

# EUROPEAN PARLIAMENT

## EUROPEAN PARLIAMENT DELEGATION

for relations with the

UNITED STATES

### Notice to Members

Members will find attached the texts of the following resolutions adopted by the European Parliament on 12 April 1984<sup>(1)</sup> :-

- resolution on political relations between the European Community and the United States of America
- resolution on economic and commercial relations between the European Community and the United States of America
- resolution on EEC-USA trade relations in the steel sector

DIRECTORATE-GENERAL FOR COMMITTEES  
AND INTERPARLIAMENTARY DELEGATIONS

(1) OJ No. C 127 of 14.5.84, pp. 89, 96 and 100

-----  
2 August 1984

PE 91.092



Thursday, 12 April 1984

## RESOLUTION

on political relations between the European Community and the United States of America

*The European Parliament,*

- having regard to its resolution of 7 July 1983 on the impact of the CAP on the external relations of the European Community <sup>(1)</sup>,
- having regard to the report of the Committee on External Economic Relations on economic and trade relations between the European Community and the United States of America (Doc. 1-37/84) <sup>(2)</sup>,
- having regard to the report of the Committee on External Economic Relations on EEC-USA trade relations in the steel sector (Doc. 1-1523/83) <sup>(3)</sup>,
- having regard to its resolution of 16 June 1982 on the political aspects of relations between the Community and the United States of America <sup>(4)</sup>,
- having regard to its resolution of 17 November 1983 on the situation in Grenada <sup>(5)</sup>,
- having regard to the motion for a resolution tabled by Mr Croux and others on the need to improve the structures for the dialogue between the European Community and the United States (Doc. 1-698/82),

---

<sup>(1)</sup> OJ No C 242, 12. 9. 1983, p. 76.

<sup>(2)</sup> See next resolution under this item.

<sup>(3)</sup> See next resolution but one under this item.

<sup>(4)</sup> OJ No C 182, 19. 7. 1982, p. 25.

<sup>(5)</sup> OJ No C 324, 19. 12. 1983, p. 49.

Thursday, 12 April 1984

- having regard to the motion for a resolution tabled by Mr Kyrkos on the landing of US military forces in Grenada (Doc. 1-949/83),
  - having regard to the report of the Political Affairs Committee and the opinion of the Committee on Agriculture (Doc. 1-1540/83),
- A. conscious of the distinctive nature of relations between the European Community and the United States of America, characterized by:
1. the European origin of a large proportion of the American population and the cultural, political and economic ties between the USA and the peoples of Europe, going back more than 200 years,
  2. the same basic convictions founded on respect for human rights, the fundamental social and political freedoms and the principles of democratic government which were first developed and established by their peoples against a background of mutual influence and encouragement,
  3. the efforts of the USA to protect and preserve freedom in Europe in this century, its contribution to the reconstruction of the European economy and the promotion of European unity after the Second World War,
  4. closely interwoven economic and trade policy interests between the two most powerful industrial entities in the world,
  5. a common interest in providing, through the Atlantic Alliance, political and military safeguards for their democratic social orders which, while the differences between East and West still persist, will inevitably call for a joint strategy and coordinated responses,
  6. complementary regional and global responsibilities arising from their differing historical ties with other parts of the world and their particular economic and strategic interests,
- B. conscious of the fact that the relationship between the Community and the USA has run into difficulties which go beyond the sectoral conflicts of interests,
- C. concerned that the dispute on particular sectoral matters should not cause a deterioration in relations and should not destroy the basic trust necessary between partners and allies,
- D. recognizing that it has become necessary to take stock of the relations between the USA and the Community as a result of changes in the economic, political and military balance of power in the world, and notably:
1. the rise of the European Community to the position of a leading economic power, and its increasing political influence,
  2. the effects of the world recession and the global shift in the terms of trade, which necessitate a review of the international economic, commercial and monetary agreements entered into since 1945,
  3. the growing dependence of an increasing number of countries on the economic and monetary policy decisions of the USA,
  4. the changes brought about by advances in weapons technology which affect geostrategic relationships and the military security of the Western World,
  5. the importance of maintaining balanced relations between East and West,
  6. the increasing importance of the countries of the Pacific basin to the USA,
- E. recognizing that in the field of external policy a relationship between equal partners is the only relationship which corresponds to the basic internal political values of Western democracies,
- F. hoping that differences of opinion on policies do not lead to a situation in which the Atlantic partners become alienated from each other,

