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EU-Japan Free Trade Agreement negotiations: UNIFE calls for more progress in the rail sector

On the day of the EU-Japan Summit and in the progress review of negotiations on a Free Trade Agreement (FTA) by Member States, the European Rail Industry Association (UNIFE) wishes to reiterate the importance of achieving a level playing field between the EU and Japanese rail markets.

The European Rail Industry has repeatedly stressed that non-tariff barriers continue to hamper access to the Japanese railway market, in particular for rolling stock. As of today, the extensive use of the Operational Safety Clause (OSC) and the non-transparent procurement procedures of operators remain a major hurdle for the majority of European suppliers to access the Japanese rail market.

For the European Rail Industry, the stakes and expectations on the first year of negotiations on a FTA between EU and Japan were high, since both parties sought to agree on a set of concrete measures to guarantee transparency and non-discrimination along the procurement process within the Japanese railway market. Nevertheless, UNIFE believes that the agreement found following the fifth round of negotiations does not constitute a sufficient guarantee of transparency and non-discrimination treatment on the Japanese rail market.

Therefore, UNIFE calls upon the European Commission and Member States to take all necessary actions to ensure that EU suppliers will <u>effectively</u> increase their access to the Japanese rail market.

UNIFE Director General Philippe Citroën stated: "The agreement found in the rail sector is a step in the right direction but is still a far cry from the expectations of the industry. The European Commission should actively pursue negotiations on rail procurement after the first year of negotiations to achieve a true level playing field between the European and Japanese rail markets."

UNIFE John HARCUS Head of Communications phone +32 2 643 70 80 mobile +32 485 21 34 82 e-mail John.HARCUS@unife.org UNIFE represents the European Rail Industry in Brussels since 1992. The Association gathers more than 80 of Europe's leading large and medium sized rail supply companies active in the design, manufacture, maintenance and refurbishment of rail transport systems, subsystems and related equipment. A further one thousand suppliers of railway equipment partake in UNIFE activities through 17 national rail industry associations. UNIFE members have an 80% market share in Europe and supply more than 50% of the worldwide production of rail equipment and services. <u>www.unife.org</u>