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NOTE BIO AUX BUREAUX NATIONAUX
 cc. aux Membres du Service du Porte-Parole

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TRANSATLANTIC BUSINESS DIALOGUE
 (P. Guilford)

The following issues emerged to make the Transatlantic Business Dialogue (TABD), which concluded in Chicago on Saturday November 9, a considerable success:

Telecoms: Major progress was made by the EU and the US on WTO telecoms negotiations, one of the key priorities of the European and American businessmen meeting in Chicago. The EU announced that it would be putting forward an improved offer in Geneva this week in the WTO negotiations on basic telecoms, following agreement reached late last week with Spain. Madrid has agreed to liberalise its telecoms market in 1998, and to remove remaining restrictions to foreign ownership. The US had considered this the biggest European hurdle to a deal at WTO level. Sir Leon Brittan therefore said that if the United States meets its side of the bargain and improves its own offer, the way is clear for Europe and the United States to show joint leadership, urging Asian and Latin American countries to improve their offers this week in time for a suitable package at the Singapore Ministerial. This marks a major development in the telecoms negotiations.

Information Technology: the transatlantic business community expressed its own determination to see an Information Technology Agreement (ITA) concluded at Singapore. Sir Leon said that all sides must push for an ambitious deal, with all products except consumer electronics covered, and with all the major producer and user countries included in a deal. He warned against the United States or any other partner trying to get exemptions or transition periods for any of their own industries, as this would cause an eventual deal to fall apart.

Mutual Recognition: major and unexpected progress was made in the difficult area of Mutual Recognition Agreements (MRAs). These aim to abolish the need for European exports to be re-approved on arrival in the US, and vice-versa. In one of the most vexed areas of negotiation - pharmaceuticals - the businessmen agreed on a way to proceed which creates a real chance of success by the end of January. The problem had been the US insistence on the right to carry out second approvals of European pharmaceuticals exports by the Federal Drug Administration, which in the EU's eyes would render an MRA meaningless. Under the wording agreed in Chicago, either side would have the right to carry out second approvals of products, but only in carefully specified circumstances. It will be the task of the Commission and the US government to define exactly what such circumstances would be between now and the end of January. Sir Leon Brittan said that it could only be in "very, very exceptional cases", while Stuart Eizenstat, the US Deputy Secretary of State for Commerce, said in the US view such re-approvals should be "rare".

Best regards,
 N. G. van der Pas