Thursday, 12 April 1984

G. convinced that close and lasting relations between the United States of America and the Community and its Member States will continue to make an essential contribution to the preservation of world peace, that the prospects of a solution to the economic, commercial, external and security policy problems can be brought closer only by an improvement in the relations between Europe and America, and that to this end special efforts will have to be made on both sides of the Atlantic,

*as regards current political issues*

1. Notes that differences of opinion can occur due to different perceptions and interests of the USA on the one hand, and the Community on the other, and takes the view that these differences particularly in areas such as agriculture and steel are bound to occur in a free partnership between economic partners;
2. Believes that with good-will on both sides they are amenable to solution;
3. Is convinced, however, that the disruptions in the overall economic climate caused by high interest rates is adding considerably to the difficulties of finding a solution;
4. Stresses that high interest rates have a deleterious effect not only on the economies of Europe which depend on the dollar as a key currency but also on the economies of other countries, particularly in the Third World;
5. Considers that these factors can contribute to high unemployment and depletion of resources outside the USA and could lead to political instability in other parts of the world and run counter to Western security interests;
6. Calls for greater progress in the development of Community economic and monetary policy;
7. Calls on the other hand on the Government of the United States to consider the consequences for foreign policy of decisions made on the basis of domestic policy considerations and to shoulder the responsibilities arising from the country's dominant economic position;
8. Is concerned at the fact that the tensions in the Atlantic Alliance are increasingly tending to have repercussions on relations between the USA and the Community and calls for the utilization, improvement and consolidation of the machinery for consultation;
9. Believes that there needs to be a greater European contribution to Western security within the Alliance;
10. Calls for the permanent consultations in the framework of European Political Cooperation to be extended to include relations with North America and to be used to give greater weight to European interests in the Alliance;
11. Calls on the Alliance to continue its efforts towards stricter arms control and positive disarmament on a mutually balanced basis in both East and West;
12. Believes firmly that such a policy is in the interests of the people of this continent, that it will help to make the Alliance's security policy more effective and that it should therefore be pursued;
13. Emphasizes once again its doubts as regards the political effectiveness of trade embargoes;

Thursday, 12 April 1984

14. Hopes in particular that the serious dispute over the European-Siberian gas pipeline project will serve as a lesson that partners must respect each other and take into account one another's specific interests;

15. Takes the view that, while there is a need for US involvement in the Middle East, the Community, in pursuit of the Community Middle East policy developed in the framework of European political cooperation, can also make its own contribution to a solution of the problems as a corollary of its efforts to secure peace in Sinai and Lebanon and in the context of its global Mediterranean policy;

16. Draws attention to the Community's continuous policy of association and cooperation with the countries of the Mediterranean, Africa, the Caribbean and the Pacific and to the achievements of the Community and its Member States in the field of development aid and is convinced that such forms of cooperation, which are based on partnership and help the countries of the Third World to pave the way for economic stability themselves, make an important contribution to safeguarding peace in the world;

17. Sees development policy as a suitable field for joint or coordinated endeavours and believes that the Community and the USA should, as a matter of urgency, come to a basic understanding on the matter of cooperation with the Third World particularly in international fora;

*as regards future relations*

18. Reaffirms its conviction that close, trusting and lasting relations between the USA and the Community are vital to both partners and essential to the defence of their free way of life, the furtherance of the development of just and humane conditions in all parts of the world and the maintenance of world peace;

