









FOR IMMEDIATE RELEASE

AUTO INDUSTRY URGES ADMINISTRATION TO RECONSIDER USMCA IMPLEMENTATION DATE

Washington, D.C. March 13, 2020 – "The U.S. automotive industry is committed to the success of the US-Mexico-Canada Agreement (USMCA) and has been working hard to prepare for its implementation. We therefore are gravely concerned by reports that the Administration is considering setting an entry into force date of June 1, 2020 -- roughly 10 weeks away -- for all elements of the agreement, including the new automotive rules of origin (ROO).

"We are in the midst of a global pandemic that is significantly disrupting our supply chains, and the industry is throwing all available resources into managing production through this crisis for our employees and for the broader US economy. Even if it were reasonable to divert our attention to USMCA compliance, the United States, Canada and Mexico have yet to issue, even in draft form, the uniform automotive rules of origin regulations. Without them, many questions remain unanswered regarding how to interpret the new rules.

"While the industry is doing as much work in advance as they can, once the uniform regulations are available, it will still take an additional period of time to solicit the necessary information throughout the supply-chain to certify that our cars and trucks qualify under USMCA.

"As an industry we remain strongly committed to working with the Administration to ensure that the implementation of the USMCA auto provisions are a success. We therefore ask that entry into force of the uniform automotive ROO regulations occur after an adequate adjustment period is provided."

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Bill Frymoyer, MEMA 202.309.0888 | bfrymoyer@mema.org <u>The American Automotive Policy Council</u> (AAPC) is a Washington, D.C. association that represents the common public policy interests of its member companies FCA US LLC, Ford Motor Company and General Motors Company.

About AIADA: Established in 1970, AIADA is and continues to be the only association whose sole purpose is to represent America's international nameplate automobile franchises that sell and service the following brands in the United States: Acura, Aston Martin, Audi, Bentley, BMW, Ferrari, Genesis, Honda, Hyundai, Infiniti, Jaguar, Kia, Land Rover, Lexus, Maserati, Mazda, Mercedes, MINI, Mitsubishi, Nissan, Porsche, Rolls Royce, Scion, Smart, Subaru, Toyota, Volkswagen, and Volvo. These retailers have a positive economic impact both nationally and in the local communities they serve, providing over 578,000 American jobs. Visit AIADA online atwww.aiada.org.

Here For America is dedicated to the growth and success of the U.S. auto industry. We represent the U.S. operations of international motor vehicle manufacturers, and the interests of original equipment suppliers, and other automotive-related trade associations. Our automobile members include: BMW of North America, Honda North America, Inc., Hyundai Motor America, Kia Motors America, Inc., Mazda North American Operations, Inc., Mercedes-Benz USA, Mitsubishi Motors, Nissan North America, Inc., Subaru of America, Inc., Toyota Motor North America, Inc., Volkswagen Group of America, Volvo Cars USA. Here For America members have invested more than \$88 billion in U.S.-based production facilities, produced nearly 5 million vehicles last year, and support more than 2.58 million U.S. jobs.

<u>About NADA</u>: The National Automobile Dealers Association (NADA), founded in 1917, represents more than 16,000 light-vehicle and commercial-truck dealerships with 32,500 domestic and international franchises. New-vehicle franchised dealers are directly responsible for more than 1.1 million U.S. jobs.

<u>MEMA</u> represents 1,000 vehicle suppliers that manufacture and remanufacture components and systems providing new original equipment and aftermarket parts for use in passenger cars and heavy trucks. MEMA members lead the way in developing advanced, transformative technologies that enable safer, smarter and more efficient vehicles. Vehicle suppliers are the largest sector of manufacturing jobs in the United States, directly employing over 871,000 Americans in all 50 states plus the District of Columbia.