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E.C., U.S. REACH ACCORD ON CONSULTATION STEEL PRODUCTS FOR 1985

The European Community has approved an agreement with the United States under which it will restrict its exports of 11 categories of steel products to the U.S. for the rest of 1985.

"This is an equitable accord taking into account the vital interests of the European steel industry as well as the concerns of the U.S. government," said Willy De Clercq, E.C. Commissioner for External Relations.

The agreement, approved by E.C. Industry Ministers August 6, sets export ceilings for certain steel products that were not subject to formal quotas under the 1982 E.C.-U.S. Carbon Steel Arrangement. The 1982 accord established 17 "consultation products" that could be discussed if shipments to the U.S. increased significantly. Sixteen of those products, grouped into 11 categories, are covered under the new arrangement.

The total export ceiling for the remaining five months of 1985 is 197,917 net tons, broken down as follows:

<u>Product</u>	<u>Export Ceiling (Net Tons)</u>
Alloy Wire Rod	9,241
Round and Flat Wire	73,090
Wire Products	5,164
Black Plate	23,856
Electrical Sheet and Strip	10,870
Tin-Free Steel	17,498
Cold-Rolled Strip	13,393
Cold-Finished and Other Bar	32,275
Bar Shapes Under 3 Inches	9,212
Concrete Reinforcing Bars	780
Rail Products	2,538

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A 17th consultation product, semifinished steel, was not included in the agreement.

Mr. De Clercq said the negotiations with the U.S. over consultation products were "a prelude to far more difficult negotiations we shall have to face next fall." He noted that the U.S. wants to renew the 1982 Carbon Steel Arrangement, which expires at the end of 1985. Under that accord, the E.C. agreed to limit its shipments of 10 categories of steel to an average 5.46 percent of the U.S. market.