

**U.S. Senate Committee on Foreign Relations**  
**Senator Richard G. Lugar**  
**Opening Statement for**  
**Hearing on Tax, Environmental, and Telecommunications Treaties**  
**July 10, 2008**

I join the Chairman in welcoming our witnesses, who will help us examine a diverse group of treaties. The Senate has an important role under the Constitution in the treaty making process, and this Committee's work is central to the exercise of that role. The treaties before the Committee today address several issues in which cooperation between the United States and other governments can advance the interests of all parties.

In the economic realm, the tax treaties with Bulgaria, Canada, and Iceland will bolster our economic relationships with countries that are already close trade and investment partners. As the United States considers how to create jobs and maintain economic growth, it is important that we try to eliminate impediments that prevent our companies from fully accessing international markets. We should work to ensure that companies pay their fair share of taxes, while not being unfairly taxed twice on the same revenue. Tax treaties are intended to prevent double taxation so that companies are not inhibited from doing business overseas. They also strengthen the U.S. Government's ability to enforce existing laws by enhancing our efforts to gather and compare information in cooperation with foreign governments. As the United States moves to keep the economy growing and to increase U.S. employment, international tax policies that promote foreign direct investment in the United States are critically important.

The three environmental treaties before us provide frameworks for cooperation to address a variety of threats to the health of our oceans. These agreements seek to combat pollution of the oceans from multiple sources, including the dumping of wastes into ocean waters, the leaching of protective coatings applied to the hulls of ships, and the runoff of wastewater and agricultural pollutants. Such pollution harms our ability to make productive use of ocean resources and threatens public health.

With respect to telecommunications, the agreements before us are part of the ongoing efforts of the United States to advance cooperation in the management and use of the radio spectrum under the auspices of the International Telecommunications Union. Reliable telecommunications capabilities play a critical role in economic activity and growth, and we have an interest in facilitating productive cooperation in this area.

Today's group of treaties places a number of important issues on the Committee's plate. Several of these agreements are quite detailed and will require the Committee's careful study and analysis. I appreciate the opportunity to discuss these treaties and look forward to the testimony of our witnesses.

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