

GARCIA LOPEZ BERGES Victor (TRADE)

Subject:

TTIP: meeting with CHN international on TTIP

From: EMBERGER Geraldine (TRADE)

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FYI

CB met with CHN (formerly Fiat Industrial), the part of Fiat dealing with agricultural machinery such as tractor, grape harvesters, construction equipment, trucks and buses ([**ART. 4.1b**] and [**ART. 4.1b**]). CHN is owned by 74% by the Agnelli family rest is quoted on NY stock exchange- they take a strong interest in the negotiations both regarding tariffs and NTMs and strongly support the COM focus on reg side. They operate world-wide.

As to tariffs, this is important but CHN is in particular concerned about remaining tariffs on components and spare parts, which need to travel across the Atlantic several times before a machine is finished, including within the company.

As to NTMs, they point out as problematic different approaches to CA and certification and different standards which lead to increased costs for the design of the products. They complain about duplicative testing and the fact that OSHA does not recognise certificates from European CA without additional requirements and homologation. But they also concede that barriers still exist in the internal market, too – they mention the problem of tractors – apparently there is still no European type approval/harmonised standard for them and some MS require different testing/features. By contrast, there are areas where EU and US regulators have been working well together (such as the area of engines/emissions). [**NOT RELEASABLE**]. CHN also points out the importance of working together with US on future standards and technical regulations- in particular in the area of road safety for AG machinery where there is no harmonised regulation yet in EU or US. This means companies have to comply with a high number of different requirements and make changes to the product design (where they put the light, the measurements, where they put the fire extinguisher, etc.).

CHN has not submitted its own position paper to the TTIP consultations but is represented by Orgalime, CEMA and VDMA, they also participate in ACEA although the concrete proposal put forward by the car industry is not directly relevant for them.

Follow-up: CHN will come back with concrete examples for the obstacles they encounter in the USA and in the EU

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