

---

---

**MULTILATERAL STEEL AGREEMENT NEGOTIATIONS TEMPORARILY ADJOURN**

The Multilateral Steel Agreement (MSA) negotiations temporarily adjourned March 31, the date of expiry of the United States voluntary restraint agreements (VRAs).

In a comment, Frans Andriessen, EC Commission Vice President with responsibility for Trade and External Affairs, said he regrets that the negotiating parties have to date not been able to agree on a long-term and multilateral solution to discipline subsidies and to liberalize trade in the steel sector.

The European Community has a strict discipline on state aids to steel companies and has embarked upon the progressive liberalization of its own steel market, as well as in the framework of the various agreements it recently has concluded with the countries of Central Europe and the European Free Trade Association (EFTA). From January 1, 1992, previously existing VRAs have not been prolonged. The Community's objective is through the MSA to have this aid discipline and liberal trade policy followed by other steel producing countries.

Vice President Andriessen hopes that negotiations will continue in the near future in order to avoid disruption of the market through possible unilateral measures in the absence of a world multilateral discipline. He calls upon all the interested negotiating parties to show the flexibility needed to arrive at a timely agreement which would be in the long-term interest of all the leading steel-making countries.

Although technically separated from the General Agreement on Tariffs and Trade (GATT) negotiations in the Uruguay Round, a rapid conclusion of a multilateral steel agreement would have a positive impact on the successful completion of the Round.

Press Contacts: Ella Krucoff  
(202) 862-9540

Maeve O'Beirne  
(202) 862-9549