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**THE EUROPEAN COMMUNITY****P R E S S R E L E A S E**

EUROPEAN ECONOMIC COMMUNITY • EUROPEAN COAL AND STEEL COMMUNITY • EUROPEAN ATOMIC ENERGY COMMUNITY

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ECSC HIGH AUTHORITY PRESIDENT PROPOSES MAJOR STEEL  
PRODUCERS LEVEL THEIR PROTECTION

WASHINGTON, D.C., June 12 --- European Coal and Steel Community President Dino Del Bo today in Strasbourg called for a leveling of steel protection among the chief producing countries in the Kennedy Round trade negotiation.

The President of the ECSC's High Authority made his proposal at a joint meeting of the Council of Europe's Consultative Assembly and the European Parliament.

He said trade inequalities existed not only because of disparities in tariff protection but also because of non-tariff obstacles such as anti-dumping procedures, calculation of customs values and other measures.

"The High Authority wants a leveling out of the tariffs of the chief producing countries to moderate rates and an improvement in the situation involving non-tariff obstacles. Conversations are at present underway with the member states of the Community to draw up a common position," President Del Bo said.

He gave the three following reasons for the Coal and Steel Community's concern over the world steel market:

"The first is a question of principle since the ECSC Treaty emphasized the outward-looking nature of the Community and laid down that the needs of non-member countries must be taken into account while ensuring regular supplies to the Common Market.

"The second reason is the advanced action taken by the Community. . . in lowering its tariffs unilaterally as the Treaty came into force. The harmonized tariff . . . was very much lower than the arithmetical average of the member states' tariffs.

"The third reason is the ECSC's dependence on world trade and the fact that its iron and steel imports were rapidly rising while its exports were declining. Iron ore imports have . . . increased 160 per cent since 1954 and at 33 million metric tons or \$400 million represent 2 per cent of the value of all Community imports. Steel imports have risen from 650,000 metric tons in 1954 to 4 million metric tons in 1963, an amount equal to that of the United States. Steel exports on the other hand have risen more slowly.

"As for coal, the Community produced 12 per cent of world output but has nonetheless imported increasing quantities of coal so that over the past 10 years the excess of imports over exports has been about \$2.5 billion."

Concerning the January increase in the Community countries' steel tariffs, President Del Bo said that "care had been taken to consult non-member countries before putting it into application and to provide for tariff quotas to help maintain the traditional flow of trade."

"The recent experiences of the Community have confirmed to the High Authority the belief that present difficulties are caused by major structural changes in world steel," President Del Bo said. "A major improvement would result if the GATT negotiations were to succeed in obtaining a reduction of the existing difference in the levels of steel protection between the chief producing countries."

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