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PRESS CONFERENCE ON THE LAUNCH OF THE US TRADE BARRIERS REPORT

The report was presented to the Brussels press corps by Ove Jorgensen, Ekhart Guth and Jorg Ketelsen of DG 1 at 12.15 on Thursday. The journalists instantly sought to draw conclusions from the report as to whether there were more or fewer barriers than last year, whether the report had helped improve free trade between the EC and the US, and whether the press could conclude that the new US Administration is more or less protectionist than its predecessor. This was of course exacerbated by the timing so soon before Sir Leon's trip to Washington.

These are all questions which cannot really be answered by the report. The line we took with the press, therefore, was to say the following:

This report is a negotiating aid rather than a negotiating weapon. It does not specifically show whether there are more or fewer barriers than last year, nor does it reach any conclusions as to the protectionist hue of the new Administration. It simply lays out the trade barriers which existed last year, showing which have been withdrawn, which new ones have been added, and which have continued as they were. There has been no great change since last year, and the situation is still highly unsatisfactory, particularly as the two economies are becoming more interdependent. The report clearly states that the best way to free up trade is through multilateral negotiations, and through the strengthening of dispute settlement.

The aim of the report, therefore, is above all to add clarity to a debate which is often characterised more by rhetoric and speculation than by fact.

There are one or two additional points which Mr Jorgensen focused on:

1: The USTR's own equivalent report, released a few weeks ago, does not take full account of several bilateral agreements which have helped remove trade barriers. These would include Blair House, and the Civil Aviation (Airbus) agreement, which he described as "working well".

2: The growing influence of US domestic concerns. The EC notes with anxiety the fact that US domestic legislation is being allowed to take precedence over international trade laws. He cited Super 301, where US Congress is pressurising the Administration for a renewal. This increases the risk of the imposition of unilateral sanctions, and sends ambiguous signals to foreign companies considering investing in the US.

Amitiés



Peter Guilford