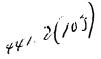
NOTE BIO (93) 100 AUX BUREAUX NATIONAUX cc. aux Membres du Service du Porte-Parole



<u>Press conference by Sir Leon Brittan and Ambassador Kantor, Washington 20/4/93</u>

(fax sent by Peter Guilford)

The crowded press conference was scheduled for 11.30 am Washington time but did not take place until 3 pm because of extendend one-on-one talks on the public procurement issue.

In separate opening statements both Ambassador Kantor and Sir Leon said that despite lengthy discussions there had been no agreement on this issue. They agreed to talk again by telephone tomorrow (Wednesday) at noon Washington time in an attempt to resolve the issue.

Falling that, the U.S. Trade Representative said that sanctions would go ahead on Thursday (April 22). Sir Leon declined to be drawn on what the Community's response would be.

The two days of talks, which included 3 different meetings spanning a total of some 7-8 hours, also covered the Uruguay Round, steel, Airbus and the non-GATT aspects of the Blair House agreement.

The Uruguay Round discussions focussed on the market access package upon which both sides hope to have broad agreement between them (which could be multilateralized) in time for the G-7 summit in Tokyo in July. They stressed the fact that an intensive series of meetings at ministerial level or higher will take place before that date, including the EC/US Presidential on May 7, a mid-May meeting in Toronto and a OECD meeting in Paris on June 1-2. Meetings will also continue at deputy and officials level.

Sir Leon said he believed they had given real momentum to the GATT process, both procedurally and substantively. This had been facilitated by President Clinton's recent announcement on his request for Fast Track extension. On procedure, he felt that the Fast Track deadline was close enough to apply pressure on negotiations but far enough away to allow completion. On substance, each side put forward certain offers and they would now try for a rapprochement.

On Blair House Ambassador Kantor said that he had been assured that the EC was near to completion of procedures to fulfil its obligations. Sir Leon pointed out that this referred only to the non-GATT aspects. The rest would be part of a final Uruguay Round package.

During questions, Ambassador Kantor said that on Procurement there were elements of agreement and disagreement. In some cases they were close, in others not so close. "We hope to reach a conclusion one way or the other tomorrow."

They both sought to detach the procurement issue from the Uruguay Round process, especially if sanctions are imposed. Sir Leon said that he and Ambassador Kantor would continue to do their best to keep them separate although "others might not find that so easy."

Ambassador Kantor pointed out that it was inevitable that there should be some trade disputes between the EC and the U.S. given the volume of two-way trade flows and the complexity of trading issues.

On the Uruguay Round, Sir Leon said that they had agreed to concentrate on market access, where everything was on the table. He could not be specific on how far they might depart form the Dunkel Text, although he cautioned against excessive tinkering.

He added: "The Uruguay Round clock is ticking now. The time has come to make the politically difficult decisions."

Bruno Dethomas