P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

b(1) National security classified information [(b)(1) of the FOIA]
b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

**MEMORANDUM OF UNDERSTANDING REGARDING
MARKET DISRUPTION OF TRADE IN TEXTILES AND APPAREL**

1. The Government of People's Republic of China (China) and the Government of the United States of America (United States), recognizing the need for continued predictability and orderly development in trade in certain textile and apparel products, have agreed that the following rules and procedures shall apply to trade between them in such products.
2. In the event that imports from the People's Republic of China, as reported in U.S. General Import Statistics, in a textile or apparel product category listed in Annex A to this Memorandum of Understanding (MOU) reach a level equal to 80 percent of the level set forth in such Annex, the United States will notify China of the level of imports. At such time, either Party may request consultations with a view to avoiding market disruption. Such consultations will take place within 30 days of receipt of the request for consultations.
3. The levels indicated in Annex A may be adjusted by the United States pursuant to the provisions of Article 4.3 of the Agreement on Textiles and Clothing (ATC).
4. If the level of imports in a category reach the relevant level listed in Annex A, market disruption shall be deemed to exist and the United States will notify China of the situation. Based on this notification, either Party may request consultations, which will take place within 30 days of receipt of the request for consultations. During such consultations, China may present evidence regarding whether the level of imports specified for the relevant category or categories in Annex A has been met. Both Parties agree to make every effort to reach agreement on a mutually satisfactory solution of the issue within 90 days of the receipt of such request, unless the time period is extended by mutual agreement.
5. Beginning on the date of receipt of notification referred to in paragraph 4 above, and for the period remaining in the calendar year in which the United States makes such notification, China agrees to hold its shipments to the United States of textiles or apparel products in the category or categories deemed to be causing market disruption to a level no greater than 105 percent of the levels in Annex A, prorated for the number of days remaining in the calendar year.
6. If no mutually satisfactory solution is reached during the 90-day consultation period, the United States shall continue the limits for textiles or apparel products in the category or categories deemed to be causing market disruption for the duration of this MOU.
7. The first term of any restraint limit established under this MOU will be effective for the

period beginning on the date of receipt of notification that Annex A levels have been met and ending on the last day of the calendar year in which the restraint limit was established.

8. For each remaining calendar year any restraint limit established under this MOU will be increased by 2.5 percent annual growth per year in the case of cotton and man-made fiber, by 6 percent in the case of vegetable fibers other than cotton, and silk blend product categories, and one percent in the case of wool product categories.
9. The provisions of the 1997 Agreement Between the United States of America and The People's Republic of China Concerning Trade in Textile and Apparel Products, contained in paragraphs 2, 3, 5, 9, 10, 11, 12, 13, 14, 15, 17, and 18, will continue to apply for purposes of the administration and implementation of this MOU, for the period covered by this MOU. The visa system established for exports to the United States of cotton, wool and man-made fiber, other vegetable fibers, and silk blend textiles and textile products of China of February 3, 1997, as it may be amended, will remain in force for the duration of this MOU.
10. With respect to matters relating to the implementation of this MOU, including the application and maintenance of restraints, other quantitative restrictions or licensing requirements, the Parties hereby waive any rights to recourse to dispute settlement proceedings under the auspices of the World Trade Organization (WTO).
11. The provisions of this MOU will apply when the Agreement Establishing the WTO applies between the Parties and commencing on January 1, 2005 for a period of five years.

Q&A FOR PODESTA PRESS BRIEFING ON APEC TRIP

CHINA

What was accomplished during the President's meeting with Chinese President Jiang Zemin?

- Presidents held a thorough and productive discussion of our bilateral relationship.
- Atmosphere was friendly and free of polemics.
- They decided to resume WTO talks immediately in Auckland. We continue to support China's accession to the WTO this year.
- Significance of the meeting was that it put our bilateral relations back on track .
- Differences continue to exist and will continue to be addressed.
- President raised human rights issues, Tibet, freedom of belief. Will keep pressing on such issues as our dialogue with the Chinese expands in the months ahead.
- On Taiwan, President urged peaceful resolution of differences between Taipei and Beijing, underlined constancy of our "one China" policy, and encouraged Beijing to sustain dialogue with Taiwan.