19. Believes firmly that the cultivation and extension of relations will call for special and unremitting efforts on the part of both partners;

20. Is resolved to make its own contribution to this process;

*as regards a new starting point for relations*

21. Hopes that relations will continue on a sound footing, adapted to meet the changed conditions in Europe and the world;

22. Takes as its basis in this connection the principle of a partnership between equals which alone can do justice to the strength of the two partners and the importance of their relations;

23. Proposes that the differences on economic and security policy matters should be pressed into the service of a new and fruitful cooperation and that agreement should be reached on individual but complementary and coordinated roles in international relations;

24. Is aware that the Community must speak with one voice to a greater extent than hitherto, particularly on external and security policy issues, and must put itself forward as a strong, self-contained partner of the United States;

25. Calls once again in this connection for external and security policy matters to be brought within the ambit of Community policy, for the strengthening of the Community's institutions and for a more efficient organization of its decision-making process, and draws attention to its proposals for the reform of the Community;

26. Appreciates the long constructive relationship between Europe and the USA and believes that European unity will help to bring the two partners closer together;

Thursday, 12 April 1984

*as regards the measures to be taken by the two partners to improve relations*

27. Stresses that timely consultation and the comprehensive mutual exchange of information on all matters affecting the two parties must be central to their relations and must be taken into account by both partners;

28. Hopes that, while fully respecting the international commitments they have entered into, the USA and the Community will undertake to settle their differences on economic and trade policy issues jointly in organizations set up for this purpose (and at the appropriate levels);

29. Welcomes the high-level talks first set up in 1981 between leading US Government representatives and the Commission of the European Communities and hopes that both sides will use them to the full to secure mutual agreement on and a settlement of sectoral issues and related political problems;

30. Draws attention to the machinery for maintaining contacts between the President of the Foreign Ministers meeting in political cooperation and major third countries, as provided for in the October 1981 London EPC report, and emphatically demands that this machinery should be used to the full;

31. Proposes that the USA and the Community should attempt to find new fields for practical cooperation which would be of mutual interest and benefit and which would seem likely to inject new life into the partnership, examples here being modern technology and space research and, in particular, energy saving and the utilization of alternative energy sources;

32. Draws attention, in this connection, to the benefits of long-term transatlantic research into the problems common to the highly developed western industrialized societies and supports the initiatives taken in this field;

*as regards Parliament's contribution to relations*

33. Believes that the European Parliament, being directly elected to represent the people of Europe, is in a unique position to represent European interests in third countries;

34. Appreciates the work carried out over the last 12 years by its official delegation for relations with the United States Congress and hopes that their contacts will be improved and extended;

35. Looks forward to even closer cooperation between the Parliament and Congress;

36. Instructs its delegation to examine the question of whether the contacts maintained in the intervals between the six-monthly meetings could be intensified, in particular by taking steps to:

- set up, where necessary, smaller contact groups, which would discuss specific current issues and, possibly, submit joint proposals for solutions,
- arrange for the chairmen of the two delegations to keep in touch with each other on a permanent basis with a view to exchanging information on work of interest to both parties and passing this information on to their own parliaments;

37. Favours further efforts to ensure that issues of common interest can be discussed by mutual arrangement in the two Parliaments and that agreement can be reached on joint statements;

38. Is anxious to improve contacts with all the political forces in the United States which play an important part in the formulation of political objectives, both during the meetings with Congress and in the intervals between these meetings, with a view to providing

Thursday, 12 April 1984

information on a permanent basis on the work and viewpoints of the Community and of the European Parliament itself;

39. Considers it necessary that:

- its delegation should be able to visit other parts of America on the occasion of the meeting in Washington and would also welcome it if delegations from the USA visiting Europe had an opportunity to become acquainted with as many parts of our continent as possible,
- Parliament should use to the full its scope for contacts with American offices, and organizations in Europe;

*as regards the measures to be taken by the Commission to improve relations*

40. Supports the Commission in its efforts to extend and improve its contacts in the USA and requests that Parliament be involved in these efforts;

