



Press Release
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UNIFE stresses the importance of eliminating barriers to access to the Japanese rail market for EU suppliers in the ongoing FTA negotiations with Japan

Following the agreement of the Member States to accept the Commission's proposal to lift the EU objection to the delisting of three Japanese Railways (JR East, Central and West), the European Rail Industry Association (UNIFE) calls on the EU negotiating party to make efforts to guarantee market access opportunities for European suppliers in rail transport procurement in Japan.

Since an agreement on a one-year package on railways has been reached between the Japanese government and the European Commission, **UNIFE is concerned by the insufficient measures and guarantees provided by the Japanese party.** Not only does the Operational Safety Clause (OSC) remain an obstacle with an all-encompassing field of application, but the European Union has also agreed to allow the delisting of 3 key entities. As the procurement of the three JRs encompass around 60% of the Japanese rail market, which is not only high-speed rail, but suburban and regional as well, the European Rail Industry is worried that by excluding them from WTO rules, market access to EU suppliers will continue to be limited.

Therefore, the European Rail Industry calls on the European Commission to **maintain a strong and dedicated track on rail procurement to ensure a true level playing field between the European and Japanese rail markets is achieved by the end of the negotiations.** Furthermore, UNIFE and its members ask the European institutions to be ambitious in the market access negotiations, both in terms of coverage of entities and creating the right business conditions for EU suppliers. This includes ensuring that companies, whether public or private, are bound to respect WTO principles, as is the case in Europe.

Philippe Citroën, Director General of UNIFE commented, "The European Rail Industry is disappointed to learn of the agreement to delist the three Japanese Railways (JR) entities from the WTO Agreement on Government Procurement. Nevertheless, UNIFE supports the European Commission in the ongoing FTA negotiations and would like to remind the negotiators that the goal of these particular negotiations is to eliminate the barriers to access to EU suppliers on the Japanese rail market, most notably the OSC, and this is most importantly centred in the procurement operations of these three JRs. UNIFE hopes the codes of conduct that was agreed to be adopted by the three JRs will provide new opportunities for EU suppliers in Japan as the EU rail market opens even further to Japanese suppliers."

UNIFE

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UNIFE represents the European Rail Industry in Brussels since 1992. The Association gathers nearly 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.



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A further one thousand suppliers of railway equipment partake in UNIFE activities through 15 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.

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