Did the meeting reverse all the activities (mil-mil relations, human rights and non-proliferation dialogues, port calls in Hong Kong, etc.) suspended in the wake of the Belgrade bombing?

- Presidents agreed to advance our bilateral relations.
- Senior officials will be following up to flesh out this general commitment.
- These activities are important not only for our bilateral relations but also for regional and global concerns.

Will there be a WTO agreement with China announced before the end of APEC?

- WTO talks will begin immediately. We want to see China gain admission this year on a strong commercial basis, but will have to see where the talks lead.

If an agreement is announced, will U.S. grant permanent NTR to China?

- Premature to judge whether or when an agreement might be reached. If we attain a strong bilateral agreement on China's accession to WTO we will work with Congress to secure China's permanent NTR status.

Can you offer any more detail on Taiwan?

- Core of our policy is three pillars: one China, peaceful resolution, and cross-Strait dialogue to help achieve peaceful resolution. These three pillars apply to both sides of the Taiwan Strait.
- President and Jiang discussing this face-to-face helped to clarify perspectives, reduce chance of misunderstanding.

Did Jiang ask that the U.S. reduce arms sales/preclude provision of TMD to Taiwan?

- Can't speak to what Jiang had to say in the meeting, but the President stressed fundamental continuity in our policy.
- Three communiqués and TRA contain clear guidelines for our unofficial relations with Taiwan.
- We will continue to adhere to the long-standing framework for our arms sales to Taiwan.

Any remaining issues from the Belgrade embassy bombing?

- Have made \$4.5 million humanitarian payment in late August. Now discussing potential property payments, both to them and to us. Have made progress in this discussion, and will meet again soon on it.
- Other issues largely resolved, and don't see this as an obstacle to return to a more positive bilateral agenda.

Was there discussion of PRC human rights situation?

- President urged improvement in human rights and urged resumption of our human rights dialogue. Important that we have channels to discuss our differences as well as areas of common ground.

Any prospect of a positive development on Tibet?

- Up to the Chinese to answer that question, but no indication of a breakthrough.

- Establishment of dialogue between Chinese and Dalai Lama and/or his representative remains a high priority for us.

Any likelihood of movement on nonproliferation agenda?

- We would like to advance discussion of arms control and nonproliferation issues. Core aspect of our relations that we seek to advance as a high priority.

Congress of the United States
House of Representatives
Office of the Democratic Leader
Washington, DC 20515-6537

August 6, 1999

Mr. John Podesta
Chief of Staff
The White House
Washington, DC 20500

DETERMINED TO BE AN ADMINISTRATIVE
MARKING Per E.O. 12958 as amended, Sec. 3.3 (c)

Dear John:

Initials: WZ Date: 2/4/2013
2010-1024-F

Thank you for engaging House Democrats in a continuing dialogue on China and other trade issues this year. The following ~~confidential~~ memo outlines the parameters of what I believe should substantively be in a WTO accession agreement for China to gain the full support of a substantial portion of House Democrats. In addition to the actual agreement, strong new enforcement mechanisms and a new and meaningful approach on human rights would also be necessary to win the endorsement of Democrats in the House.

Your reaction to this memo would be appreciated. I look forward to working with the President, the White House staff and trade policy officials in the Administration toward attaining a China WTO deal that the vast majority of Democrats can support.

