

The two sides also recognize that effective implementation of export controls will be greatly enhanced by the timely exchange of any relevant information about programs and activities of concern. To strengthen existing cooperation in this area, the two sides have agreed to:

- Additional information sharing in their regular meetings;
- Give further consideration, including the appropriate involvement of experts, of proposals to establish improved communications and data transmissions relevant to non-proliferation export controls. Due consideration will be given to practical aspects of this concept.
- Enhanced bilateral information exchanges.

Political Action With Suppliers

The United States and European Union countries have engaged key suppliers. Several European leaders and Foreign Ministers have raised their concern directly with their Russian counterparts about Russian technological assistance to Iran's ballistic missile program. These concerns have been reinforced in contacts between the European Union troika and Russian counterparts. The United States and European Union welcome actions taken by Russia to strengthen its export control regime.

The United States is open to a trilateral meeting with European Union and Russia on non-proliferation issues, but believes that careful preparation will be needed for such a meeting to be useful.

Agenda for Further Cooperation

The United States and European Union intend to continue working closely together to advance their common non-proliferation objectives. Some items on the agenda of work in the coming year are:

- Coordination of export control assistance programs to third countries. Exchanges of information about ongoing programs have already occurred.
- Cooperation to improve export control implementation.
- Consultation to ensure that intangible technology transfers do not contribute

to proliferation. Ideas in this area have been advanced by both sides.

- Best practice in export control implementation, including discussion of means to strengthen verification of end-use and to prevent diversion through third countries. Controls of non-linked items (catch-all), software and technology.

NOTE: This declaration was made available by the Office of the Press Secretary on May 18 but was not issued as a White House press release. An original was not available for verification of the content of this declaration.

United States/European Union Statement on Caspian Energy

May 18, 1998

The United States and the European Union recognize the importance of Caspian Basin oil and gas resources in contributing to the economic prosperity, energy security, and stability of the region.

These resources will be an important addition to world oil and gas supplies and require secure access routes to world markets.

Essential to this development will be the early availability of multiple pipelines. Major export pipelines from the Caspian will accordingly contribute to the secure delivery of an important new source of world energy supplies.

The European Union's INOGATE program is designed to promote the security of energy supplies. It includes work on: revitalization of the existing transmission network and on new oil and gas pipelines across the Caspian, Black Sea region and westwards to Europe; urgent renovation of hazardous infrastructure; strengthening regional cooperation; compliance with international standards; reform of the region's energy sectors; and protection of foreign investments. The European Union's TRACECA project supports the development of an east-west transport and trade corridor from Central Asia, across the Caspian Sea, the Caucasus, and the Black Sea, to Europe.

The United States strongly endorses commercially and environmentally sound projects to develop Caspian energy resources

and their transport to international markets. U.S. technical assistance and training programs are helping many of the Caspian states improve their legal regimes to encourage private investment in energy development and transport. The United States underscores that the Caspian Pipeline Consortium project is a critical component of a commercially driven multiple pipeline system for the entire region. The United States has provided a grant to Turkmenistan to complete a feasibility study for a trans-Caspian gas pipeline.

Commercial considerations will first and foremost determine decisions on the development of energy projects and export routes. It is the private sector that will make the investments and take the risks. Projects therefore need to be economically viable and competitive. They must also meet the highest environmental standards.

The United States and the European Union welcome the progress made by the littoral states towards formulating a legal regime for the Caspian that will enhance rapid development of the region's energy resources. They express the hope that the littoral states will reach early agreement.

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Transatlantic Partnership on Political Cooperation

May 18, 1998

1. Under the New Transatlantic Agenda, launched in December 1995, the United States and the European Union made a commitment to further strengthen and adapt our partnership to face new challenges at home and abroad. We recognized that our political and economic cooperation is a powerful force for peace, democracy and prosperity. We agreed to move to common action to achieve these ends. We agreed to move to common action to achieve those ends. We have since taken specific steps to strengthen respect for human rights, to promote non-proliferation, to fight terrorism, to address crises in troubled regions and much more. Our experience

has shown that, working together, the United States and the European Union are more effective in pursuing shared goals. When differences have emerged between us, however, this has reduced the effectiveness of our response.

2. In order to enhance our partnership, we undertake to intensify our consultations with a view to more effective cooperation in responding to behavior that is inimical to the goals agreed in the New Transatlantic Agenda or which threatens international stability and security, in which we have a shared interest. We have instructed senior officials to undertake early consultations when there is an evident risk of such behavior. To this end, we have agreed to principles that will guide us:

(a) We will seek through exchanging information and analysis and through early consultations to pre-empt, prevent and, as needed, respond to such behavior. Our objective is to achieve compatible and mutually reinforcing policy responses, which are practical, timely and effective.

(b) These responses should be carefully formulated as part of a coherent overall policy approach designed to change unacceptable behavior. They should also be in line with international commitments and responsibilities.

(c) We will make full use of diplomatic and political action to achieve our objectives.

(d) Economic sanctions are another possible response. Their use requires careful consideration. In general, they would be used only when diplomatic and political options have failed or when a problem is so serious as to require more far-reaching action.

(e) In such circumstances, the United States and the European Union will make a maximum effort to ensure that they economic sanctions are multilateral. They are likely to have the strongest political and economic impact when applied as widely as possible throughout the international community. Multilateral actions also distribute the costs of sanctions on the imposing parties more evenly. Whenever possible, effective measures taken by the UN Security Council are the optimal approach.

(f) When multilateral economic sanctions are imposed, our objective will be to exert