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Joint statement on economic reform, trade, and investment.

The President of the United States of America and the President of the Russian Federation welcomed the significant progress made in Russian economic reforms and bilateral trade and investment since their last meeting in Washington in September 1994. They underlined their support for full and early realization of the bilateral economic partnership described in their September 1994 Washington Summit joint Statement on "Partnership for Economic Progress."

Economic Reform

The President of the Russian Federation reaffirmed Russia's determination to implement firmly its 1995 economic reform program, including reduction of government deficits and other anti-inflationary measures, privatization, comprehensive tax reform, strengthening of the free market and integration into the world economy. The President of the United States of America welcomed these policies and pledged continued strong U.S. support for their complete implementation.

The President of the United States of America and the President of the Russian Federation commended the deepening interaction between Russia and the leading industrial countries and the formation of the "Political," and expressed their hope for fruitful cooperation during the forthcoming Halifax Summit in June 1995.

Trade

The President of the United States of America expressed strong U.S. support for Russian accession to the World Trade Organization (WTO), and both Presidents agreed to cooperate on accomplishing this objective.

The President of the United States of America and the President of the Russian Federation welcomed the doubling of bilateral trade between 1992 and 1994 to a level of $5.8 billion. They pledged that as trade continues to expand both countries would work together to resolve trade frictions when arise in a mature trade relationship. They also agreed that bilateral trade and foreign and domestic investment would benefit from stricter enforcement of intellectual property rights and they agreed that both governments would engage in broader cooperation in this area. The President of the United States of America reiterated his government's recognition that Russia is an economy in transition to a free market.

Investment

The President of the Russian Federation informed the President of the United States of America that his government has issued a decree permitting full implementation of the Oil and Gas Framework Agreement, under which the U.S. Export-import Bank can proceed with $1.3 billion in approved loans and authorize $700 million in requested loans for the important oil and gas sector. The two Presidents also undertook to accelerate implementation of the $750 million Eximbank-Gazprom financing facility.

The President of the Russian Federation noted the importance of the IL-96M project to civil aviation cooperation between the two countries and the President of the United States of America confirmed that the U.S. Export-import Bank is reviewing a financing application for this project.

The two Presidents welcomed progress made in negotiations between American and Russian companies on production sharing agreements and look forward to the signing of these agreements within the next few months, as well as the passage of the Law on Production Sharing and the ratification of the Bilateral Investment Treaty.

The President of the United States of America and the President of the Russian Federation welcomed the commitments of the Overseas Private Investment Corporation of over $2 billion in loan guarantees, insurance and investment funds, and of the U.S. Trade and Development Agency of over $35 million for feasibility studies on 87 separate projects in the Russian Federation. They looked forward to the opening in Moscow in June of a new Russian Business Information Service for trade with America, with assistance from the U.S. Government.

Future Mandate

The President of the United States of America and the President of the Russian Federation commended the achievementsof the Joint Commission for Technological and Economic Cooperation (the Gore-Chernomyrdin Commission) and, stressing their commitment to a strategic economic partnership, requested recommendations from the joint Commission on further moves to strengthen and expand bilateral trade and investment and market access, and cooperation in the areas of energy, space, science and technology, health and agriculture and conversion of defense production facilities.

Noting the importance of regional development, the two Presidents announced the inaugural meeting in Seattle this June of the working group between the private and public sector leaders of the Russian Far East and the U.S. west coast, based on the initiative of the President of the Russian Federation in Seattle in September 1994.

The President of the United States of America and the President of the Russian Federation noted that a strong basis for economic, commercial and technological cooperation between the two countries has been created, which is aimed at supporting the Transformation of the Russian economy and Russia's full integration into the world economy. The two Presidents expressed strong support for these historic goals.

NOTE: An original was not available for verification of the content of this joint statement.