Sincerely,



Richard A. Gephardt

M E M O R A N D U M

~~Confidential~~

To: John Podesta
From: Democratic Leader Gephardt
Date: August 6, 1999
Subject: China

DETERMINED TO BE AN ADMINISTRATIVE
MARKING Per E.O. 12958 as amended, Sec. 3.3 (c)

Initials: VC Date: 2/4/2013
2010-1024-X

I wanted to follow up on the meetings we have had on trade policy in general, and our specific discussions on the negotiations that are underway to allow China to become a member of the WTO. This memorandum outlines a number of objectives I believe are important to successfully completing an agreement that will garner significant support among Democrats. I am a strong believer in a rules-based approach, having been an early and vocal supporter of the GATT and the WTO. I want to be able to work with you and the Administration as a partner in ensuring the successful conclusion of an agreement. I am prepared to work for the passage of an agreement that advances our basic interests in trade and that promotes a rising standard of living.

The first test, of course, is whether the agreement protects and enhances our economic interests. While there are a number of important areas where changes must still be achieved, the basic agreement that was outlined by Ambassador Barshefsky some time ago represents real progress on many of the issues.

But we both understand that once a good deal with China is negotiated an effort to grant permanent MFN will begin. I have opposed granting MFN for China in recent years because I have not believed that effective mechanisms or policies have been in place to ensure that we can continue to press forward on the important issue of human rights. Eliminating MFN has not been my objective: progress on human rights is the ultimate goal.

Accordingly, as we have discussed, I want to work with the Administration on developing a meaningful and effective alternative mechanism providing for an annual evaluation, with potential action to follow, to achieve real progress on human rights, labor rights and the rule of law. I look forward to working with you, Nancy Pelosi and other and key Democratic Members of Congress to develop the specifics of such a program.

In addition, a parallel process must be developed to insure that China implements and adheres to existing trade agreements. China does not have a stellar record on this important matter. I believe that bilateral and multilateral mechanisms can be developed in this area.

John Podesta
August 6, 1999
Page 2

Taking the above approach with China will help insure that we can collectively forge a new Democratic consensus on China trade. If we are able to build confidence among House Democrats for this type of progressive engagement with China, other important items on the President's trade agenda would become easier to achieve as well. The political implications of all of this in 2000 are also clear.

Clearly, the summary of the deal released in April shows major progress on both market access and protocol issues. I view these accomplishments as a very solid floor upon which we can build an acceptable agreement. With a few more concessions from the Chinese, I believe you will have achieved our mutual goal, a strong substantive pact to bring China into the WTO, in a manner that strengthens rather than weakens this regime.

When negotiations are completed, I hope to be able to endorse a final agreement on China's accession to the WTO. Before the next round of negotiations are entered into, I wanted to share some of the objectives that I believe should be addressed in any final negotiating sessions. At the moment, I still have concerns about both the agreement itself and enforcement issues.

I understand the Clinton Administration obtained Chinese commitments to reduce average industrial tariffs from 25 to 9 percent, full distribution rights for US firms in China after a phase-in period, elimination of most quotas in five years, phase out of export performance requirements, and the phasing out of many geographical restrictions. This is an impressive record thus far.

My understanding is that assuming all the commitments made by Premier Zhu are kept by the Chinese, there are several outstanding issues still subject to negotiations. First and foremost on the protocol side, I urge you to continue to press for full preservation of all US trade laws to combat Chinese unfair trade practices, and resulting potential import surges from China. Our domestic industry and its workers need to be assured that all currently available tools to combat unfair trade will continue to be available.

China must provide the full ten-year phase-out of bilateral textile quotas upon its accession, just as other WTO members have done. This is vital to a critical US industry that employs over one million US workers. In addition, on the market access side, China must provide better marketing opportunities for the American movie industry with provisions for access to box office revenue. Finally, China must agree to foreign financing of auto sales.

Several other important areas must also be addressed: China should improve their market access offers for US banks and securities firms. In addition, China should commit to full distributional rights and contracting of artists for our recording industry. Finally, my understanding is that the pharmaceutical industry still has IPR concerns and that both pharmaceuticals and insurance have market access concerns.

