

Brussels, 28 April 1983

NOTE BIO (83) 198 AUX BUREAUX NATIONAUX
C.C. AUX MEMBRES DU GROUPE DU PORTE-PAROLE

SPECIAL ATTENTION WASHINGTON!

SPECIALITY STEEL US-EC :
EUROPEAN COMMISSION'S SPOKESMAN REACTION (Willy HELIN)

441.2(103)
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The European Commission maintains its view that the present situation of the American steel industry, the speciality steel sector in particular, is not a result of steel imports, among others from the EC, but on the contrary due to the overall economic situation which led to a severe slump in steel consumption worldwide.

One should be reminded of the fact that the Chairman of the ITC explicitly acknowledged this (on March 24, 1983 when ITC determined that imports have caused injury) by stating that even though this could not be a reason for rejecting petitions filed by US industry, it could be argued that the current recession were a major cause of the depressed state of the US industry, and more so than imports.

Moreover, the speciality steel sector in the EC is highly competitive; therefore it is the Commission's view that the numerous procedures launched by the American steel industry clearly indicate the fundamental will of that industry to go on with its harassment against European producers.

Finally, on the basis of the incomplete information about possible quotas for speciality steel imports from the EC, such as suggested to President Reagan by the ITC on April 27, 1983, the Commission expresses the strongest doubts. Indeed it appears that in its chosen reference period (1972 to 1982), the ITC only considers years during which EC speciality steel exports to the USA were subject to some form of restriction, and de facto excludes the only two years over that same period, i.e. 1975 and 1982, during which trade was free, thus artificially lowering the reality of EC exports to the US.

Best regards,
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