

檔 號：
保存年限：

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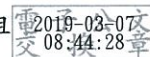
發文日期：中華民國108年3月6日
發文字號：貿雙二字第1087006146號
速別：最速件
密等及解密條件或保密期限：
附件：如文(計8頁)(1087006146-1.tif、1087006146-2.pdf)

主旨：有關美國彼得森國際經濟研究所(PIIE)發布232條款汽車
暨汽車零組件國家安全調查觀察報告，請查照並轉送會員
廠商參考。

說明：依據駐美國代表處經濟組108年3月1日經美字第108000020
2號函辦理(如附件)。

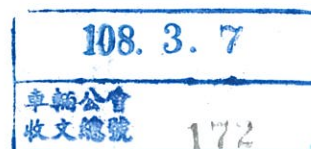
正本：台灣區車輛工業同業公會

副本：中華民國全國工業總會(含附件)、駐美國代表處經濟組



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受文者：經濟部國際貿易局

發文日期：中華民國108年3月1日
發文字號：經美字第1080000202號
速別：最速件
密等及解密條件或保密期限：
附件：如文 (1080000202_Attach1.pdf)

主旨：陳報美「彼得森國際經濟研究所」(PIIE)就232條款汽車
暨汽車零組件國家安全調查發布觀察報告事，敬請卓參。

說明：

- 一、本組本(108)年2月25日經美字第1080000185號函諒達。
- 二、謹查，川普政府於本年2月17日已就進口汽車及汽車零組件是否對美國國家安全造成威脅一案，完成232條款國安調查，美「彼得森國際經濟研究所」(PIIE)於本年2月21日就旨揭案發布觀察報告，雖前述調查報告尚未公布，然預期汽車232進口限制措施將對近千億美元之對美進口造成影響，亦可能引發美國與其盟友另一波的貿易衝突。PIIE報告重點謹扼陳如下：

- (一)美國在汽車及零組件的貿易逆差為2,000億美元，占其全球貨品逆差的4分之1。報告指出，川普政府似偏好以徵收關稅方式縮減貿易逆差，例如美國目前仍對自中國進口之2,500億美元產品加徵關稅，迫使中國在雙邊貿易談判中讓步。報告認為，以此種方式使用關稅逼迫對方讓步之作法實為下策，無助於經濟。且即便多數人懷

國際貿易局 108/03/02



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疑進口汽車及零組件對於美國安全之威脅是否存在，然川普政府堅持此調查符合世界貿易組織(WTO)規則及美國內法。

(二)新的汽車232關稅主要將影響日本及歐盟，韓國則是另外一個潛在的目標，加、墨則因USMCA而豁免。汽車232關稅已使美日、美歐雙邊貿易談判複雜化，PIIE推測，日本雖反對汽車232案，但為維持與美戰略同盟，可能會同意美國自我出口限制之要求；歐盟則不會同意該要求，歐盟執委會貿易委員Cecilia Malmstrom表示已著手列舉報復清單。進一步說明如下：

- 1、加拿大與墨西哥：在USMCA下，美貿易代表署(USTR)同意倘未來汽車232國安措施施行，將給予加、墨兩國客車、輕型卡車及汽車零組件逾現行貿易數量及金額限制，換言之，即加、墨獲得豁免。
- 2、中國：PIIE報告認為，中國非汽車232措施之主要目標，因其大部分輸美之汽車及零組件，已被加徵301條款之懲罰性關稅，依據2018年1-11月貿易統計，近14.44億美元之汽車與零組件被加徵25%關稅，另有99.35億美元被加徵10%的關稅。倘美國欲阻止外國進口影響美國汽車市場，則將以其他國家為目標。
- 3、日本：日本輸美汽車及零組件占日本輸美貨品貿易之40%，且對美有近500億美元的順差，然日汽車大廠在美亦有眾多投資；推測USTR對日將尋求採取結合自我出口限制及承諾增加在美投資之要求。
- 4、德國、英國：德國車商可能會願意增加其美投資，然歐盟官員已公開表示反對汽車232且揚言將對美產品報復。另英國輸美汽車及零組件則將近100億美元，占英國輸美貨品貿易之20%。

5、南韓：韓國官員認為2019年1月生效之新KORUS已原則上給予豁免，然實際上並未有明文保證。美國亦可能透過232措施來限制韓國的汽車進口。

(三)報告最後結論指出，美倘對進口汽車及零組件課徵232條款措施為弊大於利，不但無助於保護或加強美國家安全，亦可能挑起與盟友之貿易衝突，破壞既有汽車產業供應鏈，使美汽車製造成本增加，轉嫁消費者，侵蝕企業獲利。

三、檢送前述報告如附件，併請卓參。

正本：經濟部國際貿易局、行政院經貿談判辦公室

副本：經濟部、經濟部王次長室(請經濟部代陳)、經濟部工業局、經濟部國際貿易局楊局長室、經濟部國際貿易局副局長室(請貿易局代轉)



TRADE & INVESTMENT POLICY WATCH

Next Up in the Trade Wars: Autos

Jeffrey J. Schott (PIIE)

February 21, 2019 3:00 PM

Photo Credit: REUTERS/Eduardo Munoz

The Trump administration has concluded a study to determine whether imports of autos and auto parts impair or threaten US national security. The findings (not yet released to the public) could potentially trigger restrictions on hundreds of billions of dollars of US imports and provoke another skirmish in its trade wars with key US allies in Europe and Asia.