41. Calls on the Commission to ensure that its representatives make an even greater effort to provide Parliament with direct information on political events in the USA;

42. Hopes that the Commission will allow Parliament to be represented in its own right at its delegation in Washington and to send individual officials there for specific periods;

43. Proposes that the Commission should make it possible for the representatives of European groups and associations to voice their opinions more frequently themselves in the USA by bringing them together with the appropriate American representatives, for example in round-table tasks;

44. Suggests that the Commission should open more information offices in the USA — in addition, that is, to the one in New York — so that the Community can make its presence felt and exert a political influence in other parts of this immense country with its vast regional variations;

45. Welcomes the fact that the Commission's delegation in Washington is seen by the American public as the 'embassy of the Community' and not merely of one of its institutions and therefore proposes that the Commission should give expression to the paramount importance of relations between the Community and the United States by consulting the European Parliament's Political Affairs Committee in future before appointing the leader of its delegation in Washington, in the same way as it currently gives the Committee of Permanent Representatives the opportunity to deliver an opinion before proceeding with an appointment;

*as regards the measures to be taken by the Community and the Member States*

46. Calls on the Community as a whole and on the individual Member States to do everything in their power to ensure that more is known about European policy in the United States and to increase public interest in relations with the European partners;

47. Hopes that, on the basis of reciprocity of entry visas, the exchange of people and ideas will be promoted and in particular that the younger generation will be encouraged to take a greater interest in the United States;

48. Considers it necessary in particular that American and European opinion leaders in different fields and at different levels should be given more opportunity to meet each other and greater access to direct information;

Thursday, 12 April 1984

49. Calls, as a matter of urgency, for the official Community visitors programme (ECVP) to be extended in order to give more US management representatives the opportunity to form an accurate picture of the Community and Europe;

50. Proposes that the European Community should award an annual prize for outstanding American work in the field of Atlantic relations and instructs its Bureau, working in collaboration with the Commission, to work out the criteria and arrangements for awarding such a prize and submit details to Parliament;

51. Instructs its President to forward this resolution to the Council and Commission, the Foreign Ministers meeting in political cooperation, and the Congress and Government of the United States of America.

Thursday, 12 April 1984

## RESOLUTION

on economic and commercial relations between the European Community and the United States of America

*The European Parliament,*

- having regard to the motion for a resolution tabled by Mrs Poirier and others (Doc. 1-1091/81),
  - having regard to the motion for a resolution tabled by Mr de la Malène and Mr Mouchel (Doc. 1-732/82),
  - having regard to the motion for a resolution tabled by Mrs Duport and others (Doc. 1-720/83),
  - having regard to the report by the Committee on External Economic Relations and the opinion of the Committee on Economic and Monetary Affairs (Doc. 1-37/84),
  - having regard to the most important of the numerous resolutions it has adopted on reciprocal Community-US relations <sup>(1)</sup> and furthermore having regard to its reports on:
    - the delineation and further development of GATT and of the free trade principle underlying the GATT system and possible consequences for the EEC and GATT (Doc. 1-493/83),
    - the effects of the CAP on external relations of the EC (Doc. 1-248/83),
    - EEC-USA trade relations in the steel sector (Doc. 1-1543/83),
- A. recalling the common cultural, political and economic foundations of the European Community and the United States of America,
- B. pointing out that EEC-US economic and trade relations cannot be considered in isolation from the security policy enshrined in the Atlantic Alliance,
- C. recognizing the growth in the economic and trading power of the European Community since its inception, which demands the conduct of trade relations between the Community and the USA on the basis of equal partnership,
- D. having regard to the fact that, with its 17,4 % share in Community imports and 13,8 % share in Community exports, the United States is the Community's biggest trading

---

<sup>(1)</sup> OJ No C 82, 26. 7. 1972, OJ No C 95, 10. 11. 1973, OJ No C 30, 7. 2. 1977 and OJ No C 238, 19. 9. 1982.

