Request Regarding US Reciprocal Tariffs

April 2025 Japan Construction Equipment Manufacturers Association (CEMA)

Thank you for your continued patronage of the construction equipment industry.

We would like to make a request regarding the current move by the United States to raise tariffs.

The annual shipment value (domestic production) of Japan's construction equipment industry is approximately 3.5 trillion yen, of which approximately 70%, or approximately 2.4 trillion yen, is exported, making a significant contribution to improving the trade balance.

Of these exports, the North American market accounts for approximately 50%, making it an important market with a scale roughly equal to that of domestic shipments. (All figures are for calendar year 2024, based on statistics compiled by CEMA.)

We also believe that construction equipment exported from Japan plays an extremely important fundamental role in the economic development of the United States, including energy and resource development and infrastructure construction.

Under such circumstances, we are strongly concerned that imposing high tariffs on construction equipment exports from Japan will have a significant negative impact not only on the Japanese economy but also on the US economy.

Furthermore, the manufacturing, transportation, maintenance, etc. of construction equipment requires a wide range of upstream and downstream supply chains, and we believe that sufficient consideration and response should be given to those domestic companies that will be affected.

In light of these circumstances, CEMA would like to request the following. We would appreciate your cooperation in making this a reality.

- 1. Urging the U.S. government to abolish reciprocal tariffs; and
- 2. Implementing necessary economic measures for domestic companies that are affected, as well as the construction equipment industry as a whole.

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