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**EC COMMISSION REACTS TO FILING OF STEEL ANTIDUMPING
AND COUNTERVAILING CASES**

The American industry has just opened the first of a series of antidumping/countervailing duty (AD/CVD) procedures against three European Community trading partners. The EC Commission is concerned that this poses a risk to the steel trade. The real objective of AD/CVD complaints may not be to sanction the non-respect of normal commercial rules, but either to obstruct legitimate trade in steel or to force US trading partners to accept the renewal of voluntary restraints agreements. This would be a return to the practices of harassment bitterly experienced by US trading partners in 1982 and 1984 and be clearly at variance with the public declarations of the United States Government emphasizing the need to liberalize flows of steel trade.

The Commission thereby urges the US Government to be severe in the examination of AD and CVD complaints and not admit any cases whose main purpose is harassment of legitimate trade. The Commission advises the United States that it will follow attentively the close observation of these procedures and will not hesitate to use all methods of recourse available under the GATT if it considers that these rules are not respected.

The EC Commission regrets that on March 31, 1992 the American negotiators suspended the negotiations on the Multilateral Steel Agreement without having explored all the possibilities available to them in order to bring such negotiation to a successful issue.

The Commission reconfirms its commitment to reach an international agreement on trade in steel which will eliminate all tariff and non-tariff barriers to this trade, limit governmental intervention and reduce uncertainty created by abusive use of commercial legislation. It asks the United States to continue negotiations without undue delay.

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