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EC REGRETS US TRADE DECISION ARISING FROM OILSEEDS DISPUTE

The United States Government last night announced its decision to initiate US procedures for suspending concessions concerning certain future European Community exports to the US.

The EC Commission deeply regrets this decision which, if implemented, would severely affect EC exports to the US for a whole range of products. Furthermore, the EC Commission considers that such action is totally without justification since it lacks any legal basis pending the conclusions of the GATT (General Agreement on Tariffs and Trade) Council meeting regarding the oilseeds panel, which was released on March 16.

At the last GATT Council meeting on April 30, the Commission announced that the Community would come forward with a concrete proposal for a solution before the next GATT Council which would take place on June 19. The Community has requested the GATT Council to authorize Article XXVIII.4 negotiations for its tariff concessions on oilseeds. The Community is acting in full compliance with its GATT rights and obligations.

The Commission considers the unilateral US decision to be inappropriate and counterproductive in the search for a mutually acceptable solution. Furthermore, it is at variance with efforts to improve the multilateral trading system.

Press Contacts: Jacques Vonthron Maeve O'Beirne
(202) 862-9560 (202) 862-9549