

## Press Release

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### **European metalworkers and auto manufacturers urge EU to better balance trade negotiations**

The European Metalworkers' Federation (EMF) and the European Automobile Manufacturers' Association (ACEA) oppose the conditions for Non-Agricultural Market Access (NAMA) proposed within the framework of the current WTO 'Doha' Round. These conditions, specified by the NAMA secretariat this week, risk undermining the competitiveness of the EU industries, putting pressure on production costs and employment.

“We fully reaffirm our support for multilateral trade agreements whilst insisting that trade liberalisation should be a strategy towards the growth and prosperity of developing, emerging and developed countries. This means that Europe should safeguard employment in manufacturing sectors with a high added value, such as the automotive industry, and ensure fair routes for exporting their products,” said Peter Scherrer, General Secretary of EMF.

“We are in favour of lowering EU import tariffs but insist that our industry gets equitable market access in return. Regrettably, all evidence points towards the current round of negotiations resulting in almost full market access for the ASEAN and MERCOSUR regions as well as countries such as India to the EU without any improvements for the European automobile industry,” added Secretary General Ivan Hodac of ACEA. “The European Commission should not treat the ‘Engine of Europe’ as a bargaining chip but show some ambition for a balance between the protection of its agricultural sector and of its industries.”

EMF and ACEA note that major emerging markets, which are developing a highly competitive auto industry, have indicated that they will shelter their most competitive industries from EU market access through the use of ‘flexibilities’ that allow them to refrain from lowering import duties for specific sectors. The EU, however, would use its ‘flexibilities’ mainly for agricultural products, leaving its automotive sector both unprotected and without new market opportunities. “In addition, there is no progress whatsoever concerning the lifting of so-called non-tariff barriers, which strongly limit the export of vehicles or vehicle parts,” said Hodac.

Mr Scherrer added: “The end effect will be that developed markets such as Japan and South-Korea will be the main winners, as they would profit fully from the lowered EU tariffs. The least developed countries, however, would be the net losers of this unbalanced approach. This is contrary to one of the declared aims of the current Doha ‘Development’ Round.”

*EMF – European Metalworkers' Federation – represents the interests of 5.5 million metalworkers in Europe and is a member of the ETUC.*

*ACEA represents the fourteen major European vehicle manufacturers. Its members are BMW Group, DAF Trucks, Daimler, FIAT, Ford of Europe, General Motors Europe, MAN Nutzfahrzeuge, Porsche, PSA Peugeot Citroën, Renault, Scania, Toyota Motor Europe, Volkswagen and Volvo.*

