

**MEMO# 15590**

January 28, 2003

## **CONGRESSMAN MANZULLO'S LETTER TO JIANG ZEMIN REGARDING TRADE IN SERVICES**

[15590] January 28, 2003 TO: INTERNATIONAL COMMITTEE No. 11-03 RE: CONGRESSMAN MANZULLO'S LETTER TO JIANG ZEMIN REGARDING TRADE IN SERVICES Recently, Congressman Donald A. Manzullo, who chairs the US-China Interparliamentary Exchange,<sup>1</sup> sent a letter (a copy of which is attached) to President Jiang Zemin regarding the US-China trade in services for a congressional delegation trip to China. The delegation is expected to report to Congress on China's implementation of its WTO commitments. The Institute, through the Coalition of Service Industries, briefed the Congressman's staff on priorities for the industry with respect to China. In the letter, while noting China's efforts to implement its WTO accession commitments, Congressman Manzullo describes various issues with respect to China adapting its laws to meet WTO commitments. The Congressman's letter discusses the continuing concern over regulatory transparency and urges China to implement uniformly China's WTO commitments on transparency and licensing procedures and to renew its efforts to consult publicly with all interested parties on draft regulations. In addition, as the Institute has previously expressed to the Chinese authorities, the letter discusses the issue of excessive capital requirements that serve as an effective barrier to market access. The letter states that these requirements are inappropriate for US companies with global operations and impair the development of China's economy. Finally, the letter states that under China's WTO accession agreement, US (as well as other foreign) pension and asset management companies will be able to participate fully in the Chinese market in five years. Congressman Manzullo urges China to implement pension reform to make those commitments more meaningful. Jennifer S. Choi Associate Counsel Attachment (in .pdf format) 1 This Exchange is intended to foster productive relations and open channels between lawmakers in the United States and China.