The US trade deficit in autos and parts is about \$200 billion, roughly one-quarter of the global US merchandise trade deficit. The Trump trade team seems to favor using tariffs to reduce trade deficits, as it is still doing against \$250 billion in Chinese exports to the United States to coerce Chinese concessions in bilateral trade talks. Using tariffs in this way is bad economics and bad policy. And national security is a dubious rationale for new restrictions on autos and parts. But the Trump administration maintains that its actions are consistent with World Trade Organization (WTO) rules and the letter of US law—in particular, the authority to restrict imports for national security reasons under Section 232 of the Trade Expansion Act of 1962.

New Section 232 auto measures would primarily hit Japan and Europe (see table 1). South Korea is another potential target. Canada and Mexico bought exemptions via side letters to the United States–Mexico–Canada Trade Agreement (USMCA) to avoid a repeat of their bad experience with US steel and aluminum tariffs imposed under Section 232 authority in 2018.

Table 1 Prospective targets of US 232 auto restrictions

	US auto imports, billion of dollars (January–November 2018)
Exporters exempted or already subject to tariffs	184.4
Canada (exemption)	55.4
Mexico (exemption)	117.7
China* (Subject to Section 301 tariff)	11.4
Other major auto and parts exporters	157.3
Japan	51.2
Germany	26.2
South Korea	20.0

United Kingdom	10.5
Other	49.3
Total	341.7

*The value of Chinese imports is the sum of \$1.44 billion imports subject to a 25 percent tariff and \$9.94 billion subject to a 10 percent tariff.

Note: Autos include passenger cars, trucks, buses, special purpose vehicles, and parts.

Sources: FT900 Exhibit 18 from Census Bureau (released on February 6, 2019); US ITC Dataweb for China data.

The impending 232 auto case has complicated bilateral trade talks with Japan and the European Union. The US Trade Representative (USTR) already has issued negotiating objectives for those talks;^[1] USTR wants the deal with Japan to increase US auto production and jobs and doesn't want the EU deal to cover US auto trade barriers.

Japan opposes the Section 232 auto case but seems likely to accede to US demands to restrict auto exports in deference to its overarching interest in maintaining its strategic alliance with the United States. Europe, by contrast, probably will not agree to such limits. EU Trade Commissioner Cecilia Malmstrom said that the EU Commission already was preparing a retaliation list against US exports as they did in the 232 cases on steel and aluminum. But, of course, the EU retaliation would be much larger than the previous 232 episodes, in which the EU raised tariffs on \$3.2 billion of US exports of steel, motorcycles, whiskey, and other products. New 232 auto measures potentially could hit more than \$55 billion in EU exports and provoke penalty tariffs against a comparable volume of US exports.

HOW DID WE GET HERE?

Trump promised to strengthen the US auto sector and reduce the large US auto trade deficit in his 2016 presidential campaign. Rewriting the auto rules in the North American Free Trade Agreement (NAFTA) and restricting imports from Asia and Europe were the means to that end. Mexico and Canada complied with US demands, fearing that Trump would scrap NAFTA altogether.

But the USMCA deal replacing NAFTA is costly for consumers and producers alike. To qualify for tariff preferences, Mexican and Canadian producers must limit the use of imported parts, hiking the cost of building motor vehicles for export to the United States. These new USMCA requirements will phase in over several years once the pact enters into force. Vehicles will either comply with the new rules or forego USMCA preferences and be subject to the US most-favored nation (MFN) tariff, which is 2.5 percent for autos. That tariff level is not a massive obstacle to surmount if Mexican and Canadian automakers don't want to follow the USMCA content rules. But the tariff, just like the costly new USMCA regulations, would undercut their competitiveness in the US market vis-à-vis exporters from Asia and Europe.

In short, the USMCA would give US automakers a slight competitive advantage over their North American competitors compared to existing trade rules. But US producers would still be burdened by higher input costs due to the existing 232 measures on steel and aluminum and constrained from raising prices because of import competition from Europe and Asia. Unless US tariffs are increased to blunt foreign car shipments to the US market, US automakers probably would lose market share to imported cars—and the costly USMCA regulations and other 232 measures would be the main cause of this self-inflicted wound.

