

PRESS RELEASE

Agreement regarding the Terms of Payment between Industrial Customers and Sub-Contractors in the automotive branch, concluded between: the Committee of French Car Manufacturers (“Comité des Constructeurs Français d’Automobiles”), the Federation of Vehicle Equipment Industries (“Fédération des Industries des Equipements pour Véhicules”) and the Federation of Mechanical Industries (“Fédération des Industries Mécaniques”)

CLEPA welcomes this Agreement, signed by the French automotive industry, representing a reinforcement of partnership relationships, thereby allowing the parties to confer, with a view to tackling the challenges of globalisation, improving competitiveness and ensuring technological sustainable development in the automotive sector. Its objective is to reinforce the financial stability of sub-contractors.

The said Agreement encompasses the “good practices” code in respect of customer-supplier relationships in industrial sub-contracting, signed 28 June 2006.

The Agreement lays down certain measures regarding terms of payment, including those for moulds and tools, periods of payment and conditions for studies regarding small volume productions. It commits parties to a “terms of payment watchdog” who will assess the application of the agreement, submitting a report to the French Minister for Industry. The watchdog has recourse to modify the agreement, where necessary.

CLEPA urges others to follow this recommendable example.

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CLEPA is the European umbrella association representing the interests and the entrepreneurial skills of the global automotive supply industry.

CLEPA membership is made of the world’s most prominent suppliers for car parts, systems and modules; national trade associations and European sectorial associations from several countries representing directly and indirectly more than 3000 automotive companies of every size, employing more than three million people and generating a turnover of three billion Euros.