

11/23/84

Brussels, 23 november 1984.

Note BIO (84) 442 aux Bureaux Nationaux
cc. aux Membres du Groupe du Porte-Parole

441.2 (103)
+ 443.0

ATTENTION SPECIALE WASHINGTON

Pipes and tubes exports into the US: Commission has its
mandate (W. Helin)

After a lengthy debate, which ended with a super restricted session, Vice-President Davignon got his mandate to negotiate an arrangement on the delicate issue of our pipes and tubes exports to the United States. Shortly before midnight he announced the elements of the mandate to the press.

DIS: In fact all the elements of the mandate itself had been generally agreed upon by all delegations; the question on the internal burden sharing then took most of the Council's time. Here also, after a majority vote, our position is now clear.FIN DIS

Following is the text of the mandate:

"The Commission is authorised to negotiate an Arrangement on the following lines:

1. The market share for EEC products shall be 7.6%.
2. The Arrangement shall enter into force on 1 December 1984 and shall terminate on 31 December 1986. Consultations would be held at the end of 1985 on the implementation of the Arrangement in the overall context of the US steel programme and the share of the EEC in the burden of the overall limitation of imports.
3. The Community will take responsibility for the implementation of the Arrangement by way of an export licensing system similar to that which exists under the Carbon Steel Arrangement. It is understood that the relative market share of traders will be respected. There should be an exemption for contracts already signed between US and EEC undertakings as a part of a major project. (These projects would be identified in a side letter to the Arrangement).

4. The US government should accept additional exports of the products covered by the Arrangement where a shortage of supply is identified. To this end consultations between the EEC and the US authorities and consumers shall take place. In the case of dissent an independent expert may be called upon. The US Government would decide within a limited period (30 days) on additional exports of the products concerned. The products covered by this clause shall include large welded tubes above 16 inches diameter.

5. Exports by EC producers to their already established manufacturing subsidiaries in the US for further finishing should be excluded from the Arrangement.

6. Oil country tubular goods should be covered by the Arrangement and subject to a sub-ceiling. (The Commission indicated a minimum figure which it might negotiate with the US).

7. If a third country receives a more favourable Arrangement compared to that negotiated with the Community, in particular relating to the share of its market, or duration of the Arrangement, the Commission shall enter into consultations with the US authorities to renegotiate the Arrangement."

END OF TEXT

Amities,

P. Cerf

COMEUR////