Hence, the next critical part of the strategy to protect the US auto sector is to raise the MFN tariff on autos and parts. Under the world trading rules, raising MFN tariffs is doable only if compensation is provided to its trading partners. But clever US trade officials have seized on a loophole in WTO rules that allows them to raise tariffs without compensation, if the measures are taken to protect national security interests. Section 232 allows US authorities to invoke the national security exceptions in the WTO, as they already have for US imports of steel and aluminum.

A few US steel companies and their workers have benefited from the new protectionist measures, but many have been hurt by higher input costs and lost sales abroad due to tit-for-tat retaliation. That's current history and should inform and constrain new bouts of US trade protectionism.

THE TIMELINE FOR SECTION 232 AUTO INVESTIGATION

The Commerce Department initiated a Section 232 investigation on autos, trucks, and parts on May 23, 2018; findings and recommendations were due within 270 days or by February 17, 2019. If Commerce recommends import restrictions (a likely outcome), President Trump has 90 days (or until May 18, 2019) to agree with the findings or disagree (in which case there would be no action against imports). If Trump decides to restrict imports, he must do so within 15 days of accepting the Commerce findings. However, he also can launch negotiations to limit imports and defer new trade restrictions for up to 180 days while those talks are proceeding.

In short, Trump can threaten to act on autos and parts but postpone action pending positive results in the trade talks—just like he is doing now with China. In that case, Section 232 auto restrictions could be deferred until December 2019.

WHO WOULD GET HIT BY THE 232 AUTO RESTRICTIONS?

Under the USMCA, the US Trade Representative agreed to exempt Mexican and Canadian production of passenger cars, light trucks, and auto parts from 232 measures, subject to volume or value limits that are above current trade levels.^[2] In other words, for the near-term, Mexican and Canadian producers would be exempt from 232 auto restrictions.

CHINA—NOT SO MUCH

Interestingly, China would **not** be a major target because a large share of US imports of Chinese autos and parts already are subject to penalty tariffs imposed in 2018 against Chinese investment and intellectual property abuses. In the first 11 months of 2018, \$1.444 billion of imported Chinese autos and parts were hit with 25 percent tariffs and \$9.935 billion with 10 percent tariffs. If US officials want to restrict foreign competition in the US auto market, the 232 measures will have to target other big suppliers: Japan, Germany, South Korea, and the United Kingdom.

JAPAN

Autos and parts account for almost 40 percent of Japanese merchandise exports to the United States; Japan runs a bilateral trade surplus in autos and parts of about \$50 billion and is the top target for prospective Section 232 action. However, Japanese automakers also invest heavily in US-based production, so USTR might seek a combination of export restraints (perhaps near current levels) and commitments to increase investment in US facilities.

GERMANY

German automakers also might be willing to top up their US investments, but EU officials already have rejected export restraints and promised to retaliate against US exports, as noted above. And what company would increase its US investment when US-produced goods face higher production costs and new export obstacles due to the likely retaliation against the 232 measures?

SOUTH KOREA

South Korean auto exports weren't affected by the limited changes to the KORUS FTA implemented in January 2019, and Korean officials thought they had secured an exemption in principle from future 232 auto restrictions. But there were no guarantees, and US officials could try again to blunt the growth of Korean exports via 232 measures. Despite significant US production that accounts for about half of Korean brand sales in the US market, Korean automakers still ship more than \$20 billion in autos and parts to the US market.

UNITED KINGDOM

Section 232 auto measures could be a rude awakening for the new British trade team, if they resolve the internecine battle over Brexit. Autos and parts account for more than \$10 billion in UK exports to the United States, representing almost 20 percent of US merchandise imports from Britain.

In sum, new US import restrictions on autos and parts risk doing much more harm than good, and seemingly do nothing to protect or reinforce US national security, given that they target and provoke trade conflicts with key US allies. Section 232 tariffs or quotas would rupture supply chains, increasing input costs for US produced vehicles that in large measure would be passed on to US consumers and/or erode corporate profits. Higher production costs due to 232 measures on steel and aluminum already are a drag on US auto output and employment, threatening the substantial job growth in the US auto sector over the past decade (up more than 50 percent since the low point of the 2009 financial crisis, though still below peak levels of the lower-tech era of auto production). Invoking Section 232 auto measures would let the air out of the tires of this jobs recovery. Better for US officials to keep the 232 stick in the closet.

NOTES

1. USTR separately notified its intent to negotiate with the United Kingdom.
2. If the autos and parts do not meet the North American content requirements, the goods would only be subject to the current MFN tariff and not an additional 232 restriction, unless annual Mexican and Canadian exports exceeded 2.6 million units of passenger cars or \$108 billion/\$32.4 billion in auto parts respectively.