

MEMA AND CLEPA JOINT STATEMENT ON GLOBAL TRADE

11 October 2017

The United States-based Motor & Equipment Manufacturers Association (MEMA) and the European Association of Automotive Suppliers (CLEPA) have issued a joint statement supporting free and fair trade, access to raw and finished materials, and harmonized safety and environmental standards. Together, MEMA and CLEPA represent global manufacturers and innovators of critical vehicle components and systems; these suppliers have substantial economic and employment impacts in the United States and European Union, and throughout the world.*

Worldwide, vehicle suppliers lead the way in developing advanced, transformative technologies that enable safer, smarter, and more efficient vehicles, all within a rapidly growing global marketplace. The vehicle industry is dependent on an integrated worldwide network of suppliers and customers for continued viability and growth. Suppliers need open, free and fair trade for access to raw materials, finished components, and customers. Illegal regional or national subsidies on goods or production, restrictive non-tariff barriers to trade (including testing and marking requirements), and lack of participation in the world market limits both the domestic and global competitiveness of all suppliers.

As a growing number of countries pursue individual and collective policies that challenge the global free market, MEMA and CLEPA encourage all trading parties to focus on addressing trade distortions, open markets, and enforcement of trade rules and existing agreements. These actions serve to protect the international rule of law and strengthen the opportunities for all participants to thrive in a fair and free global marketplace. Because the World Trade Organization's (WTO) main function is to ensure that trade flows as smoothly, predictably, and freely as possible, MEMA and CLEPA would encourage the WTO to continue to update and modernize its processes to meet the challenges of the 21st century, including addressing barriers to key markets and enforcement actions against non-compliant countries.

Suppliers will continue to work with officials to reach new trade agreements that promote and foster those goals. First and foremost, MEMA and CLEPA call for a Free Trade Agreement between the U.S. and the EU. MEMA and CLEPA supported previous endeavors and collective goals of the U.S. and EU leaders in seeking greater regulatory compatibility. In the interim, MEMA and CLEPA will continue to advocate for U.S. and EU mutual recognition of vehicle safety and emissions regulations as well as to work within the United Nations' World Forum for Harmonization of Vehicle Regulations (WP.29) to establish safety and environmental global technical regulations. Those efforts are important because harmonized standards reduce costs for all parties – government and industry – while promoting advancements in new and innovative technologies. The vehicle industry is at the epicenter of major technological changes that will produce safer, more fuel-efficient vehicles and improve mobility. Suppliers dedicate significant resources to the innovation, research, development, and production of over 77 percent of the value in today's vehicles. Advanced technologies include collision avoidance and mitigation systems, vehicle-to-vehicle communications, automated driving systems, and a host of emissionsreducing and vehicle efficiency components and materials. The development and implementation of these technologies drive the growth of high-value jobs worldwide. Yet, the true benefits will not be fully realized without open, free, and fair global trade.

*About MEMA and CLEPA

MEMA represents 1,000 vehicle suppliers that manufacture and remanufacture new original equipment and aftermarket components and systems for use in passenger cars and heavy trucks. MEMA represents its members through four divisions: Automotive Aftermarket Suppliers Association (AASA); Heavy Duty Manufacturers Association (HDMA); Motor & Equipment Remanufacturers Association (MERA); and, Original Equipment Suppliers Association (OESA). Suppliers are the largest employer of manufacturing jobs in the United States, directly employing over 871,000 Americans with a total employment impact of 4.26 million jobs and an economic contribution of \$435 billion (2.4% of U.S. GDP). Visit www.mema.org

CLEPA is the European Association of Automotive Suppliers. Over 120 of the world's most prominent suppliers for car parts, systems and modules and 23 National trade associations and European sector associations are members of CLEPA, representing more than 3,000 companies and covering all products and services within the automotive supply chain. Based in Brussels, Belgium, CLEPA is recognised as the natural discussion partner by the European Institutions, United Nations and fellow associations (ACEA, JAMA, MEMA, etc.). Visit clepa.eu

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