

December 3, 2020

Mr. Valdis Dombrovskis Executive Vice-President of the European Commission European Commission Rue de la Loi/Wetstraat 200 1049 Brussels Belgium

RE: European Union Tariffs on U.S. Fitness Equipment

Dear Executive Vice-President Dombrovskis:

We are writing on behalf of the International Health, Racquet & Sportsclub Association (IHRSA) to express our concerns regarding the recently imposed EU tariffs on stationary exercise equipment included under TARIC 9506.91.10. The 25 percent tariff on this equipment imported from the United States is overly punitive at a time when promoting physical health should be of paramount importance as we work together to fight the current pandemic.

European health and fitness clubs, including 1,115 IHRSA members, and their millions of employees across the EU are focused on playing a critical role in maintaining the mental, physical, and social health of all European citizens. Evidence shows that physically active lifestyles can improve immune system health and <u>diminish the risk of contracting some</u> communicable diseases, including upper respiratory tract infections typically suffered by coronavirus patients.

In fact, an EU study on the connection between lifestyle factors and COVID-19 has shown that obesity and decreased physical activity are linked to a higher risk of contracting severe cases of COVID-19. Health and fitness clubs, through the promotion of mental and physical health, are an integral part of the solution to returning citizens to a state of good health. The exercise equipment cited above is crucial to achieving this important objective.

We are well aware of the underlying trade tensions between the EU and the U.S. which have led to these punitive tariffs, and we also understand that the European Commission seeks to resolve these tensions amicably as soon as possible. We are also hopeful that a new Administration in the United States will be receptive to reopening a positive dialogue to resolve this impasse quickly.



However, with bilateral negotiations in this broader dispute unlikely to resume in earnest for several months, we ask that the Commission take the positive step of revoking these specific tariffs immediately for the good health of the EU and all its citizens in this time of health crisis.

We look forward to working with you in any way that we can to achieve a positive outcome in this regrettable trade dispute. Thank you for your consideration.

Sincerely,

Brut J Darden

Brent Darden IHRSA Interim President & CEO