

Car manufacturers' association ACEA sees 'no winners from hard Brexit'

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A "hard" UK departure from the European Union is bad for European car manufacturers under any scenario, according to the industry's association.

The main consequence of a hard Brexit - meaning a departure from the single market and Customs Union - is likely to be increased costs, says Erik Jonnaert, secretary general of the European Automobile Manufacturers' Association (ACEA).

"We see no winners under a hard Brexit," Mr Jonnaert tells the *Maritime Watch*. "If there is a reintroduction of Customs controls and tariffs, costs will go up. European industry is today very integrated, with companies manufacturing in one country and buying parts in another."

ACEA's members would like to see a "two-step solution", according to which the UK would leave the EU but keep trading rules as they are today. "This would allow trade to continue," said Mr Jonnaert. "We still have no idea what the UK negotiating strategy will be."

European car and truck makers, known as OEMs or original equipment manufacturers, have not yet recovered from the 2008 slump, he told a gathering of multimodal transport operators in Brussels. Production figures and sales have "almost" reached 2007 levels (16.6 m cars) though are unlikely to do so this year.

"Consumer confidence has so far remained robust, but ahead we see uncertainty," the secretary general told the gathering, hosted by the Association of European Vehicle Logistics (ECG).

Brexit could be beneficial for logistics providers, said one attendee. "If there are more rules, trade will need specialist to help them come to terms with these rules. This could mean money for us," said Ingo Hodea, managing director of Verein Automobillogistik, which is based in Berlin.

The ECG membership, now 100 strong, was invited to Brussels to celebrate the 20th anniversary of the association's creation. Members move cars across the continent on all transport modes.