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PRESS RELEASE

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COMMON MARKET AGREES TO BEGIN TRADE NEGOTIATIONS WITH UNITED STATES

WASHINGTON, D.C., December 14 -- The European Community has agreed to consider immediate negotiations with the United States on the basis of "reciprocity and mutual benefit" to deal with specific trade problems, it was reported today from Brussels.

The Council of Ministers, meeting in Brussels last weekend, instructed the Committee of Permanent Representatives (the Ambassadors of the six member states) to draft an official negotiating position based upon proposals already made by the Commission of the European Communities. The move came after a meeting in Brussels last week between officials of the Commission and William Eberle, President Nixon's Special Representative for Trade Negotiations.

Once the position is formulated and approved, the Commission, the administrative arm of the Community, would begin negotiations with the United States. No date is fixed for these sessions. However, the Council's request for a progress report by mid-January indicated that negotiations would begin at an early date.

The Council declared that the results of these negotiations on short-term problems would come into effect only after ratification of an agreement on monetary realignment. The realignment, the Council stressed,

depended upon the abolition by the United States of the 10 per cent surtax and other restrictive commercial tax measures either adopted or contemplated since August 15, 1971.

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