



ORGALIME

The Secretary General

Ms. Catherine Ashton
Member of the European Commission
200 Rue de la Loi
B-1049 Brussels

Brussels, 29 May 2009

European electrical engineering companies face potential restrictive trade measure in Ontario, Canada

Dear Commissioner,

Orgalime, the European Engineering Industries Association, speaks for 35 trade federations representing some 130.000 companies in the mechanical, electrical, electronic, metalworking and metal articles industries of 23 European countries. The industry employs 11.1 million people in the EU and in 2008 accounted for some 1.885 billion of annual output. The industry not only represents 27% of the output of manufactured products but also a third of manufactured exports from the European Union.

Orgalime is concerned about new restrictive trade measures in the field of electrical products in Ontario, Canada. The recent Product Safety Regulation 438/07 introduces the obligation for manufacturers to register with the Electrical Safety Authority if they intend to deliver electrical or electronic goods to Ontario. This Regulation is not linked to any kind of safety approval of the products but is a mere register of company data which has to be paid by the companies initially and then subsequently by an annual renewal fee. While the obligation of manufacturers to cooperate with and assist the authorities in case an unsafe product has to be recalled is not questioned, it cannot be accepted that, for unjustified reasons, administrative and financial burdens are put on manufacturers. We also wish to draw attention to the high time pressure of this obligation that has already started on 1 April with a transitional period for manufacturers who already deliver products to Ontario ending on 30 August 2009.

All efforts should be taken to stop this measure at this early stage. We believe the European Commission understands that such so-called "security" measures need to be tackled in a systematic and determined manner, as the temptation for similar measures is currently high. The spread of similar measures could widely and rapidly affect the economic relations among key third country markets and EU exporters.

Moreover, we believe this obligation imposed by Ontario is against the spirit and content of the WTO agreements and ask the European Commission to take the necessary steps to also fight this measure within the WTO. We also enclose a filled out fiche for identifying potentially protectionist measures.

We urge the European Commission to take due consideration of the above information. We remain at your disposal for further information and look forward to hearing from you.

A similar letter has been sent to your colleague Commissioner Verheugen.

Yours sincerely,

Adrian Harris

Cc: DG Trade: Messrs O'Sullivan, Aguiar Machado, Balas, Petriccione, Klein, Perreau de Pinninck, Schlegelmilch, Sourmelis, Ms Tuininga, Ms Van de Velde

The European Engineering Industries Association