



May 13, 2022

The Honorable L. Daniel Mullaney
Assistant U.S. Trade Representative for Europe and the Middle East
Office of the United States Trade Representative
600 17th Street, N.W.
Washington, D.C. 20006

The Honorable Rupert Schlegelmilch
Acting Deputy Director-General
Directorate General for Trade of the European Commission
European Commission
Rue de la Loi 170
1049 Brussels
Belgium

RE: U.S.-EU Trade and Technology Council / Mutual Recognition of Conformity Assessment Results

Dear Assistant Trade Representative Mullaney and Director Schlegelmilch,

Over the past year, the European Union and the United States have taken important steps to improve the economic and geopolitical relationship that is crucial to both of our markets. The agreement to reduce tariffs on steel and aluminum, the framework for a resolution of the aircraft subsidy dispute, and the commitment to establish a new transatlantic data privacy framework all provide indispensable certainty for businesses and increased opportunities for workers on both sides of the Atlantic at a turbulent time where the relationship between our two economies is more important than ever. As several other important workstreams are now focused through the U.S.-EU Trade and Technology Council (TTC), we, the undersigned organizations representing industry in both Europe and the United States, applaud the efforts of DG Trade and the U.S.T.R. to deepen the transatlantic economic partnership.

With the next TTC ministerial meeting in France approaching on May 15 and 16, industrial companies on both sides of the Atlantic are eager to support you in identifying concrete ways to reduce trade barriers between the EU and U.S. Particularly, we urge you in Working Group 10 to focus on reducing technical barriers to trade in the form of testing, inspection, and certification of industrial products being traded across the Atlantic. While legal and technical requirements regarding safety and health for industrial products are in place to protect workers and consumers in both markets, and these requirements have been generally accepted in both markets as a means of ensuring product safety, the difference in processes to conform to these requirements differ significantly between the EU and U.S., creating additional costs for

both American and European exporters when bringing their products to market. This contrast in conformity assessment processes is especially burdensome for small and medium-sized manufacturers which seek to export products to the other market, as these different processes force exporters to either establish separate technical files, adapt products, or in extreme cases, be left out of the importing market altogether.

Discussions to eliminate this technical barrier to trade are not new, as conformity assessment was a central topic during the Transatlantic Trade and Investment Partnership (TTIP) negotiations and during the mid-2010s. We appreciate the significant efforts the TTC has invested in this topic to date. However, as you know, finding a way to harmonize the two disparate systems has eluded success. This is why, for any agreement between the EU and U.S. on conformity assessment to succeed, we are convinced that an agreement should reduce technical barriers to trade, while still preserving and respecting the autonomy of each economy's conformity assessment system. Accordingly, we urge the EU and U.S. to mutually recognize each other's conformity assessment test results based on the following principles:

- A recognition that if an industrial product is assessed by one market as meeting internationally developed testing, inspection, certification, and conformity assessment standards developed by organizations abiding by the Principles for the Development of International Standards, Guides and Recommendations set forth in the World Trade Organization's Technical Barriers to Trade Agreement, the product should be accepted in the other market.
- A recognition that American and European conformity assessment bodies should be treated "no less favorably" in each other's markets, regardless of where they are domiciled, as long as they are accredited by accreditation bodies that are signatories of the International Accreditation Forum's Multilateral Recognition Arrangement (IAF MLA) and/or the International Laboratory Accreditation Cooperation's Mutual Recognition Arrangement (ILAC MRA).

If these principles are met through a mutual recognition agreement, a significant and long-standing technical barrier to trade would be eliminated between our two markets while allowing both the EU and U.S. to maintain independence and autonomy in their conformity assessment processes. Such an agreement would reduce costs and increase market access for industrial companies between both economies, while creating expanded opportunities for American and European workers. For these reasons, we urge the TTC, especially through Working Group 10, to negotiate and achieve a mutual recognition agreement on conformity assessment test results.

Sincerely yours,

National Electrical Manufacturers Association (NEMA)
Verband Deutscher Maschinen- und Anlagenbau (VDMA)