

## Joint Statement on Tariffs

The National Electrical Manufacturers Association in the United States and FME, the Dutch employers' organization for technology industries, recognize and reiterate the importance of trans-Atlantic trade and investment. Accordingly, we call on our respective governments to reach mutual accommodations with respect to global fair trade in steel and aluminum. For US electrical manufacturers, import from the Netherlands of certain types of steel not made in the US is of crucial importance. Therefore we call on the US government to permanently exempt the EU from the recently announced tariffs on steel and aluminum.

Trans-Atlantic trade and investment remains the greatest economic relationship in the world. The EU and the US economies together account for about half of the entire world output and for nearly a third of world trade flows. The Netherlands is one of the top 15 most important trading partners of the US. Conversely, the US is in the top 5 of the Netherlands' most important trading partners.

FME and NEMA believe there is great potential to further strengthen EU-US trade and investment to support mutually beneficial job creation, economic growth, and international competitiveness on both sides of the Atlantic. Therefore, we pledge to assist in finding ways to increase trade between the two regions.

Specifically the associations call on their governments and the EU to advance trans-Atlantic trade through the following goals: complete elimination of tariffs on EU-US trade; simplification of customs procedures; greater cooperation on public procurement and trade in advanced technologies; elimination of regulatory divergences that require duplicative procedures and higher compliance costs; and creation of a level playing field for recognizing standards and results of conformity assessment. Tariffs are "blunt instruments" that abet collateral damage up and down supply chains. A comprehensive trade and investment agreement between the EU and the US targeting unfair trade practices coupled with effective utilization of binding dispute settlement processes would be a more effective way to address trade discord. If tariffs are perceived to be necessary in negotiating a fair agreement, their use should be short-lived.

Applying leverage to compel specific behavior broadly causes unneeded strain on longstanding fair-trade and alliance relationships. If anything, true partners seek to strengthen – not weaken – fair and free trade especially in the face of global competition including from countries that are not always playing by the rules.

### About NEMA

The National Electrical Manufacturers Association (NEMA) represents nearly 350 electrical equipment and medical imaging manufacturers that make safe, reliable, and efficient products and systems. Our combined industries account for 360,000 American jobs in more than 7,000 facilities covering every state. Our industry produces \$106 billion shipments of electrical equipment and medical imaging technologies per year with \$36 billion exports

### About FME

FME is the Dutch employers' organization in the technology industry. The 2,200 affiliated companies include technology start-ups, trading companies, small and medium-sized industrial enterprises as well as large industrial conglomerates. Our members are active in the fields of manufacturing, trade automation and maintenance in the metal, electronics, electrical engineering and plastics sectors. FME members employ a total of 220,000 people, have a combined turnover of € 82 billion and their exports total € 47 billion. FME members therefore account for one-sixth of all Dutch exports.