

BULLETIN

Industry Divisions



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Important information regarding the imports of automobiles and some automotive parts into the United States

US President Trump issued a [Proclamation](#) on 17 May in response to the Section 232 investigation into automotives and auto parts. The Proclamation directed the United States Trade Representative Robert Lighthizer to enter into negotiations with the EU and Japan to limit imports of automobiles and some automotive parts (engines and engine parts, transmissions and powertrain parts, and electrical components). The investigations could last up to six months, and at this stage no tariffs or quotas have been announced. USTR Lighthizer will report to the President on the progress and outcomes of the negotiations within 180 days (13 November 2019).

At this stage, Australia is not affected, and no other countries apart from the EU and Japan are listed as being the subject of negotiations with the US. We are working closely with the Department of Foreign Affairs and Trade on protecting Australia's interests. It is important to maintain a low profile, and ensure a united front on these efforts. It is not in Australia's interests to draw any unnecessary attention to the Australian industry or to Australian exporters. If you are approached by the media on this issue, it is our recommendation that you refer the request to the DFAT media and trade teams at media@dfat.gov.au and bianca.birdsall@dfat.gov.au. If you choose to respond to media requests directly, some suggested talking points are attached [HERE](#).

The Proclamation followed a US Department of Commerce investigation into whether imports of automobiles (including SUVs, vans and light trucks, and automotive parts) into the US threaten to impair US national security as defined in Section 232 of the US Trade Expansion Act of 1962. The report of the investigation was provided to President Trump on 17 February, but has not been made public, and the full scope and contents of the report and its recommendations are unknown.

The report frames the threat to national security in terms of declining research and development in the US into automotives and automotive parts as well as a declining US industrial base. DFAT would welcome any examples of how your business contributes to the US automotive supply chain. Specific case studies of Australian industry's contribution to the US automotive industry are incredibly helpful. Please send this information to bianca.birdsall@dfat.gov.au or you can call Bianca on 02 6178 6035.

Dr Imogen Reid
Industry Policy Advisor (CVIAV, CVIAA, AVEG, VTDA, SSCSD)
Industrial Relations, Policy, Training and Engagement
Manager
Women in Automotive