

European Tyre Manufacturers' Contribution

Brussels, 26 February 2007

Introduction

ETRMA represents the European Tyre & Rubber Manufacturers. The Sector presence in EU25 is dynamic with 4.200 plants employing 360 000 people. It generates a turnover exceeding € 49 b. The product range of our members is extensive from tyres, to construction, automotive, and pharmaceutical products.

ETRMA Tyre Corporate members are: Bridgestone Europe, Continental, Cooper Tyres, Goodyear Dunlop Tyres Europe, Marangoni, Michelin, Nokian Tyres, Pirelli Tyre, Trelleborg Wheel Systems and Vredestein. They are global players realising a turnover in 2005 of € 27 b and producing through 91 European plants more than 1/3 of the total world tyre market meaning in excess of 270 million units.

Extension of the international SI-system

Question 1: Should the katal be introduced in the Directive 80/181?

Any decision favourable to the economic and scientific activity must be accepted.

The today raised question on katal will be raised tomorrow for new additional units. This demonstrates that a Directive entering too much in details will need all the time updates to the scientific progress and to the global economy evolution.

Multiple indication of SI Units

Question 2: Should the use of SI indications in specific uses be left to other Directives than 80/181?

No. To our best knowledge, there is no specific use of SI-indications outside the Directive 80/181/EEC. Should this be the case, it would be quite logical that these specific cases are targeted in the Directive 80/181/EEC, in order to avoid any confusion.

So-called arbitrary units (U)

Question 3: Should arbitrary units be included in Directive 80/181 if supplementary indications are no longer allowed?

There is no reason to consider that supplementary indications are obstacles to trade provided they are quoted in some standards (industry standards or international standards).

Ratios (not expressed in units)

Question 4: Should ratios be included in Directive 80/181?

A ratio of two SI values shall of course be accepted.

Here again, the objective is to fight obstacles to trade, not to go into too precise details.



Non SI Units required by international Treaties in Transport

Question 5: Should the exemption in article 2b be maintained?

The exemption should be extended to all sectors or application domains, which are laid, by international conventions or other agreements binding the European Community. What has to be quoted is not such or such transport sector but the general principle of the superiority of the international treaties on the Directive.

Non SI Units used in Traditional Industries and in new markets

Question 6: Should indications specific to certain sectors be included in Directive 80/181?

A better idea would be to establish a general principle (without listing all the particular indications sector by sector) enabling the use of such indications as far as their use is established since a long period of time and they don't create any obstacle to trade.

Another way would be for the European Commission to establish a survey on which non SI indications are obstacles to trade and to promote their disappearance. In other terms, it is better to establish the list of not permitted units rather than a list of mandatory units.

Date of supplementary indications in Non-SI Units

Question 7: Should the use of supplementary indications in article 3 in Directive 80/181 be able to continue?

Yes. Again and again, the final objective is to limit barrier to trade. The Directive in its today wording would create on January 1st, 2010 barriers to trade between USA and EC for instance. This is the reason why the use of supplementary indications has to be allowed after December 31, 2009, because there are no threats anymore on the internal market.

Scope of the Directive

Question 8: Do market operators face any problem with the current system?

No, the tyre industry does not face any problem. UK and Ireland have achieved tremendous progress in the use of the most current SI units and there is no reason to view the internal market as facing obstacles for these reasons.

Stakeholder Consultation

Question 9: Alternatives proposed

- Or, to cancel "until 31 December 2009" at the end of paragraph 3.2 of the Directive and delete paragraph 3.3. The paragraph becomes thus: "The use of supplementary indications shall be authorized".
- Or, to exempt the tyre sector from the application of the Directive (because of the UN/ECE agreements establishing the use of supplementary information; EC and Member states are contracting parties to these agreements).
- Or to exempt any sector where the Commission or the member states are bound by an international convention or agreement.

Question 10: Costs and benefits

The tyre is a specific product because the information provided for to the consumer is not written on a sticker or a package but engraved on the product itself.

If the Directive were to be interpreted in the sense that it prohibits any mention on the tyres of measuring units other than those of the S.I, the tyre industry should double each range of its products with a specific European version.



This would limit economies of scales and duplicate design costs. The effect will be an increase on tyre prices without any benefit for the final consumer.

In addition all brochures, stickers, technical documents should be reviewed and amended.

The question would then be likely carried in front of the body in charge of disputes settlement at WTO in particular because of the extra community trade barrier, which would result from it.

To conclude:

ETRMA believes that when the Commission is currently launching its drive towards simplification and reduction of administrative costs, it would be paradoxical to discontinue a measure, which effectively simplifies the life of manufacturers and importers.