

CECE exchanges with AEM on trade policy at Conexpo

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On Wednesday 11th March **CECE** had a bilateral meeting with AEM on US politics and trans-Atlantic trade during Conexpo.

Hosted by AEM CE Chairman Rod Schrader from Komatsu America and AEM President Dennis Slater, this meeting involved CECE leadership present in Las Vegas and was facilitated by Joachim Schmid of VDMA.

Much of the discussion was focused on the upcoming electoral season in the US and the impacts this may have on the future of EU-US Transatlantic relationship. While everyone agreed that forecasts are difficult to make, it is clear that with the US economy currently in good shape, the negative effects from imposing tariffs and restricting trade with China and the EU are not being seen. This is perceived as confirmation that the current policy of the Trump administration is working.

Everybody agreed that the global spread of the COVID-19 pandemic would certainly have a negative impact on the Administration ability to control a major emergency, but it seemed clear that all forecasts are impossible to make on how this could evolve.

On the European side, imposition of tariffs by the US administration in the form of 25% import duties on certain types of German and UK made construction equipment is hurting some major CECE OEMs. CECE and AEM expressed concerns as the recent US tariffs are resulting in the disruption of the supply chain of the construction equipment industry, which could lead to a loss of operations by European companies already active and employing staff in the US.

The meeting was a good occasion to remind the importance of joint efforts across the Atlantic in favor of open and fair global trade. Indeed, CECE and AEM have recently come together by conveying common messages to policymakers on both sides of the Atlantic, such as the AEM-CECE Joint Statement on Free Trade and Against Tariffs presented at the CECE 2019 Summit in Brussels.

Additional exchanges of opinion were made on the way forward, with the imposition of tariffs by the EU looming as retaliation to those imposed by the US as part of the Airbus and Boeing cases at WTO. This spiraling tariffs war is certainly not what interconnected industries as CECE's and AEM's need in these uncertain times.

CECE and AEM have left the meeting by pledging once more to keep all channels of cooperation open and engaging in continuous dialogue for the global benefit of the construction equipment industry.

Source: CECE