



UNIFE – *Promote rail market growth for sustainable mobility.*

FTA negotiations with Japan – the European rail industry perspective

UNIFE represents the European Rail (Supply) Industry

- Based in Brussels since 1992
- 22 permanent employees
- A trusted partner of the **European institutions** in all matters related to rail and transport
- **Full members: Over 80** of the largest and medium-sized companies in the rail supply sector
- **Associated members: 15** National Associations, representing almost 1,000 suppliers of railway equipment + EFRTC and UNISIG
- UNIFE members have an **80% market share in Europe** and supply more than **50% of the worldwide production** of rail equipment and services.










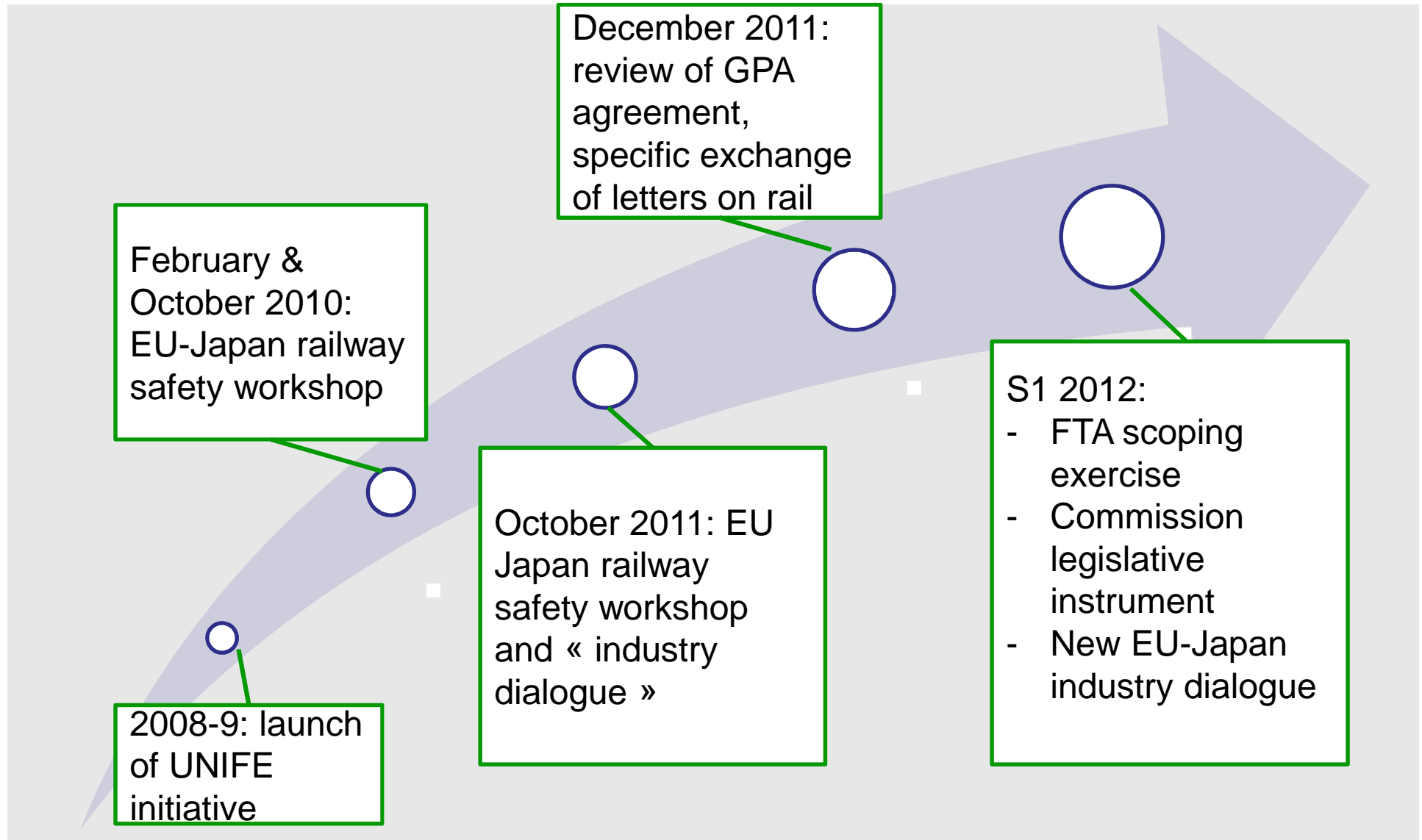
■ 82 Full Members

■ 17 Associate members, incl. 15
National Associations

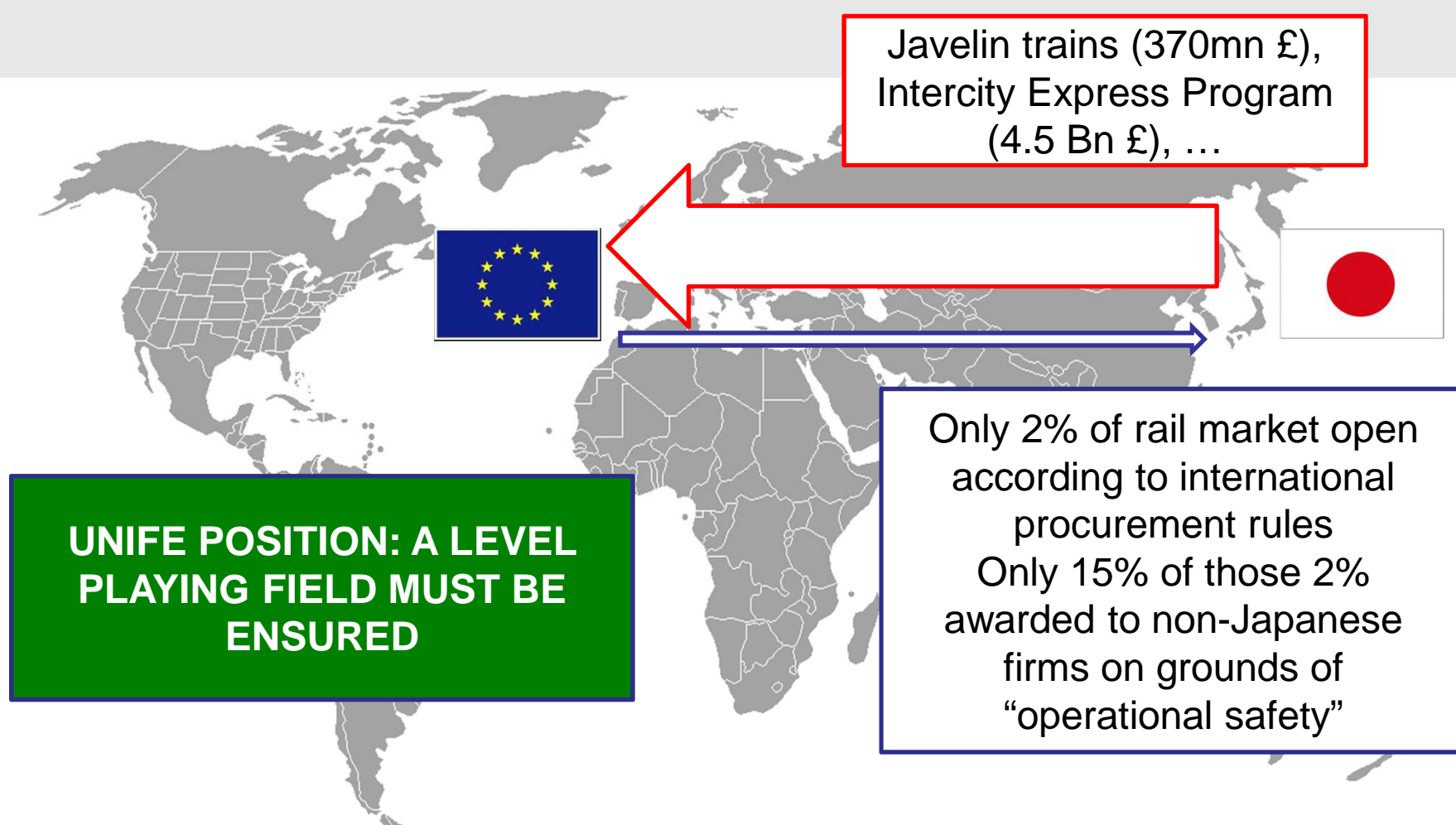
Global rail market – a level playing field?

	<u>DOMESTIC MARKET</u>	<u>GLOBAL MARKET</u>
<u>EU</u> 	Transparent as per EU procurement rules	Punctual governmental support as per OECD rules
<u>JAPAN</u> 	Almost entirely closed to foreign competitors (Operational safety Clause) Complex/untransparent tender procedures	Significant governmental support (e.g. soft loans), JICA, etc.
<u>CHINA</u> 	Protective procurement rules (no contract without technology transfers/Joint Ventures, etc.)	Strong support from government, including financing of projects Not bound by international rules (OECD, compliance, etc.)
