

European Community

News Release

DECLARATION BY FRANS ANDRIESEN, VICE-PRESIDENT OF THE EC
COMMISSION RESPONSIBLE FOR AGRICULTURE, AND WILLY DE CLERCQ,
EC COMMISSIONER FOR EXTERNAL RELATIONS

Uruguay Round: Negotiations on Agriculture

The U.S. Government proposal for negotiations on agriculture, which was presented on 6 July to the General Agreement on Tariffs and Trade in Geneva, needs careful consideration.

The proposal, calling for elimination of all forms of government support and protection over a ten-year period, appears very ambitious in its objectives. It raises, however, a number of practical questions.

The European Community agrees on the need of a progressive reduction of government support in agriculture as stated in the Organization for Economic Cooperation and Development Declaration and in the Communiqué of the Venice Economic Summit.

The European Community, which is the largest importer of agricultural products in the world, has already shown the way by taking concrete steps in this direction. It has embarked on a major program of readjustment of the Common Agricultural Policy by:

- cutting milk production effectively and reducing the guaranteed support in this sector;
- reducing guaranteed support in the beef sector;
- applying severe price cuts in cereals and oilseeds, while introducing production ceilings for soybeans.

We would like to see the U.S. Government match its declarations of intent with concrete measures with a comparable short-term effect.

U.S. Trade Legislation

We also very much hope that the U.S. Congress, which is presently drafting new trade legislation, will make further progress possible in the direction of more free trade, not only in agriculture but also in

manufactured products and services. International trade will be the main factor for non-inflationary economic growth in the coming decade.

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