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BRUSSELS - 13 August 2020

Following Yesterday's USTR announcement and in view of the forthcoming WTO report on the Boeing case, 14 EU associations representing affected sectors call on the EU and US to de-escalate the ongoing aircraft disputes and remove tariffs on targeted sectors not directly related to the aircraft case as a matter of urgency.

"We do not believe that using our sectors as leverage in disputes that are not connected to us is helping with the broader, unrelated issues", said the coalition. "While we appreciate that trade tensions between US and EU are complex, with serious issues on both sides, punitive tariffs cause irreparable harm to companies of all sizes and weaken their entire supply chains, at a time when growth and job creation are most needed. They fuel a negative cycle, with a strong risk of further escalation, and generate no tangible benefits to the EU or the US".

Today, affected sectors not party to the aircraft disputes have decided to speak with one voice in urging the European Commission and US Administration to put an end to the negative cycle and work on a negotiated solution without impacting the broader economy any further. This is critical at a time when undersigned sectors & their wider supply chains in both the EU and the US have already suffered significant economic damage as a result of the COVID-19 crisis and are trying their best to sustain what can only be described as a fragile economic recovery.

"We hope Airbus' announcement from July 2020 and the legislation passed in Washington State in March 2020 regarding civil aviation subsidies will be seen by both sides as significant steps toward the elimination of tariffs and will encourage both the US & the EU to go back to the negotiating table", concluded the coalition.

The joint release was issued by the following trade associations: ACEM; AIJN; CAOBISCO; CEEV; CEO; Cerame-Unie; CLITRAVI; EDA; EPTA; EURATEX; FEC; Intergraf; PROFEL; spiritsEUROPE

Notes to editor:

<u>Background information</u>: On 12 August, the US published an updated list of EU products that will face additional tariffs from 1 September 2020, in retaliation for aircraft subsidies. USTR decided to maintain a 25% tariff on non-aircraft products. There are few changes compared with the current situation:

- Certain categories of jam from France and Germany are now in the list.
- Certain types of cheese from Greece and biscuits from the UK are no longer targeted.

Changes will be effective on 1 September 2020.

The USTR announcement is available here: https://ustr.gov/about-us/policy-offices/press-office/press-releases/2020/august/ustr-modifies-75-billion-wto-award-implementation-relating-illegal-airbus-subsidies

The list of amendments and products impacted is available here: https://ustr.gov/sites/default/files/files/Press/Releases/FRN081220.pdf

About the signatories:

ACEM

ACEM, the European Association of Motorcycle Manufacturers, is the trade association that represents manufacturers of powered-two and three-wheelers as well as quadricycles (L-category vehicles) in Europe. ACEM members include 18 manufacturing companies and 17 national industry associations in 15 different European countries. About 300,000 jobs depend on the motorcycle, moped, tricycle and quadricycle industry in Europe.

Contact person: Mr. Ludovic Basset, Director, Corporate & Public Affairs - I.basset@acem.eu

<u>AIJN</u>

AIJN is the representative association of the fruit juice industry in the EU since 1962. It defends the interests of the juice industry including the entire value chain and promotes the sector by engaging with the EU Institutions and other relevant stakeholders.

Contact person: Wouter Lox, Secretary General - wouter.lox@aijn.eu

CAOBISCO

CAOBISCO is the Association of Chocolate, Biscuit and Confectionery Industries of Europe. CAOBISCO's mission is:

- to support our member companies' freedom to market their products in a flexible and responsible manner and;
- to support the development of an innovative, sustainable, competitive and creative chocolate, biscuit and confectionery industry in Europe that represents the values of our member companies.

With 15 member National Associations as well as direct member companies and affiliated members, CAOBISCO is the voice of more than 12.700 European chocolate, biscuit and confectionery manufacturers all over Europe.

Contact person: Muriel Korter, Director General - Muriel.Korter@caobisco.eu

CEEV

CEEV – Comité Européen des Entreprises Vins (<u>www.ceev.eu</u>) represents the EU wine companies in the industry and trade (still wines, aromatised wines, sparkling wines, liqueur wines and other vine products). The companies represented by CEEV, mainly SMEs, produce and market most quality European wines, both with and without geographical indication, and account for over 90% of EU wine exports. With almost €12.8 billion exports in 2019, the EU wine sector is the first EU agrifood exporter, contributing positively to the EU trade balance with €8.9 billion.

