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NOTE BIO + LUXEMBOURG 3231

BRUXELLES, LE 6 OCTOBRE 1983.

NOTE BIO (83) 402 AUX BUREAUX NATIONAUX
CC. AUX MEMBRES DU GROUPE DU PORTE-PAROLE

EC-US-SPECIALTY STEEL (VAN DER PAS)

THE GENEVA OFFICE SENT US THE FOLLOWING PRESS NOTE ON THE
LATEST EC-US CONSULTATIONS ON SPECIALTY STEEL. WE PASS IT ON
UNCHANGED AS A BIO-NOTE :

TEXT BEGINS :

GATT - ARTICLE XIX
EC - US CONSULTATIONS ON SPECIALTY STEEL

A THIRD ROUND OF CONSULTATIONS BETWEEN THE EUROPEAN
COMMUNITY AND THE UNITED STATES ON SPECIALTY STEEL WAS HELD IN
GENEVA ON 5-6 OCTOBER 1983. AT THIS MEETING THE US RESPONDED TO
THE EC CLAIM FOR COMPENSATION SUFFERED BY EUROPEAN EXPORTERS AS
A RESULT OF INCREASED TARIFFS AND QUOTA RESTRICTIONS IMPOSED BY
THE AMERICAN GOVERNMENT IN JULY OF THIS YEAR.

THE COMPENSATION APPROACH CHOSEN BY THE US, COVERING ONLY
THE PRODUCTS AFFECTED BY TARIFF INCREASES, WAS QUALIFIED BY MR.
HORST KRENZLER OF THE EUROPEAN COMMISSION AS 'INCOMPLETE,
UNSATISFACTORY AND NOT COMPATIBLE WITH NORMAL GATT PRACTISE'.
IN PARTICULAR THE US METHODOLOGY PROPOSAL FOR THE CALCULATION OF
THE AMOUNT OF INJURY WAS NOT ACCEPTABLE BECAUSE IT INCLUDED
DEDUCTIONS FOR ALLEGED DUMPING AND SUBSIDIES BY THE COMMUNITY
AND WAS BASED ON AN UNREPRESENTATIVE TRADE REFERENCE PERIOD.

THE COMMISSION INSISTED ON A FURTHER ROUND OF FORMAL TALKS
WITHIN THE 90 DAYS CONSULTATION PERIOD PROVIDED FOR UNDER
ARTICLE XIX OF THE GATT (WHICH WILL EXPIRE ON 20 OCTOBER) IN
ORDER TO CONTINUE NEGOTIATIONS ON THE BASIS OF A MORE GLOBAL US
OFFER INCLUDING COMPENSATION FOR THE QUOTA RESTRICTIONS.

TEXT ENDS

REGARDS,
M. SANTARELLI. COMEUR 16H///+

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