



September 17, 2020

Robert Lighthizer
U.S. Trade Representative
Office of the United States Trade Representative
600 17th Street NW
Washington, DC 20508

Valdis Dombrovskis
Executive Vice President for an economy that works for people—Trade (ad interim)
European Commission B-1049
Brussels, Belgium

The International Council of Marine Industry Associations (ICOMIA), the European Boating Industry (EBI) and the U.S. National Marine Manufacturers Association (NMMA) applaud the recent progress between the United States (U.S.) and European Union (EU) to resolve tariffs on the lobster industry and reduction of U.S. tariffs on EU exports. We urge you to build upon this positive momentum to reach an agreement that also removes the EU's 25 percent tariff on U.S.-manufactured boats.

The U.S. and E.U. are natural trade partners and have a history of exchanges based on a joint tradition of recreational boating. Our organizations play a critical role in the international dialogue of the recreational marine industry and support policies that benefit boating on both sides of the Atlantic. Recreational boating is a significant contributor to the American and European economy, contributing \$41 billion in annual US sales through 700,000 jobs across 35,000 businesses. For the EU, the boating industry accounts for over 32,000 businesses directly employing more than 280,000 people and generating an annual turnover of nearly €20 billion.

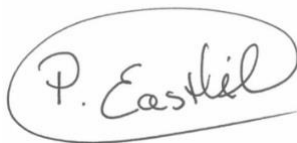
Our organizations support principles of free and fair trade and view tariffs on recreational vessels as creating unnecessary barriers for small and medium sized companies (SME). With a strong maritime manufacturing base in both the EU and U.S., free market principles incentivize trade and mutual growth. Since 2018, the United States' worldwide steel and aluminum tariffs have resulted in the EU's 25 percent tariff on recreational boats, which has resulted in a thirty percent overall decline in U.S. boat exports to the EU, costing U.S. manufacturers more than \$400 million since the retaliatory tariff went into effect. It has also impacted European consumers with higher prices

and European companies, such as importers, dealers, after-sales and services, that sell these products.

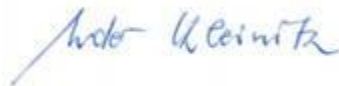
Like many industries, the global COVID-19 pandemic has impacted the recreational boating sector. While many families are turning to boating for safe socially-distant activity, workforce and global supply disruptions continue to impact production. The burden of an additional tariff and lost European sales (for importers and domestic EU businesses) make it difficult for our industry to fully recover. It is now more critical than ever, to support local jobs, manufacturing and SMEs, through tariff reduction. To ensure free and fair trade, we strongly urge the U.S. and EU to simply build upon recent progress: recognize the harmful effects of the current trade dispute on our sector, and focus on achieving a swift and reasonable resolution to end the EU's tariffs on boats and US tariffs on aluminum and steel. By supporting the boating industry, both governments can help further invest in local jobs, manufacturing and important recreation for American and European citizens.

Together, we can achieve an enduring solution that benefits both sides of the Atlantic and allows the recreational boating industry to continue its economic growth.

Sincerely,

A handwritten signature in black ink that reads "P. Easthill". The signature is enclosed within a hand-drawn oval.

Philip Easthill
Secretary General
European Boating Industry (EBI)

A handwritten signature in blue ink that reads "Udo Kleinitz".

Udo Kleinitz
Secretary General
International Council of Marine Industry Association (ICOMIA)

A handwritten signature in black ink that reads "Nicole Vasilaros".

Nicole Vasilaros
Senior Vice President, Government and Legal Affairs
National Marine Manufacturers Association (NMMA)