Again, the preservation of US trade laws is the most important of the outstanding issues.
Specifically, I have three objectives in this area:

- A) Preservation of Section 406 of the trade act of 1974 for nonmarket economies must occur until China has implemented all of its WTO commitments and beyond until state enterprises comprise a much smaller percentage of the Chinese economy. I understand the Administration is supportive of this objective. As you know, Section 406 is a revision of our Section 201 law for non market economies with a lower threshold "market disruption" rather than "substantial" injury standard. I urge you to obtain China's commitment not to retaliate against any action taken under this statute. The 1994 draft protocol assured no Chinese retaliation, but the 1997 draft did not.
- B) Full applicability of Super 301, Section 301 and Special 301 to non-market economies need to be preserved for the full transition period. The threat of 301 retaliation enabled the Administration to obtain the strong 1996 IPR Agreement with the Chinese. As you know, the WTO has severely constrained US ability to utilize this law against other WTO members.
- C) The US Countervailing duty law must be applied immediately to China. The Chinese provide massive subsidies to their state enterprises. It was wrong and arbitrary to determine as we did years ago, that nonmarket economies by definition provide no subsidies.

In addition, a series of other measure will be important to building confidence in the Congress that the Chinese will live up to their commitments. I believe it essential that we obtain full Chinese enforcement of all bilateral trade agreements including the 1992, 1995 and 1996 IPR agreement and the 1992 MOU on various industrial and agricultural sectors.

John Podesta
August 6, 1999
Page 4

As you know, another 1992 MOU prohibited trade in prison labor products. At present, up to 8 million Chinese toil at slave labor. The Chinese have not allowed any inspections to determine if they are living up to their commitments on this issue. The US government must get Chinese permission to inspect sites suspected of sending prison labor products. This is just the first step on the China labor rights question that is critical to all Members that have concerns about human rights and labor rights.

In addition, the US Treasury Department must do a better job enforcing the long-standing US law prohibiting the importation of all goods made with forced or prison labor. Fully implementing that prohibition is critical to attaining a Congressional consensus in support of a WTO accession agreement for China.

Over time, China must work toward freeing its labor market by allowing full internal migration, and a commitment to the ILO's five basic labor rights, including the right to organize.

I have been an advocate of the inclusion of labor rights and environmental enforcement provisions in future trade agreements and believe that we should advance this issue with the Chinese. Concurrently, we should aggressively pursue the inclusion of these issues as part of the Seattle Ministerial. Ultimately, labor and environmental issues need to be treated the same as "traditional" trade issues.

Also, many in the Congress will insist that China and the US agree that Taiwan will join the WTO simultaneous to China's accession. It is unfortunate that an important economy in a much better position to meet its WTO commitments has to wait for China. I am also hoping that the Administration's emphasis on transparency will yield rapid Chinese publication of all laws, regulations and directives affecting exports and imports.

Another important issue is US monitoring of Chinese phase-out of tech transfer, production and offset requirements. Strong and creative bilateral and multilateral approaches to monitoring phase-out of Chinese offset requirements will help to build support in domestic US industry and in key industrial unions for the deal. Attention to the offset and tech transfer issues will assure continued US technological superiority and enhancement of US jobs and industrial base. More broadly, I want to work with the Administration, and key labor and business leaders to develop a better and more comprehensive strategy to address the global offset issue. It is unacceptable that foreign governments can require companies to give away their technological edge to attain a deal.

Finally, it is my belief that the US government should work with other G7 countries to fund and design a technical assistance program to assist China and other developing nations in meeting

John Podesta
August 6, 1999
Page 5

their WTO commitments. This program could be administered by the WTO or by NED or one of the other US aid agencies. Part of the problem in China is lack of a system of rule of law and the genuine confusion about what is required to join the WTO. Technical assistance will help combat these problems. I will work with you to obtain resources for such an endeavor.

I look forward to your reaction to these areas of concern regarding Chinese accession to the WTO. I pledge to work constructively with you to develop a new Democratic consensus on China trade policy. It is my belief that this new approach can be applicable to the Seattle Ministerial, fast track and indeed the entire trade agenda.