Contact person: Ignacio Sánchez Recarte, Secretary General - isanchez@ceev.eu

CEO - Commité Européen de l'Outillage

The European Tool Association CEO is the association of and for the European tool manufacturers, covering the following tool categories:

- Hand tools
- Tools for woodworking
- Saws for metalworking
- Construction tools and -fixings

The European Tool Association represents the interests of 180 member companies with an estimated sales volume of about 4 billion Europer annum.

Contact person: Michael Liebhardt, General Secretary - ceo@ceo-tools.com

Cerame-Unie

Cerame-Unie represents the European ceramic industry, which covers a wide range of products including bricks & roof tiles, clay pipes, wall & floor tiles, refractories, sanitaryware, table- & ornamental ware, technical ceramics, expanded clay and flower pots. The industry generates over 200,000 direct jobs and a production value of €31 billion within the EU.

Contact person: Simona Vackeová, Trade Policy Director - vackeova@cerameunie.eu

CLITRAVI

The Liaison Centre for the Meat Processing Industry in the European Union (CLITRAVI) is the professional organisation whose aim is to represent the interest of the European Meat Processing Industry which was established in 1958.

Contact person: Paolo Patruno, Deputy Secretary General - info@clitravi.eu

EDA

EDA is the representative body of the milk processing industry (cooperative & private owned) in Europe and we voice the interests of the European dairy industry in Brussels, Europe & beyond.

Contact person: Laurens van Delft, Head of Trade & Economics - Ivandelft@euromilk.org

EPTA

EPTA represents European power tool manufacturers. Our 26 member companies represent approximately 50.000 employees in Europe (170 000 worldwide) and 95% of all corded and cordless power tools sold. Power tools are used by professionals, skilled trades men and DIY consumers. The industry's annual turnover is about 6 billion Euro. EPTA members are committed to the highest possible standards of quality and safety of their tools. Innovation and advanced technologies as well as customer-friendly applications are key to our companies' economic growth, competitiveness and the creation of jobs. Further details can be found at www.epta.eu.

Contact person: Cornelius Eich, Secretary General - Cornelius.Eich@zvei.org

EURATEX

As the voice of the European textile and clothing industry, EURATEX works to achieve a favourable environment within the European Union for design, development, manufacture and marketing of textile and clothing products. The EU textile and clothing industry, with around 160,000 companies employing 1.5 million workers, is an essential pillar of the local economy across many EU regions. With over € 61 billion of exports, the industry is a global player successfully commercializing high added value products on growing markets around the world. Working together with EU institutions and other European and international stakeholders, EURATEX focuses on clear priorities: an ambitious industrial policy, effective research, innovation and skills development, free and fair trade, and sustainable supply chains. Learn more at euratex.eu and follow us on Twitter @euratex eu

Contact person: Ana Manuelito, Senior Policy Officer Trade & Industry - Ana.Manuelito@euratex.eu

FEC

The Federation of European manufacturers of Cookware and cutlery (FEC) represents European companies dealing with cookware, cutlery and other products used for preparing and serving of food as well as for dining, with one voice, wherever common interests are met.

Contact person: Tobias Gerfin, President FEC - Tobias.Gerfin@KuhnRikon.ch

Intergraf

Intergraf is the trade association representing the graphic industry at a European level. We represent 21 member federations from 20 countries in Europe. Intergraf is a European social partner, representing employers in the graphic industry. The graphic industry in Europe comprises some 110,000 companies and employs around 600,000 people, generating a turnover of about € 79 billion. The industry throughout Europe consists mainly of small enterprises, as 90% of them employ fewer than 20 persons.

Contact Person: Laetitia Reynaud, Policy Advisor - lreynaud@intergraf.eu

PROFEL

PROFEL is the European Association of Fruit and Vegetable processors, representing through national associations more than 500 processing companies in 11 Member States of the European Union, with many small and medium sized enterprises (SMEs). Products represented by PROFEL include frozen vegetables, canned vegetables, dried vegetables, deciduous fruit, jams and fruit preserves and frozen fruit. The sector has a turnover of around €25 billion, and provides employment for more than 80.000 people.

Contact person: Anna Daneva, Scientific and Regulatory Affairs Manager – profel@profel-europe.eu

spiritsEUROPE

spiritsEUROPE proudly represents one of Europe's most valuable agri-food export sectors and, with it, the interests of 31 associations of spirits producers as well as 10 leading multinational companies. More information can be found here: https://spirits.eu/

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