



EU Sectors Affected by Transatlantic Aircraft Trade Disputes Call for Urgent De-escalation

Tariffs are causing irreparable damage amidst economic slowdown caused by COVID-19 crisis

BRUSSELS – 15 October 2020

Following the publication of the WTO report on the Boeing dispute earlier this week, 13 European associations representing sectors threatened or hit by US tariffs as part of the Airbus dispute have issued an urgent call on the EU and US to de-escalate the disputes, work on a negotiated solution and stop targeting sectors that are not directly related to the disputed aircraft subsidies. As a gesture of good will, the undersigned associations call on the US to suspend additional tariffs imposed on European products as part of the Airbus trade dispute and on the EU to refrain from imposing additional tariffs on US products, while negotiations are ongoing.

“All our sectors have been threatened or already hit by punitive tariffs for months, as part of a trade dispute over which we have no control and which is not related to us. In light of the economic slowdown caused by the COVID-19 crisis, worsened by recent restrictions and localised lockdowns across Europe, we can no longer afford to foot the bill for such unrelated disputes”, said the coalition. “While 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”.

The lack of progress on a negotiated settlement is highly concerning for the undersigned associations, as is the potential threat of rapid escalation, at the detriment of sectors already suffering due to the global pandemic.

“We hope that the risk of further escalation will be avoided and that the voice of reason and moderation will prevail, on both sides of the Atlantic. Both sides need to realise that they have nothing to gain in continuing to fuel the negative cycle. The EU & the US should instead build on the good will generated by the tariff reduction agreement concluded in August and speed up work on a negotiated solution”, concluded the coalition.

The joint release was issued by the following trade associations: ACEM; AIJN; CAOISCO; Cerame-Unie; CLITRAVI; EDA; EFFA; EPTA; EURATEX; FRUCOM; Intergraf; PROFEL; spiritsEUROPE

Notes to editor:

Background information:

On 12 August 2020, 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. Changes were effective on 1 September 2020.

The USTR announcement from 12 August 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>

On 13 October 2020, the WTO arbitrator issued its decision on the level of countermeasures the EU may request with respect to the US in relation to the Boeing case:

- WTO announcement: [link](#)
- Findings & conclusions: [link](#)
- Full decision by the arbitrator: [link](#)
- Updated dispute settlement summary: [link](#)

The arbitrator concluded that the EU may request authorisation from the DSB to take countermeasures with respect to the United States at a level not exceeding, in total, USD 3,993,212,564 annually. That’s the maximum amount the EU will be able to levy via tariffs on US goods.

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: Antonio Perlot, Secretary General - a.perlot@acem.eu

AIJN

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.

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CAOBISCO

CAOBISCO is the Association of the Chocolate, Biscuits and Confectionery Industries in Europe. With 12 National Associations and 7 Direct Member Companies, the Association represents more than 13 000 European chocolate, biscuits and confectionery manufacturing companies, 99% of which are SMEs. The sector is a large employer and a major contributor to the European economy, with over 400 000 direct employees.

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

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.

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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.

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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.

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EFFA

The European Flavour Association (EFFA) is the voice of flavours in Europe, leading a Europe-wide strategy to the benefit of the flavour industry, its customers and consumers alike.

EFFA's Members are comprised of 11 Flavour Houses and 12 National Flavour Associations from across Europe, representing 12 European countries. Our members supply high quality products to the European food and drink industry and operate on a national, regional and global scale. Together, the European flavour industry is responsible for about 1/3 of the global market share. More information here: <https://www.ffa.eu>

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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.

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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](https://twitter.com/euratex_eu)

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FRUCOM

FRUCOM officially represents European traders, importers, agents and brokers in a wide range of products, including dried fruit, nuts and processed fishery products. More information is available on: <https://www.frucom.eu/>

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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.

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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.

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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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