

**MULTILATERAL TRADE
NEGOTIATIONS
THE URUGUAY ROUND**

RESTRICTED
MTN.TNC/W/103
24 November 1992
Special Distribution

Trade Negotiations Committee

Original: English

COMMUNICATION FROM THE EUROPEAN COMMUNITIES
AND THE UNITED STATES

The following joint communication, dated 24 November 1992 and addressed to the Chairman of the Trade Negotiations Committee at official level, has been received from the Permanent Delegation of the Commission of the European Communities and the Office of the United States Trade Representative.

We are pleased to report to you our recent progress in resolving certain bilateral disagreements over the Uruguay Round Final Act. Enclosed is a joint press statement which describes the outcome of our recent discussions.

JOINT PRESS STATEMENT

The Commission of the European Communities and
The United States of America

20 November 1992

The United States and the Commission of the European Communities intend to pursue a successful conclusion to the Uruguay Round. As a result of our discussions, we believe that we have achieved the progress necessary to assure agreement on the major elements blocking progress in Geneva, notably in agriculture, services and market access. A successful outcome will be a positive factor for the trade and economic growth of the economies of the world.

Our negotiators are returning to Geneva to work together to build the comprehensive, global and balanced package we both seek from these negotiations. We intend to work with GATT Director-General, Arthur Dunkel, in finalizing agreements in all areas outlined in the draft "Final Act", which he produced last December and in completing the access negotiations which we all agree are an integral part of the overall Uruguay Round result.

In agriculture we have resolved our differences on the main elements concerning domestic support, export subsidies and market access in a manner

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that should enable the Director-General to move the negotiations to a successful conclusion. We shall inform Director-General Dunkel of our progress and work with him to secure broad agreement in Geneva. For our part, we have instructed our negotiators to complete the detailed negotiations on our respective country schedules as rapidly as possible. We are in full accord that an effective agreement on agricultural reform requires the participation of all countries in the negotiations.

The United States and the EC Commission agreed how to resolve the oilseeds dispute.

On market access, the United States and EC Commission have found the basis to achieve an ambitious result that meets their respective objectives as follows: detailed negotiations will continue on specific sectors or products in order to make progress towards the completion of a substantial and balanced package. Tariff reductions will be maximized, with as few exceptions as possible, including the substantial reduction of high tariffs, the harmonization of tariffs at very low levels, and the elimination of tariffs in key sectors. The prospect exists that the Montreal target could be substantially exceeded. However, participation of third countries -- not only the developing countries, but other industrialized countries -- and elimination of non-tariff distortions are considered to be of essential importance, and both parties will continue efforts to achieve maximum results in this regard in Geneva during the coming weeks.

In addition, in the area of government procurement, substantial progress has been made with respect to the expansion of coverage. US and EC negotiators are instructed to complete the details of the expansion of coverage and improvements of the Code.

In services, we are in strong agreement that the market access offers must form an integral part of the ambitious result we seek. We have now agreed to take a common approach on financial services. In addition, we discussed improvements in our respective offers, and have agreed to seek maximum liberalization and minimum exemptions, with the expectation that other participants in the negotiations will similarly improve their offers.

We have full expectations that the breakthrough we have achieved will unblock the negotiations and provide new impetus necessary to complete the Round. We encourage our trading partners to return to the negotiating table in Geneva, prepared to show the necessary flexibility to bring these negotiations to a close.

Earlier this year at the Munich Economic Summit, G-7 leaders called for conclusion of the Uruguay Round by the end of the year. Time is short, but negotiators are returning to Geneva confident that substantial progress can be achieved to meet the intent of the G-7 leaders' commitment, provided other countries are prepared to work with us to secure an ambitious and far reaching result to these important talks.