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Brussels, 28 April 1988.

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**THE COMMUNITY MUST ASSERT ITS RIGHTS IN GATT IF THE
TRADE BILL IS NOT VETOED, ACCORDING TO MR DE CLERCQ**

Reacting to the US Senate's passing of the Trade Bill, Mr De Clercq urged that the Community should not hesitate to use the appropriate procedure to bring up in GATT any provision which it considered to be in violation of GATT rules or the standstill commitment made by the contracting parties at Punta del Este.

Mr De Clercq took the view that the Commission's efforts to put its point of view to Congress and to the US Administration had borne fruit to the extent that some provisions with a particularly protectionist content had been deleted.

None the less the Trade Bill as passed contains provisions which continue to be worrying and are plainly protectionist. To name but a few examples, these include the tightening-up of Section 301 on unfair trade practices, the possibility of sanctions being applied where a violation of export controls has occurred, even where the violation takes place outside the United States, and also, in the case of telecommunications, the requirement for a degree of reciprocity within the sector.

The Commission of the European Communities would be following the next steps in the legislative process extremely carefully, since the possibility remained that the President of the United States would veto the Bill. Mr De Clercq pointed out that the Senate had passed the Bill without the two-thirds majority which was achieved in the House of Representatives necessary to override the presidential veto. If in the end the Trade Bill was passed, the Community would use its rights under GATT whenever its interests were damaged by unilateral measures taken by the US authorities on the basis of provisions of this new legislation which contravened GATT rules.