

Suspending Normal Trade Relations with Russia and Belarus Act

Findings: The Act recognizes that Ukraine is a sovereign nation-state entitled to enter into agreements with other sovereign states and to full respect of its territorial integrity. It recounts Congress’s decision to permanently extend the tariff rates that the United States applies to World Trade Organization (WTO) Members (sometimes referred to as “normal trade relations”) to the Russian Federation in 2012 after it joined the WTO. The Act imposes appropriate consequences for the Russian Federation’s recent war of aggression against Ukraine by suspending preferential tariff rates for both Russia and Belarus (which is not yet a WTO Member) and blocking Russian energy exports to the United States.

I. Suspension of Normal Trade Relations with Russia and Belarus

- Suspends normal trade relations treatment reflected in “column 1” of the Harmonized Tariff Schedule (HTS) for the products of the Russian Federation and Belarus from the day after enactment
- Subjects the products of the Russian Federation and Belarus to the tariff rates in “column 2” of the HTS on the same date; presently, only the products of Cuba and North Korea are subject to these “column 2 duty rates”
- Empowers the President to proclaim tariff rates even higher than those in “column 2” for products of the Russian Federation and Belarus until January 1, 2024, after providing Ways & Means and Senate Finance with **5 calendar days**’ notice and an explanation of the basis for and potential impact of the increased tariffs

II. Prohibition on Importation of Energy Products of the Russian Federation

- Prohibits the importation of all Russian mineral fuels and products to the United States from **45 days** after enactment
- Provides that this import ban shall terminate when the President restores permanent normal trade relations with the Russian Federation subject to the conditions specified below

III. Temporary and Permanent Restoration of Normal Trade Relations with the Russian Federation and Belarus

- Temporary Restoration: Authorizes the President to restore “column 1” (WTO) tariff rates to products from both the Russian Federation and Belarus for one-year periods if specific consultation, reporting, certification, and layover provisions are satisfied:
 - Consultation & Reporting: The President must consult with Ways & Means and Senate Finance, as well as prepare a report, explaining the basis for his decision to restore normal trade relations **45 days** prior to certification.

- Certification: The President must certify to Ways & Means and Senate Finance that one or both countries:
 - has ceased all acts of aggression against Ukraine;
 - poses no immediate threat of aggression against any NATO ally or partner; and
 - recognizes a free and independent Ukraine with the ability to choose its own government.
- Joint Resolution of Disapproval: The President’s certification may only take effect if Congress does not issue a Joint Resolution of Disapproval within **90 days** after the date of such certification.
- Permanent Restoration:
 - Subject to the same 45-day consultation, report, and certification process and 90-day Joint Resolution of Disapproval layover provisions described above, the President may restore permanent normal trade relations to the Russian Federation, thereby returning Russian products to “column 1” HTS duty rates.
 - Subject to the same 45-day consultation, report, and certification process and 90-day Joint Resolution of Disapproval layover provisions described above, the President may return Belarus to normal trade relations status subject to the annual waiver mechanism set forth in the Jackson- Vanik Amendment to the Trade Act of 1974. Pursuant to Jackson-Vanik’s annual waiver mechanism, the President may only grant “column 1” HTS duty rates to countries that are non-market economies on an annual basis if the State Department issues a waiver certifying that a particular country is not restricting freedom of emigration.

IV. Cooperation and Accountability at the World Trade Organization

- Provides that the United States shall use its voice and influence at the WTO to:
 - Condemn the recent aggression against Ukraine;
 - Encourage other WTO Members to suspend trade concessions to the Russian Federation and Belarus in their respective domestic laws;
 - Consider further steps with a view to suspend the Russian Federation’s participation at the WTO; and
 - Seek to halt all work at the WTO regarding Belarus’ accession application.