Thursday, 12 April 1984

- partner, just as the Community, with a 17 % share in US imports and a 23 % share in US exports is in turn the major economic and trading partner of the United States,
- E. noting that the Community forms the world's biggest single trading bloc and has adopted a policy of concluding framework agreements with various trading partners which have effectively reduced its earlier dependence on trade with the United States,
- F. having regard to the fact that the nature and significance of East-West trade differ in the cases of the Community and the USA,
- G. having regard to the negative effect on the world economy of American exchange and interest rate policy, which has hitherto failed to help either to secure more stable exchange rates, or to facilitate international investment activity,
- H. having regard to the extraordinary impact that the European Community and the USA can make on world trade by reason of their economic potential, and the attendant responsibilities,
- I. concerned at the increasing confrontation in external trade policy between the USA and the Community as a result of which agreed bilateral and multilateral arrangements are unfortunately tending to be more and more ignored, and mutual interests disregarded,
- J. stressing the need for close cooperation between the European Community and the USA within the framework of international institutions, in particular in sustaining and expanding the system of international trade within GATT,
- K. noting that the Community and the USA together have a great interest in a functioning world trade system, and emphasizing the need for coordinated action by the Community and the USA:
- to overcome the world-wide economic crisis and its associated problems,
  - to combat the ever-increasing trend towards protectionism and to preserve and expand world free trade,
  - to solve the disquieting problems caused by the heavy indebtedness of the countries of the Third World and to maintain a functioning world economic system,

#### *Bilateral questions*

1. Views with concern the increasingly protectionist nature of some legislation being proposed in the United States Congress — such as the Gibbons Bill and the Wine Equity Bill — and calls on the administration vigorously to resist such measures which, if enacted, could gravely disrupt EC-US trade flows;
2. Recalls that the parity of the dollar has had a major influence on the trade balance of the United States with the Community, producing a serious Community deficit when undervalued in 1980/81, and a surplus when overvalued in 1983; believes that this relationship reinforces the case for a high degree of cooperation in the management of international money markets;
3. Regrets that since the 1982 EC-US Agreement on carbon steel, which was conditional on the withdrawal of legal actions by the American steel industry, certain US producers have lodged petitions with the ITC seeking further protection from imports;

Thursday, 12 April 1984

4. Regrets that their respective agricultural policies have increasingly become a bone of contention between the Community and the United States, making cooperation in the management of world trade impossible; calls on the Commission and the United States administration to make a major effort to cooperate in the regulation of agricultural trade in a manner which protects the legitimate interests of all parties and promotes the smooth operation of international trade in agricultural products;

5. Welcomes the lifting of the US embargo measures against European industry in the case of the European gas pipeline project, but regrets the intention to retain the claim to extra-territoriality in the new version of the Export Administration Act, the proposed new text of which still holds out the danger that the claims of the American authorities to supranational controls will lead to conflict in transatlantic relations; calls for a renewed effort to improve the operation of COCOM so that extra-territorial legislation which infringes the sovereignty of the Member States will be seen to be unnecessary;

6. Points, in the interests of the world economy and international trade, to the importance of stabilizing the dollar exchange rate and of taking the pressure off capital markets by limiting the high American budget deficit; takes the view that a reduction in American interest rates will produce a fundamental additional impetus to the recovery of the world economy and the reduction of unemployment, and appeals in this connection to the USA's sense of global economic responsibility;

7. Recalls that problems still exist in various other bilateral areas, such as fiscal policy (unitary taxation), the agricultural sector (e.g. the Wine Equity Act) and as regards the conformity of American export promotion measures (DISC System or Foreign Sales Corporation Act) with GATT, for which a solution needs to be found;