<u>S.KOREA</u> 	Market partly closed (Rolling Stock) Technology transfers required to access some markets, etc.	Punctual governmental support as per OECD rules
<u>US</u> 	Market relatively opened despite « Buy American » requirements; Additional constraints e.g. Recovery and Reinvestment Act	Punctual governmental support as per OECD rules

EU-Japan relations - timeline



Reminder: the general context



- **Operational Safety Clause**
- **Japanese operators have set up complex and restrictive procedures in the supply of railway equipment, promoting de facto Japanese suppliers.**

- **UNIFE finds the lack of level playing field on the global rail market unacceptable and has launched a campaign to open the Japanese rail market**
 - This is not sustainable and ultimately costs growth and jobs!
- **The EU should further encourage a comparable and effective opening of global rail markets**

- **The Japanese government should take immediate steps to ensure that European suppliers have a comparable and effective access to the Japanese market;**
- **UNIFE wishes the immediate application of the operational safety clause (OSC) in a 'transparent', 'predictable' and 'non-discriminatory' way, as the Japanese authorities have politically committed in December 2011, pending for its quick withdrawal.**
- **The three JRs, which represent the major share of the Japanese rail procurement market, should remain within the scope of the WTO Agreement on Government Procurement (GPA).**



**UNIFE – *Promote rail market
growth for sustainable mobility.***

www.unife.org