8. With regard to these problems:

- (a) reaffirms its resolution concerning the system of world-wide taxation applied by some US States which infringes double taxation treaties and discriminates against foreign countries with subsidiaries in the United States. Calls on the administration to make it clear that such systems cannot be applied to foreign based companies without engaging in the extra-territorial application of domestic legislation,
- (b) believes that the Commission's proposals to negotiate through GATT a limit on maize gluten feed imports could help to reduce export pressure on the Community, thereby defusing certain agricultural conflicts with the United States,
- (c) congratulates the US administration for resisting attempts in Congress to pass a Wine Equity Act, which, by attempting to create bilateral reciprocity in trade in wine between the Community and the United States, would have contravened the principles of GATT,
- (d) considers that retaliatory measures, such as have been threatened in response to these and other problems which give rise to tension, are dangerous, since they would inevitably provoke a similarly hostile reaction from the other side and thus degenerate into a trade war, which will benefit neither the Community nor the USA, but do considerable harm extending far beyond the bounds of trade policy;

#### *Multilateral questions*

9. Recalls that it proved possible to avoid a fundamental weakening of GATT at the November 1982 Conference of Ministers, and welcomes the setting up of working parties on

Thursday, 12 April 1984

services and investment, and of the newly created Agricultural Committee within GATT; supports the proposal to include new fields such as services and the transfer of technology in a new GATT round as from 1985, but insists firstly on a review of implementation of the arrangements agreed in the Tokyo Round and the results to date, before any new round of negotiations on the further abolition of obstacles to trade is commenced;

10. Perceives the need for closer cooperation between the Community and the USA to solve the increasingly pressing problems involved in the North-South Dialogue, as evidenced in the growing indebtedness of the Third World, the decline of raw materials prices and increasingly protectionist tendencies in world trade;

11. Welcomes the recent approval by the US Congress of the American IMF contributions, but considers that further efforts by leading industrialized nations to strengthen the International Monetary Fund and to prevent a collapse of the international borrowing system will be necessary;

12. Welcomes the OECD consensus, achieved after months of negotiations, on export credits, providing for an automatic adjustment mechanism for minimum rates, thereby helping to forestall a 'credit competition war';

#### *European Community policy*

13. Welcomes the proposals by the Commission to strengthen the Community's external trade instrument, which seeks only to improve the Community's ability to ensure its rights under existing international agreements and which will enable GATT rights to be better safeguarded, and awaits an early decision from the Council;

14. Approves the Commission's proposals and plans for a new industrial policy, and points also to the enormous importance that attaches to the abolition of excess capacity on both sides of the Atlantic as a means of solving bilateral EEC-USA trade problems and of overcoming the structural crisis in the steel sector on both sides;

15. Supports the Commission in its efforts to reach viable agreements with the USA on points still in dispute, and considers it desirable in the mutual interest for assurances to be given concerning the synchronized abolition of surplus production and subsidies, as a means of combating the root causes of the trade conflict;

16. Reaffirms its resolution of 7 July 1983 on agricultural trade<sup>(1)</sup>, approved at the July 1983 part-session, which calls for a mutual de-escalation of agricultural subsidies on both sides of the Atlantic;

17. Stresses the need to secure more effective coordination of interest and exchange rate policies with the two major trading partners: the USA and Japan;

18. Calls for continued adherence to the Community's existing development policy which has prevented the Community's relations with Third World countries from being shaped by the same underlying assumptions as the East-West conflict, and presumes that the USA, like the Community, will promote a further expansion of development aid for own-initiative and self-help actions in the Third World;

19. Recommends a review of the Community's position and its scope for initiative in the GATT system in terms of agreements on stricter directives on non-tariff obstacles to trade, having regard to the US initiative for a new round of GATT negotiations;

<sup>(1)</sup> OJ No C 242, 12. 9. 1983, p. 76.

Thursday, 12 April 1984

20. Recommends that a regular, institutionalized dialogue be developed between the Community and the USA so as to avert present and possible future tensions;

21. Instructs its President to forward this resolution to the Commission, the Council and the United States Congress and administration.

---

### RESOLUTION

on EEC-USA trade relations in the steel sector

*The European Parliament,*

- having regard to the motions for resolutions tabled by Mr de la Malène and others on a European riposte to the complaint made by American steel companies (Doc. 1-954/81) and Mr Collins and others on the situation in the steel industry (Doc. 1-699/82),
- having regard to the report of the Committee on External Economic relations (Doc. 1-1543/83),
- having regard to its resolution of 12 April 1984 on the economic and commercial relations between the EEC and the USA,
- having regard to its resolution of 28 October 1983 on the delineation and further development of GATT and of the free trade principles underlying the GATT system and possible consequences for the EEC and GATT <sup>(1)</sup>,
- having regard to its resolution of 19 May 1983 on combating the crisis in the European steel industry <sup>(2)</sup>,

---

<sup>(1)</sup> OJ No C 322, 28. 11. 1983, p. 281.

<sup>(2)</sup> OJ No C 161, 20. 6. 1983, p. 142.

Thursday, 12 April 1984

- having regard to its resolution of 29 June 1983 closing the procedure for consultation of the European Parliament on the proposal from the Commission to the Council for a Regulation on the strengthening of the common commercial policy with regard in particular to protection against unfair commercial practices <sup>(1)</sup>,
- A. noting that the negotiation of 1982 took place against a background of dramatic over-capacity in world steel production in which the arrival of new producers coincided with a decline in the demand for steel products,
- B. noting the traditional share of the US market for steel taken by European steel manufacturers and the tendency for crises in US-EC steel trade to recur despite previous attempts at ending trade frictions,
- C. noting the tradition of state help and protectionism for the US steel industry in the first half of this century; drawing attention to the impact on the competitiveness of the US steel industry of the system of inflation-proofed wage increases since 1974, which has led wage costs to rise well ahead of European and Japanese levels. Noting the link between high energy costs and interest rates and the reduction in investment which has led some companies to diversify their activities away from steel,
- D. noting the recurrent link between a high level of the US dollar and the re-emergence of protectionist pressures by the US steel industry; noting the 'breakdown' of the trigger price mechanism at a time when European imports into the US were rising,
- E. recognizing the negotiating problems faced by the Commission when faced by the complexity of US institutions and the semi-judicial nature of US decision-making. Further recognizing that such procedures place pressures above and beyond those specified under GATT rules,
1. Congratulates the Commission on the relatively successful conclusion of difficult negotiations, and stresses the importance of maintaining a comprehensive Community position in any future negotiations;
  2. Concludes that the problems of the US steel industry cannot be blamed on the limited degree of penetration achieved by European producers, which is in line with traditional trade flows;
  3. Accepts that the level of state subsidies is a relevant factor in the conduct of international trade negotiations and calls for further work at GATT on the question of subsidies and their definition;
  4. Stresses its support for the restructuring of the European steel industry such that it can compete without subsidies;
  5. Advocates maintaining voluntary restraint agreements, designed to continue third country imports at traditional levels, pending a stabilization of the world market in steel;
  6. Determines to continue its consideration of so-called 'commercial defence' measures on both sides of the Atlantic, mindful of its commitment to free trade in industrial goods, and believing that European industry should not be placed at a disadvantage by the national laws and practices of our major trading partners;

---

<sup>(1)</sup> OJ No C 205, 1. 8. 1983, p. 9.

Thursday, 12 April 1984

7. Protests at the unnecessary and protectionist measures of the US administration directed against exports of special steels from the Community.
  - Approves the decision to respond to this American action entirely within the framework of GATT;
  - Recognizes that the Community tried hard to reach an agreement on compensation that would have rendered retaliatory measures unnecessary;
  - Notes that US consumption and production of special steels in the third quarter of 1983 had returned to traditional levels;
  - Endorses the package of retaliatory measures announced by the Community on 14 January 1984;
  
8. Instructs its President to forward this resolution to the Commission and Council and to the Government of the United States.